

The Role of Economic Reforms in Consolidating Neopatrimonialism in Saudi Arabia from the Conflict Theory Point of View

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Abstract

This article employs the theoretical framework of the conflict school to examine the role of economic reforms in consolidating neopatrimonialism in Saudi Arabia. The central hypothesis of the article is that the recent initiatives of Mohammed bin Salman, particularly through the Vision 2030 document, aimed at adapting the Saudi political system to internal and external changes, maintaining stability and continuity of the regime, and centralizing power in his hands, have contributed to the consolidation of neopatrimonialism in the country. While these economic and social reforms ostensibly aim to modernize Saudi Arabia's economy and society, they effectively function as tools to reinforce traditional power structures and solidify the dominance of the Al Saud family, particularly Mohammed bin Salman himself. By analyzing available data and recent political-economic trends in Saudi Arabia, the article addresses the question of how economic reforms have contributed to the consolidation of neopatrimonialism and what implications this has for the country's power structure. The findings reveal that these reforms, while creating superficial changes in the economy and society, act as mechanisms to preserve and strengthen the patrimonial system and perpetuate the dominance of the ruling elite.

Keywords: Saudi Arabia, Political Stability, Authoritarian Bargain, Rentierism, Neopatrimonialism.

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1. Introduction

Following 2011, a year that challenged many authoritarian regimes with the wave of the Arab Spring and led to the overthrow of major dictatorships in the region, the Gulf countries managed to maintain their political stability and navigate through this unprecedented crisis. Among them, Saudi Arabia, despite the emergence of protests and popular movements, faced the least amount of opposition and dissent. Its leaders sought to prevent the spread of any pro-democracy movements by employing a combination of financial and economic incentives and an iron-fisted approach. Factors such as the monarchical system, political elite cohesion, the Salafi-Wahhabi ideology, the deep connection between traditional societal structures and the monarchy, oil revenues, and strategic partnerships with major powers are among the most significant contributors to the continuity of stability in Saudi Arabia (Stanley,2013:10).

However, the sharp decline in oil prices in 2014 posed a serious challenge to Saudi Arabia's rentier economy and sparked widespread discontent. This compelled the government to once again resort to economic incentives, such as increasing subsidies and reducing taxes for certain sectors—a move that many economists viewed as a temporary remedy to the challenges of the rentier economy and the country's closed political environment. Ultimately, with the unveiling of Vision 2030, a transformative and economic roadmap, the government promised profound reforms aimed at economic development, reducing oil dependency, diversifying state revenues, and gradually opening up the country to garner the support of a significant portion of its young population.

Yet, the question remains: What role do these reforms play in consolidating Saudi Arabia's neopatrimonial system? In addressing this question, this article argues that neopatrimonialism—a form of governance where political power is concentrated in the hands of an individual or a small group of elites and exercised through networks of loyalty and personal relationships—is evident in many Middle Eastern political systems, including Saudi Arabia. In recent years, under the leadership of Crown Prince Mohammed bin Salman, Saudi Arabia has witnessed a series of economic and social reforms outlined in Vision 2030. While these reforms, designed to reduce the economy's reliance on oil, diversify income sources, and modernize society, appear to signal a fundamental shift in Saudi Arabia's political and

economic structure, this article contends that they primarily serve as tools to consolidate and strengthen the neopatrimonial system.

From this perspective, the economic reforms are not merely aimed at structural changes in the economy but are also instrumental in preserving and perpetuating the dominance of the Al Saud family, particularly Mohammed bin Salman. By examining recent trends in Saudi Arabia, this article analyzes how the economic reforms under Vision 2030 function as mechanisms to adapt the political system to internal and external changes, maintain stability, and centralize power. Finally, the article explores the implications of this trajectory for Saudi Arabia's power structure and the future of its political system.

2. Literature Review

Existing literature on neopatrimonialism often highlights the adaptability of such systems to external and internal pressures, including economic crises and demands for modernization. Scholars such as Bratton and van de Walle (1997) have emphasized the role of patronage and clientelism in sustaining neopatrimonial regimes, while others, like Herb (1999), have explored how oil wealth and rent distribution contribute to political stability in Persian Gulf monarchies. However, the specific mechanisms through which economic reforms are utilized to consolidate neopatrimonial rule remain underexplored, particularly in the context of Saudi Arabia's recent Vision 2030 initiative. This literature review seeks to situate the current study within the broader academic discourse on neopatrimonialism and economic reform. It examines key theoretical frameworks, including the conflict school's perspective on the tension between economic development and democratization, and reviews empirical studies on the role of economic reforms in authoritarian regimes. By synthesizing these insights, this section aims to provide a foundation for understanding how Saudi Arabia's economic reforms under Vision 2030 serve as tools for consolidating neopatrimonialism rather than fostering structural political change. In the following section, we will review a portion of the existing literature on this topic.

