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Understanding the nexus between the politics of patronage and political repression in North African rentier states: a comparative study of the Algerian and Egyptian governments' approaches to the 2011 Arab spring

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UNDERSTANDING THE NEXUS BETWEEN THE POLITICS OF PATRONAGE AND POLITICAL REPRESSION IN NORTH AFRICAN RENTIER STATES: A COMPARATIVE STUDY OF THE ALGERIAN AND EGYPTIAN GOVERNMENTS' APPROACHES TO THE 2011 ARAB SPRING.

A dissertation

submitted in partial fulfilment

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of

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at

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by

Thabane Nhlengethwa

Under the supervision of Professor Gilbert Khadiagala.



UNIVERSITY OF THE
WITWATERSRAND,
JOHANNESBURG

15 February 2018

ABSTRACT

In a bid to fathom the prevalence of authoritarian rule in Middle Eastern and North African (MENA) states, Iranian economist, Hossein Mahdavy, postulated the Rentier State Theory (RST) in 1970. The theory attributed the endurance of autocracy, in the region, to the vast availability of resource rents - which are purportedly used by the rentier states to preserve their dictatorial rule. The RST's cogency would later find profounder cognitive consolidation in Michael Ross's critically acclaimed journal article, "Does Oil Hinder Democracy?", wherein he made compelling extrapolations on the causal mechanisms of the theory by applying a triad of effects: the 'rentier', 'taxation', and 'modernisation' effects.

Leveraging Mahdavy and Ross's inferrences as a point of departure, the study investigates why the 2011 Arab Spring undermined the fundamental premises of the RST by forcing regime change, and in some cases, democratic reforms in North Africa. A comparative case study analysis of how two North African Rentier States, Algeria and Egypt, confronted the 2011 popular uprisings is conducted in order to underscore the value and importance of development-orientated resource rents redistribution to regime survival.

Key words: Arab Spring; Rentier State Theory; International Comparative Politics; Natural Resource Curse Theory; African Political Economy; Political Conflict and; International Development Studies.

DECLARATION

I declare that this research report is my own unaided work. It is submitted in partial fulfilment of the requirements of the degree of Masters of Arts (in the field of International Relations) at the University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination at any other university.

_____

THABANE NHLENGETHWA

15 FEBRUARY 2018

DEDICATION

I humbly dedicate this earnest body of work to three important women in my life:

Mrs Keneioe Nhlengethwa

My beautiful, supportive and loving wife. Your companionship, over the best part of the last decade, is an embodiment of the veritable maxim, "home is not a place, it's a feeling". You are my home and home is where my heart shall always be; I love you dearly.

And;

Ms Melokuhle Nhlengethwa

My gorgeous, endearing, and cheerful daughter. Your precious smiles and infectious giggles are the panacea to all of my tribulations and they are what keep me going in the most difficult of times. Daddy loves you, my little dolphin.

And;

Ms Tina Nhlengethwa

My generous, ever-present and self-sacrificing mother. Thank you for raising me to the best of your abilities and for never capitulating even when there was no light at the end of the proverbial tunnel.

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Special thanks is reserved for my employer, the National Department of Transport of the Republic of South Africa, for presenting me with the invaluable opportunity to pursue my academic dreams. By way of expressing my immense gratitude to the Department for granting me a full academic bursary, I pledge to repay the faith shown in me by expending the knowledge and skills attained from my academic endeavours to serve the people of South Africa to the best of my abilities; as a model civil servant should.

Last, but not least, thank you to my wife Keneioe and my daughter Melokuhle for their unwavering support and clemency in the wake of my innumerable absences that were occassioned by my burning desire to work diligently on this highly demanding research paper.

LIST OF ACRONYMS

AZN	AZERBAIJANI MANAT
FIFA	FEDERATION OF INTERNATIONAL FOOTBALL ASSOCIATIONS
GDP	GROSS DOMESTIC PRODUCT
GDP PPP	GROSS DOMESTIC PRODUCT PURCHASING POWER PARITY
ISIL	ISLAMIC STATE AND THE LEVANT
LPI	LEGATUM PROSPERITY INDEX
MMD	MILLS' METHOD OF DIFFERENCE
MENA	MIDDLE EAST AND NORTH AFRICA
NDP	NATIONAL DEMOCRATIC PARTY
NLF	NATIONAL LIBERATION FRONT
OPEC	ORGANISATION OF THE PETROLEUM EXPORTING COUNTRIES
RCC	REVOLUTIONARY COMMAND COUNCIL
RST	RENTIER STATE THEORY
UNDHI	UNITED NATIONS HUMAN DEVELOPMENT INDEX
US$	UNITED STATES DOLLAR
SPI	SOCIAL PROGRESSION INDEX
WWII	WORLD WAR TWO

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CHAPTER ONE

1. INTRODUCTION

Notwithstanding the fact that the 2011 Arab Spring garnered extraordinary global media attention and raised much vexed questions from scholars, social media enthusiasts and political analysts alike - on its genesis and its revolutionary trajectory - the revolts were historically ground-breaking and are worthy of much profounder examination.

Indeed, the impact of the Arab Spring (the Spring) in the North African region, where it began, is captivating - if not mystifying. Fascinating because the manner in which the Spring permeated from one North African country to the next was reminiscent of the French Revolution when European monarchs were overthrown by their own citizens in favour of liberal democracy. The Spring also captured the imagination because three of the five conventionally accepted North African dictatorships, Tunisia, Egypt, and Libya bore the full brunt of the revolts as their longstanding political regimes were deposed; while Morocco's monarchy conceded major democratic reforms and Algeria's autocracy appeared impervious.

By the same token, the enigmatic apsects of the Spring arise mainly from the peculiar occurrence of democratic revolutions in a region where totalitarianism was widely accepted as uncontestable. A study into the seemingly impregnable prevalence of authoritarianism in the Middle East and North Africa (MENA) region was conducted by Hossein Mahdavy (1970: 24) a Middle Eastern economist. Mahdavy attributed the prevalence of authoritarianism, within resource wealthy MENA states, to their copious natural resource riches. A later elucidating study by Michael Ross (2001: 327-328) would find that resource rich MENA states were capable of staving off the political contestation of their rule by pacifying their populaces with exponential social expenditure, lenient taxation, remittances and, sometimes, resource rents funded state violence to supress internal dissent and silence detractors.

Thus, in light of the above studious extrapolations by Mahdavy and Ross, the 2011 popular uprisings ought to have been avoided, if not swiftly quelled, by resource rich nations in the North African region - yet only Algeria managed to do so. Certainly, it is quite incredible how Africa's largest country remained relatively unscathed and seemingly invulnerable to the rapidly spreading political uprisings despite Algeria's discernible socio-economic challenges at the time. In fellow resource wealthy North African countries, such as Egypt and

Libya, the ferocity of the Spring was unrelentingly intense and culminated in the dictatorships of Hosni Mubarak and Muammar Gaddafi being ignominously toppled. Therefore, the research study is concerned with the occurrence of political uprisings within natural resource rich North African states, particularly within Algeria and Egypt, which are the North African regions biggest oil exporting nations and constitute what Mahdavy, described as "Rentier States" in 1970.

The research study will dissect how the Spring began, proliferated, and how the Algerian government avoided being deposed or coerced into implementing drastic political reforms in the midst of its North African neighbours wilting to the immense pressures. Conversely, it will be crucial to understand why the erstwhile Egyptian government, which was not too dissimilar in standing to Algeria's with respect to military capacity and resource rents, succumbed to the political uprisings.

1.1. BACKGROUND AND RATIONALE OF THE STUDY

> **"***Few could have predicted that the self-immolation of a Tunisian fruit vendor, Mohamed Bouazizi, on 17 December 2010, would become the spark to an unprecedented chain of events; an act responsible for recalibrating the dynamics of state and society in North Africa and beyond." –* ***Vasu Gounden, 2015. Founder and Executive Director of the African Centre for Constructive Resolution of Disputes (ACCORD).***

More than six years after the predominantly irrepressible *vox populi*[1] of Middle East and North African (MENA) peoples ignited transnational mass revolts against unrelenting and widespread tyrannical rule in the region; Libya, Syria and Yemen are still reeling from the insurrections. Moreover, in the midst of the anarchy, a new global threat – the Islamic State and the Levant (ISIL) or ISIS – emerged and continues to thrive in its quest to threaten global peace and order. In recent years, ISIL has taken credit for orchestrating grave attacks on civilians in Paris, Istanbul, Brussels and Manchester, to name a few.

Indeed, the far-reaching, devastating and seemingly ceaseless repercussions of the 2011 Arab Spring remain astonishing to this present day. For instance, as recent as May 2017, the Egyptian government carried out at least six military strikes on Libyan territory in retaliation to 28 Coptic Christians being killed in Minya during an attack orchestrated by ISIL militants who are alleged to be fortressed in Derna (Stephen 2017). Libya remains in a torrid state of anarchy since the demise of its former president, Muammar Gaddafi in 2011. Furthermore,

[1] Latin for "Voice of the People".

the anarchies in Libya and Syria have created a boon for international terrorist organisations to threaten global peace and security. In Yemen, former President Ali Abdulah Saleh, who ruled the country for 30 years, was brutally assassinated on 05 December 2017 by Houthi rebels six years after being overthrown during 2011 popular uprisings.

On the other end of the spectrum, the Spring carried adverse macroeconomic implications for countries in the MENA region as it resulted in 'GDP losses, fiscal balance deterioration, depletion or exhaustion of foreign reserves, drying up of foreign investment, and enlarged current account deficits'[2] within the most acutely affected countries (Wood 2012). Most significantly, the MENA region is home to at least eight of the fourteen Organisation of the Petroleum Exporting Countries (OPEC) that account for an estimated 60% of the world's oil reserves (810.98 million barrels) and approximately 45% of the world's proven natural gas reserves (2868.886 trillion cubic feet) (Charafeddine 2011: 6). Clearly, the economic and political upheavals faced by the MENA region, during the Arab Spring, posed a serious threat to global economic stability and world peace.

In the expanse where it all began, North Africa, four of the five countries in the region were profoundly affected by the Spring, bar one - Algeria. In Tunisia, Egypt and Libya, regime changes were impelled by citizen led demonstrations; while the Moroccan monarchy was prompted to concede a substantial portion of its political power by agreeing to significant democratic reforms. According to Dr Martin Raschen (2015: 1) Algeria was the least affected by the Spring because "no fundamental political upheaval took place in the country" as president Bouteflika retained power and only a few ostensible political reforms were made.

The Arab Spring threatened global economic stability, compromised regional security within the MENA territories, and rendered Algeria a North African anomaly against the clamourous backdrop of the insurrections. Furthermore, never have the fundamental premises of the Rentier State Theory been cast into such serious doubt by an event of the Spring's magnitude. Thus, given the sweeping implication of the Spring in the MENA region and on global affairs, it remains very important to study this very momentous international event and how the governments of two of North Africa's oil-richest countries approached the Spring. It is against this background that the research study is conducted.

[2] "According to the IMF, GDP losses in Libya, Egypt, Tunisia, Syria, Yemen, and Bahrain are estimated for 2011 alone at US$ 20.56 billion while the cost to public finance of the same countries is estimated at US$ 35.28 billion over the same period" (Wood 2012).

1.2. THE PROBLEM STATEMENT

> *"The bargain between rentier states and their populations is simple: the government ensures the financial well-being of the people, and the people do not rebel or try to influence political decisions of the state"* - **James Zach Hollo (2013).** [3]

It is unquestionable that the 2011 Arab Spring carried an enigmatic aura in the sense that authoritarianism, in the Middle East and North Africa (MENA) region, is widely considered to be incontrovertible for several reasons. For one, power politics and religion are considered inextricable features of predominantly Muslim nations because the consencrated Sharia Laws that they subscribe to emanate directly from the *Quran* and the *Hadith*. The religious ordinances are often at odds with democratic practices because their sanctification and draconian enforcement tend to preclude all forms of dissent against the political structures that govern by them. Apart from obstacles to democracy such as religion, Alijlar and Aghdam (2017: 4) argue that patriachal Arabic culture, caricatured separation of powers, constrained multipartysim, and undue military influence over political affairs are some of the other major reasons why democratisation is often precluded in the region.

By the same token, an alternative interpretation that seeks to explain the prevalence and endurance of authoritarianism in the Middle East, is the Rentier State Theory (RST) which was devised by Hossein Mahdavy in the early 1970s. The RST holds that states with vast amounts of resource wealth tend to be rendered impervious to citizen-led insurrections due to the state's capacity to leverage resource rents as a bargaining tool for quelling internal dissent. Thus, in theory, two of the top five highest oil producing nations on the African continent (Africa Ranking 2015), Algeria and Egypt, ought to have been invulnerable to the revolutionary protestations witnessed across North Africa during the Arab Spring.

As expounded by Professor Michael L. Ross, the reason for the above logic is that, in the face of citizen-led insurrections, the rentier state is more than likely to use three effects - independently, sequentially or simultaneously – to stem the tide of political revolts. The methods, which will be explained in greater detail in latter chapters, include the 'rentier effect', the 'repression effect' and the 'modernisation effect'. Fundamentally, the three effects enunciate on how rentier states use monies earned from their resource wealth to either fund their security forces to silence detractors, or how the resources can be spent to appease citizens by meeting their socio-economic needs/ to appease constituencies/ fund

[3] He is a journalism student at North-western University in Qatar, with a concentration in Middle Eastern Studies (Hollo 2013).

clientelism, and how the money can be misappropriated to hinder human development (under-educated citizens are not enlightened and are unlikely to question political legitimacy).

Thus, given the above inferences, it is quite easily discernible that the incidence of the 2011 Arab Spring in resource rich North African countries, by and large, defied the fundamental premises of the Rentier State Theory. Using the above-mentioned triad of rentier effects, Libya, Algeria and Egypt should have surmounted the challenges posed by the Spring by applying one or more of the three RST interventions. However, only Algeria's government successfully stemmed the tide from the wave of political uprisings as President Bouteflika retained political power while his neighbouring counterparts were, in the main, not as fortunate. But why did the said outcome prevail? Notwithstanding the exceptional circumstances that led to the deposistion of Muammar Gaddafi[4] in Libya, the problem that the research study is intended to interrogate are the different outcomes of the 2011 Arab Spring in two very similar North African Rentier States - Algeria and Egypt.

1.3. THE PURPOSE AND OBJECTIVES OF THE STUDY

> *"In both Algeria and Egypt, overcoming the tenuous relationship between state and population appeared insurmountable until December of 2010, when the "Arab Spring" would first arise."* – **Simon Brown, 2011. Staff Writer and contributor to the Pitt Political Review.**

The objective of the study is to form a cogent argument on why President Hosni Mubarak's presidency in Egypt yielded to the 2011 Arab Spring while President Abdelaziz Bouteflika was not unseated in Algeria. Both presidents, at the time, presided over powerful rentier states with massive security and economic wherewithal at their disposal yet only one of the two dictatorial presidents was able to successfully calm storm of the political uprisings. Thus, the objectives of the study, listed in order of priority, are as follows:

1. To determine the rentier instruments chosen (rentier/taxation/modernisation effect or a combination of the effects) and applied by the two North African governments in the wake of the Spring;
2. To ascertain the role that the levels of human development in each country played in making the ground fertile for fierce political revolutions or malleable to quick resolution within the respective North African nations;

[4] France was at the forefront of international efforts against Gaddafi with French actions largely driven from the top by President Nicolas Sarkozy and the Elyseé presidential palace. President Sarkozy also had the final say given his role as Commander in Chief (Madelene Lindström 2012: 17).

3. To dispel the widely held notion that Algeria experienced a muted Spring in 2011 because the country had undergone an antecedent Spring during the 1988 civil war (Pare 2012) and;
4. To help understand primary reasons for the occurrence of the Arab Spring in North Africa despite the Rentier State Theory predicting that political uprisings would not occur in resource rich Middle Eastern and North African (MENA) countries.

With respect to the three archetypal rentier state interventions enunciated by Ross, the main purpose of the study is to anwser the following research question: "**Is the spending effect, when it is redistributive in its implementation and meets the socio-economic of the general public, a more persuasive political-revolution deterrent than the repression effect is?**". To realise the said purpose of the study, the two Rentier State case studies, Algeria and Egypt, will be juxtaposed and compared in order to ascertain fundamental differences in their approaches to the 2011 Arab Awakening. The study seeks to identify the most plausible reasons behind the different outcomes of the Spring within the two nations.

CHAPTER TWO

2. A REVIEW OF THE LITERATURE

The aim of a literature review is to contextualise a research study and to illustrate the depths and nuances to which the study has been examined by previous and existing analysts, academics and thinkers on a particular subject. According to Rajasekar, Philominathan and Chinnathambi (2013: 17), the compilation of a literature review is critically important because its inclusion, in a research study, can:

(1) sharpen the problem, reformulate it or even leads to defining other closely related problems,

(2) get proper understanding of the problem chosen,

(3) acquire proper theoretical and practical knowledge to investigate the problem,

(4) show how the problem under study relates to the previous research studies and

(5) know whether the proposed problem had already been solved.

Consequently, the following section will review the Natural Resource Curse Theory and the Rentier State Theory in order to construct an elucidating theoretical framework for the study. The section will conclude by presenting empirical evidence of a rentier state by discussing the rentier state of Azerbaijan as a framework to construct an exploratory/pilot case study.

2.1. THE NATURAL RESOURCE CURSE THEORY

> *"The resource curse refers to the failure of many resource-rich countries to benefit fully from their natural resource wealth. While one might expect to see better development outcomes after countries discover natural resources, resource-rich countries tend to have higher rates of conflict and authoritarianism, and lower rates of economic stability and economic growth, compared to their non-resource-rich neighbors." –* ***The Natural Resource Governance Institute, March 2015.***

The relationship between natural resource wealth and the socio-economic and political dispensations in resource-rich states is a much vexed discourse in the social sciences. In fact, economists have historically been at opposite ends of the spectrum on how they perceive the effect natural resource abundance has on nation states.

The traditional view dates back to the late 18th century scholarly literatures of renowned classical economists including Adam Smith and David Ricardo who articulated that resource rich nations have a comparative economic advantage over their less resource endowed peers

(The World Bank 2005: 308). In supporting the views of Smith and Ricardo, Harold Innis devised the "staple theory" in the early 19th century wherein he suggested that exporting raw materials is conducive to economic development. The theory was based on Canada's steady economic growth owing to exporting cod fish, fur, timber, and minerals to Europe in the 1920s-1930s (Acar 2017: 2). These economic thinkers represented the traditional view with compelling empirical reasoning predicated on the developments spanning the Industrial Revolution and the "Scramble for Africa".

Only a few post World War Two (WWII) economists corroborated the views of Smith, Ricardo and Innis; including Jacob Viner (1952) and Walt Rostow (1961) who both shared similarly nuanced views on how natural resource riches represented a catalyst for rapid industrialisation and high levels of economic growth in underdeveloped nations (Badeeb, Lean and Clark 2016: 124). However, the traditional view in the 1960s was myopic in that it focused on the developed world and ignored the plights of unindustrialised former colonies.

Predictably, 'data in contradiction of the traditional view began proliferating during the late post WWII period when numerous resource rich nations experienced stagnant economic growth and economists began to talk about the curse of natural resources' (Cabrales and Hauk 2007: 2). Although the divergent view to the optimistic discourse on the effects of natural resources on nation states only began gaining significant momentum in the 1980s, Jeffrey Sachs and Andrew Warner (2001: 828) trace its intellectual origins, as an international issue, to the interwar period (1939-1945) when many Latin American countries faced economic upheaval owing to the slump in commodity prices.

