Chapter 11

Resistance and Passive Revolution in Egypt and Morocco

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The notion of ‘authoritarian neoliberalism’ indicates a loss of neoliberalism’s ‘hegemonic “aura”’ and a shift towards ‘extraordinary’ modes of governance (Bruff 2014: 115). Recent developments of securitization, debt discipline, constitutionalization of austerity and coercive policies towards migrants, trade unions and other social actors illustrate a shift from traditional bourgeois democracy to a ‘nondemocratic state’ in the West. It is hard to deny the increasing authoritarian policies of governments in the face of the political, economic and social problems that flow from the contemporary crisis of capitalism. However, in order to understand the nature and direction of the development of the state at this juncture, the concept of ‘authoritarianism’ has to be grounded in a long-term historical and class-based analysis. If one takes the Western post-war period as the norm of capitalist accumulation and bourgeois state formation, contemporary neoliberal politics indeed appear as an extraordinary, authoritarian deviation. Yet, the history of capitalist development since the nineteenth century suggests that revolutions both in the global North and in the global South have always showed the limits of bourgeois democracy and a tendency towards more authoritarian forms of state power (Amin 2011). Gramsci, for example, understood the rise of Fascism and authoritarianism in the 1920s and 1930s as the ‘normal’ political forms of that capitalist epoch (De Smet 2016: 98–99). Instead of the norm, the post–Second World War class compromise, democratization and welfare state were the unique outcomes of ‘extraordinary’ economic and (geo)political conditions. This transition represented a ‘counter-revolution in democratic form’, which displaced demands for radical change by far-reaching reforms of the bourgeois state. A similar argument could be made with regard to the postcolonial developmentalist projects in the global South (see below).
Since the 1970s, neoliberal transformations within global capitalism represented an evolving and variegating ‘restoration of class power’ (Harvey 2006), revealing capitalism’s inner susceptibility to crisis and the coinciding loss of hegemonic consensus. However, class power was restored differently in the global South as it was in Europe or in the United States. In this chapter we investigate the emergence of new forms of authoritarianism in ‘revolutionary’ Egypt and ‘reformist’ Morocco during the neoliberal age to demonstrate how pre-existing forms of authoritarianism are transformed in relation to and converged with structural shifts in global capitalism. In other words, how neoliberal reform created new forms of capitalist class power in articulation with ‘older’ forms of authoritarianism (e.g. neo-patrimonialism, clientelism, state repression, etc.).

We argue that, despite a shared global condition of crisis and neoliberal restructuring in the 1970s, divergent national historical trajectories and hegemonic policies determined these two countries’ respective vulnerability and resistance to revolutionary upheaval. This perspective not only debunks mainstream assumptions linking ‘economic liberalization’ to ‘political democratization’, but also rejects the very idea of an ‘impure’, ‘crony’ capitalism in the global South, for authoritarian accumulation in these spaces is closely connected to capitalist transformation and state reconfiguration in Western liberal democracies.

Furthermore, a closer look at the trajectories of Egypt and Morocco sheds light on the varying hegemonic success of neoliberal reform. A shift towards more authoritarian policies does not necessarily entail a hegemonic crisis. The difference between domination and hegemony is not the quantitative proportion between coercion and consent needed to maintain class power, but the extent to which force is successfully grounded in popular consent (Thomas 2009: 162–165). An authoritarian regime can be quite hegemonic if its use of violence, coercion and exclusion is accepted by broad layers of the population. Hence, the implementation of neoliberal policies within different national contexts provoked different forms of resistance and produced particular political and economic trajectories.

We use Gramsci’s notion of passive revolution as a comparative concept to understand the different capacities of Egyptian and Moroccan elites in exploiting changes in global capitalism and adapting to popular pressures. Passive revolution refers to the capacity of dominant classes in periods of crisis and societal transformation to preempt, deflect or absorb revolutionary struggles ‘from below’ and reconfigure the state and the economic structure ‘from above’ to their advantage (De Smet 2016; Gramsci 1971; Morton 2010: 317–318). Postcolonial state formation could be interpreted as such, as a new elite coming out of the liberation movements took over power and neutralized more radical revolutionary aspirations, resulting in the developmentalist and national bourgeois projects of the Third World (Amin 2011: 102).
When used as a comparative concept, passive revolution is both **encompassing and individualizing** (see Tilly 1984). An encompassing comparison explains the Egyptian and Moroccan cases in terms of their relation to the whole: neoliberal transformation. The different cases are presumed to exist not in isolation from each other, displaying independent similarities and differences, but are considered part of a shared historical process of global and regional reconfiguration and contestation. Such a method of ‘incorporated comparison’ views comparable social phenomena as differentiated outcomes or moments of an historically integrated process, whereas conventional comparison treats such social phenomena as parallel cases’ (McMichael 1990: 392).

The comparison between Egypt and Morocco leads us to the conclusion that (1) the pace, intensity and momentum of the neoliberal assault; (2) the sources and strength of the elites’ hegemony; and (3) the extent and character of organized discontent were directly and coherently interrelated, determined the capacity of dominant groups to contain popular discontent, and produced different political outcomes.

### THE END OF DEVELOPMENTALISM AND THE REARTICULATION OF AUTHORITARIANISM

In the wake of the decolonization struggles, national liberation movements in the global South radically reconfigured the colonial states. Ideologically, these postcolonial societal projects shared the outlook of Western Fordism–Keynesianism, which espoused that the state was the main motor of capitalist ‘modernization’, that political loyalty had to be assured through some form of class compromise and wealth redistribution, and that extreme economic liberalism had to be rejected (Amin 2011: 101–102). In the MENA region, even though Arab nationalist and socialist regimes expressed this project most saliently, both monarchical and republican states could be labelled as developmental states with authoritarian yet redistributive policies.

