

# MERIA

## **The Kingdom of Saudi Arabia: Elements of Instability Within Stability+**

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*This article evaluates the social and economic changes that have occurred in Saudi Arabia and their potential to destabilize the kingdom. A sagging economy, youth unemployment, and a lack of sufficient political development, if combined with other weaknesses, have the potential to topple the ruling regime. But, the author concludes that the ruling family will survive the turbulence of the coming decade if it continues to enact reforms addressing its socioeconomic problems, skillfully monitor public opinion, and suppress the fragmented opposition front.*

To outsiders, Saudi Arabia appears calm and stable. Western governments friendly to the Saudi dynasty are keen to promote the image of a firmly-entrenched and legitimate regime, as of course, is the Saudi royal family itself. (1) How accurate are these appearances?

It appears that all in the kingdom is not as stable as the image-makers would have us believe. The dramatic social and economic developments of recent years are now visibly opening gaps between generations and enlarging those that already exist among economic classes. A poorly performing economy and a rising, albeit hidden, level of youth unemployment also throw up serious challenges to the regime. Adding to these concerns is the fact that the political development permitted by the absolute monarchy lags far behind the unsteady social and economic changes that are already taking place.

An era of very difficult economic, social and political management has dawned for the Al Saud; however, a number of domestic reforms aiming to redress some of the problems have been initiated. For example, the regime is attempting to restructure the Saudi economy, the system of higher education, and workforce. It also

maintains strict control over the country's determined—albeit fragmented—political opposition.

Although Saudi Arabia may face a rocky time in the coming years, it is unlikely that the world will witness another Iranian-style revolution in the kingdom anytime soon.

### **CHALLENGES TO THE AL SAUD DYNASTY'S SURVIVAL**

For a time in the mid-1990s, Al Saud rule appeared headed for a period of acute instability. Financial crisis had hit the country in the 1993:1994 period, and 1995 ushered in a cycle of violence. The August 1995 execution of an opposition activist in the kingdom, for example, was followed in November by the bombing of a U.S.-run Saudi National Guard installation in Riyadh. Less than a year later, the beheading of four Saudis on May 31, 1996 for the Riyadh bombing was again followed by an opposition attack. This time, a much more devastating bomb hit U.S. military barracks in Khobar, near the eastern city of Dahrhan, on June 25. Nineteen American servicemen were killed.

Meanwhile, the regime was increasingly repressing opposition movements that had surfaced since the 1990 Gulf crisis. A new focus of opposition shifted to the Committee for the Defense of Legitimate Rights (CDLR), established in London in 1994, adding another dimension and renewed vigor to political dissent both inside and outside the kingdom. (2) As the CDLR endeavored to create some kind of structure for (non-violent) dissent, the organization became a two-way conduit for regime-damaging sociopolitical and economic information moving into and out of the kingdom by way of fax, e-mail, and toll-free telephone numbers. CDLR propaganda activity was prolific, and became a source of agitation for both the Saudis and the British establishment. (3)

Responding to heavy pressure from the Saudi government, the British Home Office in November 1994 formally denied political asylum to the high-profile CDLR dissident, Muhammad al-Mas'ari, signaling that he would be deported to the country of his escape route: Yemen. In March 1995, the tides turned in Mas'ari's favor when the British Immigration Appeals Tribunal upheld Mas'ari's appeal. However, continued pressure from the Saudi government and British arms manufacturers led the Home Office to virtually circumvent British law by ignoring the Tribunal's decision and attempting once again to deport Mas'ari, this time to the Caribbean island-state of Dominica. The case received wide publicity from early January to April 1996 and developed into a near scandal in which "the symbiotic relationship between the [British] arms firms and various branches of [the British] government" was exposed. (4) This second deportation attempt also failed on appeal and resulted in severe embarrassment for the Saudi and British governments. Back in Saudi Arabia, CDLR-associated campaigners had become a target for repression in what appeared to be a

tightening cycle of violence leading up to the November 1995 Riyadh bombing in which dissidents were arrested and even executed. (5)

By 1997, however, it was clear that the political opposition had been effectively silenced—domestically, through repression and internationally, through various means of pressure in collusion with Western governments, agencies, and multinational interests, as demonstrated by the two-year string of affairs surrounding the CDLR and Mas'ari in the UK. Saudi Arabia had regained some financial composure and there were no more headline-grabbing acts of sabotage. Various factors contributed to the dynasty's recovery that are likely to remain important lynchpins of the regime into the foreseeable future.

First of all, time has played its part in establishing the Al Saud as traditional rulers in a land where tradition is revered. The religious aspect of Al Saud legitimacy is also a well-entrenched tradition which has been bolstered over the last 75 years through custodianship of the holy sites of Mecca and Madina, and through the co-optation of the state's conservative religious establishment. The Al Saud's religious status is taken seriously by the regime; it is an important pillar of their rule, although not as central as it once was to regime survivability. (6) Second, oil wealth has enabled the Al Saud to be patriarchs and patrons to their subjects—a respected role in Arabian tradition—basically purchasing a great deal of domestic sociopolitical stability. Third, the government employs an active internal security service, al-Mabahith al-'Amma ("General Investigations"), together with a policy of harsh punishment for dissenters and reconciliation with repentants that keeps opponents in check. Fourth, the regime skillfully tracks and responds to the nuances of public opinion. Last, political opposition in the kingdom is fragmented, meaning that

there is no concrete alternative to the Al Saud. (7)

Thus, a relative calm descended over the kingdom during the course of 1997, although the emphasis should be on “relative”. The dynasty that molded the modern state and gave it its name has entered a period of troubled change. But whatever challenges the regime faces—and it will face inter-related socioeconomic problems of increasing seriousness, especially, in the years ahead—the ultimate viability of the monarchy should not be threatened.

### **INSTABILITY AND CHANGE IN THE SOCIOECONOMIC SPHERE**

The Saudi economy is not as healthy today as it once was. The heady oil boom of the 1970s and early 1980s is truly a phenomenon of the past. Yet, despite attempts at diversification, the kingdom’s economy is still dependent on oil. As a clear consequence, Saudi revenues are prone to extreme fluctuations, and fiscal planning remains vulnerable to forces largely outside the government’s control. The result has been that, since the oil price crash of 1986 which more than halved oil revenues from around \$42.6 billion in 1985 to around \$20 billion in 1987, the Saudi economy has been struggling. (8)

The era of high budget deficits actually began in 1983 with the onset of recession, and has continued into the 1990s. to the mid-1990s among the wor In addition to weak oil prices, the direct and indirect expenses of 10 years of war—Iran:Iraq and Gulf—both financially costly to Saudi Arabia, and of military and security expenditures in general, took their toll on the Saudi economy. (9) It is no secret that world financial institutions, at least during the early 1990s, have been concerned and have “raised questions about how deep the Saudi

official (as opposed to royal) pockets really are.” (10)

Gloomy budget forecasts were eclipsed by actual deficits totaling 19 percent of Gross Domestic Product (GDP) in 1991, nearly 15 percent in 1992, and still more than 14 percent in 1993. Only in 1994 did the deficit shrink below 10 percent (to eight percent) taking on the dimension of a relatively positive achievement. (11) In describing Saudi economic affairs at the time, many commentators and scholars have routinely employed phrases such as “economically enfeebled,” “[t]he fragility of the economy,” and “[t]he economic crisis of the 1980s and 1990s.” (12)

The situation improved from 1994, and the 1995:1997 period saw deficits of five percent of GDP or less. (13) In fact, in 1995, many commentators were implying that the kingdom’s economic woes were over. Former Saudi American Bank (SAMBA) chief economist Kevin Taecker, for example, regards the Saudi financial scare of the early 1990s as “silliness” and “uninformed”. His view is shared by the director of the Oxford Institute for Energy Studies, Robert Mabro, who believes the scare “was exaggerated from outside.” (14) In a public effort to allay fears, King Fahd said to his newly appointed cabinet in August 1995: “We have succeeded in dealing with the (financial) crisis,” (15) in effect acknowledging that there was, at least, a widespread perception of turmoil.

Strong oil prices contributed to the country’s economic improvement in 1996 and 1997, but 1998 saw a return to the precipice of economic disaster. Oil prices dropped and the budget deficit once again climbed to 8.2 percent of GDP. (16) Rising prices again held the promise of financial poise in 1999 but the kingdom is certain to deliver its seventeenth consecutive budget deficit by the end of the year. (17) The goal of the sixth Saudi Five-Year Development Plan is to eliminate the government deficit

by the year 2000, but Riyadh is unlikely to meet that goal. It is projected to run deficits of more than three percent of GDP well into the new millennium. (18)

This pendulum-like vulnerability is obviously not conducive to sound national management in any sphere of the economy or society, and it is precisely what many influential economists and organizations, including the International Monetary Fund (IMF), would like to see reduced through the acceleration of long-delayed strategic economic reforms.

