

The Political Challenge of Food Security in Saudi Arabia:

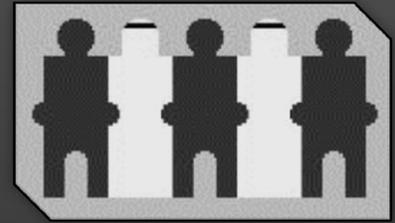


Competing Ideologies of Sovereignty, Dependency and Sustainability

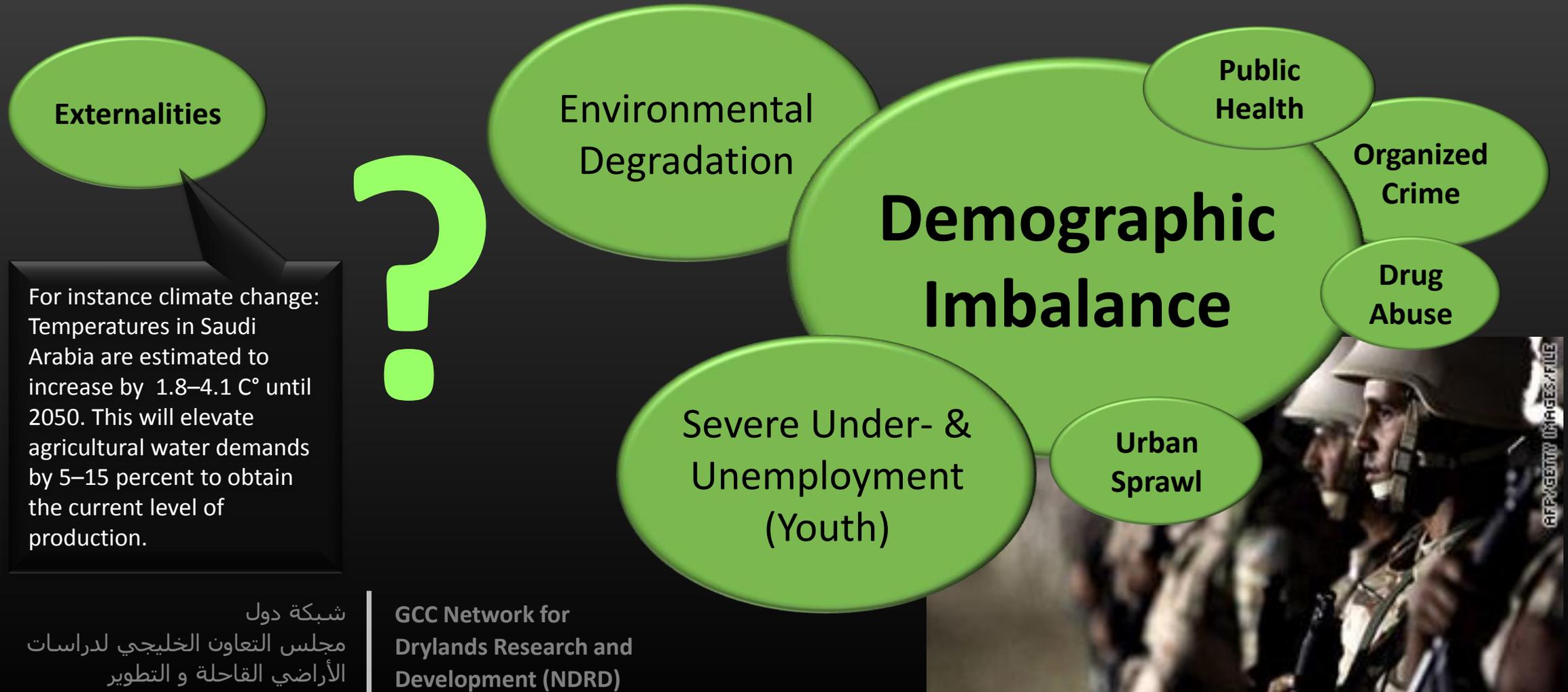
Andy Spiess
Associate Professor of Political Science
GCC Network for Drylands Research
and Development (NDRD)
Hamburg, Germany
phone: +49 172 5949747
email: spiess@ndrd.org

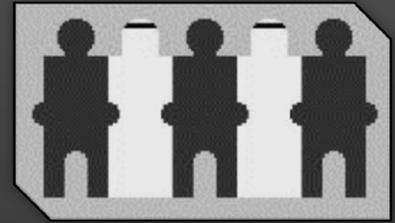
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The Security Dimension – From Social Discontent to the Potential for Political Instability





The Security Dimension – From Social Discontent to the Potential for Political Instability

The changing political situation in the 21st century Gulf and the scale of socio-economic problems are presenting new challenges as well as **proliferating 'internal threats'** to the modern oil monarchies.

