

A New Deal for Arab People

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ABSTRACT

In recent years the Arab lands have been reduced to a uniform discourse, which well suited those in America such as Bernard Lewis who tried to convince their political masters that a clash of civilisations between the West and Islam was inevitable. However, over the past twelve months a series of revolts recast the map of the Middle East. When the revolts in Tunisia and Egypt started, many Western commentators failed to understand how young Arabs peacefully managed to overthrow well-entrenched dictators such as Ben Ali and Mubarak. Their initial reactions fitted into a broader collective spirit of Orientalism, which long gave up hope on Arab societies ever joining contemporary trends towards democratization. It was not Islam or poverty that provoked the uprisings – it was the crushing humiliation that had deprived the majority of the Arabs who are under the age of thirty of the right to assert control over their own lives.

The anger of the damned is with us once more: the fall and subsequent disappearance of Muammar Gaddafi caps a tumultuous twelve months during which a series of Arab revolts has recast the map of the Middle East. Regimes in Tunisia and Egypt have been ejected by their own people – and the same goes for Libya with massive economic and military help from Qatar and a NATO backed-military operation. Other tyrannies in Syria and Yemen are fighting for survival but the intervention of the Arab League, for decades a monument to immobility and irrelevance, in Damascus suggests that we may be witnessing “the first tangible impact of the Arab uprisings, citizens revolts and revolutions on those Arab elites that still control most governments in the region. Arab regimes may be starting to pay attention to the sentiments and values of their own people, who reject the killings of civilians that

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has taken place in Syria since March.”¹ In Bahrain the minority Sunni rule against a Shia majority has been maintained with Saudi support at the cost of much blood; Morocco, Algeria and Jordan have so far emerged more or less unscathed but predicting what the future holds in store for them is hazardous. In Tunisia a revolution is in the making, in Egypt it looks unlikely the army will surrender its dominant role in security and economic affairs.

The ‘Prism of Pain’ Explains the Lack of Western Sympathy towards Arab People

When the revolts in Tunisia and Egypt started at the New Year, many commentators in the West failed to understand how young Arabs managed, fairly peacefully and in a matter of weeks to overthrow apparently well entrenched dictators such as Zein el Abidine Ben Ali and Hosni Mubarak. It was not Islam or poverty itself that provoked the uprisings – it was the crushing humiliation that had deprived the majority of Tunisians and Egyptians who are under the age of thirty of the right to assert control over their own lives. “*Hiya thawrat karama*” (this is a revolution of honour, dignity) shouted the demonstrators in the streets of Sidi Bouzid in the poor uplands of Tunisia. They were fighting the state, its police but also its *Qawadda* (the Pimps who build instant fortunes by pillaging state assets), which in both cases included the presidential families and their close allies.

Europe and America’s initial failure to show much empathy for Arab people can be explained by the obsessive priority given to security in the aftermath of 9/11, what Shibley Telhami has aptly called “the prism of pain.” This reaction fitted into a broader collective spirit of Orientalism in the West which long gave up hope on Arab societies ever joining contemporary trends towards democratization. It is worth recalling the context of the “they hate us for our freedom” crowd who started braying in America a decade ago. They were the heirs of two centuries of western imperial interference in the affairs of the Middle East. In 1995 there were around 1000 English-language books with ‘terrorism’ in the title but a decade later the number had been multiplied by eleven, opening the door to many fraudsters, fantasists and ideologues. Few of these ‘experts’ appreciated that Osama Ben Laden’s masterstroke was born of serial *jihadi* failure in the previous decade: the veterans of Afghanistan who returned to launched insurgencies in Algeria (with the connivance of elements in the country’s *Sécurité Militaire* only too happy to play with fire to retain political control), Egypt and Libya all failed. Algeria paid the heaviest price for defeating the jihadists: enormous material destruction, an estimated 150,000 dead and the loss of 600,000 people, often well educated, who fled the country. Their religious zeal failed to bring down autocrats at home, underestimated the strengths and failed to identify the weaknesses of the Arab security state.