Officially, the oil sector accounts for about one-third of total Saudi GDP, but the extent of its importance to the Saudi economy is understated by the GDP figures: oil still accounts for approximately 90 percent of export earnings and 75 percent of budget revenues. (19) The inherent vulnerability of heavily relying on one financial resource is accentuated by poor planning practices, mismanagement, and waste. Saudi Arabia suffers from a bloated, inefficient, and undeveloped bureaucracy where favoritism is common. It also features dubious and opaque government:business links. In addition, corrupt practices are widespread. Consider the existence of commission farming, whereby Saudi nationals acting as agents and brokers for large, foreign-sourced contracts—typically for construction and infrastructure projects and armaments purchases—charge commissions as a percentage of total contract value, thus adding significantly to the cost of such contracts for the Saudi state. This state of affairs is eroding the regime's political and religious legitimacy both domestically and throughout the Muslim world and the global economic community. (20)

The country's limping economy features prominently in stories told by Arab and non-Arab expatriate workers Saudi Arabia. Some expatriates were even preparing to return to their homes in

Pakistan and Bangladesh because they were no longer earning enough to make their sacrifices worthwhile. Others mentioned that friends working on construction sites had not been paid for up to six months, and most spoke of a noticeable, conservative change in the attitudes and spending habits of Saudi nationals. (21)

Although the outlook improved during 1999, a cloud remains over the future of the Saudi economy. If public spending continues to be reined in, socioeconomic sore points such as unemployment—especially youth unemployment—falling standards of living, and increasing poverty will only be exacerbated, threatening the government's role as patron. In conjunction with the post-Gulf War's restless political climate, a reduction in government largesse may have further unpalatable political ramifications. It is a scenario that is not unlikely and would inevitably re-focus attention on the ability of the Al Saud to maintain stability. (22)

It should be noted that despite serious difficulties, the Saudi economy is hardly on the verge of collapse. But, the social implications of a weakened economy will accentuate problems. Although some believe that "Gulf youths today expect more from government than did their parents," (23) the evidence now coming from Saudi Arabia suggests otherwise. More realistic socioeconomic expectations appear to be gradually gaining prevalence, alongside a growing recognition that the government, cannot and perhaps even should not, present a career and a comfortable lifestyle on a platter. (24)

The volatility of the link between high socioeconomic expectations and the government's declining ability to deliver is decreasing. Inflated expectations in and of themselves are unlikely to contribute to future sociopolitical instability, unlike the more tangible, if longer-term, consequences of economic decline such as falling living

standards and rising unemployment. Paradoxically, socioeconomic and political expectations may enjoy an inverse relationship: accepting lower socioeconomic expectations may prompt demands for political development and greater political participation, reversing the social contract which has been in place since the 1973:1974 oil boom whereby the Al Saud support a generous “welfare state” in return for political quiescence. (25)

One area of potential social, and perhaps political, liability is the combination of a high rate of population growth—estimated to average around 4.3 percent annually for the period 1980:1997 (26)—and high unemployment. Such rapid population growth is destabilizing because of the tremendous economic pressure it generates: it automatically decreases per capita wealth in the absence of extraordinarily high economic growth, and strains infrastructure and social services. (27)

Regarding unemployment, a senior figure in the Saudi Chamber of Commerce and Industry has stated that, “nobody has accurate figures,” (28) although figures ranging from 10:25 percent have been widely floated. (29) In fact, the Sixth Development Plan (1995:2000) states that the “participation rate [of Saudi nationals in the domestic labor market in the mid-1990s]...is at the internationally low level of only 30.2 percent.” (30)

This situation is not helped by the fact that expatriates comprise approximately 27.3 percent of the kingdom’s population—4.62 million people of a total of 16.92 million, according to the 1992 census. (31) An optimistic view of the employment situation interprets the “Saudiization” of the workforce as equivalent to “de-expatriatization”. According to this view, employment for approximately 2.5 million young Saudi nationals already exists, excluding unpalatable menial jobs. (32) The

government has indeed initiated a Saudiization plan that necessitates radically revamping education and training programs—along with some social engineering—to ensure that young Saudi nationals are technically qualified, and willing, to take jobs currently filled by foreign workers. (33) The plan, originating in the early 1980s, has encountered enormous problems, including a “hierarchical” view of jobs—that is, the *mudir* syndrome, (34) which dictates that nothing less than a position of authority, status, and respect is honorable—and an uneven application of the policy among Saudi and non-Saudi companies. (35) Saudiization faces an additional obstacle: “[e]stimates indicate that 27.9 percent of new labor market entrants during the Sixth Plan period will be dropouts from elementary level and adult vocational training programs.” (36)

Saudi efforts to counter these problems are not expected to reap the desired economic and social benefits for another 10 years. (37) Ultimately, according to Saud al-Shubaily of the Saudi Chamber of Commerce and Industry, “the demand for jobs is high, the key is qualifications,” and this is why the Saudi education system is now attempting to channel young nationals away from universities toward technical training. (38) Restructuring the workforce is related to the broader economic strategy of decreasing reliance on the petroleum sector by diversifying the economy. The Saudi industrialization process is currently oriented to replacing imports and has enjoyed some degree of success. The longer-term aim is to gear Saudi industry to export, a necessity due to a “shortage of local markets, which are limited, and excess capacity.” Saudi products are now being made to international standards. (39)

Slowly, cautiously, if not even half-heartedly, the Saudis have also initiated a privatization policy. (40) At stake are

monolithic and massively profitable concerns such as the Saudi Basic Industries Corporation (SABIC), the holding company for Saudi Arabia's principal petrochemical concerns. Privatization could be a mixed bag for the Saudis. As noted in one specialist publication:

Privatization could throw up...unexpected problems. Such a project entails the creation of a new legal framework, transparency of ownership and public accountability. Such habits may prove hard to acquire for the family which not only rules Saudi Arabia but owns it as well. Loosening financial control without loosening its absolute political authority could prove a delicate exercise. (41)

Although these adjustments may prove delicate, the Saudis appear determined to embrace them—at least to a minimal extent—with the aim of joining the World Trade Organization (WTO) by the year 2002. Senior Saudi industrial and commercial officials admit that WTO membership will require changes to the kingdom's economy and trade practices and regulations, a process that is by no means guaranteed to go smoothly. (42) For example, in May 1997, after the third round of negotiations on Saudi Arabia's application to join the WTO, trade diplomats said the kingdom "must do more to present detailed offers on market access." (43) Other predictions are proving prophetic: "implementation of wide-ranging reforms is still expected to be a long process...as many of the reforms required for WTO membership, including measures such as easing restrictive practices in the banking sector, are likely to be strongly resisted by vested interests in the kingdom." (44)

Privatization, WTO membership, and opening the Saudi economy to free trade and unhindered foreign investment and capital flows, are all aspects of economic globalization, whose benefits the Saudis do not want to miss. Indeed, the Gulf

Cooperation Council (GCC) countries are looking to form a common market, a process that is receiving vigorous encouragement from the United States. (45) Such economic reforms necessitate greater transparency, and issues of transparency, corruption, "good governance," and even social and political reform are now priorities on the agendas of the IMF, WTO, World Bank, and the Organization for Economic Cooperation and Development (OECD). (46) Saudi policymakers appear quite prepared to discuss the kingdom's economic challenges, but other hurdles exist. According to the emerging trends of globalization, the necessary and quite substantial economic reforms that are required in many developing countries cannot be sustained without accompanying political and social reforms. The Saudis are trying to pick and choose what aspects of globalization they accept and reject in order to enjoy economic benefits without having to implement any major reforms.

#### **INTERNAL SECURITY AND THE IMPORTANCE OF PUBLIC OPINION**

In the absence of scientific mechanisms for gauging public opinion, such as surveys and polls, the royal family utilizes informal networks of informers "with links to academics, businessmen, tribesmen and other sections of the community" to keep on top of grassroots sentiments. (47) The state security apparatus is also involved in monitoring public opinion, with a special branch of the professional intelligence service dedicated to gathering information on any societal item that may have political connotations, including "whatever is said in general discourse including...jokes about the king and [senior] princes." (48)

Keeping a finger on the pulse of the Saudi population has strengthened the regime. Consider the Saudi response to the

February 1998 Iraq crisis over UN weapons inspections, a forerunner to the standoff that provoked Operation Desert Fox on December 17, 1998, the heaviest military assault against Iraq since the 1991 Gulf War. During the February crisis, the Saudi government—aware that most Saudis and Arabs from other countries opposed U.S. military strikes—refused to permit the United States to launch strikes from Saudi bases.

However, within these broad mechanisms designed to bolster stability exist the seeds of potential instability. In a society where privacy, patron:client relations, and the tradition of informal, personal links are so highly valued, the reliability of informants can be compromised. For example, by wishing to curry favor with their masters, many informants make sure to deliver only good news. Additionally, many informants are denied access to certain circles of Saudi society, both because they are known to be linked to the regime and because their status—sometimes even official to the point of being on the government payroll—as a companion/friend/dependent of a prince (khawi), is shunned as being lowly and of dubious personal honor. Perceptions of honor and shame, the deference paid to senior royals, and the patron:client relations that exist even between royalty and professional agents of the state tend to result in intelligence of widely varying accuracy and utility. The combination of informal networks of informers and professional intelligence services, however, creates another efficient mechanism of regime security in society: that of an insidious intimidation and fear. (49)

The Saudi regime is also not known for its light treatment of those who challenge its social or political norms. Amnesty International (AI) has noted a steady rise in the number of executions since the 1991 Gulf War. (50) Although the number of

executions in the kingdom can vary considerably from year to year, 1995 saw more than 140 people executed—the highest number in recent years. (51) Apart from public executions, detention and arrest are common, particularly in sociopolitical cases. For example, 1994 saw unprecedented public displays of support for young, dissenting 'ulama (religious scholars) and dissatisfaction with the regime—events that precipitated a series of massive security crackdowns and resulted in thousands of arrests. (52)

Alleged criminals are the victims of most executions carried out in the kingdom. But, a significant milestone in the history of Saudi dissent and punishment was passed on August 12, 1995 with the execution of Abdullah al-Hudhaif, a political prisoner. Hudhaif was accused of attacking a security officer with acid and sentenced to 20 years imprisonment. AI reports that it “does not know how his prison sentence was increased to the death penalty as the trial has been, and remains, shrouded in secrecy.” The same bulletin reports that four others were sentenced for assisting to plan the attack on the security officer, three of whom received prison terms of 15 years; the fourth, Abd al-Rahman al-Hudhaif, was given 18 years and 300 lashes. (53) Five others were sentenced to between three and eight years of imprisonment for providing refuge to the executed man and assisting in his abortive attempt to secretly flee the country, and for holding dissident (CDLR) meetings and receiving dissident (CDLR) leaflets.

