1 Oil and Islam in the Gulf

Introduction

For centuries, Islam as religion, normative system and foundation of social and political practice prevailed in a more or less vast territory that extended and contracted, stretching from the frontiers of China to North Africa and from Southern Europe to sub-Saharan Africa. The last of the Muslim caliphates, the Ottoman Empire oversaw a territory that, on the eve of World War I and its demise, encompassed much of what is now commonly referred to as the Middle East. While the Empire's politics is said to have been based upon "a mixture of religion and dynastic loyalty" (Ochsenwald 1984, 3), in the predominantly Arabic-speaking lands that it ruled from the sixteenth century, authority was largely decentralized such that there was considerable local autonomy over both politics and the "domain of Islam" (Lapidus 1996, 12). Although little is known about the lives of villagers and nomadic groups in Ottoman lands, it is fair to say that for town dwellers and political elites, Islam tended to play a substantial role in daily life. And in the Arabian Peninsula, where it had emerged in the Hijaz in the west, in Mecca and Medina in the seventh century, Islam enjoyed pride of place. Indeed, according to an eminent scholar of nineteenth-century Arabia, religion was surely a "chief motivating force" in that region's social history (Ochsenwald 1984, ix).

The discovery of oil in the Gulf region, beginning in Persia (under the Qajar dynasty) in 1908, Iraq (a British-mandated territory) in 1923, followed by Bahrain (a British protectorate) in 1932, and Kuwait (a British protectorate) and Saudi Arabia in 1938, represented a dramatic development. Within a few decades, the availability of a seemingly unlimited (and increasingly highly valued) source of energy and of capital provoked the persistent encroachment of foreign powers coveting that resource; and their exploitation of oil engendered novel settlement patterns and urbanization, novel employment structures and practices. The new reality profoundly restructured societies shaped by Islam, among other forces, and already affected in different measures by contact with the west, colonial domination and the insinuation of particularist identities. The exploitation of oil by imperial powers impacted not only local economies and social relations but also the organization of governance within emergent or newly created states and their interactions with the outside world. For some analysts – most notable among them Daniel Yergin (1991) and Leonardo Maugeri (2006) – oil came to define an era.

Much has been written about oil and its effects on politics, society and the economy; much has been written about Islam, Islam and politics, and Islam in the Middle East and North Africa (MENA). Virtually nothing has been written about connections between oil and Islam apart from Saudi Arabia's "recycling of petrodollars" to export its ruling politico-religious ideology and spread Saudi influence, Gulf states' spending oil revenues to encourage radical "Islamist" movements, and more recently, Saudi Arabia's and the United Arab Emirates' use of oil revenues to suppress the Muslim Brotherhood.[1] The research on which this book is based grew out of my earlier critical engagement with the rentier state framework and related "resource curse" literature that address the challenges faced by states and societies where government revenues and national welfare are dependent upon the export of a single high-valued natural resource (Lowi 2009).[2] It was inspired by my puzzling over possible impacts "oil" and "Islam" have had on each other in states where they co-occur and are prominent. In considering the Gulf monarchies, I began by asking myself how, if at all, has Islam, as a normative system, code of conduct and set of practices, shaped the allocation of oil revenues, and how, if at all, has oil, or rather the allocation of revenues from the sale of oil, impacted Islamic doctrine – the set of beliefs, its juridical interpretations or practices. Additionally, I wondered how the spectacular wealth derived from oil and natural gas, from both their export and the investment of (surplus) rents, has affected the way Gulf rulers govern and Gulf Arabs live as Muslims today.

In posing these questions, I focus on Islam as a tool of governance and statecraft, hence on ruling elites. I study the "petro-monarchies" of the Arabian Peninsula, member states since 1981 of the Cooperation Council for the Arab States of the Gulf, colloquially known as the Gulf Cooperation Council (GCC). Although several Muslim-majority

[1] See, for example, Noreng (1997); Rashid (2010); Al-Rasheed (2002). For an eclectic discussion, see Haykel (2015,125–47). For a multilayered study of one of Saudi Arabia's "missionary project(s)," see Farquhar (2017). Note that Foley (2010) mentions both Islam and oil in the title of his book but says little about a relationship between them.

[2] The "classics" of the rentier state framework include, *inter alia*, Mahdavy (1970), Beblawi et al. (1987). For a review of the "resource curse" literature in its early stage, see Ross (1999).

countries of North and sub-Saharan Africa, Central and Southeast Asia have also experienced important effects attendant to the exploitation of oil reserves, it is arguably in the Arabian Peninsula, the cradle of Islam, where Islam and oil, both independently and together, have contributed to the structuring of politics and social life more deeply and broadly, and over a longer period of time than elsewhere.[3] Consider the following: In 2018, the six Gulf monarchies, with a combined population of 27 million citizens (and 29 million expatriates), accounted for roughly 30 percent of the world's proven oil reserves and 21 percent of its natural gas, down from 40 percent and 25 percent, respectively, eight years before. Their hydrocarbon sectors accounted for, on average, about 73 percent of combined total exports (ranging from a low of 50 percent in Bahrain and the United Arab Emirates [UAE] to a high of more than 90 percent in Kuwait and Qatar), at least 70 percent of total government revenues in all but one country (UAE), and more than 40 percent of GDP in all but two (Bahrain and UAE) (Ollero et al. 2019, 54–9).

No doubt, the relative abundance of oil and natural gas, designated as "common property resources," in and along the shores of the Arabian Peninsula has contributed enormously over the past fifty years to the power of the centralizing state and its international visibility. Moreover, ruling elites of these hydrocarbon-rich states insist, to varying degrees and in multiple ways, upon their commitment to the faith and, in some cases, assert that their own legitimacy derives from Islamic codes. For example, in their constitutions, the governments of Kuwait and Qatar cite the *Shari'a* as a main source of legislation, as does the government of Oman in its Basic Law. Saudi Arabia goes even further, stipulating in its Basic Law that its constitution is the *Qur'an* and the *Sunnah* (practices of the Prophet Mohamed).[4] As the dominant, indeed the sole recognized religion intrinsic to state-building, Islam in Gulf monarchies has not only been a source of legitimation for rulers but more so than elsewhere in the MENA region, except perhaps Iran since 1979, it has been absorbed within state institutions and intertwined with national identity and public norms.[5]

Although Gulf rulers broadcast their adherence to the religious tradition, some of their practices, as will be evident in the chapters that follow, do not appear to align with its principles. This, however, is

[3] For oil's role in modernization and development in the broader Middle East, see, for example, Cammett et al. (2015); Henry et al. (2001).

[4] Césari (2014) points out that most MENA states include Islam in their constitutions. She suggests that doing so is a means to both legitimize their power, since the state thereby assumes the role of guardian of the faith, and deny religious diversity (31–2).

[5] I borrow this latter insight from Césari (2014, xv) and apply it here to the Gulf monarchies.

neither surprising nor unusual, nor unique to Islam. As with other religions as well as secular moralities, Islam has guiding principles relative to, for example, redistributing wealth and protecting the most vulnerable members of society, and these principles have been interpreted and institutionalized in many different ways. Moreover, the behaviors of a community tend to be more closely connected to economic and social structures in place than they are to religious doctrine, even though, at its inception, doctrine was largely a response to those structures (Rodinson 1978, 164). As for rulers, interests related to their office, as in retaining political power and access to resources, outweigh religious principles in guiding their behavior, although religion (and religious discourse) may provide a cover for secular interests (Gill and Keshavarzian 1999).[6]

In this book, I, like other scholars (for example, Tabaar 2018; Platteau 2017; Zeghal 2012; Mandaville and Hamid 2018), am less concerned with "Islamic intentionality and sincerity" than with the ways in which religion, not unlike oil revenues, is used by ruling elites as a tool to advance particular interests.[7] As with any ideology or type of group affiliation/identification, religion – its doctrine, symbols, norms of behavior or practices – can be mobilized by well-placed individuals to pursue their goals and advance their priorities. Hence, I ask the following: Given that wealth circulation practices of Gulf monarchies, avowedly Muslim states, do not typically adhere to principles of the faith, how, then, are oil revenues allocated and religious norms manipulated, and for what purposes? To explore this central question, I examine four government-sponsored institutionalized practices associated with welfare and/or development, financed by oil and gas revenues and sanctioned, either implicitly or explicitly, by Islam – government subsidies and transfers, the employment of foreign labor, charitable giving, Islamic banking and finance – in Kuwait, Qatar, Oman and Saudi Arabia, four of the six GCC states. I have chosen to focus on these four because they offer interesting variation. As for Bahrain and the UAE, while I refer to them at times and especially in the examination of Islamic finance, I omit them from much of the evidentiary portion of this study because of particular confounding features that could bias outcomes. Unlike the other Gulf monarchies, Bahrain has a Shi'a majority population but a Sunni political elite and

[6] As an example, Madawi al-Rasheed (2012, 204–6) describes a "theology of obedience" whereby official religious discourse in Saudi Arabia has served to depoliticize society.