- Masoudnia, Hossein, Forouzan, Younes, and Alishahi, Abdolreza (2016), in their article titled "Power Transition in Saudi Arabia: The Effects of Crown Prince Change on the Structure of Saudi Arabia's Foreign Policy," employ comparative, descriptive-analytical methods, and Alvin Toffler's power shift theory to answer the questions about

the power transfer process to Mohammad bin Salman by the King of Saudi Arabia and how the Al Saud family will address regional crises with these changes. The findings indicate that the moderate positions of Mohammed bin Nayef in regional crises, the pragmatic policies of Mohammad bin Salman towards Yemen, Iraq, Syria, and Iran, his ambitions, and his proximity to the Zionist regime and the US, have made him the most suitable candidate for the Crown Prince of Saudi Arabia. It also seems that Mohammad bin Salman's policies, given his violent tendencies and radicalism, will move towards suppressing internal opposition and intensifying crises in the Middle East region.

- Steik Stansley (2012), in his book *Political Sociology of Power in Saudi Arabia: The Structure of Political Power and the Role of Instrumental Elites in Saudi Arabia*, examines the issue of power transition in the Al Saud family and the succession issue in the political system of this country. Stansley highlights how succession has occurred in entirely different situations and how the stability of the regime in Saudi Arabia relies on the royal family's ability to create unity and resolve the succession challenge.
- Ulrich Fertig (2012), in his English article titled "Saudi Arabia: Buying Stability," discusses the welfare and repressive measures of this country to curb protest movements. This article, while examining various dimensions and ethnic roots of Saudi society, tries to address the sociological features of this country and the rulers' definition of internal stability with a historical approach.
- Lewis (2018), in his article titled "Rentier State and the Survival of Absolute Monarchies in the Arab World," explores the survival of several regional regimes due to oil revenues and welfare policies within the framework of the rentier state theory.
- Waleed Maleki (2021), a researcher at Chatham House, in an article titled "Regional Tensions and Internal Social Relations in the Gulf Cooperation Council Countries," writes that the importance of public opinion in the Gulf States - for both governments and citizens - remains debatable, and policymaking by regional governments and citizen opinions may have limited impact on decision-making. Despite opportunities for expanding public opinion polling, there are many obstacles. Sectarian identity remains one of the strongest factors in shaping views and setting political goals, and its importance in shaping

citizens' perceptions of their roles in society is increasing, extending to areas where citizens do not declare the importance of that identity. The Gulf states have relied heavily on exploiting sectarian and other identities to advance their political goals, also portraying themselves as the only force capable of salvation. He also notes that social peace between parties exchanging hostility has persuaded some segments to support strong regimes as barriers against falling into instability and conflict.

3. Theoretical Framework: Conflict Theory

There are various perspectives regarding the relationship between development and political systems. Observing the types of political systems in developed Western countries shows that the vast majority of these countries fall under democratic regimes. On the other hand, most developmental (non-Western) states, at least at the beginning of their development process, have predominantly had non-democratic governments. Therefore, examining the theoretical and empirical relationship between the type of political system and economic development seems necessary. Generally, there are two main approaches to this topic: the "compatibility" and "conflict" approaches.

The compatibility school believes in the precedence of democracy over development and argues that economic development requires rules, laws, and institutions that must, of course, be democratic. Democracies protect property rights and allocate resources efficiently. It is the free election system that ensures the mobility of rulers, improves economic dynamism, and enhances the quality of economic decisions (Przeworski,2004). Moreover, democracy limits the government's power to interfere in the economy, leading to more market freedom, better market performance, and, consequently, overall economic improvement. Political participation also legitimizes rulers' decisions, and this legitimacy is a prerequisite for achieving economic development (Baum and Lake,2003). Conversely, the conflict school argues that democratic systems, especially in developing countries, not only do not facilitate economic development but are also detrimental to growth and development. They believe that in the early stages of development, a difficult choice must be made in favor of rapid development over democratic processes, as this stage of development requires effective governmental direction and a strong state (Huntington, 1996). Another argument is that development requires stability and coherent