### **FRAGMENTED OPPOSITION**

Opposition to the Al Saud began to find greater voice from the time of the Iraqi invasion of Kuwait in August 1990, when the kingdom hosted hundreds of thousands of Western troops. (54) This opposition, however, was not violent. Aside from the public sermons of a relatively small number

of very vocal young religious scholars, such as Safar al-Hawali and Salman al-'Auda, the upsurge took the form of letters, petitions and "advice" to King Fahd. Participants ranged from "moderate liberal businessmen and intellectuals," to "a broad-based coalition between the different streams in the ranks of the ulama." (55) But the alignment of these various groupings, which was indeed a worry to the regime, was always tenuous and cooperation between them soon began to break down. (56)

The opposition in Saudi Arabia has always been fragmented and this situation is unlikely to change in the foreseeable future. The splitting of the CDLR in March 1996 is a classic case: the two principal figures in the CDLR, Muhammad al-Mas'ari and Saad al-Fagih, fell out over what the CDLR stood for and how its campaign should operate and be focused. Until its split, the CDLR had been the most organized and professional Saudi political opposition group. Mas'ari was allowed to keep the CDLR name but, cut off from Fagih, who was the principal organizer and networker, he was officially declared bankrupt: after the split, the CDLR existed virtually in name only, and Mas'ari as an individual campaigner has been relatively ineffective. Fagih, on the other hand, formed a new organization in London, the Movement for Islamic Reform in Arabia (MIRA), which is much more low-key than the old CDLR, but still very active.

The Riyadh and Khobar bombings also prove there are maverick groups unconnected with the more "moderate" fronts such as the CDLR and MIRA, and may be associated with the now high-profile Saudi dissident in exile in Afghanistan, Osama bin Laden. (57) The fragmented nature of Saudi opposition was confirmed by Fagih himself, who wants to use MIRA to create a "vertical structure" among Islamists working for reform in the kingdom. (58) Before its split, Mas'ari also agreed with the notion that the CDLR was attempting to

position itself as the opposition's middle ground by providing a focus, and was therefore appealing to, and developing policies that would appeal to, the spectrum of opposition. (59) He still feels that it remains a major task, saying that "the underground is fragmented," that "there is no leading figure," and that it takes time to develop a serious and credible opposition movement that can achieve results—"four years is not long." On the political opposition within Saudi Arabia, Mas'ari believes that "without day-to-day guidance, they are headless," and that "the main handicap...is lack of organization." (60)

Other expert observers can testify to the absence of organized political opposition: in a government-promoted "fractured" society, individual Saudi citizens are prepared to criticize, but do little. (61) Opposition within the kingdom is limited and it comes "from different directions." (62) Also testifying to the ethereal nature of Saudi dissent, a Middle Eastern analyst for the BBC believes there are no opposition movements as such, and that "vague words" are required to describe the Saudi opposition. (63)

While it may be encouraged by the regime for political purposes, the fractured nature of Saudi society also testifies to the country's pluralism, as well as to the dramatic effects of rapid modernization and development. This pluralism is often overlooked. Differences exist between the Hanbali muwahhidun ("Wahhabis") and other Sunni madhhabs as well as Saudi Shi'a, between Hijazis and Najdis and those from the south, between urban dwellers and rural and nomadic lifestyles, and between the traditional and the "modern." Thus, Saudi society is not as homogenous as generally believed. This diversity, in turn, is reflected in the disunity of the political opposition.

Saudi Arabia's Shi'a minority, concentrated in the kingdom's eastern



province (formerly al-Hasa) and traditionally discriminated against, has in turn been a source of agitation. Violent riots by Shi'a in 1979 touched off nearly a decade of disturbances, principally at the time of the annual hajj. The disturbances of the 1980s occurred against the backdrop of the eight-year Iran:Iraq War, but acute Saudi suspicion and intolerance of Shi'a ran through and even beyond the 1990:1991 Gulf crisis. (64) Latter Saudi concern over its Shi'a population has been linked to severe civil disturbances involving the Shi'a majority in Bahrain.

Saudi behavior with relation to the Shi'a demonstrates the regime's astute divide-and-rule policy that exploits already present social divisions. In a program amounting to a campaign of coercion through largesse, the regime has, since 1979, steadily worked at defusing the Shi'a threat. (65) The Gulf War provided further impetus to reconcile with the community and in 1993, a low-key deal was struck between the regime and prominent Shi'a dissidents abroad which resulted in an amnesty and "political concessions" in return for the cessation of anti-Saudi propaganda. (66) The settlement with the Shi'a was, according to Mas'ari, a "masterly stroke" by King Fahd to ease pressure on the regime at a time of increasing calls for reform from the Sunni mainstream. (67) In this context, it was important for the regime to cut off any possibility, however unlikely, of this widest fissure in the political opposition being bridged. In 1995, it is interesting to note, Mas'ari paralleled this turnaround in Saudi policy by affirming that the CDLR advocated freedom of speech and expression for all citizens, including Shi'a (and non-Muslims), effectively ending their alienation from mainstream society. (68) The policy of divide-and-rule, however, is one that demands constant attention and updating. (69)

### **AN ABSOLUTE MONARCHY: LAGGING POLITICAL DEVELOPMENT**

The Saudi royal family exercises absolute power. Political participation has been very restricted in the past—mainly limited to traditional practices of tribal and elite representation and petition which has often been labeled as "desert democracy." (70) In practice, the opportunity to raise and discuss issues with the king was not the same as participation in the decision-making process: the historical majlis ("sitting/gathering session") system may be interpreted as a traditional public relations exercise—but a generally accepted one in the Arabian context—on behalf of the king and, by extension, of the royal family. The exercise bolstered specific decisions, the general royal decision-making process, and overall Al Saud legitimacy, by promoting the image of consultation, discussion and consensus, and for providing the king and senior royals with the opportunity to be benevolent patrons and patriarchs. (71)

This is the sociopolitical legacy the Al Saud are expected to uphold today. Historically informal and non-institutional—if compared to any Western system of rule—the process of discussion and consensus-building remains an important point of legitimacy and stability for the regime, and is a precursor to any significant policy changes: the system provides a forum for the exchange of views, but one in which the ruler will always rule, and which the ruler will use to explain decisions and persuade elite representatives—and through them the general population—of the need for any changes. This process is necessary in order to minimize political risk, but at the same time it is still the major factor in the very slow rate of policy development and implementation in the kingdom. Senior royalty must be perceived as acting in the best interests of the people, and the people

must feel as if they have had some input, however minimal and indirectly, into the decision-making process.

By and large, according to one former British ambassador to Saudi Arabia, the Saudi political system has not altered significantly since the time of the modern kingdom's founder and first king, Abd al-Aziz bin Abd al-Rahman al-Saud ("Ibn Saud," d. 1953.) (72) In the late 1980s, the ambassador described two methods by which decisions in the kingdom are reached. The first is through the Council of Ministers, which may be equated with the cabinet of a western-style government: "In theory policies and measures are discussed by the Council and approved or disapproved. In practice, such is the authority of the King and the deference paid to him that frank debate is hardly possible." The second method "...is the King's personal fiat, usually after discussion within a small circle of advisers, in private and informal session." (73)

However, evoking the image of desert democracy, "[i]t is not true to say that there is no democracy at all, for the King and Government take much account of public opinion"; this, together with an "attach[ment] to the idea of social democracy" despite having "no belief in institutional democracy," (74) provides the traditional, attitudinal context for the establishment of the Consultative Council (majlis al-shura) in 1993. It is noteworthy that promises of greater political participation have been made since the reign of King Faisal (1964:1975); the immediate political context for the final inauguration of such a Council, of course, was the Gulf crisis-associated rise in calls for reform in the kingdom and the influence of intense popular pressure on Kuwait's Al Sabah ruling dynasty for the reinstatement of the Kuwaiti parliament, dissolved in 1986, and reconvened in 1992 after elections. (75)

The following points illustrate the circumstances of the (eventual) establishment, and the nature, of the Saudi Consultative Council:

- The intention to establish a Consultative Council within six months was announced to the Council of Ministers at the end of February 1992. The Council's chairman was appointed in late 1992, but it was not until August 20, 1993 that the Council was inaugurated.
- The Council's members—increased in July 1997 from the original 60 to 90 members—serve in an advisory capacity only, and are appointed and dismissed by royal decree.
- The King has the right to dissolve the Council and to restructure it—the same power granted to the King with respect to the Council of Ministers.

Basically, the contemporary Consultative Council represents the formalizing and institutionalization of the traditional majlis system of tribal consultation. It is a concession to, or a gesture toward, the modernization of governmental processes. Where such a gesture may ultimately lead remains in the realm of speculation; some optimistic interpretations of the Council's establishment have been posited, although they come from predictable, sympathetic sources. A U.S. diplomat, for example, said that the new majlis al-shura, along with the Basic Law of Government, was a genuine step toward greater participation in decision-making, significant in a Saudi context, and represents progress in the institutionalization of government. The diplomat admitted, however, that progress is so slow that it is "almost imperceptible" from an outsider's point of view. (76, 77)

Even close allies of the Saudis recognize that in dealing with problems, a favored policy of the regime is "not to do anything and hope it goes away—sometimes it works, sometimes it doesn't." (78).

However, one issue which the regime will have to address is the dichotomy between economic and social changes and lagging political development. This problem is accentuated by the young age of the Saudi population: around 60 percent of Saudis are under 21 years of age. (79) A new generation of educated and unemployed Saudis, influenced by the West, may demand greater political development. In fact, Mas'ari—although probably deliberately exaggerating—maintains it is only the state's "social net" that supports highly educated unemployed young graduates, that is preventing a revolution in the kingdom. (80) Greater political expectations, in fact, may be encouraged by economic (and social) restructuring. Saudis in general may gradually be accepting that the good times of the oil boom era are over, but the resultant lower—not higher—socioeconomic expectations may yet result in increased pressure on the government to provide some form of compensation in greater political participation. Another significant agent of social change is the creeping influence of western culture which is increasingly being felt in Saudi Arabia, as it is in other parts of the world. Satellite dishes, which have occasionally incited the wrath of mutawwa'in (religious police) and were officially banned in mid-1994, have become ubiquitous. Satellite television is now a major medium of western culture as, to a lesser extent, is the English-language Saudi Channel 2. Western influence has most visibly influenced young males below the age of 20, creating the basis of a generation gap that may lead to social dislocation in the future. (81) The cumulative effect of this culture creep is augmented by travel and studies in western countries. Many of these young people will probably come to occupy positions of influence in Saudi society, threatening to challenge the traditional perspectives upon which much of the current social system is

based, and therefore contributing to change from within the society. An opening to western culture has also introduced new elements to Saudi society which the regime has no experience addressing.

