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**Agents of Change
in the Mediterranean**

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On Change in the Mediterranean

Dimitar Bechev and Isabel Schäfer

Collective imagination associates the Mediterranean with continuity rather than change. While Fernand Braudel's concept of *longue durée* dominates the study of Mediterranean past, observers of current affairs lament the persistence of authoritarianism, violent conflict and economic stagnation across the Middle East and North Africa. That was not the case a mere decade ago when the Barcelona Process was launched by the EU together with the governments of the so-called Southern and Eastern Mediterranean, including the present-day member states of Malta and Cyprus. Barcelona's vision was very much in tune with the prevailing liberal mood in the West and elsewhere in the wake of the Cold War. Inspired by Kantian internationalism, the scenario entailed the peaceful spread of democracy, economic interdependence, and the growth of co-operative institutions governing relations between states. This vision never came to fruition. Indeed local responses to a stream of external initiatives such as the Euro-Mediterranean Partnership (EMP), the European Neighbourhood Policy (ENP) and, most recently, the Union for the Mediterranean (UFM) have struck a dissonant note with abstract notions of transformation and 'normative power' recycled by the students of international politics, European integration and transitions to democracy.

While bicoastal links in trade and foreign direct investment (FDI) have expanded from the mid-1990s thanks to the liberalization packages pushed forward by the EU, the Middle East and North Africa have been largely immune to the waves of democratization sweeping adjacent regions, from Turkey to parts of Sub-Saharan Africa. In the 2000s, the derailment of the Oslo Peace Process, 9/11, the US invasion of Iraq, the wars in Lebanon and Gaza have all added to a particularly inhospitable regional environment, torpedoing the multilateral frameworks tasked with improving relations between states and peoples through functional integration. President Nicolas Sarkozy's Union for the Mediterranean, with its Secretariat rendered dysfunctional, is the latest casualty of the region's volatile politics. Meanwhile, the muscular US agenda for the unilateral promotion of democracy, beloved to the Bush administration and its neocon gurus, has hit a wall with its inability to nudge local allies such as Egypt to undertake more than cosmetic changes of their political system. The electoral victory of Hamas in 2005, for its part, fuelled fears that, contrary to liberal postulates, democratization breeds conflict and instability, not

peaceful transformation and compromise on divisive issues related to territorial borders or fundamental political values. It made even more acute the impossible choice between stagnation and socio-political change threatening, at least in Western perceptions, to open the Pandora box of radical Islam.

Though not misleading, the above certainly is a very broad-brushed portrayal which glosses over the diversity of cases in the 'Southern and Eastern Mediterranean' as well as the complexity of the transformations in politics, economic and social affairs of particular countries and regional clusters. Written by authors from the 'South', the papers included in this collective working paper challenge both the fallacy of inevitable change and the fallacy of eternal stagnation. Rather than positing a stark choice between authoritarianism and instability, they emphasize the empowerment of various social actors, such as civic groups, migrants and businesses, altering the mode of the state's interaction with society in Morocco, Egypt and Algeria. These empirical studies illuminate their potential but also inherent limitations to act as agents of change capable of setting entirely new 'rules of the game'. Through them, the present set of papers seeks to go beyond both wishful thinking and essentialist notions of the 'Muslim societies' or Arab countries as eternal captives of their modern history or cultural features.

What one is left, at the end of the day, is incrementalism with multiple faces and trajectories. It is observable, for instance, in the strategies adopted by outside actors such as the EU. The southern branch of the ENP privileges economic opening and gains in 'good governance' to conditionality predicated on democratic reform, irrespective of the latter's inclusion in the bilateral action plans concluded and 'jointly owned' by the European Commission and partner governments. The contrast with the EU's conditionality-based policies in post-communist Europe but also, significantly, *vis-a-vis* Turkey is clear. With the Obama administration in power, the use approach has converged with that of the EU. While previously pursuing a course focused on military aid and direct political pressure, America looks more favourably at Euro-style caution seeking to minimize the risks of 'backsliding' to harsher forms of authoritarianism or civil war as the Algerian conflict in the 1990s.

What counts as change?

Incrementalism from without mirrors incrementalism from within manifest, across North Africa and the Middle East, in the partial relaxation of government control over society, carving up

spaces of free expression (particularly thanks to the new Internet-based media), greater pluralism in the officially sanctioned public sphere at the national and local level. This begs the question of what is meant by change and to what degree our normative yardsticks are adequate when confronted with hard facts.

Change has multiple aspects: political, economic, socio-cultural. Politically, it refers to the conversion of governance systems, progressive affirmation of rights and freedoms, renewal of leadership, rule of law. While enhancing liberty and distributing more evenly resources, such shifts might have human costs too, as we are reminded by Mehdi Lahlou's paper in this dossier. Furthermore, it cannot be reduced to stylized processes such as the evolution to a modern consumerist ethic, rapid 'regime change', or externally induced democratization conforming to Western ideas. Non-Western societies such as India or Japan stand as a proof that democratic rule comes in various, often dissimilar, shapes and modes. For the Arab world, long-term horizons remain open. Europe's model of 'open society' based on the freedom of expression, political representation through parties, trade unions and civic movements marshals no majority amidst south Mediterranean societies, let alone the authoritarian leadership. International surveys such as the UNDP Arab Human Development Reports (AHDR), Freedom House or the Bertelsmann Transformation Index (BTI), show more continuity rather than change in terms of political rights and liberties across North Africa and the Middle East. This grey area between democracy and autocracy has been attributed different labels in the literature, varying from 'authoritarian rule' (O'Donnell, Schmitter and Whitehead, 1986), 'limited pluralism' or 'multipartism under control' (see contribution of Ezzeldeen below), 'competitive authoritarianism' (Levitsky, Way 2002), 'semi-authoritarianism' (Ottaway, 2003), 'electoral authoritarianism' (Diamond 2002, Schedler 2002), 'hybrid regimes' (Karl, 1995) to 'defective democracies' (Merkel, Puhle and Croissant, 2006). In such conditions, change may also mean 'backsliding', meaning young or emerging democracies' regressing to authoritarian rule. Last but not least, we might conceive of it as reforms in the direction of an Islamic democracy, a model, which remains vague and open to contestation.

Interconnectedness between economic liberalization and political reform is equally a sore spot in the academic and policy debate. The recent financial and economic crisis has given credence to arguments favouring the strong state and state capitalism and therefore the weakening of the liberal democracy model. This delights authoritarian leaders, in Arab countries and elsewhere, supporting their strategies of hindering or managing political openings. High

unemployment, coupled with domestic and interstate conflicts and weak channels of representation are additional factors stymieing transformation.

For all its variability in terms of intensity and trajectory, gradual change seems to lead into two particular directions. The first path could be termed, following Steven Heydemann (2007), upgraded authoritarianism. It is associated with selective reforms implemented in a top-down fashion whose principal goal is to ensure continuity. As we know from the experience of pacted transitions across the ‘northern Mediterranean’ in the 1970s, survival is invariably the primary motivation for incumbent elites such as the families belonging to the Makhzen in Morocco. However, in North Africa and the Middle East, the capacity of the *ancien régime* to control and shape the rules of engagement are incomparably higher as is its ability to co-opt emergent elites, e.g. the new business classes born out in Algeria’s experiments with marketization (see Amel Boubekeur’s paper below) or as a result the *infitah* policy in Egypt since the 1970s, into the networks of power (cf. Brynen et al, 1995). Rather than outright repression, upgraded authoritarianism has relied on softer instruments such as access to wages and employment, disbursal of state subsidies, extension of patronage, alliances with the private sector cemented by rents generated by the opening to EU and global markets. As observed by Eberhard Kienle (2001), the linkage between liberalization and democratic transition could be a ‘grand delusion’.

To fend off external and internal pressures, governments would often adopt progressive legislation, which would remain on paper owing to lack of political will and/or scarce institutional capacity for implementation. Recent laws such as Morocco’s Press Code or Associations’ Act serve as good illustrations. Analysts have registered that measures undertaken under the ENP Action Plans, such as introducing a 20 per cent quota for women in Jordan’s local authorities, are rarely followed up by further reforms (Comelli and Paciello, 2009). Regimes maintain their hold over civic activism through co-opting so-called GONGOs, that is NGOs with strong connections to the authorities. They are also increasingly apt to steer, rather than directly rig, competitive elections through gerrymandering, electoral laws and other means to skew the playing field. Once elected parliaments have been sidelined in the decision-making process and powerlessness has discouraged participation in elections (Kausch, 2009).

To be fair, upgraded authoritarianism could be read as a product of negotiation between incumbent elites and challengers. In fact, it brings parts of the ‘Southern Mediterranean’ closer to cases of hybrid regimes exhibiting a combination of democratic and authoritarian traits in other

corners of the world, from Russia to Latin America. In time, the PR efforts to meet the EU and US demands for reforms might also entrap a number of governments and push them further on the path of gradual liberalization limiting the scope for the otherwise habitual moves towards ‘deliberalization’.

Upgraded authoritarianism therefore contrasts with the second path, that of authoritarian re-entrenchment where cautious opening is followed by recourse to coercion and repression. The case of Egypt is particularly instructive in this respect. The presidential and parliamentary elections in 2005 were preceded by a democratic opening on an unprecedented scale, which had to do with the mobilization of the largely secular opposition groups such as the *Kefaya* movement and the al-Ghad party, and pressure from the Bush administration. The brief democratic moment manifest in the multicandidate race for the presidency and the outlawed Muslim Brotherhood’s winning 20 per cent of seats in parliament was short-lived. In 2007, the regime personified by Mubarak and the National Democratic Party (NDP) amended the Constitution to curb the rise of the Muslim Brothers and the secular opposition as well as to rein in the increasingly activist judiciary (Shehata, 2009). This turn to authoritarianism is reminiscent of past episodes of ‘rollback’, e.g. in the early 1990s. Still, Nahed Ezzeldeen’s contribution to this collective edition argues that *Kefaya* and the ‘people power’ interlude of 2005 poses a long-term challenge to Mubarak’s grip on power.

Such policies have been rationalized by the rising prominence of security in domestic politics as well as in dealings with the EU and US. In Algeria, President Abdelaziz Bouteflika’s second term in office (2004-2009) was marked by a hardening of the regime in response to the re-emergence of radical Islamist militancy spearheaded by the self-styled Al-Qaeda in the Islamic Maghreb (AQIM) after 2006. It came after a period when the regime was increasingly ‘civilianizing’ and using the Civil Concord to co-opt former Islamic militants and their families through money filling the state coffers thanks to the spike in gas and oil prices (Darbouche, 2009). Americans and western Europeans’ fears of transnational terrorism and political Islam more generally has given repression a veneer of legitimacy, with the ENP instruments not being used to pressure authoritarian-minded governments to liberalize. Countries such as Syria and Libya have, at various times, resisted both ENP and the Association Agreements under the Barcelona Process as either detrimental to national economies or a neo-colonialist plot; Algeria resisted the ENP Action Plan. Despite that, these countries have been able to forge close links with individual member states on account of their importance as diplomatic allies, energy

suppliers or gatekeepers controlling illegal migration into Europe.

The presence of those two paths suggests that incremental change may or may not be geared towards positive outcomes. They also challenge the assumption that socio-economic openness or even advancement in governance leads directly, as a *deus ex machina*, to rapid democratization or even another wave of ‘coloured revolutions’. Once these assumptions, central to the political discourse of the 1990s, are set aside it becomes relatively straightforward to study empirically the evolving dynamics of civil society, migrant networks, businesses, including the interplay with the political system. Especially given the fact that civil societies in the Southern Mediterranean sometimes are more developed, in tune with modern trends and interconnected between each other than governmental agencies and political bodies.

Who are the agents of change?

Looking at the region at hand, one notes the great variety and diversity of agents. Country-based, subnational, local, segmental, social class, political cultural and other differences and specificities all account for heterogeneity. Such agents might push for democracy by promoting civic rights and challenging regimes, e.g. over political expression or the lack of just access to resources. Agents of change can be elite actors, intellectuals, artists, media, *mudawen* (bloggers); individual activists but also broader societal groups such as (lower) middle class businessmen, civil campaigners as the members of *Kefaya*, migrants, youth; political parties, foundations, think-tanks but also trade unions or broader social movements.