policies, which is something that weak and nascent democracies lack. For instance, Huntington believed that what matters for development is "political stability," not "specific political institutions" (Leftwich,2005). Huntington argued that what matters is political stability and the degree of governance, not political development in terms of democratization (Ersen and Vollen,2003:65). In this context, Adam Przeworski, in a study of 135 countries during the period from 1950 to 1999, concluded that the type of regimes has little impact on the overall level of investment and capital development (Przeworski,2004:15). Jack Goldstone and Adriana Kukornik stated that the relationship between democracy and development does not follow any single pattern. They categorized different patterns of countries concerning the relationship between political democracy and economic development (Goldstone and Others,2011). Leftwich, one of the theorists of the developmental state, after referring to the successful and unsuccessful experiences of economic development in democratic and non-democratic regimes, concludes that it appears not to be the "type of regime" but rather the quality and characteristics of the government and its policies that have significantly influenced the economic performance of states (Leftwich,2005:212). According to Leftwich, at least in the early stages of economic development, democratic institutions can disrupt the development planning process.

In examining the impact of the type of political system on economic performance, we conclude that: Firstly, there is no single model in the relationship between the type of political system and economic performance, and countries with similar political systems have vastly different economic performances. Secondly, no specific type of political system can be proposed as a single effective and workable recipe for all to achieve economic development. Thirdly, based on historical evidence, other variables such as the quality of governance, efficiency and productivity of governments, and the thoughts of ruling elites (whether democratic or non-democratic) have had a greater impact on the economic development process of countries than the type of political system in place.

4. Neo-Patrimonialism

Samuel Huntington identifies the central feature of neo-patrimonial systems as the concentration of power in a single ruler, suggesting that the exercise of power in such systems depends on the ruler's favor and support

(Huntington,1991:91). The roots of the concept of neo-patrimonialism can be traced back to Max Weber's tripartite classification of types of legitimacy: traditional, charismatic, and legal-bureaucratic (Weber,1994: 45). According to Weber, the most prominent example of traditional legitimacy is found in patrimonial regimes, characterized by the influence of the ruler's relatives and close associates in government institutions, systemic disorder, and extralegal actions(Eisenstaedt, 1973:258). Various combinations of these three types of legitimacy can emerge in practice (Bashiriyeh,2007:59-60). For example, charismatic and legal legitimacy might combine. Based on this premise, in 1973, Shmuel Eisenstadt, in his book *Traditional Patrimonialism and Modern Neo-Patrimonialism*," distinguishes between neo-patrimonialism and traditional patrimonialism, asserting that the former is a compound term used to describe regimes with mixed legitimacy (Eisenstadt,1973). In neo-patrimonial regimes, elements of traditional and bureaucratic legitimacy are combined (Erdmann and Engel,2007:98), whereas patrimonial regimes strictly rely on traditional legitimacy. Thus, neo-patrimonialism is considered a post-Weberian concept (Erdmann and Engel,2006:17).

In neo-patrimonial regimes, unlike classical patrimonialism, governance is not hereditary; however, one of its main features is the continuous rule of an individual. The permanence of neo-patrimonial rulers stems more from the support of a personal network of followers than from ideology or law (Snyder,1972:392). Nonetheless, laws (distorted or altered) and ideology also play a role in the continuity of their rule. Neo-patrimonial authoritarian states possess modern administrative structures, and decisions made within informal networks of supporters are backed by security forces and judicial systems (Lewis,2012:8). In such regimes, there appears to be a distinction between the public and private spheres, but in practice, this separation is not permanent. Another characteristic of neo-patrimonialism is the ambiguity in the relationship between structure and agent, leading to a sense of uncertainty regarding the performance of institutions and agents (Erdmann and Engel,2007:105). The appointment and dismissal of officials and the distribution of wealth in such political regimes largely depend on the rulers' personal preferences, with formal structures playing a minimal role (Nawaz, 2008:2).

