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# Saudi Arabia:
# Supply-side reform?*

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››Saudi Arabia increasingly matters for reasons unrelated to oil or terrorism. It now tentatively plays a role in crises in Lebanon, Sudan, Somalia and Pakistan. It continues to be active in proposing solutions to the Arab-Israeli conflict. It is part of the G20, reflecting changes in the world economic and financial power structure. Even its internal proceedings have recently received more attention. Since Crown Prince Abdullah acceded to the throne expectations for change have been high. Tentative measures such as elections to the municipal councils in 2005 have been heralded as signs of incipient democratisation. Nevertheless it remains unclear whether recent reforms signal modernisation, liberalisation or a further consolidation of power. Yet the limited change implemented to date could raise hope for an incremental deepening of reform that the royal family might not be willing to contemplate.

## ABDULLAH'S REFORM EFFORTS

King Abdullah has often been portrayed as a reformer. While still being crown prince he was credited with the convening of the National Dialogues, the establishment of a National Human Rights Society and the expansion of the powers of the Shura Council. His accession to the throne in 2005 raised hopes among reformists that there would be a degree of internal liberalisation. The first couple of years did not disappoint. His first move upon accession to the throne was to pardon three activists who had called for a constitutional monarchy. Municipal elections (for half the seats on municipal councils) took place in 2005 for the first time since the 1960s. In 2006 a law regulating civil society was drafted, although it has still not been passed.

### HIGHLIGHTS

- Saudi Arabia has demonstrated an interest in playing a more significant international political role

- At the same time it has embarked on a programme of domestic reform that remains elusive; does it signal liberalisation, modernisation or a consolidation of power?

- Will the limited reforms undertaken open the gate for more forceful demands for change from a relatively cautious population?

**This Policy Brief is based on a FRIDE Working Paper co-authored with Edward Burke: 'Strong Foundations'? The Imperative for Reform in Saudi Arabia*

›››››› After a hiatus in reform, a significant reshuffle of key government and judicial posts took place in February 2009. The appointment of religious scholars from the more moderate Hanafi, Shafi'i and Maliki legal schools to the Council of the Ulama seemed to signal an end to the sole pre-eminence of the strict Hanbali code of jurisprudence. The replacement of the head of the Commission for the Promotion of Virtue and the Prevention of Vice, Sheikh Ibrahim al-Gaith, with Sheikh Abdulaziz al-Humain recognised the population's increased exasperation with the religious police's abuse of power. To oversee the reform of Saudi Arabia's legal system, the king appointed a new Head of the Supreme Judicial Council, Saleh bin-Humaid, replacing his more conservative predecessor. The king also emphasised the reform of the education system, still dominated by the conservative religious hierarchy by appointing his son-in-law, Prince Faisal bin Abdullah bin Mohammad, as Minister for Education. The appointment of a woman deputy minister, Nora bint Abdullah al-Fayez, was also a first, receiving by far the most media attention.

Despite a more open political atmosphere the promise of liberalisation has not materialised. The municipal councils are powerless, the shura continues to lack legislative and oversight powers, judges continue to employ wide discretion and arbitrary rulings, teachers have not been replaced and petitioners continue to be jailed. Saudi reformers have faced increased repression in recent years. Municipal elections scheduled for 2009 have been 'postponed' for two years.

King Abdullah has focused his reform efforts on the judiciary and on education, both spheres traditionally in the hands of the religious establishment. The al-Saud family's legitimacy is partly bestowed on it by the official religious establishment, in return for which the ulama were traditionally given free range in running judicial and educational affairs, in effect exercising ideological control over society. Although the balance of power in the relationship between the al-Saud and the religious establishment has shifted towards the king in recent years, the ulama remain the only other constituency of influence in government. Despite the recognition of the need to overhaul these two sectors, reform efforts have concentrated mainly on administrative issues and involved substantive expenditure without achieving qualitative changes. Judicial reform has transferred administrative competences from the Ministry of Justice to the Supreme Judicial Council and created a Supreme Court but has failed to directly address the issue of judicial independence or the significant problems with the codification and implementation of laws.