What matters is the demand for good governance and political representation, in that such agents transmission and voice the dissatisfaction of broader groups in society into the political arena. In that respect, agents of change are not necessarily coterminous with the NGO scene in the countries in question. They can also be governmental actors embracing reform. In any case, distinctions should always be taken *cum grano salis*. Even ‘classical’ actors such trade unions, are sometimes state controlled in some Arab countries. That is why NGOs and, significantly, non-violent (mainstream) Islamist movements increasingly take the role of a mouthpiece for citizens’ concerns and engage in social welfare issues.

Islamists deliberate extensively whether they should participate within established political systems or rather stay without (see Nahed Ezzeldeen’s paper below). Even if Islamist actors are unlikely to embrace liberal values, they are, too, definable as agents of change, in the

sense that in most Middle Eastern and North African countries they represent one of the rare ideological alternatives to the regime (Burgat, 1995, 2007). The prominence of Islamists has to do with the weakness of liberal opposition movements suffering from internal divisions and narrow societal appeal. Islamists fill an ideological gap, at least on the discursive level. On the one hand, in most of the Arab countries, Islamists represent the needs of the vulnerable parts of society and they contribute to social change. On the other hand, most of these movements take a (ultra-)conservative stance on social and cultural issues such as women's rights and homosexuality. Thus Islamists are simultaneously agents of change and status quo player, depending on the domain in question. On the other side of the political spectrum, liberal or progressive agents of change fight for equal rights and freedom of ways of life. Some opposition movements have opened a little more political space, be it in Lebanon, Algeria or Egypt. Most of these groups, whether of Islamist or secular background, share one common, overarching cause: the struggle for rule of law.

Turning to leadership, will the next generation of potential leaders in North Africa and the Middle East be agents of change? In Egypt, Hosni Mubarak's son, Gamal (46), is being groomed for succession in the presidency; in Tunisia, it is Zine El Abidine Ben Ali's son-in-law Sakher el-Materi (30), and in Libya, Muammar Gaddafi's son Saif al-Islam (38). Will hereditary autocrats opt for political and economic reforms or will they defend family and clan interests? Leadership renewal in Morocco, Jordan and Syria in 1999 was quickly followed by disillusion owing to the limited scope and sluggish speed of ensuing change. Today, legitimate political leaders commanding society's sympathy is rather exceptional across the region.

International and transnational actors – governments, international institutions, transnational civil society, migrant networks, diasporas etc. - comprise yet another cluster of agents. External incentive such as the privileged/advanced status or even the prospect of membership in the EU may drive political and economic transformation, although the causal relationship is, alas, not always working. North-South co-operation by civil societies might help, too. However, the hitherto experience of the Southern and Eastern Mediterranean is very different from that of Eastern Europe or Latin America when it comes to outside linkages and anchors. Regional organizations (such as the African Union, Arab Maghreb Union, Arab League, Organization of Islamic Conference) play a marginal role. Outstanding border issues hinder regional integration and economic exchanges between local countries remain difficult, although the informal market is growing. Democratic change largely depends on the economic situation in

a given country, or at least, a positive economic situation underwritten by international institutional webs can help political liberalization and the empowerment of agents of change. Migrants play a crucial role here because, as Mehdi Lahlou argues, they channel values, ideas and new impetus to the host countries and make a positive contribution to transformation. The number of bi-nationals, individuals with a migrant background from Arab countries, Turkey and Israel living in western Europe, characterized by ‘hybrid identities’ (Foroutan and Schäfer, 2009), is actually estimated at 20 million and growing. This means that further research should be done to investigate the role of those groups as catalysts and immediate drivers of transformation.¹

Do agents of change make a difference?

Democratization and economic development are largely stalled across the Arab world. The factors are well-known and need not be repeated here – from the outstanding conflicts to the persistence of authoritarian structures and the entrenchment of rentier economies. Facing such structural constraints, actors have limited options but to be co-opted. The capacity for mobilization and civic action is limited. Conformism and lack of prospects is a problem for minorities and different-minded people, but most of all for the younger generations, who grew up with the discrepancies between the external world presented and accessible via satellite TV and the new media on the one hand, and the stagnating local moral norms and standards on the other. However, it is important not to understate the transformative potential of such agents. Despite the somber views expressed by the world’s commentariat or substantiated by the plethora of governance indices, this collective work suggests that change does take place. As we observe in Egypt and now, even more significantly, in Iran, public criticism of leaders, be it by individuals, ad hoc groups or organized movements, exemplifies demand for democracy and rights across the Southern and Eastern Mediterranean (Schäfer and Henry, 2009). The emergence of new constituencies for change results from the exposure to globalization with the expanding flow of goods, services, information and ideas across state borders. In countries like Egypt, two decades of economic reform have produced new middle classes and employees in the private sector, who are not directly dependent for their welfare on the otherwise omnipresent state. If one believes in historical parallels then the cases of Spain in the 1960s and Turkey in the 1980s where economic transformations set the scene for political change spring to mind, although the experience of

¹ A long-term research project on *Hybrid Euro-Muslim Identity Models* and the role of ‘hybrid’ migrants as agents of change is currently being conducted at the Humboldt University Berlin, cf. www.heyamat.hu-berlin.de.

Tunisia since it embarked on economic restructuring in 1987 serve as a salutary reminder that the linkage might not work. While reinforcing social differentiation greater economic openness has fallen short of creating alternative power centres or challenger elites (Kienle, 2005; Boubekeur in this dossier).

Technological change associated with globalization has had a more direct effect on the political process. Websites and blogs have rendered the public sphere more diverse and politically engaged breathing life into civil society, in contrast to ‘old’ media such as TV and the press (cf. Mohsen-Finan, 2009). As recent showcase trials in Morocco (followed by royal pardon) suggest the authorities are in position to reassert their control. They could also temporarily ban access to Internet sites such as YouTube as it has also happened in democratically more advanced Turkey. When compared with their past, not with other regions ‘in transition’, societies across the Southern Mediterranean, even in dictatorships such as Syria and Libya, appear more dynamic and receptive to change.

Outline

The papers featured below build on the discussions at a series of academic conferences: Agents of Change in the Mediterranean (Free University of Berlin, 1-4 May 2008/Oxford, 18-19 June 2009) and Mediterranean Unions: Visions and Politics (St Antony’s College, Oxford, 6-7 June 2008). They have formed part of a research project co-piloted by Dimitar Bechev and Isabel Schäfer under the RAMSES2 Network of Excellence of Mediterranean Studies supported by the EC Sixth Framework Programme. As other research initiatives of the EU, the spirit of RAMSES2 has been to promote scholarly exchange across the shores of the Mediterranean, between researchers and universities in the EU and in what bureaucratic language refers to as ‘third countries’. The intention of the academic events and the resulting themed section is to decentre the notion of change in a dual sense: away from the world of ‘high politics’ as well as away from the vantage point of Brussels institutions. This, of course, has been more of a general methodological preference than a rule fixed in stone so both Europe and government agencies appear in the case studies alongside with assorted ‘bottom-up’ agents of change. All three papers investigate how micro-level factors, whether the migrants’ pursuit of welfare and status within local communities in countries of origin and abroad (Lahlou) or indeed business operators’ profit-making instincts (Boubekeur) drive social agents in their efforts to re-negotiate their autonomy

vis-à-vis state institutions. These vivid and rich case studies add empirical flesh to the meta-questions mapped out in the foregoing introduction.

In his contribution, Mehdi Lahlou (INSEA, Rabat) investigates the impact of migration on society and politics in the Maghreb, with a special focus on the Moroccan case. He hypothesizes that transnational migration might have transformative effects in three domains: (1) social change, concerning the empowerment of women, the evolution of work ethics, gains in educational levels, social solidarity; (2) economic change covering the effects of remittances and the transfer of skills; and, perhaps most significantly, (3) political change related to the advancement of democracy and the rule of law. He finds that migrants' role has been largely limited to the economy but also procures evidence that the involvement of transnational networks in local development projects has actually strengthened the quality of democratic participation at the grass-roots level, particularly in peripheral areas traditionally neglected by the state. At the same time, Lahlou argues, in agreement with much of the literature, that migration from Sub-Saharan Africa transiting the Maghreb *en route* to Western Europe has led to the tightening of local regimes and reinforcement of heavy-handed authoritarian practices curtailing human rights. Nahed Ezzeldeen (Cairo University) discusses the politics of protest in Egypt, with a reference to the *Kefaya* ('enough!') movement emerging in 2004. Her paper tackles two main questions: (1) what were the social and historical origins of such a protest movement?; (2) what were the effects of *Kefaya*'s appearance on Egypt's political scene? She sees *Kefaya* in light of multiple past precedents of citizen action, both before and after the 1952 revolution. Ezzeldeen contends that despite the movement's demise after 2005 it has managed to create a more cohesive opposition to the regime from hitherto disparate social groups and actors while also nurturing a culture of protest. Far from being a success and falling seriously short of overblown initial expectations inside Egypt and abroad, *Kefaya*'s primary accomplishment has been the broadening of political space for protest and human rights advocacy by citizens as well as the questioning of the regime's legitimacy. It has also created alliances, albeit temporarily, bridging cleavages related to social class, political values (Muslim Brotherhood vs. the secular opposition), regional divides (Cairo-vs.-provincial governorates), and confession (Muslims vs. Copts). Ezzeldeen furthermore believes that the movement has had a significant demonstration effect on other Arab countries.

Looking at the role business elites in Algerian politics, Amel Boubekeur (Carnegie Middle East Centre) takes a frontal attack against the commonplace notion in the literature that

economic liberalization leads, in a deterministic fashion, to democratic and good-governance reform. She studies the transformation of the managerial class of post-independence Algeria's socialist economy into a full-fledged business elite, starting in the 1980s. In her view, these elite became enmeshed in the clientelist structures centred on the ubiquitous trio of power, the FLN, army and civil services, benefiting from the boon of the hydrocarbon economy. To her, the rising prominence of business figures in the public sphere is reflective, first and foremost, of the authorities' strategy of diversifying sources of support through co-optation, in the wake of the destructive civil war in the 1990s. However, the paper concludes that, at the end of the day, new economic elites' political loyalties are at best shifty. Their present support for the status quo does not preclude a re-orientation towards a political regime seen as more acceptable by the public at large, which in turn would legitimize Algerian private business' increased participation in the circles of power.

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Migrants as Agents of Change in the Euro-Mediterranean Area

Mehdi Lahlou

Introduction

International migration brings change for the people involved as well as for their families and society at large. Migrants leave their country of birth to settle in another country, generally more advanced economically, politically and culturally. Living for extended periods in new societies, migrants acquire new values and behavioural patterns, while also improving their living conditions, which might also alter their perceptions and relationship with society and contribute to democratization and socio-economic progress in the sending countries. Upon return to their original residence, emigrants become, one way or another, agents of change. Whatever its origins and causes may be, the migration of million of persons all over the world is a channel of economic and cultural enrichment for both sending and host countries. Historically, societies not benefitting from human exchanges are disadvantaged in terms of economic development, science, culture etc. Migrants bring in new skills, tastes, modes of life and ideas. They also provide economic support for their families and communities back in the country of origin and, channel new social, cultural and political values as well as organizational knowhow. This is observed by many international bodies, including the UNDP:

'In migrants' countries of origin, the impacts of movement are felt in higher incomes and consumption, better education and improved health, as well as at a broader cultural and social level. Moving generally brings benefits, most directly in the form of remittances sent to immediate family members. However, the benefits are also spread more broadly as remittances are spent—thereby generating jobs for local workers—and as behaviour changes in response to ideas from abroad. Women, in particular, may be liberated from traditional roles. (...) However, international migration, even if well managed, does not amount to a national human development strategy. With few exceptions (mainly small island states where more than 40 per cent of inhabitants move abroad), emigration is unlikely to shape the development prospects of an entire nation. Migration is at best an avenue that complements broader local and national efforts to reduce poverty and improve human development. These efforts remain as critical as ever' (UNDP, 2009).