[7] While my attention in this study is on ruling elites and not religiously inflected (dissident) movements in the Gulf, it is worth noting that the literature on the latter and the strategies they employ to achieve their goals is vast. See, *inter alia*, Hegghammer (2010); Freer (2018); Al-Rasheed (2007).

sectarianism in governance; hence, state narratives and distributive practices are informed, in large measure, by sectarian considerations.[8] The UAE is a federation of seven states with six ruling families, each with autonomy over local resources, revenue streams and fiscal policy. The seven emirates manifest considerable heterogeneity in terms of income, level of development and natural resource endowment. While one emirate (Abu Dhabi) has most of the petroleum reserves (95 percent), the others have very little, if any at all. Oil-poor Dubai has the highest level of development in the federation, whereas a few of the northern emirates depend on subsidies and grants from the federal government. No doubt, each of the Gulf monarchies has unique features. I suggest, however, that apart from Bahrain and the UAE, none – not even Kuwait with its functioning parliament for much of its post-independence history, nor Oman with its Ibaḍi[9] religious establishment – has features that skew outcomes of the practices I am investigating.

I argue that in the four states, not only hydrocarbon rents but also religious (discourse and) doctrine and the related notion of community (*umma*) are instrumentalized for the sake of achieving political goals. They are manipulated by ruling elites in ways that allow for privileging themselves and their ambitions while managing, dominating and controlling society. Family, associates and loyalists are favored; real or potential adversaries are appeased; and those who are considered to be different, distant or disassociated are snubbed (if not punished). In exploring connections between oil revenues[10] and Islamic norms through an examination of four government-sponsored, institutionalized practices, I show that in the contemporary period, regime behavior is not merely detached from religious principles, but more significantly, norms are either reconfigured or their interpretation revised for the sake of narrow (political) interests. Maintaining dynastic states is the priority; oil and Islam are its principal tools.

[8] While sectarianism is institutionalized in Saudi Arabia, as well, insofar as discriminatory policies and practices prevail toward its Shi'a minority communities (representing 10–15 percent of the total population), Bahrain's situation is quite unique given the political–demographic imbalance and the regime's perceived (structural) vulnerability. In Oman, sectarianism has been deterred by the very deliberate promotion by the former sultan of a universal or, in Amal Sachedina's (2021, 11) terminology, "desectarian" Islam in which the basic principles of the faith are emphasized. On sectarianism in the Gulf, see Potter (2014). For a rich treatment of sectarianism in Bahrain and Britain's central role in its institutionalization, see Alshehabi (2019).

[9] Ibaḍi (al-Ibāḍīya) are a sect in Islam, distinct from Sunni and Shi'a. For a rich treatment see Hoffman (2012).

[10] In this book, I use "oil" as a shorthand for crude oil and liquid natural gas.

Table 1.1 *Rent abundance in 4 GCC states, select years*

	Oil/Gas as % Exports		Oil/Gas as %Gov.Revenue		Oil/Gas as %GDP	
	2012	2018	2012	2018	2012	2018
Kuwait	95.5%	93.8%	93.6%	89.6%	64.5%	54.1%
Oman	83.6	74.4	84.7	78.2	44.9	40.8
Qatar	92.5	88.2	77.1	83.3	58.1	47.4
KSA	87.4	80.2	91.8	67.5	45.2	43.2

Source: Ollero et al. (World Bank Group), Gulf Economic Monitor, Dec. 2019

Oil and Islam as Tools of State Power

The four Gulf states treated in this study – Kuwait, Qatar, Oman and Saudi Arabia – are oil- and gas-exporting, dynastic autocracies and (in the latter two cases, absolutist) monarchies, dependent on foreign powers for protection but also as buyers of their hydrocarbon resources (oil and natural gas) and suppliers of their manifold imports that include projects, expertise, labor, consumption goods, weapons, etc. Classic rentier states,[11] they were, until recently, absolutely dependent on their narrow resource base and the external environment: Their petroleum sectors account for the majority of exports and, in most cases, government revenues, as well (Table 1.1).[12] And since rent accrues directly to the state and rent-derived income predominates in government finances, engaging in distribution, as in the extension of goods, services and financial facilities, has remained a primary task of national governments and an important source of their legitimacy.

Especially since the new millennium, however, burgeoning income from rising oil and gas prices, from 2000–08 and 2009–14, has facilitated lucrative international investments and the expansion of important savings/wealth funds (nourished by surplus rents and returns on investments), thereby diversifying government revenue sources somewhat (Bazoobandi 2012; Seznec et al. 2019).[13] Adam Hanieh (2018, 31) reports that while precise data is lacking, "(A) conservative estimate puts

[11] Rentierism refers to the predominance of rent-derived income in government finances, combined with the tendency for distribution to take precedence over production as the principal task of the state.

[12] However, by the early 1980s, Kuwait was already earning more from its foreign investments than from its oil exports (Bazoobandi 2011, 66).

[13] Official figures of their sovereign wealth funds are not published. Note, as well, that some portion of the international investments is the work of private Gulf capitalists and not the national governments.

Table 1.2 *Population and per capita income, 2017*

	Total Pop.	GNI p.c. (PPP*)
Bahrain	1.5 mill.	$46,190
Kuwait	4.2	66,102
Oman	4.6	41,230
Qatar	2.7	127,602
Saudi Arabia	33.0	55,650
UAE	9.5	71,690

* expressed as purchasing power parity, US$
Source: IMF: World Economic Outlook database; World Bank Indicators database

the collective value of disposable wealth and foreign assets of GCC governments, sovereign wealth funds, private Gulf firms and individuals at well over US$6 trillion by 2016." With their spectacular wealth and bold ventures across the globe, these "petro-monarchies" have become increasingly integrated as prominent players in global capitalism; however, Bahrain and Oman are not in quite the same league as the other four. Furthermore, while their oil and gas reserves are among the largest in the world, their populations are relatively small. Apart from Saudi Arabia, which had a population of 33 million in 2017 (of which 20 million, or 60 percent, were citizens), Oman had 4.6 million (of which 55 percent citizens); Kuwait had 4.2 million (31 percent citizens); and Qatar had 2.7 million (11.5 percent citizens).[14] The combination of small size with vast hydrocarbon endowments and other important sources of national income accounts for high per capita income. In 2017, in fact, three of the six Gulf monarchies ranked among the top ten countries in the world in terms of per capita income. Qatar, with a citizen population of just over 300,000, held first place (Tables 1.2 and 1.3).[15]

While there was no modern state to speak of in the Arabian Peninsula prior to imperialist powers' discovery of oil beginning in the 1930s, revenues from the sale of oil became critical for the tasks of

[14] At that time, 11.5 percent of the total population of the UAE and 47 percent of the total in Bahrain were citizens.

[15] Michael Herb (2014, 10–15) contends that the proper measure for rentierism is per capita rent income. He points out that on the basis of this measure *per citizen*, Kuwait, Qatar and the UAE are the world's richest rentier states, while Oman and Saudi Arabia follow close behind. (He refers to the former as belonging to the category of "extreme" rentier states and the latter as "middling.") Thus, Qatar's per capita income of $127,000 in 2017 would have been significantly higher if only its citizen population were considered.

