

Review

'The Saudi Kleptocracy': In Princes' Pockets

Wednesday 17 December 2008, by [ALI Tariq](#) (Date first published: 19 July 2007).

*** *America's Kingdom: Mythmaking on the Saudi Oil Frontier* by Robert Vitalis.**

*** *Contesting the Saudi State: Islamic Voices from a New Generation* by Madawi Al-Rasheed.**

The day after the attacks on New York and Washington in 2001, a Saudi woman resident in London, a member of a wealthy family, rang her sister in Riyadh to discuss the crisis affecting the kingdom. Her niece answered the phone.

'Where's your mother?'

'She's here, dearest aunt, and I'll get her in a minute, but is that all you have to say to me? No congratulations for yesterday?'

The dearest aunt, out of the country for far too long, was taken aback. She should not have been. The fervour that didn't dare show itself in public was strong even at the upper levels of Saudi society. US intelligence agencies engaged in routine surveillance were, to their immense surprise, picking up unguarded cellphone talk in which excited Saudi princelings were heard revelling in bin Laden's latest caper. Like the CIA, they had not thought it possible for him to reach such heights.

Washington had taken its oldest ally in the Arab world for granted. In the weeks that followed 9/11, the Saudi royal family was besieged by a storm of critical comment in the US media and its global subsidiaries. Publishers eager to make a quick dollar hurriedly produced a few bad books with even worse titles - *Hatred's Kingdom*, *Sleeping with the Devil* - that set out to denounce the Saudis. The mini-industry had little medium-term impact, and normal business was soon resumed. On 14 February 2005 there was even a re-enactment of the meeting that had taken place sixty years before on the USS Quincy, moored in the Suez Canal, at which Roosevelt and Ibn Saud, the first king of Saudi Arabia, signed the concordat that would guarantee continued single-family rule. The interpreter was Colonel William Eddy, a senior US intelligence officer and much else besides. Considered too insecure during the 'global war on terror', Suez was rejected as a potential venue for the re-enactment: the grandsons of the two principals and Eddy's nephew had to make do with the Ritz in Coconut Grove, Florida. A giant gold-plated Cadillac in the Arizona desert might have been more appropriate.

To look at the landscape today, you would think nothing had changed. Saudi princes, unaccustomed to exercising their inventive faculties, continue to distinguish themselves by the size of the commissions they procure from Western corporations. The competition here is restricted to fellow royals or nominated bagmen. It is usually friendly and always corrupt. Given that weaponry deals with the West cost billions rather than millions nobody begrudges the Saudis a token twenty million or so by way of a thank you. Meanwhile, Western PR firms get the regime's message out. At a European airport several months ago I saw exactly the same handout regurgitated in the *Guardian*, *El Pais*, the *International Herald Tribune*, *Le Monde*, *La Repubblica*: the gist of it was that terrorists

were handing in their weapons, renouncing their past and progressing well at re-education schools.

The US Justice Department is currently investigating allegations that the veteran Saudi fixer Prince Bandar claimed his share of the \$86 billion deal with BAE Systems, a commission approved by Tony Blair and his attorney general. Few imagine that the investigation will lead anywhere, since US and other European companies do similar deals all the time. The mandarins in the Defence Ministry in Whitehall refuse to be bothered by the fuss, and the cuddly Bandar (the name means 'monkey' in most South Asian languages) continues to insist that he did nothing wrong, since it's normal practice anyway and the money is all deposited in the State Treasury in Riyadh. This is true, but then the Treasury has always served as the royal trough, and the line between private wealth and state revenues was never very firmly fixed. Bandar could in any case have claimed, quite truthfully, that much of this cash has a way of finding its way back to the West through the trade in luxury items (not to mention tarts and courtesans) or through the numerous casinos that dot Mayfair and Monaco and the tips paid to waitresses (higher than the rates paid by the *LRB*).

