Statehood and Governance: Challenges in the Middle East and North Africa

Stagnant human and economic development in the Middle East and North Africa (MENA), from Iran to Morocco, is mainly due to systemic political factors. The durability of authoritarian rule in the region is based on non-democratic legitimacy (welfare benefits, ideology and tradition/religion). In addition, there is a powerful convergence of interests of external actors and those of Arab authoritarian regimes in the maintenance of the political status quo. State services therefore fall short of the region's development potential, while the monopoly of power is often abused by the state. As transitions of political systems make for instability and uncertainties, external actors should begin by seeking to increase the public scope for non-governmental actors, to integrate opposition groupings into the political system and to ensure that the monopoly of power is applied less repressively.

1. Stability and political transformation

Leaving aside Turkey and Israel (which, being "democratic exceptions", are not considered in the following), political processes in the MENA region all take place under authoritarian conditions. The majority of cases have had less liberal structures than other regions of the world for decades, which has been due to complex patterns of political legitimacy, a robust and repressively used monopoly of power, and external support for the ruling regimes. Only a few countries (Iraq, Lebanon and Palestine) do not follow this pattern because of external influences. There, not only is the monopoly of power restricted, but sovereignty exists only partially. They are trouble spots where the influence of external actors delegitimizes Western ideas of democracy and thus also promotes the stability of autocratic regimes in other countries of the region. There are as yet no signs of transition to democracy in the region.

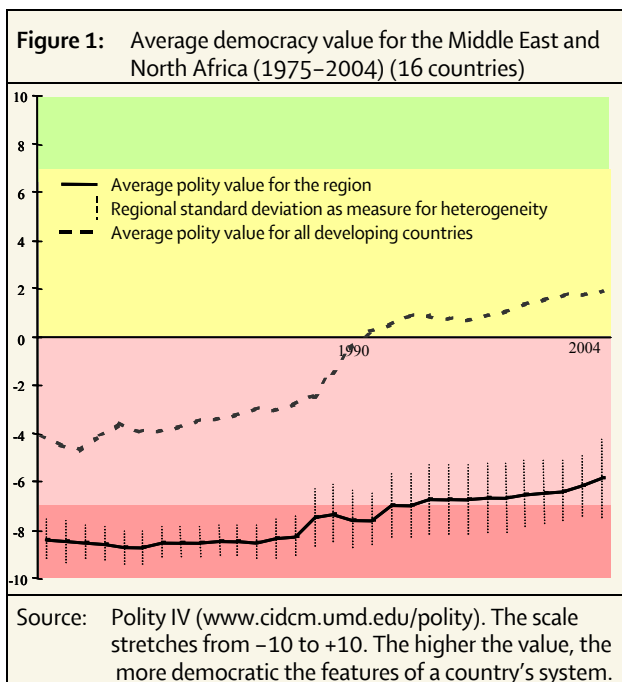## 2. Dimensions of governance and statehood

Legitimacy: derived from non-democratic sources

The fact that, taking the regional average, the Arab world stands out as the most illiberal of all world regions (see Figure 1) often leads observers to assume legitimacy deficits, because the citizens of Arab states are unable to choose their main political decision-makers by democratic means. Yet this is a mistaken impression, since democratic elections are but one among various possible sources from which political legitimacy, i.e. the belief of the ruled in the adequacy of the political system, can be derived. Arab rulers stay in office longer than any others in the world; even more durable is the dominant form of rule, the authoritarian regime of the neopatrimonial type. This durability of non-democratic rule cannot be attributed to repression alone. It is joined by three non-democratic sources of legitimacy acting as "stabilizers": material, ideological and traditional/religious legitimacy. The degree of legitimacy created by these three sources (as well as the share of each in overall legitimacy and the form it takes) varies over time (within individual countries) and space (depending on the country).