Indeed, between 1948 and 1951, economic thinkers namely; Raúl Prebisch, Celso Furtado and Hans Singer, lamented how developed nations held a comparative economic advantage over less developed nations, who were less industrialised, because of the better terms of trade leveraged from trading manufactured goods in exchange for primary commodities (Ross 1999: 301-302). The Presich-Singer hypothesis was in stark contrast to Adam Smith's assertion that resource rich nations held a comparative economic advantage over less endowed nations and, it helped pioneer alternative or paradoxical views to the notion that natural resource wealth is a panacea for resource-rich nations' economic challenges.

Indeed, against the backdrop of the volatile commodity price boom and bust cycle caused by two major oil price shocks in the 1970s (1973-1974 and 1978-1979), scholars began to intensely re-examine the relationship between natural resource abundance and nation-state

prosperity. The commodity price boom of the ‘mid-1970s led resource rich countries such as Nigeria, Venezuela, Côte d’Ivoire, and Bolivia to borrow heavily and the collapse of prices that ensued in the early 1980s left them with large debts and little capacity to service them’ (The World Bank 2005: 309). The Iraq-Iran or the First Persian Gulf War (1980-1988), which caused global oil supply to contract and raised demand, precipitated the accumulation of literature that further challenged the traditional view. The most eminent literature was published in 1982 when Max Corden and Peter Neary collaborated to produce an analytical paper entitled “*Booming Sector and De-Industrialisation in a Small Open Economy*”, which introduced the concept of Dutch Disease to describe the negative impact the discovery of natural gas in 1959 had on the Dutch economy (Corden and Neary 1982: 827).

According to Bernardina Algieri (2011: 244), Dutch Disease refers to the propensity of natural resource windfalls to grow an economy exponentially, leading to currency appreciation that is detrimental to the non-natural resource tradables:

> The term Dutch Disease refers to the adverse effects on manufacturing of natural resource “discoveries”. Specifically, when a country experiences a resource boom due to a tradable resource discovery and/or to an increase in a resource price, it normally undergoes a real appreciation of its exchange rate and, as a result of rising wages, a relocation of some of the labour force to the resource sector. A real appreciation reduces the international competitiveness of other tradable sectors because resource-based exports crowd out commodity exports produced by those sectors (Krugman, 1987). The country faces the risk of a de-industrialization process. This phenomenon, known as the “Dutch Disease”, first drew attention in the late 1950s when natural gas discoveries in the Netherlands eventually hurt the competitiveness of the Dutch manufacturing sector.

Although the term Dutch Disease originially bore exclusive reference to the negative effects of natural resource wealth on the Dutch economy, it did not dissuade other scholars and thinkers from applying its fundamental premises to analyse economic decay in various contexts. For example, in his 1988 book entitled “*Oil Windfalls: Blessing or Curse?*”, Alan Gelb applied the concept to a myriad of case studies including Nigeria, Indonesia, Algeria, Venezuela and Trinidad and Tobago. Gelb’s findings indicated that natural resource wealth tended to be a curse rather than a blessing in the majority of the aforementioned economies, thus, “establishing a resource curse thesis” (Badeeb, Lean and Clark 2016: 124).

Extending on Gelb’s findings, Richard Auty framed the Natural Resource Curse Theory in 1993 after the publication of his book entitled "*Sustaining Development in Mineral Economies: The Resource Curse Thesis*" (Almaz 2015: 61). Much like the findings of

prominent Natural Resource Curse Theorists, Jeffrey Sachs and Andrew Warner, Auty's book indicated that resource-rich economies were growing at a much slower rater than their resource-poor peers, and were more prone to "economic detorioration and political decay"; hence the labelling of natural resource abundance as a curse (Dunning 2008: XV).

The figure below illustrates key findings made by Warner and Sachs (2001: 829) in 1995 on the comparatively low levels of economic growth experienced by natural resource rich countries such as Nigeria, Iran, and Venzuela when paralleled with that of similar, but resource poor, nations such as Iceland, Singapore and Malta, to name a few.

Figure 1

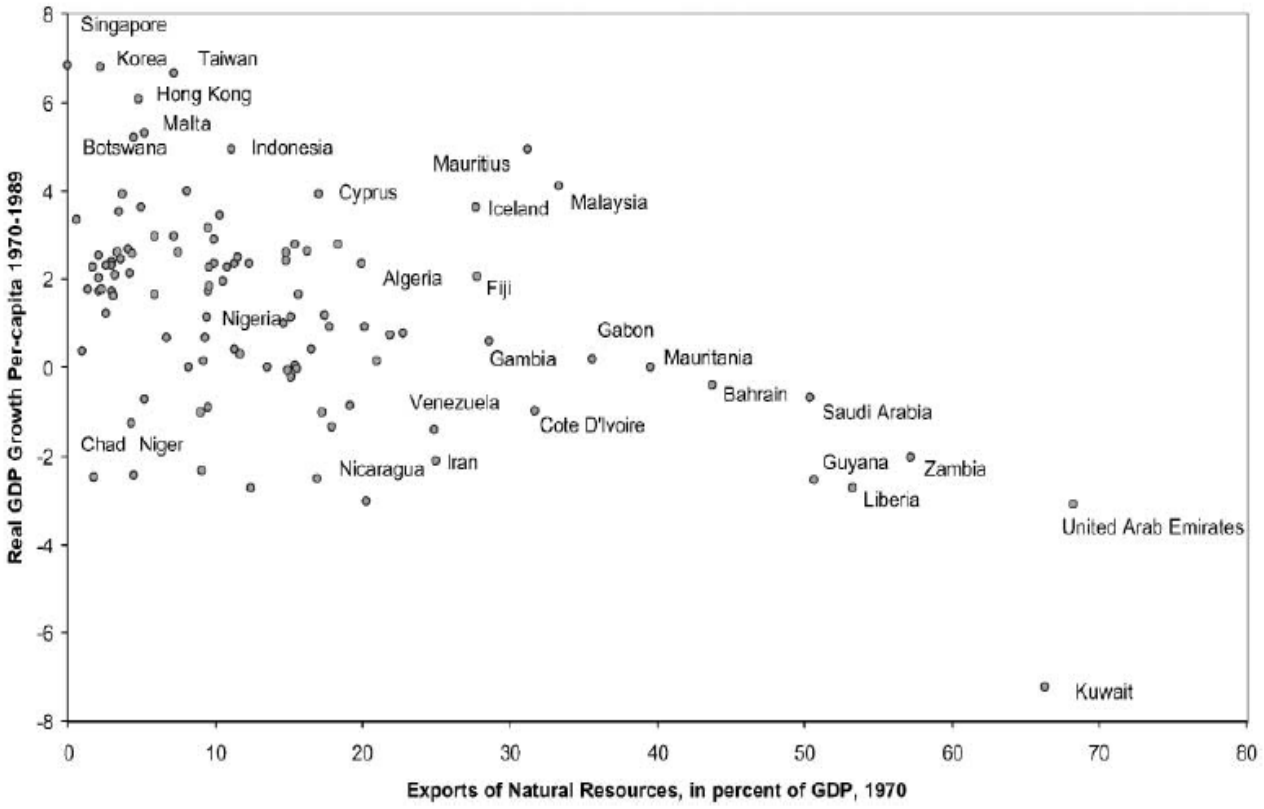


Fig. 1. Growth and natural resource abundance 1970–1989.

Source: (Warner and Sachs 2001: 829)

Essentially, the figure above illustrates a strong negative correlation between natural resource abundance and economic growth in resource rich nations, and the empirical evidence gave further credence and impetus to studies on the Natural Resource Curse Theory, which fundamentally portrays natural resource abundance as a hinderance rather that a boon for economic growth. In fact, the dynamics of the causal relationship have also been labelled 'the paradox of plenty', 'the devil's excrement' or 'the resource curse' by scholars and thinkers

interrogating the propensity of resource-rich nations to face economic stagnation when compared to similar but less resource-endowed nations (Almaz 2015: 60).

But what did scholars make of natural resource induced detriments or "curses" that were not strictly economic? Gradually, studies on the Natural Resource Curse Theory incorporated non-economic corrolaries that are understood to be negatively affected by natural resource abundance. The corrolaries included peace and conflict, political rule and, governance. Empirical evidence, during this epoch, revealed that "not only did natural resource booms cripple non-resource export sectors and inhibit various forms of productive economic activity, they also fostered corruption, weakened accountability, and heightened incentives for rent-seeking" (Dunning 2008: *xv*). Literature on the relationship between natural resource abundance and variables other than economic growth has grown in leaps and bounds over the years. In fact, Ragnar Tovik and Silje Aslaksen (2005: 1), divide this literature into two main types of models:

> *The first tradition employs models of conflict, and studies how resource rents affect the intensity and duration of civil conflict. The second tradition employs political economy models, where resource rents affect the political equilibrium because the costs and benefits of buying votes change.*

The first tradition is highly conspicous in the academic literatures of Paul Collier and Anke Hoeffler who have presented ample evidence on how natural resource riches may instigate and perpetuate civil conflict and, the contributions of James Fearon and David Laitin who have demonstrated how abundant resources may weaken state institutions making the state a more attractive target for rebels (Rabah and Gylfason 2011: 4).

The second tradition concentrates on how abundant resource riches affect political rule and, the study shall focus on this tradition in the next section of the paper by presenting a literature survey of the Rentier State Theory, which is a Natural Resource Curse subtheory[5].

2.2. THE RENTIER STATE THEORY

"*The Rentier state theory (RST) is a political economy theory that seeks to explain state society relations in states that generate a large proportion of their income from rents, or externally-derived, unproductively-earned payments." – Matthew Gray, 2011*."

[5] "Theories of the 'rentier state' can be subordinated to the overall literature on the 'resource curse'" (Meissner 2010: 9).

As a point of departure, it is crucial for the term "natural resource rents" to be defined clearly in order to formulate a fundamental understanding of what a rentier state is. Natural resource rents may be defined as excesses (monetary or otherwise) which are directly accrued from the ownership of scarce extractive or terrestrial properties (for example geostrategic ocean routes, highly arable land, and/or prolific oil & gas reserves). Simplified interpretations of natural resournce rents tend to limit its definition to the 'difference between revenues accrued from natural resource exportation and extraction costs' – the diference is estimated at a global aggregated of US$4 trillion per annum or 7% of global Gross Domestic Product (GDP) (Barma, Le and Vinuela, 2012: ix). By and large, the aforementioned definition alludes to natural resource profits (or absolute rents) rather than natural resource rents per se, as originally visualised by David Ricardo. Therefore, for the purposes of the research paper, it is imperative for a clear distinction to be drawn between the natural resource rents and natural resource profits.

Rent differs from profit in that it refers to excess revenues that are not productively grossed. Hence, 'the rentier state concept has usually been applied to the countries generating revenues from their resource riches and, at times, to countries that frequently receive credit or aid granted by foreign donors' – foreign aid and natural resource wealth are not manufactured or produced; they are free gifts (Almaz 2015: 61). To explain further, the fundamental premise of rent is buttressed on the resource owner's ability to charge a premium and profiteer from their control of scarce commodities or economic resources, which are not produced and are often non-renewable. To this end, Nathan Jense and Leonard Wantchekon (2004: 842) describe the Rentier State as follows: "A rentier state is characterized by high dependence on external rents produced by a few economic resources, not from production (labour), investment (interest), or management of risk (profit)". Specifically, 'rents are most commonly defined as externally-derived and unproductively-earned royalties or other payments for oil and gas exports' (Gray 2011: 1).

However, bearing in mind the unavoidable expenditures that rentier states incur on oil and gas pipeline upkeep, transit fee charges, production cost, and so forth, rents have become synoymous with profit in modern day literature[6] (Arnason 2008: 1). Given that the research

[6] "The concept of natural resource rents is much used in the natural resource economics literature. It is therefore somewhat surprising that in this same literature it is difficult to find a clear definition of the concept. Possibly as a result, the concept is often loosely employed and in some texts it appears to be taken to be virtually synonymous with profits" (Arnason 2008: 1).

paper has drawn a distinction between profit and rent, the study shall concentrate on the historical background and evolution of the Rentier State Theory (RST) next.

- A Brief Historical Background of the Rentier State Theory

> ***"Rent is that portion of the produce of the earth which is paid to the landlord for use of the original and indestructible powers of the soil." – David Ricardo (1772-1823).***

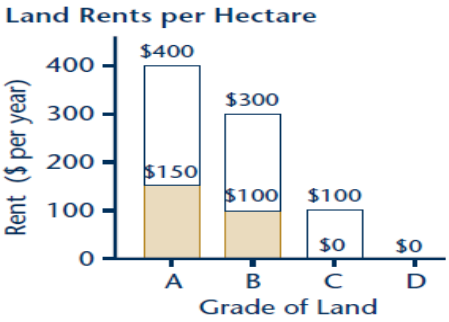
Although Michael Ross (2001: 329) posits that "economists in the early twentieth century used the term ''rentier state'' to refer to the European states that extended loans to non-European governments", the RST actually finds its most primitive roots from Adam Smith's Chapter on "The Rent of Land", which was discoursed in his *magnum opus*, the '*Wealth of Nations'* in 1776. The concept of rent would later find profound prominence from David Ricardo's *Law of Rent*, which he expounded on in 1817.

But why the proliferation of literature on rent during this period? According to Christian Bidard (2014: 2), the disquisition on rent, amongst classical economists, was triggered by "the struggle for economic and political power between landowners and the rising capitalist class". Indeed, in his book, "On the Principles of Political Economy and Taxation", Ricardo defined rent as 'that portion of wealth which a possessor can acquire through his control of superior quality land' (Maguire 1991: 14). Essentially, Ricardo attributed the wealth of society's richest to largesses accrued solely from their ownership of superior quality land - excluding other factors of production such as labour, capital, and entrepreneurship. Figure two (2) below illustrates the fundamental premise of Ricardian Rent:

Figure 2

Land Rents per Hectare
(when production costs are $100 per hectare)

Wheat Price ($)	Grade A (50 kg output)	Grade B (40 kg output)	Grade C (20 kg output)	Grade D (10 kg output)
5	150 [($5 × 50) – $100]	100	0	not cultivated
10	400 [($10 × 50) – $100)]	300	100	0



Source: (Lovewell 2002: 189).

The figure above illustrates how production costs are the same ($100) for wheat producing owners of lands 'A', 'B', 'C' and 'D'. However, because land 'A' is the most superior in quality (for example, it may have better quality soil and is exposed to better climatic conditions than the others), its owner is able to produce 50 kilograms (kgs) of wheat per output – 10, 30 and 40 kgs more than owners of lands 'B', 'C' and 'D'. If the price of wheat is $5 per kg, the owner of land 'A' makes an excess of $150 [($5 x 50 kgs) - $100], while owner of land 'B' makes $100, 'C' breaks even and 'D' incurs losses of -$50 [($5 x 10 kgs) - $100]. Therefore, the surplusses made by 'A' and 'B' constitute rent because all of the factors of production, except one uncontrollable feature (land quality), are the same for all four of owners. Thus, the theory connotes that rent is unearned income; it embodies excess revenues obtained from ownership of scarce or superior natural resources attained purely as a gift of nature. Essentiallly, exorbitant venture capital, entreprenuerial skills, business acumen, labour intensity, and so forth, are not needed for higher than average levels of productivity and rent accumulation.

The Ricardian Theory of Rent would later be nuanced by economists such as Johann Heinrich von Thünen in his 1826 *magnum opus* entitled '*Isolated State*', by Karl Marx in 1894, Alfred Marshall in 1896, and Joseph Schumpeter in 1934. The sixth chapter of Karl Marx's critically acclaimed '*Das* Kapital' (Volume III) contributed uniquely to the discourse by drawing a distinction between 'absolute rent' and 'differential rent' (Bryan 1990: 176). In classic Marxism, absolute rents refers to "earnings that arise from the difference between the market value of commodities and investment costs, while differential rent alludes to income stemming from higher than average productivity" (Jenkins, et al. 2011: 5). Marx's distinction introduced all four factors of economic production (absolute rent) into the rent discourse; untying it from the classiscal conception of rent (differential rent) as gains from uncontrolled exogenous economic variables. Absolute rent, although calculated using the same methods required to calculate profit, is considered rent - and not profit - because it constitutes revenues accrued from ownership of scarce resources or precious commodities which invite production costs, for example, building and maintaining oil refineries, extractive costs, export tarriffs, and so forth (Aslan 2014: 14).

Marx's contributions did more to obfuscate the distinction between profit and rent than to elucidate it. Nonetheless, at that juncture, the discourse on rent was becoming increasingly political and the literature interrogated issues of rent redistribution from the capitalists to the working class. To that end, perhaps the most influential treatise on Ricardian Rent Theory is

Henry George's book entitled '*Progress and Development*', which was published in 1879 as an edifying compendium on the redistribution of rents in society through higher taxation of private rent accruals.

George fundamentally argued that rents, which accrue to the state, ought to be ploughed back into public expenditure programmes or through full tax subsidies or "citizens dividends". George's ethical economic premises would later come to be known as "Georgism", "Geoism" or "Single Tax". His economic conceptions on Ricardian Rent Theory emanated from his "Christian roots, which led him to a deep commitment to the basic moral equality of all people; his challenge was to find a way to ensure that this equality was manifested in economic fairness" (Batt 2003: 12). Thus, by introducing egalitarian public policy as well as John Locke and Baruch Spinoza's 17th Century ideas on 'Single Tax' to the rent discourse, George, laid the foundation for the node of politics and economics in the rent discourse.

The reason for the above is that 'tax policy is, in many respects, another type of public policy which advantages some and disadvantages others', and most importantly, "tax policies provoke stronger reactions from citizens than do many other policies" (Peters 1991: 3-4). The Single Tax principle is based on the notion that all natural resources (including land) belong to all citizens, and therefore, all revenues made from natural resources must subjected to 100% tax and the proceeds used to eliminate all other existing taxes (income tax, value added tax, sales tax, and so forth). The ideas of a generally tax-free society provoked plenty of thought and interrogation from scholars studying Middle Eastern states with an abundance of natural resource wealth.

Hence, in 1970, an economist by the name of Hossein Mahdavy composed a text entitled '*The Patterns and Problems of Economic Development in Rentier States: The Case of Iran*' wherein he formulated a theory on how foreign payments, from exporting raw materials, made states less democratic due to their assumed proclivity to tax citizens less. In the article, Hossein Mahdavy, who is widely accepted as the originator contemporary conceptions of the Rentier State Theory, described rentier states as "those countries that receive on a regular basis substantial mounts of external rents" (Mahdavy 2014: 428). His study was centered on records from 1948-1958, which illustrated that oil production increased by 36.87% yet local production costs decreased by 18.32% during that ten year period in Iran (Mahdavy 1970: 429). Thus, Mahdavy's application of the 'law of increasing returns to scale', the Marxist

Theory of Ground Rent (absolute rent), led him to conclude that the hefty revenue margins from the oil industry between 1948-1958 constituted "rents" in the Iranian economy.

In describing how the vast availability of rents affects the political architecture of rentier states, Mahdavy (1970: 432) pronounced that "the oil industry's major contribution is that it enables the governments of the oil producing countries to embark on large public expenditure programmes without resorting to taxation and without running into drastic balance of payments or inflation problems that plague other developing nations". From the preceding excerpt, Mahdavy's sampling of Henry George's fundamental economic ideas to construct his hypothesis on how natural resource wealth affects the political landscape of resource rich countries becomes increasingly discernible.