The seamier side of princely life – is there another side? – formed the subject-matter of bin Laden's powerful pre-9/11 samizdat videos, which continue to circulate in the kingdom, encouraging many young people to see their country through his eyes and share his disgust with its ruling family. The solution for them lies only in jihad. The most fearless account of Saudi society in recent years has been Abd al-Rahman Munif's Cities of Salt quintet of novels; as with other contraband commodities circulated clandestinely in Saudi Arabia, there were reports of laughter emanating from the palaces as the princesses recognised the portraits of their spouses. Munif charts the break-up of the old desert societies that began with the arrival of Western oil prospectors, the resulting deformation of peninsular society, the birth of despotism, and of resistance to it. He depicts the world he knew: traders, herdsmen, nouveau-riche sheikhs, and chancers from elsewhere in the Arab world arriving to offer their professional services. Munif's savage and surreal satires of the suddenly rich royal family led to his Saudi nationality being revoked and to exile, first in Baghdad and then in Damascus. When he died in 2004, his widow rejected the posthumous honours (including loads of money) offered by Riyadh and defied tradition by refusing to permit the Saudi ambassador in Syria to offer his condolences in person.

Critical academic works on the Saudi kleptocracy are rare, however. Many Arab Studies departments on Anglo-American campuses receive generous endowments from the Saudis and other Gulf states. Conferences on the region are often funded from the same source. The money arrives without fanfare and with no conditions explicitly attached, but the recipients are now well trained. Which is why *America's Kingdom* comes as a pleasant surprise. Robert Vitalis, who teaches political science at the University of Pennsylvania, has produced a scholarly and readable book on the interaction between Saudi society and Aramco, the US oil giant that had its beginnings when the Saudi government granted its first concessions to Standard Oil of California in 1933. Combining history with political anthropology, Vitalis sheds a bright light on the origins and less savoury aspects of the Saudi-US relationship in its first phase, when oil production was accompanied by the manufacturing of myths that prettified the US presence. In 1955, Aramco funded *Island of Allah*, a 'documentary' about Saudi Arabia. It was a box-office flop. An American novelist, Wallace Stegner (who later founded the Stanford creative writing programme), was hired to write a history of Aramco to make up for the movie's failure. *Discovery! The Search for Arabian Oil* was written in a month, but was shelved for 12 years by Aramco executives before it was finally published. It was not uncritical enough: Stegner's mild observations on racism inside the company went down badly.

America's Kingdom took ten years to research and write and Vitalis has clearly enjoyed himself. He sees Aramco as a microcosm of the colonial order at home and abroad. His aim is to destroy the foundational myths of the company – which he does in style. Aramco's treatment of the native workforce, he argues, was not unusual, and he describes US mining companies in the late 19th

century dealing with indigenous tribes in Arizona and New Mexico in similar fashion. The work camps set up in Saudi Arabia were a replica of what had been tried out in Maracaibo in Venezuela after the discovery of oil there in the 1920s.

The story he tells, of the Aramco workforce's struggle against the 'racial wage', has not been told in detail before: strikes from below, angry confrontations at management level, blatant racial discrimination against Saudi workers and managers and 'divide and rule' tactics on the part of Aramco. There were no 'honorary Whites' (as the Afrikaners labelled the Japanese) here. Bosses and engineers were exclusively white Americans, many from Texas, most imbued with prejudices which were the legacy of slavery, the Civil War and the institutionalised apartheid that followed the brief flowering of formal equality during Reconstruction. Vitalis mentions the prevalence of Ku Klux Klan membership in the industry (it's worth remembering that by 1925 the Klan had four million members, making it the largest organised political movement in US history).