The global economic crisis of the 1970s and the subsequent Third World debt crisis spelled the end of developmentalism and opened the door to neoliberal restructuring. Under the flag of short-term ‘stabilization’ and long-term ‘structural adjustment’, the IMF and the World Bank pushed through the neoliberal restructuring of Third World economies. Privatization became the dominant ‘development’ strategy. Within neoclassical and neoliberal discourses this was presented as a necessary instrument to ‘roll back’ highly inefficient public enterprise. In addition, privatization was also presented as an efficacious weapon against corruption and clientelist networks as the process dismantled the personal ‘cash cows’ of rent-seeking state elites (cf. Walton and Seddon 1994: 334–336).
Economic liberalization would then empower new social groups and bring forth a political liberalization (cf. Springborg 2011).

However, the project of global neoliberalism failed to live up to its universalist promises of freedom, welfare and individual empowerment. Instead, the dismantlement of welfare and developmentalist state projects and the unrestricted movement of global finance capital entailed a growing gap between possessors and dispossessed, a switch from class compromise to confrontation and new forms of authoritarianism. A new accumulation strategy emerged, based on the deregulation of markets, prices and goods; on the flexibility of labour and production; on increased transnational competitiveness and on the disintegration of collective bargaining in favour of meritocratic individualism which effectively undermined the position and strength of labour vis-à-vis capital.

Especially in the MENA region, the move towards privatization was often inspired by the severe decline of public revenues, rather than by the inefficiency of public enterprises and the superior efficiency of private ones (Ayubi 1997). One of the key actors in the neoliberal passive revolution was not the elusive market, but state institutions, which actively ‘regulated deregulation’. Those who controlled the state also controlled the specific implementation of privatization policies. Consequently, structural adjustment has reinforced, rather than weakened, the position of ruling classes. At the same time, the conditions were created for foreign capital and new local elites to participate in economic restructuring and seize important parts of previously state-dominated economic sectors. Authoritarianism in the region was fundamentally transformed by a convergence of interests of domestic ruling classes and (global) economic elites (Bogaert 2013).

This aggressive confrontation between capital and its discarded social base—industrial labour, public sector workers, peasants—did not take place without a fight (Walton and Seddon 1994). Social struggle was at the heart of these restructurings, and the political future in those days was still very open, uncertain and undecided. From the late 1970s onwards, ‘new waves’ of protest emerged in the MENA and in the rest of the global South. Urban mass protests and riots were among the first expressions of popular discontent with the new neoliberal policies (Bayat 2002).

The reconfiguration of authoritarianism in the region was determined not only by structural adjustment policies imposed ‘from outside’ by international creditors, but also by the particular adoption of these schemes by incumbent elites and by the social struggles they provoked in different countries. The cases of Egypt and Morocco illustrate how the global neoliberal ‘passive revolution’ became articulated in quite different national trajectories of political and economic struggle and transformation, respectively provoking and blocking revolutionary outcomes.
EGYPT’S STALLED NEOLIBERALISM

Looking at Egypt’s history of colonization and decolonization through the lens of passive revolution, crucial ruptures appear as attempts by domestic ruling groups to reorganize both state and economy in order to reproduce their social existence in a context of mass struggle. The 1919 revolution led to an unstable compromise between revolutionary actors, domestic elites, especially landlords, and British capital. The failure of the ruling coalition to ‘modernize’ Egypt—that is, achieve full independence and political democracy, redistribute land and industrialize—led to a persistent crisis of hegemony, which was forcefully resolved by a military coup in 1952. In the face of a mass uprising the ‘Free Officers’ led by Colonel Gamal Abdel Nasser took over control of the state institutions. By leaning on the resistance of nationalists, workers and peasants against domestic and foreign elites, Nasser was able to conquer state power, but the mobilization of these subaltern forces also generated a political debt. In the next two decades a new form of authoritarian class rule developed, which, despite the lack of political participation and the reliance on state violence, control and surveillance, was strongly grounded in popular consent (cf. De Smet 2016). It was generated by social reforms, distributive policies, state-led corporatism and a strong nationalist and anti-imperialist stance—being at the forefront of the anti-colonial struggle in the MENA and the global South offered Egyptians a new sense of dignity and prestige.

However, already from the second half of the 1960s, discontent among workers and students was fomenting over the lack of democracy and failing development goals. A falling rate of profit in the second half of the 1960s limited the capacity of the Egyptian public sector to redistribute surplus. Consequently, prices and taxes were increased and absolute surplus-extraction increased (lengthening of the workweek without compensation, cancellation of paid holidays, etc.) (Posusney 1996: 219). Egypt’s defeat in the 1967 Six Day War against Israel delivered the fatal blow to the authoritarian project of ‘Arab socialism’. Increasing subaltern contestation, partly stimulated by the May ‘68 students’ and workers’ revolt elsewhere, expressed and stimulated the emerging hegemonic crisis of authoritarian Nasserism, years before the rise of Islamism in the 1970s (al-Bendary 2008). This leftist turn from below was as much a pressing factor for the ruling groups to transform the developmentalist accumulation strategy and its class alliances as the continued economic malaise.