A common feature of patrimonialism and neo-patrimonialism is patronage, but the type and purpose of patronage differ between them. In

patrimonialism, the relationship between supporters and the ruler is direct, whereas in neo-patrimonialism, it is indirect and mediated. Moreover, in neo-patrimonialism, the relationship involves not only personal goods and services but also more complex and significant services connected to the long-term interests of the supporters (Erdmann and Engel,2006:20). Overall, neo-patrimonialism can be considered a dual phenomenon, as it represents an uneven combination of dual concepts such as democracy-dictatorship, modernism-tradition, and rule-relationship. This concept is fundamentally used to explain the relationship between post-colonial governments and the corruption and authoritarianism of political elites, particularly in Third World countries, especially in Latin America and Africa (Bashriyeh,2006:384-385). Despite the differences between Central Asia and Africa and Latin America, one of the notable consequences of the Soviet Union's collapse was the forward movement of newly independent republics towards democracy. Although this movement started later than in Latin America and Africa and has been accompanied by fluctuations and shortcomings, it has nevertheless set these countries on the path of transition. Therefore, considering the prevailing situation in Central Asia, this theory has practical applicability to the countries in this region (Fism,2012:91-92).

5. Political Structure in Saudi Arabia

The political system in Saudi Arabia has historically been based on a combination of political and religious patriarchal structures. The alliance between the House of Saud and religious scholars, along with the teachings of Wahhabism, has created a reciprocal relationship between the ruling family and tribal leaders. Factors such as political repression, the strengthening of traditional civil institutions like markets, religious institutions, and tribes, the prevention of new civil institutions from gaining power, the expansion of clientelist relationships between the government and private sector affiliates, a strong security apparatus, and external support have all contributed to the persistence of the Saudi ruling family. The power structure in Saudi Arabia is framed within a monarchical system based on traditional tribal norms. The House of Saud governs the country as a family unit (Abdul and Khaled, 2018: 76).

The Saudi Arabian political system has been a monarchy with family rule for approximately three centuries. The first Saudi state, established in 1745

under the leadership of Muhammad bin Saud, arose from his use of Islam to assert dominance over rival tribes and sheikhs. The initial government of the House of Saud was founded under the banner of this family and its religious partner, Wahhabism (Hause,2016:2). Politically, the Saudi system relies on a consensus among the ruling family, religious institutions, and other influential groups. There are both official and unofficial institutions within this structure. Official institutions include the legislative, executive, and judicial branches, while unofficial institutions consist of the ruling family's councils and pledges, significant tribes, and religious leaders. The king is the head of state, the prime minister, and the supreme authority of all branches. In foreign policy, the king holds a central role, and decisions are made with his direct input. After the king, the crown prince serves as the deputy prime minister and commander of the Royal Guard, while other royal princes, the Council of the Family, the Cabinet, and religious scholars play indirect roles in foreign policy (Moradi Klarde and Others,2016:209).

Although Muhammad bin Saud founded the dynasty on Wahhabism, the first Saudi state, led by his successors, was dissolved in 1818 by Muhammad Ali Pasha, the ruler of Egypt. This led to the establishment of the second Saudi state by Faisal bin Turki in 1824, which failed in 1887 due to internal disputes. The third Saudi state was established in 1902 by Abdulaziz bin Abdulrahman, leading to the formation of the Kingdom of Saudi Arabia in 1932. Abdulaziz ruled until he died in 1952, succeeded by his son Saud, followed by Faisal, Khalid, Fahd, Abdullah, and currently, Salman bin Abdulaziz (Khalili,2018:8).

The Saudi monarchy aligns with Arab and Islamic traditions, where the concept of state is synonymous with its rulers. As the modern state of Saudi Arabia is closely associated with the House of Saud, previous states and historical periods were often named after ruling families, such as the Umayyads and Abbasids. Despite being the most powerful group, the House of Saud has various factions that influence power and government institutions. Notable families within the House of Saud include the Al-Faisal family, which has been the most influential branch since Fahd's accession in 1982; the Al-Thunayan family, important for its alliance with the Al-Sudairi branch; the Al-Jeblawi family, known for its internal conflicts with other factions; and the Al-Kabir family, historically less involved in direct succession but respected within the family. Other influential groups include Wahhabi scholars, tribal leaders, merchants, and technocrats, each playing

strategic roles at different times to support the House of Saud. The House of Saud has maintained control over these groups through economic resources, consolidating power and maintaining influence over them. The stability of Saudi Arabia is rooted in several key variables, including the rentier economy, strong centralized government, functional legitimacy, patrimonial power structure, tribal social-cultural system, and dependency on external powers and regional intervention.