Drug use, for example, is on the rise. An anti-drugs campaign already runs on Saudi television, and drug traffickers are well represented in the annual tally of executions in the kingdom.

On the other hand, a certain proportion of educated and under-employed youth exposed to western culture is bound to oppose the regime on religious and traditionally conservative grounds and would probably work to change the regime from within. This is a real possibility considering the regime is now proactively embracing economic globalization. The battleground is a cultural one as much as a political one. The regime is now advocating globalization, although attempting to take only what they want from the whole globalization bag. The overall result is that Saudi conservatives are much more likely to increasingly oppose the regime. Some of this latter group of disaffected youth might resort to violence to pressure the regime to repel the accelerating (western) forces of modernization and globalization. Violence is by no means unprecedented in the kingdom. However, the radically differing makeup of young, potential malcontents only serves to illustrate further the fractured nature of opposition to the Al Saud—a sociopolitical trend which favors the regime and is likely to continue well into the future.

Another weak link in the monarchy's political development is the question of succession to the throne. (82) There is no institutional process for the succession. Most recently, the internet intelligence/news agency, Stratfor.com, provided a speculation-oriented update on the Saudi succession, with the conclusion that, "Abdullah's all but certain ascent to the throne will mark only a brief period of

stability in one of the world's most important nations; what follows will most certainly be a period of distinct instability.” (83) At some stage power will pass to the second, or even the third, generation of princes, and the potential for chaos exists during the period after Prince Sultan—if he comes to the throne after Abdullah, as generally expected—if not in the twilight of Abdullah's coming reign. Saudi history is steeped in the devastating consequences of family feuding, most notably leading to the fall of the second Saudi realm in the late nineteenth century. The current number of princes is estimated at between 6,000 and 10,000—some of them, no doubt, ambitious. However, the grimmest speculation—that the royal family will tear itself apart from within, to be followed by the collapse of the regime is probably overstated. It would be surprising if the wisdom of presenting a united front in the best interests of the dynasty, despite any bitter differences, were lost on the senior royals.

## CONCLUSION

The Saudi government is attempting to come to terms with the restructuring of the economy, and extensive reforms in higher education and the workforce—the former to comply with the globalization trend, the latter to serve economic restructuring as well as to address uniquely Saudi Arabian socioeconomic problems. Although the Saudi economy largely bolsters the Al Saud's position, the question remains whether limited social and economic reforms will work before instability in these spheres combines with the forces of instability in other spheres. The next decade will bring social and economic changes that will eventually rise to the political level, and this eventuality may well coincide with a crisis of political development.

Considering the rapid and unsteady pace of socioeconomic development, a Consultative Council which is more an exercise in public relations—albeit an astute one—rather than a genuine step toward greater political participation i only serves the regime's short-term interests. Unless the regime redresses the gap between social change and political development, it may find itself having to take more repressive steps against its own—increasingly young, unemployed and restless—population.

A deteriorating U.S.:Saudi relationship—once described as “special”—has become a liability for Saudi legitimacy domestically. The relationship has suffered during successive crises over Iraq. However, a U.S. withdrawal to an over-the-horizon Gulf presence, if implemented, will relieve some of the pressure on the Al Saud, who suffer from an image of being too closely associated with “infidel” America. Yet, the Al Saud are unlikely to be critically tested by their relations with the United States unless other, domestic crises happen to coincide, or unless a serious breakdown occurs in the peace process. The relationship with the United States is likely to be just one of the major issues facing the Al Saud during an upcoming difficult period surrounding succession to the throne.

Saudi Arabia is indeed entering a period of turbulence which will, nevertheless, see the Saudi dynasty come through intact. The dual problems of reform and development in the socioeconomic sphere should not be underestimated. It is reasonable to predict that these challenges will be met with varying degrees of success, and that the Saudi economy and society will be different, and in some areas quite different, ten years from now. Some of these reforms will have unpredictable consequences, but some will bring further political concessions from the regime, if not more significant political change.

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## NOTES

+A general note on confidential sources:

Saudi Arabia is a notoriously closed society which is hypersensitive about privacy and image. Access to information is severely restricted, and those dealing in information face the prospect of retaliation in one form or another. During field research, I found that current and former diplomatic service personnel, journalists, and even some academics, routinely spoke with a request that the meeting be “off the record.” In other cases, common sense—as with diplomats currently serving in Saudi Arabia and in other Middle Eastern countries—and a responsible attitude toward the welfare or even the safety of other sources more directly exposed to retaliation, such as Saudi nationals and expatriate workers, dictate that specific identity, and sometimes the specific locations and dates of interviews or conversations, be reserved. Thus, “confidential” preceding citation details indicates the interviewee specifically requested anonymity. Where I have not provided the identity of the interviewee but have also not specified the interview was confidential, I have deliberately omitted the identity of the interviewee out of consideration for the individual’s personal and professional interests.

1) The choice of any particular year to mark the beginning of Al Saud “power” this century is an arbitrary exercise. The Saudis prefer 1902, when Ibn Saud re-captured Riyadh from the Rashidis and, indeed, official centenary celebrations—according to the Islamic calendar—were held in 1999 to mark 100 years of “Saudi Arabia.” Another auspicious year is 1932, when the modern Kingdom of Saudi Arabia was

formally proclaimed. Another is 1925, which brought the conquest of the Hijaz, with its religious centers of Mecca and Madina and the commercial/diplomatic center of Jeddah. Yet another could be 1930, when Ibn Saud prevailed—albeit with at least indirect British assistance—over the Ikhwan revolt, which may be described as the first serious act of internal dissent since the completion of the conquest of the territories which would be consolidated as a single realm in 1932.

2) The CDLR’s origins lay with the loosely-knit political reform groups that began expressing themselves after the 1991 Gulf War. The organization was founded in Riyadh on May 3, 1993; on May 11 it was banned and, within days thereafter, many of its members were arrested. The CDLR was re-founded in London by exiled members and sympathizers in April 1994. The highest-profile CDLR member was its secretary-general, Muhammad al-Mas’ari, around whom several controversies raged in the UK from 1994 to 1996.

3) For example, the Economist reported that the CDLR faxed 800 copies of its newsletter into the kingdom on a weekly basis, there to be further copied and distributed DC - Elaborate on the seedy intricacies of the Masari affair: e.g. increased British aid to Dominica at a time of decreasing foreign aid budgets!!!(The Economist, “Challenge to the House of Saud”, 8 Oct. 1994, p. 71). Commenting on the effect of up to 1,000 faxes per week transmitted to the kingdom, Mas’ari has said, “Perhaps 150,000 people see what we write and perhaps 80 per cent of people oppose the government...10,000 of them are activists...” (Mas’ari, quoted in Christopher Lockwood, “Dissident tries to topple rulers by fax”, Electronic Telegraph, 22 Feb. 1996, direct URL: <http://www.telegraph.co.uk:80/et?ac=000148889415120&rtmo=aTa5u5aJ&atmo=99999999&pg=/et/96/2/22/nsaudi22.html>). See also Mamoun Fandy, Saudi Arabia and the

Politics of Dissent (New York: St. Martin's Press, 1999), pp. 10:12, 126:35.

4) Seumas Milne & Ian Black, "Arms bosses' secret plot", *Guardian Weekly*, 14 Jan. 1996, p. 10 (international edition, after *The Guardian daily*, 6 Jan. 1996). The article revealed the following: that the chief executive of the armaments firm Vickers, Sir Colin Chandler, was a former head of arms exports at the Ministry of Defence (MoD); that Vickers' director of international relations was also a former MoD official; and that the new British ambassador-designate to Saudi Arabia, Andrew Green, was a non-executive director of Vickers Defence Systems. The *Guardian* exposed communication between these three men and senior executives of two other British arms manufacturers, British Aerospace and GKN, and between all of them and the British government, over Mas'ari's activities. The arms firms executives reportedly had discussed CIA and MI6 concern over Mas'ari's activities, and had referred to "direct Saudi intervention...to stifle [Mas'ari] personally". Revelations also abounded over the dramatic 300 percent increase in British aid to Dominica at the time. The British Foreign Office defended the government's stance and role in the Mas'ari affair and government:arms firms links. See also: Russell Hotten & Colin Brown, "Vickers director our man in Saudi", *The Independent*, 6 Jan. 1996, p. 1; David Rose, "Labour MP lashes captains of industry over 'stifling' of Saudi dissident cleric", *The Observer*, 7 Jan. 1996, p. 1; Colin Brown, Patrick Cockburn, Steve Crawshaw & Phil Davison, "Secret deals in arms and bananas that condemned a man to exile", *The Independent*, 5 Jan. 1996, p. 1; Peter Beaumont, "20 billion reasons for greed", *The Observer*, 7 Jan. 1996, p. 11; Louise Jury, "Tories charged with appeasing Saudi rulers", *The Independent*, 5 Jan. 1996, p. 1; Colin Brown & Michael Sheridan, "Saudi

threats forced Britain's hand", *The Independent*, 5 Jan. 1996, p. 2; Russell Hotten, "Riyadh pressured defence firm", *The Independent*, 5 Jan. 1996, p. 2; Seumas Milne & Ian Black, "UK bows to pressure over dissident", *Guardian Weekly*, 14 Jan. 1996, p. 1.

