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AUTOCRACIES, DEMOCRATIZATION,
AND DEVELOPMENT IN THE ARAB REGION

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Abstract

The burning questions facing the Arab region today are: will the uprisings/revolutions of Tunisia (Dec. 2010) and Egypt (Jan. 2011) usher a sustained move from autocracies to substantive democracies in the Arab World (the Tunisian/Egyptian effect) accompanied by solid and equitable development? Will researchers in the future be talking about a pre and post 2010 Arab World? Indeed, will the march towards democracy in both Tunisia and Egypt be fully consolidated with all their developmental implications? The author offers remarks that he believes might shed light on basic issues pertinent to any attempt to address them. The paper start with remarks on the politico/economic environment: the interaction of economics and politics with reference to the Arab Region; then focuses on the reasons for the hesitant Arab democratization process, i.e. the reasons for the persisting Arab democracy deficit in the post second world war period through 2010; and follow up with brief observations on the transition from autocracy to a democracy (open society) in the Arab World with the success of the recent Tunisian and Egyptian uprisings in removing the old regimes in mind though as of this writing their ultimate outcome in consolidating truly democratic orders remains uncertain.

ملخص

الأسئلة الملحة التي تواجه المنطقة العربية اليوم هي: هل ستكون الانتفاضات / الثورات في تونس (ديسمبر 2010) ومصر (يناير 2011) فاتحة تحرك مستمر من الأوتوقراطية إلى الديمقراطية الحقيقية في العالم العربي (تأثير التونسية / المصرية) مصحوبا بتنمية صلبة وعادلة؟ هل سيقوم الباحثون في المستقبل بالحديث عن العالم العربي ما قبل 2010 وبعدها؟ وأيضا، هل ستوحد المسيرة نحو الديمقراطية في كل من تونس ومصر بشكل كامل مع جميع آثارها التنموية؟ يقدم المؤلف تعليقات قد تلقي الضوء على القضايا الأساسية والتي يعتقد انها وثيقة الصلة في محاولة للتعرف عليها. تبدأ الورقة بتعليقات على البيئة السياسية / الاقتصادية: التفاعل بين الاقتصاد والسياسة مع الإشارة الى المنطقة العربية؛ ثم تركز على أسباب عملية الديمقراطية العربية المترددة، أي أسباب عجز الديمقراطية العربية في الاستمرار فيما بعد فترة الحرب العالمية حتى عام 2010 ، والمتابعة مع وضع ملاحظات مختصرة على الانتقال من الأوتوقراطية الى الديمقراطية (المجتمع المفتوح) في العالم العربي مع نجاح الانتفاضات الاخيرة التونسية والمصرية في إزالة الأنظمة القديمة مع الوضع في الاعتبار انه وفي اثناء كتابة هذه السطور لا تزال النتيجة في نهاية المطاف في تعزيز أوامر ديمقراطية حقيقية أمر غير مؤكد.

1. Introduction

The burning questions facing the Arab region today are: will the uprisings/revolutions of Tunisia (Dec. 2010) and Egypt (Jan. 2011) usher a sustained move from autocracies to substantive democracies in the Arab World (the Tunisian/Egyptian effect) accompanied by solid and equitable development? Will researchers in the future be talking about a pre and post 2010 Arab World? Indeed, will the march towards democracy in both Tunisia and Egypt be fully consolidated with all their developmental implications?

I do not presume to know the answers to these questions but shall offer remarks that I believe might shed light on basic issues pertinent to any attempt to address them.

I will start with remarks on the politico/economic environment: the interaction of economics and politics with reference to the Arab Region; I will then focus on the reasons for the hesitant Arab democratization process, i.e. the reasons for the persisting Arab democracy deficit in the post second world war period through 2010; and follow up with brief observations on the transition from autocracy to a democracy (open society) in the Arab World with the success of the recent Tunisian and Egyptian uprisings in removing the old regimes in mind though as of this writing their ultimate outcome in consolidating truly democratic orders remains uncertain.

2. The Politico/Economic Environment: on the Interaction of Economics and Politics with Reference to the Arab Region

Looking at the overall politico/economic environment in the post World War II period, when most of the Arab countries became independent, up to and through 2010, we arrive at two major conclusions:

The first is that generally Arab political institutions have not been open to a genuinely competitive political process, though to varying degrees from one country to another. The obvious contrasts are Lebanon with its (constrained) consociational democracy and Saudi Arabia where absolute monarchy has prevailed. Essentially these institutions have been non-representative and non-democratic, being either monarchical or republics where power was assumed in most of them by the military that turned civilian rulers via orchestrated elections.

With two exceptions, one of which only recently, the polity IV scores of the Arab countries have remained in the negative zone (see Table 1). Of course many of them (but also other developing) countries, have adopted institutional forms of governance similar to those in developed democratic countries (legislatures, elections etc.). But in practice they have remained formalistic rather substantive democratic institutions.