## THE MEANING OF REFORM?

Characterising reform in Saudi Arabia is difficult due to the pronounced opacity of Saudi policy making. Questions abound over the effectiveness of the limited reforms undertaken to date and their actual significance. The effectiveness of any reforms is tempered by the fact that they are established by decree under the prerogative of one person and that they have no bearing on the underlying structures of power. As Hassan al-Husseini, a former administrator at the King Fahd University of Petroleum and Minerals, has pointed out, 'when something is established by royal edict, then that same thing can be reversed by another royal edict. It's not like you have legal protection for such things in Saudi Arabia.' Reformers and conservatives both have their champions within the royal house and the initiatives can swing either way according to future successions to the throne, highlighting the inability of the Saudi population to affect policy.

Royal power remains absolute and the will of the Shura Council consistently reflects that of King Abdullah to whom its members owe their appointment. Many see reform tied only to King Abdullah and are unsure as to whether momentum will be continued after his death. It may be however that King Abdullah has engendered a situation whereby the momentum for reform is maintained by virtue of pressure applied by a newly conscious Saudi society.

Charges of hesitancy in reform efforts are usually rebutted by the 'official' argument that Saudi society is 'traditionally conservative' and that western models are unsuitable for Saudi Arabia's unique culture and context. The need to bargain with the religious establishment and the unwillingness to relinquish any power probably play a more important role. Reform, according to the official discourse, has been implemented by the more enlightened al-Saud family despite resistance from society. Although there is some truth to the fact that reform is hampered by purported ideological links to Western agendas and interference, it is the deep conservatism of the state that has brought about deficiencies in the educational system and the almost complete lack of a secular civil society. The state has also been the instigator and enforcer of policies that have segregated spheres for men and women and placed restrictions on freedom of expression and association, policies which have served to entrench conservatism. Indeed, surveys suggest that Saudi Arabians favour further moves towards the liberalisation of society in many spheres, not least women's rights.

**Most local calls for reform do not seek Western liberal democracy**

King Abdullah's reform initiatives reflect the realisation that the rentier state model is unsustainable in the long term. The kingdom has been kept together by the distribution of oil rent through an implicit pact whereby the population accepts the right of the ruling elite to govern in exchange for economic security derived from oil revenue. Government thus co-opts the population with cradle to grave benefits. But while the al-Saud family has historically cemented its legitimacy by providing public sector employment, it is unlikely that the current system will prove viable in the future given that Saudi Arabia's population is expected to double by 2030. In the economic sphere efforts to reduce the country's oil dependency have seen almost 500 billion dollars directed in recent years towards projects aimed at diversifying the economy in the hopes of eventually streamlining the hugely bloated public sector system.

Presumably in order to bring the general population on board regarding the need for change, initiatives such as the National Dialogues were conceived. Although this hardly amounts to a will to reform the system it has contributed to the portrayal of King Abdullah as a reforming and capable monarch who has made an attempt to address the country's resource dependency and severe demographic challenge. In fact, power continues to be concentrated in the hands of the king and there are no institutional checks on his authority aside from the granting of ministries as perpetual zones of influence to different members of the royal family. Nevertheless, King Abdullah enjoys a popularity in Saudi Arabia that is seldom acquired by a ruler with such extensive powers. The weakness of the reform process is essentially that it is dependent on the grace of the king and has not acquired a momentum of its own among the Saudi citizenry. This is not due to a lack of interest in public affairs – on the contrary the National Dialogues attracted millions of viewers – but rather to restrictions preventing the emergence of an independent civil society and freedom of expression.

The civil society sector is overwhelmingly represented by charitable foundations with some link to the royal family, reflecting the use of the charity sector by the royal family for political purposes. Organisations dealing with political and civil rights are explicitly prohibited. Royal donations are used as a means of consolidating power by assuring the loyalty of subjects. The distribution of rent feeds into the image of a magnanimous, generous and approachable royal family. Such blurring of the line between welfare and royal donations exacerbates the problem of the lack of specific rights and entitlements. Members of the royal family feed the ambiguity between public and private. The establishment

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of charitable foundations as a way of addressing poverty stands as an example of the approach to dealing with state problems. The issue is not addressed by restructuring public policies, but rather through a gesture from the monarch.

The take over of the space for civil society is in line with overall attempts to modernise authoritarian rule through the institutionalisation of the political debate, as for example with the National Dialogues. Rather than pointing to Islamist or international pressure, such a reading of reform sees the institutionalisation of political debates into state-controlled outlets as an effort to pre-empt potential unsatisfaction.