a) Material legitimacy: The wealth of natural resources of Middle Eastern rentier states (Iran, Iraq, Saudi Arabia, Arab Emirates, Oman, Libya, Algeria and Kuwait) has enabled them to provide sharply growing populations with food, work and affluence. Even "semi-rentiers" have oil and gas reserves that meet some domestic demand and can be partly exported (Syria, Egypt, Yemen, Bahrain, Qatar and, since 2006, Mauritania and Morocco). Here again, government receipts and intraregional financial transfers from resource-rich to resource-poor countries ("petrolism") enable these countries to provide their populations with basic public goods regardless of tax revenues. Free health and education systems and subsidized basic foodstuffs and consumer goods (tea, rice, bread, sugar, petrol, etc.) are strong sources of legitimacy. Apart from this broad subsidization, strategically important groups (military, security services) are co-opted and tied to the regimes for purposes of power maintenance. In addition, employment guarantees in the public sector for university graduates ensured the loyalty of the urban wage and salary-earning middle classes. Furthermore, top bureaucrats were able to build up a clientele of their own and thus benefit from the authoritarian status quo.

However, neopatrimonial networks are costly to maintain, and the collapse of world oil prices (in the mid-1980s) forced the semi-rentier states to submit to struc-

Average polity value for the region
Regional standard deviation as measure for heterogeneity
Average polity value for all developing countries

tural adjustment programmes. This resulted in changes to these distribution patterns. Moreover, as the World Bank and the IMF demanded a larger role for the private sector, loyal businessmen increasingly received – in exchange for a say in economic policy-making – political posts and semi-legal to illegal non-market privileges, which bound them to and often made them dependent on the politically ruling elite. Workers and the university-educated middle class found themselves as losers in the economic reforms. Growing unemployment, declining real wages and increased poverty meant losses of legitimacy for the regimes. With the renewed increase in oil prices since 1999, however, the rentierist element of Middle Eastern and North African rule has been strengthened again.

b) Ideological legitimacy: Since the 1960s quite a number of regimes have pursued collectivist ideologies combined with policies of import substitution (forms of "Arab socialism"; Syria, South Yemen, Egypt, Libya, Algeria and, for a time, Tunisia). Land reforms and waves of nationalization initially benefited workers, farmers and urban salary-earners, while the power of traditional notables was smashed. This ideology was compatible with prevailing traditional Islamic moral concepts inasmuch as social justice is one of the core norms of Islam. A distinction was, moreover, drawn between Islam and "degenerate" Western capitalism in this way, which had additional positive effects on identity and legitimacy. The "West" stood for imperialist exploitation, political treachery and the overthrow of democratically elected governments. After 1989 this ideological orientation lost credibility: the socialist model had failed – just as had import substitution; help could only come from the capitalist West. With the collapse of the bipolar world order, the Arab republics in particular therefore suffered a decline in legitimacy. It is these states which were internationally isolated in the

1990s (Syria, Iraq and Libya) or disappeared from the map entirely (South Yemen).

c) Traditional and religious legitimacy: The legitimacy structure of the conservative Arab monarchies seems less precarious. The oil-producers on the Persian Gulf, pro-Western in their external relations, have a stabilizing effect on the region and behave domestically as conservative Muslims. Of the range of Islamic values, virtues attributed to the leaders were emphasized. In such dynasties as Kuwait's, Oman's and the Emirates', whose religious legitimacy is only indirect, the rulers present themselves in patrilinear tradition as the latest representatives of a line of venerable ancestors and as particularly suited to rule because of their unquestioned family honourableness and virtuousness. The not always historically accurate "invention" of a national history to suit the rulers as well as symbol politics are particularly conspicuous instruments for enhancing legitimacy in these countries.

As guardians of the most important Islamic holy sites (Mecca and Medina), the Saudi kings occupy a religiously prominent position. On the other hand, as this religious legitimacy is often threatened by "unIslamic" behaviour and scandals involving representatives of the royal family, they are targets for Islamist opponents (bin Laden). More secure is the religious legitimacy of the Kings of Morocco and Jordan, since they, as former Iranian President Khatami, can claim direct descent from the Prophet Muhammad. Criticism of the crown in this sense becomes equivalent to blasphemy, and is therefore politically persecuted.