Although George had argued that the Single Tax principle would ensure development and prosperity, Mahdavy's hypothesis reached an ominously converse conclusion because, according to Aslan (2014: 24), he contended that, "in oil rentier states, no taxation destroys the accountability and liability between government and citizens". Matthew Gray (2011: 2) added that the absence of taxation means that the state "does not have to offer concessions to society such as a democratic bargain or a development strategy". Therefore, the fundamental notion propounded by Mahdavy, in 1970, was that rentier states are exempt from political accountability and national development planning because they are able to coax their citizens into political docility by buying off their political interests using resource rents.

Using the rentier state's assumed exemption from political bargaining as a foundation, Hazem Beblawi and Giacomo Luciani are attributed with refining Mahdavy's original definition in two theoretical contribitions published in 1987. Beblawi's contribution, '*The Rentier State in the Arab World*', sets itself apart by advancing that "a rentier state is one where the rents are paid by foreign actors, where they accrue directly to the state, and where only a few are engaged in the generation of this rent and the majority being only involved in the distribution or utilisation of it" (Beblawi and Luciani 1987: 51). Therefore, Beblawi intimated the notion that non-oil/gas foreign payments such as foreign aid, soft loans, and worker remittances, and so forth, constitute rents. One such country is Benin, which according to Giulia Piccolino (2014: 5) "has been characterized as a democratic rentier state because of its dependence on foreign donors". Benin's oil production has been dormant for

many years yet the country is still classified as a rentier state[7] due to its maximisation of foreign aid to placate the country's citizens.

Luciani's (1987: 78-81) article, '*Allocation vs. Production States*', "by which he means that the rentier state is freed of the need to reinvest in the economy and ensure economic growth (a "production state") but can instead focus on allocating rents politically so as to insure legitimacy" (Jenkins, et al. 2011: 5). In other words, according to Luciani, Rentier States are allocation states that rely on resource rents to finance plutocracy, state capture and cronyism in order to retain power. This then obviates the need for the state to use rents to foster economic and human development in order to stay in power.

The contributions made by Beblawi and Luciani were integral to the intensification of literature on the RST in the 1990s all the way up to the first decade of the 21st century for three reasons. Firstly because their literature heralded the Political Economy approach to the existing literature, secondly, they illustrated how rentierism may trickle from oil-rich Arab states to the non-oil Arab states through migrant workers' remittances, through transit fees and through aid, and thirdly, they introduced the concept of "strategic rents" - bilateral or multilateral foreign-aid payments, such as foreign development assistance or military assistance' (Schwarz 2004: 13-14). These new contributions were an augmentation of Mahdavy's literature and the nuanced literature announced broader political and economic dimensions to the study. Hence, literature on the RST discourse began to explore the wide-ranging implications of democratic decline caused by lenient taxation in rentier states.

Indeed, according to Steffen Hertog (2010: 1), contemporary theories on rentier states may be attributed to a disquisition spanning over four decades whereby political scientists and economists have contended that "rents have a negative impact on levels of democracy (Luciani 1990; Ross 2001), on the quality of institutions (Chaudhry 1997; Isham et al. 2005), and on economic growth (Sachs and Warner 2001)". Furthermore, Micheal Ross (2001: 330), argues that literature on the RST may be divided dydically into hypotheses on (1) how natural resource abundance culminates in democratic decline, and (2) on how the resource wealth renders governments reluctant to promote economic development. The second collection literature emanates from a wave of studies, in the 1990s, which were influenced by the Political Economy approach introduced by Beblawi and Luciani in 1987.

[7] "Cotton-dependent Benin, a tiny neighbour to the west of oil-giant Nigeria, started producing oil in the 1970s but output remained low and stopped by the end of the 1990s when funds for operations dried up" (Elijah 2013).

Indeed, in1992, Henri Barkey published a book entitled '*The Politics of Economic Reform in the Middle East'* wherein he identifies the vast availability of resource rents in the Middle East as an impediment to the implementation of economic stabilization measures (intended to curtail high inflation rates, balance of payments deficits and so on) in Algeria, Turkey, Tunisia, Syria, Jordan and Israel. In '*Political Liberalization and Democratization in the Arab World',* it is argued that the perseverance of rentier totalitarian regimes (associated with interventionist and protectionist economic policies) undermines the credibility of democratic economic reform' in MENA nations (Rex Brynan, Bargat Korany and Paul Noble: 1995: 17). Similarly, Douglas Yates (1996: 3), contended that "there can be no economic democracy without politically democracy" and argued that Gabon was in danger of evolving into an allocation state in his book, '*The Rentier State in Africa: Oil Rent Dependency & Neocolonialism in the Republic of Gabon*'.

According to Schwarz (2004: 15), the Political Economy approach to the RST began to make way for the Political Culture approach not too long after the exertions of 'Martin Beck and Oliver Schlumberger[8] in 1998 when they came to the conclusion that the degree and type of rentierism, in a country, will determine the level of economic liberalisation of the state'.

The second wave or the "Political Culture Approach" was ushered in by Michael Ross in 2001 with his critically acclaimed publication '*Does Oil Hinder Democracy*?'. In the publication, Ross (2001: 325-361) classifies the types of rentierism (to be discussed in the next section) and conducts a cross-national study that surveys 113 countries between 1971 and 1997, and the study provides strong evidence that the availibility of vast resource rents hampers democracy. In the year 2004, Paul Collier and Anke Hoeffler employed a data set of 161 countries between 1960 and 1999 to compose the Collier-Hoeffler Model in their publication entitled, '*Greed and Grievance in Civil War*'. The model found that greed and rent-seeking (rather than grievance) fuel civil conflict. Studies during this epoch tended to illustrate how the vast availability of rents almost inevitably culminates in political upheavals across the world. One of the major books on this topic was entitled, "Democracy Derailed in Russia: The Failure of Open Politics", which was written by Steven Fish in 2005. The gist of Fish's book was to attribute Russia's failure to democratise to a triad of root causes: (i) over-

[8] Martin Beck and Oliver Schlumberger (1998), "Der Vordere Orient – ein entwicklungs-politischer Sonderfall? [The Middle East – a special case regarding development politics?] In: Der Bürger im Staat, Vol. 48/3, pp. 130-134.

reliance on oil and gas exports, (ii) inadequate economic liberalisation, and a (iii) toothless national legislature.

In 2006, Francesco Caselli's publication entitled, '*Power Struggles and the Natural Resource Curse'*, contributed to the discourse by outlining a predictive model "where natural-resource abundance generates power struggles, thereby increasing the effective discount rate of the governing group". In other words, the quest for self-enrichment through the control of natural resources often culminates in power resting in the hands of self-seeking despots. The outcome is little to no re-investment of resource rents towards the development of the country, by the ruling elite, once power is seized. To that end, Casey Mulligan and Kevin Tsui (2008: 1) presented a study entitled '*Political Entry, Public Policies, and the Economy*' to showcase how despots use resource rents to deter political opponents from competing for power. More recently, Anar Ahmadov (2013: 1238) conducted a study by the title, '*Oil, Democracy, and Context: A Meta-Analysis*' in which he finds that "while oil does not seem to impede democracy by retarding two key channels of modernization—income and urbanization—it may have an indirect negative effect on democracy through its adverse impact on education". Ahmadov's study was conducted in the context of many critical studies that were being conducted to refute the RST.

Chief amongst the critics was Michael Herb in 2005 when he argued that the RST is only applicable to the MENA region in his journal article; '*No representation without Taxation? Rents, Development, and Democracy*'. Supporting Herb, Stephen Haber and Victor Menaldo (2007: 1) conducted a study which illustrated that "resource dependence is not associated with the undermining of democracy, the persistence of authoritarianism, or less complete transitions to democracy". They were able to reach this conclusion by developing datasets which demonstrated how some countries are highly resource dependent, yet are able to consolidate democratic practices. Following this line of argument, in 2009, was Thad Dunning whose study highlighted how democracy has improved in some Latin American countries with the advent of increased resource rents. Johnathan Di John (2010: 6) argued that rulers are almost always "assumed to have predatory as opposed to developmental aims" and that natural resource dependence is neither always by design and nor is it always a portent for malfeasance; it can be used to stimulate economic growth and development.

Despite the vast literature published to debunk the Rentier State Theory, the theory remains highly compelling and it is one of the most accurate theories that explain the endurance of

autocracy in many regions in the world; not just the MENA region. The next sub-section shall unpack the causal mechanism of the theory.

2.3. THE CAUSAL MECHANISMS OF THE RENTIER STATE THEORY

By and large, the research paper has established that the Rentier State Theory Hypothesis holds that: "The vast availibility of natural resource rents hinders democracy". In other words, natural resource rents - the independent variable - have a negative correlation with democracy - the dependent variable. Thus, it remains critically important to explore the causal mechanisms of the theory. According to Michael Ross (2001: 328), there exists a triad of RST causal mechanisms and they include:

1. ***The Rentier Effect (is underpinned by three sub-effects)****:*

- *The Taxation Effect**:** assumes that as sufficient revenue generated from energy export is flowing to the state treasury, the governments are inclined to tax less, or none at all. Therefore, the public is less likely to demand for democracy and accountability.*

- *The Spending Effect: posits that governments use rents on popular social welfare programmes (education, health etc.), subsidization of certain sectors (i.e. energy and agriculture), and creation of employment opportunities in the resource sector so as to legitimise their power.*

- *The Group formation Effect: assumes that the emergence of opposition to status quo or independent social groups are very likely to be suppressed by the governments as they are perceived as a threat to the very existence of their states.*

2. ***Repression Effect:*** *suggests resource revenues enable governments to spend more on internal security matters in order to reinforce their authority and hamper democratic aspirations.*

3. ***Modernisation Effect:*** *propounds that wealth generated from natural resources undermines democratisation process of resource rich states by preventing rising education levels and occupational specialization. (Almaz 2015: 63-66).*

A brief literature survey on the causal mechanisms shall be conducted next; beginning with the rentier effect's sub-mechanisms: the taxation effect, spending effect and group formation effect. The repression effect and the modernisation effect shall be surveyed immediately thereafter.

A study conducted by John Jenkins (2011: 5) and his colleagues examined trends in 22 Middle East and North African (MENA) states between 1971 and 2008 and they were able to prove "that there is an overall positive association between rentierism and the state's dependence on non-tax revenues" because "international rents reduce the state's need to collect taxes". Therefore, the taxation effect is an empirically proven consequence of the RST and must be critically discussed in the research paper.

However, depsite the availability of empirical evidence, there are critics who are not convinced by the taxation effect's premise. In his article entitled "Rethinking Rentier State Theory: Qatar and the Rise of Smart Money", James Hollo (2013) argues that with respect to the causal relationship between increasing oil revenues and decreasing public interest in political affairs, the "traditional definition of Rentierism is simply wrong". In other words, he is suggesting that the taxation effect is flawed. He cites the deposition of monarchs in Iraq, Libya and Iran by their respective citizens despite increasing oil wealth and diminishing income tax revenues.

Hollo's argument dismisses the taxation effect and gives credence to the spending effect. He uses Qatar as an example of how rentier states can use external rents to foster citizen participation through the funding of projects that engage the public and generate national unity. He mentions two particular projects: (1) the construction projects of the Abdul Wahhab Mosque and the Museum of Islamic Art and (2) the investment in facilities for the 2022 Federation of International Football Associations (FIFA) World Cup. Hollo's example speaks to the spending effect of the RST, where income from external rent is used to appease the public through increased social expenditure in order to give them little reason to show dissent and agitate for change.

Qatar is one of the least corrupt (Transparency International 2016: 4) and one of the most developed nations (United Nations 2016: 198) in the world, which suggests that government spending is neither kleptocratic nor sybaritic - it is redistributive. However, the spending effect may become distorted when it is averse to redistribution because Ross (2001: 333) warns against situations "whereby oil wealth may lead to greater spending on patronage, which in turn dampens latent pressures for democratization". Therefore, it is not enough for rentier states to spend resource rents money on "white elephant projects" if only a few people in the country benefit. The research paper will argue that, for the spending effect to be effective, the government must spend on projects that will accelerate social progression.

Indeed, Gwenn Okruhlik (1999: 295) argues that rentier "oil states often foster their own civil opposition because of the way revenues are deployed". Her argument is that the unequal distribution of oil rents causes internal dissent and uprisings against the state, therefore, the spending effect may fail if only a few reap the benefits of the external rent sponsored social expenditure. Therefore, Okruhlik's postulation gives credence to the main argument of the paper.

The third and final sub–effect of the rentier effect is the "group formation effect", which holds that, if all fails, the state could use its "largesses to prevent the formation of social groups that are independent of the state and hence that may be inclined to demand political rights" (Ross 2001: 334). In "Does Democracy Cure a Resource Curse?", Likka Korhonen (2004: 32) posits that democratic deficit in oil rich nations can be counteracted with the formation of political institutions. Although political institutions are very important for the upholding of democratic principles, institutions may be captured by corrupt state officials and that may render them ineffective. The formation of effective political institutions is therefore precluded – group formation effect.

The repression effect suggests that rentier states may use state apparatus and/or political institutions to suppress internal dissent. A study on civil wars and armed conflicts conducted by Hanne Fjelde (2009: 204) indicates that oil states tend to utilise their rents to buy off and inhibit opposition, thus minimising the propensity for internal opposition. The repression effect will also be discussed in greater detail in the research paper, especially with respect to how successfully the two case studies, Egypt and Algeria, employed this tactic.

The modernisation effect is founded on the notion that "rentier elites are reluctant to launch initiatives that might create potential rivals. Stimulating economic growth might create rival business elites and a middle class that could challenge rentier rule" (Jenkins, et al. 2011: 26). This effect will be critically analysed in the study as the North African nations are known to be much more economically developed than their Sub-Saharan counterparts. Barma (2014: 257) contends that the state's proclivity to hinder economic development rests entirely on how the state distributes funds gained from its natural resouces, therefore, an inferrence into the redistributive and developmental efforts of the Algerian and Egyptian governments will have to be made.

In concluding the literature survey, the proposed research paper will critically analyse and discuss how the Rentier State Theory Effects were at play in Algeria and Egypt during the

Arab Spring in order to ascertain why there were two different outcomes in the countries in the aftermath of the Arab Spring or "Arab Awakening".

2.4. PILOT CASE STUDY: AZERBAIJAN A CASPIAN RENTIER STATE

The ensuing section will give an empirical account of a rentier state using Azerbaijan as an example. Azerbaijan was chosen, for the purposes of this study, because it is a rentier state that encompasses the rentier features of both Algeria and Egypt. For example, Azerbaijan is a secular predominantly Muslim nation which is under the dictatorial rule of a long-standing president. The country also boasts high military net expenditure and massive oil and gas reserves.

Azerbaijan is a coastal Eurasian nation of approximately 9.5 million people and the country is very resource rich - large oil and natural gas reserves. The Muslim-majority nation is geographically bordered by countries such as Russia, Armenia, Iran and Georgia. The Caspian Sea, which is home to the Gunashli Oilfield and traverses both Europe and Asia, covers the country's coastline. The current President, Mr. Ilham Aliyev, ascended to power by succeeding his father, Heidar Aliyev, whose tenure spanned a decade from 1993 to 2003. Below, is a topographical depiction of Azerbaijan's landscape as well as the country's national flag:

Figure 3



Source: (United States Department of State 2008).

As shown above, Azerbaijan is geostrategically positioned to profit from its access to the Caspian Sea because it can easily export its natural resources to major European and Asian markets cost effectively. The figures below demonstrate Azerbaijan's high economic dependence on resource rents from 2005-2011:

Figure 4

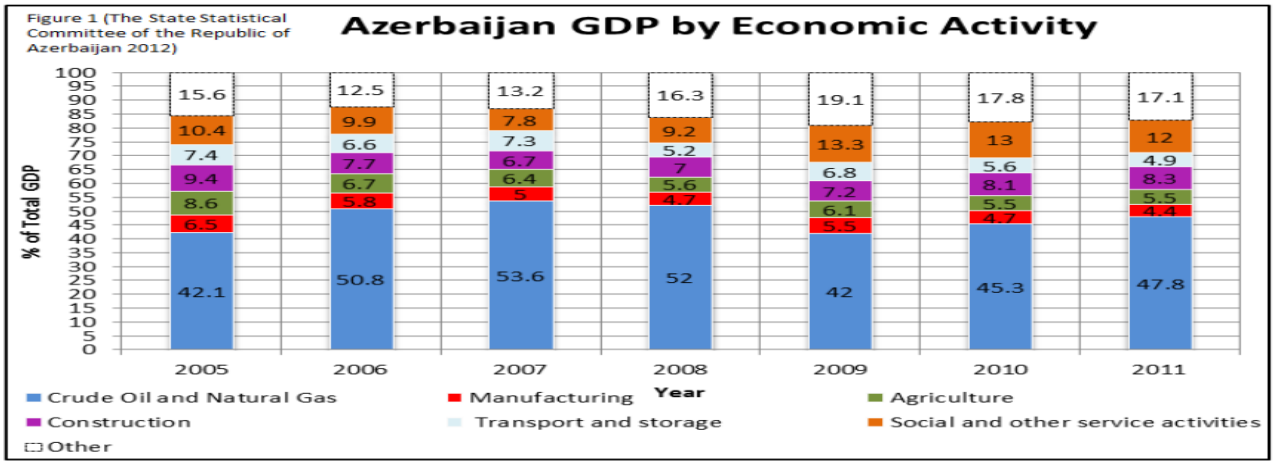
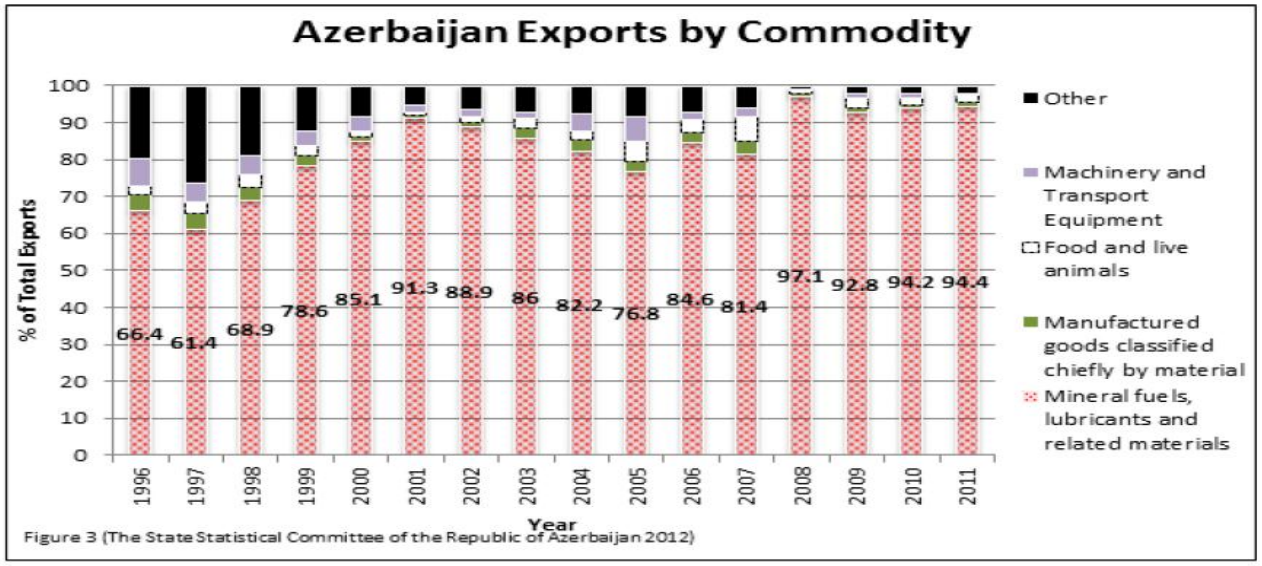


Figure 5



Source for both figures: (Shaw 2013: 530-532).

