

Saudi-U.S. Relations

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Item of Interest

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How to Reform Saudi Arabia Without Handing It to Extremists

By F. Gregory Gause III

Editor's Note:

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To survive, the monarchy must battle the militants, reassure the religious establishment, and give the middle class a taste of democracy.

TO: Crown Prince Abdullah

FROM: F. Gregory Gause III

RE: Saving the Kingdom

The combination of the September 11, 2001, terrorist attacks, rising oil prices, and the recent upsurge in violence in Saudi Arabia has made your political system enormously important to the rest of the world. Many observers in the West blame your schools and mosques for anti-Western hatred in the Muslim world. They portray your family's rule as both unstable and impervious to reform. Much of what is said about you outside the kingdom is, of course, uninformed or exaggerated for political effect. But external pressure will not disappear. Here are some steps you can take to placate your critics and strengthen your regime:

The Political Battle: Liberalize with Care

Security is your foremost challenge. Even after the attacks of September 11, some in your government believed you did not face an al Qaeda problem at home. The murderous assaults in Saudi Arabia over the last 15 months have given the lie to that view. Crushing the violent Islamist opposition now must be the first priority. You have embarked on a two-pronged policy that is conceptually sound but in need of some tailoring and more vigorous implementation.

The first element of your policy is armed confrontation with your opponents. Your June 2004

offer of limited amnesty to militants is appropriate, as long as it is a last chance for violent extremists to surrender, and not a gambit for negotiations with them. As the escape of three terrorists during the bloody May 2004 confrontation in Khobar indicates, your security forces require immediate attention. If the extremists have sympathizers in the security forces, you must root them out. If competence and vigilance are the problem, find more capable officers. The second element involves using the country's religious establishment to delegitimize the bin Ladenist message espoused by your opponents. This essential effort has already borne fruit: Last year, three prominent religious figures withdrew their earlier fatwas condoning political violence. However, you still must take several important steps to survive politically.

- *Win the Battle of Ideas:* The ideological battlefield in Saudi Arabia has long been tilted toward extreme positions that their proponents cloak in Islam. You need to reverse that trend. Some figures on the fringes of the religious establishment still want it both ways: They claim loyalty to you but waffle on the issue of violence against non-Muslims, particularly Americans. They style themselves as "mediators" between you and the extremists, implying that there is some middle ground in this struggle. You know who these sheiks are. Some of them have already spent time in your jails. If they persist in their positions, they should be reacquainted with those facilities.

Maybe they could even take the cells currently occupied by some potential allies in the ideological fight. Why are organizers of a petition supporting a constitutional monarchy in custody while you permit the authors of incendiary jihadist Web sites to publish freely in the kingdom? You do not have to accept all the reformers' proposals, but their voices may at least help to stem the jihadist tide, which has produced the violent opposition you now face. If an activist eschews violence and does not advocate the overthrow of the monarchy, why silence him?

- *Resist Full-Scale Democratization:* Outside observers, some well meaning and some Machiavellian, prescribe political liberalization as the antidote to your domestic terrorist problem. Don't take their word for it. An immediate move to an elected parliament would do more harm than good. Given their superior resources and organization, Islamist activists would do very well in these elections, which could complicate your security strategy. Moreover, elections make the religious establishment nervous, and with good reason. Mainstream religious leaders know that elections will end their monopoly on legitimate political discourse in the kingdom. You need these leaders to play their part in battling extremists; do not alienate them on this issue.

While fending off rapid democratization, you still must prepare for more participatory politics down the road. It will be important to reassure the Saudi middle class that their desire for greater openness will not be forgotten in the heat of the battle against militants. You can do so by proceeding with the municipal council elections scheduled for late this year. Only half of the seats on these councils will be elected. Go further. Move swiftly to fully elected membership. Give the councils genuine power on municipal issues and a real budget. If Islamist ideologues dominate the councils, let their constituents get a small taste of life under extremist leadership. But be careful how you set up the election system. Insist on single-member districts, which encourage moderation by requiring

candidates to appeal to a majority of voters.

- *Give the Consultative Council a Higher Profile:* King Fahd created the Consultative Council in 1993 to provide public input into decision making. Although its members are appointed, the council represents educated and politically aware Saudis. Let it score some public victories over government ministries and allow its members to scrutinize a detailed government budget. The money question is central to the credibility of your governance. People want to know where state funds are going, particularly the windfall of recent years. Secrecy on money matters spawns rumors that are more critical of your governance than reality probably merits. Granting the council budget oversight will complicate the work of your ministers but enhance the credibility of this important representative institution.
- *Expand Religious Tolerance:* Saudi Arabia will always be a Wahhabi state, and the religious establishment offers crucial legitimacy for your family's political role. But in the large cities such as Riyadh and in regions outside of Najd, you should gradually permit greater public expression of the various Muslim religious and cultural traditions that the kingdom encompasses. Including Shia and Sufis in the ongoing national dialogue and allowing Shia to observe rituals publicly in the Eastern Province this year were good first steps. The limited decentralization produced by municipal elections could also boost religious tolerance. Although convincing the kingdom's men of religion will not be easy, these modest steps need not challenge the establishment's perks of power or its primacy in interpreting the "state religion."

