Journal of
Economics and Political Economy
www.kspjournals.org
Volume1 December 2014 Issue 2

Leila S. Talani, *The Arab Spring in the Global Political Economy*, Palgrave Macmillan, 2014, 208 pp. $77, Hardcover.

By Alan W. CAFRUNY †

Book Review

Talani, a professor of European political economy at Kings College University of London and former UN officer based in Cairo, explores the uprisings of 2010/11 in the MENA region, with a particular emphasis on Egypt, Tunisia, and Libya, the three countries that actually experienced genuine regime changes. Although she employs a comparative perspective, she does so within the context of an "outside-in" approach that focuses on the global origins of change. She argues compellingly that whilst the particularities of each uprising require close attention to the unique aspects of each country, the deeper and more general origins of the uprisings lay in the transformation of the global economy and its distinctive impact on the Middle East.

For Talani, globalisation can be defined in terms of the (re)construction of a neoliberal division of labour linking center and periphery through increasing flows of trade, direct investment, and debt. The MENA countries, however, did not conform to this general pattern insofar as they experienced not so much dependent incorporation, but rather subordinate marginalization that ultimately deepened poverty and inequality whilst simultaneously reducing state capacity thereby calling into question the basic political and social settlement. Thus, the MENA region as a whole, and Egypt and Tunisia in particular, experienced decreases in their share of global foreign direct investment and associated merger and acquisition activity, the absence of export-oriented clusters, and technological backwardness defined in terms of patents and percentage of value-added technology in production. These processes can be explained in terms of two paradoxes: that of "regionalization within globalization," and that of marginalisation within globalization." A third paradox noted by Talani relates to the empowerment of civil society in the context of state crisis.

This process of marginalization was also associated with increasing migratory outflows and associated brain drain from the MENA region, mostly to Western Europe, and increasing dependency on remittances. This impact of remittances in what was essentially a compensatory process, diminished as a result of the global financial crisis and associated crisis of the Eurozone, exacerbating the political and social strains of dependent marginalisation.

† Hamilton Collage, Department of Government, 198 Collage Hill Road, New York USA.
✉. cafruny@hamilton.edu

Economic decline greatly reduced the overall level of state capacity. As a result of increasing debt levels and IMF conditionality, regiimes became less able to use fiscal policy to buy social peace. Egypt and Tunisia experienced sharp decreases in public employment. Libya, something of a special case, remained highly dependent on oil prices but sanctions greatly eroded productivity and output.

Growing marginalisation generated increasing political opposition as regimes lost their capacity to compensate various social sectors and, for a time, to deploy the coercive arms of the state. It eventually drove the middle class into a temporary alliance with the poor, thereby enhancing the role of radical Islamist movements and parties and setting the stage for "Arab spring" uprisings. Egypt experienced what Talani terms the "the mother of all liberalisations." The Muslim Brotherhood (MB) had for many years developed a tacit bargain with the state. It experienced repression yet simultaneously was granted limited political freedoms as well as a role in welfare provision. Liberalisation, however, shattered the tacit bargain. The MB always served as something of a safety valve for discontent, something that was clearly recognized by the Obama Administration. However Morsi's performance in office served to alienate segments of the previously insurgent middle class, fragmenting the anti-Mubarak alliance and paving the way for Sisi's coup d'etat followed by a wave of repression that continues into the present time. Nevertheless, the MB continues to enjoy a deep reservoir of support, suggesting that Sisi will not contemplate elections any time soon.

By contrast, in Tunisia Ben Ali adopted a more confrontational position towards radical Islam. The fact of repression emboldened secular forces, thereby facilitating a more democratic form of government Nevertheless, it remains to be seen to whether democratic political dynamics will be sustainable in the long term.

In Libya Colonel Muammer Gadhhafi seized control of oil from the Anglo-American cartel, and was never forgiven. Following years of painstaking negotiations with the West he abandoned nuclear efforts and sought to peace with his erstwhile opponents and relief from sanctions. Thus sanctions were duly lifted by the UN (2004) and USA (2007). However, years of isolation had taken their toll on the Libyan energy sector reflected in declining capacity and productivity. By 2011 Ghadhafi's standing had been substantially eroded and the terrain was fertile for Libyans to join the Arab Spring. However the "oil curse" still seems to haunt the country which, in 2014, was still plagued by a bloody civil war. Despite this, or, perhaps thanks to it, extraction and exports are back to what they were before the Arab Spring without, however Libyans being able to enjoy the benefits of the trade.

Through this highly detailed and nuanced analysis of these events and their political economy roots, and especially the connections between events and the broader process of neo-liberal globalization, Talani is makes sense of this momentous and yet highly complex phase of recent history. In developing a synthesis between events at the global, regional, and country level Talani makes a distinctive contribution.