



Protests in the Arab World: Implications for the Region and India

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Summary

The ongoing protests against undemocratic regimes in West Asia and North Africa have sent shockwaves throughout the region. Regimes, feeling the heat after the exit of Ben Ali of Tunisia and Hosni Mubarak of Egypt, have started announcing measures to appease the people. The protests are impacting the economy, politics and governance in these countries. This Brief analyses the protests in the Arab world and their implications for the region and India.

The popular uprisings in North Africa which overthrew long ruling dictators like Ben Ali of Tunisia and Hosni Mubarak of Egypt have spread to neighbouring Arab countries. Scores of protesters have come on to the streets in Syria, Jordan, Yemen, Algeria, Libya, Bahrain, Saudi Arabia, Oman and Iraq against their rulers and demanding greater economic and political reforms. Though the protests differ in levels of popular participation and priority of demands, the agendas remain more or less the same. The one idea shared by the protesters across the region is their frustration at the long ruling authoritarian rulers and their policies, which, they say, are obsolete and do not cater to the needs of the people and the welfare of the country. Other demands made by the protesters include: political and constitutional reforms, employment, economic and social equality, improving human rights conditions, and their desire to participate in the affairs of the state. The demands reflect the undemocratic and authoritarian nature of the rulers in the region and their suppression of the aspirations of the people.

Packages and Promises

Immediately after the protests started spreading, governments began to announce financial incentives including cash distribution, and promised political reforms. Algeria has announced measures to check the rising prices of basic commodities. The Yemeni president Ali Abdullah Saleh announced that he would not seek another presidential term after 2013, nor would his son Ahmed Ali Saleh succeed him as president. In order to pacify the demonstrating students, he announced measures to absorb 25 per cent of college students in government institutions, exempt students from paying tuition fees, establish a fund to create jobs for university graduates, and increase salaries of the armed forces and government employees.

King Abdullah II of Jordan dismissed Prime Minister Samir Rifai's cabinet, appointed Marouf Bakhit in his place and ordered him to undertake political reforms to "correct the mistakes of the past." The Iraqi prime minister Noori Al Maliki announced that he would give up half his salary and vowed not to run for a third term and support the constitutional reform that would place a two-term limit on the office of prime minister.

The Bahrain government announced cash payouts of around 1,000 dinars to each family on the occasion of the 10th anniversary of the National Action Charter and as a mark of appreciation by King Hamad bin Issa al-Khalifa.¹ The Omani government announced steps to provide 50,000 jobs to the unemployed youth and pay each one of them 150 rials

¹ "Bahrain doles out money to families," *Al Jazeera*, February 12, 2011, at <http://english.aljazeera.net/news/middleeast/2011/02/2011121251854857192.html>

per month till they become employed.² Similarly, the Emir of Kuwait, Sheikh al Sabah has distributed 1,000 dinars to each citizen to mark the 50th anniversary of independence, the 20th anniversary of liberation from Iraqi occupation and the fifth anniversary of his coming to power. He has also started free distribution of basic food items from February 2011 till March 2013. In addition, the basic salaries of servicemen have been raised by up to 115 per cent.³

On February 23, Saudi Arabia announced an aid package of \$36 billion to cover social development, the establishment of vocational training programmes for women, housing, support for co-operative societies, increased assistance to charitable societies, and scholarships for needy students.⁴ This was in addition to the plans to raise the number of employed Saudi citizens by more than one million within the next two years and an additional 75,000 jobs for Saudis in public sector bodies. With protests continuing in the neighbourhood and a few protests inside the kingdom, Abdullah addressed the nation on March 18 and promised another massive package which will include the creation of 60,000 new jobs within the interior ministry, monthly payouts for the unemployed and building 500,000 new homes, among other measures.⁵

The apprehension of the rulers is clearly visible in the economic and political decisions taken by them in the face of developments in their own countries and in their neighbourhood. The concessions announced reflect their nervousness at developments which question their legitimacy and ability to rule the country and provided an opportunity for the fragmented opposition to unite against the regime. Their biggest fear is, however, the possible rise of extremist elements that can further sway public opinion against the regime.