UNDP's arguments are confirmed by the recent historical experience of southern European countries such as Italy, Spain, Greece or Portugal, many of whose citizens sought employment in northern Europe for a long period ending in the 1970s. After making considerable savings abroad and returning home, these migrants contributed to the transition to democracy as well as to social and economic development (Cipollone, 2005). Migration from the Maghreb, particularly Morocco, towards Western Europe began in 1960. It connected Europe's industrialized and institutionally advanced societies, still dealing with the demographic and material consequences of the Second World War, to migrants of rural background with little or no formal education. Migrants came in search of better living standards, intending to eventually return to their country of origin and share material benefits with their families. However, they chose to stay longer in the host countries and progressively integrated in local societies, which influences their outlook. This adds to their role of agents of change in countries of origin. Such effects could be detected, for instance, in the field of demography. Women of Moroccan, Algerian and Tunisian origin adopted attitudes towards procreation similar to those of their counterparts in Europe. Change also occurred with respect to politics and social activism. Migrants returning to Morocco reinforced the local trade union movement as well as left-wing political parties. In the beginning of the 1980s, Moroccan Parliament accepted five new members to represent the emigrants in Europe. At the same time, migrant remittances grew to nearly 10 per cent of Morocco's GDP, with important repercussions on the national economy. Such developments resulted from factors such as the relative integration of Maghrebis in host societies and the low level of unemployment among the migrant populations as well as across Western Europe in general.

The following paper addresses a series of questions regarding international migration, with a reference to the case of the Euro-Mediterranean area (here, North Africa and Western Europe). What are the causes pushing people to emigrate, or wish to emigrate, from their country of origin? What are the main political and human consequences of migration for the migrants themselves and their countries of departure? What is the (potential) role of migrants as agents of change affecting the social economic, and political conditions in countries of origin, which often constitute 'push factors' for emigration in the first place?

Prior to examining those questions, one needs to specify what is meant by 'change'. *Social change* relates to shifts in areas such as empowerment of women, work ethics, the role of education and schooling, social cohesion and solidarity. *Economic change* covers the effect of

migrant remittances on the economy of the countries of origin as well as the consequences of the transfer of skills. By *political change*, one understands acceptance of democratic rules, respect of difference and, more broadly, support for the rule of law.

Causes of migration

When one analyses the evolution of migration from Africa, a phenomenon much discussed in the media, and especially from the Maghreb, one could clearly link with to economic and social underdevelopment as well as the lack of democracy and guarantees for social rights in the region. Another factor is the increasing attraction of the lifestyle and standards enjoyed by populations in Western Europe, owing to the development of new information technologies and the concomitant exposure to images of ‘European life’ all around Africa over the last two decades. Young urban dwellers, mainly male but increasingly women too, are most receptive to those images. For them, European countries (and, to a lesser degree, North America) represent the best option in terms of freedom, personal rights, living standards, leisure, etc.

Attractiveness has grown over time due to the psychological impact of the introduction of visa regimes by the EU member states in the 1990s as part of the implementation of the Schengen Agreement. Restricting legal migration, even for short visits, tourism or healthcare purposes, has resulted in the sense that access to Europe is prohibited for ‘non-white and non-rich people’. The process contributed to the rise of clandestine border crossings and transformed human flows that, until the mid-1980s, took place in both directions, from North Africa to Western Europe and vice versa. Migration policies came to be dominated by the fear that migrants would never return to their countries of origin.

This suggests that poverty is not the main driver of Maghrebi emigration. Looking at poverty, one should not focus on the individual level and personal income falling below the ‘absolute poverty line’ as determined by the World Bank. As shown by numerous studies on the Maghreb, emigrants leaving their place of origin, and subsequently their countries, are young people between the age of 16 and 35. Many among them are school dropouts. Thus, one cannot speak of connection with poverty as these people are indeed still in an age where they have not entered the labour market and adult life. At the time of their decision to emigrate and leave their family and country, poverty does not affect them directly. It is rather the prospect of poverty, i.e. concern about the future, precariousness of living as well as the absence of hope. Migration is

rooted in the diffuse environment of poverty within families where members do not work and resources are insufficient. This is a perception of poverty catalysed by the expectations and hopes of parents and family that the next generation leave as soon as possible and become rich in a short period of time, help parents and family raise the remainder of siblings and provide material benefits (e.g. a new car). This is again captured by the UNDP:

‘For many people in developing countries, moving away from their home town or village can be the best—sometimes the only—option open to improve their life chances. Human mobility can be hugely effective in raising a person’s income, health and education prospects. But its value is more than that: being able to decide where to live is a key element of human freedom. When people move, they embark on a journey of hope and uncertainty, whether within or across international borders. Most people move in search of better opportunities, hoping to combine their own talents with resources in the destination country so as to benefit themselves and their immediate family, who often accompany or follow them. If they succeed, their initiative and efforts can also benefit those left behind and the society in which they make their new home’ (UNDP, 2009).

An additional push factor is the example provided by children of neighbours who had left before and the welfare resulting from their remittances. Those children would typically return for a month each year for annual vacations to display personal wealth in their home community. Perception of deprivation is reinforced by deficient public services, e.g. the absence or the insufficiency of healthcare and medical insurance. It is also related to the immediate physical environment: the aridity of the terrain, the absence of green areas, lack of public places, and the disfiguration of urban space. Added to that is the sense of the loss of freedom and disempowerment, with emigration as the only way to mend this state of affairs. Poverty leads to a constant conflict with authorities marked by fear, disrespect and incompatibility. Poverty is a push factor for migration only as ‘relative poverty’. Poverty in absolute terms is actually a barrier preventing human mobility.

Emigration, even when decided upon and carried out individually, is initially a project of a group, family or tribe. It is reflected, nurtured and prepared a long time in advance. Failure to fulfil the project, by refusal to leave or premature return, is seen as a defeat bringing infamy for the person in question as well as for his family. In the same vein, prevention or any other action aimed at reducing migration could be successful only insofar as it adopts a group approach. Such strategies should improve the living conditions of the whole of community, and not only of a part of its constituents. Preventive action should target all the causes driving people to emigrate across countries and continents. However, such an ambitious program must be undertaken in partnership

by local and international agents capable of changing the conditions of life in the countries of origin.

Human and political costs of migration controls

Taking considerable risks in order to leave the country of origin and enter another country, migrants often face dramatic consequences (IEMed, 2007). As such consequences affect significant numbers of migrants, they also influence interests of states, with implications for the domestic and international political order. The tremendous human cost of illegal migration is generally well-publicized, and they tend to grow with the imposition of further border controls, mainly by European states, aimed at reducing them. The political costs of migration are most salient for transit countries such as Morocco. Having low bargaining power and negotiation capacity, these countries depend in terms of resources, trade and FDI on European states who are highly concerned by migratory flows. The same states have important interests in the countries of origin whose help they could enlist by securing alignment with Europe's migratory policies.

The human costs border control policies adopted almost everywhere throughout the world during the past five-six years are enormous. Public opinion in both the countries of origin and of destination is kept alert by images of drowned migrants' bodies retrieved from the sea. Beside hundreds of North African and Sub-Saharan irregular migrants losing their life by drowning and/or thirst during their journey to Europe, many are killed by the security forces policing land borders. This is a direct consequence of agreements signed between countries like Libya, Morocco or Egypt and the EU. All in all, according to the European Network against Nationalism, Racism, Fascism and in Support of Migrants and Refugees, some 13,250 migrants died between January 1993 and April 2009 while trying to reach one of the countries of the EU. On this total, 1,079 migrants died only in the period 1 January-23 April 2009. More than twenty people were shot by the Spanish and Moroccan border guards between August and October 2006, with dozens wounded and several sustaining permanent bodily damage including loss of limb or some vital functions. More recently, Egyptian police have shot dead at least six African migrants at the Egyptian-Israeli frontier since May 2009. This number is to be added to another 28 migrants killed in the same border in 2008. Apart from these deaths by drowning, thirst, hunger or shootings, generally followed by detentions in very poor conditions and thousands of deportations, it is worthwhile to mention the daily violence suffered by Sub-Saharan migrants.

The Italian journalist Fabrizio Gatti provided terrifying reports in his 2008 book *Bilal on the Road of the Clandestine Migrants* of the journey made by those migrants, particularly between Niger and Libya (Gatti, 2008).

In Morocco, where the illegal migrants resided in relatively peaceful conditions until 2000-2002, the tightening of migration policy and harmonization with Europe's standards led to violence. The situation of migrants has been documented by a detailed report drafted by the MSF, a Spanish NGO. It found that 'between April 2003 and May 2005, out of 9,350 medical consultations the examinations provided to migrants, 2,193 were related to acts of violence. This means that almost 23.5 per cent of all persons examined were directly or indirectly victims of violence.' According to the same report, violence resulted in severe trauma due to falls from separation fences on the Moroccan-Spanish borders, gunshot wounds, beatings or attacks by dogs. Cases of death and sexual violence have also been recorded. In the words of the NGO, '[m]any sub-Saharan immigrants [had] stated that the Moroccan and Spanish law enforcement officers were responsible [for physical injuries sustained]'. According to MSF, 'violence against immigrants can be broken down as follows: more than 65 per cent of all cases are attributed to security forces of both countries and more or less 30 per cent to offender groups and trafficking networks'. A vulnerable group, women are constantly the targets of sexual violence. Sub-Saharan women are considered by human trafficking networks as a valuable commodity and exploited as prostitutes. These women often do not pay their journey or their protection but fall into the clutches of violent members of their communities who claim leadership as well as personal rights over them. These women travel most of the time in groups, under the protection of 'their' men who keep them in secret places accessible only to those authorized by the criminal boss. In exchange for this 'protection', they must provide sexual services to anyone introduced to them, be they inhabitants of the transit countries or migrants. MSF also collected several testimonies of migrant women who, when they get sick, lose the support of their protector and are abandoned, and sometimes, in the worst cases, even disappear.

Owing to its geographical location in North Africa, only 14 km away from the European coast, and its own socio-economic deficits, Morocco is the centre of the Euro-Mediterranean migration issues, with respect to both its citizens and also Sub-Saharan migrants. Authorities in Rabat have come under pressure by EU members to bolster border security and fight irregular migration from Sub-Saharan Africa. At the same time, such a policy would harm Morocco's standing in countries like Senegal, Niger, Guinea and Ivory Coast, which have been its staunch

supporters in the West Sahara conflict with Algeria. The EU is the main economic partner for Morocco. It's the recipient of 74 per cent of its exports and source of 52 per cent of imports. EU countries are home to most Moroccan migrants living abroad. Nearly 2.5m Moroccans reside in the Union, of which 1.5m are in France and 0.5m in Spain. Moreover, hundreds of French and Spanish enterprises are present in Morocco's financial and services sectors. Politically, the failure of the Union of the Arab Maghreb (UMA) launched in 1989, Morocco's 1984 withdrawal from the Organization of African Unity, and the ineffectiveness of the Arab League have rendered relations with the EU of strategic value as the sole security guarantee in an inhospitable regional environment. European states see Morocco not only as an important market but also as one of the most stable countries of the area which made steps towards democratization worth encouraging. The increasing prominence of Sub-Saharan migration in the 1990s turned Morocco a potential gatekeeper of the EU borders extended to the south of the Mediterranean Sea. Like Senegal, Mali or Libya, Morocco opted for a migration policy totally in line with the European approach 'of outsourcing the management of migration flows'. Rapprochement with Spain, France and the EU in general was furthered by the argument that Morocco was 'a victim of its geographical position' due to its intermediary position on the migrants' path to Europe. This resulted, in particular, in strong convergence of views between Moroccan and Spanish officials influencing relations with the rest of the EU and ending the climate of enmity that had prevailed in 2001-2002. Algeria and Sub-Saharan Africa were increasingly singled out as countries of origin, especially after the attempts of migrants to enter the Spanish enclaves of Ceuta and Melilla in the autumn 2005 (Driessen, 2009).

Agents of change and migration

The potential beneficial outcomes of migration explored in the introduction are inhibited because of certain political developments concerning Maghrebi migrants in Europe. They face grave problems as regards integration, even in societies that until recently were considered liberal and open such as the Netherlands, Belgium, Denmark, Italy or Spain. The tendency to live secluded in their communities gained momentum leading to greater marginalization in the host country. Unemployment rates grew, well before the 2008-9 economic crisis, while living conditions deteriorated. As a result, the channels of social exchanges between the two groups, majorities and Maghrebi migrants, became blocked, retrenching migrants in the belief and value systems

brought from rural societies in the country of origin. Migrant groups cannot be regarded as an agent of change except in purely economic terms, that is regarding the effects of remittances on their families and the wider community. Deeper socio-economic transformation would involve reducing emigration rates and also encouraging voluntary return towards the places of origin. This is contingent on the action of national and local institutions and actors as well as on more benign regulation on migratory flows by states.