As events keep unfolding, particularity and context must not be cast aside. Too often in recent years the Arab lands have been reduced to a uniform discourse and analysis which well suited those in America such as Bernard Lewis who were trying to convince their political masters that a clash of civilisations between the West and Islam was inevitable. Well, the streets of Peshawar are not the streets of Tunis and the latter are far closer, socially, economically and culturally to those of Palermo or Marseilles than to those of Ryad. The disconcerting detail, the ability to pick up the threads of café conversations, the grotesque nature of the former Tunisian, Egyptian and Libyan regimes is a story well worth telling. The street vendor in Sidi Bouzid who died after accidentally setting himself on fire was probably dead when the Tunisian despot decided to be photographed at his hospital bedside in an attempt to placate the rioters, which would explain the appalled expression on the face of the doctors standing by at this macabre charade. Gruesome details of this kind tell you more about a regime than grand theories.

In the immediate aftermath of 9/11, many commentators failed to understand why millions of people in poor countries who had been pushed to one side and deprived of the right to decide their own histories should feel such anger at America. In many instances, “anti-American feeling was not so much righteous anger as an instrument

employed to conceal their own lack of democracy and to reinforce the power of local dictators. The forging of close links with America by insular societies like Saudi Arabia that behaved at times as if they were determined to prove to the world that Islam and democracy are mutually irreconcilable was no encouragement to those working to establish secular democracies in the Islamic countries.”²

Home Grown Revolts Turn Nasty

The Arab uprisings were initially relatively peaceful, home grown affairs. Events in Tunisia came as a complete surprise, not least to French leaders who are well acquainted with the villas and beaches of Hammamet but hardly with the country’s poor hinterland. Time and again, Tunisia was held up as an exam-

In Egypt the army has extensive economic interests and seems disinclined to relinquish power

ple of good economic governance by the World Bank and the European Union³. It was a convenient myth, a camouflage for practises which under the guise of liberalism and privatisation were increasingly predatory.

The next wave of protest quickly turned nasty: events in Yemen, Bahrain, Syria and Libya threw up regional, sectarian, ethnic and generational divisions and blood was spilt. Foreign actors, Arab and Western intervened. Ousting Muammar Gaddafi took longer than

initially expected and came at the price of tainting the popular and legitimate character for the Libyan uprising that its counterparts in Tunisia and Egypt had acquired internationally; the future in Syria remains uncertain though increasingly bloody; complex tribal conflicts risk tearing Yemen a part; Bahrain's leaders repressed its Shia majority with the backing of the Saudis who were meanwhile applauding the NATO backed campaign to oust Muammar Gaddafi; France and Britain took pride in spearheading the campaign against Muammar Gaddafi but refuse to confront the Israelis on the fate of the Palestinians. Every foreign interloper has secondary motives for his behaviour: Turkey wants to side with the majority Sunnis in Syria but fears instability in Damascus. The emir of Qatar, Sheikh Hamad Ben Khalifa hopes to raise his country's diplomatic profile by helping the opposition gain power in Syria and Libya; he played a decisive role in the outcome in Libya – using the soft power of the satellite TV al Jazeera and its star preacher Yusuf Qaradawi, who is an influential member of the global Muslim Brotherhood, funnelling hundreds of millions of dollars to pay for Western advisers who helped train and arm Libyan rebels. Qatar's favouritism of Islamists has caused disquiet in the West and in North Africa. Still ossified Arab leaderships and western suspicions cannot detract from the fact that Qatar, whose democratic credentials are non-existent, is promoting an agenda that signals a decisive shift in Arab politics –

a Middle East dominated by mainstream Islamists parties brought to power in a region which is both more democratic and more conservative. The US claims it is in favour of freedom and clean government but does not know what the consequences of all this will be, nor do the French and British.