Figure 4 illustrates how a substantial amount of Azerbaijan's national revenues are accrued from natural resource rents – as much as 53.6 of Gross Domstic Product (GDP) in the year 2007. Figure 5 depicts Azeberbajain's substantial reliance on natural resource exports (mineral fuels, lubricants and related materals), which accounted for as much as 94.4% of total exports in 2011.

Therefore, Azerbaijan fits the description of a typical rentier state perfectly; but is there any empirical evidence of a positive correlation between its resource rents abundance and the democratic freedom its people enjoy?

The answer to the above question is an emphatic 'yes'. Azerbaijain ranks, in the Freedom House Index, amongst the countries with highest incidences of democratic decline over the past decade; its score has dropped by seventeen points over the last ten years to a low of 14/100 for political freedoms in 2017.

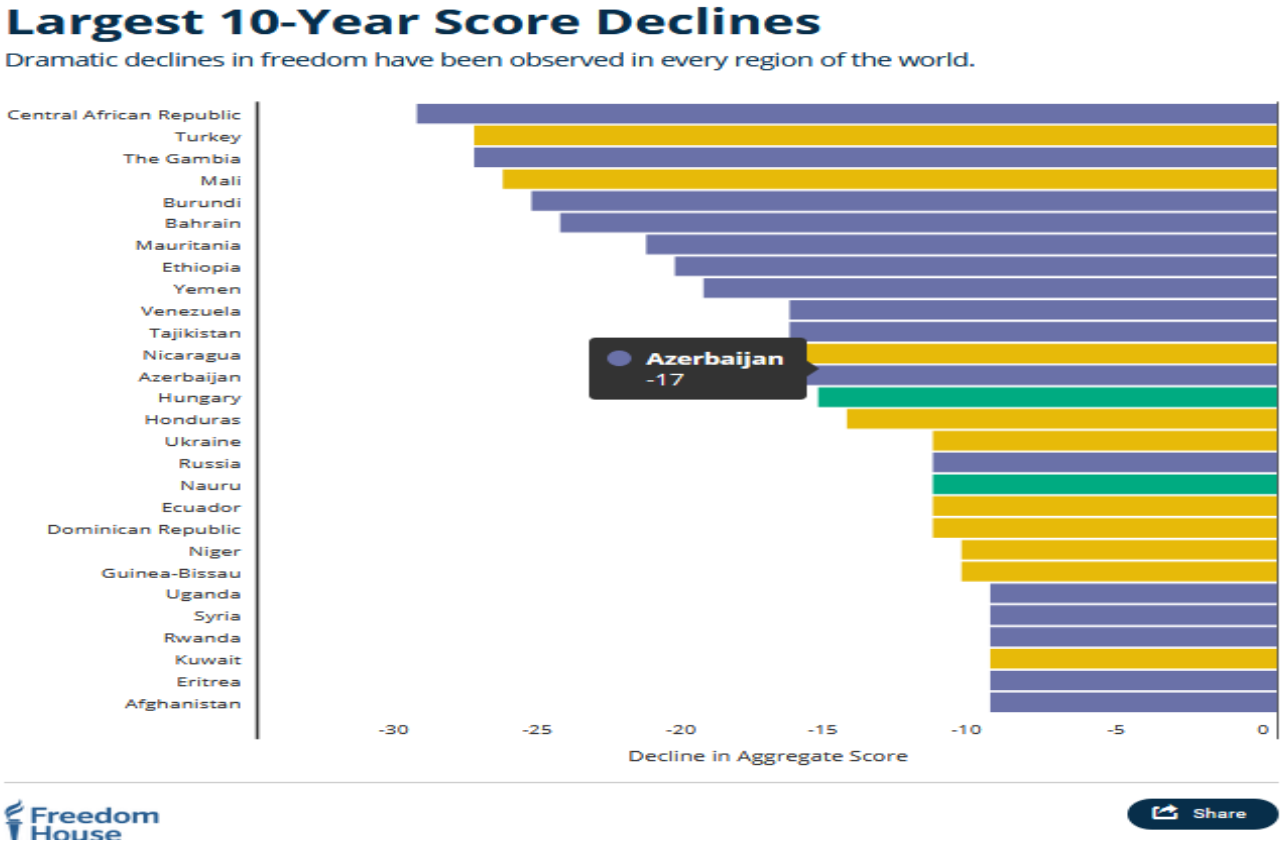


Figure 6

Source: (Freedom House 2017).

The figure above illustrates that access to civil and political liberties is diminishing rapidly in Azerbaijan, while figure five shows an increase in Azerbaijan's dependency on oil exports for national income. Economist Intelligence Unit Democracy Index (2017: 11) ranks Azerbaijan 148th out of 167 countries (in the "Authoritrarian" category) for the quality of its democracy; the country ranks below coutries such as Zimababwe, Iraq, Myanmar, Venezuela and Sierra Leone. Therefore, a positive correlation between oil rents and authoritarianism is detected.

- The Taxation Effect in Azerbaijan

Given that it is proven that Azerbaijan is theoretically a rentier state, it is imperative to identify the rentier modalities employed by President Ilham Aliyev's regime to remain in power.

The taxation effect is fully effective in Azerbaijan. Azerbaijan citizens who gross less than AZN2,500 ($1,470.60) are "exempt from tax on the portion of their monthly taxable income equal to the minimum living wage of the country's working population, which is currently AZN155" ($91.18) and citizens who earn gross salaries that are in excess of AZN2,500 are taxed a maximun of 25% (Ernst & Young Global Limited 2017). Overall, the tax burden[9] on Azerbaijan's citizens is at a low 14.2% of total domestic income; this is lower than most of its neighbouring countries which are non-oil and gas based economies in the main: Armenia (23.5%), Georgia (25.3%), Turkey (28.7%), and Russia (35,3%) (Miller and Kim 2017: 115). The percentages are proof of the taxation effect in Azerbaijan.

- The Spending Effect in Azerbaijan

According to Alper Almaz (2015: 60), "revenues generated from energy exports hinder democracy in Azerbaijan since they are used for fulfilling pockets of political elites and hampering emergence of any opposition to the dominant groups". Therefore, the spending effect is executed through patronage and rent-seeking in Azerbaijain. The Corruption Index (2016: 5) ranks Azerbaijan 123rd/176 countries with a dismal score of 30/100 for transparency and accountability; which is an indication of the high levels of corruption in the country. However, despite the advent of rampant corruption in the country, the levels of human development are impressive; Azerbaijan is ranked as a 'High Human Development' country on the United Nations Human Development Index (2016: 199) wherein it is placed 78th/185 countries. The country also scores a decent 63.75/100 on the Social Progression Index (Porter, et al. 2016: 18), which is an indication of the country's above average and effective social expenditure. The government of Azerbaijan uses resource rents to bridge the inequality gap too because, between 2001 and 2005, the country's Gini Co-efficient improved significantly, shifting from 36.5 to 16.6 in four years (The World Bank 2017).

- The Group Formation Effect in Azerbaijan

[9] "Tax burden is a composite measure that reflects marginal tax rates on both personal and corporate income and the overall level of taxation (including direct and indirect taxes imposed by all levels of government) as a percentage of gross domestic product (GDP)" (Heritage Foundation 2017).

Although Azerbaijan is de jure a secular state, "religious organizations and members of the clergy are forbidden from participating in elections" and the country's democratic practices are equally as fallible as its secularism because the 2010 legislative elections witnessed members of opposition parties being denied parliamentary seats that were due to them (Bertelsmann Stiftung 2016: 8-10). The excerpt below gives further credence to the Group Formation Effect in Azerbaijan:

> The Aliyev regime has overseen an extensive crackdown on civil liberties in recent years, leaving little room for independent expression or activism in the country. Journalists, civil society leaders, human rights advocates, and religious leaders who are deemed threatening to the government routinely face harassment, detention, and violence (Freedom House 2017).

Indeed, rentier states share a proclivity for swift and effective countervailing of opposition movements in order to protect their control of resource rents. A prime example of Azerbaijan's brutal crackdowns on the opposition occurred prior to the 2005 Parliamentary Elections when "Rafik Aliyev, owner of the largest private oil company in the country, and Farhad Aliyev, a former minister of economic development were arrested over alleged coup attempts against the government" (Almaz 2015: 65). The coup attempt allegations against the two politicians were ostensible and were levelled against them to deter them from setting up a strong opposition movement.

- The Repression Effect in Azerbaijain

The Political Terror Scale (PTS), which gauges the magnitude of state repression experienced by citizens in over 150 countries annually using indices from Amnesty International, Human Rights Watch and U.S State Department, has given Azerbaijan scores of 3/5 for the past nine years. A score of three out of five means: "There is extensive political imprisonment, or a recent history of such imprisonment. Execution or other political murders and brutality may be common. Unlimited detention, with or without a trial, for political views is accepted" (Political Terror Scale 2017). Thus, one can easily deduce that the Repression Effect is a reality in Azerbaijan.

In Azerbaijan, exponential amounts of resource rents[10] are used to strengthen security apparatus and repress all of the government's detractors. Below is a figure which exhibits the county's spending habits on the army between 2006 and 2016:

[10] According to the World Bank, Azerbaijan spent 3.6% of its GDP on military expenditure (World Bank 2017).

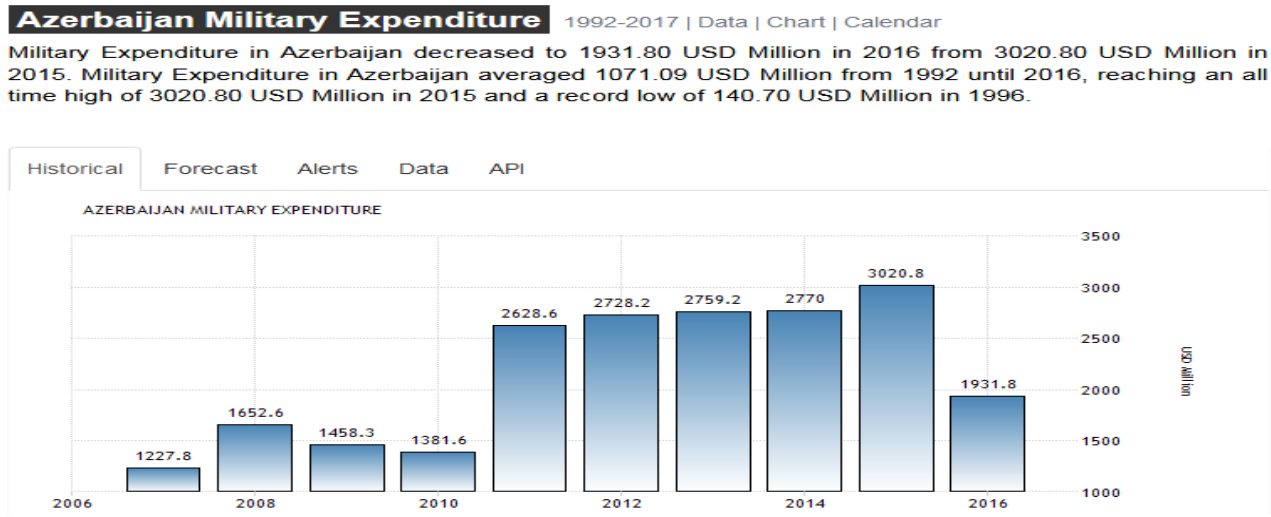


Figure 7

Source: (Trading Economics 2017).

Figure seven above shows that Azerbaijan assumed a rapid upsurge in military expenditure during 2011 and the ensuing years. The increase coincided with the advent of the Arab Spring. The coincidence indicates that state repression is at the forefront of the Azerbaijani government's *modus operandi* when it comes to holding on to power. Two empirical examples of Azerbaijan's repression effect in action involve the arraignment and death of Novruzali Mamedov and Elmar Huseynov who met their untimely demises under police custody after demanding democratic reforms in the country. Another example is 'the attempted intimidation of Khadija Ismayilova whose home was surreptitiously fitted with hidden cameras, which recorded footage that was then used in an failed attempt to subdue the journalist's writing' (Shaw 2013: 543).

- The Modernisation Effect in Azerbaijan

The modernisation effect is inconspicuous in Azerbaijan. As previously mentioned, the country's Gini Co-efficient shows that the gap between the rich and the poor is not too high, and social progression is advancing well. In fact, the World Economic Forum's (WEF) Inclusive Growth and Development Report (2017: 60) places Azerbaijan as the second best developing economy in the world, after Lithuania, for wealth distribution to its citizens. Therefore, the modernisation effect is the only rentier state effect which is not detectable in Azerbaijan.

CHAPTER THREE

3. RESEARCH METHODOLOGY

The research study is principally qualitative, but shall incorporate quantitative techniques by drawing statistical and numeral data from relevant indices. The reason for the dual approach is because according to Munck and Snyder (2007: 7), "the basis for a more pluralistic view of methods has been emerging, as scholars emphasize that qualitative and quantitative researchers alike face serious hurdles in making descriptive and causal inferences, draw attention to how qualitative research can potentially contribute to hypothesis testing, and propose a mixed-method approach that combines quantitative and qualitative components". For the aforesaid reasons, the study will rely on both qualitative and quantitative approaches.

Because the study will draw conclusion from data that is collected from various sources and also draw interpretations from the premises of the Rentier State Theory, the study will be both inductive and deductive in nature.

3.1.THE MILLS METHOD OF DIFFERENCE

The Mills Method of Difference (MMD) was devised by John Stuart Mills in the early 19th Century as a tool which may be used to ascertain causality. The MMD was formed in tandem with four other methods formulated by Mills, which include the Method of Agreement, the Joint Method of Agreement and Difference, the Method of Residues, and the Method of Concomitant Variation, which according to Bram van Heuveln (2000: 20):

> *When applying Mill's Methods, one is looking for the cause of a certain phenomenon (sometimes called effect). To do this, one considers a number of cases, called instances, in which the phenomenon is either present or absent. In those instances, certain circumstances will also be present or absent. Using Mill's Methods, one may be able to find reasons that a certain circumstance was the cause of the phenomenon.*

Because Algeria and Egypt are two very similar nations, they are totalitarian North African Rentier States, the author will attempt to eke out a major and reasonable absence or difference between the two countries, since their post-independence eras, that could best explain the outcomes of the Spring in each country. Therefore, the study shall rely on the MMD to try and prove that the absence of an instance in one country, and its presence in the other, is the causal reason for the different outcomes of the Sping. The premise of John Stuart Mill's (1973: 391) Method of Difference is that, "if an instance in which the phenomenon under investigation occurs, and an instance in which it does not occur, have every

circumstance in common save one, that occurring only in the former, the circumstance in which alone the two instance differ, is the effect, or cause, or necessary part of the cause of the phenomenon". Thus, the method relies on co-variation between the absent independent variable and the dependent variable to detect a causal relationship. However, Peter White (2000: 431) warns that 'causal inference is only possible if the two properties, that are being compared, have the exact same properties' as defined by Mills in describing the Method of Difference above.

3.2. COUNTERFACTUAL ANALYSIS OF CAUSATION

A number of analysts argue that devastation wreaked by the Algerian government, on its own citizens during the 1988-1992 civil war, is the main reason for its success in its quest to subdue its citizens during the 2011 uprisings. The study will therefore put forward a counterfactual analysis that will attempt to disprove the said notion. The counterfactual analysis will show that the Algerian government was successful in quashing the revolutions because of its inclination to meet the needs of its citizens (expending resource rents to ease the burden of high living cost) – a far cry from the stringently repressive and violent approach taken by the Egyptian government.

The rationale behind conducting a 'Counterfactual Analysis of Causation' study is to present alternative facts[11], which may cogently prove the causality of a different variable in the hypothetical absence of the generally accepted one. According to James Mahoney and Rodrigo Barrenechea (2016: 1)

> In case-study research, counterfactual analysis is intended to help analysts evaluate the effect of an actual world event by considering what would have happened if the event did not occur or occurred differently. Typically, these evaluations involve the formulation of "what-if" arguments that rerun history with the counterfactual antecedent in place.

Indeed, if one were to imagine a "what-if" scenario where the Algerian Civil War in 1988 did not occur, would it be a foregone conclusion that Bouteflika's regime would have been toppled? Using a counterfactual analysis of causation, the study will attempt to answer this question as compellingly as possible.

[11] A theory posited as an alternative to another, often more widely accepted, theory (Collins English Dictionary 2017)

3.3. CASE STUDY AND THEORY DEVELOPMENT

In their critically acclaimed chapter on 'Case Studies and Theory Development', George and Bennett (2004: 18) proffer a distinctive definition of cases studies and their importance to academic research:

> *We define a case as an instance of a class of events. The term "class of events" refers here to a phenomenon of scientific interest, such as revolutions, types of governmental regimes, kinds of economic systems, or personality types that the investigator chooses to study with the aim of developing theory (or "generic knowledge") regarding the causes of similarities or differences among instances (cases) of that class of events. A case study is thus a well-defined aspect of a historical episode that the investigator selects for analysis, rather than a historical event itself. The Cuban Missile Crisis, for example, is a historical instance of many different classes of events: deterrence, coercive diplomacy, crisis management, and so on.*

In keeping with the above excerpt, the study is based on a phenomenon of scientific interest – the Arab Spring revolutions – which the investigator has chosen to study with the aim of developing general knowledge on. The aspsect of the Spring, which the research paper will zero-in on and analyse, is deterrence – which courses of action did the Algerian and Egyptian governments take in order to diffuse the tensions.

Using a comparative case study analysis that is based on the Rentier State Theory, the main idea of the study is to draw comparisons between the approaches taken by two North African rentier state government's, Algeria's and Egypt's, in their bids to to counteract the 2011 Arab Spring uprisings. Only one of the approaches was successful - Algeria's reliance on a redistributive spending effect – while the other was not – Egypt's reliance on the repression effect. Therefore, the study will contribute to the development of the RST by asserting that the spending effect is a more effective deterrent of citizen uprisings than the repression effect. Furthermore, the spending effect needs to be redistributive and serve the needs of the majority as opposed to clientelistic or elitist in benefaction.

The above will help bolster the quantitative method of testing the following hypothesis: "Developmental redistribution of resources rents is a more effective deterrent of citizen led insurrections than state repression is". The quantitative data will be extracted from the United Nations Human Development Index, the Social Progression Index, the Bertelsmann Stiftung Transformation Index, the Mo Ibrahim African Governance Index, the Heritage Foundation, the Afrobarometer survey engine, and the Legatum Human Prosperity Index. The paper shall also enlist data from the Political Terror Scale to measure the levels of political repression in the two case studies, Algeria and Egypt, during the Arab Spring.

The data for the study will be collected from reliable web based materials, news articles, electronic journals, books, academic research outputs, working papers, indices, and survey enginges.

3.4. REASONS FOR COMPARATIVE CASE STUDY

In his critically acclaimed and widely referenced book, *Case Study Research: Design and Methods*, Robert Yin (2003: 1) elucidates that the case study approach is optimally applicable when:

(i) The investigator intends 'to answer "how" and "why" questions';
(ii) The investigator has little or no control over the case(s) events; and
(iii) The focus is on a contemporary phenomenon within some real-life context

Aptly, the rationale behind the study is to try and explain how the Algerian regime staved off the 2011 Arab Spring while the Egyptain one collapsed. The research paper will also attempt to answer the question of why there were different outcomes in the two states given that they are both fully fledged rentier states. Moreover, even though the Arab Spring occurred over six years ago, the reverberation of the protests is still being felt even today – the three decade President of Yemen, Ali Abdullah Saleh, was killed on 05 December 2017 - which makes it a contemporary real-life event that the researcher has no control over.