Agents of change at the inter-state level and within the EU

At the inter-state level, particularly as regards to the relations EU-Maghrebi relations, change depends on the reconsideration of the main principles behind Euro-Mediterranean co-operation. Deepening economic gaps is a major source of tension between the EU and the North African countries, otherwise connected via free-trade regimes. Certain intra-EU policies such as the Common Agricultural Policy (CAP) have had particularly detrimental effect, especially in the context of trade liberalization (Lahlou, 2003). A more favourable regime will help growth in southern Mediterranean countries while enhance environmental standards and optimize the use of increasingly scarce resources, notably water. That will reduce the growing threat of migration driven by environmental degradation. The current focus on policing borders and security should be replaced by long-term developmental strategies and public policies based on shared ownership and responsibility by the EU (Badie, et al, 2008), North Africa (including Algeria and Libya, besides Morocco) and the Sub-Saharan Africa countries suffering greatly because of the loss of human capital. Here, the key potential for change is in the hands of EU institutions such as the European Parliament, generally concerned about issue of human rights, underdevelopment and poverty, and the Commission, especially its directorates dealing with development aid and humanitarian assistance (OECD, 2009).

The economic crisis limits the opportunities to steer public opinion in Europe towards assessing in a positive light migration, especially in its clandestine form. It also shifts attention away from the economic and social development of the poorest regions of Africa. Still, there is an opportunity exists today to reverse that tendency by political parties and especially European NGOs who are not susceptible to electoral pressure to provide publics with information and mobilize popular opinion. A particularly significant role is to be played by local authorities in the host countries (as well as in the countries of origin) in terms of facilitating human exchanges, education, transfers of knowledge and knowhow on local development.

Change in the countries of origin

All of the above changes depend on transformation in the countries and areas of origin carried out by local individuals, groups, communities and institutions. They should serve two goals:

- Ensure that migration does not become an indefinite, long-term substitute solution for economic and social challenges at the local level;
- Harness the developmental potential of migration, beyond the remittances which typically finance only consumption by the migrants' families.

Many scholars acknowledge the positive role of migrants, both living abroad and returnees, – the ones who are still living abroad and the returnees, in terms of development. In the words, of Jean-Pierre Cassarino:

'Since the mid-'80s, there has been growing consensus among scholars and policy-makers that international migration could contribute to the social and economic development of sending countries. Although the issue of migration and development in origin countries has been given more attention by international organizations, few emigration countries have been involved in defining the practical provisions necessary to strengthen the link between return migration and development. Actually, while most emigration countries have adopted policies aimed at attracting remittances and at increasing their inflows, few policies have been adopted to capitalize and draw on the resources, knowledge, skills acquired abroad and experiences of (return) migrants. (Cassarino, 2004)'

Naturally, migrants have the will and, under certain conditions, the ability to largely contribute, thanks to their human, social and financial capital, to the development of their countries of origin. That is achieved through the transfer of that capital or by building networks spanning the country of origin and the host country for the benefit of their families and native communities. Thus, policies that encourage migrants to contribute to development at home minimize the push factor in places of departure and limit irregular migration along with its negative human and social effects. Such can be divided into four categories: (1) economic incentive-based policies; (2) education and vocational training policies; (3) institution / politics and human rights policies; and (4) information policies.

Economic incentive-based policies provide economic operators, whether non-migrants and migrants, with rules, laws and regulations encouraging them to invest and, concerning migrants, to transfer their capital in their home country. These economic policies involve financial market

regulations, fiscal encouragements, the capacity to access industrial zones, appropriate changes in social and fiscal regulations. Potential investment projects should benefit from public contributions where migrants do not have access bank credits.

Education and vocational training policies aim at improving the levels of education which bear directly on development. Such policies facilitate the legal migration of people with high /adequate qualifications and provide migrants returning to their country of origin to profit from additional training as way of re-integration into society.

Institution-building policies complement the previous clusters and refer to the change of laws and administrative practices to create investor confidence fuelling private initiative by domestic and foreign residents, including migrants. Such policies should also stress human rights and protection of individual freedoms, thereby reducing emigration and encouraging the return of migrants.

Information policies focus on providing migrants with information on their societies and ways to participate in domestic processes. It should also raise awareness of economic opportunities, information on investment and on warranties on how to engage in business activities without being physically present in the country.

The four categories of policy have a macro-level, national outlook. Their design depends on national institutions: parliament, government, political parties, major NGOs. That would entail giving a voice to migrant communities in the policy process. During the 1980s, representatives of Moroccans living abroad were appointed to the Parliament in Rabat, but this is not the case anymore. Since 2007, however, an institution called Advisory Council of Moroccans Living Abroad (CCMRE) was created, with about fifty representatives of communities spanning from Sub-Saharan Africa to North America involved. As its members are not elected, have only advisory functions and do not deal with domestic socio-economic issues, it is hard to characterize CCMRE as an agent of change. Moroccans living abroad are absent from national debates and, by and large, do not influence politics.

Migrants as agents at the local level

The situation becomes completely different when moving from the national to the local level. Historically, Morocco has been marked by great regional imbalances in economic and social development resulting from the absence of the state intervention, poor infrastructure and public services. Growth and development have been largely confined to the Atlantic coast and the Northwest. This has prompted researchers and observers to habitually divide the country's territory into 'useful' and 'useless Morocco'. The areas of emigration have been primarily located in the latter regions where the state is absent while social and economic development is deficient. The sense of being abandoned breeds strong opposition vis-à-vis of the state. Poverty and underdevelopment have therefore the following effects:

- Young people are obliged to emigrate, but are also wish to maintain economically their families back home;
- There is a strong feeling of regional identity and will to address the predicament, largely blamed on the state.

The areas of Tafilalet in east-central Morocco and the area of Souss/Anti-Atlas in the West provide a good illustration. In those provinces, family and tribal bonds have been traditionally strong which enables migrants to play a significant role. Their individual actions have a very pronounced community dimension. The relationship between the migrants and their communities long remained focused on remittances ensuring the welfare of the family and annual visits. From the middle of the 1980s onwards, that started changing due to a constellation of factors:

- Internally, state policies evolved thanks to liberalization, opening to civil society and the devolution of power through elections of local representatives.
- Outside Morocco, the profile of migrants changed, too. The average age of Moroccan diaspora became lower, education and skills improved as did social and political awareness.

In host countries, migrants learned how to organize and act collectively through trade unions and NGOs. The sharp drop of airfares over the past year and the facilitated communication via new and cheaper information technologies has played a part, too. Migrants became more closely involved in the social life of their communities and families also motivated by the unfavourable comparison between material conditions in their countries of residence and places of origin and the resulting sense of injustice. In Tafilalet and Souss, migrants engaged in development projects and activities of great material and symbolic significance, independently from the administrative authorities, in a number of fields (Ould Aoudia, 2008: 143-144). That includes access to water, an issue for large parts of the population especially young girls and the fight against illiteracy, particularly high with women. Migrants have funded the construction of schools, roads, sanitation infrastructure and electricity networks, and invested in family agriculture and the handy-craft sector (Fondation Hassan II, 2007). Two income-generating activities are especially well-developed thanks to remittances' transfers: carpet manufacturing in Tafilalet and the production of argan oil in the Souss. Added to that are small projects in the area of 'green' or mountain tourism. Such initiatives targeting primarily foreign markets are dependent on social networks to guarantee the smooth international deliveries and receive foreign tourists. Migrants therefore play a critical role in financing (especially the cost of the equipment and capital goods required) and implementing the above projects. Thanks to their presence in host countries, they have acquired certain knowledge of the tastes and consumption preferences of the majority populations which facilitates sales to export markets. Skills learned in host countries enable migrants to benefit considerably from internet-based technology and maintain unbroken contact with communities of origin (cf. de Haas, 2009).

Despite all that, migrants' agency would not be effective unless local inhabitants were not organized in novel ways, especially the so-called Local Development Associations (LDAs). Some of the latter, often the most significant ones, are spinoffs of migrant associations active in host countries such as France, the Netherlands or Belgium. Amongst the best-known and well-established bodies is *Migrations et développement*, based in Marseilles, whose principal seat in Morocco is in the town of Taroudant in the Souss. Those localized processes of migrant-driven change push the state to get involved in socio-economic issues in traditionally neglected areas lying outside 'useful Morocco'. It tries to engage with LDAs through national anti-poverty structures such as the Social Development Agency (ADS) or via the National Initiative of Human Development (INDH). Thus, one can say that civil society has influenced the state. Still,

authorities continue to rely on migrants' remittances rather than implementing local-level programmes that could, over the long term, reduce transfers from abroad by removing some of the causes of out-migration. As Natacha Iskander puts it:

'Once the migration communities made themselves visible to the state – once they brought the state “by the hand” – they helped the state comprehend *how* to implement policies in communities that migrants made trans-national (in the case of international migrants) or trans-regional (in the case of internal migrants). They engaged the state in on-going exchange helped the state think through how to conceptualize policy in communities whose basic activities of economic production, as well as social and cultural (re)production, were often fragmented by vast geographical distances. Although the interactions between the state and migrant communities were more contentious than amicable, they provided a means for communities and the state to design collectively (if not collaboratively) state practices that were not only suited to the particular needs, constraints, and opportunities that characterized migration communities in the Moroccan Souss, but that were also remarkably innovative' (Iskander, 2005).

Conclusion

The above discussion indicates that there is a process of 'communitarization' south of the Mediterranean, which mirrors similar developments concerning Magrhebi migrants in Europe, increasingly isolated from host societies. Migrants' role as agents of change in countries of origin seems to be limited exclusively to the economy, owing to the significance of remittances. Societies in the Maghreb are increasingly attracted to religion and self-centred, irrespective of the six million-strong diaspora overseas, chiefly in western Europe. As the situation of women has not improved, with the exception of certain small steps in Morocco and Tunisia, and democratization has been blocked from Mauritania to Egypt, it is hard to conclude that migration constitutes a significant transformative force in the positive sense. On the contrary, transnational migrations seem to have bolstered authoritarian practices as the EU's border policies have been extended to North Africa. The impact of migrants is most robust at the local level where it helps alleviate poverty, at times contributes to economic development and civil society.

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Protest Movements in Egypt: the Case of Kefaya

Nahed Ezzeldeen

Introduction

In Egyptian public opinion, politicians' image turns to be very negative. There is a general mistrust towards the political class, expressed by popular beliefs that politicians are liars, opportunistic, Machiavellian manipulators. Some scholars point at a historical legacy of an era when the ruler (king or pharaoh) was seen as divine. That is why people used to express their anger or resentment against despotism through indirect ways: keeping silent in public, telling and exchanging jokes in secret, holding sarcastic views, displaying indifference. Complaints against injustice are voiced only to God. Some historians say that the Egyptian society, traditionally rural and heavily dependent on the state's centralized authority, has been inhospitable to resistance or rebellion. According to this interpretation, Egyptian citizens are obedient, prefer stability more than change, and that is why they are more inclined to comply with the ruler and to be subordinate to authorities.

How could a political movement such as *Kefaya*, calling for regime change, could emerge and develop in such a context? Who are the founding leaders, the spokespersons and the members of the movement? Do they represent the pluralist structure of the Egyptian society with its diverse and various elements? What were the goals, demands and means of this movement? How did the Egyptian government respond? How far was the movement successful - internally in attaining its aims and externally by giving an example to other Arab countries? Those are the questions explored in the article, which is split into three sections dealing with (1) the emergence, (2) the strategy, and (3) the impact of *Kefaya*.

The Emergence of Kefaya

Political participation in Egypt

Kefaya appeared on the Egyptian political map in 2003-2004 to fill in a big gap concerning the non-participation in politics by the educated middle classes, as well as a general sense of disenfranchisement. Surveys have shown that membership of the political parties never exceed 5 per cent of the population (Fergany, 1995; Kandil, 1995, 2005: 140-150; Rabei, 2003). The party spectrum has therefore never been representative of society, while Muslim Brotherhood, commanding popular support, has been facing government repression, despite embracing non-violence. During the 1980s and 1990s election turnouts never exceeded the 25 per cent. Low levels of political are indicative of deep mistrust in the electoral process. Voters turn out only driven by private and often monetary reasons to support a certain family or a clan candidate, regardless or even unaware of the latter's ideological or partisan orientation.