When in 1970 Anwar Sadat succeeded Nasser as president, he tried to solve the economic and hegemonic crisis by an increased integration of Egypt into the Western-dominated global economy. This reorientation came at a
time when the West itself was struggling to solve the problems of Fordist-Keynesian accumulation. Therefore, together with Pinochet’s Chile, Sadat’s Egypt became a laboratory of neoliberalism in the global South (Callinicos 2011). The Infitah, the opening up of Egypt’s economy to increased foreign investment, required sweeping changes to existing class coalitions and consent-generating mechanisms, prompting a confrontation with workers, students and other subaltern groups. Sadat tried to deflect this conflict in a passive-revolutionary way by presenting his changes as a top-down ‘democratic revolution’ against the authoritarian Nasserist state (Tucker 1978: 6). However, despite the establishment of a multiparty system and free elections, the ‘deep state’ of the military, bureaucratic and security apparatus remained firmly in power—albeit cleansed of Nasserist and Marxist elements. By the end of the 1970s, the National Democratic Party (NDP) emerged as the new dominant political apparatus of the ruling class coalition. Fundamentally, what changed was not the authoritarian character of the state, but its class base, excluding subaltern forces such as workers and peasants in favour of new layers of private capitalists, consumerist middle classes, international capital and transnational actors such as the IMF.

However, the confrontational restructuring of Egypt’s state and economy only added to the existing economic and hegemonic crisis. Privatization and liberalization of state companies, combined with a high inflation, led to deindustrialization, jobless growth, unemployment and a fall of real wages (Farah 2009: 39–41). Increasing labour resistance and strikes against these measures, temporarily halted due to the 1973 October War, culminated in a general uprising or ‘bread riot’ in January 1977 following IMF-imposed austerity measures. Industrial workers in Helwan demonstrated in Tahrir Square. Their protests were joined by students and people from the urban lower and middle classes.

Sadat’s attempt to present the capitalist class offensive as a process of democratization failed to produce a new imaginary that could replace the project of Arab nationalism. He increasingly relied on a politicized Islam to offer an ideological counterweight to Nasserism. Yet, the repression of the 1977 uprising and the Camp David negotiations with Israel after the 1973 October War alienated the president’s Islamist allies as well. Sadat’s failure to forge a new hegemony would eventually lead to his assassination by Islamists in 1981.

Under Hosni Mubarak, a much more protracted and appeasing process of passive revolution would take place, at least in the 1980s. A new ‘post-populist’ class compromise was reached, one which was negotiated on a purely material base, without the ideological prestige and mobilization of the Nasserist era. Redistributive policies were rooted in an emerging rentier economy. From
the second half of the 1970s onwards, a stream of revenues from migrant workers’ remittances from the Gulf countries; foreign loans and diplomatic, military and economic aid; the re-opened Suez Canal; oil and gas; and tourism rendered a full confrontation with industrial labour unnecessary to drive up the rate of profit. Despite a process of deindustrialization the public sector continued to expand until the mid-1980s (Richards and Waterbury 2008: 190; Roccu 2013). The accumulation of external rents was not the result of smart strategy by Egypt’s elites, but the contingent outcome of global and regional processes. The geopolitical position of Egypt and its new relation with Israel, combined with the rise of the Gulf as an economic powerhouse, temporarily created unique opportunities for the dominant groups to reproduce their social existence without far-reaching transformations in the economic and political structures of the nation.

Mubarak’s early presidency heralded a softening of the coercive dimension of state power. Political prisoners were released, civil rights such as freedom of press and of association were reinstated to a limited degree and elections were held. Liberal commentators praised the country for its gradual ‘democratization’, but this shift soon proved to be a ‘grand delusion’ (Kienle 2001). Although oppositional politics were tolerated in clearly delineated spaces in civil and political society, they remained subordinated to the interests of the new class coalition that had been established in the 1970s. The relatively successful co-optation and subjugation of opposition groups such as the leftist al-Tagammu party, the liberal al-Wafd and the Muslim Brotherhood marked the consolidation of the Mubarak dictatorship, rather than its undermining. Industrial workers, for their part, still associated with Nasserist hegemony and continued to interpellate the state as an independent power that defended public interest by maintaining a just class equilibrium. They displayed their economic productivity and political loyalty to the state in exchange for material concessions (Posusney 1996: 233). The state, for its part, could no longer rely on a strong hegemony and primarily maintained power by keeping the subaltern classes in a fragmented, disorganized and clientelist condition.

The process of gradual neoliberal restructuring in Egypt, moving back and forward between measures of economic liberalization and state control, highlights that the emerging global neoliberal passive revolution was not a homogenizing force, able to simply copy its political, economic and ideological structures onto the fabric of Egyptian society. Firstly, the initial speed, intensity and confrontational character of the passive revolution provoked a strong reaction from subaltern groups who were already revolting against authoritarianism and austerity in the late 1960s. Economic concessions to avert social explosions such as the 1977 insurrection slowed down the transformative process. Secondly, the influx of windfall rents at the end of the
1970s provided the ruling elite with opportunities to actually slow down the dismantlement of populist redistribution and maintain the public sector as a key economic actor until the 1990s (Bayat 1993: 76–78; Beinin 2001: 157). However, new rents were not invested in industry or agriculture, but they were spent on imports and subsidies of consumer goods (Richards and Waterbury 2008: 223). A fall in rentier income from 1984 onwards necessitated a new accumulation strategy. In the 1990s and 2000s the Mubarak clique returned to Sadat’s confrontational policies and aggressively reconfigured the post-populist bloc through economic dispossession and state violence.

**MOROCCO’S ROYAL PASSIVE REVOLUTION**

Morocco did not follow the political path of many of the other states in the region (cf. Leveau 1997; Catusse 2008). Whereas the Egyptian pre-capitalist landowners played the role of a ‘comprador’ elite, often allying themselves with British imperialism against local nationalist forces, the Moroccan sultanate was drawn into a confrontation with French imperialism, leading to the exile of Mohammed V in 1953. As a result, the nationalist party Istiqlal (Independence) allied itself with the monarchy in a concerted struggle for independence and used the popularity of King Mohammed V to gain popular support.