5) See Nick Cohen & Robert Fisk, "Saudis plotted to kill me, says dissident", *The Independent on Sunday*, 7 Jan. 1996, p. 1. The persecution of Mas'ari's relatives and personal supporters began in 1994 immediately after his flight from the kingdom: see Anthony H. Cordesman, *Saudi Arabia: Guarding the Desert Kingdom* (Boulder, Col.: Westview Press, 1997), p. 40; Leslie & Andrew Cockburn, "Royal mess", *The New Yorker*, Vol. 70, No. 39 (28 Nov. 1994), pp. 54:72. See also note 53 below and associated main text.

6) My research on Saudi Arabia has led me to concur with an important conclusion outlined by Cordesman (p. 76): "...Saudi Arabia's key security challenge is not external threats, or internal extremism, but the need to come firmly to grips with its economy". A brief note on the role of Islam in the kingdom is, however, warranted at this point. Al Saud religious stature dates back to the mid-seventeenth century when a Saudi amir from central Arabia formed a "religiopolitical" alliance with a religious reformer, Muhammad bin Abd al-Wahhab (1703:92). Thus was the austere "Wahhabi" interpretation of Islam born—within the Hanbali school of Sunni jurisprudence and on the back of early Saudi conquests—and Saudi rulers have enjoyed religious as well as political authority ever since. This religiopolitical authority was strengthened in 1925 with the Saudi conquest of the Hijaz and subsequent management of the annual pilgrimage to Mecca (hajj)—then an important source of revenue as well as of religious prestige, and now the basis of continuing Saudi claims to "custodianship of the two holy mosques". The regime has for

long sought sanction in all important matters from the state's official religious establishment. By not specifically dealing with Saudi religious legitimacy in this paper, it is not meant to imply that it is not important: the topic has been treated extensively by other scholars of the kingdom, and these works should be consulted—see, for example: George Rentz, “Wahhabism and Saudi Arabia”, in *The Arabian Peninsula: Society and Politics*, ed. Derek Hopwood (London, Allen & Unwin, 1972); Christine Moss Helms, *The Cohesion of Saudi Arabia: Evolution of Political Identity* (London: Croom Helm, 1981), pp. 76:126; Derek Hopwood, “The ideological basis: Ibn Abd al-Wahhab's Muslim revivalism”, in *State, Society and Economy in Saudi Arabia*, ed. Tim Niblock (New York: St. Martin's Press, 1982); James P. Piscatori, “Ideological politics in Sa'udi Arabia”, in *Islam in the Political Process*, ed. J. P. Piscatori (Cambridge: Cambridge University Press, 1983); Alexander Bligh, “The Saudi religious elite (ulama) as participant in the political system of the kingdom”, *International Journal of Middle East Studies*, Vol. 17 (1985), pp. 37:50; Joseph K. Kechichian, “The role of the ulama in the politics of an Islamic state: The case of Saudi Arabia”, *International Journal of Middle East Studies*, Vol. 18 (1986), pp. 53:71; John Esposito, *Islam and Politics*, 3rd edn (Syracuse, N.Y.: Syracuse University Press, 1991), pp. 102:112; Fandy, pp. 36:8.

7) One recent analysis which groups Saudi Arabia, Kuwait, Bahrain, Qatar, the UAE and Oman as a monarchical collective presents the following reasons for their overall stability:

...social peace in the Gulf...is maintained by the clever, and consistent, use of a variety of government strategies to promote social order. Gulf governments use a combination of six strategies: strong security services; the co-optation of potential dissidents; divide-and-rule measures; ideological flexibility;

token participation; and accommodative diplomacy. Taken together, these strategies preserve islands of social peace in an area of turbulence...

...Although the above six strategies are short-term palliatives, they have helped keep the peace for many years. In and of themselves, the strategies do not stop social modernization, revive stagnant Gulf economies, ease demographic pressure, or reduce corruption. They have, however, raised the popularity of governments and diluted anger about foreign aggression. Perhaps most importantly, regime tools hinder an organized opposition and mitigate the politicizing events that often lead disaffected individuals to become violent.

(Daniel L. Byman & Jerrold D. Green, “The enigma of political stability in the Persian Gulf monarchies”, *Middle East Review of International Affairs*, Vol. 3, No. 3 (Sept. 1999), email edn)

8) The combination of oil producers' price discounting and ignored production quotas led to the collapse of oil prices in 1986 when they fell to an average of US\$13:14 per barrel—and reached lows of US\$8:10 per barrel in mid-1986—from an average price of more than US\$27 per barrel in 1985. Despite implementing a slowdown in spending and drawing severely on foreign reserves, the Saudi budget deficit went from 6.4% of GDP in 1983 to 25.3% of GDP in 1987. See: Saudi Arabian Monetary Agency, *Thirty-Fourth Annual Report*, 1419H (1998G), (Riyadh: SAMA Research and Statistics Department, Oct. 1998), pp. 125, 306; Eliyahu Kanovsky, *The Economy of Saudi Arabia: Troubled Present, Grim Future*, WINEP Policy Paper no. 38 (Washington DC: The Washington Institute for Near East Policy, 1994), pp. 19:21, 73:4; Peter W. Wilson & Douglas F. Graham, *Saudi Arabia: The Coming Storm* (New York: M. E. Sharpe, 1994), pp. 181:2.

9) Considering costs of between US\$50 billion and US\$70 billion for the 1991 Gulf

War, arms purchases since the war of around US\$50 billion, and approximately US\$26 billion lost in aid to Iraq during the 1980:88 Iran:Iraq war, the Saudi economic position can be pictured as one that was not enjoying good health for the decade 1985:95. See, for example, Kanovsky, pp. 57:71; Rayed Krimly, "The political economy of adjusted priorities: Declining oil revenues and Saudi fiscal policies", *Middle East Journal*, Vol. 53, No. 2 (Spring 1999), pp. 257:8; Joseph A. Kechichian, "Trends in Saudi national security", *Middle East Journal*, Vol. 53, No. 2 (Spring 1999), pp. 242, 249; Richard H. Curtiss, "Four years after massive war expenses Saudi Arabia gets its second wind", *The Washington Report on Middle East Affairs* (Sept. 1995), p. 51; Wilson & Graham, p. 189; David Pike, "Reforms begin as business bounces back", *Middle East Economic Digest* (MEED Special Report, Saudi Arabia), 20 Mar. 1992, p. 9.

10) Fareed Mohamedi, "The Saudi economy: A few years yet till doomsday", *Middle East Report* (Nov:Dec. 1993), p. 14. See also Wilson & Graham, pp. 195:6; Committee for the Defense of Legitimate Rights, *Saudi Arabia: A Country Report. The Political and Economic Situation* (London: CDLR, 1995), pp. 47:8n. 2.

11) See Mohamedi, p. 16; Kevin Taecker, "Outlook for the Saudi economy: Fall 1997", *Saudi American Bank* publication, 13 Nov. 1997, p. 2; Saudi Arabian Monetary Agency, p. 125.

12) *Economist*, "Saudi Arabia's future: The cracks in the kingdom" (18 Mar. 1995), p. 21; Kathy Evans, "Shifting sands at the House of Saud", *The Middle East*, No. 253 (Feb. 1996), p. 9; Kiren Aziz Chaudhry, *The Price of Wealth: Economies and Institutions in the Middle East* (Ithaca: Cornell University Press, 1997), p. 269.

13) See Taecker, 1997, p. 2. Taecker pointed to a better-than-expected 1997 performance, with a deficit of 1.1% of GDP: see Kevin Taecker, "Update on the Saudi economy:

January 1998", *Saudi American Bank economic paper*, 15 Jan. 1998, p. 2.

14) Taecker, pers. interview, Riyadh, 9 Mar. 1998; Mabro, pers. interview, Oxford, 14 May 1998. Taecker resigned from SAMBA mid-1999 to launch his own economic consultancy on Saudi Arabia. He is generally known to be "a Saudi optimist" (Australian diplomat # 3, pers. comm., Riyadh, 23 Feb. 1998), although his analysis of the Saudi economic position for this period is supported in principal by Mabro, who is a detached and independent academic.

15) King Fahd, 7 August 1995: quoted in John Cooper, "Better times ahead", *Middle East Economic Digest*, 18 Aug. 1995.

16) See Kevin Taecker, "Saudi Arabia 1999 Budget: Analysis of the press reports", *Saudi American Bank economic paper*, 25 Jan. 1999; *Economist Intelligence Unit*, "Saudi Arabia: Country Outlook", *Country View*, 20 Aug. 1999. Wilson & Graham (pp. 191:2) are skeptical about the level of Saudi deficit spending:

The real figure may be substantially higher since Saudi budget figures are notoriously inaccurate and often serve as rough guidelines for spending. There are also large discrepancies between projected and actual figures; the latter are usually released the following year and purport to show real revenues and expenditures. However, many expenditures such as defense spending and payments to the royal family occur off-budget.

17) In mid-March 1999, Saudi Arabia led the effort to ensure agreement among the world's most significant oil producers to reduce production output. Saudi Arabia made the greatest sacrifice, with a pledge to cut production by 585,000 barrels per day (bpd), to 7.438 million bpd. A total of 2.1 million bpd—3 percent of the daily worldwide supply—was pledged to be cut from collective production, beginning 1 April 1999 for one year to the end of March



2000. The strategy proved to be effective almost immediately. A benchmark crude, West Texas Intermediate, which was languishing at around US\$12.40 per barrel in early March 1999, had risen to around US\$18.40 per barrel by the end of April, and by mid-November had breached the US\$27 mark.