Disengagement is driven by the opaqueness of the decision-making process. Journalists, for example, were never consulted before the promulgation of Law 93-1995 limiting free speech. This law was made and approved only in three days, despite protests. Academics have written about an 'unhealthy relationship' between the government on the one hand, and civil society actors, on the other (Hamzawy, 2005). Intermediary structures or channels are almost absent; most of them, such as some opposition liberal parties like the New Wafd, civil associations on women or other civil rights like the New Civic Forum (*Al-Nidaa Al-Gadid*), and other NGOs, are elitist and out of touch with Egyptian majority. NGOs are more at ease with foreign donors than with the local context, and have been unable to act as a counterweight to the authorities (Salamé, 1994; Yassin, 1996: 15-17; El-Borai, 2004).

Civil society and political parties operate within the internal or external limits imposed by the regime admitting pluralism only on paper (Wickham, 2004). In a system of 'limited pluralism' or 'multipartism under control' (Korany, 1998), political parties have only a decorative presence and their role is reduced to the publication of newspapers (Zaki, 2005: 63, 184). There is a deficit of intra-party democracy, of a culture of debate, accountability, negotiation and compromise as well as of leadership renewal, both concerning the regime and the opposition (Ayubi, 1995: 23-24). That erodes public trust and restricts collective action

opportunities, already limited under the legislation governing civil society organizations and associations (El-Sayyid, 1993: 228). In Egypt, meaningful political activity has been confined to an informal sphere represented by bodies such as parallel student unions and workers councils operating outside the state-sanctioned realm.

Kefaya changed that by mobilizing ‘the street’, usually sensitive to socio-economic needs and the demand for ‘bread’. Scholars have linked Egyptians’ protest behaviour as driven by economic difficulties, rarely motivated by purely political reasons (Hinnebusch, 1983; Ibrahim, 1996; Amin, 1993). Typical issues include education, healthcare, transportation and housing, structural unemployment, the massive and ever growing gap between prices and wages. This is understandable as economic growth and the resultant improvement of living standards have remained low. GDP grew by around 4.8 per cent in 2005-2006, the time when *Kefaya*’s popularity peaked (UNDP, 2008). Observers assessed the government’s performance as poor, modest, or plain ineffective. Hence, the label of soft state attached to Egypt (Hinnebusch, 1995; Waterbury, 1985).

Differences and disparities between various social classes have been on the increase, while the middle class is disappearing under the pressures. All this has provided incentives for action. For instance, workers have gone on strike on a number of occasions, typically prompting heavy-handed response by the authorities (El Shafei, 1995). The increase of salaries has been a common demand by groups across the social spectrum, from tax officials to the professors at the Al-Azhar University. However, the most fragile segments of the lower classes have been most exposed to economic hardship. The government has been unable to provide a social safety net. Initiative such as the Social Fund For Development, an institution established by the authorities, in order to help those laid off after privatization through financing and low-interest credits to small and medium enterprises, proved to be ineffective and insufficient (Harik, 1997).

Even with those structural tensions piling up, concerted social action spilling over into the domain of politics had been rare in Egypt. This is where *Kefaya* made a difference. On the other hand, it politicized protest tapping into popular discontent. On the other, it added an organizational dimension to collective action. Previous outbreaks of discontent, driven by the difficult economic situation in the country, had been chaotic and occasionally violent, giving

license to the regime's security forces to respond with coercion.

Historical parallels

To be sure, the politics of organized protest had some precedents in Egypt's history. The Orabi rebellion in 1881-82 or the 1919 anti-colonial rising led by Saad Zaghloul, paving the way to formal independence and the first constitution of 1923, all mobilized the masses. Constitutional and democratic freedoms, however, were always subservient to the national cause. That partly changed after the revolution of 1952: two years later Egyptians marched to the return of the army forces to their barracks but the 1956 aggression in Suez suppressed this movement. In February 1968, students and workers staged demonstrations demanding punishment for the military leaders responsible for the defeat in the Six Day War. They explained failure by the lack of democracy and corruption in the country. On 30 March, Nasser responded with a declaration promising political and economic reforms (Farah, 1996: 256-270). A new wave of rallies, however without popular support, occurred in 1971-72, asking President Anwar Sadat to liberate Sinai from Israeli occupation. Much more serious was the so-called bread *intifada* against the rising prices of first-necessity goods (18-19 January 1977), dismissed by Sadat as an 'uprising of thieves'. Having clamped down on demonstrations, Sadat reversed some of the policies. However, these spontaneous rallies had no lasting political significance.

For the most part, external issues such as the Palestinian-Israeli conflict or the rise of foreign-policy rivals in the Middle East have until recently distracted attention away from domestic grievances. The regime lost legitimacy after its claim to regional leadership, inherited from the Nasser era, came under strain. Low living standards, high prices, unemployment and deteriorating public services now top public concerns (Cassandra, 1995). Marginalized groups such as youth, women, children, a large segment of Egypt's society, have paid the heaviest toll (Kheir el-Din, 1999). Foreign events became an even stronger catalyst for mass protest. Students and members of the middle class rallied to the street to voice opposition against Israel's campaign in Lebanon (2006) as well as operations in the Palestinian Territories causing civilian casualties. The outbreak of the Second Intifada in 2000 led to the establishment of an Egyptian Solidarity Commission institutionalizing protest. The US war in Iraq also set off a wave of protest, as elsewhere in the Arab world: on 20 March 2003 thousands of citizens marched into Tahrir Square in downtown Cairo. The Palestine and Iraq campaigns reached to the grass-roots level, even in

impoverished rural areas and the urban lower class. They also made use of technology. Calls for boycotts of US products were channelled, after 2000, through the Internet and mobile text messages. As in the case of *Kefaya*, the demonstration on 20 March 2003 was coordinated by text messages sent out by Egyptian youth.

Most social and political movements in Egypt have come as a last-resort response to decisions or policies that negatively affect particular interests, rather than in a proactive manner. Students and workers have traditionally been the two groups most prone to mobilization. Except for radical Islamists (Kienle, 1998), there has been a preference for peaceful means, as well as for institutional channels. Protesters have been unable to bargain effectively with the government, organize or elect leaders to represent them. Mobilization has been followed by swift demobilization (Brumberg, 2002, 2003).

The birth of Kefaya

Kefaya appeared in 2003-2004. The name, meaning 'enough', reflected a slogan embraced by the National Campaign for Change. Significantly, this was also a slogan that was used in anti-Syrian demonstrations in Beirut. It was inaugurated during a demonstration in central Cairo on 10 December 2003, the anniversary of the adoption of the UN's Universal Declaration of Human Rights (1948). The venue was also symbolically significant: the space in front of the High Court. *Kefaya* declared itself a popular non-partisan movement serving as an umbrella for various forces and multicoloured trends supportive of political and social reform, notably the end of President Hosni Mubarak's rule (Baheyya Blog, 2005a). The movement opposed the renewal of Mubarak's tenure for a fifth term or the appointment of his son, Gamal, as a successor in the office. Political system's reform had rarely been a rallying point for ordinary citizens or even activists (among students and workers) to take to the streets. *Kefaya* put forward political demands for democratization, occasioned by the 2005 constitutional amendments.

Kefaya's leaders came mostly from amidst student protestors who had once fought Sadat's policies. One analyst observed that the movement included:

'a core of 1970s generation activists who've grown up together, campaigned and competed against each other, were prison mates together, and have refused to settle into tranquil middle age without seeing at least some marginal payoff of a life's worth of activism. They mainly belong to the middle class and intellectuals (artists, authors, writers, doctors, engineers and university professors).' (Baheyya Blog, 2005a).

Between August 2004 and April 2005, *Kefaya* grew from a small gathering of politicians and intellectuals to a movement that had routinized the practice of protest. Signatories of the founding statement, originally adopted in July 2004 by 300 prominent public figures, increased in number, indicating the movement's expansion. *Kefaya* imposed no conditions or procedures to govern the admission of new members, apart for Egyptian citizenship. Flexibility and the fluidity of organizational structure, dependent on networking and coordination, strengthened its popular appeal, in contrast to established political actors perceived as elitist and exclusionary clubs, not forthcoming *vis-a-vis* trade unions, labour or professional syndicates and other similar entities. For its part, *Kefaya* was seen, from day one, as a form of street politics. It profited from communication technologies to communicate with young people through publishing its news, events, flow and exchange of information, calls for gatherings, declarations on the internet, via e-mails, and through text messages.

Kefaya set up 26 committees in different governorates, and the culture of public assembly and protest became a new routine (Baheyya Blog, 2005b). That was demonstrated by the demonstrations staged by factory workers in the industrial township of Mahala as well as by judges (Brown and Nasr, 2005; Osman, 2005). In the Mahala case, protestors succeeded to make the government cancel plans to set up a polluting petrochemical plant. *Kefaya* bridged both social class and communal divides. In times when 'political activist' means almost exclusively a member of the Muslim Brotherhood, the movement membership's combined Christian Copts as well as Muslims. George Eshak, the original spokesperson, is one example. That was at odds with the authorities' claim that *Kefaya* was serving the interest of the illegal opposition, that is the Brotherhood.

Kefaya's strategy

Demands

Kefaya's rallies introduced novel methods of collective action, not tried before Egypt. Instead of voicing segmental demands, linked to the interest of a specific social group, it adopted a national public agenda. The founding statement of July 2004 demanded real political change, end to economic inequality and corruption, and reorientation Egypt's dependent foreign policy. As never before, it attacked the president and his family, hereditary rule, and called for a complete

overhaul of the system. A more elaborate programme, entitled Towards a New Social and Political Contract, was issued in August 2005 and made available via Internet (Egyptian Movement for Change, 2005).

Although Mubarak won the country's multi-party elections in September, *Kefaya* continued its activities, targeting his son Gamal, recently appointed Political Secretary of the ruling National Democratic Party (NDP). The movement broadened its demands, too. It opposed the ongoing state of emergency declared after the assassination of Sadat in 1981, and used as an excuse to restrain civil freedoms through extraordinary legislation. Some scholars have interpreted this move differently. *Kefaya* did not develop its demands after the disappointing election results of 2005 and the regime's continued rigidity. They highlight some positive responses by the authorities such as the amendment of Article 76 of the Constitution as a signal that there could be an opening for change. That might have been an encouragement for *Kefaya's* leadership to escalate their demands.

Means

Kefaya faced tough questions in the run up to the parliamentary elections in the November-December 2005, the first test case whether the regime was opening. If *Kefaya* was to participate in the elections was becoming part of the political game and its rules, drifting away from its original aims and potentially accepting the status quo. A comprehensive change could mean working outside the institutional framework and preserving the distinction from the established political players (the government, the opposition parties, even the Muslim Brotherhood). There was no conclusive answer to those questions. The movement first issued a declaration critical of the elections calling for a general civil disobedience through strikes and demonstration. At the same time, some *Kefaya* members declared their intention to support some 20 candidates and form a common electoral list through the National Front for Change. In addition, there was co-ordination with Lawyers for Change, an affiliated group, in organizing courses training 150 jurists to monitor elections.

Although *Kefaya* was a resistance movement fighting authoritarianism, corruption and hereditary power, it committed itself to be peaceful and consciously rejected violence. It followed Ghandi's principles of non-violence as a way to gain popular support, ensure continuity and avoid state repression. In addition to demonstrations and other forms of peaceful public protest, the

movement opted to act through the judicial channel, some of its members being lawyers and legal experts. They launched cases relating to human rights violations: torture in police departments, physical attacks against activists, especially demonstration leaders. *Kefaya* also made use of coordinated media campaigns to raise awareness about such cases. Judges' verdicts were also employed as an instrument to attack restrictive laws as unconstitutional. The appeal to the rule of law was therefore essential. Parliamentary election results were partly contested with protesters demanding the withdrawal of deputies implicated in fraud and results manipulation. Cases were brought against MPs who had run as independent candidates and later joined the ruling NDP without consulting their constituents.

Evaluating Kefaya's impact

Given the persistence of the Mubarak regime, many observers have seen *Kefaya* as a case of failure. Coming very close to the next presidential election in 2011, it seems that Mubarak could well win a seventh term in office, despite all these voices calling for change and the significant challenge posed by the candidacy of Mohamed ElBaradei. This fact is indicative of *Kefaya's* defeat and frustration. Its character of a broad social movement could not help it to capture society's mainstream or 'the street' (El-Sayyid Sa'eid, 2005; Abou Taleb, 2005; Hassan, 2007; Hussein, 2009). It remained elitist and could not articulate a vision supported by all political and social forces. Ordinary citizens ignored demonstrations or were passive onlookers. The most vulnerable groups did not participate and perhaps were largely unaware of the movement.