In the power struggle that evolved afterwards, the monarchy eventually gained the upper hand. Deploying its traditional and anti-colonial prestige and instigating the fragmentation of nationalist forces through the formation of a multiparty system, the monarchy was able to position itself symbolically above party politics, supervising the political scene as a ‘supreme arbiter’ (Waterbury 1970). The monarchy did not construct a mobilizing myth around regionalist or universalist notions of Arab nationalism or socialism, but presented itself as a particular, Moroccan institution that was at the heart of the nation and the religion of its people—an authentic, historical institution with the king as the ‘Commander of the Faithful’ (Hinnebusch 2014: 14; Waterbury 1970).

While most Arab countries implemented policies to promote rapid industrialization often at the expense of the agricultural sector, the monarchy actively developed and prioritized the agricultural sector. The palace saw a stable rural landowning class as one of the essential foundations of its power base (Pen nell 2000: 306). As such, it also tried to limit the political weight of the cities and the urban nationalist movement. Similarly, as the army personnel consisted mainly of soldiers from rural and Berber descent, the military declared its allegiance to the monarchy instead of the mostly urban Arab nationalists (Vermeren 2002).
Whereas regional heavyweights such as Egypt, Syria, Algeria, Libya and Iraq eventually turned to the Soviet Union for support, Morocco aligned itself to the West from the start. The United States and especially France became its most important allies. In contrast to other Arab countries that ended up with some form of state-led accumulation, Hassan II preferred a controlled liberal economic system. State intervention in the Moroccan economy during the 1950s and 1960s was dictated more by neo-patrimonial strategies, clientelism and the structural weakness of the domestic private sector than by a populist developmentalist strategy (Ben Ali 1997; Kaioua 1996; Waterbury 1970).

However, at the end of the 1960s a slackening rural economy, increasing popular discontent and several cracks within the ruling bloc forced the monarchy to change its political strategies and its social base (Joffé 1988). The urban riots of 1965 in Casablanca marked a first turning point in authoritarian rule. They could be considered as a precursor of the austerity protests of the 1980s. The riots were severely repressed and prompted King Hassan II, who succeeded his father in 1961, to dissolve parliament and install a five-year state of emergency. However, two failed military coups in 1971 and 1972 rooted in the increasing political and economic tensions in the country demonstrated that mere repression was not going to be enough (Hinnebusch 2014: 16).

Economic windfalls (notably a rise in the export prices for phosphate), foreign aid (including from Saudi Arabia) and international bank loans eventually gave the monarchy leverage to develop and expand developmentalist policies in order to establish a more stable political equilibrium with the working classes, the emerging urban middle class and a growing group of educated youth in the cities (Glasser 1995; Richards and Waterbury 2008: 201–202, 243–248). Especially the oil boom of 1973 caused a strong increase in the international export prices of phosphates and provided the government with considerable resources for public spending. With the 1973–1977 Economic Plan, the monarchy gradually shifted its priorities from rural to urban regions. Economic rents were invested in the expansion of the public sector and redistributed some of the national wealth through public employment. Moreover, the monarchy also tried to strengthen the private sector, which was still considered the backbone of the economy. Apart from the implementation of several protectionist measures (e.g. import taxes and licences), a Moroccanization law was issued in order to secure at least 50 per cent of Moroccan ownership in domestic firms and promote an emerging corporate class (Cherkaoui and Ben Ali 2007). With the Moroccanization of the economy, the monarchy explicitly sought to deepen and strengthen its ties with the urban bourgeoisie while it encouraged the controlled emergence of a capitalist elite under the wings of a guardian state. As a result, access to the
state apparatus and state favours became a necessary condition for success in business (Ben Ali 1997; Cammett 2007). Finally, foreign-owned agricultural property was to be expropriated and distributed among Moroccan landowners—however, only those with high connections within the state administration benefitted from the agrarian reform (Swearingen 1987).

These economic transformations were reinforced by a reconfiguration of state power, developing new forms of coercion and consent. A new security chief was appointed as Minister of Interior, the civilian Driss Basri. He became the main architect behind the infamous ‘years of lead’. Until the early 1990s, Hassan II leaned on his civil security apparatus to violently repress the political opposition, leading to the arrest, torture, imprisonment, disappearance and murder of tens of thousands of political activists. At the same time, the king also realized the importance of active consent for the stability and effectiveness of his rule. Parliament and a multiparty system were reinstated, which granted a democratic legitimacy to the monarchy’s reforms and created a space where loyal opponents could be recruited and disloyal forces isolated. Hassan II turned to the nationalist movement, including the leftist UNFP (which was severely repressed during the 1960s), to include them in a new political consensus.

Last but not the least, the monarchy’s hegemony and prestige were strengthened through a renewal of its historical anti-colonial leadership. In 1975, Hassan II called for a peaceful mass march to ‘liberate’ the Spanish Sahara, which resulted in the famous ‘Green March’, mobilizing almost half a million people and effectively winning the support of the nationalist opposition parties (Pennel 2003: 173). The campaign resulted in a war with the Popular Front for the Liberation of the Sahara and the Rio de Oro (POLISARIO), which was partly concluded in 1979 with a very costly occupation. Despite the devastating effect on the national budget, the political gains were pivotal for Hassan II. The political opposition was effectively neutralized at a time when the economic and social conditions were worsening. Consequently, when the first austerity measures were introduced at the end of the 1970s, the ‘locus of contestation shifted to the streets, where it has remained ever since’ (Maghraoui 2002: 26).