Some dominoes, widely expected to fall after the demise of Ben Ali and Mubarak have so far failed to do so. With the removal of one dictator, another falls through the trap, but not the one many observers had bet on. Algeria was able to buy social peace thanks to its hard currency reserves of \$200bn and its deft, often Machiavellian, handling of social protests. While many younger people are as frustrated as their peers elsewhere – they invented the discourse on dignity twenty years ago and sulphurous rap music to go with it, most Algerians have no wish to revisit their recent past. In Morocco a new constitution seemed to grant greater freedom to individuals. But a small group of advisors to the monarch, operating behind closed doors remain the key decision makers though recent parliamentary elections which gave the leading Islamist party more seats than any other were more transparent than hitherto but failed to produce as accurate a picture of public opinion as those held in Tunisia a month earlier. Neither country shows any intention of punishing delinquent economic behaviour by influential members of the *nomenclature*. Some media meanwhile continued in their role of actors rather than reporters of events:

in February and March, *France 24* and *al Jazeera* were cheerleading change in Algeria where young people regularly immolate themselves by fire and local often neighbourhood-level riots are daily occurrences of the longstanding *protesta*. By April, their attention had shifted to Libya, Yemen and Syria. All along France 24 was suggesting Algeria was helping Gaddafi, oblivious to the presence of Western trained military advisers, not least French and Qatari officers with the Libyan rebels.

The Arab revolts are essentially three battles rolled into one, which makes their eventual outcome hard to predict. Some observers argue that the 11th February, when Hosni Mubarak fled Cairo marked the culmination of the Arab revolution and that the counterrevolution began on 12th.⁴ Others are convinced that there are so many centrifugal powers at play - sectarian, ethnic, tribal or geographic that a movement which started with high hopes is turning into something messy and nasty whose outcome is hard to predict. Then there is the difficult question of to what degree revolts motivated by economic hardship are making these very hardships more severe as economies are thrown off balance and outside powers refuse to give the financial support that might help to underpin more democratic politics and better economic governance. In other words, political and economic reform can and should be conducted concurrently and in an integrated fashion less worsening economic conditions and rising unemployment derail political revolutions.

Peoples Against Regimes

The Arab revolt pits peoples against regimes: this much was obvious in Tunisia and Egypt. In Tunisia the poorer hinterland acted as the lightning rod as it had back in 1978 and 1984, the uprising spreading from the west and south to the richer eastern coast and the capital, Tunis. No other foreign power seemed to be involved in any significant way so that the final result appeared legitimate. Conspiracy theories abound in Tunis as in Cairo as earlier accounts of the uprisings as transparent affairs give way to a more pessimistic reading of events and the thrill of overthrowing a dictator gives way to the realisation that the cost of revolution and change will be high. In no way does this alter the fundamental fact that Tunisians and Egyptians initially appropriated their revolutions. In both countries the army refused to shoot into crowds of unarmed people and effectively thwarted the despot's attempts to use the hated internal security apparatus - the dreaded *Mukhabarat* - to stop the riots. That said thousands of members of the former *Mukhabarat* remain - one of every 15 Tunisians of working age was a member of the then ruling RCD party and 200,000 were employed by the security forces under Ben Ali. A similar situation exists in Egypt and Libya. In Egypt the army has extensive economic interests and seems disinclined to relinquish power; it must mind its relations with a brittle Israel. Neither of these complicating factors plays in Tunisia.

Tunisia is a small, compact country with none of the religious divisions which exist in Egypt. Its huge population will make Egypt infinitely more difficult to reform than Tunisia. In both cases though, the Pan Arab unity characteristic of the enthusiasm which greeted independence in the 1960s, *Wihda Arabiya*, has been replaced by *Wihda Wataniya*, a yearning for unity. Socialism which was such a powerful force half a century ago as parties such as the National Liberation Front swept to power in Algeria has been discredited by the inefficiency of the states which ruled in its name, the concentration of power in the hands of parasitic elites, their incapacity to help Palestinians and the widespread feeling that the state was counterfeit and under foreign influence. Radical Islamism has fared no better: the thirty two year old

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Iranian theocratic system is seen as a failed alternative while the Saudi model is held in deep contempt in much of the region. Algeria's bloody strife in the 1990s demonstrated that most of its citizens, not least its women, had no wish to live under sharia law. But repression and buying social peace (for those regimes which have the wherewithal to do so) will not work for ever. What Syrian and Libyan protesters (we keep

forgetting Libyans' courage; the NATO involvement discredits their efforts in the eyes of many Europeans but is no less heroic for that) have been enduring, month after month presents a heroic display of civil courage which should put to rest any thought that Arabs are different from any other human beings on account of their being Muslim.