6. Saudi Arabia and the Succession Issue

Despite the immediate concerns of the Saudi government, the country has long faced a far more complex challenge: the succession crisis. This challenge impacts the regime's ability to mobilize and allocate resources, particularly for national defense and foreign policy, posing risks to the security of the state, society, and the nation's territorial integrity (Buzan, 1998:59). Unlike democratic or popular systems, where "power transfer" is an opportunity to maintain dynamism and social cohesion, dynastic and authoritarian regimes typically view this issue as a significant challenge or even a threat to the survival of the existing government (Alipour, 2019:34). Stenslie, in his well-known book *Sociology of Power in Saudi Arabia*, provides a simple explanation for this phenomenon. In democratic systems, power originates from the people and their choices, with political elites being elected by them. In these systems, politics and power are not the eternal heritage of a single individual, family, or limited group of elites. Instead, those chosen by the people are responsible for a limited term. If people are dissatisfied with the performance of a group of political elites, they can remove them through a democratic process and entrust governance to others. This process is known as elite rotation in political sociology. In such systems, power transfer not only avoids deadlocks but also breaks them, ensuring the necessary conditions for maintaining community unity and social cohesion while guaranteeing progress and dynamism (Massoudnia, 2015:144).

In dynastic and authoritarian regimes, the situation is entirely different. Individuals or elites who rise to power in these governments do not represent the people and do not act on their behalf. Instead, they inherit or attain power through "domination." Governance is seen as a lasting right and eternal possession of a family or individual. Those at the helm of such systems are not elected by the people, and their legitimacy as rulers is

justified either by their lineage or through force. These rulers do not hold themselves accountable to the people but consider themselves masters and the people as subjects. Due to the lack of transparent, peaceful, and popular mechanisms for power transfer, a succession of political elites, particularly leaders, is always accompanied by concern, challenge, and even threat. The political system of Saudi Arabia is of the latter type and is dynastic in nature. Although there are rules, traditions, and customs for the succession of the king in this country, like all authoritarian and dynastic systems, the transition of power is not firmly established (Stenslie,2012:71). Gregory Gause, an analyst at the Council on Foreign Relations, notes in a report titled Saudi Arabia in the New Middle East: "The main heirs to the throne are all elderly, and as the new generation of successors comes onto the scene, the potential for violent and noisy conflicts may increase" (Gause, 2011).

7. Saudi Arabia, Rentierism, and Authoritarian Bargaining

To further examine the power structure in Saudi Arabia, we will investigate the concepts of a rentier state and an authoritarian bargain. The authors argue that the two main factors influencing the stability of neo-patrimonialism in Saudi Arabia are related to these concepts (Freitag,2012:41).

According to Smith, rent is distinct from other sources of income, such as wages and profit. Smith states, "Rent enters the price of goods differently from wages and profits. While high and low wages and profits cause prices to rise or fall, rent does not directly affect prices; rather, it is a result of them" (Smith,2007). The concept of the rentier state originates from the ideas of Hossein Mahdavy, who introduced it in 1970. He defined a rentier state as one that regularly receives significant financial resources from rents paid by individuals, institutions, or other governments. According to Mahdavy, "the state's independence from society" and "its ability to bribe opposing groups" are key components of a rentier state. Criticisms of Mahdavy's theory include his lack of historical context regarding Iran, his failure to consider other types of rents from natural resources (before oil), and his narrow focus on political rents. Mahdavy's theory is criticized for focusing exclusively on oil revenues and ignoring other forms of rent. Following Mahdavy, scholars like Hazem Beblawi and Giacomo Luciani attempted to refine the rentier state theory to apply to oil-exporting Arab states (Luciani,1995:456).

While oil revenues are an example of rent, rent is not exclusively tied to oil but can come from various sources, such as tolls or transporting oil through a country's territory (Mahdavy,1970:430). Giacomo Luciani contrasts the rentier state with the productive state, which primarily derives its income from production and taxation of citizens. In contrast, the rentier state owns resources and wealth, with its primary function being the distribution of benefits among society's members. The rentier state does not levy taxes, and public and private interests are so intertwined that corruption is often deemed acceptable (Luciani,1995:179). Hazem Beblawi emphasizes that the rentier state earns part of its financial income from external sources in the form of economic rent, including oil revenues and derivatives in global markets. Beblawi outlines four key features of a rentier state: an economy largely dependent on rent income; a minority of the population involved in generating rent, while the majority only consumes and exploits it; and the state as the main recipient and beneficiary of foreign or rent-based income. This concentration of rents allows for the seizure and monopolization of political power, leading to a regime that makes decisions independently of society, deriving its legitimacy not from society but from rent (Beblawi, 1987:384). The political system in rentier states represents a form of authoritarianism that relies on specific political practices and, importantly, on authoritarian bargaining.