In 1944, Aramco imported 1700 Italian workers from Eritrea in an attempt to put an end to the troublemaking. Being made to share camps with Arabs, Pakistanis and Sudanese rather than with white Americans angered the Italians, but their protests came to nothing; they left or were sacked and non-Europeans soon replaced them. One of the symbols of petty privilege was the Aramco company cinema: entry was permitted to the better-educated Palestinians and Pakistanis but denied to Saudis. This led to a pitched battle on 14 June 1956: the Saudi workers stormed the camp and were confronted by the police and the private guards of the local emir. (The workers demanding equal rights chanted 'Down with Pakistanis; they are Jews and friends of Jews,' an instance of what in the old days we used to refer to as 'false consciousness'.) The workers were brutalised; 100 of them, including a 13-year-old, were selected for public flogging, each receiving 100 lashes. Local tribal leaders and the royals collaborated eagerly during the early years, becoming more critical only after the nationalisation of the Suez Canal in 1956 created a radical anti-imperialist fervour that swept the Middle East. Vitalis documents all this in great detail. The two Saudi figures he most respects are the former oil minister Abdullah Tariki and the veteran Saudi diplomat Ibn Muammar. Tariki, a shrewd, skilful, incorruptible technocrat, had defended Saudi interests against the oil giant from the very beginning. He argued for the state takeover of Saudi oil in the late 1950s, and was demonised by Aramco. He was always an irritant, and not just to them. He refused to tolerate corruption and in 1961 challenged the powerful Crown Prince Faisal in public. Together with the dissident Prince Talal, a supporter of Arab nationalism, Tariki accused Faisal of demanding and obtaining a permanent commission from the Japanese owned Arabian Oil Company (AOC). A Beirut newspaper published the story. An enraged Faisal issued a denial and demanded proof.

Tariki persevered. He uncovered evidence that proved beyond any doubt that 2 per cent of AOC profits had been guaranteed in perpetuity to Faisal's rogue brother-in-law, Kamal Adham, who later became head of Saudi intelligence and a director of BCCI. The Council of Ministers cancelled the AOC contract. Four months later, Faisal removed Tariki from his post, replacing him with an able lawyer, Ahmed Zaki Yamani (later kidnapped with other colleagues at the OPEC building in Vienna by Carlos the Jackal and his gang), who immediately rushed off to tell Aramco that Tariki was being removed from its board of directors. Tariki never found employment in the oil industry again and ended up an exile in Beirut. An Aramco spy who met him during this time in Cairo reported back to his superiors: 'I asked him how he would envisage a change in regime. He said that it would be very simple. A small army detachment can do the job by killing the king and Faisal. The rest of the royal family will run for cover like scared rabbits. Then the revolutionaries will call Nasser for help.'

It didn't quite happen like that. The aged Saud was retired, and Crown Prince Faisal became king. It was only after his nephew Prince Faisal ibn Musa assassinated him for personal reasons in 1975 that Tariki and a few other dissidents could return home. Faisal is largely responsible for the Saudi Arabia that exists today, with its reliance on Wahhabism for social control. Even though his brother

and father before him had sought to institutionalise Wahhabi beliefs, they were more relaxed about it. Faisal believed that the only way to defeat Nasser and the godless Communists was by making religion the central pillar of the Saudi social order and using it ruthlessly against the enemy. It was Islam that was under threat and had to be defended on all fronts. This pleased his allies in Washington, who were tolerant even of his decision to impose an oil embargo against the West after the 1973 war, something that has never been attempted since. Visiting Western politicians were surprised when the king gave them copies of the *Protocols of the Elders of Zion*, but his deeply felt anti-semitism was treated as an eccentricity. There is nothing on or off the record to indicate that a single US or European leader enlightened him by pointing out that the *Protocols* were forgeries.

Even after Saudi oil was fully nationalised in 1980, Washington's politico-military elite maintained their pledge to defend the existing Saudi regime and its state whatever the cost. Why, some people asked, could the Saudi state not defend itself? Because the Saud clan, living in a state of permanent fear, was haunted by the spectre of the radical nationalists who had seized power in Egypt in 1952 and in Iraq six years later. The Saudis kept the size of the national army and air force to the barest minimum. Given that this is still the case, what happens to the vast quantity of armaments purchased to please the West? Most of them rust peacefully in desert warehouses.

For a decade and a half it was the Pakistan Army – paid for out of the Saudi Treasury – that sent in large contingents to protect the family in case of internal upheavals. Then, after the first Gulf War, the American military arrived. It is still there. US bases in Saudi Arabia and Qatar were used to launch the war against Iraq. All pretence of independence had gone. The only thing the Saudi princes could do was to plead with the US not to make public what was hardly a state secret, though there was virtually no TV coverage of planes taking off from Saudi Arabia bound for Iraq.