Beyond Oil: The Broader Economic Imperatives

High oil prices in the last few years spurred economic growth and replenished depleted cash reserves, but this temporary reprieve must not lead to complacency. Continue encouraging private investment -- both domestic and foreign -- in various economic sectors. The service industry, in particular, could provide more jobs for unemployed Saudi youth. Spend some of the surplus on high-profile projects to improve the country's decaying infrastructure, particularly in water and electricity. But also focus on the following broader goals:

- *Cut Birthrates:* In the long term, the kingdom's economic picture is gloomy: Simply put, the country's burgeoning population will soon outstrip your capacity to provide for it. Neighboring Bahrain, whose oil resources are almost depleted, now has a higher per capita income than Saudi Arabia does. You encouraged population growth for the past 30 years, and the kingdom now has one of the highest birthrates in the region. It is time to reverse course. You can learn from the many successful family-planning programs in other Muslim countries, such as Egypt and Iran, where government initiatives have lowered birthrates.
- *Reduce the Foreign Workforce:* Your society will not indefinitely tolerate rising unemployment among citizens while you host more than 6 million foreign workers. Fortunately, your imminent accession to the World Trade Organization (WTO) gives you an opening to negotiate a "grand bargain" on the issue of foreign workers in the kingdom.

The WTO rules will expose domestic industries to fierce competition and may put them in a more conciliatory mood. In exchange for private-sector cooperation in trimming the foreign workforce, you could offer educational programs to better prepare Saudi students for the job market. (If inducements don't work, though, be ready to impose taxes that increase the cost of foreign labor to employers.) Introduce this program gently to avoid shocking the private sector.

- *Recast Social Reform as Economic Reform:* You should slide your educational reform and women's rights initiatives under the economic tent. The modest but encouraging steps you have taken here include eliminating egregious attacks on Christians, Jews, and Shia Muslims from school textbooks, teaching English in earlier grades, and easing women's entry into the labor force. The best way to continue these controversial social moves is to portray them as part of economic reform, which is broadly popular in the kingdom, rather than social liberalization to appease foreign critics. Packaging these important changes as economic reforms is smart politics and might keep the religious establishment from intervening. You need to be particularly cautious about women's issues in the short term, because nothing else could more quickly alienate the religious leaders whose support you need for the security fight.

Keep the United States on Your Side

Your relationship with the United States can't be as close as it was in the decade between the 1991 Gulf War and the September 11 attacks. Washington's persistent pressure for domestic reform in your country will only increase the tension. But there remain two common interests on which you can build a new and mutually advantageous relationship: fighting extremists and keeping the oil flowing. The jihadists are as much your enemy as America's, and you have the same interest in oil-market stability at bearable prices as the United States. Your recent steps have helped in Washington, but the U.S. public will scrutinize Saudi behavior to see if you fully implement your promises.

- *Bring Your Charities Home:* You seem to recognize that some of the Muslim institutions your oil money built have become conduits for material and ideological support to terrorists. This development was the unintended result of lax oversight on your part. (And let's not forget that the United States not long ago encouraged you to spread your version of Islam to counter both Soviet communism and Iran's revolutionary Shiism.) But the world has changed, and your role in the Muslim world must change with it. The countries in which your charity is spent must have a greater role in choosing the personnel who will operate the institutions and lead the mosques you build, even if they will not be as "Wahhabi" as some in your religious establishment might like. As you have said publicly, more of your charity should be directed at home, where needs exist that were unanticipated in the heady days of the oil boom.

Unfortunately, you have sent some confusing signals on charity reform recently. Adel al-Jubeir, your foreign-policy adviser, came to Washington in June 2004 to announce the closure of the Al-Haramain Charitable Foundation, which funneled money to al Qaeda and its sympathizers. Just three days after Jubeir's visit, however, the head of Al-Haramain told reporters that he received no order from your government to close his

offices or dissolve his foundation. Get everybody on the same page.

- *Recall Prince Bandar:* You should reconsider your representation in the United States. Prince Bandar, your ambassador in Washington, was the right man for the job when Saudi-U.S. relations were conducted only at the highest levels and outside public view. Now you need someone who can sell Saudi Arabia as a reliable partner to the American public. Prince Bandar wrote an excellent article in the Saudi press this year calling for a new seriousness in your strategy toward violent domestic opponents. He could help coordinate that strategy at home, while a new ambassador in Washington begins to rebuild Saudi Arabia's reputation in the United States.
- *Pump Up the Volume:* Oil, of course, is the other key issue with the United States. It has always been the basis of the relationship and remains the source of your global economic influence. Unfortunately, your oil minister made a huge miscalculation at the beginning of 2004. Believing prices would decline after the winter, he pushed the Organization of Petroleum Exporting Countries (OPEC) to reduce production quotas. Instead, demand boomed and prices skyrocketed. As you know, the thrill of getting \$40 per barrel is nothing compared to the long-term health of the world economy, upon which oil demand is based.

Given the uncertainties about future supply and demand, you can reassure the world oil market by increasing your production capacity. Doing so would be costly, but it would also signal your commitment to help stabilize the market. Your moves to increase Saudi production and push OPEC quotas back up are a good start. Now try to nudge prices down toward \$30 per barrel -- and make sure the U.S. public knows about your efforts. Affordable oil is good for the world economy and in your long-term interests. And the more responsible you are on oil issues, the more likely it is that the United States will have an interest in the stability of your government.

ABOUT THE AUTHOR

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His research interests focus on the international politics of the Middle East, with a particular interest in the Arabian Peninsula and the Persian/ Arabian Gulf. He has published two books: [*Oil Monarchies: Domestic and Security Challenges in the Arab Gulf States*](#) (Council on Foreign Relations Press, 1994) and *Saudi-Yemeni Relations: Domestic Structures and Foreign Influence* (Columbia University Press, 1990). His scholarly articles have appeared in *Foreign Affairs*, *Middle East Journal*, *Washington Quarterly*, *Journal of International Affairs*, *Review of International Studies* and in other journals and edited volumes. He has testified on Gulf issues before the Committee on International Relations of the U. S. House of Representatives.

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