Peoples Against Peoples

The young people who overthrew Ben Ali and Mubarak may have known what they do not want but do they know what they want? A large number of sectarian, ethnic, tribal, regional, ideological, generational and class interests are at play in each country. In Syria there have been defections from the army, and there are certainly many lines of fracture among the Syrian population – indeed, that is probably why many of those with something to lose, and especially the Alawite army leadership and crack units, have so far stuck by the regime. Libya

offers a much more fractured image and many regional and ethnic lines of division. Some commentators have pointed out that breaking up states is becoming increasingly easier to do. Sudan could be followed by Yemen and Libya ⁵. In Egypt the Copt-Muslim divide has been used by the *Mukhabarat* to inflame tensions in recent years, a pattern which was revisited with savagery in the heart of Cairo in early October. Nor is the



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army shy of using force as recent events have shown.

European, American and certain Gulf states may see their strategy in Syria as a logical successor to the supposedly successful Libya game in moulding the Arab revolts towards a western democratic paradigm and greater influence for Islamist parties. As usual, all the focus led by Israel is against Iran whilst the more unpleasant and exceedingly dangerous factions of Sunni Islam in the Gulf are ignored. Needless to add it is the latter's covert support of Israel that has robbed the Palestinians of any real clout in negotiations. Nicolas Sarkozy's policy confirms what has long been obvious, that France not longer has a Middle East policy worthy of the name - like Britain, it just follows America.

Tunisia is more cohesive than most though on how the capital city and richer coastal area respond to the poverty of the hinterland will influence the country's future course. A large middle class helps but tensions could flare between trades unions and large private companies, between secular oriented women and Islamists, between parties which rely on local financing and those which receive largesse from abroad. How will state bureaucrats behave? When will the directors of banks who were complicit with the Ben Ali clan - and who remain for the most part in place, be put on trial, at the very least dismissed? Will the criminal class grow as unemployed former members of the security services seek out a living? How will Libya influence events in Tunisia? This year

alone Tunisia has lost as much, in GDP growth terms from the conflict in its southern neighbour as it has from the fall out of its own revolution ⁶.

Are the young people who started these revolts prepared to cast a vote? Will they be ready to deal with the hard bargaining they will inevitably be involved in after elections – with economic interests which have not gone away, with Islamist parties which are content to remain quiet on cultural issues today

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but may be less so should they win large numbers of votes at the polls? Coexistence will at best be fraught and could degenerate if economic activity does not pick up. GDP growth in Tunisia will be zero this year: what if this trend carries on into a second year? How will people react to endless talking and bargaining as their economic conditions deteriorate? Repression will not work nor will co-opting the leadership of these movements, as they represent amorphous groups and are unwilling to become part of the old regimes they seek to transform.

Regimes Against Regimes

This third aspect of the crisis throws up many possible scenarios with any

number of foreign interlopers adding to an already complex situation. A wide range of interests pit regional and international actors against one another in a fight for influence which will weigh on the future shape of alliances in the region. Looked at from Ankara, Tehran, Doha, Manama, Damascus, Cairo and Algiers, let alone Paris, London, Moscow, Washington and Beijing, these rivalries will play out in any number of ways. While some states will fragment,

others will see a resurgence of certain reinvented / reimagined cultural identities, such as the Berber one in North Africa, but will not break up – this is true of the central Maghreb but will it be true of Libya? The

eventual collapse of Syria would open a Pandora's Box as Hamas in Palestine and Hezbollah in Lebanon lose a patron. Such a collapse would also sharpen the competition between Iran and Turkey which has moved much closer to Saudi Arabia in recent months. Further trouble in Bahrain would have its own consequences and what of Yemen, already host to hundreds of thousands of Somali refugees quite a part from its own unruly modern history? Could it not split again?

How Israel and Turkey react to the events under way is important. Was Mahmud Abbas emboldened to go to the United Nations and ask the General Assembly to recognise a Palestinian state as a result of the Arab Spring? Will regional events lead to another *Intifada*?

Will Israel rethink its relations with the Palestinians if it feels more isolated? Will it launch an attack against Iran? Turkey's current leaders for their part have promoted an active policy of "zero problem" with their neighbours which is being sorely tested in the case of Syria. A deterioration of relations with Syria could flare up in internal politics in Turkey.