Furthermore, we should keep in mind that empirical measurements of democracy that attempt to capture its basic features--such as political competition, participation, and civil liberties--do not necessarily succeed in fully reflecting the true democratic status in any given country; this is debatably more true in developing than in developed countries. In part this may be attributable to methodological flaws of the measurements, but could also be attributed to their coding rules, which do not always capture accurately the abuses of the governing classes and/or of special interest groups. This might explain, for example, why Kuwait, with its relatively freely elected and active national assembly, remains classified as highly autocratic (Polity score of -7 for 2010).

The second is that at the economic level in general the Arab economies have been gradually moving, (as part of the process of globalization) from being strictly public sector oriented towards a greater role for the private sector via privatization measures and greater openness on the outside.

In practice, one major consequence of this process of economic liberalization and privatization is that, in the context of autocratic rule and weak or lagging institutional development, it has often led to collusion between those in power and business leaders or tycoons, though to varying degrees from one country to another. Indeed, in some cases the entrenched political leadership and big business became indistinguishable leading to high levels of corruption. This phenomenon has occurred even in the traditionally most private sector oriented Arab economy with a consociational democracy, namely Lebanon. Such collusion has had a negative developmental outcome. It bestowed special privileges on favored business groups encouraging, among other things, rent seeking activities and allowing for the creation of monopolies especially in telecommunications and foreign trade which by their very nature do not generate large scale job opportunities and consequently limit the sharing of the benefits of growth. (A number of case studies refer to the emerging collusion between rulers and big business in the wake of privatization and liberalization measures - see for example Kanaan and Massad, 2011(Jordan), Abdel Khalik and Al Sayyid, 2011 and Galal, 2011 (Egypt) and Safadi, Munro and Ziadeh, 2011 (Syria).

Admittedly the experience of other countries as concerns the effects of liberalization on corruption, whether liberalizing economically or politically first or in parallel, may differ¹. In the end this matter seems to hinge on the evolving quality of national institutions that oversee the development process. Most of the governance indicators for non-oil autocratic Arab countries reveal that since embarking on the privatization process these countries have not only failed to improve the general quality of their governance significantly but more often than not have witnessed a deterioration especially as concerns voice and accountability, government effectiveness and control of corruption (see Kaufmann, Kraay, Mastruzzi, 2010)². In the case of the oil rich Arab countries the impact of any liberalization measures on governance is much less significant, as state owned oil wealth dominates the national economy.

The result is that whatever the benefits of privatization and openness on the outside, the developmental outcome of the Arab region has continued to suffer from major lags in comparison not only with the developed countries but with other developing regions as well, as illustrated below.

It is noteworthy that the lack of transformation to substantive democracies applies to Arab countries with relatively low levels of per capita income, e.g. Yemen with per capita income of \$ 565 for 2009 at 2000 prices as well as those with relatively high levels of per capita income such as the Gulf countries with per capita incomes ranging from \$10000-\$38 000 for 2009 at 2000 prices, admittedly a special group of countries

This brings up the question of the relationship between income and democracy. Triggered by the influential Lipset modernization hypothesis back in 1959, this question has led to a rich and growing literature but remains an unsettled question. The hypothesis states that as countries develop (modernize) at various levels, dictatorial controls become less effective and countries are more likely to become democratic. One interpretation of this hypothesis is that

¹In the literature there are differing points of view concerning the effects of economic liberalization on corruption in the absence of parallel democratic reform. Some writers argue that this process can lead to increased levels of corruption (e.g. see Samia, Tavares, "Does Rapid Liberalization increase corruption?", August, 2005); others conclude that countries that liberalize the economy first, and then making the transition to a democracy, do better, in terms of growth, investment, trade volume and macro policies, than those that adopt the two reforms in the reverse order (e.g. F. Glavazzi and G Tabellini, "Economic and Political liberalizations", CESIFO Working Paper 1249, July 2004).

² For 2009 the majority of the Arab countries have been ranked in the bottom half of the Transparency International corruption index.

poor authoritarian countries are likely to become democratic once they reach a certain level of development (Lipset, 1959, Barro, 1996).

I do not intend nor is this the occasion to discuss the above relationship here. The literature abounds with rich research findings, and I shall simply refer to a small sampling of varying points of view.

Certain scholars have argued that European countries became democratic due to wars rather than modernization (Therborn (1977). Others conclude that economic factors do not make transitions to democracy more likely (Gleditsch and Choung, 2004) or play a non determining role in this regard (Ulfelder and Lustic (2005). Or what matters for democratization are the combination of economic development and the *distribution* of the fruits of development (Ansell, and Samuels, 2008).