Table 1.3 *Oil and LNG rents per capita (in 2022 USD),* GCC states and select others,** select years*

Year	Saudi Arabia	Qatar	Kuwait	Oman	UAE	Bahrain	Eq. Guinea	Brunei	Norway	Trinidad-Tob.
1980	$38,802	***	$37,447	$10,009	$56,721	$18,727	$0	$28,707	$7,703	$9,633
1990	$12,111	***	$13,840	$10,870	$28,055	$8,793	$0	$13,167	$7,932	$2,471
2000	$10,489	$33,531	$26,205	$12,310	$15,683	$6,069	$3,437	$12,177	$12,093	$1,891
2010	$9,742	$30,555	$27,424	$10,175	$9,404	$5,425	$6,492	$11,345	$11,630	$3,022
2020	$4,701	$16,327	$11,310	$4,432	$8,775	$2,987	$1,135	$5,339	$4,241	$1,053

* Data manually adjusted for regional inflation; "rents" defined as revenues minus costs as stated in World Bank (2021)."
** Sample of oil-/gas-rich, low-population states in different world regions
*** World Bank inflation measures for Qatar in 1980 and 1990 not available
Sources: derived from World Bank Indicators for: oil rents (% of GDP), natural gas rents (% of GDP), GDP deflator (base year varies by country), GDP (current US$), population, total

state-building. They initially supplemented and eventually superseded royalties from the British Crown, as well as revenues from the hajj in the case of Saudi Arabia, from pearling in Kuwait, Qatar and Oman, and from both long-distance/maritime and internal trade in all four. In each country, the state is coterminous with a single family – the al-Saʿud (Saudi Arabia), al-Sabaḥ (Kuwait), al-Thani (Qatar), al-BuSaʿid (Oman)[16] – that had enjoyed some prominence pre-oil and eventually came to dominate politically, at least in part with the intervention and certainly the backing of first Britain, and later, the United States (Sluglett 2002, 150). Until today, the latter, with the United States in the lead since the 1980s, have provided military protection, as well. Thus, ruling families have enjoyed powerful foreign patrons and access to vast sums from external sources.

The rentier state/resource curse literature has offered several insights about the supposed peculiarities of these states and the ways in which dependence upon oil extraction and export has impacted the economy, as well as politics and society.[17] Hossein Mahdavy (1970), in his seminal article, points out that in most environments, the government, as overseer of the public good, "owns" subsoil minerals. Hence, rents from the sale of oil and natural gas quite naturally accrue to the government. Furthermore, as rents increase, the public sector grows in size and importance, and the government's power and authority grow and become increasingly centralized. It is worth noting, however, that in the Arabian Peninsula, the foreign companies that explored for oil singled out a prominent family in each locale and deliberated with them alone. Backed by their home governments, they eventually offered the family a share of the oil sales in exchange for a concession: the exclusive right to continue exploiting the resource in that territory (Crystal 1990; Vitalis 2007). Thus, imperial powers reinforced the stature and prerogatives of a single family, and the preferred member within it, thereby paving the way for the latter's assumption of autocratic control over what would eventually become an independent state.[18]

[16] In Oman, however, as will become evident, the late sultan Qābūs bin Saʿīd (1970–2020) ruled without sharing power with family members, although relatives figured among his important allies (Valeri 2009, 94–5).

[17] See, *inter alia*, Ross (2012); Sachs et al. (1995).

[18] As Tim Mitchell (2009, 2011) has proposed, in response to a claim of the resource curse literature that oil wealth fosters authoritarian governance (Ross 2001), the latter may be symptomatic of behaviors and relationships that occurred or were initiated from outside the oil-producing state. He argues that "production arrangements" imposed by the European and American oil companies on host governments were crafted for their own benefit and that of their governments. And several of these arrangements, as noted, favored autocratic rule.

Classic rentier states, Gulf monarchies are said to enjoy "revenue autonomy" since the bulk of their revenues comes from rents that accrue directly to them from external sources (and eventually, from returns on their foreign investments made possible with surplus rents). Hence, they perceive no need to extract from their populations to carry out the tasks of governance.[19] And typically, they fail to disclose to the public the actual size of the rents they receive. It is generally assumed that only a portion of the real oil and gas revenues appears in the national accounts and government budget (Alshehabi 2017). However, this "secrecy" is not a "quality" of oil revenues, as Ross (2012, 59–62) claims; it is more closely associated with the behavior of autocrats.

Gulf monarchies also enjoy, in Terry Karl's (2007) words, "discretionary power over spending" in that the government, headed by a single family, decides how to allocate the revenues. In Kuwait, however, its fully elected National Assembly, unique among the Gulf monarchies, enjoys some influence over policy-making. Thus, the government determines who gets what and who is excluded. Insofar as these states' social spending is concerned, it includes the generalized distribution of free or subsidized goods and services to the citizen population, as well as allowances to members of key social groups. By spreading wealth in this manner, it has been argued, rentier states buy broad-based, public support – in other words, the legitimation of their rule. Hence, oil rents can be considered as a tool that is used for political purposes. Furthermore, as rents are indeed instrumentalized by autocratic rulers to achieve their goals, this sort of distribution is coercive in function and objective. Rather than reflective of a "social contract" (Crystal 1990) or "ruling bargain" (Kamrava 2014) in which citizens agree to forego political participation in exchange for material benefits (including low taxation), it is meant, as Albertus et al. (2018) argue, to render citizens/subjects dependent on their rulers for their survival. Thus, distribution enforces submission, while neutralizing (potentially) rival elites. As such, "coercive distribution" is an effective "strategy for authoritarian consolidation" (17).[20] In short, oil revenues are utilized by ruling elites to enhance their monopoly of power.

Not unlike oil revenues, any ideology, whether nationalist, religious or universalist-humanist, can be exploited by privileged persons – what

[19] See Chaudhry (1997, 143–44) on the end of tax collection in Saudi Arabia in the mid-1970s. However, see Hertog (2010, 77) for a critique of Chaudhry's claims.

[20] No doubt, some portion of rents can be allocated for the creation of and support for productive enterprises, as Hertog (2010) argues in his discussion of the few "islands of efficiency" in Saudi Arabia. While this phenomenon may be rare, it demonstrates the importance of choice, even among oil-exporting states, rather than the commodity determinism that has infused some of the rentier state/resource curse literature. See, Lowi (2009, 37–40).

Maxime Rodinson (1978, 222–23) refers to as "profiteers of the ideology" and Charles Tilly (2003, 30) refers to as "political entrepreneurs" – for the pursuit of their own self-interested goals. Thus, the sacred can be invoked and instrumentalized for secular political ends. The politicization of religious traditions, including via the mobilization of religious communities, has been the subject of much research and debate (for example, Gill 2001; Grzymala-Busse 2012; Wald et al. 2004; Mandaville 2001; Rouhana et al. 2021). Within this body of literature, the instrumentalist approach proceeds from the observation that new forms of governance and major changes in policy behavior tend to be accompanied by "supporting patterns of ideological, religious, or moral justification" (Hasenclever and Rittberger 2000, 660).

As a normative framework, Islam presents a set of beliefs with which the *umma* (the community of believers) closely identifies and which is meant to govern their behaviors. And since the inception of Islam in the seventh century, adherents have mobilized to spread, if not impose, its teachings. While grassroots mobilization in the name of the faith has dominated the social-scientific study of Islam and politics in recent decades, my focus in this book is on Islam as statecraft, Islam in governance.

Given the significance of Islam in the MENA as a source of identification and a resource for mobilization, authoritarian states, no matter their political tendency, need to engage directly or indirectly with Islam. As Nathan Brown (2015, 42–4) points out, not only is religion "a public matter and therefore woven into the structure of the modern state" but also, in the MENA region, it often provides "an important anchor" for discussions about "justice, morality, political and social behavior." Furthermore, being authoritarian, most states of the region "tend to see regime survival as inextricably linked to religious legitimacy" conferred via descent from the prophet as in the case of Morocco; a historic alliance with a religious movement as in Saudi Arabia; the seizure of power by religious forces as in Iran since 1979; or the expression of allegiance (*bayʿa*) of the *ʿulama* (religious scholars or chief religious authorities) as in most other states. Furthermore, it is typical, in both secular and "religious" states in the Muslim world, for governments to "coopt religion – and religious leaders – as part of national development agendas or to protect the state against interpretations of religion that may undermine their authority" (Mandaville and Hamid 2018, 5). Thus, the state's regulation of religion has much to do with the ruler's priority to hold onto power.[21]

[21] Nada Moumtaz (2021, 225) underscores that beyond the Muslim world, secular states routinely engage in regulating religion and she cites, as an example, the extension of tax

In the modern state, instrumentalists argue, the use of religious rhetoric, including the fanning of religious symbols or practices, tends to be a cover for parochial (and often, institutional) interests related to such things as access to political power and resources. Whether we consider conflicts between the state and religious forces (Gill and Keshavarzian 1999; Platteau 2011), struggles among competing political factions (Tabaar 2018), reform agendas of authoritarian rulers (Zeghal 2012) or the foreign policy behavior of rival states (Mandaville and Keshavarzian 2018), religion can be exploited and manipulated – indeed, repurposed – for the sake of secular political ends.