Many observers mention Turkey as a model for aspiring democracies. With its secular democracy, booming economy and growing international clout, some observers argue that Turkey has become an inspiration for Muslims around the world. One key factor however gets overlooked: Mustafa Kemal who founded modern Turkey nearly a century ago was legitimate in the eyes of his people. In Arab countries the high hopes which came with independence ended in unmitigated failure as wealth was concentrated in the hands of a few, corruption became endemic and important segments of society such as the peasantry which had greeted their new leaders were ignored. Where Arab regimes promised most they arguably accomplished least. They had vowed to assert genuine national independence yet after a few decades the voice of the Arab world became a whisper on the world stage. The more grandiloquent like Iraq and Libya ended up in disaster. The course chartered by modern Turkey, at least until recently may be attractive but given recent ar-

rests of journalists and growing concern that the state is exerting ever greater sway over other parts of society ranging from academia to business, the question here is how much of a model democracy Turkey really is? The credit bubble of

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the past two years and a very overvalued currency propelled by hot money inflows to gain high interest also suggests all is not well on the economic front.

Will Economics Derail the Revolution?

The result of elections is unlikely to make governing countries such as Tunisia and Egypt easier, at least in the initial stage. Groups with uncertain political experience will compete. As with all upheavals, there will be a messy chapter before clarity sets in and the actual balance of power becomes evident. Many people will question whether emerging regimes are an improvement and pessimist observers believe nostalgia for the past, if not outright counterrevolution, will not lag far behind.

While revolutions have brought people together there is little in the way of civil society to keep them so once the

excitement fades. Most people across the region and not least in Tunisia and Egypt look to the centre for essentials:

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employment and housing. What has changed of course is the state's ability to dominate public discourse. For the first time the street and the media are holding the powers to be to account but the same powers to be are shutting down the Internet. They will have to dismantle the artificial rent created by the likes of Ben Ali which included monopolies, regulation and bullying, limited access to productive activity and generated huge rewards for a favoured few at the cost of holding back the whole nation. An uncertain future is already keeping foreign investment and remittances away; owners of wealth may try to move it abroad – let us not forget that southern rim Mediterranean country nationals hold a conservative estimate of \$600bn abroad. Prospects in Tunisia are better than in Egypt because its economy was performing better before the dictator's fall – the failure was that of the distributive state model rather than the economy *per se*.

The behaviour of those who rule countries like Tunisia in the years to come and the attitude of foreign powers will shape the nature of the new re-

gimes: will they encourage states which regulate and allow people to express themselves, not least by creating new enterprises? That would be the democratic answer. Or will they prove incapable of separating money and power and be bolstered – even manipulated, by outside powers led by the US and Europe as their prede-

cessors were? The brave students who made the revolutions in Tunisia and Egypt were not only standing up to their own governments but to a global system that has long viewed the Middle East as an object of manipulation by and for foreign powers. Recent research has shown that, in contrast to prevailing views, pro-market economic reforms in Tunisia did not foster democratisation. Instead, state-led economic liberalization facilitated the reorganisation of authoritarian rule and contributed to the subversion of democratic tendencies at both the national and local levels⁷. The politics of tourism helped Tunisia leaders project an image of an open country internationally⁸. The gospel of economic liberalization preached by the West has, at least in much of the Arab world, backfired spectacularly.

Jeffrey Sachs is stating the obvious when he writes that “the authoritarian regimes of Hosni Mubarak and Zein el Abidine Ben Ali weren't merely internal affairs. They were strongly bolstered by the US, France and other countries. Manipulated might be a better word. If the Middle East is managed for its resource

rents, it is outside powers, led by the US and other European countries that do much of the management.”

“Lecturing these countries on economic reform is almost risible. Egypt under President Mubarak was long hailed by the US, the World Bank and the International Monetary Fund as a model reformer. But for whom? The latest scandal in Egypt, involving underpriced gas exports from Egypt to Israel during the Mubarak regime is yet another example of how the resource rents are manipulated and shared by international interests playing their own game”⁹. One can only hope that we are witnessing the dawn of a new era rather than a reshuffling of existing roles. In a broader global context, the present phase of bubble bursting in emerging markets will surely count against any investment led upturn in the near future. In North Africa and the Middle East foreign private investment flows are unlikely to rise: they are likely to be replaced by economic nationalism. Investment from Gulf countries to North Africa is unlikely to be more successful tomorrow than yesterday as a recent paper makes clear¹⁰. What conceptual leverage, what practical measures will the IMF and the World Bank call upon to counter this likely return to nationalist economic pressure?