Rentierism has three major impacts on the state, the relationship between society and the state, and the economy, which are discussed below:

When the state is the direct recipient of rent, and rent is exclusively controlled by the state, rentierism significantly affects the state. The rentierism model is fully realized when rent is controlled solely by the ruling elites, who possess exclusive decision-making power regarding its expenditure. The main impact of rent on the state is that it increases the state's independence from society, various internal groups, and political opposition, enabling the state to maintain and prolong political stability due to its exclusive power over rent distribution. In other words, it transforms the state and ruling elites into dominant forces in the economy and politics, making it difficult for both the public and political opposition to challenge them.

Rent also significantly affects the relationship between the state and society, which is particularly relevant to this paper. The rent received by the state enables it to use this rent to gain and maintain legitimacy. A rentier state

typically uses rent to enhance public welfare and garner cooperation from elites, thereby increasing its legitimacy. This cooperation often takes on patrimonial and neo-patrimonial forms, with familial and personal connections becoming central. Many scholars, such as Beblawi and Hossein Mahdavy, argue that the ruling group's general strategy in rentier states is to distribute a portion of the wealth obtained from rent among society (i.e., a distributive and populist approach rather than a productive and developmental one). This distribution of rent leads to support from the majority of the people and elites, preventing any challenges to the state's power. Another impact of rent on the state-society relationship is the growth of bureaucracy and the state's administrative apparatus. Bureaucracy is essentially the state's tool for distributing rent in society. The expansion of bureaucracy increases the proper distribution of rent and allows the state to distribute it through bureaucratic channels. On the other hand, the state's distribution efforts are focused on rent rather than taxes collected from society, leading to a hypothesis proposed by researchers like Rawkins and Beblawi, which suggests that the rentier state reaches an implicit (rather than explicit and legal) agreement with society, whereby citizens do not expect a representative and accountable government in exchange for the state not collecting taxes. This results in distributive (rather than productive-developmental) policies and political-economic stagnation.

Rent also has substantial effects on the domestic economy, including a reduction in domestic production and an increase in imports. Additionally, authoritarian bargaining is one of the mechanisms through which authoritarian regimes sustain themselves. According to the bargaining conditions, rulers provide economic benefits and services to citizens in exchange for relinquishing political rights, resulting in restrictions on political participation, decision-making, accountability, and civil liberties. Authoritarian bargaining relies on two mechanisms: First, redistributive public policies are used to cultivate elites and garner popular support. Here, the political system aims to establish a supportive and clientelist relationship through strategic transfers to elites, such as military leaders, state bureaucrats controlling government agencies, and sometimes parts of the business community. Second, rulers use internal political reforms to maintain regime stability during economic hardships, granting some political rights (with limited impact) to citizens to preserve the regime and

use authoritarian bargaining as an alternative to collapse due to resource shortages (Desai,2009:93).

Saudi Arabia is a prime example of a rentier state, heavily reliant on foreign rent—oil revenues—which constitutes over ninety percent of public revenues and is fully integrated into foreign markets. The government owns this rent and controls the distribution of revenues (Abdelhamid,2018:76), deriving its legitimacy from ownership of oil revenues. Power is concentrated in the hands of the ruling family, which controls the state's levers and resources, using oil revenues to buy citizens' loyalty and providing services in exchange for political participation and decision-making influence (Khairallah,2008:15). The Saudi political authority relies on authoritarian bargaining to sustain and perpetuate the regime, using benefits and services to define its relationship with individuals and their views on their political rights. Since its inception, the state has relied on distributing land and property to relatives, the royal family, and various elites to buy loyalty and support. This approach continued after the discovery of oil, with the government similarly distributing project contracts, partnerships, and other resources to ensure the loyalty of various elites. In 2011 and 2012, when Saudi Arabia experienced multiple protests demanding political reforms, the regime's response—aside from a wave of arrests—manifested in economic measures or what could be termed royal exemptions. King Abdullah issued a series of financial directives, including a fifteen percent increase in civil servant salaries, social security benefits, increased education budgets, job creation, and new grants for citizens, as well as unemployment benefits, more housing loans, and loan exemptions. Through these measures, the government sought to renew its bargain with citizens, relying on expenditure and welfare in exchange for continued neglect of political rights (Qaysaran,2017:385).