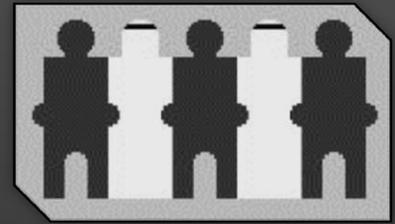
Food security is inextricably linked with all these threats, while the **demographic imbalance** is considered by the GCC Council, NATO and security studies as the major human / national security concern in the GCC.

The situation will severely effect the wellbeing of **GCC nationals and their descendants**; including their future food security ...



"The widening gap in the demographic composition in some of the Gulf countries shows that governments are either unable or unwilling to confront profound social challenges and place their people at the center of development." (Spiess, 2012)





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Saudi Arabia has at least been aware of the problem for some time, yet implementation seems challenging:



With impressive forward-thinking wisdom, late Crown Prince Nayef bin Abdulaziz, announced in 2003 (at the time Minister of Interior and Head of Manpower Council) that “foreigners should not exceed 20 percent of the Saudi population by 2013.”



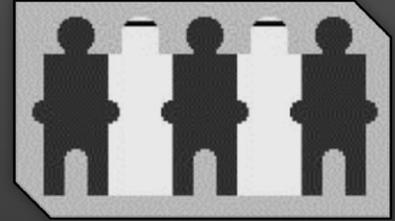
Prince Turki bin Faisal noted during a conference on human resources in Abu Dhabi in 2009 “We should review our economic policies in a serious manner to build national economies that benefit their people and not the millions of foreign workers”

Saudi Arabia has a current population of app. 30 Mio , of which according to officials 8.5 to 9 Mio are foreigners (e.g. Prince Turki bin Faisal).

Security analysts however estimate at least 12 Mio expatriates to be currently residing in the Kingdom (the difference being mostly illegals).

In addition the Kingdom hosted almost 12 Mio tourists in 2011. (predominately religious and business travelers)





The Security Dimension – From Social Discontent to the Potential for Political Instability

Food insecurity as a **threat multiplier**

Depleting oil revenues and unsustainable fiscal spending

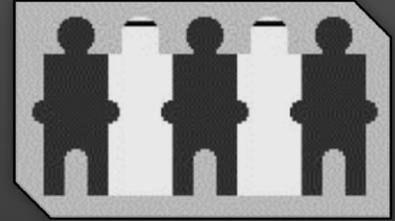
Possibility of disrupting the social contract

Related security risks

"While the government has built significant policy buffers, fiscal spending is above the level consistent with an intergenerationally equitable drawdown of oil wealth."

Source: IMF





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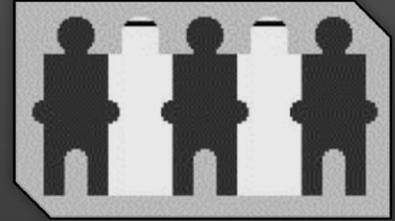


According to the Nomura's Food Vulnerability Index (NFVI) the Saudi Arabia is the 27th most vulnerable country to rising food prices on a global scale.



NCB Capital warned that *"food inflation ... represents a potentially considerable social-economic risk which the authorities are poorly equipped to deal with"*.