It is worth noting that the modern oil era began in 1969 when the then 29-year-old Muammar Gaddafi seized power. A year later he used threats of

production cuts and nationalisation to begin forcing western oil companies to accept new terms. Riding a wave of rising oil demand and in a tightening market, Muammar Gaddafi initiated a series of dramatic shifts that burst upon the rest

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of the world with the 1973 crisis, thrusting oil to the centre of world politics. Today the price of oil, when adjusted for inflation, is 10 times higher than when he took power – beyond imagining then. “It took 42 years for Gaddafi’s reign to end: but, with a certain symmetry, that moment has come at a time when the oil industry is again facing a new era of change. This is being shaped by the ‘globalisation of energy demand’ as the Middle East looks more to Asia as its growth market, and by technological advance. But it will also be an era in which oil’s suzerainty over global transport can no longer be taken for granted.”¹¹. On the 2003 US-led invasion of Iraq the author, Daniel Yergin, makes the clearest and most persuasive case, certainly more plausible than anything offered by the war apologists at the time, for why it might have been a difficult but unavoidable strategic necessity. He then, with equally economical precision, sets out the hubris and lack of planning that doomed Iraq to tragedy. How the cur-

rent risings in the Arab world will play out on oil production and prices in the Middle East and in individual countries such as Libya is anybody's guess. The Middle East holds 60% of proven conventional oil reserves and the current upheavals have upended a good part of the strategic balance, which will have major consequences for the stability of the region, and so for world oil and energy security.

Given time and steady commitment to economic and judicial reform, such scrutiny should bring about new reforms. Technocrats of high repute are already playing a useful role – for now. Looking to the centre as most Arabs do is no simply a legacy of failed social-

The decline of Western power in the Arab world is no bad thing as it offers hope for healthier relations between the two in the future

ist experiments – it is a reflexion of a deeply held distrust of *Assabiya* – a disintegrating force, well described by the 13th century historian and statesman Ibn Khadoun. The Muslim creed of equality and solidarity directly contradicts the way in which all Arab countries, epitomized by Saudi Arabia are ruled today. The IMF may well have set itself up as the “hidden hand” of free market ideology for the past generation but its prescription of deregulation, privatisation and cutting back public services has given aid and comfort – and a much sought after façade of respectability to the despots in the Arab lands, to a pol-

icy of greed and appropriation of state property, by those rulers and their hangers on. One only has to read recent IMF and World Bank reports on Morocco, Tunisia and Egypt to appreciate the limits of conventional ways of measuring poverty, regional economic disparities and economic performance (look at the rating of Tunisia in December 2010) or measuring inflation.

Arab states and governments will have to take a lead role in reshaping economic management, making it more accountable and ensuring that wealth is redistributed in a more equitable manner. Where constitutional reforms succeed, economic statesmanship will be needed to chart long term reforms, including more competition. It is simply not viable to cast young people who account for half the population out of political and economic decision making

processes; whole regions simply cannot be jettisoned for the sake of the capital and some favoured areas; infrastructures in the poorer regions must be improved; the challenge of reforming the education system so that it stops producing people whose qualifications are often useless for industry must be met. No economic or social policy will stand a chance of success without a degree of fairness and transparency – and trust. Redistribution of wealth is fine but it is the redistribution of opportunities long term reforms entail which will meet the strongest resistance from those who enjoy the fruits of easy access.

Refocusing policy along these lines does not detract from the need to support the productive capacities of the private firms which have developed quality products, particularly for export – these corporate successes are those that escaped political meddling – nor must it detract from thinking out of the box and taking a hard look at micro credit, notably for women. Founded in 1990, Enda-interarabe¹² has made a specialization of such lending whose aim is to integrate poorer Tunisians into the economy. It is probably far more successful in this than many large projects which require expensive imports and offer a fertile breeding ground for corruption and capital flight.