8. Rentier State, Authoritarian Bargains, and the Maintenance of Neopatrimonialism

Some scholars argue for the potential integration of elements from the rentier state theory with neopatrimonialism or Sultanistic rule. Specifically, the personal nature of power and the intense concentration of political power within the ruler, along with the exclusive control over most state resources—key components of neopatrimonialism—are complemented by rentier state characteristics. These include the control and monopolization of

revenues from the sale of critical resources, independence from societal pressures, and a supra-class authoritarian and undemocratic nature, all of which converge to a unified outcome (Arsen,2012:145). The main results of this integrative approach are as follows:

- Political Centralization and the Stabilization of an Autocratic Government Independent of Society: The political system becomes highly centralized, reinforcing an authoritarian regime that is less reliant on societal input.
- Significant Weakening of Society about the State: The state exerts substantial power over society, diminishing societal strength.
- Formation of a Corrupt Support Network: The state, which controls significant rents from oil and gas revenues, distributes a portion of these rents among influential political-social groups as loyal followers. In return, it demands unwavering political loyalty and obedience from its subjects.

Additional research by Ross, Beblawi, and Luciani within the framework of the rentier state theory (and its integration with neopatrimonialism) has yielded similar conclusions. These researchers establish a direct relationship between the distributive functions of rentier states and the political survival and legitimacy of these regimes (Levins,2018:11).

This study posits that although Bin Salman's economic reforms under the Saudi Vision 2030 plan are aimed at diversifying revenue sources, increasing non-governmental sector involvement, and ultimately moving away from a rentier economy, they will not result in changes to the country's political system when viewed through the lens of the conflict theory.

- Firstly, the conflict theory suggests that democracy does not necessarily facilitate economic development and may even hinder growth. Therefore, the political structure of Saudi Arabia leaning towards democracy could be an obstacle to implementing economic reforms as envisioned in Vision 2030.
- Conflict theorists believe that leaders, especially in the developing world, must choose rapid development over democratic processes in the early stages of development since this phase requires effective state direction and a strong government.
- Additionally, this theory argues that development needs stability and coherent policies, something often lacking in weak and nascent democracies. Therefore, the neopatrimonial system in Saudi Arabia can

help manage potential crises stemming from succession, ensuring political stability and continuity in decision-making.

Furthermore, the paper argues that the economic benefits promised under the framework of moving away from rentierism and adopting authoritarian bargains have caused dissatisfaction among the traditional-religious sectors of Saudi society. Adherence to and preservation of the neopatrimonial system, besides maintaining power in the hands of the ruling family, can also serve as a means of gaining the support of the traditional elements of the country. As mentioned, the basis of power in Saudi Arabia is rooted in the religious and political alliance between the House of Saud and the clergy, the mutual ties between the royal family and tribal leaders, the strengthening of traditional civil institutions such as the market, clergy, and tribes, preventing the empowerment of new civil institutions, and expanding the patron-client relationships between the government and its affiliates. The power structure in Saudi Arabia, framed as a monarchical system within the House of Saud, is based on a traditional tribal system. The House of Saud leads the country as a family, and maintaining the neopatrimonial system can preserve this significant power base in Saudi Arabia, fostering a win-win game between the House of Saud and the traditional base.

The article further argues that considering the entrenched tribal socio-cultural structure and submissive culture, the opposition from conservative Islamist and Salafi factions to profound reforms, the weakness of civil society institutions, the ongoing distributive-welfare functions on a wide scale, and the existence of extensive support networks across the country formed based on ethnic-tribal affiliations over many years, the implementation of reforms under Vision 2030, which promises not only economic approaches but also hints at social changes, faces serious challenges. Preserving the neopatrimonial system by garnering the support of the traditional-tribal base, which sees itself as a weaker partner in power, can manage this potential conflict.

9. The Conflict Theory and the Consolidation of Neopatrimonialism in Saudi Arabia

As previously mentioned, the conflict school posits that in the early stages of development, democracy and democratic processes may hinder economic growth. This is because rapid development requires a strong and centralized state capable of implementing long-term economic policies without the

political pressures arising from democratic competition (Rivera, 2002). This approach is particularly relevant in countries with neopatrimonial political structures, such as Saudi Arabia. From the perspective of the conflict school, neopatrimonial states, due to the concentration of power in the hands of the ruler and personal loyalty networks, can implement economic reforms more swiftly and authoritatively. In Saudi Arabia, economic reforms under the Vision 2030 program have been executed by Crown Prince Mohammed bin Salman with the full support of the monarchy. This concentration of power has allowed the government to implement long-term economic policies rapidly, without the need to seek approval from various political groups or be accountable to democratic institutions (Walid, 2021).