18) Economist Intelligence Unit, "Saudi Arabia: Country forecast summary", Country View, 14 July 1999. Whether citing the aims of the Five-Year Plans offer any comfort at all, though, should be considered in the light that at least one professional involved with Saudi Arabia is of the opinion that the Plans "are not worth the paper they're written on" and that they, "at best...are an expression of hope" (Australian diplomat # 1, pers. interview, Canberra, 14 July 1995).DC - Article 76 of the Basic Law of Government (Financial Affairs)!!!(in Mutabbakani, 1993: 27). Further undermining confidence in the Plans, and in the ability of the Saudis to manage their economy efficiently—especially in the face of increasingly serious adversity—are such practices as outlined by Kiren Aziz Chaudhry (p. 167):

Government statistics were literally manufactured in the Ministries of Finance and Planning. All but the first of the various Five-Year Plans begin with fictitious parameters based on unsupported assumptions and proceed to build even more fantastic projections. In 1981 the budget format was "reformed" to make already opaque figures even more impossible to interpret.

19) Kevin Taecker, "Gulf capital markets and family businesses", Saudi American Bank economic seminar paper (Riyadh), 8 Mar. 1998, p. 4; U.S. Central Intelligence Agency, "Saudi Arabia", CIA World Factbook, 1997 (Internet edn).

20) Notes 16 and 18 above gave notice of, and provide clues to, these areas of Saudi economic and, ultimately, sociopolitical

vulnerability. This aspect of Saudi vulnerability is a study in its own right; although it is relevant to this particular paper, the scope of the topic is such that it cannot be indulged much beyond mention. Chaudhry (pp. 61:192), in her work on the Saudi political economy, provides a detailed exposition of the ascent of the Najdi bureaucratic:business elite, with the associated nepotism and favouritism due to family and regional ties; she also makes mention of Saudi "commission entrepreneurs" (p. 154). See also Abdul Rahman Osama, *The Dilemma of Development in the Arabian Peninsula* (London: Croom Helm, 1987), pp. 17:119; Abdelrahman al-Hegelan & Monte Palmer, "Bureaucracy and development in Saudi Arabia", *Middle East Journal*, Vol. 39, No. 1 (1985); A. Reza S. Islami & Rostam Mehraban Kavoussi, *The Political Economy of Saudi Arabia* (Seattle: Department of Near Eastern Languages and Civilization, University of Washington, 1984), pp. 75:81. For the more popular and rhetorical accounts of regime and royal excess, see Geoff Simons, *Saudi Arabia: The Shape of a Client Feudalism* (New York: St. Martin's Press, 1998), pp. 26:31; Saïd K. Aburish, *The Rise, Corruption and Coming Fall of the House of Saud* (London: Bloomsbury, 1995), passim. For an example of newspaper reports and other articles which form a link between the more scholarly works and the writings of authors such as Simons and Aburish, see Philip Taubman, "US aides say corruption is threat to Saudi stability", *New York Times*, 16 April 1980, p. 1; Dilip Hiro, "Saudi dissenters go public", *The Nation*, 28 June, 1993. For several years to mid-1999, a well-presented example of the case against royal malpractice could be studied on the Internet site (last accessed 6 July 1999) of the U.S.-based dissident organization, the Committee Against Corruption in Saudi Arabia. By October 1999, however, the site appeared to

be no longer accessible  
<<http://www.saudhouse.com/>>.

21) Various informal conversations, Riyadh, Jan:Mar. 1998. The Saudi government's practice of delaying contractual payments dates back to the recession of the 1980s—a policy of de facto default which caused much hardship and many bankruptcies: see Chaudhry, pp. 273n. 6, 279, 297, 297n. 80; Kanovsky, p. 75. Delaying payments, although not expected to reach the severity of earlier years, was a policy revisited with the financial problems of the 1990s: see Sarah Abuljadayel, "Workers still await salaries", Arab News, 14 July 1999 (distributed electronically by Reuters Business Briefing Select, 28 July 1999); Reuters, "Saudi issues some \$1.1 bln in bonds for contractors", 1 Aug. 1999. Taecker (pers. interview, Riyadh, 26 Jan. 1999) noted that government contract payments, although recently "slowed" from three months to around six months, do not breach contractual agreements.

22) The reader should be reminded at this point that issues of corruption, as a link between economic and political stability, are relevant. See note 20 above.

23) Byman & Green.

24) Various sources corroborate in pointing to falling standards of living and lower expectations: Taecker (pers. interview, Riyadh, 26 Jan. 1999) believes the expectations of young Saudis "are greatly diminished"—an adjustment from the boom days encouraged by the fact that it is "in current living memory" of what life was like in the pre-boom days. Mabro (pers. interview, Oxford, 14 May, 1998) maintains there is "no doubt" that young Saudis today have "lower expectations [of living standards and lifestyle]". Krimly (pp. 260:1) implies that "almost surreal popular expectations" are gradually coming down to earth. Likewise, a confidential business contact is adamant that living standards are definitely falling in Saudi Arabia

(confidential pers. comm., 1 May, 1996). A U.S. diplomat has observed the twin signs of a greater incidence of poverty and a decline in conspicuous consumption (pers. interview, Riyadh, 9 Mar. 1998). A veteran Australian diplomat who has served in Riyadh has revealed his conclusion that some Saudi citizens are "sliding into poverty" (Australian diplomat # 2, pers. comm., Canberra, 18 June 1997). A former British ambassador to Saudi Arabia with firm connections with the kingdom has confessed that he is "beginning to hear of poor Saudis" (confidential pers. interview, London, 26 May 1998).

25) On "the Saudi social contract", see Cordesman, pp. 47, 73:6. This "social contract", in combination with the "Saudi welfare state", incorporates the "legitimacy of largesse" (my term) which, basically, has allowed the regime to consistently "buy off any potential hostility long before it has time to develop into anything like a serious threat": Helen Lackner, *A House Built on Sand: A Political Economy of Saudi Arabia* (London: Ithaca Press, 1978), p. 216; see also Wilson & Graham, pp. 81, 185. The term "Saudi welfare state" is not uncommon and has even been employed and emphasized by the Saudis themselves: Royal Embassy of Saudi Arabia, London, *The Kingdom of Saudi Arabia: A Welfare State* (London: Royal Embassy of Saudi Arabia, 1997); Wilson & Graham, p. 54; Cordesman, p. 74. Multiplying the negative effects of unemployment in a poorer economic environment, in the view of a serving diplomat, is that Saudi Arabia is a family-based society: despite the "welfare state", the concept of a greater society doesn't exist, therefore the poor and disadvantaged which, as noted, are likely to be increasing in number, are left to fend for themselves (Australian diplomat # 1, pers. interview, Canberra, 14 July 1995).

26) See World Bank, *World Development Report 1998/99: Knowledge for*

Development (New York: Oxford University Press, 1999), p. 195.

27) Byman & Green.

28) Saud al-Shubaily, pers. interview, Riyadh, 7 Mar. 1998. Al-Shubaily is the Director of the Contractors' Department and Executive Director of the Contractors' National Committee at the Saudi Chamber of Commerce and Industry.

29) U.S. diplomat, pers. interview, Riyadh, 9 Mar. 1998. It has also been suggested that the real rate of unemployment is 40% (business consultant, confidential pers. comm., 1 May, 1996). Using Saudi figures from the Fifth Plan, Wilson & Graham (pp. 254:5) reveal unemployment rates of 45.6% for men and 94.7% for women. See also Chaudhry, pp. 275, 297.

30) Ministry of Planning, Sixth Development Plan: 1414:1420 A.H./1995:2000 A.D. (Riyadh: Ministry of Planning Press, ?1994), p. 170.

31) Wilson & Graham (p. 12 & notes) point out that these statistics, like most when it comes to Saudi Arabia, are "suspect". On "suspect" figures and the difficulty of obtaining information in general, see also Fred Halliday, review of: Saudi Arabia: Government, Society and the Gulf Crisis by Mordechai Abir (1993), in *Middle Eastern Studies*, Vol. 30, No. 3 (1994), pp. 691:2; CDLR, Saudi Arabia: A Country Report, pp. 7, 31:2. Even Saudi academics, who might be expected to enjoy a relatively privileged position regarding research on their own country, complain that "reliable information was sometimes scarce, inaccessible or unavailable"—a systemic affliction which also affects the performance of the Saudi bureaucracy (see Osama, pp. 3, 31:4).

32) Taecker, pers. interview, Riyadh, 26 Jan. 1999.

33) For example, the Saudi government is promoting technical jobs and trades in a subtle and well-produced television recruiting campaign (pers. viewing, Riyadh, Jan:Mar. 1998). Of about 15 minutes'

duration, a program—a fusion of documentary and advertisement—will typically feature young Saudi men speaking about their work in manufacturing industry. Cleverly, whilst actually aiming to ease young Saudis out of the *mudir* syndrome (see note 34 below), the television programs tend to emphasise the supervisory role in factories.

34) [X-ref above, n.33] 'Mudir syndrome' is my term: *mudir* is the Arabic word for "director". Muhammad al-Mas'ari claims matter-of-factly that this "syndrome" is due to a bedouin background (pers. interview, London, 20 May 1998). One former professional with a great deal of experience with Saudi Arabia independently agreed with Mas'ari, explaining that this attitude stems from a bedouin legacy where a man's role is seen to be that of a warrior and desert survivalist, and in which manual work is not honorable. He also reported that senior Saudis are worried about the "moral" effects of this attitude (former British ambassador to Saudi Arabia, confidential pers. interview, London, 26 May 1998). The trait is widely acknowledged and is recognised as an obstacle to progress in reducing unemployment and improving the kingdom's long-term economic prospects (al-Shubaily, pers. interview, Riyadh, 7 Mar. 1998; various informal conversations with Saudi nationals and Arab expatriates, Riyadh, Jan:Mar. 1998). See also Wilson & Graham (p. 256) for treatment of this issue: the legacy of slavery is cited as another factor in the persistence of the syndrome.

35) Former British ambassador to Saudi Arabia, confidential pers. interview, London, 26 May 1998.

36) Ministry of Planning, Sixth Development Plan, p. 171.