Economic Solutions for Political Problems

The rulers have used their oft-repeated - and hitherto - successful strategy of overwhelming the people with cash and other sops to appease their rising discontent. They have also

² "Oman to provide jobs for 50,000 citizens," *The Khaleej Times*, February 28, 2011, at http://www.khaleejtimes.com/DisplayArticle08.asp?xfile=data/middleeast/2011/February/middleeast_February792.xml§ion=middleeast

³ "Kuwait gives each citizen Dh13,000 and free food," *The National*, January 18, 2011, at <http://www.thenational.ae/news/worldwide/middle-east/kuwait-gives-each-citizen-dh13-000-and-free-food>

⁴ "King Abdullah announces \$35b aid for Saudis," *The Gulf News*, February 27, 2011, at <http://gulfnews.com/news/gulf/saudi-arabia/king-abdulla-announces-35b-aid-for-saudis-1.766444>

⁵ For details see "Saudi King Abdullah decrees wide-ranging welfare measures," *Asharq Al Awsat*, March 19, 2011, at <http://aawsat.com/english/print.asp?artid=id24562>

repeatedly called for dialogue with the protesters to deal with the situation. But these protests have exposed the Achilles' heel of the Gulf rulers, indicating that the social and economic measures taken by their governments are inadequate and that popular aspirations in the region go beyond economic well-being. This poses a challenge for the rulers in terms of both maintaining the loyalty of the people and further strengthening their regimes.

These stop gap measures can perhaps address the social security and financial needs of the people but the core issues of political reforms, governance, the relationship between the ruler and the ruled, people's participation in the decision making process, human rights, etc. still remain unaddressed, and which the rulers are hesitant to concede. The social and financial measures may, for the time being, give the rulers a breather but these issues will surface again to haunt them in the future. The time has come for the leaders of the Gulf countries to understand that the incidents in Tunisia, Egypt and Libya have shown that economic incentives alone cannot sustain authoritarian regimes. The acceptability of leaders among the people, acknowledgment of the aspirations of the youth, social and economic equality, political and constitutional reforms, etc. are essential in today's world.

Implications for the Region

Fluctuating oil price

The protests had an immediate impact on the oil market with crude prices soaring up to \$116 per barrel in March 2011. There is also no likelihood of oil prices stabilising unless political tensions are diffused. The threat of supply interruptions in the Suez Canal, a crucial transit route for Middle East oil to Europe, and in the Sumed pipeline, which links the Red Sea to the Mediterranean, would further exacerbate market anxiety.⁶ The protests spreading to the Gulf region to include countries like Saudi Arabia, Bahrain and Oman only adds to the woes of oil importers. The fear of a protracted conflict will also impact the oil price.

Leadership Crisis

An Arab revolution would create a leadership crisis in these authoritarian systems. In North Africa, autocrats like Ben Ali, Hosni Mubarak and Muammar Gaddafi have not

⁶ Stuart Harris, "What does the Middle East situation mean for energy supplies?," at <http://www.eastasiaforum.org/2011/03/14/what-does-the-middle-east-situation-mean-for-energy-supplies/>

allowed anyone in their countries to emerge as a leader. Similarly, the kings and the princes are the only leaders in the Gulf countries, where ruling families retain complete control. The lack of an alternate leadership raises a question mark over the future of the protest movements. This is being witnessed in Tunisia and Egypt where there is political confusion and no clear roadmap for the future. People living under authoritarian regimes have not been exposed to democratic norms and practices. Building democratic institutions will remain the biggest challenge ahead for the leaders as well as the people of the region.

Emerging Civil Society

The authoritarian Arab regimes and their system of tribal loyalty and lack of political and legal tools have resulted in a weak civil society. There is also no credible political opposition, which means that the Islamists are the only elements left to raise a voice against the regimes. Arab youth equipped with modern technologies have become the torchbearers of civil society which has risen in protest against the regimes. They have made demands for betterment of their own lives and for the development of their country. The success of the protests in Tunisia and Egypt has made the Arab youth feel confident about their ability and potential to challenge regimes. They have been inspired by their contemporaries in other parts of the world and feel frustrated and subjugated under their authoritarian rulers. This frustration coupled with their relative disadvantage vis-à-vis others have made the youth take to the streets.