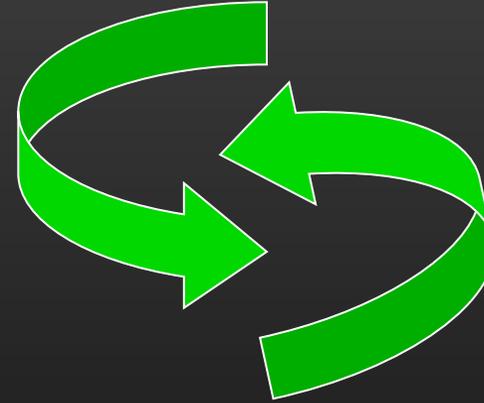


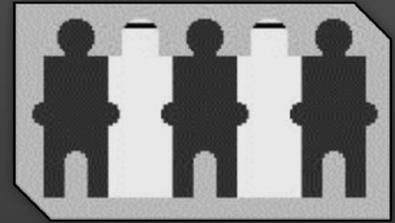


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Vicious Cycle !!!

If these novel security challenges will be disregarded or inadequately addressed, they have the potential to strike at the heart of the social contract and redistributive mechanisms which currently define state – society relations, and leave a legacy of fractured polities with greater susceptibility to future external and global issues.





The Security Dimension – From Social Discontent to the Potential for Political Instability

A terrible thought, but **likely scenario in the next decades:**

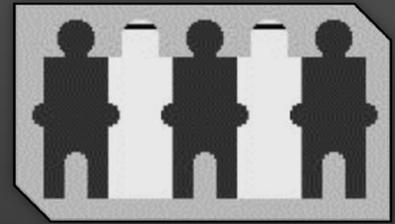
If the GCC will not manage **to deal with the demographic imbalance** and initiate the urgently needed reforms, simmering discontent will become more radical. Eventually, they may be heading for political instability, which will in return cause food insecurity. Saudi Arabia is currently trying to purchase 600 to 800 Leo 2A7+ from Germany (they certainly know why), but the better option would be to solve these emerging threats, before there is such a worst-case scenario!

“In these pessimistic scenarios, authoritarian leaders will fail to prepare their bulging populations to participate productively in the global economy, regimes will hold tightly to power and become even more repressive, and regional conflicts will remain unresolved as population growth further strains already scarce natural resources.” (NIC, 2008)

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Despite the risk what is the status quo in the Kingdom and wider GCC?

Lack of **reliable data** as well as independent & qualified research

... lack of available data and knowledge, next to political will, presents itself as a key limitation to informed and appropriate decision making in respect to appropriate holistic food security policies in the GCC

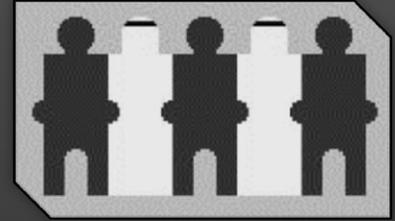
Censorship and political repression

Reliance on **coerced consultants** and **academics**, business approach

... with **Saudi Arabia** currently being the most liberal and the **UAE** being the most repressive country in the GCC

Note: In respect to the situation in the UAE, please see the for instance the works of Kristian Coates Ulrichsen or Christopher M. Davidson

Despite the risk what is the status quo in the Kingdom and wider GCC?



Prof. Dr. Yousif Al-Yousif

... voices his concerns in respect to the production of knowledge in the GCC elucidating that foreigners who glorify the achievements of certain Gulf regimes hoping for worldly gains are pursuing an unethical approach characterized by *“injustice and slander”*.

Source: Al-Yousif, 2008

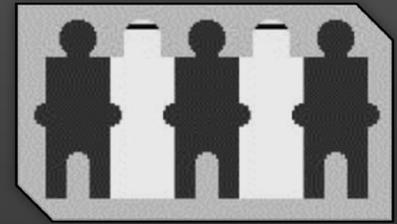
Bertelsmann Foundation

... as the Kingdom pays for its consultants, international actors have limited leverage over the implementation of policies, and it is in this phase that special interests in the bureaucracy can often stall or alter the course of reform.