Kefaya's umbrella-like nature was equally a strong point and a disadvantage as it limited cohesion. *Kefaya* had no general assembly of voting members or board of trustees as in a NGO. There was a general lack of formal structures as in the so-called 'opposition parties'. In George Eshak's words, '[t]here is no organizational framework, because the whole idea is to break down barriers and to burst open closed doors'. Expectations differed. Eshaq predicted a revival driven by social discontent. Yahya Kalash, one of the leading figures, expected further decline because of what he called the contrast between the objectives of the founding declaration and the functioning traffic on the street. He denounced the Eshaq for speaking on behalf of the movement without proper mandate.

Activists have been divided in several currents and factions differing both on the methods of collective action and the ideological content. Several cleavages have transpired: religious versus secular, liberal vs. socialist, right vs. left. Each individual leader claiming to represent *Kefaya* had their own answer. The absence of ideology limited the movement's ability to transform itself into a popular social movement capable of fostering change. Beliefs and ideas have been necessary to mobilize the generally indifferent citizens and motivating them to sacrifice money and time as well as to take, in the particular case of Egypt, serious risks in facing the coercive machine of the oppressive regime (cf. Hoffer, 1951; Tilly, 1994). Ambiguity led to internal contradictions and opened the door for even deeper divisions (Munir, 2006).

However, given the task of changing the Egyptians' views on the place of government in their lives, it would be too much to criticize *Kefaya* for not producing a coherent programme or alternative vision. What is clear is that it earned the *right to negotiate* with the government, a no mean achievement in comparison to the officially sanctioned opposition. The open institutional structure of the movement therefore facilitated its objective by transcending social class, educational background, religion, political orientation, partisan loyalty, age, sex or place of residence. The movement's identity proceeded primarily from its symbolic power manifest in the *mobilizing slogans* embraced by the street and the *media coverage* it attracted. The latter prevented the regime from using force to stop demonstrations as they had customarily done. Security forces had to modify their behaviour in front of the press and TV cameras and talk shows on satellites. Equally, the movement posed a challenge to the Muslim Brotherhood, which lost the aura of the sole effective opposition to the *status quo*. *Kefaya* managed to enlist support from civil society, including trade unions and human rights organisations joined it and declared their full support to its agenda.

Kefaya's success was related to the creation and enhancement of a new culture of rights, participation, and civic action. People got used to voice demands and bargain collectively. Even without regime change, this is an important development. Thus, in 2007 and 2008, demonstrations spread beyond Cairo's central squares and into the provincial governorates, while *Kefaya* was not the main actor anymore. In Kafr el-Sheikh, for instance, ordinary citizens and farmers blocked the international northern beach road because of the water shortage they had been suffering for a long time. The press spoke of a 'Thirst Revolution' as the governor faced accusations of redirecting water supplies to the tourist resorts along the coastline. Social

grievances over the unfair distribution of resources skewed in favour of the privileged were channelled into effective collective action.

Kefaya had an important demonstration effect both in Egypt and in the wider Arab world. *Hemaya* (protection) emerged as a sister movement dedicated to safeguard voters' rights. *Shaifenko* ('we watch you') is another electoral watchdog. *Etkhnaana* ('we are suffocated') has called for a radical system change exposing cases of corruption and electoral fraud. *Kefaya* has branched out into professional associations such as Journalists for Change campaigning on freedom-of-speech issues, Doctors for Change, Ninth of March Movement of professors fighting for academic autonomy, youth and workers' groups taking action on various social and economic issues. The Fifth of September group has gathered actors after a fire in the southern governorate in Beni Swif killed young performers, professors in the art academy and others in theatre. The group investigated the accident and exposed negligent behaviour by officials in the press. The case exposed the rift between Cairo and Alexandria and the underprivileged areas in Upper Egypt (Kamal, 2007). The Minister of Culture, whose resignation was sought, declared his decision to quit, but the regime insisted on him to stay in office. The case was subsequently taken to court. Interestingly, *Kefaya* inspired other similar actors in neighbouring Arab countries, also under authoritarian regimes. In Yemen, the *Erhalo* ('go out') movement was founded. In the Palestinian Territories, that *Kafa* ('enough') opposed both Israeli occupation and the equally unbearable corruption and authoritarian practices of Palestinian leaders. In Syria, authorities were on alert after a similar movement, named Damascus Coalition, made its appearance in 2005. In Tunisia, opposition parties attempted to organize a strike that ended with the establishment of the Eighteenth of October Board for Rights and Freedoms in 2005.

The culture of protest is on the rise in Arab countries, animated by the sense of rebellion, social discontent rooted in relative deprivation. The precedent set by Egypt did not only give a strong push to opposition forces, but it encouraged them to cross some red lines. This includes criticizing the national leader, a figure previously enjoying a semi-divine position and excluded of any public scrutiny. Now the person himself or the family are no more immune to direct criticism. The demonstration effects are potentially very significant.

Conclusion

The late Mohammed El-Sayyid Sa'eid, one of *Kefaya's* founders, successively described the movement as a protest storm and then as a revolutionary explosion (El-Sayyid Sa'eid) 2006). Despite the political movements and currents who had tried to direct popular explosions to their benefit, stormy protests had never lasted long while nobody could predict either explosion or demise. *Kefaya* made a contribution to several facets of change within Egyptian society.

First, despite deep divergences, it was a focal point to bring activists and leaders of different ideological backgrounds who agreed on a central set of principles and demands. The movement set the basis for a common formula for political change, thereby reducing the fragmentation of the opposition to the regime.

Second, the mounting wave of protests and diffusion across wider social strata and sectors indicates the growth of political engagement. This contrasts with the picture of Egyptian body politic as inert and quiescent even in times of crisis. The *Kefaya* episode freed citizens from their fear to confront the ruler and incentivized them to take action. Cultural change happened at two levels. Intellectuals took the opportunity to disagree publicly with Mubarak, taking away from the halo surrounding the president had begun. The political mobilization of the street, partial though it might have been, broadened that effect. Growing politicization marked a shift in the dominant political culture.

Third, *Kefaya* reached out to marginalized groups such as women and youth. These were integrated, for the first time, in social movement pushing for change, after long periods of exclusion from the public sphere. Thus, *Kefaya* added to the sense of empowerment. This is proven with the proliferation of protest on socio-economic issues by previously marginalized communities. Transformation of the public realm affected beliefs, values and behaviour. People learned to demand, to assemble and to protest in order to fight for their collective interest. Although it would be widely off the mark to declare *Kefaya*, whose demise after the 2005 elections was obvious, as success story, its long-term effects would continue to bear on Egypt's politics.

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Rolling Either Way?
Algerian Entrepreneurs as Both Agents of Change
and Means for Preserving the System

Amel Boubekeur

Algeria's last two decades were marked by the growingly visible influence of private sector actors. Emerging as new political players, major and successful entrepreneurs have generated much hope within the European Union (EU) as well as among Algerian commentators. Considered as potential agents of change, they have often been expected to contribute to democratization, particularly after the introduction of a multiparty system and the transition from a socialist model to a market economy in the late 1980s. Business elites' involvement in politics was supposed to validate a formula dear to the Euro-Mediterranean Partnership, one of whose founding members was Algeria: political liberalization inescapably follows economic development. Yet despite good economic conditions and the emergence of numerous influential businessmen, political and governance reforms are hardly advancing at all, as illustrated by the third term of President Abdelaziz Bouteflika won in April 2009. There has been no confirmation that politicized economic actors will embrace reform and then gradually challenge the monopolistic regime. To understand entrepreneurs' potential to catalyse change in today's Algeria, one should not only look at their direct involvement in usual party-politics, but rather analyse the networks and channels through which they become politicized and their resulting relations with the political elite.

Unlike neighbouring Morocco and Tunisia, Algeria has never opted for a model of 'open market authoritarianism' in which political stalemate is not contradictory with economic reforms bolstering the country's growth and productivity (Camau, 2006; Sufyan, 2007; Heydemann, 2004; Schlumberger, 2006). Algerian authorities' inability to let the market regulate the fortunes of autonomous entrepreneurs primarily reflects their fear that influential business elite might come forward and compete for the oil rents and other public resources. The circles of political power in Algeria, mostly members of the security services, the army and the *Front de Liberation Nationale* (FLN), the ruling party since independence, have narrowed the role of entrepreneurs, creating a sense of economic restructuring and redistribution of power whilst concurrently perpetuating

their political control. Defining who is the 'economic elite' is thus an inherently political act. Official discourse has evolved from promoting managers of public enterprises and a state bourgeoisie until the early 1980s, through talking about entrepreneurs, businessmen and private sector actors in the 1990s, all the way to the encouragement of 'national champions' serving the domestic economy and creating jobs and income in the late 2000s. What demonstrates the political instrumentalization of economic actors since the independence of the country in 1962 is the reconfiguration of the state monopoly on the rent from public and centralized, to privatized and clientelist while invariably relying on loyalist economic actors. The question is then not how entrepreneurs can reform or democratize the political system as outsiders but rather concerns the mode in which they adapt their relationship with the ruling political elite. The aim of this relationship being to preserve the system which is co-opting them and, simultaneously, to present themselves as agents of change in order to survive changing frameworks of the Algerian economy.

In the 1960s and 1970s, a centralized and interventionist system shaped reliant on the control of executive managers (*cadres*) in public enterprises and the construction of a 'socialist' state bourgeoisie (Gellner and Waterbury, 1977). In the late 1980s, the failure to restructure Algeria's planned economy, the establishment of multiparty politics, decreasing oil reserves and the national debt weakened the monopoly of the state. To check opposition's criticism, state representatives, the secret services and the army were forced to open more space for the private sector and make their control less visible. But rather than favouring the emergence of autonomous forces, the co-optation of the opposition, including Islamists, through elections, and the privatization of public enterprises that took place in the 1990s, only allowed the authorities to extend their monopolistic hold on power. The political establishment recast alliances by legally including its competing political and economic elites within the system.

The Algerian regime has become a model of what the literature calls *competitive authoritarianism*:

'Although incumbents in competitive authoritarian regimes may routinely manipulate formal democratic rules, they are unable to eliminate them or reduce them to a mere façade. Rather than openly violating democratic rules (for example, by banning or repressing the opposition and the media), incumbents are more likely to use bribery, co-optation, and more subtle forms of persecution, such as the use of tax authorities, compliant judiciaries, and other state agencies to "legally" harass, persecute, or extort cooperative behaviour from critics' (Levitsky and Way, 2002).

or *semi-authoritarianism*:

'Semi-authoritarian regimes are political hybrids. They allow little real competition for power, thus reducing government accountability. However, they leave enough political space for political parties and organizations of civil society to form, for an independent press to function to some extent, and for some political debate to take place. (...) Such regimes often represent a significant improvement over their predecessors or appear to provide a measure of stability that is welcome in troubled regions. But the superficial stability of many semi-authoritarian regimes usually masks a host of severe problems and unsatisfied demands that need to be dealt with lest they lead to crises in the future' (Ottaway, 2003).

By the early 2000s, the disastrous economic effects of the civil war even allowed the FLN and the military to re-legitimize their authority to steer the national economy. The appointment of President Bouteflika in 1999 was indeed accepted by the majority of Algerians as the only way to extricate the country from the 1990s crisis and regain economic stability.

The relationship between economics and politics in Algeria has evolved from an ostensibly exclusive state control over the economic elite into a system of opaque alliances between entrepreneurs, politicians and army officers. Even if co-optation has inhibited democratic changes since the early 1990s and until now, it has also widened the circle of actors redistributing national resources. Despite its clientelist features, the empowerment of entrepreneurs through political alliances reflects the Algerian regime's need to diversify its shareholding structure in order to ensure survival. Diversification does not imply the emergence of pluralistic politics in the short term. However, clientelism and their proximity to power politicize private-sector networks much more effectively than before, enabling them to understand mechanisms of controlling rents long monopolized by the military and the FLN. One should therefore assess what is the entrepreneurs' current political influence within clientelist networks arising from the restructuring of political legitimacy in Algeria by the rentier and co-optation practices in the 1990s.