Algeria and Egypt share a lot more in common than merely being members of the Arab League. Diplomatic relations between the two North African Nations hark back to 1952 against the backdrop of the successful bloodless coup that severed Britain's clandestine dominion over the Egyptian nation. Under the auspices of "Nasserism" – an Arab nationalist political ideology-, "the Egyptian government led by the late President, Gamal Abdel Nasser, supported the Algerian resistance against the French colonialism" and Algeria reciprocated the gesture by providing support to Egypt's cause in the Ramadan War of 1973 (Al-Wahaidy 2017).

The mutually amiable relations between the two countries grew in leaps and bounds after Algeria realised its independence in 1962; beginning with the two Arab nations signing an Agreement on Legal and Judicial Cooperation (1964), a Cultural Cooperation Agreement (1966), an agreement on Technical and Administrative Cooperation (1967) and an esemplastic agreement on the Establishment of an Algeria-Egypt High Joint Committee in 1989 (Egyptian State Information Service 2017). Furthermore, information disclosed in the Egyptian State Information Service (2017) website reveals that:

1. *The volume of trade exchange between Egypt and Algeria was valued at almost $1.5 billion in 2012; i.e. up 11% over the 2011 figures. According to figures released by the Algerian Customs Authority in January 2013, Egyptian exports occupied third place among Arab exporting countries with exports calculated at $380.56 million as compared to $876.51 million of Algerian imports.*
2. *Egyptian investment projects in Algeria were valued in 2009 at $4 billion and $890 million in the agricultural, construction, industrial services and communication sectors.*
3. *Trade exchange between the two countries in the first 8 months of 2009 was put at $806 million. Algerian exports to Egypt were estimated at $612.7 million; imports at $196.8 million.*
4. *Early in 2005, the two countries upgraded their joint committee to presidential level; a committee at foreign ministers' level has been established to ensure the smooth administration of regular day-to-day business.*

Therefore, the two countries have shared mutually beneficial and cordial relations for the best parts of over 65 years and it is important to note that the purpose of the study is not to pit the two nations against one another in a bid to glorify one and denigrate the other. The idea is to draw similarities between the two countries as a basis for the interpretation of their respective governments' approaches to the Arab Spring. Given that the study will compare two North African rentier states, the subsequent section shall draw similarities between the rentier economies of the two North African nations.

- Finding Similarities between Algerian and Egyptian Rentier Economies

According to the African Vault (n.d.) and Investopedia (2015) websites, Algeria (3rd with 1.7 million barrels per day in 2014) and Egypt (4th with 668,000 barrels per day in 2014) rank amongst the top five oil producing nations on the African continent. Although Egypt produces much less oil than Algeria, the country also accrues additional rent from pipeline crossings and transit fees as explained by Micheal Ross (2001: 329) in the passage below:

> *Area specialists often describe most of the governments of the Mideast and North Africa as ''rentier states,'' since they derive a large fraction of their revenues from external rents. More than half of the government's revenues in Saudi Arabia, Bahrain, the United Arab Emirates, Oman, Kuwait, Qatar, and Libya have, at times, come from the sale of oil. The governments of Jordan, Syria, and Egypt variously earn large locational rents from payments for pipeline crossings, transit fees, and passage through the Suez Canal. Workers' remittances have been an important source of foreign exchange in Egypt, Yemen, Syria, Lebanon, Tunisia, Algeria, and Morocco, although these rents go (at least initially) to private actors, not the state.*

Apart from the quantity of oil produced by Egpyt, one other factor which often casts doubt on Cairo's rentier state status is the diversity of the country's economy. Although 'Egypt's economy is one of the most diversified in the Arab region, the country extracts substantial rents from its tenure of the Suez Canal, oil and gas exports, foreign aid, and remittances of Egyptians living abroad' (Swelam 2013). Hence, despite lower oil production, Egypt's

(US$342.8 billion) Gross Domestic Product (GDP) was more than twice the size of Algeria's (US$168.3 billion) in 2016 (Index Mundi Fact Book 2017). More significantly, Algeria and Egypt's GDP PPPs (Purchasing Power Parities) are estimated at US$587.7 billion (10.5% unemployment and 4.8% inflation) and US$1.0 trillion (12.1% unemployment and 11% inflation) respectively (Miller and Kim 2017).

Crucially, the multiplicity of Egypt's rentier revenue stream enables the country to apply the taxation effect seamlessly; with taxes only contributing a meager 11.9% to the national income (Miller and Kim 2017: 309). In stark contrast, Algeria's status as a rentier state is unquestionable. Almost half (49%) of the Algerian government's national income derives from the oil sector and nearly all (96%) of its exports are from the oil sector (AfDB; OECD; UNDP 2016: 268). The government accrues only 11.7% of its income from taxes, which is a portent for the taxation effect (Miller and Kim 2017: 305).

The spending effect in Egypt is characterised by a 'bloated yet inefficient public sector (six million employees or a third of the labour force) that accounts for a quarter of the state's budget, and this is augmented with food and energy subsidies' (Swelam 2013). However, it should be noted that although Egypt's cost of living subsidisation scheme accounts for more than 10% of GDP, it is misappropriated as it unduly funds the upper class while the poor remain marginalised (Bertelsmann Stiftung 2016: 23). Furthermore, 'in 2016, Cairo enacted a value-added tax, implemented fuel and electricity subsidy cuts, and floated its currency, which led to a sharp depreciation of the Egyptian pound and corresponding inflation" (Index Mundi Fact Book 2017). Therefore, the spending effect, in Egypt, is very limited and constitutes the least important rentier effect at the country's disposal.

To the contrary, the spending effect remains Algeria's most important political power preservation desideratum. According to Emily Boulter (2017), Bouteflika's regime spends an estimated US$30 billion on subsidies which cover food, scholar transport, and education amongst other things. Although "declining oil prices since 2014 have reduced the government's ability to use state-driven growth to distribute rents and fund generous public subsidies", the country remains one of the highest developed African nation thanks, in small part, to its resource rents (Index Mundi Fact Book 2017). Algier's national development plan, spanning 2010-2014, defrayed US$6.2 billion towards health care which included the building of 1,500 health facilities (172 hospital, 45 specialised health complexes, 377 clinics, 1,000 health centers, and 70 specialised institutions for people with disabilities' (Bertelsmann

Stiftung 2016: 21). Therefore, the spending effect is integral to Algeria's rentier economy and to Bouteflika's retention of political power. However, the country's rentier economy has come under threat in recent times as "Algeria's foreign exchange reserves have declined by more than 40% since late 2013 and its oil stabilization fund has decreased from about $75 billion at the end of 2013 to about $7 billion in 2017" (Index Mundi Fact Book 2017). The country's diminishing capacity to placate its citizens with meaningful social expenditure puts Bouteflika's regime at risk of being toppled by disgruntled citizens.

In relation to the repression effect, Algeria (2nd with an estimated military budget of $10.57 billion) and Egypt (1st with an estimated military budget of $7.85 billion) also rank in the top three, on the African continent, with respect to the strength and capabilities of the militaries (Mwanza 2016; Africa Ranking 2015). This aspect is pertinent to the comparative analysis of the application repression effect in the two countries because their military budgets are bolstered by resource rents. Furthermore, in his book entitled "Ruling But Not Governing: The Military and Political Development in Egypt, Algeria, and Turkey", Steven Cook (2007: 20-22) contends that the militaries of the aforementioned countries effectively rule three countries.

Furthermore, the 2015 Political Stability Index shows that Egypt (ranked 178th out of 194 countries) is more susceptible to political violence than Algeria (ranked 169th/194) is. The data presented gives an indication of the importance of state repression to the two North African rentier economies. Data extracted from the PTS[12] (2017) shows that the use of force or repression by the state has been more intense in Egypt than in Algeria in the years 2008-2016. Egypt avergages scores of four out of five, while Algeria averages repressive, but comparatively less menacing, scores of three out of five for state orchestrated repression. The figure below depicts an interpreation of what the scores mean:

[12] The PTS measures levels of political violence and terror that a country experiences in a particular year based on a 5-level "terror scale" originally developed by Freedom House. The data used in compiling this index comes from three different sources: the yearly country reports of Amnesty International, the U.S. State Department Country Reports on Human Rights Practices, and Human Rights Watch's World Reports.

Figure 8

Political Terror Scale Levels

Level	Interpretation
1	Countries under a secure rule of law, people are not imprisoned for their views, and torture is rare or exceptional. Political murders are extremely rare.
2	There is a limited amount of imprisonment for nonviolent political activity. However, few persons are affected, torture and beatings are exceptional. Political murder is rare.
3	There is extensive political imprisonment, or a recent history of such imprisonment. Execution or other political murders and brutality may be common. Unlimited detention, with or without a trial, for political views is accepted.
4	Civil and political rights violations have expanded to large numbers of the population. Murders, disappearances, and torture are a common part of life. In spite of its generality, on this level terror affects those who interest themselves in politics or ideas.
5	Terror has expanded to the whole population. The leaders of these societies place no limits on the means or thoroughness with which they pursue personal or ideological goals.

Source: (Political Terror Scale 2017).

Through an interpretation of the coding in figure twelve, we can infer that murders, disappearances and tortures coordinated by the state are rife in Egypt and that state repression is significantly more severe than it is in Algeria where extension political imprisonments are prevalent.

Lastly, the modernisation effect is much more prominent in Egypt where the vastness of resource rents disproportionate to the country's human development. Despite boasting a trillion dollar GDP PPP, Egypt is categorised as a 'medium human development nation' on the 2016 United Nations Human Development Index[13] (UNHDI) where the country is ranked 111th out 188 countries (United Nations 2016: 203). Algeria, on the other hand, is ranked 83rd and is categorised as a 'high human development nation' on the very same index, which is a compelling indication of Algeria's aversion to the modernisation effect (United Nations 2016: 203). Therefore, the modernisation effect is a more salient feature in Egypt than it is in Algeria where it is almost inconspicuous.

3.5. LIMITATIONS OF COMPARATIVE CASE STUDIES

Comparing and creating paradigms and theory building are part of qualitative practice, while statistical hypothesis testing is a common feature of quantitative methodology in comparative

[13] A composite index measuring average achievement in three basic dimensions of human development – a long and healthy life, knowledge and a decent standard of living

politics. Quantitative methodology is perhaps the most useful in establishing facts and figures used to consolidate or disprove hypothesis on case studies.

However, not all correlations (negative or positive) prove a causal relationship. For instance, every political scientist has subjective conceptions of the world around them, and if bereft of self-discipline or a decent sense of objectivity, the political scientist is at greater risk of formulating fallible conclusions on comparisons and hypotheses. For example, a staunch Marxist might be so eager to prove that capitalism creates greed and evil in democratic societies that he would seek to prove a correlation between democracy and murder, and he most likely succeed in doing so. Nevertheless, even if a positive correlation were to occur between the two variables, it does not prove a causal relationship between the variables because there are many other factors that may increase the murder-rate in any type of political system (infidelity, weak laws and law enforcement, civil strife etc.), that the Marxist would ignore in order to prove their hypothesis correct.

Furthermore, Patrick O'Neil (2007: 4-5) warns that: comparative 'political science offers very few opportunities to control the variables as countries are amazingly diverse in terms of economics, culture, geography, resources, and political structures, and it is difficult to fully appraise these differences; secondly, political scientists are often hampered by a limited number of cases; and a third problem is that even with the limited number of countries available to study, research is further hindered by the barriers that make countries unique'.

Clearly, political scientists can easily find themselves facing too much information and having to use too many different variables in order to draw conclusions on a hypothesis, or they may have too little information or data to compare accurately, and some cases are too unique wherein the necessary information is inaccessible to political scientists. Nonetheless, 'comparison is a fundamental tool of analysis; it sharpens our power of description, plays a central role in concept-formation by bringing into focus suggestive similarities or contrasts among cases' and therefore, comparative politics is a crucial discipline in the field of political science (Collier 1993: 105).

CHAPTER FOUR

4. RESEARCH FINDINGS

This section contains the research findings.

4.1. APPLYING MILLS' METHOD OF DIFFERENCE TO ALGERIA AND EGYPT'S POLITICAL HISTORIES

A research paper entitled '*Reform and Revolution: The Arab Spring at One Year*', by Simon Brown (2011: 12-13), illustrates that there were many striking similarities between Algeria and Egypt during the infancy of the 2011 Arab Spring:

> Fraught with deep divisions between religious and secular, and urban and rural demographics, the history of Algeria and Egypt stems from similar post-colonial pasts. The maintenance of these states' unity in the face of such social tug-of-war has defined their history since independence. The largely autocratic political structures, which played the antagonists in the media coverage of the recent Arab Spring, have extended throughout the nations' recent memories. The difference in these two uprisings can only be analysed when considering the differences in the two nations' histories since the end of the Cold War.

Therefore, the striking and manifold similarities between the two countries generates a basis for the application of Mill's Method of Difference whereby causality accounting for the difference in outcomes – Bouteflika remained in power while Mubarak was ousted – can be detected by identifying a cogent variance between the two countries.

That being noted, the most salient post-Cold War dissimilarity between the two countries are the events that unfolded in Algeria after the country emerged from a bloody post-independence civil war which began in 1988 and ended in 1992. The war was propelled by hoards of 'Algerian youths who picketed in the streets in protestation against the dictatorial National Liberation Front (FNL), the lack of presidential term limits; a mismanaged socialist economy; and a tyrannical secret service' (Daoud 2015). The 'civil war – which was the first of its kind in the North African region – compelled the dictatorial government to open the public sphere to mass political participation through changes to laws on associations, parties and the media' (Layachi 2015: 32).

The advent of "political reform" inducing civil strife in Algeria, and its absence in its fellow North African states, has led many analysts to conclude that Algeria had its "Arab Spring" in 1988. However, Volpi (2013: 104) contends that the post-1988 democratic reforms were mere rhetoric because "Algeria illustrates a type of authoritarian resistance to popular

challenges that is based on pseudodemocratization, redistributive patronage, and an effective use of the security apparatus". Thus, the contention that Algerians did not intensify their campaign against the state in 2011 because of the ostensible democratic concessions that were made by the government in 1992 is invalid. The Algerian state remains highly authoritarian and the people remain repressed by the state which means that Algerians longed for genuine democratic reforms in the midst of the 2011 Arab Spring. Therefore, perhaps a different aspect arising from the aftermath of the 1988 civil war is responsible for the muted 2011 Arab Spring in Algeria.

Indeed, according to Yassine Belkamel (2014: 12), the Algerian civil war claimed an approximated 100,000–200,000 lives, while an estimated 7,000 people were arraigned by security forces and innumerable people vanished from the face of the earth. It is, therefore, not unthinkable that Algerians were gripped by crippling a fear of precedented brutal military reprisals during the Arab Spring of 2011, which deterred them from escalating their insurrections to the levels witnessed in neighbouring North African countries. The Global Internally Displaced People's Project (2004) reported that 1,200 people were reportedly slain each month during the height of the civil conflict. Thus, the 1988-1992 carnage in Algeria, absent in Egypt, remains a compelling and cogent causal mechanism for Algeria's exceptionalism during the Arab Spring, albeit not for the "democratic reforms" but for the intensity of the state's clamp down on protesters. It must be noted, however, that Egypt has had its fair share of internal dissent and severe clamp downs on detractors (since the 1977 bread riots) but none have culminated in the massacres at the scale witnessed in the Algerian civil war.

For illustrative purposes, a table has been formulated, by the author, to demonstrate the detected causal inference in the comparative case study using the method of difference.

IV	ALGERIA IN 2011	EGYPT IN 2011
Outcome	Popular uprising with no regime change	Popular uprising leading to regime change
Fear of extremely brutal and ruthless state reprisals	+	-
Discontentment with living conditions	+	+
Desire for democratic change	+	+

Figure 9

Table 1 illustrates that the presence of an antecedent civil war Algeria, and its absence Egypt, is a plausible reason for the different Arab Spring outcomes in the two Northern African nations. Two countries are similar in many respects but one. Therefore, through the application of Mills' Method of Difference, we can infer that there is a causal relationship between the independent variable and the dependent variable as they co-vary through a negative correlation.

4.2. A COUNTER-ARGUMENT TO THE POLITICAL HISTORY DICHOTOMY HYPOTHESIS

Certainly, deducing from the cogent extrapolations in the section above, it is quite discernible that the devastating 1988 Algerian civil war may have played an indelible role in dettering Algerian citizens from attempting to usurp Bouteflika's government. However, a study on recurring civil conflicts by Barbara Walter (2004: 371), indicated that recurrent civil conflicts have very little to do with the features of previous conflicts, but have more to do with the existing inducements for citizens to instigate conflict. Certainly, this has been the case in countries such as Sudan, Ivory Coast, Iran, Indonesia, and many others, where civil conflict resurfaced despite the devastation and loss of live caused by previous conflict. Furthermore, civil conflict has recurred in Egypt on many occassions since the 1977 'bread riots'[14] despite repeated and vehement state repression.

During the 2011 Arab Spring, Algerian citizens faced a similar predicament to their neighbouring countries; rising poverty levels, rampant unemployment and, an ever-present intransigent dictatorial government maintaining the status quo – the 1992 reforms embodied psuedo-democratisation. Therefore, Algerians had many reasons to escalate the violence and topple the Bouteflika government in spite of the painful and lingering memories of the 1988 Civil War. Indeed, according to Yahia Zoubir (2016), numerous political analysts predicted that Algeria would bear the full brunt of the 2011 uprisings because the country was beleaguered by widespread corruption, a floundering economy, poor governance and, sub-par service delivery; to new a few ills. The diagram below portrays how the socio-economic conditions in Algeria counterbalanced the revolutionary impetus in favour of a full-scale

[14] In 1977, "nine out of ten Egyptians lived in poverty. Half the male population was unemployed. When President Sadat cut public subsidies for flour, cooking oil, and other staples, people took to the streets in two days of violent protest. Known as the "bread riots," the public's rage forced Sadat to restore food subsidies, but when the army stepped in to quell rioters, 800 were injured, 80 were killed, and more than 1,000 were imprisoned" (CBS News 2011).

citizen uprising as opposed to passiveness stemming from the recollections of the blood shed that occurred in the country in between 1988 and 1992.