Foreign armies have historically provided one sort of protection; Wahhabi theology another. Ibn Abd al-Wahhab, a Koranic literalist born in the 18th century, preached a primitive but effective message to the peninsular Arabs. Laughed at by his own family and booted out of his village, he found a willing listener in the founder of the Saud dynasty and a concordat was signed and sealed. The Saud clan would embrace the Wahhabi interpretation of the Book, and al-Wahhab would work exclusively with the Saud tribe and refrain from trying to convert its rivals. Astonishingly, the preacher agreed, and the first Saudi-Wahhabi emirate lasted from 1744 to 1818. It was when they began to attack other Muslims and tear down the tombs of the Companions of the Prophet that the Sultan in Constantinople instructed his Albanian-born governor in Egypt to deal with the problem. An army was dispatched from Cairo to crush the emirate: it succeeded, and for good measure burnt the capital, Deriyyah, to the ground. Today, Wahhabism is again being used to keep the citizens under control in a country with a Sunni majority, many of whom are allergic to it, and a large Shia minority in the oil-producing Eastern province.

In *Contesting the Saudi State*, the London-based Saudi historian Madawi Al-Rasheed argues that the defeat of 1818 taught the Wahhabis the art of survival. This entailed the adoption of more pragmatic policies, i.e. straightforward political opportunism. For literalists this could not have been easy. One of Muhammad's sterner injunctions left little room for misinterpretation: infidels had to be kept out of the peninsula. The Saudis fought with the British against the Ottoman Empire and later accepted US suzerainty without many qualms. Each twist and turn considered necessary to hang on to power was justified by senior Wahhabi clerics. Pandering to power made the clerics ultra-dogmatic on other questions: the denial of equal rights for women, for example, or the refusal to 'encourage idolatry' by restricting the number of visitors to the tombs of the Prophet and his wives in Mecca. Some of the tombs have now been destroyed (one replaced with a public urinal); there have been no angry campaigns by Islamic extremists.

Religion is the ideological backbone of the regime and it penetrates every sphere:

“Nothing exemplifies the enchantment of Saudi society like a local television programme called Fatwa on Air, a special performance normally hosting a religious scholar who responds to questions posed by the public. A woman wants to know whether menstruating for three weeks qualifies as menstruation, thus preventing her from performing prayers. A man asks whether it is permissible to borrow money to allow his mother to perform the pilgrimage. A third person asks whether high heels are permissible for women and . . . diamond rings . . . for men.”

The repetitiveness and regularity of these shows reduce a world religion to a set of trivial rituals.

As Wahhabism was the only permissible discourse, Al-Rasheed goes on to argue, differences of interpretation and state policy were bound to erupt. One outcome was al-Qaida, but there is also fierce opposition to al-Qaida within the Wahhabi movement. In an article entitled ‘The Raging Wolf and the Buried Snake’, Khalid al-Ghannami, a cleric who has since changed his views, writes that there are two trends within the jihadi camp: ‘One prefers to kill openly while the other remains hidden until it is safe to emerge from its hole.’ As in China, the internet has become the site for heated debates, where the notion of ‘unconditional obedience’ to the ruler is under daily attack. Some are even bold enough to write that ‘our main aim must be to drive the Wahhabis out of the peninsula.’ Would Washington ever permit that?

From the *LRB* letters page, 2 August 2007: Ali Rizvi.

Mistake

In his piece about Saudi Arabia, Tariq Ali asserts that the ‘tombs of the Prophet and his wives’ are in Mecca (*LRB*, 19 July). The tomb of the Prophet and the graves of most of his wives are in Medina. Ali also says that *bandar* means ‘monkey’ in most South Asian languages, ignoring the fact that in one major South Asian language, Urdu, it has its Persian meaning of ‘port’ or ‘haven’.

Ali Rizvi

Bandar Seri Bagawan, Brunei

P.S.

* From the London Review of Books (*LRB*), 19 July 2007:

http://www.lrb.co.uk/v29/n14/ali_01_.html

* Tariq Ali’s latest book is *The Duel: Pakistan on the Flight Path of American Power*.