Challenge to 'Welfarism'

The protests in the Gulf sheikhdoms are a challenge to the oil-led 'welfarism' in the region. Blessed with huge oil reserves, they have continued to maintain their rule by liberally distributing oil wealth among the citizens. They have also moved a step further by maintaining tax free regimes for their citizens, providing free education and health care facilities, extensive social security programmes, and so on. Over the decades the oil wealth has been used as a legitimising tool to prolong their rule as well as to maintain stability. But the protests have shown that people's expectations go beyond welfare measures. The calls for creating more jobs and opportunities symbolise the aspirations of the people to prove their abilities and contribute to national development rather than rely on economic incentives and other welfare measures.

Regional Balance of Power

The waves of protest in the Arab world have left their mark on the balance of power in the region. Israel was fearful of any change of guard in Egypt, which, it feared, would strengthen the power of the Muslim Brotherhood and adversely impact on the ongoing peace process with the Palestinians. In a statement issued on January 31, Israeli prime minister Benjamin Netanyahu said that his country's primary concern was that the crisis

in Egypt could create a situation in which the Muslim Brotherhood may emerge as a major player in the country, which could worsen bilateral relations.⁷

Iran has however been dubbed as the net gainer from these protests. Though Iran had its share of protests, the government was quick to quell them by arresting the leaders and using force. It has condemned the Arab leaders alleging that their authoritarian systems and regimes are corrupt and illegitimate. Iran has a traditional rivalry with the Gulf Arab countries particularly with Saudi Arabia which competes with Iran to be the undisputed regional power in the Gulf region. Iran has been trying to undermine the protests in its own streets even as it highlights the deep divisions among the Arabs. It has issued statements supporting the protesters in Egypt and Bahrain and has consequently been rebuked by Egyptian and Bahraini leaders.

Arab Unity

Despite the opposition of Israel and Iran, the Arabs have shown significant solidarity among themselves. Gulf countries expressed their support for the Tunisian leader Ben Ali and he has been given shelter in Jeddah in Saudi Arabia. Similarly, Mubarak was supported by Saudi Arabia, Oman and Bahrain which sent their representatives to him. The Gulf Cooperation Council (GCC) countries have come forward to offer full-fledged support to Bahrain and Oman which have witnessed severe protests. The GCC has not only expressed solidarity with the rulers of Bahrain and Oman but has also created a fund of \$20 billion for these two countries. It also decided to establish a GCC Developmental Programme (GCCDP) to finance development projects in member countries and form an ad hoc committee composed of representatives of member countries to forge the necessary mechanism to establish this programme.⁸ Saudi Arabia and the UAE, on the request of Bahrain's ruler, have sent forces to Bahrain to control the protests.

GCC countries have also come together to deter Iranian influence on the Shias of Bahrain, Saudi Arabia or any other country in the region. Thus the uprisings have been a test case for Arab unity as well. Muammar Gaddafi of Libya has been the exception in terms of not gaining the support of any other Arab country or organisation. The GCC has supported the Western proposal of a no-fly zone over Libya. Similarly, the Arab League had also

⁷ "Israel worried about Islamic takeover in Egypt," *Arab News*, January 31, 2011, available at <http://arabnews.com/middleeast/article248059.ece>

⁸ "GCC Foreign Ministers reject foreign interference and appropriate \$20 billion for development in Bahrain and Oman," *Saudi Press Agency*, March 10, 2011, available at <http://www.spa.gov.sa/English/index.php>

appealed to the United Nations to impose a no-fly zone since it fears a massive genocide in that country.