Przeworski (2000, 2004) reaches the conclusion that when income is sufficiently high, democracy becomes a certainty while authoritarian regimes that assume power in relatively rich societies are likely to experience higher frequency of death; he also argues that what matters for transitions to democracy is only the number of past visits to democracy. Lupu and Murali, (2009) point out that across a large span of history, including the democracies of the nineteenth century, there is no relationship between economic development and democratic development. However, looking at post-war democracies of the twentieth century, economic development had a consistent effect on democratic development.

Finally, Acemoglu, Johnson, Robinson and Yared (2008, 2009) focus on the relationship between economic, political and historical factors. They argue that although income and democracy are positively correlated (over long periods of time), there is no evidence of a causal effect. Instead, omitted—most probably historical—factors appear to have shaped the divergent political and economic development paths of various societies, leading to the positive association between democracy and economic performance. They thus call for a reevaluation of the modernization hypothesis with much greater emphasis on the underlying factors affecting both variables and the political and economic development path of societies.

3. The Hesitant Arab Democratization Process: What explains the Arab Democracy Deficit?

Whatever the explanations of the causality or non-causality of income and democracy over longer or shorter periods, triggered by the modernization hypothesis, it fails to explain why despite socio-economic development (especially advances in education, health and reduction in poverty levels) the Arab countries generally continued to face a democracy deficit since their independence up to and through 2010.

Figures 1 and 2 bring out two aspects of this matter respectively: the first is that after declining from 1960 to the late 1970's the weighted average Arab polity subsequently tended to improve but, by 2009/2010, had remained in the negative zone. The explanation for this trend is that the former period witnessed military coups in a number of non-oil Arab countries after they became independent as well as the emergence of independent oil rich countries with highly autocratic monarchical regimes. In contrast the latter period witnessed certain measures of political liberalization in a number of Arab autocracies (e.g. Egypt, Jordan, Tunisia), which improved their polity scores but failed to change the political scene significantly. Secondly whereas other developing regions managed by the early 1990's to climb to the positive polity zone, the failure of the Arab region to do so meant a widening gap between their average polity score and that of the rest of the regions.

In what follows I first take up the underlying reasons for the general persistence of an Arab democracy deficit in the post second world war period through 2010, and then point out some

of the region's developmental outcomes which at least in part may be attributed to the lagging Arab democratization process. Section III touches on the post 2010 prospects for the transition from autocracy to democracy.

3.1. Explaining the persisting Arab democracy deficit

Various economic, historical and social variables as well as religion have been postulated by various Arab and non-Arab scholars in an attempt to explain the persisting Arab democracy deficit (at least up to and through 2010), in contrast with democratic progress in other developing regions of the world [Bichara (2007), El Affendi (2006), Nabli and Silva-Jauregui (2006), Noland (2008), Platteau (2008), Tessler (20002)].

Here I should like to refer very briefly to some of the findings of recent Arab region cross-country research and Arab case studies, which Ibrahim Elbadawi and I, along with a group of researchers, have been conducting (Elbadawi and Makdisi, 2011)³.

We first look at region-wide effects (Elbadawi, Makdisi and Milante, 2011): an extended modernity regression model of democracy for a global sample of countries covering most Arab countries is employed. It accounts for the modernization factors that comprise per capita income: education, female percentage of labour force as well as neighbour polity (all variables lagged), followed by historical factors (effects of colonization), religion, and social variables (social fractionalization)⁴.

The model finds that whatever the influence of the above factors (whether positive, negative or non-significant) they do not explain why an Arab democracy deficit has persisted (i.e. the coefficient of the Arab dummy remains significant-refer to ft. 4). It is noteworthy that *religion* turns out not to be a significant explanatory factor which lends support to the view that culturalist explanations for the persistence of non democracies in certain societies are not valid.

Controlling for other determinants what seems to explain the Arab democracy deficit (rendering the coefficient of the Arab dummy in the model non-significant) are oil wealth and more so regional conflicts, both inviting foreign interventions. The effects of oil on polity turn out to be negative and significant: the scale of the coefficient on the Arab dummy variable is reduced though its significance is not. In other words, while oil wealth may explain some of the persistence of autocracies in the Arab World, it cannot fully account for the Arab democracy deficit. Put differently, oil wealth (along with other factors to which I refer below) has helped the regimes in oil rich countries to forestall any significant transition to a more open political system, keeping in mind that their ability to resist may now have weakened.⁵

3 Authors of the case studies include: T. Kannan and J. Massad (Jordan), S.Makdsi, F.Kiwan and M.Markanner (Lebanon), R.Safadi, L.Munro and R.Ziadeh (Syria), S.Attalah (Gulf region), B.Laabas and A.Bouhouche (Algeria), B.Yousif and E.Davis (Iraq), G.Abdel-Khalek and M.K. Al Sayyid (Egypt) and A.Abdel Gahir Ali and A. El-Batahani (Sudan)

4 The model is a pooled panel maximum likelihood estimator accounting for the left and right-censored nature of the data using Tobit estimation. To avoid endogenous effects of time, we use nine five year periods between 1960 and 2003. The dependent variable is the average polity score for the five-year periods. The model includes four regional dummy variables to capture region-type effects. The variable $\gamma_{Arab\Phi}$ is coded 1 for all Arab states, 0 otherwise. The coefficient on this variable reflects the average unexplained effect in the polity scores of Arab states, i.e. the Arab democracy deficit. Regional controls are included for three other regions, namely Sub-Saharan Africa, East Asia, and Latin America. These variables are coded according to the geographical location: 1 if in the region; 0 otherwise.