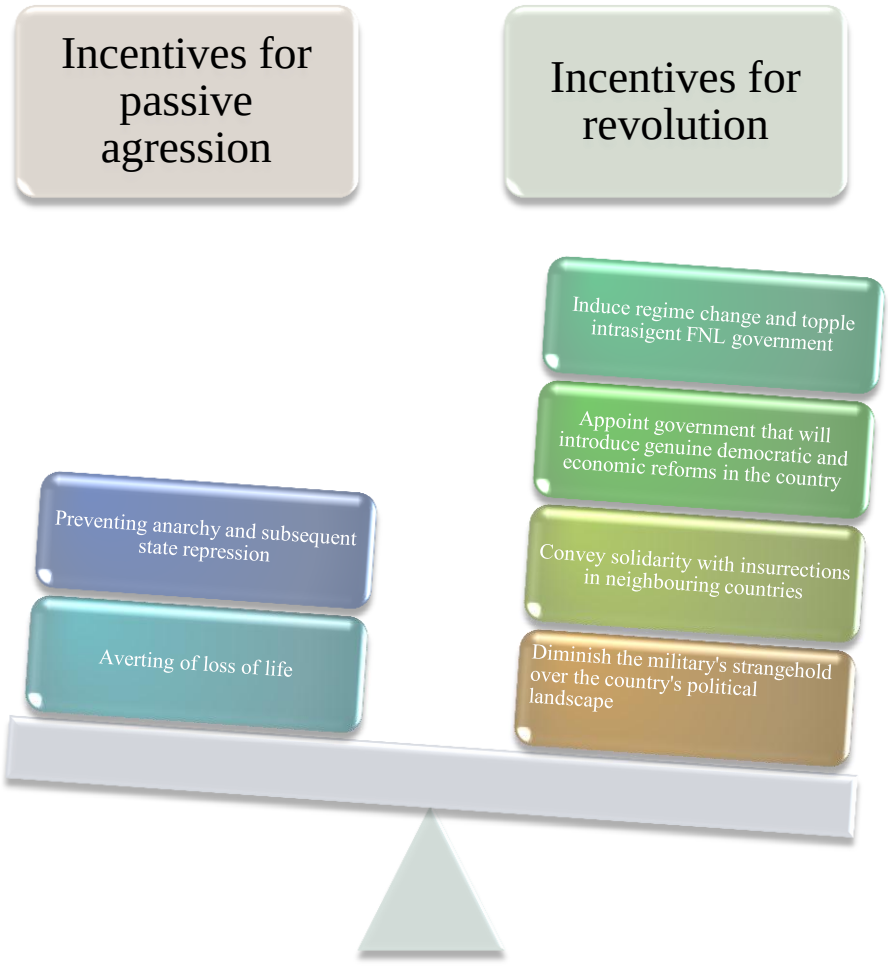


Figure 10

(Source: Author's own).

The diagram illustrates that any fears Algerian's may have resonated over carrying out an insurrection were superceded by their compelling need to turn their socio-economic situtation around. Indeed, Simon Brown (2011: 13) contends that "in both Algeria and Egypt, overcoming the tenuous relationship between state and population appeared insurmountable until December of 2010, when the 'Arab Spring' would first arise". Therefore, could it be possible that a varible other than fear deterred Algerian citizens from instigating a much more vociferous inserruction? Certainly, and to prove this point, the research paper shall rely on a research method known as "Counterfactual Analysis".

Without doubt, Bouteflika's regime survival in the midst of the Arab Spring, is compellingly attributable to the proficient execution of political guile, calculated

circumspection and appeasement of the masses. For example, the Algerian government met its citizens demands by reducing the price ceiling on basic foods and oil prices prices and repealing the state of emergency that had been imposed in the country since 1992. The figure below illustrates this progression from upheaval to re-stability between December 2010 and February 2011 in Algeria:

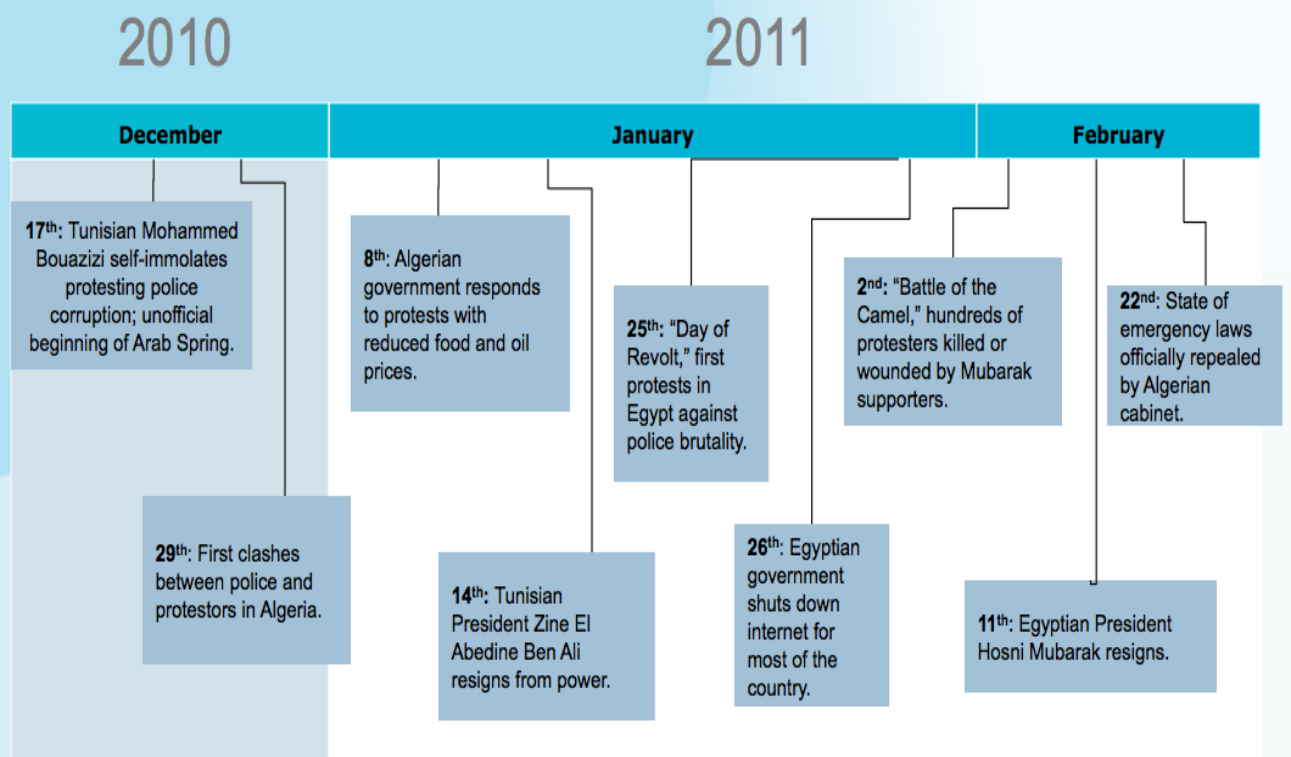


Figure 11

(Source: Brown 2011: 13).

The figure above juxtaposes the approaches taken by the Algerian, Egyptian and Tunisian governments against the backdrop of the escalating popular uprisings. Although the Algerian government initially reacted by attempting to clamp down on protests (29 December 2010), the *modus operandi* was quickly re-orientated on the 8th of January 2011 to placation in lieu of repression. In both Egypt and Tunisia, where repression was the prevailing contrivance, the presidents were unseated. The unfolding of these events points to the Algerian Government's *modus operandi* reorientation, from violent suppression to economic and political mollification, as a compelling reason for Bouteflika's regime survival.

The evidence presented in this section of the research paper points to what Laurie Anne Paul (2004: 18) refers to as 'causal pre-emption' to which she explains: "A counterfactual analysis

of causation can also handle certain sorts of cases of causal pre-emption; cases where events compete to cause an effect, but one or more of the competitors are pre-empted, in other words, the competitor does not succeed in causing the effect". The diagram below, illustrates how causal pre-emption takes place when applied to the 2011 Arab Spring, or lack thereof, in Algeria.

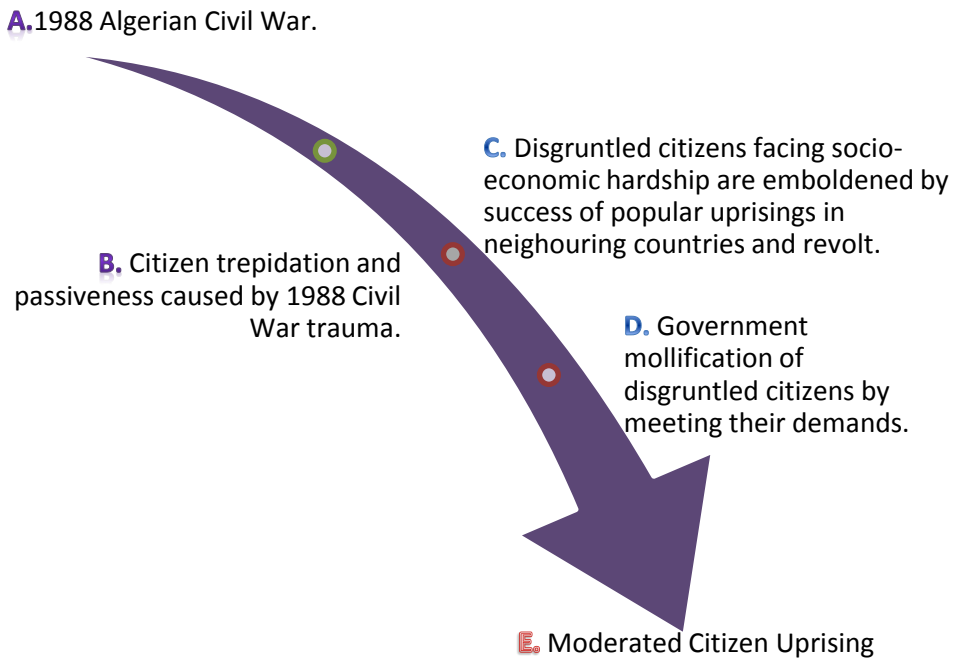


Figure 12

(Source: Author's Own).

The figure above conveys that event "A" – the 1988 Algerian Civil War and event "B" – subsequent citizen trepidation and passiveness emanating from the devastation and trauma caused by the civil war; are competing to cause "E" – a moderated citizen uprising. Events "C" – citizens' emboldenment - and "D" – government responding to 'C' by placating revolting citizens - are also competing to cause "E". We notice that "C" pre-empts "B" because Algerian citizens were able to surmount their trepidation since they were increasingly emboldened by the success of the uprisings in neighbouring countries and therefore clashed with Algerian police on 29 December 2010. Thus "C" and "D" cause "E" and not "A" and "B". If it were not for "C"; "A" and "B" would have caused "E". If "A" did not occur, "C" and "D" could still have likely occurred because the Algerian regime changed

its tactics against the backdrop of regime collapse in neighbouring countries. Therefore, it can be argued that the political unrest in Algeria would have reached the same conclusion whether the 1988 Algerian Civil War transpired or not in our "what-if scenario".

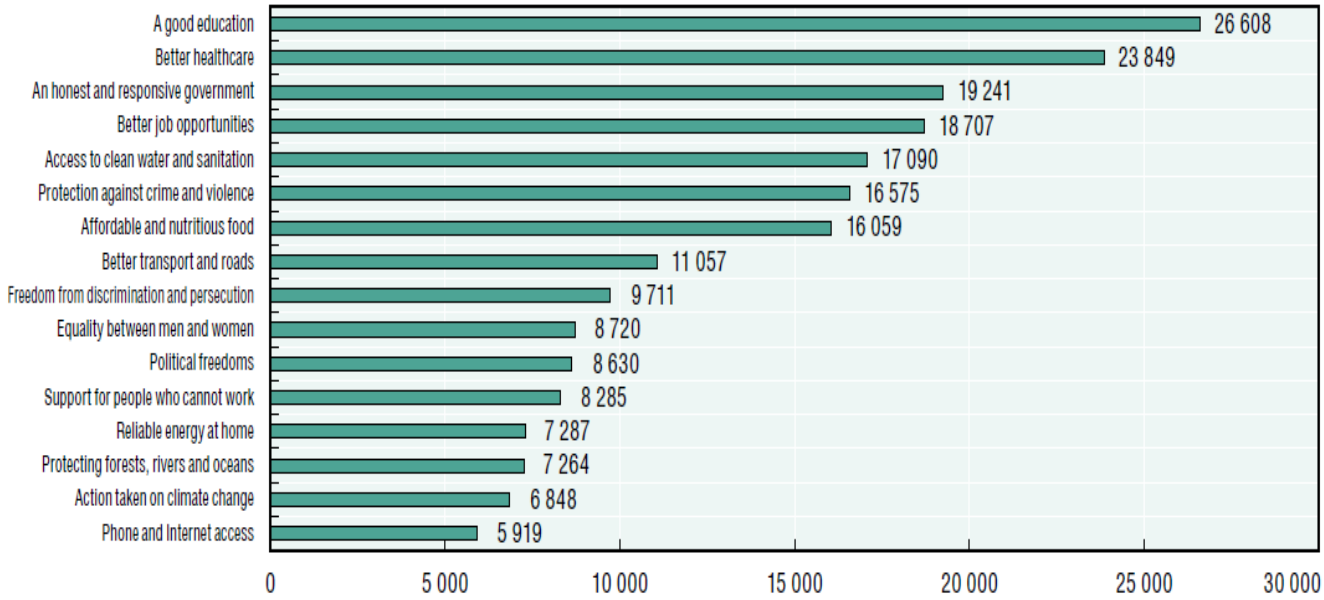
4.3. GEOISM AND THE DETERRENCE OF POPULAR UPRISINGS

By alluding to the 1979-1983 Qatif Conflict where dissenters in Saudi Arabia's marginalised eastern provinces revolted against their national government, Gwenn Okruhlik (1999: 298-211) argues that no matter how vast a nation's resource rents may be, the rentier state will always face fierce opposition from its citizens if its wealth is not resistributed more equitably. Using Okruhlik's study as a point of departure, this section intended to put forward the notion that Algeria's Arab Spring was much more muted than its neighbouring countries' because of its competent redistributive strategies. As previously mentioned, Geoism is a theory that was formulated by Henry George (a political economist) and it advocates for an equitable distribution of natural resource rents. Therefore, this means that it is crucial for the spending effect to meet the needs of the majority rather than a privileged few.

To this end, it is worth mentioning that Algeria was rated as Africa's happiest country in the 2017 World Happiness Report - 53rd in the world out of 155 countries (Helliwell, et al. 2017: 21-22). Furthermore, according to a highly reputable African survey engine (Afrobarometer 2017), between 2011-2013, only 24,8% of Algerian's believed that their government was behaving badly when it came to addressing the needs of the poor – as opposed to 58.9% of Egyptian's survyed during that same period. The data gives us a clear indication that the Algerian government's spending effect is much more redistributive than Egypt's as a lot more people are satisfied with the Algerian government's poverty reduction programmes.

Data presented in the 2016 edition of the Africa Economic Outlook indicates that the main priorities for Africa citizens include, a respectable education, decent health care, an honest and responsive government, better opportunities, and affordable and nutritious food, amongst other priorities listed in figure 13 below (AfDB; OECD; UNDP 2016: 117). The very same source also reveals (Figure 14) the the main reasons for civil unrest in African countries between 2013 and 2015 (AfDB; OECD; UNDP 2016: 119):

Figure 5.1. **Top priorities for African citizens**



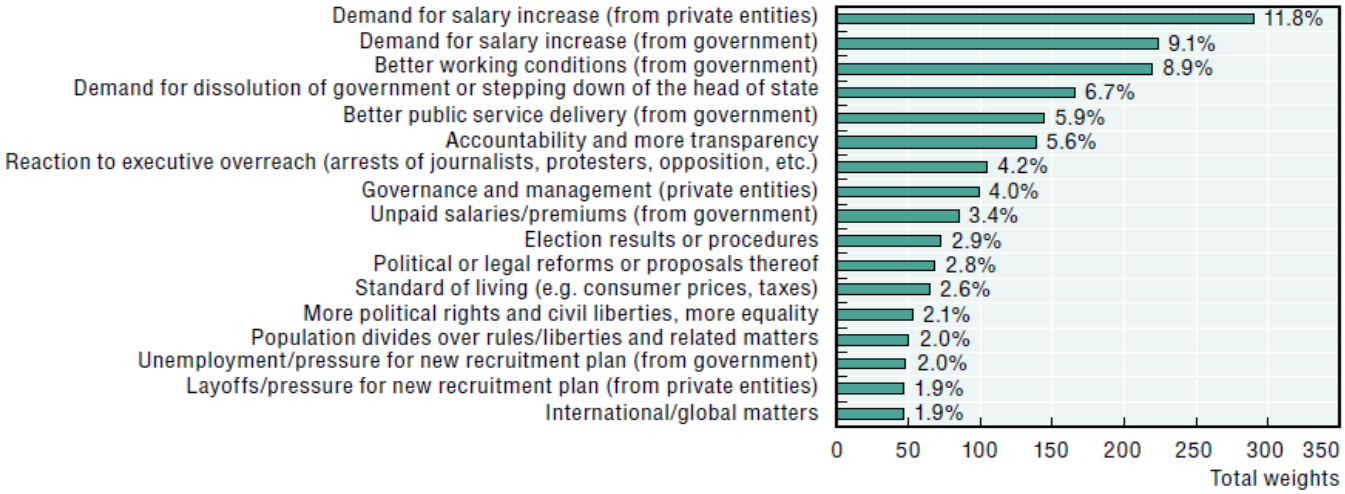
Note: This graph represents the answers to the question: "What are the six most important issues for you and your family?" (35 310 respondents in all 54 African countries).

Source: UN/ODI/Ipsos MORI (2016).

StatLink http://dx.doi.org/10.1787/888933350406

Figure 13

Figure 5.3. **Top drivers of public protests in Africa, 2013-15**



Note: Public protests refers to strikes and any demonstration with political, economic or social motives. Each event is weighted by its intensity (number of protesters) and duration (number of weeks). See more details in the methodological annex of the report.

Source: Authors' calculations based on news reports by journalists and press agencies across Africa, verified by AFP and Reuters.

StatLink http://dx.doi.org/10.1787/888933350421

Figure 14

Because Algeria is rated as a 'high human development nation' on the UNHDI, it is more than safe to assume that many of the needs listed in the two figures above are, by and large, met by the Algerian government. Certainly, the Algerian government satisfies the above needs more adequately than Egypt. Notwithstanding the fact that GPD Per Capita is not a very reliable benchmark for ascertaining a country's development, Algeria's GDP Per Capita (PPP) of US$15,000 is still significantly higher than Egypts US$12,100 and gives a respectable indication of the diparities in the levels of development in each country (Index Mundi Fact Book 2017).

According to a study conducted by Jakkie Cilliers (2018), "Africa needs average economic growth rates in excess of 7% per year for several decades if it's to reduce poverty and increase levels of income". Both Algeria (3.6% in 2016) and Egypt (3.8% in 2016) fall below the 7% benchmark (Index Mundi Fact Book 2017). However, Algeria's economy (87th out of 138 countries) is much more competitive than Egypt's (115^{th}/138) – according to the 2016-2017 World Economic Forum's Global Competitivenes Report (Schwab 2016: 7). With high youth unemployment in both countries, the two Arab nations will do well to mend their respectively pitiable scores of 44.76/100 (Algeria) and 56.64/100 (Egypt) on the World Bank's (2017: 7) ease of doing business report as well as improve their respective scores of 46.5/100 and 52.6/100 for economic openness (Miller and Kim 2017: 5-6).

Nonetheless, given the limitations of economic indices in the gamut of measuring human development, the Social Progression Index[15] (SPI), was founded to fill the gaps and it relies on non-economic indices which include access to employment opportunities, basic education, health services, and so forth. Although Egypt and Algeria and are both graded as 'lower social middle progession nations' on the 2017 SPI, their approximation on the index rankings (Algeria is ranked 75^{th} and Egypt 82^{nd} out of 128 countries) does not bode well for Egypt when considering that both Egypt's GDP and population are more than twice the size of Algeria's (Porter, Stern and Green 2017: 5). In fact, within a space of a year, Algeria moved up thirteen places (from 88^{th} in 2016 to 75^{th} in 2017) on the SPI, while Egypt only moved up by seven places; from 89^{th} to 82^{nd} in the same period. This is an indication of the Algerian government's commitment to improving the lives of ordinary citizens and eradicating poverty. The 2016 Legatum Prosperity Index (LPI) also depicts that Algerian's (ranked 111^{th}

[15] The Social Progress Index, by separating the measurement of social performance from that of economic performance, allows a rigorous empirical understanding of the relationship between economic development and social progress.

out of 148 countries) are more prosperous than Egyptian's (117^{th}) (Legatum Institute 2016: 5).