Shia-Sunni Sectarian Politics

The Shia-Sunni divide has been a sensitive issue in Bahrain, Saudi Arabia and Yemen. Though the protests have not been along sectarian lines, the politics of sectarianism has come to the fore. In Bahrain around 70 per cent of the population consists of Shias who have been complaining of negligence by the state in employment and other aspects. It has often been alleged that Shias are not properly represented in the army, police and the higher ranks of the bureaucracy. But it is suspected that Iran has a huge influence over the Bahraini Shias and that it has been inciting protests in Bahrain against the ruling family. Similar apprehensions have been expressed in Saudi Arabia where the Shia minority has been marginalised by the ruling family. Though Saudi Arabia has not witnessed widespread protests, hundreds of Shias have come out into the streets in the Shia dominated Eastern province. Similarly, the Shiite Houthi rebels in Yemen have joined the protests demanding the removal of the Saleh regime. In the past, the Yemeni government has accused Iran of supporting the Houthis with weapons, money and training. The regional Shia-Sunni sectarian dimension has resurfaced in the wake of the popular protests in the region.

Implications for India

India is heavily dependent on the Gulf region for energy supplies. Any major political crisis in the region would disrupt the oil production and supplies thus leading to an increase in oil prices. It would be more serious if disruption in the oil supply were to take place in the strategically important Strait of Hormuz. Oil production in Libya has already been cut by half and crude oil prices have touched \$116 per barrel. India is not reliant on Libya for energy but the crisis has created an anxiety and instability in the oil market. So far the situation in the Gulf has not worsened to the point of threatening energy supplies but a Libya-like situation there would certainly have serious implications for India. India's endeavour to maintain its current economic growth rate and its aspirations for a double digit annual growth rate in the future are also highly dependent on uninterrupted energy supply at a moderate market price.

Apart from oil, India shares huge non-oil trade relations with these countries. India's non-oil trade with the WANA (West Asia North Africa) region amounted to \$120.75 billion in 2009-10.⁹ The total non-oil trade with the six GCC countries alone amounts to \$84 billion.

⁹ Government of India, Export Import Data Bank, Ministry of Trade and Commerce. The figures do not include India's imports of petroleum products and crude oil.

Any prolonged political crisis would certainly hinder trade between India and the region. Similarly, it would also be detrimental to the interest of Indian companies which have invested in the region.

The safety and security of the five million strong Diaspora in the Gulf would be a major challenge for India. Problems would aggravate in the event of a need to evacuate nationals. India faced considerable difficulties in evacuating the 18,000 Indian nationals in Libya. There are 14,000 Indians in Yemen, 350,000 in Bahrain, over 380,000 in Oman and 1.42 million in Saudi Arabia. It would be a daunting challenge to evacuate such huge numbers if a situation were to arise in the Gulf countries in particular. India has already issued travel advisories on Libya, Bahrain and Yemen; it has advised Indians to stay indoors and maintain a low profile.

The protests in the region are a test case for India's policies and approach to the region. In the case of Egypt, India adopted a cautious approach by supporting the "aspirations of the Egyptian people", thereby going against the Mubarak regime. India voted in favour of United Nations Security Council (UNSC) sanctions against Libyan leader Muammar Gaddafi, which imposes curbs on travel, freezing of financial assets, weapon sales and a reference to the International Criminal Court (ICC). India is, however, opposed to broad-based sanctions and the imposition of a no-fly zone and the use of force in Libya. India's concerns have significantly increased after the protests spread to the Gulf region. While it has been cautious in its statements, the minister for external affairs S.M. Krishna has appealed to Arab leaders to heed the "winds of change" and accommodate "the rising aspirations of the people." With huge stakes involved in the region, the unfolding crisis remains a challenge for India's policy towards the region.

Conclusion

The protests have left an indelible mark on the Arab world. The popular discontent in these countries may be suppressed for the time being either through economic packages and incentives or by liberalising political systems to some extent. But the long term repercussions of suppressed voices would continue to resurface in the future. Arab rulers should learn from the developments in Tunisia and Egypt and take note of the aspirations of the people, especially of the youth. The time has come for them to evenly distribute their national wealth and allow people to participate in the decision making process. Or else, people will express their displeasure through protests and demonstrations because, as was written on a placard carried by a young Egyptian protester: "It is better to die for something than to live for nothing."