5 On the positive side, oil wealth has made available financial resources for investment purposes and public spending on health and education. It has also had its positive economic impact on non-oil Arab countries by

It is when we introduce the conflicts variable by interacting region type dummies with measures of war that we arrive at a fuller explanation of the Arab democracy deficit. Briefly, the Arab dummy ceases to be significant as a stand –alone effect whereas for the control regions the coefficient on the interacted measure is positive and significant. Additionally the coefficient on regional wars becomes insignificant. This suggests not only that the Arab war effect is highly collinear with the Arab dummy variable but also that the war effects are unique in the Arab World. While other regions seem to experience more democratization in the wake of conflict, the Arab region actually experiences less or no democratization (at least through 2010), in consequence of the various conflicts to which it has been subject including international interventions, civil wars and especially the Arab/Israeli conflict. This is particularly important in that the incidence of regional conflicts is higher in the Arab region than the global average. The explanation of the negative impact of conflicts on Arab polity is that to varying degrees, they have provided various pretexts to the ruling parties/families to justify their autocratic grip on power. These have included the presumed potential threat posed by rising religious fundamentalist movements, which such conflicts have helped foster as well as US and Israeli plans for the region. At the same time, in more recent years Arab autocratic regimes have lined up behind US led wars against presumed terrorists groups in an effort to demonstrate that their authoritarian rule is a bulwark against the rise of extremist movements.

Taking the cross-country model as a starting point and with the objective of probing beyond the generality of cross-country work a set of eight Arab case studies undertake in depth analyses of the factors accounting for their persistent democracy deficits. These studies find that the impact of oil and conflict is not necessarily the same across all countries; indeed it could differ considerably from one country to another; and equally importantly the studies reveal additional and/or supplementary country specific factors that shed light on the persistence of the democracy deficit in each of the countries concerned.

In what follows I offer four brief remarks on this matter:

The first is that the impact oil wealth (rentierism) cannot be considered in isolation of the specific socio/political history of the country concerned. In other words, in oil rich countries the extent of the trade off between economic welfare and political freedom emphasized by the rentier thesis is significantly influenced by how they evolved historically and politically. To illustrate, in Iraq, the effect of oil wealth was tempered by the ability of the cross-ethnic nationalist movement to undermine the legitimacy of the monarchy, which was overthrown in 1958. In Algeria, the influence of oil wealth should be considered in the context of the political alliance of the party that took over power after independence with the military and bureaucracy. In Kuwait, the important merchant class was able to extract political rights before and after the oil era began. And in Saudi Arabia fundamentalist religious groups have throughout exercised great influence over the nature of the state.

Secondly, the negative impact of the Arab /Israeli conflict seems to vary with distance from the centre of the conflict (Palestine). Thus its impact on polity has been stronger in countries such as Jordan, Lebanon, Syria and Egypt than say in Algeria or some of the Gulf States. For countries that have gone through a civil war, such as Sudan and Lebanon, its negative impact on polity has been manifested in number of ways. For example, in the former case it encouraged military coups (Ali and Elbatahani, 2011) while in the latter it contributed to a deepening of sectarian divisions and, in consequence, hindered a potential move to a more advanced democracy.

providing them with employment outlets and investment flows. But let us bear in mind that such investments have generally been directed to real estate and other rent generating activities.

Thirdly it is true that the rise of fundamentalist Islamist groups has been a cause of serious concern for a number of Arab regimes (e.g. Egypt, Syria, Algeria and Iraq since the Allied invasion of 2003). This concern, however, is not necessarily related to the political ideology of these groups but rather to the rulers' fears of losing their hold on power with all the privileges and benefits that come with it. Hence they have not hesitated to use the potential threat posed by fundamentalist groups to the existing political order as an added justification for their authoritarian rule with its attendant violations of the political and civil rights of citizens; and

Fourthly, the ability of the authoritarian regimes in various Arab countries to co-opt (not inclusively of course) intellectuals, civil societies, and the big business class, has also contributed to hindering potential substantive moves towards political reforms. This co-optation manifested in various forms including the bestowing of privileges and positions turned these groups into defenders rather than critics of the status quo.