Source: BTI 2012

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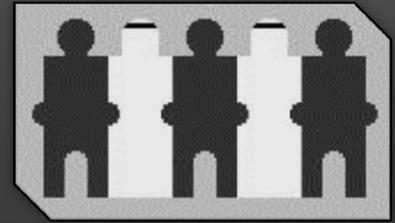
Reliance on **coerced consultants** and **academics**, business approach



Misunderstood concept of food security:



Misunderstood concept of food security in the GCC



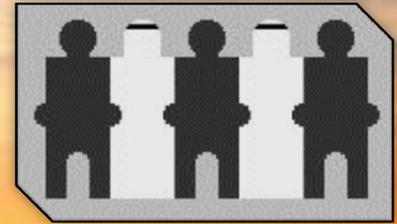
A reality that manifests itself by the frequent terminology application as either the incongruous notion of 'self sufficiency' or representing the demand side perspective as 'food availability'

When applying the FAO definition of food security "when all people, at all times, have physical, social and economic access to sufficient, safe and nutritious food that meets their dietary needs and food preferences for an active and healthy life" (FAO, 2009, p.8) **millions of impoverished foreign workers in the GCC are highly food insecure!**

Current policy approaches in the GCC treat the symptoms of growing food insecurity, not the causes. Hence there is the urgent need for a paradigm shift that focuses not only on imports and agricultural policy, but on a structure **that integrates the latter with energy, population control, and water policies, each of which directly affects food security.**

"They tend to ignore problems of questionable economic and demographic development, rapid urbanization, resource intensive industrialization, mass tourism development, exploitation of natural resources...." (Spiess, 2012)

Despite the risk what is the status quo in the Kingdom and wider GCC?



Unhealthy dietary habits and lifestyles

Over-Consumption

High prevalence of overweight, obesity and further NCDs

The proportion of those being seriously obese (BMI ≥ 30 kg/m²) in the Kingdom is 43 percent for females and 28.3 percent for males.

Source: WHO

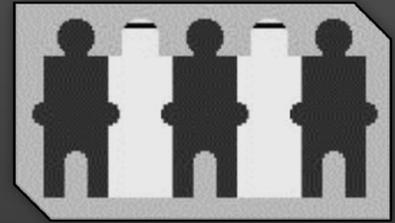
Hidden Hunger

Consumption trends and inflation have given rise to a phenomenon called 'hidden hunger' throughout the region, a situation whereby there is sufficient food consumption but it is lacking in essential vitamins and minerals. Saudi Arabia and the United Arab Emirates were severely affected ...

Source: Life & Sight

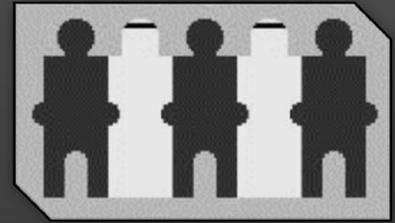
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Unhealthy dietary habits and lifestyles

- ➔ Changes in dietary patterns toward over-consumption and energy-dense foods in addition to physically inactive lifestyles are often the result of socio-economic and cultural changes associated with rapid and unplanned development and lack of supportive policies in sectors such as health, agriculture, transport, urbanization, environment, food processing, marketing, labor as well as education.
- ➔ The high prevalence of obesity and the resulting health-determinant patterns has a substantial negative impact on human and social development in the Gulf (Alwan, 2011).
- ➔ The situation is creating a progressive health and economic burden on these countries' government welfare services.
- ➔ This urgency was also highlighted by Vellve, the cofounder of GRAIN, by saying that the GCC region must move to change its consumption patterns, if it is serious about tackling food security