Across the Middle East and North Africa, in fact, the modern state, in order to consolidate and expand its rule early on in the state-building process, expropriated Islamic institutions, such as the *awqāf*/*ḥabūs* (religious endowments or charitable trusts) and *madrasa*/*madāris* (traditional schools for higher education), that had been the exclusive domain of the religious clergy. In so doing, it undercut the authority of the *ʿulama*, transforming them into civil servants. At the same time, it began providing public services – social welfare, education and justice – that were equivalent to services formerly provided by religious institutions (Césari 2014, 49–51). Furthermore, in all matters related to the rulers' agenda, the *ʿulama* were either enticed to cooperate, or at least acquiesce, via the distribution of material benefits, or they were coerced to do so to avoid facing harsh consequences.

Thus, as Jocelyne Césari (2014) elucidates, Islam was nationalized: Religious institutions and the services they had provided were appropriated by the state and incorporated into (the system of) governance, while rulers arrogated to themselves the religious legitimacy traditionally enjoyed by the *ʿulama*. And the compliant *ʿulama*, "servants of the state," endorsed the ruler's policies and practices and the particular understanding of Islam that he was promoting. In these ways, Islam not only became "a tool for the elaboration of the nation-state" (30), but the religious tradition was made to cohere with state interests and programs and not the other way around (83–4). That is to say, states promote a particular understanding of Islam that suits their interests; this is true whether we consider Bourguiba's Tunisia, Qaddafi's Libya, Qaboos Al Saʿīd's Oman or Al Saʿūd's Saudi Arabia.

In her discussion of reform relative to the "woman question" in Tunisia (from the 1920s until 1987) and particularly, the wearing of

exemptions to religious organizations in France and the United States. Regulation of this sort is, no doubt, a response to the relative bargaining power of religious and political actors (Gill 2001, 132).

the *hijab*, Malika Zeghal (2012) shows how political elites, whether secularists like Habib Bourguiba or Islamists like Rached Al-Ghannouchi, appropriated Islamic narratives and instrumentalized the religious tradition for their own political purposes. During the confrontation with the French colonial power, Bourguiba, the nationalist leader, encouraged the wearing of the *hijab* as symbolic of the "nation under occupation" (3). In that context, the practice reflected Tunisians' distinctive identity and their resistance to French influence. However, with independence, this same political leader – now head of state – imposed a host of reforms of Islamic institutions. Among them, he insisted upon the removal of the *hijab*, symbolic of the new status of the Tunisian woman with rights and access to the public sphere. For Bourguiba, enforced unveiling also reflected the people's submission to the strong nation-state and its modernist agenda. Thus, Islam was institutionalized as a political resource, and a religious symbol (*hijab*) – interpreted one way and then, another – was deployed as a political instrument to achieve a particular goal in one context and later, a new goal in a very different context. While this served the secular nationalist-reformist agenda of the post-colonial authoritarian state, Zeghal goes on to show that it also paved the way for the Islamist opposition, with their own conceptions of the tradition, to do likewise – in their advocacy for wearing the hijab, for example – for their own political purposes (21). Indeed, the religious tradition can be appropriated and instrumentalized in various (and contrasting) ways, and at times, with unanticipated outcomes.[22]

In his rich study of factional politics in the Islamic Republic of Iran, Mohammad Ayatollahi Tabaar (2018) demonstrates that the instrumentalization of Islam is a strategy, derivative of strategic thinking for the sake of pursuing interests and achieving goals. He explains regime behavior through an examination of how elites transform, manipulate and make use of "religious narratives" in their efforts to meet the challenges of elite competition and achieve political ends. In his analysis, religious ideology is not only instrumentalized, but it is also "constructed"; it is crafted and molded by elites in response to changing opportunities and perceptions of threat, and for the purpose of attaining their political objectives. And new behaviors to advance elites' interests follow from the newly crafted religious narrative (2–20). He clarifies, further, that religion is instrumentalized not necessarily for the sake of creating a just, morally grounded society as per the teachings of Islam but rather for secular

[22] For example, see Sells (2021, 297) for a discussion of Wahhabi doctrine, disseminated widely by the Saudi monarchy, as inspiration for Al-Qaeda and the Islamic State, among other dissident "Islamist" movements.

pursuits: in the case of factional politics in Iran, precisely for the sake of "controlling the state" (301).

To gain or maintain control over the state, political elites in oil-exporting states beyond the MENA have themselves employed particular sorts of narratives, often of an identarian nature or related to a moral order. As Ecuador's Rafael Correa negotiated new "sovereign" contracts with foreign oil companies, upon assuming the presidency in 2007 (until 2017), he defended his policies with assertions about the systematic corruption those companies had generated in the oil sector. The "corruption narratives" and colorful public relations campaigns that accompanied them proved to be particularly effective when the new contractual arrangements, in an environment of high oil prices (2008–14), resulted in a threefold increase in state revenues (Lyall 2018, 5). However, the discourse about the moral superiority of nationalist elites was used against Correa when oil prices collapsed in mid-2014. Then, the conservative political opposition re-appropriated the corruption narrative – not unlike Tunisia's Islamist opposition did with Bourguiba's *hijab* narrative – and used it to discredit Correa and his policies (6).

At different historical moments in oil-exporting states in Latin America, racial and/or ethnic differences have been constructed and instrumentalized by ruling elites (or their opponents) as a means to retain (or capture) control over and privileged access to oil, or simply for the ruler to legitimize his power and authority. In Venezuela, for example, the Vicente Gomez regime (1908–35) exploited the foreign oil companies' practice of racializing labor in the oil fields and labor camps to narrate an inclusive state, even though the latter manifested a distinct racial and ethnic hierarchy (Tinker Salas 2009). And in Ecuador in 2008–09, ruling elites pushed back against an initiative to create an indigenous-owned oil company in the northern Amazon by exploiting stereotypes of ethnic difference. With a discourse that contrasted "modernizing mestizo authority" with "anti-modern indigenous alterity," they cultivated popular expectations of a superior distribution of resources under ongoing elite control; thus, they managed to quash the initiative (Lyall 2018).[23]

Interestingly, narratives regarding modernity and its embodiment in ruling elites can be found in both (oil-rich) Latin American states and Gulf monarchies. Fernando Coronil (1997) referred to Colonel Perez Jimenez' dictatorship (1948–58) as the "fetishization of modernity" since Jimenez spent oil rents lavishly on dazzling projects and gave Venezuela,

[23] For the instrumentalization of indigeneity to capture state power and control over resources, see the case of Bolivia (Perrault 2012, 75–102).

thereby, the appearance of a modern state (rather than it actually becoming one). The same has been said of Gulf monarchies.[24] Moreover, as purveyors of modernity in the form of development, ruling elites controlling vast hydrocarbon rents, among other sources of wealth, present themselves as the font of progress and hence, the rightful rulers (Menoret 2014, 99–101, 114–16; Lyall 2018, 12). In Oman, for example, "royalist culture was centred on the constant narration and representation … of one major story: the 'launch of the age of renaissance, development, and construction under the leadership of His Majesty the Sultan the builder of Modern Oman'" (Takriti 2013, 256). Yet "modernization" has turned out to be another means of social control.

Elaboration of the Argument

Despite the insinuations of the "first wave" of research on the rentier state – that oil causes this or that phenomenon – in fact, the effects of oil (and natural gas), like those of any resource or commodity, result from how it is exploited and how it is utilized (which are, themselves, a function of human decision).[25] Of course, the same is true for the revenues that accrue from the sale of oil. Similarly, Islam, like any belief system or ideology, has no agency. It is interpreted and practiced by humans as they choose or are encouraged to. However, the ways it is elaborated and lived (or imposed) by its ideologues/adherents do have effects. Thus, agents make use of these resources – one, material and the other, ideational – to achieve certain ends. In Gulf monarchies, oil (revenues) and Islam (doctrine and/or practices), including the related notion of community (*umma*) are instrumentalized by ruling elites to advance their political (and economic) interests.