Bold and innovative economic and social policies will need to be drafted and promoted: the poor are concerned by questions of minimum wage, free trades unions, fair and transparent access to jobs and will tire of games being played out in newly minted parliaments. Broader ownership and competition are necessary but full liberalisation overnight would kill the patient – public job schemes and food subsidies may be efficient but they must be kept for the time being to be replaced later by direct support of purchasing power which itself would boost individual freedom and dignity. It is fair to say however that many people find it more undignified to receive cash hand outs than to do subsidised work or buy subsidised food, where dependency on the state is partly

disguised. The MENA region has had negative rates of genuine investment for a generation if natural resource depletion is taken into account. Reversing that trend and rebuilding the old social contract and role of the redistributive

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state are essential. If higher per capita wealth growth cannot be delivered, the region is threatened with chronic stagnation.

Little economic help will be forthcoming from the European Union which is engulfed in its own never ending financial woes and tiring of the long drawn out Arab spring, now in its fourth season. Europe is quite bereft of any strategic vision for the MENA region and Turkey: If only it could look at the region, at Turkey and the Maghreb in particular, as being part of the solution to some of its economic and demographic problems rather than a source of threats¹³, it might be able to draft intelligent policies but “entire bureaucratic empires (have been) engaged in the ‘war on terror’, huge war industries built on it simplistic truths... a large ideological archipelago of fake expertise, with vast shoals of ‘terrorologists’ deeply committed to propagating this caricature of the Middle East”¹⁴. They taught us that the Arabs and the Berbers was a fanatical people, a people with no dignity. These ‘experts’ and the media

who treat them with such respect will not be silenced easily.

The decline of Western power in the Arab world is no bad thing as it offers hope for healthier relations between the

les autres (to encourage the others); offer water tight guarantees to foreign investors; and help create better conditions for quick private sector job creation, in the hope that some of the tens

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two in the future: “the continued rebirth and reassertion of Arab sovereignty, will and influence within the Arab world, after decades during which the incompetent and politically derelict Arab states largely surrendered their regional security and ideological functions to foreign powers” offers great hope to the region whatever the turbulences which accompany it¹⁵. This is true of every Arab state – from Syria to Algeria whose present condition is masterly described in *La Martingale Algérienne* a book written by a former governor the central bank of Algeria, which should be required reading for any western ‘expert’ claiming an interest in the Arab world¹⁶.

If the West gets drawn in deeper to the politics of southern Mediterranean shore countries, it will be because the US loses its Egyptian ally or a country becomes ungovernable. Meanwhile Tunisia’s new government should dismiss most existing bank directors who were deeply complicit with Ben Ali and put some of them on trial *pour encourager*

of billions of offshore funds its citizens hold in accounts abroad are reinvested in the mother country. The Arab League appears to be re-born: that the US, the EU, Turkey and Russia should be responding to its initiatives marks a real shift in

world politics. Appearances might however turn out to be deceptive if the Arab League turns out to be a front from conservative Gulf monarchies, Saudi Arabia and US interests.

Conclusion: An Uncertain Future

In the economic sector as in politics, strict respect for the rule of law and due regard for the legal process and the independence of the judiciary will go a long way to help these countries build the foundations of better governance. But that is not enough. For democracy to be secured, the economy must be depoliticised, opened up and managed fairly while young people need to be empowered and engaged both politically *and* economically. It is a tall order but there is not reason to despair. From Tunis to Cairo, from Morocco to Syria, young Arabs and Berbers have amply demonstrated that there is no such thing as an Arab or Berber incapacity to believe in freedom and build a modern economy.

Those who have reinvented their history through these revolts and western observers of the region should remind themselves of the motto of Prince William of Orange - *Point n'est besoin d'espérer pour entreprendre*. As they seek to join the modern global world, which encroaches ever more on their daily lives, many Arabs try desperately to cling to elements of their age old tradition: they are torn between wanting to join and rejecting the world of the 21st century. It is what the aforementioned author calls "la mondialisation paradoxale." A new deal may be in the making for the Middle East and North Africa but a counterrevolution cannot be ruled out. It happened in Algeria in the 1990s¹⁷ and there is nothing to say it will not happen again.

Endnotes

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