In fact, the World Bank reports that 'Algeria is one of a select few nations that accomplished a 20% poverty reduction in the last twenty years and this progress is characterised by the increment of 'life expectancy at birth' by 16.6 years, mean years of schooling by 5.8%, a 97% (with gender parity) primary school enrollment rate in 2015 (The World Bank 2017). Women in Algeria have higher access to tertiary education than men albeit they face significant barriers to gain employment as they only represent 17% of the labour force (Bertelsmann Stiftung 2016: 16). This is is in stark contrast to Egypt where the education system is failing to meet the needs of its population (the illiteracy rate is 26.2%), school enrolment rates are higher for men, and public health expenditures have averaged 2% of GDP over the last ten years (the lowest in the Arab region) (Bertelsmann Stiftung 2016: 26). The figure below gives a selective comparison of Algeria's superior social inclusion to Egypt's:

	ALGERIA	**EGYPT**
Population	40,263,711 (July 2016 est.)	94,666,993 (July 2016 est.)
Literacy	**definition:** age 15 and over can read and write **total population:** 80.2% **male:** 87.2% **female:** 73.1% (2015 est.)	**definition:** age 15 and over can read and write **total population:** 73.8% **male:** 82.2% **female:** 65.4% (2015 est.)
School life expectancy (primary to tertiary education)	**total:** 14 years **male:** 14 years **female:** 15 years (2011)	**total:** 13 years **male:** 13 years **female:** 13 years (2014)
Education	4.3% of GDP (2008)	3.8% of GDP (2008)

expenditures		
Urbanization	**urban population:** 70.7% of total population (2015) **rate of urbanization:** 2.77% annual rate of change (2010-15 est.)	**urban population:** 43.1% of total population (2015) **rate of urbanization:** 1.68% annual rate of change (2010-15 est.)
Children under the age of 5 years underweight	3% (2013)	7% (2014)
Health expenditures	7.2% of GDP (2014)	5.6% of GDP (2014)
Physicians density	1.19 physicians/1,000 population (2007)	0.81 physicians/1,000 population (2014)
Obesity - adult prevalence rate	23.6% (2014)	27.7% (2014)

Figure 15

Source: (Index Mundi Fact Book 2017).

The table above illustrates that there is more social welfare and higher public expenditure in Algeria than there is in Egypt with respect to the distribution of wealth in the country. Algeria spends more than Egypt on health and education - which explains the disparities between the

two countries on UNHDI where Algeria is categorised as a high human development nation and Egypt as a middle development nation.

As a matter of fact, between 2010 and 2013, Algeria surpassed all North African nations in its public health expenditure growth:

Country	Public Expenditure as % of GDP in 2010	Public Expenditure as % of GDP in 2013	Increase/Decrease in Expenditure
Algeria	3.6%	5.2%	+1.6%
Libya	2.1%	3.0%	+0.9%
Tunisia	3.8%	4.2%	+0.4%
Egypt	1.9%	2.1%	+0.2%
Morocco	2.1%	2.0%	-0.1%

Figure 16

Source: Author's own using data from the World Bank (The World Bank 2015).

Further to the above, survey data from 2011-2013 shows that only 24.9% of Algerians believed that their government was lagging behind in eradicating poverty in the country; while 58.9% of Egyptians, 37.6% of Moroccans and 62.3% of Tunisians believed that their governments were behaving badly when it comes to improving the living standards of the poor (Afrobarometer 2018). Data on Libya is not available on the Afrobarometer survey engine, but the available data illustrates that Algerians had more confidence in their government addressing their needs than their North Africa counterparts had in their own governments. This revelation can go a very long way in explaining why Algerian's were relatively passive in their remonstrations during the 2011 Arab Spring.

Furthermore and most importantly, it is worth noting that both Algeria (96^{th}) and Egypt (113^{th}) were both rated as middle development nations in the 2011 UNHDI (The United Nations 2011: 128). The fact that Algeria managed to elevate its development status to "high" and has surpassed both Tunisia and Libya (in the 2016 UNHDI) to become the most developed nation in North Africa, gives further credence to the notion that Algerian protesters were subdued by their satisfaction with the government's efforts to eradicate poverty in the country.

CHAPTER FIVE

5. DISCUSSION

The ensuing sections of the paper are intended to present a summative discussion on the research paper's findings.

5.1. THE ARAB SPRING: THE BUTTERLY AND DOMINO EFFECTS OF THE SPRING

The Arab Spring began in Tunisia initially as an 'individual protest by an indignant street vendor whose pyrogenic self-immolation, in remonstration against the Tunisian government, triggered 'multiple and massive uprisings that swept across the Middle East' (Khalil 2013: 1). Whether by Butterfly Effect and/or Domino Effect, the demise of the protesting martyr, Mohamed Bouazizi, precipitated a revolutionary paradigm shift in the MENA region which hastened regime changes in Libya, Egypt, Tunisia, Yemen and, cast Syria into the throes of a devastating civil conflict (Dodge 2012: 64).

Sustaining his livelihood by selling fruits and vegetables in the streets of Sidi Bouzid, where police officers would regularly harass and extort him for his meagre income, Bouazizi quickly became disillusioned with life as a street vendor when police officers confiscated his hard-earned goods. Bouazizi had been unable to pay a bribe to police officers colluding with market inspectors who unfortunately opted to punish him by seizing his only source of income. To add insult to injury, Bouzizi was publicly humiliated when one of the officers, a female, struck him. Bouazizi responded by seeking recourse from the local governor's office where he was ignominiously dismissed. Disconsolate, with no money and no justice to offer a modicum of solace, Bouazizi, a bread winner, resolved to express his ire by setting fire to the only tangible item of real value he had left – his young body. On the 5th of January 2011, Mohamed Bouazizi succumbed to his severe burn injuries, which were sustained outside the local governor's office on that fateful day on 17 December 2010; he was aged 26.

In the wake of the tragedy, fierce protests in solidarity with Bouzizi's cause for social justice erupted in Sidi Bouzid and they rapidly spread to other parts of Tunisia; eventually reaching the capital city, Tunis. The remonstrations in Tunisia were in honour of Bouzizi's self-sacrifice and were also designed to revolt against the debilitating socio-economic climate in the country, which was characterised by high unemployment rates, food price inflation, rising poverty levels, and so forth. Within nine days of Bouzizi's passing, the nation-wide insurrection occasioned erstwhile Tunisian President, Zine el-Abindine Ben-Ali's,

tumultuous exile to Saudi Arabia on 14 January 2011. An authoritarian regime, which had been at the helm since 1987, had been brought to its knees in Tunisia. When the civil unrest in Tunisia began to spread to other countries in the MENA region, the term "Arab Spring" was born.

Indeed, the "Arab Spring" buzzword presumably find its origins from the 1848 revolutions or the "Spring of Nations" that began in Sicily and spread to other major European countries such as France and Germany. In not too dissimilar fashion to the 2011 Arab Spring, the Spring of Nations revolts were aimed at toppling European monarchies. Primoz Manfreda (2017), though, traces the genesis of the catchword to more recent events and contends that the term finds its primary roots from the festering demise of the Soviet Bloc:

> *The term was a reference to the turmoil in Eastern Europe in 1989, when seemingly impregnable Communist regimes began falling down under pressure from mass popular protests in a domino effect. In a short period of time, most countries in the former Communist bloc adopted democratic political systems with a market economy.*

All accounts considered, it is safe to conclude that the phrase "Arab Spring" alludes to the advent of a transboundary political popular uprisings which ignited a snowballing clamour for revolutionary regime change amongst citizens of the MENA region.

The forthcoming sessions shall discuss the Egyptian and Algerian governments' approaches to the 2011 Arab Spring. The aim is to shed as much light as possible on why the two different approaches culminated in the outcomes they did in the midst of the spiralling revolts - the deposition of former Egyptian President, H.E Mr. Hosni Mubarak and the perseverance of Algerian President, H.E Mr. Abdelaziz Bouteflika.

5.2. EGYPT: CROSSING THE RUBICON BY SPRINGING TO REPRESS THE MASSES

- Brief Political Background

EGYPT: Population: 83.9 million; Area: 1 million square kilometers, Capital City: Cairo; Currency: Egyptian Pound, Major Religion (s): Islam and Christianity; Life Expectancy: 72 years (men) and 76 years (women); Major Language(s): Arabic; Topographical View and National Flag:



Figure 17

Source: (BBC 2017).

Because Egypt's history is biblical and for the purposes of brevity, the research paper shall present the nation's history from the point of its emancipation as a British protectorate. Britain annexed Egyptian territory in 1882 not too long after the completion of the Suez Canal elevated Egypt's transportation hub status in 1869 (Index Mundi Fact Book 2017). However, Egypt only became a formal British protectorate in 1914 and, although Britain unilaterally declared Egypt's independence in 1922, Britian would continue to dominate Egypt's political affairs long after 1922 (Country Watch 2017: 11). The ruling Egyptian monarchy would suffer major set backs in the 1948 Arab-Isreali war and its acquiescence and docility towards Britain's undue influence over the country's affairs would, shortly thereafter, lead to a revolution against King Farouk I.

The insurrection against the monarchy was propelled by the Free Officers Movement in 1952 and it culminated in the appointment of General Mohamed Naguib as the President in 1954 albeit he would only serve until 1956 when he was deposed by one of the vanguards of Egypt's liberation movement, Abel Nasser (Abu-Quarn, et al. 2010: 2-3). Under the auspices of the military backed and composed Revolutionary Command Council (RCC), Nasser would enjoy cult-hero status (owing to his impressive liberation struggle credentials and propagation of Arab Nationalism) through-out his autocratic tenure as Egypt's president until his death in 1970 (Jankowski 2002: 25-28). Nasser's reign would witness Egypt surmount the Suez Crisis of 1956, establish the United Arab Republic in 1958, fortify ties with the Soviet Union, and battle in the War of Attrition from 1967-1970 (Country Watch 2017: 12-13).

Under the leadership of Nasser's 1971 successor, Anwar el-Sadat, Egypt would undergo a slight transition from autocracy to democracy when multipartyism was first introduced in the country to challenge his National Democratic Party (NDP) after the 1977 "bread riots" (Bertelsmann Stiftung 2016: 4). It is worth noting that the liberal transition took place four years after Egypt was involved in a third war with Israel in 1973 (the October War) which was a precusor to Egypt's peaceful foreign policy (military spending declined from 56%-14% of GDP between 1974 and 1981) and the implementation of *laissez-faire* economic policies known as *Infitah* (meaning openness) (Abu-Quarn, et al. 2010: 5). Essentially, the devasting 1977 riots transpired against the backdrop of a "severe economic crisis characterised by high levels of foreign debt, a scarcity of investment capital and stagnating growth" all of which were exacerbated by the onerous wars in 1948, 1956, 1967 and 1973 (Bertelsmann Stiftung 2016: 3). Eighty people were killed during the riots and thousands more injured and imprisoned.

Apart from endorsing democratisation and secularim in Egypt, president el-Sadat would use his spell in office to consolidate peace between Isreal and Egypt (Camp David Accord signed in 1978) as well as improve diplomatic relations with the United States of America; much to the angst of Egypt's allies (Egypt was expelled from the Arab League in 1979) (Country Watch 2017: 14). Only three years after Egypt's expulsion from the Arab League, el-Sadat's fate would be sealed when he was assassinated "by elements opposing his policies" in 1981 and he was subsequently replaced by Egypt's longest serving president, Hosni Mubarak.



Figure 18

Photo Image of Hosni Mubarak (Source: CGTN Africa 2017).

A former Egyptain Air Force Commander, President Mubarak appointment maintained the gravitation towards former military elites running the country; although he did buck the trend of "Free Officers" exchanging power since independence. Mubarak would go on to run Egypt for three decades spanning from 1981 until 2011 when the Arab Spring uprisings erupted in the MENA region.

Mubarak's 30-year authoritarian rule was characterised by perennial psuedo-democratisation that was underscored by a caricatured multiparty system which functioned "on the basis of a restrictive Political Party Law, as well as by manipulation in all spheres of the political input process" (Bertelsmann Stiftung 2016: 4). In fact, Mubarak's tenure was synonymous with false promises of democratisation while oppresive ordinances, such as the emergency laws, were instistuted to prohibit the contestation of the NDP's domination over Egyptian politics and this feat was achieved under the pretext of cirvumventing Islamist Extremism (Laher 2011: 4).

Ironically, anti-government terrorist activities would bring the country to its knees in the 1990s; beginning with a failed attempt on Mubarak's life in 1995 and followed by the tragic execution of 59 tourists outside the temple of Hatshepsut in 1997 (Country Watch 2017: 19). The country's ailing economy in the mid-1990s (caused by high levels of debt and International Monetry Fund Structural Adjustment Programs) would only serve to compound the woes faced by the Mubarak regime as protests from civilians demanding better living conditions increased (Bertelsmann Stiftung 2016: 4). Mubarak's regime resolved that state repression was the best recouse to the terrorism and civilian protests, with the government moving swiftly to outlaw the Muslim Brotherhood (BBC 2017) and deploying security forces to brutally crack down on all forms of dissent and suspicious activity (Dickinson 2011). The excerpt below gives a sense of how Mubarak's regime manipulated the emergency laws to justify the *modus operandi* of the highly repressive authoritarian regime:

> He instructed the military to police and arrest people who were suspected dissidents. People were prohibited from demonstrating or striking for their rights. Mubarak prohibited gatherings of more than five people at a time throughout the three decades of his rule. He fashioned his massive Ministry of Interior to spy on civilians and anyone else he suspected of sedition. Few personal liberties were afforded to Egyptians as every aspect of civil society was heavily policed. Those who dared to cross Mubarak and his generals, such as the banned Muslim Brotherhood, were spared no mercy and marched off to prisons where they were tortured and made to languish alongside thousands of other political prisoners without recourse to courts or any semblance of democratic justice (Laher 2011: 4).

Mubarak's brutal repression would prove effective in quelling the dissent but it would only prove to be a temporary repreive as a wave of protests between 2004 to 2008 witnessed over 1.7 million protesters engage in over 1,900 strikes against government within four years (Bertelsmann Stiftung 2016: 4-5). Mubarak's administration would try its hand at a different approach to addressing the revolts by subsidising goods such as bread, cooking oil, and gasoline, but when that approach did not produce the desired results, the security forces were deployed to ferociously crush the protests in 2008 (The Guardian 2012).

Only three years after staving off the 2004-2008 wave of protests, the Egyptian government found itself under the cosh once again as the 2011 Arab Spring spread from Tunisia to its sister states in the MENA region. Against the backdrop of a country devoid of inclusive economic development, high unemployment (700,000-800,000 new entrants to the job market annually), and the increasing cost of living, it was almost inevitable that the Arab Spring would ignite in the prevailing Egyptian political landscape (Swelam 2013). The Mubarak regime would approach the Arab Spring in the manner it had been accustomed to when dealing with dissent in the country – repression. This approach would backfire in 2011 as the protests intensified tremendously with every attempt to repress the citizens uprisings stoking the revolutionary fires. The Arab Spring would therefore result in Mubarak's resignation and his subsequent replacement by Mohamed Morsi in 2012. Morsi would become Egypt's shortest serving president after he was ousted in a 2013 military coup that would witness Adly Mansour appointed as interim president until Abdel Fattah el-Sisi was elected as Egypt's president in 2014 (Index Mundi Fact Book 2017).

Not much progress has been made with respect to democratisation in Egypt since Sisi ascended to power. Between 2014 and 2016, Egypts democracy showed a marginal improvement, shifting marginally from 3.16/10 to 3.31/10 (authoritarian) on the EIU Democracy Index (2017: 28) wherein the country is ranked 133rd out of 167 countries for the quality of its democracy. Moreover, Egypt ranks 46th (score of 32.2/100) out 54 African countries for 'public participation and human rights' and 34th (score of 52.3/100) for 'safety and rule of law' on the Mo Ibrahim Index of African Governance (2016: 38). Sisi's regime remains highly repressive with the country earning a dismal score of 21/100 for political freedoms on the 2017 Freedom House Political Freedoms Index due to 'the authorities punitively constraining freedoms of speech and assembly for campaigners

from all political spheres, and the new NGO legislation passed in November 2016 threatening to further curtail the operations of independent civil society groups'.

- The Egyptain Government's Approach to the Arab Spring

With forty percent of Egypt's population living on less than US$2 per day, one third of the country being illiterate and one quarter of the youth blighted by rampant unemployment, it was only a matter of time until the 2011 popular uprisings reached fever pitch in Cairo (Swelam 2013). Inevitably, the Arab Spring fully gripped Egypt on 25 January 2011 – a day that has come to be known as the "day of protest", which alludes to when the mass anti-government remonstrations lamenting rising unemployment, state repression and rampant corruption erupted in Tahirr Square (Brown 2011: 14). The Egyptian government's response to the outbreak of the uprisings was as swift as it was draconian. Because the uprisings were youth-driven and proliferated through social media, Mubarak's regime responded to the social unrest, on 26 January 2011, by restricting internet access in the country[16].

What would ensue, after the internet embargo, would be brutal state orchestrated violence that would eventually claim the lives of an estimated 846 civilians and result in 6,400 more people sustaining serious injuries during the eighteen days of civil unrest (BBC 2011). One of the most ferocious acts of violence, surreptitiously carried out by the state on protesters, occurred on the 2nd of February 2011. On that tragic day, Mubarak is alleged to have unleashed his supporters on demonstrators during "Egyptian Battle of the Camels" wherein scores of demonstrators were severely injured (Brown 2011: 13). The Egyptian government's approach to the 2011 Arab Spring was vehemently repressive and not even media personnel were "spared the rod" because several cases of state-led violence against journalists were reported:

> In all cases, suspicion turned to the ruling regime as being behind the attacks on journalists and, certainly, the arrests of media personnel was attributed to Egyptian authorities. The objective appeared to be silencing the media's coverage of repression -- as evidenced by Vice President Suleiman's statements blaming the international media for being part of a "plot" aimed at inciting unrest in Egypt. Meanwhile, P.J. Crowley, the United States Assistant

[16] The youth who drove the revolutionary protests were also aware that traditional opposition politics wouldn't get them anywhere because of the repressive nature of the regimes. What political opposition parties existed were old-fashioned, secretive and ultimately useless, so they turned instead to cyberspace to organise and to air grievances. (Khalil 2013: 4).
Arab youth began to address social and political problems issue by issue, raising awareness and mobilising through social networking.

> Secretary of State, said via Twitter: "There is a concerted campaign to intimidate international journalists in Cairo and interfere with their reporting. We condemn such actions." His claims were echoed by several reporters on the scene in Cairo, including CNN's Anderson Cooper, NBC/MSNBC's Richard Engel, and the New York Times' Nicolas Kristoff, all of whom made it clear that attacks on the media were coming from the pro-government factions and seemed to have been orchestrated from the power base in Egypt (Country Watch 2017: 40).

As previously alluded to, the rentier state may rely on at least three instruments in its repertoire to quell internal dissent and preserve its political power: the rentier effect, the repression effect and the modernisation effect. The Egyptian government's recourse, in the face of the intensifying 2011 Arab Spring demonstrations, was to enlist the repression effect by deploying its security apparatus to vehemently clamp down on protesters and journalists. The intensity of the violence is evidenced by the reported carnage (846 people killed) and the score of four awarded to Egypt on the Political Terror Scale in 2011. Tellingly, the Egyptian government's approach would lead to its own demise as Hosni Mubarak handed in his resignation on 11 February 2011 amidst the protests growing increasingly fierce and unabating.