While Egypt was leaving the path of state-driven accumulation in the 1970s, Moroccan state intervention increased throughout this decade. However, the absence of durable and extensive rent revenues limited the monarchy’s capacities to bind public loyalties on the basis of a rentier social contract (Leveau 1997). Already in 1975, the rentier aspect of the Moroccan economy was largely exhausted. The sharp fall in export earnings from phosphates and the crisis in the agricultural sector led to a sharp increase of the public deficit.
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Despite the introduction of the first austerity measures at the end of the 1970s, foreign public debt increased from 19.6 per cent of GDP in 1975 to a staggering 85 per cent in 1983 (Cohen and Jaiidi 2006: 37). In 1983, Morocco turned again to the IMF for support and a structural adjustment programme was implemented. The following neoliberal restructurings of the 1980s and 1990s coincided with a decline in real and relative incomes and put further pressure on the stability of the royal bloc. As the material dimension of hegemony crumbled, neoliberal restructurings prompted massive protests. ‘Bread-riots’ broke out in 1981 in Casablanca, after a general strike organized by one of the most powerful trade unions in the country. They were heavily repressed. Nevertheless, a new countrywide wave of protests followed in 1984, starting in Marrakech due to another rise in consumer goods prices. The revolts quickly spread to more than 50 cities. Six years later, a new general strike on 14 December 1990 set the beginning of another violent explosion. This time it originated in Fez and then spread to the cities of Tangiers, Kenitra and Meknes.

Despite the fact that the monarchy successfully managed to weaken the influence of the trade unions through repression and co-optation, especially after the 1981 riots (Clement and Paul 1984), protests persisted in massive numbers and the state was confronted with another opponent: a rapidly growing Islamist movement (Pennel 2003: 175–180). In order to maintain the monarchy’s rule, a new process of passive revolution was needed, forcing Hassan II to start a gradual political ‘reform’ process in the 1990s.

MUBARAK’S NEOLIBERAL OFFENSIVE

In Egypt, from the second half of the 1980s onwards, due to a fall in rental income and unproductive distributive policies, national debt rose to more than $38 billion in foreign obligation and the budgetary deficit increased to over 20 per cent (Richards and Waterbury 2008: 225). The combination of a domestic crisis of rent-based accumulation with foreign pressure by the United States, IMF and World Bank shifted the state’s gradual and careful molecular passive revolution back to a confrontational strategy (Farah 2009: 41). In 1991 Egypt accepted an Economic Reform and Structural Adjustment Program (ERSAP), which aimed to contain and decrease foreign debt and inflation, by cutting state subsidies on consumer goods, privatizing public companies, liberalizing markets and prices, freezing wages, commercializing agricultural lands and implementing a flat tax.

Such neoliberal policies required the further exclusion of subaltern forces from wealth redistribution and the subduing of recalcitrant factions of the
capitalist class (Roccu 2013). However, the capitalist offensive was not grounded within new forms of hegemony; on the contrary, the aggressive class confrontation went hand in hand with a decrease in leadership and prestige of the dominant groups. The ruling class coalition was restricted instead of expanded, and already co-opted allies and opponents were alienated. Firstly, bureaucratic layers in the NDP and the public sector and the higher echelons of the armed forces felt a deep resentment towards the rising faction of neoliberal ‘cronies’ around Gamal Mubarak, the President’s son. Secondly, workers, peasants and young graduates were increasingly excluded from the neoliberal class alliance. The ERSAP restored economic growth and the rate of profit by decreasing wages and benefits, by exploiting workers in the private sector, and by expropriating farmlands and increasing the prices of land rent. (Farah 2009: 41, 44; Mitchell 1999: 463). Thirdly, the limited spaces for opposition within the political and civil spheres were further restricted. From 1990 onwards, direct state regulation of political and civil society increased: parties’ internal affairs were supervised, professional syndicates were put under direct state control, NGOs were closely scrutinized and newspapers faced stricter rules of censorship. Ironically, such measures severely restricted the capacity of the state to absorb and regulate political opponents, making them search for other ways to wage opposition.

Moreover, neoliberal policies did not solve Egypt’s economic problems; on the contrary, their implementation worsened an already existing crisis of capital accumulation. In the countryside, the state sought the support of wealthy landowners in the realization of the free trade policies backed by the IMF and World Bank by promoting the production of cash crops that could be sold on the world market (Abdin and Gaafar 2010: 14). However, as rural capitalists were loath to make high-risk, capital-intensive investments in the productivity of agriculture, they were more interested in low-risk, inexpensive and often violent methods to drive up the rate of exploitation (Mitchell 2006).

In the industrial sector, the privatization of the public sector aimed to establish an ensemble of competitive and productive private entrepreneurs. However, the combination of global neoliberalism with collapsing state-driven capitalism resulted in a strengthening of oligarchic and monopolistic tendencies. State elites became investors in large private sector enterprises or used state power to favour their friends and families in the subcontracting sector, realizing huge profits. Public holding companies remained the largest shareholders in many of the privatized enterprises. State holding companies set up private corporations or joint ventures, and in 1998 the state bought back shares in most of its privatized enterprises (Mitchell 2002: 280–282). Neoliberal reform in Egypt did not at all entail a retreat of an abstract ‘state’ from an abstract ‘market’, but a redirection of state power and resources to-
wards an increased accumulation of capital achieved by an aggressive policy of dispossession, which benefitted only a small clique within the ruling classes (Mitchell 1999: 461–462; Naguib 2011).