Nevertheless, the establishment of the National Dialogue Centre and the interfaith dialogues did signal the opening of a limited but vital space for a discussion on the future direction of the country which included representatives who have not been consulted by the state in the past. King Abdullah has proved adept at taking the pulse of Saudi society at large. Thus, where possible he has courted the support of popular unofficial Islamist leaders and has adopted a more inclusive approach towards religious minorities and women who have been invited to partake in official state sponsored dialogues. Shia have been nominated to the Shura Council and played a prominent role in the royally-convened National Dialogues. However, King Abdullah's symbolic gestures have yet to translate into fundamental action to guarantee equal treatment for Shia citizens, who remain largely absent from senior government positions and are disproportionately absent from the appointed regional council of the Eastern Province.

## EXPRESSIONS OF DISSENT

Given Saudi Arabia's lack of an independent civil society dissent has taken the form either of Islamist opposition or of petitions addressed to the king, both ad hoc spontaneous expressions rather than cohesive organised movements. Saudi reformers are a loose network from which core groups come together to initiate petitions and seek supporters.

Local calls for reform have become significantly less strident than in the 1990s in the aftermath of the Gulf war. Calls for change now propose a cautious and gradual approach which respects the monarchy and the Islamic character of the state and is to be led from above. Liberal petitioners coalesce at times with Islamic reformers for pragmatic purposes but there is no consensus on what a practical reform agenda for the future should look like. Furthermore, the population is cautious regarding change and suspicious of any potential impositions from abroad.

The most influential petition was the January 2003 'A Vision for the Present and Future of the Nation' signed by 104 academics, business leaders and religious scholars. Crown Prince Abdullah met with the signatories of the 'Vision' and thanked them for expressing their views on the future direction of the country. The success of the 'Vision' prompted a second petition in September 2003 entitled 'In Defence of the Nation', a much more assertive document which explicitly criticised the slow pace of reform, the absence of popular participation in decision-making and the lack of elections for the Shura Council. It was signed by 306 academics, writers and businesspeople, including fifty women – although not by many Islamists who viewed it as too liberal. This was followed by another petition in December 2003 that was signed by Islamists, including several Sahwa leaders, liberals and Shia calling for the implementation of the reforms outlined in the 'Vision' and for the opening of a constitutional process. The Islamist opposition is represented by clerics formerly identified as being of the Sahwa movement, such as Safar al-Hawali and Salman al-Audha. Their popularity is such that it has forced a move from a policy of repressing the movement to one of accommodation. The Sahwa movement is by no means monolithic, however, encompassing the range from strict conservatism to more liberal and accommodating stances. The disunity of the Sahwa, the entrenched conservatism of much of its leadership and the limited scope of its original objective – a rebalancing of power in favour of an independent ulama – has led some to question whether such a movement can possibly be regarded as 'reformist'.

## THE WAY FORWARD

One of the first steps to address the lack of consensus on the way forward would be to open up the space for association and for freedom of expression. An open space for debate would help define a more cohesive approach to reform, which would undoubtedly have an Islamist frame of reference and, in this sense, perhaps fall short of Western liberal expectations. In any case, most local calls for reform do not seek Western liberal democracy; in fact there is widespread suspicion of democratisation and the imposition from abroad of foreign concepts. Calls for reform emphasise the need for a fair society which respects equality, personal freedoms, accountability and a fair distribution of wealth. Reformers speak of change from within and in accord with Saudi Arabia's circumstances.

The future path of reform in Saudi Arabia remains uncertain and progress is easily reversible. Consensus on the future direction of the country is by no means universal within the al-Saud family. The recent appointment of Prince Naif bin Abdulaziz, the current Minister for the Interior, as second deputy prime minister, traditionally the post of the third in line to the throne, was greeted with dismay by many reformists – they view Naif as a conservative force who may bring a halt to Abdullah's tentative reforms. Naif is not unique within the al-Saud family; indeed the cautious reforms that have taken place under Abdullah's reign are not supported by many senior royals. Prince Naif has been decidedly reticent in endorsing a programme for reform, especially with regard to empowering a national parliament chosen by the wider population. If he were to eventually accede to the throne, he might well prefer to revert back to the more conventional, less consultative rule of King Fahd. This entails its own risks however: King Abdullah has stressed the need for increased collective responsibility for the fate of the nation, taken pains to be seen to consult widely among the population and overseen elections. This is a recognition that the al-Saud dynasty's future legitimacy cannot primarily rest on providing 'cradle to grave' benefits to the population and must empower the potential of the country's youth to create their own opportunities. To abandon this course would be perceived as once again assuming complete control of the country's destiny and therefore also to be solely held responsible for its ills.

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