3.2. Developmental outcomes

In terms of comparative developmental outcomes, whatever successes it has achieved in specific fields such as education and health, the Arab region, has either continued to lag behind or failed to advance, comparatively to other regions, in several major domains.

I will refer to three of them:

(1) Despite immense oil resources, the Arab region has not been able to raise its average level of real per capita income (at 2000 prices) from being third in rank from the bottom among various regions, outranking only sub-Saharan Africa and South Asia. (Figure 3). It is noteworthy that the Arab world and the East Asia & Pacific region had roughly the same levels of per capita income in the 1970s. By 2009, the latter's per capita income was roughly two thirds higher than that of the former. Were we to compare the Arab world with the Asian Tigers alone, the gap would increase to over two and half times. This outcome appears to support the argument that lagging democratization has had persistent negative effects on growth, which accumulate over time (Elbadawi and Makdisi, 2011, Chapter 2). Put differently, by falling behind other regions in building its democratic institutions and concomitantly failing to improve its governance, in particular at the level of voice and accountability, the Arab region (whose 2010 scores on these two indicators were the lowest among all developing regions) forfeited the potential beneficial impact of democracy on development including successful economic diversification (see Elbadawi and Gelb, 2010).

(2) Compared to most developed European countries, the Arab Region (as well as other developing regions) continues to exhibit moderate to high degrees of inequality as measured by the Gini Index: for 2010 it ranged from 36 to 40; and over the time period for which it is computed, it appears to have been stable (Bibi and Nabli, 2010)⁶ Looking at the 2010 HDI adjusted for inequality, the average score for Arab Region decreases from 0.588 to 0.426 (an overall loss of 28%), though it remains in the middle rank among developing regions, above South Asia and Sub-Saharan Africa. In comparison, the overall loss for the developed countries (OECD and non-OECD) was about 10%, while for the other developing regions it ranged from 14% to 33% (*Human Development Report 2010*).

(3) In recent years, the Arab region has suffered from the highest rate of unemployment among all regions of the world especially youth unemployment. According to ILO data (2010), for 2005-2010 the average overall unemployment rate for the Arab region was the

⁶ This conclusion is based on several studies on inequality in the Arab countries, which the authors examine. They draw attention that income based Gini indices are on average larger than those based on expenditure (by about 7 per cent) and stress that inequality takes several forms that ought to be studied: vertical and horizontal, polarization, mobility and availability of opportunities.

highest scoring about 10% compared to a range of about 4%- 9.6% for the rest of the developing regions. Strikingly female unemployment in the Arab region stood at 17% compared to a range of 4%-10% for the other developing regions. Equally strikingly the rate for Arab youth unemployment was about 25% compared to a range of 8%-19% for the other developing regions.

A major factor underlying the high levels of unemployment in the Arab region is the inability of the Arab countries to successfully diversify their economies in conjunction with generally relatively modest rates of growth. In large measure, the lack of successful diversification may be attributed, as some researchers have pointed out, to the dominant oil sector that has tended to weaken the region's ability to break into the global market for manufacturing or produce and export higher value and more sophisticated exports. Oil dominance has tended to obstruct the development of the institutional capabilities and governance needed to induce and guide the process of significant economic diversification, (see Elbadawi and Gelb, 2010).

To recapitulate, whatever its influence, the lack of democracy has (arguably) contributed to the persistence of the above major lags in Arab development viewed in regional comparative terms. In any case, even if its per capita income levels and status of inequality have remained comparatively unchanged, other regions have generally gone ahead in their democratization process, an essential aspect of human development. And hence the sooner the Arab world makes the transition to democracy the better.

4. Transitioning from autocracy to democracy: brief observations

The relatively rapid success of the Tunisian and Egyptian uprisings of late 2010-early 2011 followed in a number of other Arab countries by mass protests, and in at least two cases, armed confrontations with incumbent autocratic regimes have signaled that the factors accounting for the persistence of the democracy deficit in the Arab countries up to and through 2010 have been waning. At the very least they indicate that the door is now ajar for significant changes in the Arab political landscape towards democratic forms of governance. Of course it would be difficult at this stage to predict with any degree of certainty the ultimate impact of all these upheavals on the process of real democratization in the Arab World in the foreseeable future. Indeed, the success of Tunisia and Egypt in consolidating their nascent democracies is yet to be seen. Nonetheless, these momentous events clearly point to the beginning of a new era in Arab political development and underscore the fact that limited measures of political liberalization which began in the early nineteen nineties (see Figure 1) can no longer stem the tide of change.

At the same time, given that the social, political, economic and historical circumstances of individual Arab countries differ, the nature and time frame of the transition to substantive forms of democracy could vary significantly from one country to another. This consideration perhaps gains greater relevance if one were to consider that a move to a mature democracy implies more than simply allowing free and representative elections to encompass, as well, a social transformation leading to the creation of institutions that guarantee equal political and civil rights of citizens across the board⁷.

