

MAGHRIB

Globalization and Business Politics in Arab North Africa: A Comparative Perspective, by Melani Claire Cammett. Cambridge, UK and New York: Cambridge University Press, 2007. xix and 218 pages. Appends. to p. 231. Bibl. to p. 254. Index to p. 265. \$85.

Reviewed by Clement M. Henry

Professor Cammett has presented a richly documented analysis of the domestic conditions under which forces of global competition may encourage business groups in developing countries to organize collectively. She has converted her Berkeley PhD dissertation on North African textile and apparel industries into a highly readable account of collective action in Morocco and “business as usual” in Tunisia. The product of extensive documentary research and interviews with over 200 Moroccan and Tunisian businesspeople and other professionals (listed in an Appendix by position so as to preserve their anonymity), her study will be of interest to students of political economy and comparative politics and should be available in an affordable paperback edition. It conveys a subtle appreciation of the conditions under which neo-liberal economic reform may or may not engender collective political capacities of business communities. There are no simple correlations between economic and political liberalization.

Cammett argues that two dimensions of business-government relations shape business responses to the challenges of economic globalization: first, the balance of power between government and business before economic opening to international markets, and second, the degree of concentration of business capital structure. Although the two dimensions could logically entail four possibilities, she focuses on only two: the Moroccan situation of relative balance of power between government and highly concentrated capital, on the one hand, and the Tunisian situation of a government dominating a multiplicity of firms with a dispersed capital

structure, on the other. She admits there is a third possibility, namely of government dominance and concentrated capital structure as in pre-democratic South Korea. Countries like Algeria, where Houari Boumediene (1965-1978) promoted a far larger industrial base than Morocco’s or Tunisia’s would also fit here, albeit with public rather than private capital. The fourth possibility, of dispersed capital and a balance of power, would already presuppose active business associations and/or very weak government (as in Lebanon) to make the balance.

Cammett re-labels the two situations as “close” (Morocco) and “distant” (Tunisia), to convey the idea that Morocco’s small number of big businesspeople has historically enjoyed cozy relations with the government administration, whereas the much more powerful Tunisian administration is more distant from large numbers of small entrepreneurs. She relates these different business structures to the respective independence struggles. Whereas the victorious Neo-Destour eliminated large, for the most French colonial, holdings in Tunisia, the Moroccan independence movement incorporated a wealthy Fassi bourgeoisie and finally, in 1973, allowed a decree on the “Moroccanization” of foreign holdings that was amended to enable private Moroccans as well as the administration to gain control. Cammett explains that the original intention of the legislation was nationalization but that “wealthy Fassi families who were ‘in permanent residence in the antechamber of the King’ successfully lobbied for the amendment” (p. 96). Private capital became further concentrated, with the *makhzan* (palace) itself taking the lead.

Cammett offers a valuable background chapter on the international textile and apparel industries, along with a comparative account of Moroccan and Tunisian responses to international changes since 1970. Tunisia took the lead in its 1972 law permitting European companies to set up their apparel factories in enclave export zones with a minimum of backward linkages to the domestic economy other than hiring workers. As might be expected, Morocco remained protectionist until 1983, its wealthy capitalists coddled in a protected textile industry.

Cammett sees an almost symbiotic relationship with Import Substitution Industrialization (ISI) and her “close” cozy capitalism, although statist economies also pursued ISI, Tunisia being the first of the Arab countries to break (very selectively) with those policies and to promote an export-oriented private sector. As liberal reforms deepened in a second phase of de-localization in the early 1980s, the Moroccans were obliged for a variety of reasons to open up. While continuing to protect their textile suppliers, the government enacted a series of decrees to promote foreign as well as local investment, and an export-oriented apparel manufacturing burgeoned. Cammett shows in vivid detail how this new business sector, determined to push free trade further, came into conflict with the protected textile “fat cats.” She also shows how they reorganized the *Association Marocaine des Industries du Textile et de l’Habillement* (AMITH, the H for apparel added to AMIT in 1993) and, in the process, reinvigorated the Confédération Générale des Entreprises du Maroc (CGEM).

Perhaps it takes an associational life of sorts to enable such mobilization, rather than mobilizing directly against a state administration. But, then, in Tunisia a somnolent holding organization, the party-dominated *Union Tunisienne de l’Industrie, du Commerce, et de l’Artisanat* (UTICA), might have been an available platform for Tunisia’s young exporters frustrated with the pace of reform. Instead, both the textile and the apparel firms simply scrambled individually either for exit or for state funds (more plentiful and efficiently as well as politically managed in Tunisia than in Morocco) to bring them up to international norms.

Cammett’s story is a fascinating contrast of two rather different business and political environments in the same region and culture and faced with similar challenges and similar policy preferences among the individual actors. The story is unfinished, although in conclusion she raises interesting hypotheses about the different potentials of the two systems — a more promising capacity for the Moroccans to pool resources but greater Tunisian administrative capacities to implement industrial upgrading and clustering.

She might have speculated more about the growing concentrations of capital around the president’s entourage in Tunisia, although it has not yet served as a substitute for the “fat cat” Moroccan targets that aroused the latter’s export-oriented entrepreneurs.

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PALESTINE AND PALESTINIANS

The Politics of the Palestinian Authority: From Oslo to al-Aqsa, by Nigel Parsons. New York and London, UK: Routledge, 2005. xxx + 319 pages. Appendix to p. 341. Notes to p. 394. Bibl. to p. 411. Index to p. 429. \$130.

Reviewed by Patrick Belton

One regrets Nigel Parsons’s masterful, detail-abundant analysis of politics in the Palestinian Authority has not received more attention. The title indicates its dovetailing with Yezid Sayigh’s meticulous *Armed Struggle and the Search for State: The Palestinian National Movement, 1949-1993* (Oxford University Press, 1997); the watershed linking the two is of course the Declaration of Principles of August 20, 1993. The Oslo years that ensued form Parsons’s special remit.

In Parsons’s reading, the Oslo peace process rose on the one side from Israeli Prime Minister Yitzhak Rabin’s conclusion as to the unlikelihood of a Syrian deal on the Golan Heights; and on the other, from Palestine Liberation Organization (PLO) Chairman Yasir ‘Arafat’s desire to re-establish authoritative leadership by negotiating an internationally acceptable Palestinian project, and gaining a territorial foothold for himself in Gaza and Jericho. He believes the “spirit of Oslo,” if ever it existed, began to dissipate from February 1994 with the Israeli Defense Force’s (IDF) assumption of a greater role in forming Israeli positions