Islam, as with other religions, ideologies and identities, is neither fixed nor immutable; its principles and guidance can be interpreted variously. They can be understood in multiple ways by different actors and in different ways by the same actors at different times. Moreover, certain precepts can be accentuated and others downplayed in one place and time or another. Its variability, indeed malleability, has much to do with context and circumstance, and changes to them, in which actors locate themselves and which inform their interests and concerns. That is to say,

[24] For example, Kanna (2005, 2011); see, as well, Appendix, pp.175–76. Lowi (2016) refers to certain "pet" projects, such as the carbon neutral Masdar City in UAE, as representations of "modernity on steroids."

[25] For a review of the first and second waves of rentier state/resource curse research, see Lowi (2009, 30–9). For recent reviews of aspects of this body of literature with applications to the Gulf, see Herb (2017); Smith et al. (2021).

in the process of Islam's instrumentalization for the sake of achieving particular goals, some aspect of the normative framework, such as the notion of community (*umma*) or the payment of zakat, may be reinterpreted and the associated practice(s) revised, and in ways that would encourage the desired outcome(s). As Tabaar (2018, 12) notes: "Religious ideology is a strategic tool, crafted and deployed intentionally along with, if not before, behavioral change to advance the elites' interests at a given time and place." Thus, politics trumps religion and power trumps ideology/identity. Moreover, norms or belief systems are not merely secondary to the pursuit of power; like oil rents, they, along with repression, are part of its arsenal. Indeed, to varying degrees in the "royalist culture" that prevails in the Gulf, as Abdel Razzaq Takriti (2013, 260) has written with reference to Oman, "religion, tradition, and fear" are instrumentalized "in the service of monarchy."[26] In the particular case of Oman in the early years of the late Sultan Qaboos' rule, "religious motifs were constantly utilized to remind Omanis that his was the reign of justice on earth" – even going so far as to imply a strong resemblance between himself and the second caliph, Omar ibn al-Khattab, "traditionally associated with justice" (257).

It is important to note that while both oil (revenues) and Islam (principles and/or practices) are deployed for the purpose of goal attainment, their strategic instrumentalization is often intertwined. For example, in Gulf monarchies, oil rents are sometimes expended by rulers or their family members to showcase Islam: either the religion *per se*, a particular understanding of doctrine or an associated practice as in charitable giving. In so doing, a narrative of religiosity and authenticity is broadcast, and the political legitimacy of the family is asserted. Beyond that, alternate interpretations of doctrine – and the religious communities that adhere to them – are neutralized, denied or simply ignored. The conjoined instrumentalization of oil and Islam thus contributes to enforcing the submission of the people and consolidating the ruler's project of community, nation and state.

Furthermore, institutionalized practices that are financed at least in part by oil wealth and sanctioned, if not explicitly encouraged, by the normative tradition – such things as the distribution of government subsidies and Islamic banking – reflect the conjoined instrumentalization of oil and Islam. Detailed examination of these practices (in Chapters 3

[26] As for tradition, it is interesting that several recent anthropological studies of the heritage (*turath*) industry in the Gulf claim that the purpose is to encourage nation-building, an "exclusive citizenship," as envisioned by the ruler. They note that the hegemonic process has entailed revising history and eliding certain groups for the sake of privileging the elite. See, for example, Al-Nakib (2020); Sachedina (2021).

and 5–7) uncovers the various ways in which they fit within a strategy to advance regime priorities: specifically, to maintain and secure the monopolization of power, wealth and authority by the ruling family. How, though, do rulers pursue this goal? They do so, in large measure, via social management and social control.

To manage and control society, ruling elites often rely upon coercion and the threat of repression. They depend, as well, upon their ability to secure the support, and surely the submission of their subjects. To achieve this, they engage in behaviors, at times accompanied by the invocation or manipulation of religious principles, that appease particular social forces and enforce society's dependence on the state. Dependence is achieved through the well-nigh universal distribution of free or heavily subsidized goods and services, while appeasement is sought through the distribution of resources to some and the exclusion of others.[27] Given that distributions of these sorts are devised by ruling elites and are meant to achieve particular outcomes, they are, as Albertus et al. (2018) clarify, coercive in function. And given the centrality of distribution in the ruling elite's stratagem to manage and control society, consumption is a key organizing principle of the state. Hence, consumption is political.[28]

The ways in which the four oil-financed institutionalized practices explored in this book are carried out are infused with political purpose. Though they may incorporate religious rhetoric, brandish religious symbols or manipulate Islamic doctrine, they invariably favor some and deny others in access to resources while consistently prioritizing the ruler/ruling family and their closest associates. By reinforcing hierarchies of relative privilege, these practices contribute to the fashioning of community and the delineation of its boundaries. In so doing, they facilitate the management and control of society. Thus, they advance the ruler's agenda. In sum, the ruling strategy, the (intertwined) instrumentalization of oil revenues and Islamic doctrine, is pursued with the goal to protect and consolidate autocracy – its (more-or-less) absolute monopoly of power and wealth accumulation.

Cases, Contexts, Structural Particularities

Before the major transformations of the twentieth century, the tribal communities in the resource-scarce interior of the Arabian Peninsula

[27] For a seminal study on nation-building via the appeasement of some through the exclusion of others, see Marx (1998).

[28] Pascal Menoret (2014) writes the following about Saudi Arabia: "In the name of development and modernization, the royal family based the national economy of the kingdom almost exclusively on consumption" (121).

engaged primarily in oasis-based subsistence agriculture, animal husbandry and, where and when possible, the caravan trade. Along the eastern coast, they pursued maritime activities – pearling, boat-building and long-distance trading, eastward across the Indian Ocean and south along the East African coast – as well as land trade within the Gulf region and among major coastal settlements. Port cities of varying importance beckoned traders, laborers and administrators from foreign lands who engaged primarily with local merchants (Fuccaro 2014; Boodrookas and Keshavarzian 2019). Both in the interior and along the coast, tribal sheikhs (chieftains) functioned as the local authority within a more-or-less weakly delimited territory with "fluid and shifting" boundaries (Onley and Khalaf 2006, 191). By custom, they were considered as "first among equals." Typically, therefore, they administered their communities through consultation (*shura*) and depended on their members and especially, merchant families, for material support (Potter 2017, 16).

While imperial powers, beginning with the Portuguese and followed by the Ottomans, had intervened in the Gulf and exercised varying degrees of control in parts since the sixteenth century, it was arguably the British (from the late eighteenth/early nineteenth century) and later, the Americans (from the 1920s), whose interventions had the most profound effect on the region's political economy. Initially, British interests in the Gulf concerned trade with India and easy passage for both goods and people between Britain and the subcontinent. However, as economic activity along the coast and in the broader Gulf region increased in importance and profitability[29] while its imperial possessions in Asia and Africa needed to be secured, Britain sought to both extend its influence and gain easier access to high-value energy resources, first discovered in Persia in 1908. In doing so, it came up against Ottoman claims to parts of "eastern Arabia" (1871–1918) – most notably, Kuwait, Qatar and Hasa (an eastern province of present-day Saudi Arabia). The Ottomans already controlled the Hejaz in the western portion of the Peninsula.[30]

To establish its regional hegemony, Britain, through its political representatives "on the ground," worked on forming alliances with local forces. With promises of protection and financial support, it crafted

[29] In the late nineteenth century, British entities secured (short-lived) tobacco concessions, a monopoly over production, sale and export of tobacco from the Shah of Persia. Then, in 1901, exclusive rights were granted to an Englishman, William Knox D'Arcy, to search for, export and sell oil and natural gas from Persian territory.