⁷North et al (2009 and 2007) articulate what they term the doorstep conditions that govern the transition from countries with a limited access order (LAO) to countries with open access order (OAO). The former group, including a majority of countries in today's world, is characterized with rent creating activities in consequence of privileged limited access to organizational forms that the state supports. The OAO, comprising present day advanced democracies with relatively high per capita income levels, are countries where access to economic, political, and social organizations, including the freedom to form them, is open to all individuals who qualify as citizens in the society and where citizens comprise most of the population. Open access is sustained by mutually reinforcing economic and political competition and by enforcing the rule of law. The doorstep conditions are identified as: (1) rule of law for elites (2) perpetually lived organizations in the public and private spheres and

With the above in mind, I would like to refer to four underlying factors that, over time, have helped weaken Arab autocratic regimes, (a number of which witnessed limited measures of political liberalization beginning in the early nineteen nineties-see Figure 1), and eventually pave the way for the process of significant political change now underway, albeit in different forms and to varying degrees, in several Arab countries.

To begin with, the diminished overall dominance of the State, especially its direct economic role, in consequence of privatization policies in the past twenty years has had clear implications for the potential process of democratization (this perhaps applies more to the non-oil than the oil countries). Specifically the downsizing of the state's economic dominance has tended to weaken the authoritarian bargain, i.e. the ability of the governing classes to trade off economic welfare and privileges for political rights and participation.

There are at least two major consequences to this development, which we should bear in mind:

(i) It has led to reduced guaranteed state employment and social benefits accompanied by greater dependence on the market and market institutions which, however, failed to guarantee high levels of employment or lead to equitable income distribution and benefits both across the population and regions. (For the period 2005-2010 average youth unemployment, at 25 per cent for the Arab World, was by far the highest in the world (ILO, *Global Employment Trends*, Jan. 2010). As the Tunisian and Egyptian uprisings demonstrate, this could be a potent element in mobilizing opposition in other Arab autocratic regimes⁸.

(ii) It has also led to the growth and empowerment of, and a more active role for, civil society organizations that traditionally press for economic and political reforms. The Arab ruling classes have attempted to counter this trend by attempting to co-opt both the business and intellectual elites to which I had referred earlier, and indeed to forge business partnerships between high government officials and business tycoons. In the absence of responsible political institutions (open democratic institutions) this has tended to induce corruption, distort the process of privatization and reduce its potential benefits with consequent growing civil society discontent.

Secondly, we should consider the impact of greater openness within the Arab region and with the outside: as the Arab countries develop and become more open within and more integrated with the outside world, not only does the authoritarian bargain tend to weaken, but so does the ability of the governing classes to keep opposition parties and groups either divided or in check by various methods of control. More generally, given the human thirst for freedom and justice the weakening of the authoritarian bargain drives civil society organizations, including student and other social groups, to press harder for political change.

Thirdly, the above considerations can perhaps help us read what happened in both Tunisia and Egypt. Their uprisings, and subsequently those of other Arab countries, are good examples of the deep seated ambitions of the populace not only for socio-economic advancement but also for greater freedom and political participation on the part of large segments of the populace that felt disenfranchised and largely excluded from the benefits of economic development (On Tunisia, cf Altayib, 2011). The unexpected success of mass street mobilization in both Tunisia and Egypt, especially of the younger generations, that pressed

(3) consolidated control of the military. How these conditions play out as far as the future development of the Arab other countries is concerned is a separate matter that is worth investigating.

⁸ On the Tunisian case a recent paper (Altayib, 2011) points out that large regional disparities in socio economic development (Tunis and the northern region vs. other regions of the country), high levels of unemployment and exclusion from the political process combined to fuel the Tunisian mass protests that eventually led to the downfall of the Ben Ali regime in December 2010, despite Tunisia's good rate of economic growth in the past twenty years or so.

successfully, via peaceful as well as non peaceful means, for the dismantling of the autocratic regimes of both countries has acted as a spark for similar mass movements in other Arab countries. With the support of the army, interim governing bodies in both Tunisia and Egypt have been set up to initiate the process towards democratic governance. Of course it remains to be seen whether a full fledged democracy will yet be established in either country and indeed whether the post Tunisia and Egypt upheavals in some of the Arab states will lead to similar outcomes.

