Saudi Futures

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From 19-21 February 2003 ISIM hosted a workshop, *Saudi Futures*. Paul Aarts (University of Amsterdam) and Gerd Nonneman (Lancaster University, UK) brought a group of experts from around the world, together with a number of Saudi commentators and observers representing a wide spectrum of opinion. The workshop was also sponsored by the Dutch Ministry of Foreign Affairs, Lancaster University and the Mediterranean Programme of the European University Institute. Topics for discussion included trends in Saudi politics, society, economy and international relations in the post-9/11 and post-Iraq War era.

It is likely that for at least the next twenty years Saudi Arabia will retain (and indeed increase) its central importance as a supplier of energy to the world economy. Hence the US and the industrialized world will maintain a strong interest in the country. But it will probably be Asia that will see the biggest growth in imports of hydrocarbons, and increasingly also petrochemicals, from the Kingdom. Even so, the balance between resources and demands within Saudi Arabia will remain under heavy pressure, as population growth will outstrip the growth in revenues. In this context, the cost of the large royal family (some 7000 princes) is also attracting some criticism within the country; it is unclear whether Crown Prince Abdallah's awareness of this issue will lead it to be addressed effectively.

The most serious problem for the economy and for the longstanding "social contract" between the regime and society, is the question of employment. The economy is simply not generating sufficient jobs for the growing number of young people. If this could be bridged, the country would theoretically be in a good economic position. Hence is the crucial importance of economic reform and diversification, and of the role of the private sector. Saudi Arabia remains in many respects a rentier economy, and largely also a rentier polity, with the peculiar social contract that comes with this. Nevertheless, the private sector does appear to have acquired a degree of autonomy, and increasingly produces "added value" rather than merely resting on subsidised activity. This is also true for a state-owned concern such as SABIC (Saudi Arabian Basic Industries Corporation), which in fact functions very much with a market-oriented business ethos. The business community (of perhaps 200,000 people) has, in this context of greater autonomy, also developed a greater desire for political participation. But this does not mean a commitment to whole-scale democratic reform; they have little enthusiasm for the kind of political reform that would hand the levers of power to the more radical, anti-Western Islamist strands in society.

A different problem relates to the traditionally large amount of military spending. Judging by the evidence of the past two years, however, giant weapons acquisition programmes seem to be a thing of the past (the only such project still running its course is the al-Yamamah project with Britain).

Notwithstanding the reported tensions in US-Saudi relations since 9/11, the two governments remain mutually interested in safeguarding a healthy world economy, a predictable supply of energy at stable prices, and the survival of the Saudi regime. This does not mean there may not be serious friction, or that some in the US will not question certain aspects of the relationship. While there have been several earlier periods of friction that were overcome, this time the Cold War context within which Saudi-US relations developed ever since 1945, and from which much of the current Kingdom's strategic and ideological importance derived, is absent. A real rupture, however, seems unlikely, although actors on both sides will need to tread carefully if further complications are to be avoided.

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Political stability and religious reform

On another note, the alliance between the Al Saud and the Wahhabi ulama which has long been part and parcel of the Saudi system has been showing some evidence of strain. Yet "Wahhabism" is itself not monolithic, either in theory or in practice. On principle, however, the ulama have generally upheld the need to support an effective ruler rather than risk chaos. Hence, even where there is disagreement with the Al Saud, this has not been pushed so far as to turn mainstream ulama into a stance of real opposition. Yet other, newer strands have emerged, consisting of younger, more radical ulama, and especially also non-ulama who now claim religious expertise and who are accepted as such by parts of the population. And this strand has indeed, with various degrees of radicalism, expressed some form of opposition. Yet two trends need to be set against this. The first is that the Al Saud have been exceptionally good at co-opting opposition voices—most recently by bringing onside prominent figures among the critical ulama, once the latter had condemned the bombings in the country after 9/11. Secondly, there is the fledgling development of a new more liberal type of Islamism, with Saudi intellectuals beginning to think outside the "Wahhabi" context altogether. A significant move has also been effected with the National Dialogue, under the auspices of the Crown Prince: it is not just that questions once deemed too sensitive to touch (such as the role of women) are now being discussed; the *very composition* of the Dialogue is telling. Indeed, the presence of a variety of groups, strikingly including Shia religious scholars, legitimates both their role and the principle of pluralist dialogue—thus in effect breaking the long-held Wahhabi endorsed principle that only their school had a legitimate voice.

Whether and how this mix of older and more fledgling trends might lead to the sorts of reforms that would assure long-term political and economic success remains an open question. The pressures from population growth, globalization, and bottom-up demands for reform are palpable—but they are neither translated into common views by different parts of the Saudi public, nor, as yet, responded to effectively by the Al Saud and its own internal constituencies.

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The convenors plan to publish the findings of the conference in an edited book.