[30] The Hejaz, home to Mecca and Medina and the important port city of Jiddah, was, in fact, controlled by the sherifian Hashemite family, but from the sixteenth century to World War I, it was under Ottoman "overlordship" (Ochsenwald 1984, 6).

preferential relationships with tribal sheikhs along the coast, recognizing a powerful sheikhly family as the legitimate ruler – or *emir*, effectively pushing aside other sheikhly families (Heard-Bey 2008, 28–9).[31] Eventually, these relationships were formalized through treaties – as with the well-established Al-Sabah in Kuwait in 1899 and 1914, and the less prominent Al-Thani in Qatar in 1916. Thus, the British succeeded in obtaining the support and dependence of these families, turning them into their local intermediaries who would contribute to the realization of British interests and reap some benefits from doing so (Onley and Khalaf 2006, 202). With this enhanced status, security and financial support, the *emirs* were further distinguished from their subjects; over time, they came to depend less on consultation (*shura*) in governance, exercising, rather, "unitary sheikhly authority" (Boodrookas and Keshavarzian 2019, 16). Furthermore, as power was consolidated in the hands of just a few families, the coastal sheikhdoms (chieftaincies), with crucial assistance from their British masters, gradually extended their influence into the interior of the peninsula and over other tribal confederations, incorporating the latter into their domain. In time, and to guarantee the imperial power's access to and control over increasingly valuable resources (through their oil companies), the emir's territory was delimited and his sovereignty, thereby confirmed.

The arrangements that were shaped and then formalized to varying degrees by the British imperial power in the nineteenth and early twentieth centuries laid the foundations for the emergence of tribal autocracy and eventually, tribal dynastic monarchies in which the extended families were included within the extended royal family and enjoyed privileges (Wright 2020, 350–51).[32] They also smoothed the way for the oil companies to conduct their exploratory activities from the 1930s. Indeed, explorations for and extractions of oil in the interior of the peninsula and along its shores by multiple (British- and American-owned) companies necessitated the precise demarcation of territory, not only to "delineate (particular) oil concessions and differentiate them from those of other companies" – that is, to keep others out – but also to facilitate the dealings between the company and a single, recognized ruler. In the cases of Kuwait and Qatar, the British authorities, in fact, were

[31] In fact, the preeminence of the Al-Sabah has been recognized from the 1750s when they were chosen by the leading merchants to govern Kuwait and to do so within the parameters established by the merchants (Tetreault 2011, 75).

[32] It is important to note, however, that Oman under the leadership of the late Sultan Qaboos (1970–2020) was somewhat different from the other Gulf monarchies in that a single individual dominated the political landscape while his family and tribe were more-or-less on the sidelines.

implicated as negotiators with neighboring rulers in fixing their borders (Heard-Bey 2008, 31–6, 38–41). Thus, not simply oil, but the interests of empire and international capital were endogenous to state formation along the coast, most notably in Kuwait and Qatar, and to the reconfiguration of the state in Oman and to an extent, in Saudi Arabia, as well. The export of oil began in earnest around mid-century. By 1971, Britain had terminated its treaty relationships with the Gulf sheikhdoms; Kuwait became independent in 1961 and Qatar, ten years later.

Of the four cases, Oman and Saudi Arabia are somewhat distinct from Kuwait and Qatar in their historical development. From the mid-eighteenth century, much of the area that came to be called the "Sultanate of Oman" was acknowledged as a political entity, albeit under divided sovereignty. The Omani coast, with its center in Muscat, was under the authority of the Al BuSaʿid clan, while the interior of the country was governed by an Ibaḍi *imam* (religious leader) and referred to as an Imamate with its capital in Nizwa. And in parts of the territory that would later become the modern "Kingdom of Saudi Arabia," there were two distinct periods of Saudi-Wahhabi statehood (1744–1818; 1824–91), in which an expansionist governing structure, formed by an alliance between the Al Saʿud clan and ʿulama of the local "Wahhabi" (Hanbali) tradition, ruled.[33] A third Saudi-Wahhabi state, the current one, emerged in 1913 (Vassiliev 1998; Steinberg 2006). Both Omani and Saudi-Wahhabi entities had functioned intermittently as regional powers, offering protection to or threatening Gulf sheikhdoms to the north, while coastal Oman, which for centuries had been actively engaged in Indian Ocean trade, ruled Zanzibar in the mid-nineteenth century (Onley and Khalaf 2006, 40–1). While in both cases, some degree of "stateness" preceded the inception of the oil economy, it is important to note that here too, imperial intervention was consequential. In a variety of ways, both legalistic (through treaties and agreements) and duplicitous (via palace coups, reneging on agreements),[34] the British played a key role in altering the political landscape and solidifying the borders of Oman, as we will see shortly, and in the expansion of the political authority of Ibn Saʿud (Abdulaziz bin Abdul Rahman Al Saʿud) and the borders of the third Saudi-Wahhabi state in the 1920s (Vassiliev 1998, 253–67). The Kingdom of Saudi Arabia was proclaimed in 1932, an oil concession agreement with the United States was signed in

[33] The term, Wahhabi, refers to the teachings of Mohamad ibn Abd Al-Wahhab (1703–92), a religious scholar and preacher from the Najd in central Arabia.

[34] See, for example, Britain's duplicitous dealings with Hussein bin Ali of the benu Hashem clan, Sharif of Mecca (Fromkin 1989; Vassiliev 1998, 235–50).

1933 and oil was discovered five years later (1938) (Vassiliev 1998, 312–20). But it was not until 1948 that, with US-owned ARAMCO (the Arabian-American Oil Company) at the helm, oil exports began.

The role played by imperial powers in fashioning the "modern" Sultanate of Oman – what Abdel Razzaq Takriti (2013) refers to as the construction of absolutism as an "imperial project" (312) – is especially noteworthy.[35] In 1937, the British-chartered Iraq Petroleum Company (IPC) secured a concession from the Sultan of Muscat to explore for oil in his territory (Valeri 2009).[36] Unsuccessful in its efforts, it then encouraged the Sultan to seize the territory of the Imamate in the interior, assuming that oil would be found there. With financial support provided by the IPC and backing from the British government that included military contingents, the Sultan proceeded to attack, beginning in 1954. By the end of the decade, the Imamate had essentially been crushed and the oil companies could at last conduct their explorations.[37] In 1962, oil was discovered in the interior, in former lands of the Imamate. Two years later, oil was also discovered in Dhofar in the south, a culturally distinct "dependency" of Muscat that had been mobilizing for political autonomy. To secure their (resource-driven) interests, the British then advocated for the "pacification" of Dhofar and its incorporation into a unified Omani state under a single, British-backed sultan. They orchestrated the coup that forced out Sultan Saʿid bin Taimur and replaced him, in 1970, with his British-educated son, Qaboos bin Saʿid. With crucial battlefield assistance from not only the British but the Shah of Iran and King Hussein of Jordan, as well, Qaboos worked to neutralize the Dhofari revolutionaries and bring them into an emergent, "modern" state in 1975 under his leadership as Sultan. The onset of oil production in Oman, in 1967, coincided with and precipitated these transformations.

Another important distinction between Kuwait and Qatar on the one hand, and Oman and Saudi Arabia on the other has to do with the place of Islam in governance. In the pre-oil Omani (Ibaḍi) Imamate and in the two Saudi-Wahhabi states, a close connection existed between religious

[35] Similar to Mitchell's argument (fn. 18), Takriti shows that absolutism took hold in Oman because of the particular ways in which Britain intervened and went about pursuing its interests.

[36] A multinational company, the IPC in the 1930s was a consortium of British, British-Dutch, American and French oil companies, as well as an individual (Armenian businessman) shareholder. On its formation and securing of the "Red Line Agreement," which allowed it to monopolize oil exploration within most of the former Ottoman territories of the Gulf region, see Yergin 1991.

[37] On the Imamate and its toppling, see Wilkinson 1987.

and political authority, such that the ruler enjoyed religious legitimacy either because he was himself an *ʿālim* or because he had the support of the *ʿulama* and was said to govern according to the precepts of the faith. In the small Gulf sheikhdoms, however, rulers did not claim religious authority, nor did their power depend on explicit support from the *ʿulama*. In all settings, however, Islam was practiced as a/the way of life.

