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SAUDI ARABIA: MBS MANEUVERS LOYALISTS INTO KEY ARAMCO AND GOVERNMENT POSITIONS

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The appointment of the Kingdom's first royal, [Prince Abdul Aziz bin Salman as Energy Minister](#) signals a break with the tradition of protecting this key post from palace intrigue. Half-brother to Crown Prince Muhammad bin Salman (MBS), and with a personal reputation as a technocrat and consensus builder, Prince Abdul Aziz has critical experience in negotiating deals within the Organization of the Petroleum Exporting Countries (OPEC). As part of the quest to acquire as high a valuation for Aramco as possible, Prince Abdul Aziz has worked to secure deeper supply cuts within OPEC, particularly from less wealthy over-producers such as Iraq and Nigeria. Moreover, his enthusiasm for developing Saudi's renewable energy sector make him a key ally for MBS' Vision 2030 goals.

The move clearly marks a further consolidation of power for MBS, simultaneously installing the managing director of the Kingdom's sovereign wealth fund, [Yasir al-Rumayyan, as the chairman of Aramco](#). Another personality close to MBS, al-Rumayyan's appointment ensures a direct link between Aramco's proceeds and the Kingdom's future investments. Other new political appointments include the instalment of [Prince Faisal bin Farhan al-Saud as Foreign Minister](#), a young royal with considerable diplomatic experience in the West and a former advisor to MBS. Whilst demonstrating MBS's authoritarian inclinations, these personnel changes also appear to be part of an exercise in 'soft power'. The appointment of individuals considered 'progressive' within the regime serve both to rehabilitate Saudi's reputation in the international community after the Khashoggi affair and secure MBS's domestic political aspirations, as well as his Vision 2030 goals, by securing allies closely aligned with his vision.

OUTLOOK

These personnel changes will not prompt major shifts in Saudi's foreign nor its domestic policy; rather they reflect a continuation of MBS' efforts to consolidate loyalists who will enact and enable his visions and agendas. Fears of a global economic downturn and a rise in U.S. shale production, combined with the Prince's influence and negotiating skills, make further drops in OPEC's output probable. However with a national debt approaching 23 per cent of GDP in 2019, it is unlikely that the cuts Prince Abdul Aziz can secure will be sufficient to bolster oil prices to the [\\$80+ per barrel mark](#) that MBS would require for the Saudi regime to balance its budget.