A crucial element in maintaining hegemony is the perception that the state and the ruling group are capable of realizing the ‘common good’. Oligarchic economic reform, everyday state violence against ordinary citizens, faltering support for the Palestinian cause, and feeble opposition against the Afghanist, Iraq and Lebanon wars discredited the Mubarak regime in the eyes of a majority of the population. The state undermined the material base of its consent-generating class compromise while at the same time restricting access to the ruling coalition and dissolving spaces where opposition forces could be regulated and co-opted. Hence, the 25 January Revolution was rendered possible by a deep crisis of hegemony in combination with the existence of protest movements that already operated outside the state.

Broadly three forms of resistance emerged. Firstly, throughout the 1980s and 1990s, there was a steady growth of a diversity of Islamic movements, ranging from puritanical Salafist organizations, over jihadist cells, to the Muslim Brotherhood. In the 1990s the threat of Islamic fundamentalism was appropriated by the Egyptian state as a defensive raison d’être. Western governments and the enfeebled domestic secular opposition were invited to support the Mubarak regime as the lesser evil against a radical theocratic enemy. Attacks and assassinations by terrorist organizations such as the Islamic Group gave the government an excuse to repress the Brotherhood. From 1995 onwards, Brotherhood activists, student leaders and members of parliament were systematically arrested, intimidated, detained and tortured. However, despite its illegal status and its continuous harassment by the security forces, the Brotherhood was allowed not only to run its candidates in the sham elections, but also to become the biggest opposition in parliament, especially during the elections of 2000 and 2005 (Zemni and Bogaert 2009). Apart from constituting a form of resistance, Islamism functioned as the state’s ‘negative hegemony’, reminding the population of the fundamentalist alternative to the Mubarak regime.

A second movement focused on universal civil and human rights and the issue of democratization. The rise of independent NGOs defending civil and human rights and hosting meetings of political movements and parties in the 1990s resulted in a hub of democratic opposition. From the year 2000 onwards this civil-democratic movement entered its second phase. Students organized massive demonstrations in Cairo in support of the Second Palestinian Intifada—collective actions ‘from below’ that ended two decades of political demobilization. These mobilizations became a platform for political discussion, coordination and cooperation between leftist, Nasserist and Islamist
activists (Abdelrahman 2009: 42–44). The war in Afghanistan and the looming intervention in Iraq gave a new impetus to the development of the existing solidarity networks. At the end of 2004 the first explicitly anti-Mubarak demonstration was organized with the central slogan of free and democratic presidential elections. In February 2005 *Kefaya* (Enough) was established as a unitary movement of existing committees and campaigns. At first, the state attempted to co-opt the movement, but as the protests grew in numbers and militancy, it reverted to a violent repression of democratic activists. Moreover, the state preempted one of the chief demands of the movement by changing the constitution itself so the president could be elected directly. This minor correction to the political system effectively took the wind out of Kefaya’s sails. Moreover, the civil-democratic movement failed to construct a hegemony of its own and forge structural connections between its core of students, intellectuals and urban middle-class groups, and other subaltern agents: workers, farmers and the urban poor. Nevertheless, the experience had laid the foundations of a network of democratic activists that would grow over the years and initiate the first protests of the 25 January Revolution in 2011 (De Smet 2015).

A third movement consisted of social protests around class- and community-based problems. In the countryside, by the mid-1990s, half of the rural population lived in poverty, an increase of 10 per cent in comparison to 1990 (Mitchell 1999: 463). Neoliberal reform stimulated a rise in land rents and the concentration of landed property. Landless and small landholding farmers reacted with numerous land occupations and protests over the next decade, which were violently repressed by landowners and security forces (Bush 2007). Similarly, the process of privatization and deterioration of workers’ livelihoods induced a surge of labour conflicts, but until the mid-2000s these protests remained short lived and could not forge connections between different workplaces. The 2003 cabinet of Ahmed Nazif further intensified the privatization and liberalization process, stimulating not only an increase in labour protests, but also a development of workers’ actions towards independent trade unionism, which constituted one of the pillars of the 25 January Revolution (De Smet 2015; Zemni, De Smet and Bogaert 2013).

**MOROCCO’S PREEMPTED REVOLUTION**

This deep crisis of hegemony contrasted sharply with Morocco’s efforts to build a new one in the 1990s and 2000s. Confronted with budgetary and financial constraints, growing social unrest and personal illness, King Hassan II set out on a path of gradual political reforms during the 1990s. This
process of ‘democratization from above’ intended to expand the base of the ruling bloc and reinvigorate the monarchy’s hegemony by reasserting its position as the supreme arbiter over the nation’s politics. First of all, Hassan II started a personal campaign around human rights. He liberated political prisoners, closed ‘secret’ detention centres, founded a state-sponsored Council on Human Rights in May 1990 and installed a Minister of Human Rights in 1993 (Brand 1998; Zemni and Bogaert 2006). These measures were inspired not only by the need to address internal unrest and political instability, but also by a drive for greater respectability in the international community—especially in Europe and the United States. By the end of the 1990s, Amnesty International and Human Rights Watch reported that Morocco dramatically improved its human rights record, while the World Bank lauded the country as being one of the ‘success stories’ of reform in the region (Zemni and Bogaert 2006).

The second and more crucial constituent of what became known as the alternance process was the inclusion of the historical opposition into the government after the parliamentary elections in 1997. On 4 February 1998, the leader of the USFP, Abderrahman Youssoufi, was appointed prime minister. The USFP formed a government together with the Istiqlal and other political parties. This political opening sparked the hope, not only among foreign observers, but also among many Moroccans themselves, that a genuine process of democratization was under way.