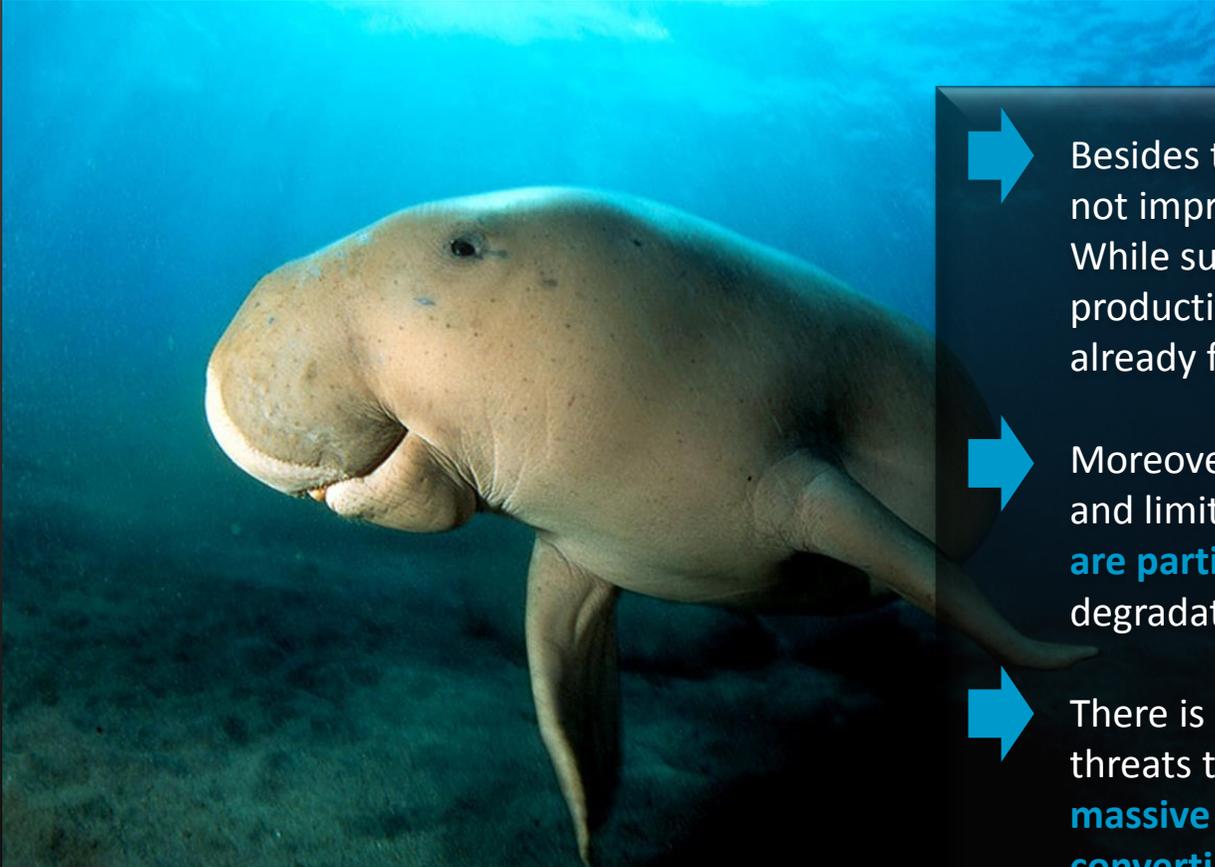
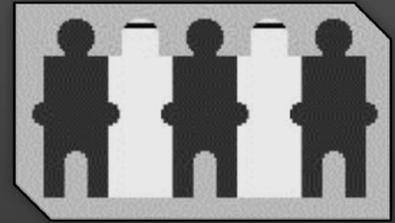


The Potential Role of Fisheries

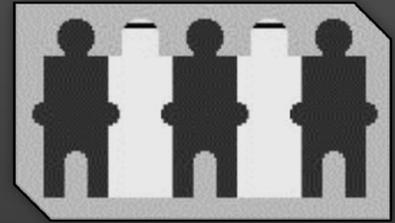
- ➔ As one possible response fisheries should play a vital role in food security strategies. Fish is highly nutritious, rich in essential micronutrients, vitamins, minerals, essential fatty acids and a source of affordable high-quality animal proteins, and hence represents an excellent supplement to diets based on either nutritionally deficient cereal-based or ready-to-eat convenience foods (i.e. containing 'empty calories')
- ➔ The annual **average consumption of fish in Saudi Arabia is below world average**, displays a high discrepancy between inland and coastal consumption (AL-Numair et al., 2005) and ranged between 8.15 to 13.43 kg per capita in the past decade (Al-Shuaibi, 2011, p. 35).
- ➔ Paradoxically despite being coastal countries, all the GCC economies except Oman also have a high import dependency on fish.



