

## Saudi Vision 2030, Lacks Vision

### News:

The Deputy Crown Prince of Saudi Arabia, Mohammed bin Salman, recently made headlines with his Vision 2030. At his press conference in Riyadh, the 30-year-old announced 'Vision 2030' which is a long-term development plan to diversify the country's economy beyond oil and pilgrimage. Vision 2030 states: *"Gold, phosphate, uranium and many other valuable minerals are found beneath our land. But our real wealth lies in the ambition of our people and the potential of our younger generation. They are our nation's pride and the architects of our future."* Saudi Arabia has for long relied upon its oil wealth, but for many years squandered this wealth on western stock markets and arms purchases, rather than building its own economy.

### Comment:

The Saudi monarchy is completely dependent upon oil. The oil industry produces 45% of Saudi Arabia's gross domestic product and 75% government revenues. Even 40% of the country's private sector is based on oil. Up to 65% of Saudi oil comes from the world's largest oil field – Ghawar discovered in 1948. By most estimates Saudi will exhaust its oil within 50-90 years, this has been well known since the 1970's and several plans since to develop the non-oil economy have never been successful. Saudi's dependency and reliance on oil has stifled the development of other sectors and restructuring the economy now, even if successful would mean the result of such reforms at best will be decades away.

The monarchy created a culture of dependence. It subsidised huge social welfare programmes to buy the silence of its population. This has resulted in many Saudi men choosing unemployment over employment or taking up 'no show' jobs. Those that do work, they have become world renowned for only working in government jobs where the work is easy, the pay is good and the title is flattering.

A major part of Vision 2030 was the announcement of the domestic production of half of the monarchies military needs. Saudi Arabia currently has the world's largest military budget after the US and China (\$87 billion) and nearly all military equipment is imported. The monarchy has for decades failed to build a national defence base. The monarchy always took the option of purchasing military platforms from abroad and this has created a relationship of dependency with the US and Britain. But previous attempts at indigenous production have all failed and once again this vision lacked much detail on how the current dependency on the west will be overcome.

Saudi Arabia has always lacked the skills, knowledge and research and development capability needed to be a modern nation. Much of this is down to the Saudi education system which focuses on memorization solely to pass exams rather than building thinking and developing ideas and building approaches to learning. With the Wababi's dominating religious life in the country, their school of thought is taught in the Islamic institutes which places the study of engineering and science as secondary subjects, which at best are neglected. This is why the Saudi monarchy has consistently turned to foreign skills, expertise and workers, to ensure the Saudi machinery is well oiled, which has made the problem of indigenous capability even worse.

The most glaring hole in the vision was the lack of political goals. There was no mention of Saudi's regional role or even global role. For too long Saudi has implemented British and American aims in the region. This includes the two state solution over Palestine, supporting certain groups in Syria and balancing Iran. Developing an economy without any political goals has been a recipe for disaster for many nations in the past. And in the case of Saudi this shows there will be no change to the political orientation of the country, despite its immense wealth.

Whilst Vision 2030 is filled with rhetoric and grandiose plans, it lacks any detail on how much of this will be achieved and how the challenges Saudi currently has will be overcome. With oil prices so low, the monarchy is struggling with a budget deficit, debt and maintaining its social welfare subsidies. It remains to be seen if this vision ever becomes a reality.

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