Mohammed VI, who ascended the throne in 1999, further expanded the political reform process. He immediately proved his willingness to reform by getting rid of the widely despised and hated minister of interior, Driss Basri, and acknowledging the government’s responsibility during the ‘years of lead’ (Vermeren 2002). Mohammed VI launched several social development initiatives and repeatedly stressed the importance of good governance, human rights, economic development and citizen participation. This sudden change in style, compared with the more repressive image of his father Hassan II, even earned him the reputation of ‘king of the poor’.

These careful policies of co-optation and negotiation constituted a crucial difference with the confrontational capitalist offensive in Egypt. The Moroccan monarchy established a radical break with the ‘years of lead’, creating a new hegemonic momentum centred on gradual democratic reform and just kingship, winning over domestic and international support. Although the optimism of a ‘Moroccan exception’ experienced a setback after the suicide bombings in Casablanca in May 2003, many observers still praised the country’s economic openness to the rest of the world (Zemni 2006; Cavatorta 2007). They believed, for example, that the implementation of important social policies such as the National Initiative for Human
Development (INDH) and the Cities Without Slums Program testified that there was still evidence of a real transition towards more political liberalization (e.g. Navez-Bouchanine 2009).

Despite these reform efforts, protest in Morocco did not cease or even diminish. Quite similar to Egypt, three intertwined forms of resistance can be distinguished. First, the Islamists grew stronger, both the legalized Party for Justice and Development (PJD) and the unrecognized, but tolerated, movement *Al-Adl wal-Ihsan* (Justice and Charity). The Islamists demonstrated that, if necessary, they were capable of mobilizing a massive crowd. At demonstrations in solidarity with Palestine, against the invasion of Iraq or in opposition to the reform of the Family Code in 2004, Islamist movements, especially *Al-Adl wal-Ihsan*, mobilized close to a million people each time (Cavatorta 2007).

Second, as in Egypt, Morocco witnessed the growth of civil and human rights movements. The process of *alternance*, the increasing attention given in the West to issues of democratization and the role of civil society and the accession of Mohammed VI to the throne opened up political space for human rights movements, neighbourhood associations and women’s movements to become active and offered many secular and leftist activists—who had experienced repression during the ‘years of lead’—a way to be politically active outside party politics and militant trade unionism. A salient example was the Moroccan Association of Human Rights (AMDH). The AMDH has gathered older leftist militants that were active in radical student movements, trade unions and leftist parties in the 1970s and 1980s, and younger activists, many of whom were/are active in the 20 February Movement. Today, the organization has approximately 12,000 listed members and over 90 local sections spread over the country.

Finally, ever since the urban riots of the 1980s, the country has been confronted with economic protests and struggles around class issues. From the early 1990s onwards, unemployed graduates mobilized on a regular and structural basis, and since the establishment of the Moroccan National Association of Unemployed Graduates (ANDCM) in 1991, unemployed graduates have become a permanent and highly visible feature of the social protest landscape in Morocco. Many activists within ANDCM were and are closely connected to the left, and they consider their economic situation and unemployment as the economic dimension of authoritarianism and the result of a ‘class policy’ (Emperador 2013: 5). Other groups of unemployed graduates, more prominent in the bigger cities, have taken a more pragmatic stance and mobilized around the notion of a ‘right to work’. They demand their ‘right’ to be employed in the public sector, reinvigorating the old developmentalist social contract granting university graduates access to the public sector (Bogaert and Emperador 2011).
Furthermore, there was a significant increase in local economic protests all over the country in the mid-2000s (Bogaert 2015). These protests were diverse and demonstrators expressed demands particular to their predicament, for example, access to public jobs, better infrastructure (roads, houses, etc.) and lack of support after natural disasters (earthquakes, floods), or they denounced the continuous price hikes of consumption goods like water and electricity. Yet, these struggles were not merely ‘socioeconomic’ but also about public services, the question of ownership over national resources and the redistribution of wealth; in other words, about fundamental political questions.

There was an attempt, from the mid-2000s onwards, to bring these scattered protests together in a more structured coordination: the ‘movement against the high cost of living’. AMDH, one of the movement’s protagonists, managed to set up more than 80 active local committees or tansikiyat spread around the country. Both AMDH and the local tansikiyat actively supported the 20 February movement in 2011, and together with the Islamists of Al-Adl wal-Ihsan, they guaranteed its success during the first months. The monarchy’s ‘benign’ passive revolution entailed a calculated retreat from its explicitly dominating position in certain spheres of civil and political society since the 1980s. By creating and delimiting the terrain for oppositional politics, the monarchy was able to channel discontent along lines it could control. While these passive revolutionary policies were generally successful in absorbing the traditional opposition parties and trade unions into the monarchy’s coalition, they also opened up space for organizations and movements that escaped the royal hegemony, such as Al-Adl wal-Ihsan, the AMDH and, eventually, the 20 February Movement. In the wake of the revolutions in Egypt and Tunisia, the 20 February movement succeeded in organizing regular mass demonstrations in more than 50 cities and towns throughout the country, especially during the first months of its existence.

However, in comparison with Egypt and Tunisia, the response of the general population to the anti-regime protests was rather gradual and cautious (Molina 2011). One of the reasons was that the monarchy, instead of repressing these mobilizations, appropriated popular initiative by announcing constitutional reform on 9 March, less than three weeks after the first nationwide protests. This was one of the main demands of the movement. A new constitution was implemented only a few months later through a national referendum. Nevertheless, despite the fact that the monarchy managed to drown the 20 February movement in its politics of consent and restore political stabilization in the short term, in the long run the movement might have planted the seed of a more profound counter-hegemonic project. In this regard, the 20 February Movement did not represent an actual parallel to Egypt’s revolutionary mass
uprising, but rather its ‘Kefaya moment’. And even though it equally failed to forge connections with the broader society (e.g. unemployed graduates, workers, farmers, the urban poor, etc.), the movement dared to question the political, economic and moral dimensions of the ‘royal hegemony’.