It is worth noting, somewhat parenthetically, that just as they had promoted autocracy in the emergent states of the Gulf so as to advance their own interests, the British and the Americans encouraged the politicization of Islam, as well. As Tim Mitchell (2002) has argued, in the first decades of the twentieth century, the British, anxious for greater access to the interior of the peninsula, underwrote the alliance between the politically ambitious Ibn Saʿud and the deeply conservative Wahhabi (or rather, *muwaḥiddun*) forces. With critical logistical support from the Europeans, the politico-religious expansionist alliance eventually resulted in the formation of the Kingdom of Saudi Arabia in 1932 (and its opening up to foreign oil companies). Since then, the British, but especially the Americans, have continued to promote "Islamism" – indeed, the instrumentalization of Islam for political gain – by consistently supporting conservative religious forces in the region in their shared opposition to (anti-imperialist) Arab nationalists, communists and other leftists (Mitchell 2002). In so doing, they have been able to pursue their interests in the Gulf.

While the distinctive features noted suggest that Saudi and Omani rulers may have been somewhat better equipped than their counterparts in the small sheikhdoms to exercise authority and project power before oil, in both environments similar "state-society" relations and patterns of behavior prevailed. Rulers of the four more-or-less embryonic states exploited as their own whatever resources they could tap and activities they could tax,[38] as well as the allowances and eventually, oil concession payments they received from their foreign patrons. There was no clear distinction between the resources of the "state" and of the ruler (or ruling family). For example, when he abdicated in 1949, Qatar's emir, Sheikh Abdallah, made off with the state funds as well as advances on an oil concession agreement with an American company (Crystal 1990, 118–21). And in Oman, through the 1960s at least, the oil concession was registered in the Sultan's name and oil revenues were transferred directly to his personal bank account (Valeri 2009, 92). By and large, what indigenous administrative systems existed were personalized

[38] For pre-oil Qatar, see Fromherz 2012, 118–19.

arrangements fashioned by the ruler along kinship and clientelist lines and to serve his interest in political survival and personal comfort. Social elements which the ruler depended on, or felt threatened by, had to be appeased. The ruler, referred to as sheikh, emir or sultan, distributed money, land, gifts and positions as he chose among family members and allies, and beyond them to whichever social forces – tribes, merchants, minorities – and for whatever pursuits he deemed necessary; he expected loyalty, or at least obedience, in return (Crystal 1995; Kamrava 2013, 130; Al-Rasheed 2002; Valeri 2009). The patrimonial nature of rule would persist over time and with the expansion of resources. Society was constructed hierarchically, allegiance was accorded to a particular family and rulers' reliance on foreign protection and patronage, and their deference to the policies and plans of the British or Americans, were routine (Onley and Khalaf 2006).

Since their independence, tribal dynastic monarchy exhibiting varying degrees of authoritarianism characterizes these states. Political parties are illegal in all six GCC states, but political blocs are tolerated in Kuwait and they campaign for seats in parliament. Indeed, Kuwait is unique in that its 1962 constitution provides for an elected representative assembly with legislative authority; it has had a functioning, fully elected parliament for decades. Nonetheless, from its inception in 1963 until spring 2023, Kuwait's National Assembly has been dissolved by royal decree eleven times (Allarakia et al. 2021). In Oman, elected participation was introduced in the 1990s through its *majlis al-shura* (Consultative Assembly), while Qatar's *majlis al-shura* has been two-thirds elected since late 2021. As for Saudi Arabia, its 150-member *majlis* is appointed by the king and can only provide non-binding advice on legislation. Municipal councils, in place since 2005, are only partially elected (Freer 2019, 92). Thus, in the four states, insofar as sovereignty and political authority are concerned, the ruler remains supreme.

With the discoveries of oil in Kuwait and Saudi Arabia in 1938, Qatar in 1940 and Oman in 1964, the British and the Americans concentrated their investments in the Gulf on whatever was required locally to facilitate the extraction and export of oil and the importation of goods and services for the oil industry. Scant attention was paid to the development of local industries or other economic activities, or to addressing local needs (Commins 2012; Fuccaro 2022; Al-Nakib 2016; Takriti 2013, 151–52; Vitalis 2006). In no time, laborers, who had arrived from near and far to work for the oil companies, complained about their conditions and treatment, while local populations reacted to the foreign-induced transformations underway. Meanwhile, Gulf rulers, who had been receiving a minor share of the profits from the oil companies' extractions and sales, were anxious for a greater share of the pie, both for their own personal enjoyment and protection, and to quell popular demands via distributions of various sorts. Furthermore, once the oil companies recognized the extent of the subterranean endowment and the likelihood of untold enrichment from its exploitation for decades to come, Euro-American businesses followed on their heels into the Gulf to share in the bonanza . They did so by "fabricating need" and peddling their goods and services to what Abdelrahman Munif, in his masterful work, *Cities of Salt* (1984/1988), depicts as gullible, if not besotted, local rulers.[39] Thus, as Laleh Khalili (2020, 58–69, 123–34) describes, all-out development in the Gulf – no matter how unsuitable, extravagant, exploitative – began with "colonial decision-making" to buttress oil extraction. It was quickly manipulated by European and American companies, their home governments and "experts" to nurture their national economies and enhance capitalist profits. And it was "sold" to Gulf rulers in the form of endless imports of commodities, infrastructures, expertise and plans, to satisfy their demands and quell popular discontent.

Since the explosive growth in oil revenues on the heels of the Arab oil embargo of 1973[40] and the nationalizations of their oil and gas industries (1975–80),[41] unbounded development in the Gulf monarchies has persisted despite periodic economic downturns, and rulers' distributive activities, described in Chapter 3, have proliferated. With rampant consumption, indeed, an "energy-intensive consumerist lifestyle" at its core, so-called modernization, that had initially been imposed by Euro-Americans in order to advance their pecuniary interests, has become, in the embrace of Gulf rulers, not simply a reflection, but rather a tool of modern authoritarianism (Hammoudi 2006, 114–15). It is noteworthy that since the 1970s, these same governments have been championing Islamic values, at least discursively, in their national development programs. Routinely, these plans refer to safeguarding the ethical principles of Islam as a key objective and criterion of their implementation. For example, Saudi Arabia's Second Development Plan (1975–79) cites its first goal thus: to "maintain the religious and moral values of Islam"

[39] Mitchell (2009; 2011, 39–42) observes that big oil companies "manufacture(d) scarcity" to maintain their profits. They did so in a variety of ways, among them, by encouraging an "energy-intensive consumerist lifestyle."

[40] In response to the United States' and several other countries' support for Israel during the October 1973 war, oil-producing Arab states temporarily ceased shipments of oil to those countries. With the imposition of the embargo and the supply disruptions that ensued, the price of the barrel of oil quadrupled.

[41] Oman's oil industry is not fully nationalized; the Omani government owns 60 percent and foreign entities, principally Royal Dutch Shell, own the rest.

(Jones 2010, 84–5). And in its summary of Kuwait Vision 2035, Kuwait's Ministry of Foreign Affairs reports that one of the strategic goals of the national development plans is to "preserve the values of the Arab-Islamic identity."[42]

Finally, the Gulf monarchies are dependent states. To carry out the imperatives of modern states, they have depended, until recently, almost exclusively upon their hydrocarbon sectors and securing revenues that derive, either directly or indirectly, from the sale of oil and natural gas.[43] To be sure, these regimes' staying power has depended upon their ability to sell their hydrocarbon resources to meet both external demand via exports and, as Jim Krane (2019, 67–79) illustrates, internal demand – for (energy-intensive) development and the associated consumerist lifestyle – via imports from abroad, as well as distributions at home.[44]

In addition to depending on states in the international system as buyers of their oil and natural gas and producers of all that they import, the Gulf monarchies rely on foreign powers for (military) protection. Britain, as noted, was the guarantor of their security and that of their predecessors from the late nineteenth century, while the United States has assumed leadership of that role since the 1980s. For example, in response to Iraq's invasion and occupation of Kuwait in 1990/91, about 700,000 foreign troops from the United States and its partners were deployed to the Gulf whence they routed Iraqi forces.[45] Currently, the Al-Udeid base in Qatar is the largest U.S. military base in the Middle East and has been the headquarters of the US Air Forces Central Command since 2003, while Bahrain houses the US Fifth Fleet and Naval Forces Central Command. Both countries host several thousand foreign (mostly American) military personnel, as do Kuwait and the UAE (Wallin 2018).