Monopoly of power: repression without the rule of law

Statehood in the MENA presents an ambivalent image: apart from legal opposition there are resistance groups the majority of which legitimize themselves through religion vis-à-vis their followers. In many instances, the state cannot be said to exercise the monopoly of power without exception. However, the countries of the MENA region invest a larger share of their gross domestic product in this monopoly of power than any other group of countries. The army, police, security forces and secret services form extremely strong forces, which are, however, always (except in Algeria and Lebanon) under the control of a personalistic leader. Despite a monopoly of power that is not always or everywhere upheld, the general picture thus features "strong", potent states. Opposition forces that challenge the political regimes' monopoly of power (anti-systemic opposition, resistance movements) suffer as a result. They are not so much ethnic groups as religiously motivated antagonists of the ruling elites, resisting any attempts by the autocrats to coopt them. As Arab regimes respond repressively to such positions, movements seeking systemic change cannot gain a foothold. Although the rule of law is formally enshrined in many constitutions of the region, the security apparatus is accountable not to the judiciary, but de facto to the head of state (president or king). The state's monopoly of power is not

restricted by the rule of law, but is employed as an instrument of authoritarian power maintenance. Owing to the fragmentation of opposition groupings and their poor organizational capacities, they are unable to establish power centres that would be perceived by the people as an alternative to the regime.

For the rule of law to be strengthened, the use of force by the state should be tempered, but the chances of this happening are remote: firstly, the rule of law is, by definition, restricted in authoritarian regimes, and Arab regime elites are – due to international rent income – strong enough to maintain the necessary repressive potential to stay in power. Secondly, there are few discernible signs of external actors being willing to take the risk of weakening incumbent regimes (see below). The Iraqi exception will continue in the future to confirm the rule described here. Limited change in the shape of a moderate alteration of the use of the monopoly of power under unchanged systemic conditions is conceivable. In this scenario physical repression would be applied less frequently and less severely, and inclusive strategies would instead be increasingly pursued. This would entail greater efforts to integrate currently illegal anti-system forces into the formal political system. Even though this requires reforms at the polity level, there would be hardly any major risk of instability because the regime's monopoly of power would not be questioned.

Yet this would presuppose the regime's willingness to give opposition forces greater scope than hitherto and to assign them a formal role in the political process. Secondly, the opposition would similarly have to accept a "guided" political "contest" of this kind, with the regime laying down the rules of the game. Past experience indicates that, in some cases, this can lead to a reduction in widespread human rights violations and in the routine abuse of the monopoly of power. However, such reforms would have to be stimulated from outside and the regimes actively encouraged in political dialogue to undertake them, since only few regimes in the region opt themselves for such inclusive strategies. The majority, encouraged by international backing in the global "war on terror", prefer to exclude and repress political opponents.

State institutions: informal patronage penetrates formal structures

Despite the region's susceptibility to conflict, the MENA countries are, for the most part, highly centralized, "strong" states. There is no effective separation of powers in any Arab country; instead, a personalistic ruler usually heads the state, acting as arbiter, constantly juggling the sometimes conflicting interests of the bureaucracy, military, clergy and social forces and monitoring wide patronage networks. While subnational administrative units exist, subsidiarity plays no more than a rudimentary role in this centralized government structure (local posts as sinecures for clientelistically co-opted sub-elites). What is happening is not

decentralization, but could at best be labelled a very tentative deconcentration. Neither the judiciary nor the legislature enjoy significant independence.

Individual policy areas can be distinguished according to their relevance to the rulers. Spheres that are strategically important for the survival of the regime such as internal affairs, security, oil and gas or defence are the exclusive preserve of the core elite. Ministries such as those for the environment, for water or for education, on the other hand, are usually headed by clients of the core elite rather than its own members. Those in charge of the economy or of religious affairs may be borderline cases, while the foreign ministry normally serves as a mouthpiece of the head of state.