5.3. ALGERIA: MOLLIFICATION OF THE NATION THROUGH A LOOSENING OF THE PURSE STRINGS

- Brief Political Background

ALGERIA: Population: 36.5 million; Area: 24 million square kilometers; Capital City: Algiers; Currency: Dinar, Major Religion (s): Islam; Life Expectancy: 72 years (men) and 75 years (women); Major Language (s): French, Arabic and Berber; Topographical View and National Flag:



Figure 19

Source: (BBC 2017)

According to Yassine Belkamel (2014: 32), the most significant epoch in the history of numerous invasions and settlements into Algeria is the country's occupation by France in the midst of its territorial contestation by Spanish troops and Turkish Ottomans in 1832. Having successfully warded off competition from Spain and Turkey, France would annex Algerian territory for a period of 130 years until Algeria gained its independence in 1962.

The most dominant post-independence political party in the country is the National Liberation Front (NFL) which was founded in 1954 as a resistance movement against French colonisation. The NFL played an indelible role in the eight-year battle for the political emancipation of Algeria and, under Ahmed Ben Bella, the party promptly established a one-party state soon after independence (Volpi 2013: 105). However, it must be noted that the struggle for independence in Algeria pre-dates 1954 because liberation icons and martyrs such as Emir Abd al-Qadir (vanguard of 1832 insurrections) Bachagha El-Moqrani (leader of the 1871 political revolts) and Sheikh Bouamama (pioneer of the 1881-1908 uprisings) are still widely celebrated in Algeria (Rahal 2013: 108).

Nevertheless, as is the case in most previously colonised countries, the most formidable and integral liberation movement in the struggle for political independence often enjoys the spoils of cutting its teeth as the first post-independence government. Algeria is no exception to the rule as the FNL's Ahmed Ben Bella ascended to the presidency in 1963. During his two-year stint as president, Ahmed Ben Bella's control over the country was abridged by the domineering presence of the National Liberation Army (NLA) and was cut short after an anti-corruption asseverated military putsch propelled Colonel Houari Boumedienne into power in 1965 (Country Watch 2017: 11).

Boumedienne's tenure would maintain the status quo of constitutionally upholding the FNL's status as the only legally recognised political party in the country and he would therefore remain Algeria's sole ruler until his eventual demise in November 1978 whence he was succeeded by Colonel Chadli Benjedid in 1979 (Stora 2001: 188-189). However, due to economic hardships, owing to the sharp decline in oil prices, and the ensuing social unrest in the 1980s, Colonel Benjedid's consecutive and uninterrupted presidential terms (1979-1984; 1984-1988 and 1988-1992) would represent a gradual break from the stringently autocratic past (Bertelsmann Stiftung 2016: 3).

Economic challenges encountered by Benjedid's regime in the 1980s included "increasing unemployment and inflation made worse by the collapse of oil and gas prices at that time.

The result was a spate of strikes, riots and violent industrial demonstrations" (Country Watch 2017: 11). When the social unrest came to a boil as riots and clashes between police and protesters increased in 1988, Benjedid introduced numerous political and economic reforms into the country and none were more significant than the 1989 constitutional changes which permitted parties other than the FNL to contest elections in the country (Volpi 2013: 105-106).

However, Algeria's experimentation with the multi-party system would be short-lived as the army interceded to foil the Islamic Salvation Front's (FIS) - the front runner to win the 1991 elections – ascendence to power. The military's billigerent intervention was pronounced as a crusade against religious fundamentalism and as a desideratum for the protection of the country's democracy as Benjedid was ousted as President in January 1992 (Belkamel 2014: 2). However, the military's decision to upend the FIS's legitimate rise to power and seize control of the country was met with ferocious resistance. According to Martin Evans and John Phillips (2007: XIV), the army's intervention flared up existing tensions between the Algerian government and its citizen as it instigated a civil war that witnessed young Islamist Guerillas taking up arms to confront the military regime; resulting in a cycle of terrorism and counter-terrorism inured with bombings, shootings and ambushes. The magnitude of the violence was so intense that a state of emergence was promulgated in 1992 and it is estimated that over 150,000 people perished in the midst of the brutality and reprisals; with scores more displaced (Volpi 2013: 106).

Between 1992 and 1994, the military granted leeway for Abdelmalek Benhabyles, Mohamed Boudiaf and Ali Kafi to successively run state affairs as Chairmen of Higher State Council until an erstwhile army Colonel, Liamine Zeroual, was appointed in 1994 (Bertelsmann Stiftung 2016: 3-4). Zeroual was elected as president in the 1995 elections and his reign lasted until he was succeeded by the former Foreign Minister of the country, Abdelaziz Boutelfika, in the 1999 presidential elections.



Figure 20

Photo Image of President Abdelaziz Bouteflika (Source: Euro News 2014).

Since his ascendence to power, Bouteflika has been re-elected as president of Algeria no less than three times - 2004, 2009, and 2014 – albeit his ailing health makes unlikely that he will rule the country beyond 2019 (Bertelsmann Stiftung 2016: 4). Bouteflika inherited a nation that is fraught with tensions emanating from the civil strife that began in 1988 and a high susceptibility to terrorism. Although a truce - between the government and Islamist insurgents - was reached in 1999, sporadic violence continues to plague the country mainly through the activities of extremist groups which emerged in the midst of the anarchy of 1990s[17]. Exacerbating the terrorist threat, in Algeria, is the animosity between Arabs and the minority Berbers who feel persecuted and marginalised by the government. In 2001, the "Berber Spring" would witness hundreds of Berbers being killed by government forces in the Kabylie region after they took to the streets to picket for minority rights (Volpi 2013: 106).

Nevertheless, Emily Boulter (2017) contends that the formidable strength of the Algerian security apparatus (army has 500,000+ personnel and a national police of 210,000+) plays a paramount role in curbing violence in the country. Since Bouteflika came into power, the army has also taken significant strides to loosen its grip on the political affairs of the country in order to focus on its primary function – national security. Indeed, the army agreed to gradual terminate its undue influence in the country's political affairs in 2003 and

[17] "According to a 2015 report by the US Department of State, some of the most active Islamist groups operating within Algeria include: Al-Qaeda in the Islamic Maghreb (AQIM); the Mali-based organisation Movement for United and Jihad in West Africa (MUJAO); al-Murabitoun, which was responsible for the 2013 attack on the In Amenas gas facility in southern Algeria and Jund al-Khilafa (Soldiers of the Caliphate), which has declared its allegiance ISIS" (Boulter 2017).

Constitutional amendments of 2008 increased the presidents powers (Bertelsmann Stiftung 2016: 4). The army was scantily involved in the 2011 Arab Spring - protesters mainly clashed with police which is a testament to the army's diminishing undue influence on the political affairs in the country. For example, 'a January 2016 presidential ordinance disbanded the military's powerful Intelligence and Security Department and replaced it with a triad of directorates reporting to the presidency, and in February 2016 a presidential two-term limit was re-introduced' (Freedom House 2017).

Despite efforts to democratise, under Bouteflika, the country remains typically authoritarian as most rentier states are. Tellingly, the country is ranked 35th (42.8/100) out 54 African countries for 'safety and rule of law' and 33rd (45.6/100) for 'public participation and human rights and both scores are below their respective continental averages (Mo Ibrahim Foundation 2016: 34-38). The Economist Intelligence Unit's Democracy Index (2016: 28) shows that Algeria's democracy has barely improved between 2006 and 2016; moving from a low score of 3.17/10 to 3.56/10 in the ten year period. Therefore, the country duly remains categorised as "not free" on the 2017 Freedom House Politcal Freedoms Index report (Freedom House 2017).

- The Algerian Government's Approach to the Arab Spring

It is said that "one swallow does not make a spring" and certainly, it is indeed a gross misnomer to christen the 1988 Algerian Civil War as an antecedent Arab Spring. Certainly, the 1988 civil war was devoid of the transboundary impetus of the 2011 Arab Spring and it was motivated by political cleavages between the military and pro-Islamist political movements after democratic reforms in 1989 paved the way for a multiparty electoral system. In 2011, Algerian citizens grew increasingly indignant at the rising costs of food, rampant unemployment (25%), the hardships faced by ten living million citizens living below the povery line, the high cost of living (the average salary drop by 20% between 1989 and 2003) and the housing crisis which was characterised by a shortage of over 1.6 million housing units (Dalia Ghanem-Yazbeck 2015). Coupled with the revolts in Tunisa, the aforementioned grievances made the ground in Algeria fertile for a revolution.

Contrary to popular belief, Algeria was one of the first countries to be affected by the Spring. Protests initially broke on out 29 December 2010 when protesters clashed with police on 3 January 2011 in Algiers and Oran which, thereafter, spread across the entier country by 5 January 2011 with rioters blocking roads, burning tires, and ransacking

government buildings and commercial centers (Volpi 2013: 107). Only three days after the protests intesfied, the government responded by subsidising food and energy costs and granting free housing to its citizens on 8 January 2011. This recourse was the first critical step towards placating its citizens by using the spending effect.

By mid-January the Spring began to dissipate in Algeria. This feat was primarily accomplished as a direct result of the Algerian government relying on the 'spending effect', a sub-component of the rentier effect, as explained by Kamel Daoud (2015) in his article, "*The Algerian Exception*":

> *The Algerian* regime *is rich in oil and natural gas. And at the outset of the Arab revolts, it reached into its pockets, and gave out free housing, low-interest loans and huge bribes. Oil money was distributed not to revive the economy or create real jobs, but to quell anger and turn citizens into clients. Wilier than others, the government of Algeria did not kill people; it killed time.*

In its quest to quash the Spring, it is estimated that the Algerian government spent in excess of US$23 billion on 'public grants and retroactive salary and benefit increases' alone (Index Mundi Fact Book 2017). By 22 February 2011, the Algerian government pulled off a mollification *coup de grace* by repealing the State of Emergency Law, which had been in place since 1992 and a vociferous Spring was effectively averted. Although Algerian's faced many economic hardships in 2011, the Government's mollification strategy was helped, in no small part, by the country's high human development which made it much easier for the government to meet the needs of detractors using its vast resource rents.

Nonetheless, Algeria has used it oil wealth to deservedly earn a reputation as a developmental dictatorship[18]. In recent years, the Algerian government's efforts to reduce poverty levels in the country have been unmatched in the North African region and this statement finds expression in the previously mentioned World Bank Report on its 20% poverty levels reduction and the 2017 World Happiness Report indicating that Algerians are the happiest Africans. Therefore, it is quite plausible that the 2011 Arab Spring in Algeria was muted because of the state's redistribution of resource rents to foster human development.

[18] The historians often describe such regimes as "**developmental dictatorships**."
The **developmental dictatorship** was the type of regime that raised many parts of the huge region of Asia out of abject poverty (Lankov, 2016)

CHAPTER SIX

6. CONCLUSION

The 2011 Arab Spring drew immense interest and commentary from analysts all across the world. However, few would have imagined that the detrimental by-products of the Spring would continue to imperil global affairs to this present day. The current state of affairs and the wars in Syria, Libya and Yemen pay testament to the Spring's lingering menace. Needless to say that the emergence of ISIS in the midst of the Spring has placed international peace and security at unfathomable risk.

Equally, few analysts and experts could have predicted that the Algerian government would constitute a North African exception and survive the Spring. Indeed, it is quite intriguing how Algeria's government managed to stave of the 2011 political uprisings in a country where discontent over the main reasons behind the Spring - rising living costs, rampant corruption and high unemployment rates - were a reality. On the other hand, Egypt's erstwhile government failed in its bid to quash the revolts despite its possession of vast resource rents.

Using the Rentier State Theory (RST) and its causal mechanisms, the study has investigated the reasons behind the differing outcomes of the Spring in the two aforementioned North African Rentier States and found that their respective applications of the rentier strategies to preserve power (rentier effect, repression effect and modernisation effect) were the deciding factors in the final outcomes of the Spring in each country. A coupling of a comprehensive literature review on the RST and a pilot case study enlisting Azerbaijain as an archetypal rentier state demonstrates the RST's appropriateness for the comparative study as well as gives credence to the reliability of the three rentier strategies.

6.1 SUMMATION OF STUDY

Through an application of the Mills' Method of Difference (MMD), the study investigated the most plausible causal reason behind the different outcomes of the Spring in Algeria and Egypt. The study found that the most conceivable difference between the two countries is to be located in their largely analogous post-Cold War histories. The two countries traversed a similar post-independence trajectory, but Algeria experienced a devastating civil war between 1988 and 1992 wherein over 200,000 people perished and thousands more vanished without a trace. The study has argued that it is quite possible that Algerian citizens were very fearful of similarly brutal government reprisals in 2011. In other words, the trepidation emanating from

the devastating 1988 civil war may have deterred Algerian citizens from escalating their protests during the 2011 Arab Spring to the levels witnessed in Egypt and other North African nations. In Egypt, the state has almost always resorted to vehement state repression to quell internal dissent - but not at the warring scale at which the Algerian government clamped down on its own citizens between 1988 and 1992 – this is the plausible causal reason for the different outcomes of the Spring deduced from the application of the MMD.

Indeed, many scholars on the subject have contrived to attribute Algeria's exceptionalism to the 1988-1992 civil strife that occurred in the country. Some analysts have gone as far as postulating that the civil war constituted an antecedent Arab Spring in Algeria. Misperceptions arising from the aforementioned postulations create the false impression that the events of 1988 resulted in unpretentious democratic reforms, and therefore, obviated the need for Algerian's to escalate the violence in the country in 2011. The study has disputed the view that Algeria experienced its Arab Spring in 1988. In actual fact, the 1988 civil war only culminated in short lived democratic constitutional reforms in 1989 - which were set aside and the status quo was re-assumed when Colonel Zeroual formally ascended to the presidency in 1995. Through the application of the MMD, the study explains that the most probable causal reason for Algerian protesters' passiveness in 2011, deriving from the 1988 civil war, was the fear of brutal reprisals from the government rather than contentment with the 1989 constitutional reforms.

However, when the inferrences made from the application of the MMD are tested by using a method known as the 'Counterfactual Analysis of Causation', the study finds an alternative causal reason for a moderated Arab Spring in Algeria. The findings are derived from conducting a 'causal pre-emption' analysis wherein a "what-if" scenario hypothises a 2011 Arab Spring whereby the 1988 civil war in Algeria had not occurred. By conducting a counterfactual analysis, the study contributes to the discourse by illustrating that the Bouteflika regime would have successfully managed to diffuse the 2011 tensions whether the 1988 civil war had occurred or not. More essentially, the study has proven that the 1988 civil war had not fulfilled its design to ensure genuine and sustainable democratic and economic reforms in the country. Thus, Algeria was yet to undergo an Arab Spring and the ground was very fertile for a full scale revolution in Algeria during the infancy of the Spring in 2011.

Moreover, the study further contributes to the discourse by illustrating that the actual reasons behind the difference in outcomes, in Algeria and Egypt – are down to the approaches taken

by the respective governments to address the revolutions. Algeria's government used its vast resource rents to meet the needs of its people by providing free housing, expending food and energy subsidies and opted against state repression by lifting the state of emergency that had been in place in the country since 1992. Egypt's government, on the other hand, resolved to be as repressive as possible, with an estimated 846 people killed and scores more injured during the height Egyptian Spring.

The approaches taken by the Algerian and Egyptian governments are described by Professor Michael L. Ross as the 'spending effect' and the 'repression effect' respectively. However, it is important to note that Algeria's application of the spending effect was unique in that it was socially uplifting and redistributive; rather than clientelistic and effected in the interests of rent-seekers or constituencies. Therefore, the hypothesis of the study, "developmental redistribution of resources rents is a more effective deterrent of citizen led insurrections than state repression is", is proven to be true. This is a unique contribution to the treatises on the Rentier State Theory and it is supported quantitively by data extracted from surveys and indices which evince the Algerian governments superior proclivity to eradicate poverty in the country when compared to its fellow North African states. Thus, the fundamental proposition of the study is that social inclusion in rents distribution is critical to the preservation of political power in rentier states and it can help deter vociferous revolutions.

6.2 RECOMMENDATIONS

As previously stated, it is estimated that African economies need sustained real GPD growths exceeding 7% if they are to address the challenges of unemployment, poverty and socio-economic inequality. Both Algeria and Egypt fall short of this benchmark which is a grave concern in countries where unemployent is rife and poverty levels are constant thorny issues. If these issues are not properly addressed, we could witness a recurrence of the wave of deadly protests which transpired in 2011. Below are the recommendations on how future popular uprisings may be circumvented.

- Algeria Recommendations

Three of the top ten fastest growing economies in 2016 have some of the longest serving presidents on the continent - Djibouti (Ismaïl Omar Guelleh in Power since 1999), Uganda (Yoweri Museveni in Power since 1986), and Rwanda (Paul Kagame in power since 2000). All three of these countries achieved economic growth in excess of 5%, therefore there is no

cogent correlation between presidential term limits and economic growth. The Bouteflika regime needs to continue to work hard to improve the country's ease of doing business capacity, to strengthen Algeria's position amongst the most competitive economies on the African continent and to diversify the economy in order reduce the country's dependence on oil exports for fiscal revenue. With the end of the ailing president's tenure looming, it will be critical for Abdelaziz Bouteflika's successor to maintain the social welfare programmes that have witnessed Algeria become one of the most developed nations as well as the happiest nation on the African continent.

- Egypt Recommendations

Although Egypt boasts one of the most diversified and powerful economies on the African continent, its efforts to eradicate poverty leave much to be desired. Egypt and Morocco are the only two North African nations that are not rated as 'high human development' nations on the 2016 UNHDI. Since the advent of the 1977 Bread Riots, the recourse to protest action has almost always involved violent state repression as oppossed to root cause analysis and problem solving. For decades, the spending effect in Egypt has been chiefly misdirected towards financing a bloated and inefficient public sector as well as corruption. The country needs to begin expending its natural resource rents towards more meaningful social inclusion. The previously stated meagre social expenditure investments in education and health care need to be drastically improved. The current president, Abdel Fattah el-Sisi, has his work cut out if he is to transform the country into the economic powerhouse it ought to be as much of Egypts national income is spent on security and armed forces because of internal and geopraphical threats to the country.

- Future Study Recommendations

The literature review of the reasearch paper has illustrated that there are wide-ranging contributions to the study of rentier states. Future studies could augment the findings of this research paper by investigating whether the Libyan rentier state under the Gaddafi regime could have expended its resource rents more meaningfully to stave off Gaddafi's ousters who were in cahoots with the meddling North Atlantic Treaty Organisation. Libya, was by far, the most developed North African nation when the Arab Spring broke out.

Studies into the political economies of Sub-Saharan African nations producing oil/gas may also use the findings of this research paper to investigate the redistributive inclinations and

regime stabilities of governments in countries such as Ghana, Angola, Nigeria, Chad, Equatoria Guinea and many others. The 2006 discovery of oil in Uganda, under one of Africa's longest serving presidents, could precipitate a dawn of a new era in one of Africa's most underdeveloped nations or it could be a missed opportunity. Studies into whether president Museveni will use the oil wealth to entrench his power or develop the country would contribute very meaningfully to the field. Benin will also be recommencing its oil production in the near future and it would be fairly interesting to study how president Patrice Talon, who ascended to power in 2016, will expend the resource rents. Further afield, studies into the rentier economies of Venezuela, Ecuador, Saudi Arabia, Qatar, Iran and Kuwait would contribute immensely to investigations into the spending effect patterns of OPEC countries.

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