Let us not forget that the Gulf monarchies are also deeply dependent on foreigners to not only draw up plans, but also work with the imported materials and build the countries. Indeed, labor and expertise are the most basic, most critical, the *sine qua non* of (hydrocarbon-financed)

[42] www.mofa.gov.kw/en/kuwait-state/kuwait-vision-2035. See, as well, the government of Qatar's discussion of its national development strategy for 2011–16: "Despite rapid socioeconomic change over a relatively short period, Qatari society has maintained the essence of its culture and continuity with the past. This continuity includes observing the fundamental principles of Islam, maintaining the inherited status and prestige of the leading families and preserving the family unit as the core of society" (GSDP 2011, 20).

[43] Increasingly, sovereign wealth funds and returns on lucrative international investments are important sources of government revenues, as noted, pp. 6–7.

[44] Krane goes on to say, referring to subsidized utilities – oil, gasoline, desalinated water – that "regimes stay in power not just by distributing oil rents, but also by distributing oil itself."

[45] On the Gulf War see, Gause (2010, 88–135). See, as well, Chapter 4, pp. 84–6.

Table 1.4 *Foreign nationals in Gulf monarchies, 2020*

	For. Nationals as % of Tot. Pop.	For. Nationals as % of Lab. Force
Bahrain	52%	78%
Kuwait	70	85
Oman	41	77
Qatar	88	95
Saudi Arabia	39	58
UAE	87	85–90

Source: Gulf Research Center (GRC): Gulf Labor Markets, Migration and Population Programme, Demographic & Economic Data Base, www.gulfmigration.grc.net

imports; without them, there would, no doubt, be development of a very different sort. It has been estimated that in 1975, 1.4 million foreign nationals were employed in the six states; by 1985 their numbers had increased to 4.4 million. In that ten-year period, the proportion of foreigners in the combined labor force of Kuwait, Qatar, Oman and Saudi Arabia increased from 57 to 75 percent (Baldwin-Edwards 2011, 8–9). In 2019, foreign nationals in the six Gulf monarchies combined constituted 48 percent of the total population of 49 million. They made up 56–82 percent of the employed in Saudi Arabia, Oman and Kuwait, and 93–94 percent in Qatar (Hanieh 2020, 112) (Table 1.4). As we will see in Chapter 5, the peculiarities of the labor force are integral not only to the construction of these states and nations but also to a better understanding of politics: the politics of appeasement and exclusion, of social management and social control.[46]

Structure of the Book

To respond to the questions that inform this study, I proceed as follows: I begin in Chapter 2 with a brief overview of elements of the Islamic normative tradition. I consider three key concepts – justice, the common good and community – and discuss interpretations thereof and ambiguities of their contemporary application. What constitutes justice and to whom does it apply? What constitutes the common good and who has the authority to make that determination? And who are members of the community which benefits from, lives and is governed by the normative

[46] As Michael Herb (2017, 17) points out, the peculiarities of the labor market in the Gulf are a function of them being very rich rentier states.

tradition? I then turn my attention to resources and wealth – their attribution, distribution and circulation. In broad strokes, I outline how the relationship between Muslims and their resources is conceived, and how, according to religious norms, resources ought to be utilized and managed for the sake of the common good. The purpose of this discussion is to provide a framework that facilitates a deeper understanding of the extent to which religious norms have been instrumentalized and at times, reformulated in the conduct of the four oil-financed institutionalized practices, explored in subsequent chapters.[47]

In Chapters 3–7, I probe the mechanics of what I identify as a ruling strategy – the actual repurposing of (oil) wealth and religious norms, and their intersection. With evidence from Kuwait, Qatar, Oman and Saudi Arabia primarily, I examine four institutionalized practices associated with welfare and/or development, financed by oil and gas revenues and sanctioned, either implicitly or explicitly, by Islam. The first two, government distributions and the employment of foreign labor, are indirectly sanctioned by Islam and distinctly associated with reshaping community as a community of privilege while at the same time managing and controlling society. The latter two, charitable giving and Islamic banking and finance, embody Islamic norms and thus, are directly connected to demonstrating, if not bolstering Islamic credentials. As they are performed, these practices also promote privilege on the one hand and enrichment on the other, while shaping community and managing and controlling society. I consider the four practices in terms of their (stated or implied) objectives and their effects, as well as society's evaluations of them. I explicate how, in fact, through these practices oil revenues and Islamic norms are mobilized to enforce submission, appease particular social categories, cultivate and reinforce an idea of the nation and thereby reinforce dynastic authority and related regime priorities.

I begin in Chapter 3 with attention to government distributions to society in the form of transfers and subsidies. I describe various types of transfers (universal, particularist and idiosyncratic), their recipients and rationale, and explore matters of equity and exclusion. I show how the variation in access to resources and the related hierarchization of society are both integral to the shaping of the national community, a key regime priority, and a means for the state to exercise control. Then, on the basis of interviews with scholars, economists, dissidents, bankers, (current and former) members of government, representatives or members of public

[47] It is not meant to provide the superstructure against which to evaluate the state-directed practices in order to demonstrate how far the Gulf monarchies have strayed from the religious tradition.

and private foundations and NGOs, and official and independent ʿulama, I probe, in Chapter 4, their responses in order to understand how Gulf Arabs appraise government behavior relative to the circulation of wealth. I note the extent to which my interlocutors criticize their rulers in ethical terms, especially insofar as their commitment to justice, equity and inclusion is concerned. Finally, I segue into a brief discussion of religiously inflected movements and individual clerics in the Gulf and their own instrumentalization of Islam to push back against ruling elites and influence politics. The purpose is to demonstrate that ruling elites are not alone in the exploitation of Islam for political ends. In fact, they have shown themselves to be vulnerable to resistance from "specialists in religion" who challenge them, their policies and practices, on the basis of the Islamic normative tradition. It is this vulnerability that suggests the limits of the ruling strategy that I refer to in the final chapter.

For the remaining institutionalized practices, I describe the practice as I witnessed and understood it, as its practitioners explained it and as society, through my interlocutors, evaluated it. In Chapter 5, I build upon the earlier discussion of internal forms of social "tiering" and exclusion to further interrogate the politics of belonging (*intīmaʾ*) in Gulf monarchies, this time through the importation of labor. I disentangle the ways in which foreign labor, the other tier of the bifurcated labor force, plays a role in the definition and consolidation of the national community. Additionally, I examine some of the peculiarities of the importation, organization and incorporation of foreign labor, and consider how they serve the ruler's objectives to appease particular social categories, encourage consumption and enrichment, and enforce submission.

Following that, I turn to the two institutionalized practices that embody Islamic norms: charitable giving and Islamic finance. In analyzing these practices, I highlight the ways in which Islam is invoked and religious edicts are purposefully revised to accord with overriding secular objectives. In Chapter 6, I examine how charity is practiced in the four states. I consider the various kinds of entities that give, how they give, to whom they give or do not give and why they give as they do. In addressing the matter of access to charity, I offer an explanation for the exclusion of certain social categories. In Chapter 7, I investigate the actual goals and purposes of Islamic banking and finance (IBF) that in recent decades have undergone significant growth in both the Gulf and the global economy.[48] I do so through an examination of

[48] In 2019, one-third of all active banks in the GCC were Islamic banks. And in 2011, Islamic bank assets in Saudi Arabia, Kuwait and Qatar represented 23–43 percent of total bank assets (Hanieh 2020, 531–32).

some of the characteristic features of its form and substance in Gulf monarchies. The analysis shows that through this institution, Gulf regimes advance two aims: On the one hand, they try to appease those elements of their populations that seek a greater role for Islam in daily life. On the other hand, they uphold the acquisitive drives of a local elite – that includes royals, business associates and conformist religious scholars – and their interest in further integration in global capitalism. In the domain of Islamic banking and finance, ruling priorities related to accumulation and social management cohere; these are the principal purposes.

Finally, I conclude in Chapter 8 with an elucidation of the relationship between oil and Islam – two "strategic resources" – and what that relationship teaches us about politics in Gulf monarchies. The overwhelming message is that in this period of abundant wealth, not simply oil rents (and returns on associated investments) but also religious doctrine (and its interpretations) are exploited and repurposed by Gulf rulers to function as tools of social management and social control. Their aim is to bolster authoritarian ambitions: the capacity of ruling families to both dominate and shape their societies and retain their monopoly over resources. For the sake of maintaining and enriching dynastic states and constructing the nation, oil and Islam are their principal tools.