If Algerian entrepreneurs are a facet of the regime's changing political configurations, it would be unreasonable to bank on their capacity to usher in reform into a system from which they themselves profit. This article does not look then at the question of whether major players in the Algerian economy do or do not desire to advance reforms and political changes, but rather what underlying interest they might have to do so. The majority of democracy-support initiatives in the Arab world, including those of the EU and the United States, have long sought to identify and support 'reformist actors' and place them at the head of a new political configuration (Byman, 2005). However, the case of Algerian private sector networks and their relationships with the political elite suggests that in the context of restructuring authoritarianism, it is not so much the

change of players but the change of practices that makes a difference (O'Donnell, Schmitter, Whitehead, 1986; Huntington, 1991). It is the instrumental motives of this 'embedded elite' of entrepreneurs which must be taken into account, not their supposedly reformist and democratic or undemocratic orientation (Boubekeur, 2006).

1962 - 1979: the monopolization of economic interest by the state and the creation of a national economic elite

Algerian authorities' investment in the economic sphere, both formal and informal, can be traced back to the creation of the state in 1962. Before that, the French colonial system had prevented the existence of local economic elites, particularly in agriculture and industry (Dillman, 2000: 9). Entrepreneurial 'natives' would have threatened not only the monopoly of the settlers, but also the very colonial project that denied colonized peoples representation and agency. In response to this trauma, the leaders of independent Algeria promoted a socialist economic model insisting on dissolution of social class and the absence of 'bosses'. Businesses left by the colons became public companies aimed at employing massively Algerian citizens, often in a superficial way. Nationalization of public companies allowed the FLN and the army to create their own technocratic economic elite. By the late 1970s, large national companies, such as the all-powerful Sonatrach (National Society for Research, Production, Transport, Transformation and Marketing of Hydrocarbons created in 1963), heralded the birth of a state bourgeoisie (Raffinot and Jacquemont, 1977), rooted in alliances (often familial and / or regional) between political and military leaders (Tlemcani, 1999: 38). Chief executives received official low 'socialist' wages, to which were added various forms of unofficial privileges. Enjoying rentier compensation but running 'self-managed' (*autogérées*), unproductive and profitless enterprises, managers were far from being a class of competitive and creative entrepreneurs and then neutralized by the political elite. One example of this strategy of the economic elite's domestication was found in what happened to the 1970s private importers' lobbies, such as the *Groupement Professionnels d'Achats*. Becoming too powerful, this group was abolished by President Boumediene, who then placed each of its former members at the head of public enterprises (Dillman, 2000: 42).

In 1978, the state assumed monopoly over foreign trade. Rather than dealing directly with western Europe, businessmen were instead made responsible for carrying out parallel diplomacy, for example in order to facilitate international deals leading to very significant commission to

political elites (Liabès, 1984). In Boumediene's perception, corruption neither harmed the state directly nor did it enrich him personally. It only allowed him to hold the economic elite under control. What must be understood here is that the state would not foster a dynamic business class capable of developing productive and competitive enterprises; it only trained managers in order to extend its control and legitimacy. Public enterprises, in turn, kept Algeria's growth rates at artificially high levels while providing employment to buy support for the regime. The state became de facto the sole market regulator picking winners and losers among the economic elite. The engineering of public companies state managers in the service of the socialist state 'of the people and for the people' is decisive in the culture of Algerian economic networks. The interweaving of informal practices by state officials and the public framework guiding and confining economic actors introduced the following paradox: 'the public essence of the state was privatized in 1962, yet commercial activity, of a private nature, was made public' (Byrd, 2003). This culture of state monopoly partly explained the difficulties faced even today by the private sector in gaining independence from political pressure. Only allowed to invest in public companies and often educated on state's funds, economic elites long relied on the state apparatus for sustenance, recognition and privileges. The state's predatory nature prevented the development of private companies regulating, controlling and distributing wealth, and nourished a clientelist system where economic power is not the consequence of the productivity level but reflects the degree of inclusion into a rentier network.

1980-1994: Chadli's reshaping of the rent and the relaunch of the private sector

President Chadli Bendjedid's ascension to power coincided with a significant rise in oil prices from 1979 to 1981. A policy of restructuring of public companies was undertaken. Breaking socialist enterprises into smaller units restructured the leadership of these public companies and above all created numerous positions of responsibility, which were predominantly assigned to Chadli's allies and his family (Grim, 2004). To the president, this offered an opportunity to marginalize the old guard in the FLN as well as their national managers. One of the most high-profile actions was to establish a Court of Auditors in 1980 which convicted Abdelaziz Bouteflika, then foreign minister and close collaborator of Boumediene, of embezzlement. By contrast, Bendjedid's second term starting in 1984 was marked by a decline in oil revenues and increased external debt. The costs of the stagnant public enterprises, soaring corruption and the

Algerians' disillusionment with the egalitarian promise of a socialist economy which had instead enriched a nepotistic elite, led to the major crisis of the 1988 riots. Faced with these problems, the government opted for more official private sector. In 1989, Chadli designated a new prime minister, Mouloud Hamrouche, who embarked upon a program of economic liberalization and the transition to a market economy. This new government of 'reformers' clearly announced its intention to fight corruption and hidden sources of wealth. Through a new constitution, they established the freedom of association and private ownership, enabling many employers' organizations, such as the *Confédération Générale des Opérateurs Economiques*, to resurface, reduced state control over the economy, and granted national companies private status under the law. Foreign companies were encouraged to invest through new credit facilities. In order to stem one of the clientelist enrichment, domestic companies' monopoly on foreign trade was abolished and all companies under private law were allowed to import.

Rent-seeking and reform blockage must always be justified by a certain ideological framework (socialism, planned economy for the people, etc.). The political situation in the early 1990s and the rise of the Islamist party *Front Islamique du Salut* (FIS) played this role and gave a new lease of life to the clientelist networks threatened by private-sector reforms. Multiparty elections were announced but were then cancelled after the FIS achieved great results in the 1991 parliamentary elections. Hamrouche's government as well as President Chadli were dismissed in 1991 and were thus unable to continue their reforms. A state of emergency was declared in 1992 and a new president, Mohamed Boudiaf, was assassinated after warning that he wanted to get rid of the 'politico-financial mafia' that was parasiting the economic development of the country. The two subsequent governments in 1992 to 1994 attempted a return to a planned economy, but the excessive debt burden forced Algeria to opt for an adjustment programme under the tutelage of the IMF. Debt rescheduling sanctioned by the Fund helped political elites survive in the face of decreasing oil rents. It derailed the liberalization efforts of the 1980s while rent-seeking tendencies grew stronger. The new business associations that emerged, such as the *Confédération Algérienne du Patronat* (CAP), were obliged to maintain close alignments with the authorities, and the *Confédération Générale des Opérateurs Economiques* was even led by members of the economic class who had already been embraced by the state-centred networks in the 1980s. Often these included former directors of public companies. The competition between business organizations over a privileged access to the state adding to their low organizational capacity

further ruled out the emergence of a real economic force to lobby for the effective implementation of governance reforms. Despite the new freedom to do business outside the state's perimeter, the poor quality or sheer absence of rule of law owing to the civil war and the austerity imposed by the debt rescheduling programme provided a strong incentive for businessmen to resort to clientelist strategies in dealing with the bureaucracy e.g. in obtaining land, bank credit, import licenses, resolving tax issues etc.).

1994 - 1999: The bazaar economy's entrepreneurs

The country's descent into violence, with clashes between Islamists and the security forces, precluded the possibility of a real and democratic debate on economic governance. While the military was taken up with saving the country from the Islamist threat, the opposition parties would not discuss the army's monopoly on the country's economy. With the privatisation of public companies, the traditional economic role of officers who usually ended their careers at the head of state enterprises in the 1970s and the 1980s, became to be replaced by a new lobby of importers often comprised of retired generals and their offspring. These companies often gain exclusive licenses to operate activities of importation, transportation and safe investments to exclusive markets of that nature, favouring the untransparent enrichment of new entrepreneurs in a bazaar economy who acted as intermediaries for militaries involved in importation activities. At the same time, racketeering and the risk of assassination resulted to an exodus of private sector entrepreneurs who tried to maintain independency from the patronage of army members.

In this security-dominated environment, the IMF's tutelage of the Algerian economy, which was not accompanied by demands to open up the political arena or to making privatization of public enterprises more transparent, implied support by the international community, and especially Europe, for the army's continued hold over the economy. It was motivated by 1) the fear of a growing Islamist danger in Europe, 2) the security of gas and oil supplies from Algeria 3) direct gains by EU firms catering to the import-hungry local market. Without strengthening democratic institutions, the adjustment programme was used to 'settle the financial problems of the state without settling those of the country' (Addi, 2004). A first wave of public enterprises was privatized, with the security situation limiting the transparency of the process. 'To the previous 'capture by withholding (on the entrepreneurs' activities), the system added or substituted enrichment by speculating on exchange, pricing and credit by controlling the mechanisms put in place by the adjustment for its own ends' (Bendarra, 2002).

Privatization carried out in the early 1990s by the Hamrouche government ushered in an informal ‘bazaar economy’ during the civil war; prioritizing trade liberalization over growth, ensuring the transfer of public monopolies into the hands of large groups of private businessmen who represented the political interests of various clans in power. Numerous public managers also used their former connections with the administration to launch their own businesses and benefit from public contracts (Madoui, 2008). With no political consensus amongst the different decision-making circles on how to manage the process, notably the proceeds from the sales, this privatization did not introduce true competition into the market. Indeed attempts at regulation (such as the anti-corruption campaign of Prime Minister Ahmed Ouyahia in 1996) were primarily used to fragment the clientelist networks of rival political clans in order to tackle them one by one (Byrd, 2003: 72). With each change of government, new laws were introduced to meet the interests of the current ruling clan. This constant change of conditions for obtaining approvals and credit or for paying taxes effectively ruined the idea of a real private sector which could not endure without political backing.

This botched privatization through clientelist liquidation of public enterprises cost the state more than \$20bn between 1990 and 2003, whilst since 1994 the rescheduling of debt directly and indirectly involved \$21bn in resources being transferred to the authorities (Bendarra, 2002: 84). Privatization thus benefited a limited group of ‘patrons and clients’. With no strategy for reinvesting proceeds into the productive sector, it left civil society no choice but to participate in the informal economy known as *trabendo* (contraband). While grey-sector profits were beyond the state’s reach they depended on the latter’s informal power. This laissez-faire attitude of the authorities was also intended to buy a relative social peace and allowed for an unstructured redistribution within civil society, in the absence of an institutionalized link between the state and its citizens (elections will no longer be really free), and in the absence of productive economic policies capable of creating jobs (Boubekeur, 2008).

In that respect, former Islamists from the FIS and Islamic Armed Groups (GIA) have been allowed to reintegrate rent channels and negotiate with the army by creating their own businesses. Former FIS elected representatives and leaders have been associated to flourishing private companies (sometimes in direct partnership with generals), such as Benazouz Zebda, the former leader of the FIS newspaper *El Mounquid* who has set up an important import-export company in partnership with the son of Abassi Madani, the former leader of the FIS. Madani Mezrag, the former leader of the GIA, has created his own water company named, Texanna, after the name of

the bush where he was established. Money collected for years from the racket Islamic Armed Groups were conducting (which they call *ghaneema* i.e. war's treasure) has never been redistributed or restituted by the State to victims. Instead, boutiques that imprisoned militants owned have been restituted and repentant terrorists have benefited commercial lands and loans in order to build new factories.

As mentioned above, the bazaar economy also permitted the enrichment of a new class of private entrepreneurs who assume the role of intermediaries, as the increased economic monopolies have led to the withdrawal of the state (Werenfels, 2002: 13). This new group no longer originates from the planned economy or from the rents generated by reform. Its resources were accumulated in the informal economy, especially the one connected to the importation lobby, which is not controlled institutionally. It is this generation that would play an important role in current politics.