Policies and service delivery: rich in resources, little development orientation

As a rule, the policies of Arab MENA countries are subject to the primacy of the desire of neopatrimonial regimes to retain power, independently of the respective issue area. Policies are pursued resolutely only as long as they do not conflict with this overall priority. For political reasons, then, the region's potential is tapped less for development purposes than would be possible under democratic conditions. While the countries of the region occupy different places on the Human Development Index, they all have lower ratings than might be assumed from their per capita incomes (exceptions: Libya, Syria and Yemen). Structural reforms undertaken in the 1990s (to the economy and political institutions) can be seen primarily as adjustment strategies for maintaining power. Although the Arab states rank higher than the average for developing countries in terms of life expectancy or access to drinking water, they rank lower in terms of investment in education, literacy rates, schooling and university education, where substance is of greater relevance to the rulers and traditional societal attitudes discriminate against women. On the overall Human Development Index the Arab countries are only just above the average for developing countries, despite their relatively high per capita incomes (highest rankings of all developing regions after Latin America), but invest all the more in maintaining the monopoly of power (highest spending in percentage terms on armaments of all developing regions), with the result that, in spite of positive general trends, they fall well short of their potential as service providers.

3. Role of external actors

Democratization is the core issue for governance in the region because prospects of human and economic development depend on it. Systemic transitions to democracy, however, are not to be expected in the medium term. By definition, they will entail the removal of the ruling regime, which in turn triggers periods of uncertainty and instability. These potential costs are too high for donors to prefer such an option, especially as they conflict with other foreign policy objectives (stability,

global energy markets, geostrategic interests). The conflict of the objectives pursued by external actors, political stability on the one hand and democratization (and thus improved development prospects) on the other, hardly seems capable of resolution and is hardly ever addressed explicitly by decision-makers.

Hitherto the foreign policies of external actors have therefore, by and large, stabilized MENA polities, prioritizing security (in a conventional sense) over democracy in the region. With the world's largest oil reserves, the MENA region is also extremely important for the global economy. Thus the interests of Western industrialized nations converge with those of the regimes of oil- and gas-producing countries in their preference for political stability; any instability has direct adverse implications for both. This convergence of the interests of Western and Arab governments has regularly pushed questions of participation and the rule of law, not to speak of democratization, into the background. The USA, but the EU, too, actively support the monopoly of power of Arab autocracies, despite all the rhetoric about democratization. Similar patterns can be identified in Russo-Islamic relations. For external actors, then, the Arab autocrats' efforts to retain power coincide with their own order of preferences in their foreign policies. One of the basic causes of the durability of authoritarian rule in the MENA region thus lies in the combination of (a) donors' conflicting objectives and (b) the convergence of interests of Western and Arab leaders in maintaining the status quo.

Moreover, Arab regimes are "veto actors": they cannot be circumvented, since they also decide which *societal* groups enjoy legal status and thus qualify as cooperation partners for external donors. External actors should therefore, in their political dialogue with Arab partners, seek to achieve greater pluralism, a widened public sphere for the opposition, and to encourage regimes to legalize and include the latter into the formal political process. This should also include those social forces with the widest societal backing, the Islamists. The aim of development cooperation in Arab countries should be to create greater opportunities for participation, even for Islamist forces, if in an authoritarian political game. For where regimes have permitted Islamist groups to join in the political process (e.g. Morocco and Jordan), their integration has been comparatively successful and peaceful. By contrast, the exclusion of religious opponents has mostly led to their radicalization and to the (temporary) limitation of the state monopoly of power (Syria, Egypt, Algeria and Saudi Arabia). Secondly, external governments should take "partnership" seriously: since there is no getting round the re-

gimes (they decide on the legal status of societal actors and so on their eligibility for assistance), it is counterproductive to unilaterally propagate long-term objectives such as democratization which partner governments do not share. Doing so raises unrealistic expectations among both Western and Arab publics and works to de-legitimize the very concept of democracy.

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Further reading

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