The conflict Theory also emphasizes the importance of political stability in the development process. In Saudi Arabia, the neopatrimonial system has created political stability through strict societal control and the suppression of dissent, providing a suitable environment for implementing economic reforms. This stability has enabled the government to carry out long-term economic programs without concerns over political unrest or frequent policy changes. A key feature of neopatrimonial systems is the distribution of rents and economic resources to personal loyalty networks. In Saudi Arabia, economic reforms have not only reduced dependence on oil but have also reinforced loyalty to the ruling system by creating new economic opportunities. For example, major economic projects such as the NEOM city and the development of non-oil sectors have been awarded to networks loyal to the royal family. This has not only strengthened the loyalty of these groups but also enhanced their economic power.

The conflict Theory argues that in the early stages of development, widespread political participation can lead to instability and undermine economic policies. In Saudi Arabia, economic reforms have been implemented without accompanying political reforms. This has allowed the government to maintain centralized power and prevent any pressure for democratic changes. In effect, economic reforms have contributed to the consolidation of the neopatrimonial structure rather than fostering political openness.

From the perspective of the conflict Theory, non-democratic institutions can be more effective in the early stages of development, as they are capable of implementing long-term economic policies without the need to secure public approval. In Saudi Arabia, non-democratic institutions such as the

royal family and personal loyalty networks have played a key role in executing economic reforms. By maintaining complete control over economic and political resources, these institutions have been able to implement reforms more swiftly and efficiently.

10. Conclusion

This article aimed to examine the power structure and neopatrimonialism in Saudi Arabia, the relationship between the type of political system and development within the framework of the Conflict School, the rentier state, and authoritarian bargains, and to assess these concepts in the Saudi political system. The examination of Saudi governance revealed that political centralization, the stabilization of an authoritarian regime independent of society, the significant weakness of society relative to the state, and the high authority of the state over society, as well as the formation of a corrupt support network in the form of patron-client relationships, are key features that have made the political system in Saudi Arabia a stable neopatrimonial regime.

In evaluating the impact of political system type on economic development, the article argues that no single model exists regarding the relationship between the type of political system and economic performance, as countries with similar political systems exhibit vastly different economic performances. Additionally, no specific political system can be universally prescribed as an effective and efficient model for achieving economic development. The Conflict School's approach posits that governance, the efficiency and effectiveness of governments, and the ideologies of ruling elites (whether democratic or non-democratic) are the main factors in development, and the type of regime (in this case, neopatrimonialism in Saudi Arabia) does not necessarily hinder reforms.

The article further contends that the economic incentives offered by Saudi Arabia, distancing from rentierism, and within the framework of an authoritarian bargain, have caused dissatisfaction among the traditional-religious base of the country. This commitment to maintaining the neopatrimonial system, in addition to preserving power within the ruling family, can also act as a lever for gaining the satisfaction of the traditional base. As mentioned, the foundation of power in Saudi Arabia is based on religious and political alliances between the Al Saud family and the clerics and the Wahhabi doctrine, reciprocal ties between these family and tribal leaders, strengthening traditional civil institutions such as the market,

clergy, and tribes, preventing the empowerment of new civil institutions, and expanding patron-client relationships between the government and its affiliated members. The power structure in Saudi Arabia, shaped as a monarchy within the Al Saud family based on the traditional tribal system, moves the country forward as a family unit, and maintaining the neopatrimonial system can preserve this significant and fundamental power base in Saudi Arabia, making the relationship between the Al Saud family and the traditional base a win-win situation.

The article showed that considering the institutionalized cultural-social tribal structure and the culture of subordination, the opposition of conservative and Salafi Islamists to deep and profound reforms, the weakness of civil society institutions, the continuation of distributive-welfare functions on a large scale, and the existence of extensive support networks throughout the country based on ethnic-tribal ties formed over many years, implementing the reforms outlined in Vision 2030, which promise not only economic approaches but also glimpses of social changes, faces serious challenges. Maintaining the neopatrimonial system, by gaining the approval of the traditional-tribal base that sees itself as a weaker partner in power, can manage this potential conflict.

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