REFORM AND REVOLUTION IN NEOLIBERAL TIMES

This chapter set out to investigate the histories behind the different outcomes of the Arab uprisings in Egypt and in Morocco. Whereas by 2011, relatively large protest movements were still nibbling at Morocco’s royal hegemony, Egypt’s state was falling into an organic crisis, in which almost all state institutions, except for the armed forces and the judiciary, had been discredited in the eyes of the masses. We suggested that an explanation for this dichotomy is to be found in the different pace, intensity and character of national articulations of a global neoliberal history. Studying the impact of neoliberal reform in relation to authoritarianism and the uprisings implies that we understand how ‘the global’ is always grounded and how authoritarianism—capitalist state power—is transformed in relation to global shifts, on the one hand, and particular interests, specific balances of power, struggle and resistance, on the other.

Our analysis shows that there was an important difference between the position of the Moroccan monarchy and the Egyptian presidency, the two core institutions of state power in these countries. In Egypt the post-1919 process of passive-revolutionary decolonization was largely unsuccessful, leading to a second rupture in 1952, which led to a more complex authoritarianism rooted in a broad social base. Conversely, the Moroccan case represents a more gradual, negotiated process of decolonization: a successful passive revolution in which the colonial domestic elites—the sultan and the rural landlords—remained the dominant groups within the postcolonial state. While Nasser had to ground his hegemony in a myth of revolution and discontinuity with the ‘feudal’ past and ‘imperialist’ present, Mohammed V personified the continuity of the Moroccan nation—even in the face of postcolonialism. The Moroccan king was able to combine ‘modern’ anti-colonial legitimacy with his ‘traditional’ political and religious prestige and leadership of the king as the Commander of the Faithful.

Both states embarked on a project of developmentalism after their decolonization. In Egypt, during the heydays of the Nasserist regime, the state became the primary agent of capital accumulation through the development of a large industrial public sector. State-led industrialization and redistribution was, besides the development of an impressive security apparatus, a
core element within the construction of a developmentalist and Arab socialist hegemony. The economic crisis in the second half of the 1960s and the defeat in the Six Day War undermined the material and ideological base of Nasserism. In order to attract foreign capital, ruling elites led by President Sadat forcefully reconfigured the dominant class alliances and accumulation strategy along neoliberal lines. The implementation of IMF austerity measures in 1977 provoked a general uprising, the first bread riots in the region. Throughout the 1980s, President Mubarak was able to slow down neoliberal reform and its concomitant confrontational politics, by leaning on the largely ‘external’ factor of geopolitical and economic rents. Yet, the fiscal crisis of the second half of the 1980s forced the state to go back on the offensive, deploying an aggressive strategy of accumulation by dispossession in the 1990s and 2000s. Combined with intensified oppression and exclusion of political opponents and subaltern groups, these policies further undermined the hegemony of the ruling classes, leading to the buildup of the revolutionary process and the uprising in January and February 2011.

In Morocco, the hegemony of the ruling bloc was never constructed around a universalist socialist or developmentalist myth, but around the monarchy as a particular, Moroccan institution representing the nation and its religion. Furthermore, the Moroccan state never became the primary motor of capital accumulation—only its facilitator. *Moroccanization* did not entail a large-scale nationalization of foreign firms, as happened in Egypt after the Suez War in 1956 and with the Socialist Decrees of 1961, but a strategy to support the private sector and tie it to the regime. The state transferred surpluses and profits to the private sector and absorbed most of the investment risks. This was both out of necessity, due to a weak private sector, and to integrate different groups of elites into royal patronage. Thus, the monarchy was able to regulate economic life and reap its benefits, while largely escaping from the need to take responsibility for its shortcomings. Conversely, an economic crisis did not automatically endanger the hegemonic position of the monarchy.

When confronted with severe social unrest and a succession of nationwide riots and protest in the 1980s, the monarchy fell back on harsh repression to restore order and political stability. Recognizing the long-term dangers of such confrontational politics for the royal *institution*, Hassan II embarked on a gradual reform process: *alternance*. This ‘benign’ passive revolution restored the monarchy’s hegemony and cleared the path for Mohammed VI to succeed his father. Mohammed VI predominantly focused on economic reform and provided the monarchy, for the time being, with a sufficiently strong hegemonic position to prevent the 20 February Movement and other protests to turn into a revolutionary mass movement.
In the end, Egypt’s ‘revolution against neoliberalism’ (Armbrust 2011) was successfully deferred in Morocco, not necessarily because neoliberalism’s ‘objective’ social consequences were less harsh or protests were less numerous or strong, but because the monarchy managed to maintain hegemonic power, generating sufficient consent among the population to continue its rule. In Egypt, the power of the presidency was undermined by its failure to maintain the material (redistribution), political (broad class alliances) and ideological (moral and cultural leadership) dimensions of hegemony. This, in Trotsky’s words, ‘did not exclude the possibility of revolution, but, on the contrary, made revolution the only way out’ (Trotsky 2007: 30).

NOTES

1. An earlier version of this paper with the title ‘Kings, Pharaohs and Neoliberalism: Passive Revolution and Resistance in Egypt and Morocco’ was presented at the conference Contentions Against Neoliberalism: Reconstituting the Social Fabric in the Developing World at the Oxford Department of International Development (ODID), 27–28 June 2013, Oxford University, UK.
2. See also Özden, Akça and Bekmen; Springer; and Lim in this volume.
3. See De Smet (2016) for an extensive discussion.

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