What is noteworthy is that the successful mass mobilization revealed that after decades of continuous autocratic rule, the Arab State's traditional reliance on their security apparatus could no longer stop mass movements demanding fundamental political change even at the cost of a heavy toll of human lives, i.e., the factors which helped sustain Arab autocracies in the past five decades up to and through 2010 have now begun to weaken. The Arab youth uprisings have been influenced by two underlying factors: the first is the growing realization on the part of the younger generations, specifically in the past 20 years or so, that traditionalist reformist political parties have proven to be incapable (for whatever reason) to act as agents of political change and therefore had to be left behind. The second, as noted above, are the ripple effects of the important democratic changes that have taken place in other regions of the developing world. If the Internet has been effectively used to help mobilize mass protests, it is of course the underlying factors of political and economic disenfranchisement, rising unemployment and the desire for greater political participation on the part of the vast majority of the people that have acted as the potential triggers for mass protests in demand for political change. Whatever the general outcome of the 2011 events, and no matter the degree of success of the region's march towards democracy, the triggers for change in the Arab World have now been set off.

Finally, we should consider the regional environment with its high incidence of regional conflicts, in particular the non-settlement of the Palestinian question. In the past decades these conflicts have influenced negatively potential moves towards democracy, albeit to different degrees from one country to another. They have not only provided an incentive for the growth of fundamentalist religious movements and attracted destabilizing foreign interventions, but have also diverted resources away from economic and social development toward military and security apparatuses that helped maintain the autocratic regimes in place. Clearly, resolving regional conflicts, above all the Palestinian question, may not on its own fuel the process of democratization in individual Arab countries. The Egyptian and Tunisian experiences are perhaps cases in point. In the former case the conclusion of a peace treaty with Israel in 1979 did not lead to any significant democratization in the country prior to 2011; in the latter case, on account of its distance from Palestine, the impact of the Arab/Israeli conflict on the domestic scene had traditionally been limited. Nonetheless it remains that resolving justly the Palestinian question would, no doubt, create a regional environment that is much more amenable to the cause of democracy. Indeed without its resolution, the process of democratization in the Arab region could remain precarious.

5. Concluding remarks

Following independence up to and through 2010 the Arab experience has demonstrated that the socio economic development, whatever its effects, has not been accompanied or correlated with a significant democratization process. The explanatory factors lie elsewhere.

At the same time, evolving economic social and political conditions have, over time, helped loosen the grip of autocratic regimes and in the case of Tunisia and Egypt force a push in the direction of change towards a more open and democratic society. These same conditions are expected to lead to significant political change in other Arab countries.

How smooth the transition process in will be, or not, is a matter that is difficult to predict especially given the prevailing regional political environment and the unsettled Palestinian question.

The Tunisian and Egyptian uprisings demonstrate that for these two counties the triggers for the beginning of the transition process to a more open, accountable and socially and institutionally better organized societies have now been set off. ` The question is whether these uprisings will yet lead, in the foreseeable future, to consolidated democracies in both countries, and equally whether the subsequent Arab uprisings will conclude, in the foreseeable future, with similar outcomes. While this remains to be seen, the odds in favour of democratic transformation in the Arab region have risen considerably.

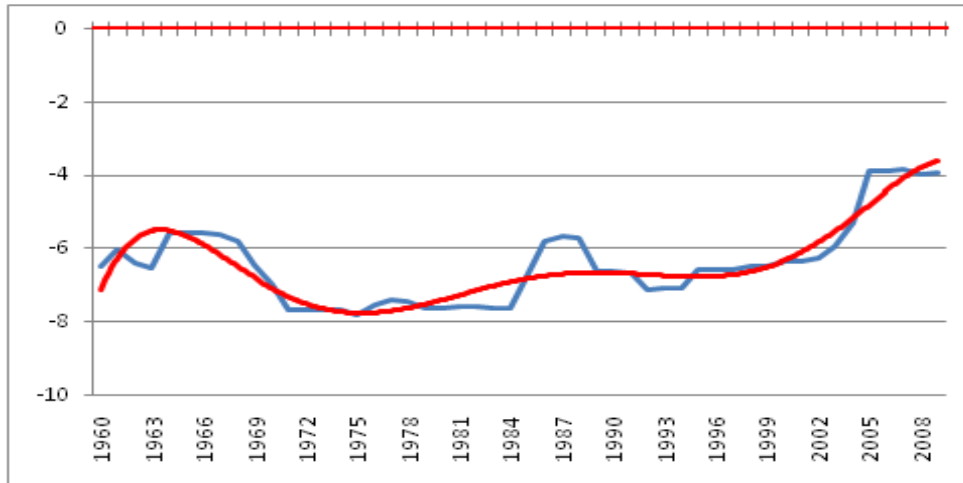
These uprisings (as in the case of similar revolutions elsewhere) also demonstrate that, in this day and age, robust but equitable development, good institutions and governance (open order access) and the human thirst for freedom, justice and democracy are inter-connected matters that cannot be indefinitely ignored. It is simply a matter of time.