37) Abdullah al-Shidadi, pers. interview, Riyadh, 7 Mar. 1998; T. al-Nashwan, pers. interview, Riyadh, 7 Mar. 1998. Shidadi is the General Director of Research, Training & Information, Saudi Chamber of

Commerce & Industry; Nashwan is the Sales Manager, Chemical & Plastic Products Division, Saudi Industrial Export Co. Shidadi has since re-affirmed the 10-year time frame for Saudiization, although he said it would be a good result if Saudiization were, in fact, achieved in 10 years (pers. interview, Riyadh, 26 Jan. 1999).

38) Shubaily, pers. interview, Riyadh, 7 Mar. 1998. Shidadi (pers. interview, Riyadh, 26 Jan. 1999), also emphasized the problematic nature of the qualifications of Saudi nationals. As indicated above, the task of re-directing the interest of young Saudis to technical and trade occupations is a difficult one. It is, in fact, a fight that is being lost, according to one well-informed observer, who gave the example that much has been made by Saudi authorities of large numbers in technical training intakes, but that a large drop-out rate is not mentioned: former British ambassador to Saudi Arabia, confidential pers. interview, London, 26 May 1998.

39) Fahd M. Aslimy, pers. interview, Riyadh, 7 Mar. 1998. Aslimy is the Assistant Secretary General for Export, Saudi Export Development Center.

40) See, for example: *The Middle East*, "Sabic eyes the future", No. 238 (Oct. 1994), pp. 22:3; *The Middle East*, "Privatizing the business", No. 244 (Apr. 1995), p. 24; *The Middle East*, "Gulf push towards privatization", No. 246 (June 1995), pp. 30:1.

41) Kathy Evans, "Shifting sands at the House of Saud", *The Middle East*, No. 253 (Feb. 1996), p. 9; see also, *The Middle East*, "Privatizing the business".

42) Reuters, "Saudi to start bilateral WTO talks next year", 5 Aug. 1997; Saudi Gazette, "Kingdom to be full member of WTO in 2002", 4 Aug. 1997 (distributed electronically by Reuters Business Briefing Select, 8 Aug. 1997).

43) Reuters, "Saudi to start bilateral WTO talks next year".

44) Economist Intelligence Unit (EIU Electronic), "Saudi Arabia investment : New impetus in privatizations", *Country Alert* (distributed electronically by Reuters Business Briefing Select, 14 Aug. 1997); see also Clement M. Henry, "Guest Editor's Introduction", *Thunderbird International Business Review*, Vol. 41, No. 4 (July/August 1999), pp. 3:4.

45) See, for example, the address given to the Gulf '99 Conference in Abu Dhabi in March 1999 by Jan Kalicki, Counsellor to the U.S. Department of Commerce: Jan H. Kalicki, "The US and the Gulf: Trade, investment and economy", transcript of address to Gulf '99 Conference, Abu Dhabi, 10 Mar. 1999 (USIA Washington File, 15 Mar. 1999. U.S. Information Agency Internet website:

<http://www.usia.gov/regional/nea/mena/kala315.htm>). An overview, from a security perspective, of the socioeconomic issues discussed here is presented by Cordesman (pp. 47:76), which also helps demonstrate U.S. interests in the successful economic and social restructuring of Saudi Arabia. The GCC was formed in 1981; its members are Saudi Arabia, Kuwait, Bahrain, Qatar, the United Arab Emirates and Oman.

46) IMF publications are a rich source of information on the drive for global economic:political reform. See, for example, Michel Camdessus, "Toward a new financial architecture for a globalized world", transcript of address at the Royal Institute of International Affairs, London, 8 May 1998 (IMF Internet website:

<http://www.imf.org/external/np/speeches/1998/050898.HTM>); Shailendra Anjaria, "The IMF: Working for a more transparent world. How new technology and the IMF are beginning a new openness to new financial markets", *Journal of Information Policy*, 11 Jan. 1999 (reproduced with permission by the IMF External Relations Department, IMF Internet website: <http://www.imf.org/external/np/vc/1999/011>

299.HTM); Alassane Ouattara, "The political dimensions of economic reforms: Conditions for successful adjustment", transcript of keynote address, Berlin, 9 June 1999 (IMF Internet website: <http://www.imf.org/external/np/speeches/1999/061099.HTM>); IMF Survey, "Improvements in global financial system hinge on transparency and management of risk", 5 Sept. 1999, p. 110. Camdessus was IMF Managing Director January 1987 to February 2000, Ouattara is Deputy Managing Director of the IMF, Anjaria is Director of the IMF's External Relations Department.

47) Saad al-Fagih, pers. comm., 7 Sept. 1998. Fagih was the second prominent figure in the CDLR after Mas'ari, and is the founder and head of the Movement for Islamic Reform in Arabia (MIRA), based in London.

48) Fagih, pers. comm., 7 Sept. 1998. DC - 'The regime employs a high proportion of its limited manpower in discreet, un sinister, but pervasive surveillance' (Holden & Johns, 1981: 530).

49) Saad al-Fagih, pers. comm., 12 Sept. 1998, 22 Oct. & 24 Oct. 1999; Former British ambassador to Saudi Arabia, confidential paper on Saudi Arabia, authored 1987/88DC - cf. Abir (1993: p.7, note 9).

50) Amnesty International, "Alarming increase in number of executions" (Urgent Action bulletin), 20 Apr. 1995 (AI Index: MDE 23/01/95). Fifteen executions were recorded by AI for 1990, 29 for 1991, 66 for 1992, 88 for 1993, and "at least" 53 for 1994, and the trend appears to be continuing: see also, "Saudi Arabia: An upsurge in public executions" (report), 15 May 1993 (AI Index: 23/04/93); "Amnesty International Report 1995" (London: Amnesty International Publications, 1995), p. 253. AI's general conclusion is that Saudi Arabia's criminal justice system "is designed to cater primarily for the might of the state", and therefore displays a

"complete disregard for international standards regulating arrest and trial": AI, Saudi Arabia. Behind Closed Doors: Unfair Trials in Saudi Arabia (report compiled by the AI International Secretariat, London, November 1997. AI Index: MDE 23/08/97), pp. iii, 29.

51) See AI, "Saudi Arabia: An upsurge in public executions" (1993), p. 10; AI, "Alarming increase in number of executions", 16 Aug. 1995. As of early November 1997, "at least" 118 people had been executed in that year: AI, "Fear of increase in executions" (Urgent Action bulletin), 7 Nov. 1997 (AI Index: MDE 23/16/97).

52) Two celebrated detainees were—and still are—Safar al-Hawali and Salman al-'Auda. The arrest of the latter sparked a large protest demonstration in the shaikh's home town of Buraida, about 350 km northwest of Riyadh, on September 13, 1994. The event was secretly captured on video and sent to the CDLR in London. Footage of an anti-Saudi demonstration in London on September 30, 1994—as well as what is apparently a professionally produced narration—were subsequently added, with the result that a VHS video tape, "Buraidah Uprising", was released by the CDLR to publicize the reality of dissent in Saudi Arabia.

53) [X-ref, n.5] AI, "Execution/flogging/legal concern" (Urgent Action bulletin), 15 Aug. 1995 (AI Index: MDE 23/05/95). The CDLR claimed that three of the accused had, in fact, been in prison "for between two and three months at the time of the alleged offence": CDLR, "Saudi judicial murder marks beginning of new stage in the confrontation between regime and its opposition" (press release), 13 Aug. 1995. The Riyadh bombing took place on November 13, 1995. A CDLR spokesman (pers. comm., 20 Sept. 1995) emphasized the importance of the Hudhaifi execution as a political landmark, claiming

its significance is due to Hudhaif being the first Islamic activist to be publicly executed for purely political reasons, without him having committed any act of violence or armed opposition against the regime: “the first [totally] unjustifiable execution”. The spokesman said the regime had initiated bloodshed with this execution, and that this had had a great effect with many young dissidents, with a “psychological barrier” having been broken. The spokesman also predicted, quite accurately as it turned out, violent retaliation against the regime “within the next two months”.

54) [X-ref, n.57] Since even peaceful opposition is not tolerated, opposition has usually been expressed violently. The bombings of 1995 and 1996 should be seen in the context of periodical violent outbursts against the Al Saud, which include the Ikhwan revolt of 1927:30, the opposition to the introduction of television in the 1960s and, most dramatically, the siege of the Great Mosque of Mecca in 1979. Such eruptions testify to a subterranean world of discontent which runs beneath the usually calm surface of Saudi societyDC - he also believes the Great Mosque incident ?represented the ?tip of the iceberg? with respect to the widespread revivalism that emerged in the 1970s in Saudi society? (Dekmejian, 1994: 628)., as do—even more so, in fact—reports that there have been a number of foiled bomb plots against U.S. targets and Saudi royals since the June 1996 Khobar bombing (Saad al-Fagih, pers. interview, London, 28 May 1998). DC - Add detail of how the plots were foiled? Moreover, there has, apparently, been at least one successful attack against regime figures which was completely covered up, with no information whatsoever being leaked to the Saudi public or to the foreign media: the attack reportedly killed “at least” eight Ministry of Interior personnel in 1996 (Fagih, pers. interview, London, 28 May 1998).

55) Mordechai Abir, *Saudi Arabia: Government, Society and the Gulf Crisis* (London: Routledge, 1993), pp. 188, 191.

56) The “coalition” of ‘ulama ranged, in its own right, from the young and radical to the conservative, state-oriented religious establishment; it “also represented a departure from the traditional alliance between ‘state and church’ within the framework established by Ibn Saud after 1930 and, therefore, [was] a threat to the regime’s authority and legitimacy” (Abir, 1993, p. 191). For a concise history of the early period in the development of this opposition after the Gulf War, see Abir, pp. 180:203; also R. Hrair Dekmejian, “The rise of political Islamism in Saudi Arabia”, *Middle East Journal*, Vol. 48, No. 4 (1994), pp. 627:43.DC - Remember the CDLR/MIRA history of dissent in KSA!!!!DC - + MIRA's history of dissent!!! It was this rapid development of a relatively open and robust, but very loose, political opposition which led to the formation of the CDLR in 1993, mass arrests and the “Buraida uprising” in 1994, the Hudhaif execution and the Riyadh bombing of 1995, the Khobar bombing of 1996 and the emergence of Osama bin Laden as a notorious, international figure. An account of the Saudi individuals and dissident movements driving these events is presented in Fandy’s 1999 book.