1999-2009: The post-crisis networks of entrepreneurs

When elected for the first time in 1999, President Abdelaziz Bouteflika declared the end of the economic and political crisis in Algeria. Bouteflika wanted to distance himself from the established power trio, the FLN – the army – the secret services, whose role in the 1990s crisis had been strongly criticized by the public and international opinion. He sought to build his own support networking, relying on entrepreneurs who had made their fortunes in the bazaar of the mid-1990s. Bouteflika aided his allies through the award of large public construction projects (Boubekeur, 2009a). Thanks to an increase in energy prices in 1999-2009, Bouteflika was able to launch an economic recovery plan from 1999 to 2003, then a program to support economic recovery (PRSE) from 2001 to 2004, and finally a complementary growth support program (PCSC) worth \$55bn from 2005 to 2009. Algeria's new economic framework was strongly linked to Bouteflika's political project to officially end terrorism and promote a new era in which Algeria must find some form of financial stability in order to restore international investors' confidence. The rest of the political and army leaders understood quickly that maintaining their legitimacy was also conditioned by their ability to ensure rapid recovery. This consensus over the need to relaunch the economy allowed broader segments of civil society, political parties and some private entrepreneurs to be brought into the rentier circle of the new leadership, albeit without questioning its political monopoly.

As an example, Bouteflika allowed the creation of a business union in 2001, today's the most

important union in Algeria: the Forum of Business Leaders (FCE). Given its size and the economic importance of its members, it wields significant clout. Its members represent over 500 companies, including many of the largest in Algeria, with a total turnover of €5bn. It is made of mixed old reconverted public managers and new 1990s entrepreneurs of accumulated resources, and led by Reda Hamiani, former minister for small and medium enterprises in the early 1990s. The FCE supposed rival is the National Union of Investors (UNI), set up in 2008 by dissident members of the FCE under the leadership of Abdelouahad Rahim. UNI opposes the FCE's policies towards the government, and accuses it of being a government puppet. The official picture is that more established and entrenched figures tend to be members of the FCE, whilst up-and-coming figures looking for new opportunities and pushing for reform tend to join UNI.

Adding to the emergence of new business associations, the government's privatization policies and the informal connections between political leaders and new business figures had two major consequences. First, the dominance of the private sector in the productive sector (excluding oil) and secondly, the broadening of political influence of private operators connected to circles of power. One indication of the rising prominence of economic actors in the political field is the increase in high-profile corruption cases pursued by the authorities since the beginning of the 2000s. When multiple client networks come into conflict with each other, rival political clans extending protection use corruption cases as a way to weaken competitors. The Khalifa affair is a perfect example. Rafik Khalifa, the young billionaire son of a former political leader of the FLN, was set up by the military intelligence in the early 2000s in order to renew Algeria's image and play down international accusations on the army's complicity in atrocities against civilians during the 1990s. Khalifa owned a TV station, as well as a bank, an airline; he sponsored a major football club and invited the French 'jet-set' for sumptuous parties paid by the Algerian state. The message was clear: Algeria was now free of terrorism and its neoliberal policy could pave the way to political aspiration of democracy. However, the story was cut short due to various political clans' appetites concerning Khalifa's lucrative businesses. Khalifa was attacked by the most important Algerian army generals, who orchestrated a vociferous campaign denouncing his corrupt dealings.

These unstable forms of patronage of major entrepreneurs by the Algerian political authorities illustrate strategies to reconsolidate political power while opposing clans compete for rent. These examples relate to the large private groups whose connections and interests obviously differ from those of small private-sector entrepreneurs.

Another sign of the de facto politicization of economic actors relates to party funding and involvement in times of elections. Since 1999, we have witnessed major business figures officially supporting the activities of politicians in return for patronage. President Bouteflika's re-election campaigns in 2004 and 2009 were supported by various high profile business leaders, included Issad Rebrab, who openly denounced Bouteflika the 2004 election campaign by backing his rival Ali Benflis, but supported Bouteflika again in 2009. The proliferation of complex clientelist networks in Algeria even meant that some business figures were supporting both Bouteflika and Benflis at once in the 2004 elections. Politicians can also attack the business networks of their rivals. In 2004, a major private company such as Tonic Enterprises was accused by Bouteflika's supporters of acting as Benflis' private piggy-bank. In the following years, huge corruption charges were brought against the company and it was ordered to pay back debts of DZD 65bn (€655m), as a punishment for supporting the wrong candidate. Businessmen can also offer logical support. Many major companies competed to offer their services in Bouteflika's 2009 campaign. His campaign headquarters, including the private security company, telephones, transportation and campaign website, and marketing support, were paid for by Reda Kouninef, a 36 year-old entrepreneur and son of the late Ahmed Kouninef, a prominent businessman who financed Bouteflika's first two presidential campaigns. This is clearly another example of Algerian politicized entrepreneurship, with a young, emerging entrepreneur connected into networks inherited from older family members and family capitalism. Other private companies paid for the room in which Bouteflika made his official nomination announcement, his campaign posters and banners, and food for campaign workers. Elections campaigns have become a real market, with fierce competition raging between all the various companies who want to show their support for the candidates. The 2009 campaign was thus supported by all the major trade unions, including the FCE and the CAP. Even the General Confederation of Algerian Entrepreneurs (CGEA), which had previously criticized the regime and despite its avowed apolitical nature, did support the reelection of Bouteflika in 2009. The message here is that Bouteflika is trusted by the business community to be the right man to support business in Algeria and allow the country to prosper. In the absence of any innovative social projects within the leadership, other than the vague 'end of terrorism', it is the distribution of economic power that governs political alliances. Other forms of revolutionary or partisan legitimacy are subsumed by the President's ability to 'award contracts'. Bouteflika's successful connections to business operators have even allowed him to stand for president as an independent candidate in 2009, an unprecedented event in

Algeria.

The reality for small-scale employers, representative of the ‘true’ private sector, is markedly different. Bouteflika rose to power in 1999 in a state whose institutions had been greatly weakened by the clientelist spoliation of the 1990s. The deficit of good governance had indeed torpedoed significant initiatives such as the modernization of loss-making public banks, tax reforms to tackle fraud, making public procurement transparent and immune to corruption. Since then, numerous mechanisms to promote entrepreneurship and support young businessmen and women have been established, such as the ANSEJ (*Agence nationale de soutien à l'emploi des jeunes*) programme. Even if there are visible positive results in terms of the creation of numerous micro-enterprises, young entrepreneurs still face problems of corruption and cronyism in obtaining bank loans or having their offers selected by the government at local and regional levels. The impact of this economic recovery without gains in good governance also affects Algeria's foreign policy. The absence of institutional reforms reduces the country's bargaining power in international affairs, too. The association agreement signed between Algeria and the EU in 2002 (in force since 2005), governing trade relations, exemplifies the state's inability to conceive of economic policy outside energy resources (Boubekeur, 2009a; 2009b). Many Algerian private business figures, particularly exporters, believe that the political elite failed to negotiate a favourable deal and are sceptical about the effect of trade liberalization. According to Benslim Zouhir, president of the Association of Algerian Exporters (*Anexal*), ‘the dismantling of tariffs will benefit Europe. Do not be fooled. Our non-oil exports are insignificant’. Dealings with Europe therefore do not favour the emergence of private operators capable of accumulating capital through the productive sector. The few large groups, such as CEVITAL directed by Issad Rebrab, trying to promote the vision of civil society within the public debate of investment in business, which qualifies as ‘corporate citizenship’, are seeing their dependence on imports increase, and their weight as creators of human resources decrease and are also often limited by their forced loyalties to some political clans. The European programme designed to support small and medium enterprises in the Algerian industrial sector has recorded positive results for registered companies (approximately 300). However, this programme's impact is restricted given the lack of political will to improve the business climate. Even the then Minister of Small and Medium Enterprises, Mustapha Benbada has referred ‘to the apprehension of operators to open their companies for evaluation, too much transparency required for the upgrading process’. Furthermore the minister has characterized the business environment as ‘not always healthy’ and

alludes to 'the informal and unfair competition that this leads to'. Despite FDI prospects, Algeria's motivation to implement the Association Agreement remains very low due to the weak infrastructure and institutions, high transaction costs and the small size of the market (Hugon, 2005). In addition to these problems, Algerian entrepreneurs face difficulties in obtaining visas for travel to Europe. For almost a decade, increasing numbers have been turning to trade with China or the Gulf. The relative marginalization of Algerian economic actors in the Euro-Algerian partnership reveals the need for Algeria to supplement its policy of open markets by strengthening the industrial output and the quality of institutions and governance. The economic recovery which the political leadership desires in order to win the post-crisis support of private sector actors cannot be achieved without the establishment of institutional mechanisms for monitoring their participation in managing the rent.

In the context of a global economic crisis and diminishing rent, influencing economic policies in a more effective and less risky manner remains crucial. Is it possible for private actors to replace clientelism by lobbying the state? Would these actors gain by being involved in the processes of more transparent and healthy decision-making policies? Indeed, one must ask if they have an interest in doing so. After all, the political choice for the status quo with the candidacy of President Bouteflika for a third term also reflects a concern on the part of the clans in power when faced with the growing diversity of interests and business agents. The discrediting of the state, in part through its clientelist networks, creates uncertainty about the future of the control of the rent given the absence of a real political project for economic reform (Hellman and Kaufmann, 2001). One can therefore see that increased competition will make the rent-seeking networks more politicized and more likely to choose rationally their political allies. Of course, this assumed participation depends on the return of an opposition capable of taking advantage of the rentier state's weaknesses and wooing disaffected or marginalized economic actors. They will only support a new political force, which does not call into question their position. Their interests must therefore be answered with a real privatization policy, an upgraded response to market liberalization through maintaining transparency, the increase of productivity, the enhanced credibility on the international stage and capacity to attract foreign investment. Until the Bouteflika era, it was external upsets such as declining oil revenues or domestic social crisis, such as the 1988 riots, which provided opportunities for private sector and civic reforms. It is therefore still to be seen how the current global financial crisis will affect the political positioning of Algerian economic actors.

Conclusion

The analysis of economic actors' political involvement in Algeria raises questions concerning related to the political leadership's modes of renewal. The Algerian case demonstrates that the inclusion of new private-sector actors in the political arena does not mean that the system has opened itself to competition for the management of the country's wealth, let alone its democratization. However, the increased presence of the figure of the 'businessman' in the Algerian political arena reveals the authorities' strategy of diversifying alliances in order to preserve monopoly over power. The emergence of new agents is neutral concerning both political opening, as those who represent the state remain the main decision-makers, and its closure, since economic actors may strive for power by inserting themselves into different clientelist networks. The presence of entrepreneurs in the conjoined fields of economics and politics is transformative regarding the monopoly over the rent.

The fuzzy boundary between the economic and political sphere is conducive to resource redistribution through non-institutional channels, and entrepreneurs are highly dependent on the shifts in the state's echelons of power. However, the formal or informal balancing of alliances, and their specific rules for rent accumulation, no longer seems to work as well as in the past. These alliances are dependent on sources of enrichment, such as hydrocarbons, and punishment, such as the anti-corruption affairs, which control has become rather uncertain during the current global financial and national leadership crises. If the political elites are no longer able to maintain their clienteles, one can predict the advent of economic actors who demand guaranteed access to politics without going through patronage networks as exclusive and monopolistic as the ones they are currently part of.

The co-optation of actors from outside the circles of power, ongoing since the 1990s, raises questions of how well-suited the concept of reform is for cases like Algeria. The means of governance, of accessing the political space, and mobilizing civil society are changing, and it is important to understand how that challenges the process of elite renewal. Indeed, it seems that states have an increased interest in promoting this renewal in a 'concerted' and non-authoritarian way, at the risk of seeing new incompetent elites emerge which would harm the country's prosperity, and/or see the new elite go into exile. The re-legitimation of elites' monopoly over the rent through according new roles to economic actors may create new opportunities that should be better explored.

After nearly twenty years of co-optation strategies which block the political field, Algerian authorities increasingly use the rent to ensure political allegiances multiplied to excess patronage networks. Rent has enriched a wider circle of agents than the establishment could control, and thus paradoxically reintroduced forms of clans' competition that threaten monopolistic practices of redistribution. Economic actors know that currently they have an interest in being co-opted into the regime to ensure their prosperity and protection, but they are also aware of the instability of authorities' capacity to compensate owing to the fluctuations of the rent in conditions of economic and political crises. Influencing economic policies may become a priority for Algerian entrepreneurs. Depending on whether they benefit more from change or the preservation of the status quo they could seek new political affiliations and formulate demands for reform, not driven by the abstract aspiration for democratic opening, but on behalf of their own group and political partners interested in a shift towards less instable and more efficient form of participation in power structures.

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