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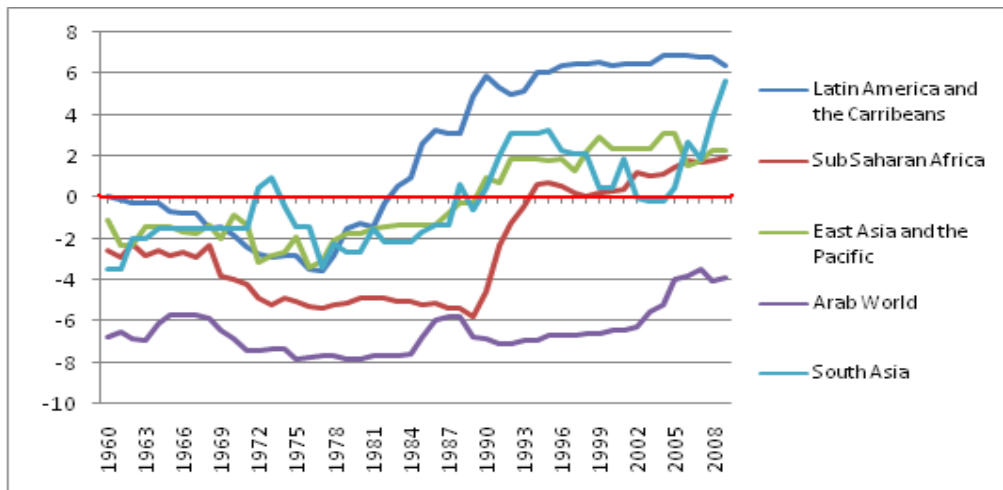
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Figure 1: Population Weighted Polity Scores for the Arab Region (1960-2009)



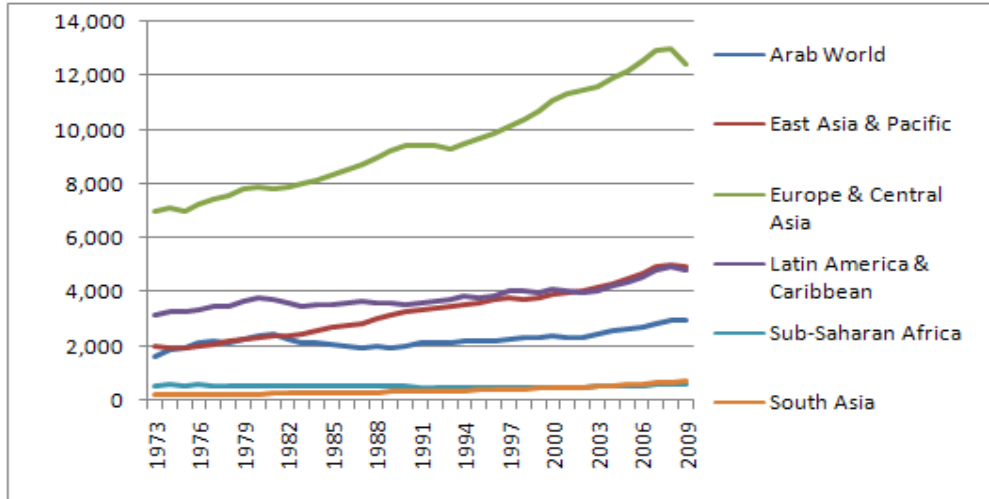
Source: Polity IV Data Series version 2010

Figure 2: Polity IV Scores for Various Regions (1960-2009)



Source: Polity IV Data Series version 2010

Figure 3: GDP per capita (constant 2000 US\$)



Source: World Bank Indicators, 2010

Table 1: Arab Countries Polity IV Scores: Selected Years

	1960	1970	1980	1990	2010
Algeria	...	-9	-9	-2	2
Mauritania	-4	-7	-7	-7	-8
Morocco	-5	-9	-8	-8	-6
Tunisia	-9	-8	-9	-5	-4
Bahrain	..	..	-10	-10	-8
Saudi Arabia	-10	-10	-10	-10	-10
Kuwait	..	-9	-10	-66	-7
Qatar	..	..	-10	-10	-10
UAE	..	..	-8	-8	-8
Oman	-10	-10	-10	-10	-8
Lebanon	2	5	-77	-66	7
Syria	..	-9	-9	-9	-7
Jordan	-9	-9	-10	-4	-3
Iraq	-5	-7	-9	-9	-66
Sudan	-7	-88	-7	-7	-2
Egypt	-7	-7	-6	-6	-3

Note: No. -66 refers to situations of foreign “interruption”, -77 to “interregnum,” or anarchy and -88 to “transition”. Kuwait experienced an Iraqi invasion in August 1990 and a brief occupation until early 1991. Lebanon witnessed a civil war from 1975 to 1990 with the entry of Syrian forces in 1976 that remained until 2005, as well as an Israeli invasion in 1982 and occupation of a southern strip of the country until 2000. Sudan underwent a transition to a lesser democratic status from 1969 to 1970.