57) Fagih informed me that only some of the above-mentioned foiled plots were planned by followers of Bin Laden (see note 54 above). However, it is probable that Saudi veterans of the Afghan war were behind most if not all of these plots. Fagih also revealed that 60 Afghanistan veterans were arrested by Saudi authorities in March 1998, and that secret cells of “Arab Afghans” are still being discovered in the kingdom (Saad al-Fagih, pers. interview, London, 28 May 1998). Additionally, according to Fagih, there are “hundreds of thousands of people” in many, (totally) “secret” underground

movements which, for the most part, do not have any political agenda, but are instead devoted to the promotion of Islamic values. Even so, he maintains, the regime would crush these movements if it could (Fagih, pers. interview, London, 20 May 1998).

58) Fagih, pers. interview, London, 20 May 1998.

59) Muhammad al-Mas'ari, pers. comm., 5 Aug. 1995.

60) Mas'ari, pers. interview, London, 20 May 1998. Mas'ari's comment that "there is no leading figure" provides a clue to his falling out with Fagih. While Fagih and MIRA are working relatively quietly to build a "vertical structure"—that is, concentrating on the institutionalization and coordination of the specifically Saudi Arabian opposition—Mas'ari is a believer in the strategy of a charismatic leader and the linking of Islamic struggles worldwide. Mas'ari was being positioned as such a figure during the time of the original CDLR, by both himself and by Fagih as a deliberate policy to appeal to the Arabian cultural tradition of personalized politics and the larger-than-life charismatic leader who is both patriarch and patron to his people. It was a strategy that Fagih thinks gained the CDLR much beneficial early publicity and popularity, but which ultimately proved to be a mistake (Saad al-Fagih, pers. interview, London, 20 May 1998).

61) Australian diplomat # 1, pers. interview, Canberra, 14 July 1995.

62) Michael Austrian, pers. interview, Canberra, 13 July 1995. Austrian illustrated his opinion with the example of traditional religious conservatives versus modernizers who are calling for more democratic reforms. Austrian is a former senior U.S. Middle Eastern diplomat of extensive experience.

63) BBC analyst, confidential pers. interview, London, 26 May 1998.

64) Saudi suspicion and intolerance is both religiously and politically motivated, and

can be carried to an extreme. For example, in a 1990 fatwa, a member of the Council of Senior Ulama, Shaikh Abdullah bin Abd al-Rahman bin Jibrin, proclaimed that Shi'a "deserve to be killed": AI, "Saudi Arabia. Religious intolerance: The arrest, detention and torture of Christian worshippers and Shi'a Muslims" (report), 14 Sept. 1993 (AI Index: MDE 23/06/93), p. 16; see also Dekmejian, p. 639. When processing newly-arrived Iraqi refugees after the 1991 Gulf War, Saudi officials reportedly asked, "Are you Sunni or kafir (infidel)?: Shi'i Iraqi refugees, pers. group interview, Sydney, 21 Apr. 1996.

65) Joseph A. Kechichian, "Islamic revivalism and change in Saudi Arabia: Juhayman al-Utaybi's 'letters' to the Saudi people", *The Muslim World*, Vol. 80, No. 1 (1990), p. 5.

66) Impact International, "Shi'i dissidents to return home", 12 Nov:9 Dec. 1993, p. 14. See also: Madawi al-Rasheed, "The Shi'a of Saudi Arabia: A minority in search of cultural authenticity", *British Journal of Middle Eastern Studies*, Vol. 25, No. 1 (1998), pp. 135:8; Christopher Lockwood, "Shia backlash puts Saudi regime under new threat", *Electronic Telegraph*, No. 464 (30 Aug. 1996); Facts on File, item on "reconciliation accord" between the Saudi regime and the Shi'i Reform Movement, 18 Nov. 1993, p. 859.

67) Muhammad al-Mas'ari, pers. interview, London, 26 May 1998. See also Rasheed, pp. 129:30, 134, 136:8. Detailed discussions with a Saudi national indicated that politically astute Saudis are well aware of their government's practice of cyclic divide and rule of the opposition according to which kind of ideology presents the most acute threat at any particular time (Saudi national, confidential pers. comm., 1997).

68) Mas'ari, pers. comm., 6 July 1995; A. Rahman N. Alohal, pers. interview, Canberra, 13 July 1995 (Alohal was then serving as Saudi Arabia's ambassador to

Australia). To what extent Mas'ari's views actually represented the CDLR position is doubtful in light of the organization's split. For a fuller treatment of the Saudi Shi'a in the contemporary politics of the kingdom, including tension between the Shi'a and the more moderate mainstream of the Sunni political opposition as represented by—or, rather, through—MIRA, see Fandy, pp. 172:3, 195:228; also Rasheed.

69) The “truce” between the regime and the Shi'a was reported to have broken down by mid-1996: see Lockwood; Facts on File; Mas'ari, pers. interview, London, 26 May 1998. Evidence of strained relations and continuing distrust was provided in the wake of the June 1996 Khobar bombing; although the work of the radical Sunni underground, many, possibly hundreds of, Saudi Shi'a were arrested in the general round-up in the search for those responsible: Lockwood; BBC analyst, confidential pers. interview, London, 26 May 1998. Although the effective re-emergence of the Shi'i Reform Movement may point to renewed trouble with the Shi'i minority in the future, it is unlikely, by itself, to represent a serious threat to the regime. In the meantime, the Islah Islamic movement in the Arabian Peninsula is warning about the continuing discrimination against, and neglect of, Saudi Shi'a, and one observer, whilst believing there is no Saudi Hizbullah underground at present, thinks there may well be in a few years' time: BBC analyst, confidential pers. interview, London, 26 May 1998. Mas'ari, however, maintains that a Saudi Hizbullah has existed for many years, but is dormant; he also dismisses the alleged potential Shi'i “threat”, saying that Shi-ism is exhausted as an effective political ideology: Mas'ari, pers. interview, London, 26 May 1998.

70) Wilson & Graham, p. 82; Abir, pp. 7, 28; Tim Niblock, “Social structure and the development of the Saudi Arabian political system”, in *State, Society and Economy in Saudi Arabia*, ed. Tim Niblock (New York:

St. Martin's Press, 1982), p. 89; Moss Helms, p. 57.

71) See Niblock, pp. 88:91; Wilson & Graham, p. 86n.131.

72) Former British ambassador to Saudi Arabia, confidential pers. interview, London, 26 May 1998.

73) Former British ambassador to Saudi Arabia, confidential paper on Saudi Arabia, authored 1987/88DC - cf. Abir (1993: p.7, note 9).

74) Former British ambassador to Saudi Arabia, confidential paper on Saudi Arabia, authored 1987/88.

75) The Al Sabah finally relented and parliamentary elections were held in Kuwait in October 1992—a development which disturbed, and drew the criticism of, the Al Saud: see Wilson & Graham, pp. 73:4, 76:7.

76) U.S. diplomat, pers. interview, Riyadh, 9 Mar. 1998.

77) The Basic Law of Government refers to one of three royal decrees announced to the Council of Ministers by the King on 29 February 1992. The guidelines for the establishment of the Consultative Council were included in the first two of these decrees. The three original decrees were the “Basic Statute of Government”, the “Statute of the Consultative Assembly” and the “Statute of the Provinces”: see Wilson & Graham, p. 71. The King's absolute powers over the Consultative Council and the Council of Ministers are set forth most clearly in articles 57, 58, 68, and article 3 of the first two of these decrees, respectively. Indirectly emphasizing the purely “consultative” aspect of the Consultative Council, is article 70 of the Government decree, which states that “Systems, treaties, international agreements and privileges will be issued and modified by Royal Decrees”. An Australian diplomat quoted the belief the Council was established when it was so the royal family could “spread the blame” when it came time to institute unpopular financial



reforms: Australian diplomat # 1, pers. interview, Canberra, 14 July 1995.

78) U.S. diplomat, pers. interview, Riyadh, 9 Mar. 1998; see also Abir, p. 191; Cordesman, p. 44.

79) Economist, 1995, p. 22. According to the Sixth Plan, approximately 50 percent of the population is under 15 years of age: Ministry of Planning, Sixth Development Plan, p. 170.

80) Muhammad al-Mas'ari, pers. interview, London, 26 May 1998.

81) I personally observed the occasional small band of young males in Riyadh wearing Nike baseball caps backwards and baggy Western-style trousers, and playing rap music on their ghetto-blaster. Saudis in their late-20s and 30s expressed to me their concern at such influence and developments and the effects they may have on cultural traditions and national heritage. I am not suggesting that a youth-culture revolution is about to sweep the kingdom; rather, I am suggesting there are signs that certain social changes—or phenomena, or aberrations—are beginning to occur below the surface and around the fringes of Saudi society which are probably not going to be short-term, passing or transitional ones. It is difficult to imagine how the effect of these social—and, ultimately, psychological—breaks from the (traditional) past will not eventually filter into other aspects of the kingdom, including politics.

82) See, for example, Simon Henderson, *After King Fahd: Succession in Saudi Arabia*, WINEP Policy Paper No. 37 (Washington DC: The Washington Institute for Near East Policy, 1994); Alexander Bligh, *From Prince to King: Royal Succession in the House of Saud in the Twentieth Century* (New York: New York University Press, 1984); David E. Long, "A fight to follow Fahd?", *Middle East Insight*, Vol. 12, No. 4:5 (May:Aug. 1996), pp. 62:5.

83) Stratfor.com, "The Saudi Succession" (Stratfor Special Report 0130 GMT,

990925), 25 Sept. 1999 (direct URL: <http://www.stratfor.com/MEAF/specialreports/special12.htm>).