The Potential Role of Fisheries



- ➔ Besides the fact that the overexploited status of global fish stocks has not improved, the GCC is facing a number of additional challenges. While surrounding water bodies are characterized with medium productivity, they hold various forms of percomorphous fishes which are already fully or over-exploited and **show substantial declines**.
- ➔ Moreover, due to their relative small size, high endemism, and limited oceanographic circulation, **both the Red Sea and the Gulf are particularly vulnerable** to toxic pollution, eutrophication, habitat degradation, loss of species, and reduction in ecosystem productivity.
- ➔ There is common consensus among scholars that the most significant threats to the sustainability of the Gulf ecosystems come **from the massive extent of coastal habitat modification by dredging and converting shallow, productive marine areas into land for real estate, causeways, tourism resorts,** recreation and industrial facilities.



Mechanism to ensure food security in Saudi Arabia

Food Internal policies and regulations

Imports

app. 90 percent; mainly from EU, Australia, US, Canada

Food Storage

Saudi Arabia intends to double its reserves of basic commodities from previously six month to one year's consumption; food storage involves many potential risks; energy intensive

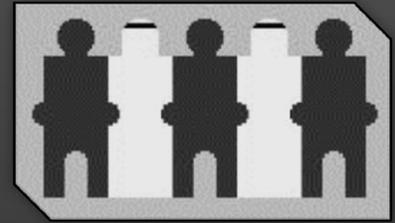
International Investments in Agriculture

Local Production



Mechanism to ensure food security in Saudi Arabia

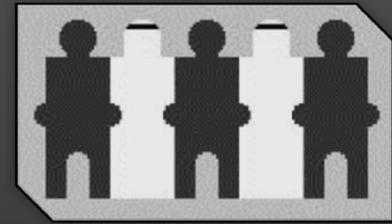
Food Internal policies and regulations



As an **immediate response** to offset the impact of elevated food prices, Saudi Arabia introduced a list of sophisticated new measures including inter alia the lowering of custom duties on key staples and a prudent incremental increase of public sector salaries for employees and retirees in form of a so called '**cost of living allowance**'.



- ➔ **Saudi Arabia has made serious efforts in establishing safety nets**, to cater to peripheral regions and to make public services available on a relatively broad basis.
- ➔ There is a system of social security payments in place, but it is inconstant and has despite considerable budget increases in recent years proven insufficient in alleviating the Kingdom's considerable poverty problem. These estimated 5 million will be most vulnerable to future food security challenges.



Mechanism to ensure food security in Saudi Arabia

International Investments in Agriculture

King Abdullah's Initiative for Saudi Agricultural Investment Abroad

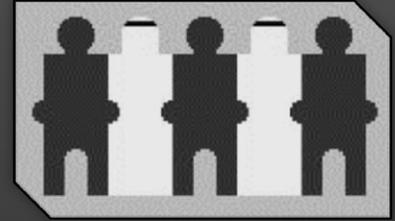
Criteria for identifying suitable hosting countries for agricultural investments inter alia include:

- ✓ Availability of resources, including water
- ✓ Political, social and economic stability
- ✓ Transparent procedures
- ✓ Availability of infrastructure

In theory **the initiative is based on sound principles** and these criteria would hence make it impossible to invest in Sub Saharan Africa (including Sudan, Ethiopia and Mali) and as well as other food insecure and instable countries!



International Investments in Agriculture



King Abdullah's Initiative for Saudi Agricultural Investment Abroad

In practice Saudi Arabia is getting involved in some highly questionable acquisitions or long-term leases of agricultural land for offshore food production or simple speculation in highly volatile nations.

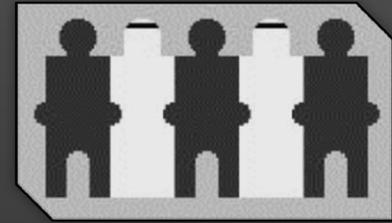
Local perception has been influenced by the so called “win-win” myth initially promoted by supranational organizations!

Dubious agricultural investments in food insecure countries can next to international attention and **severe negative image repercussions** have further drawbacks and hence serious doubts can be raised about the viability of this strategy.

- Minimal production has been realized
- Have been met with violent protests and social disturbances
- Supplies are especially in times of shortages exposed to sovereign risk and other supply chain problems beyond importers' control.



Local Agricultural Production



The promotion of extensive agriculture in Saudi Arabia was **primarily a mechanism** through which the oil rent was transformed into private wealth.

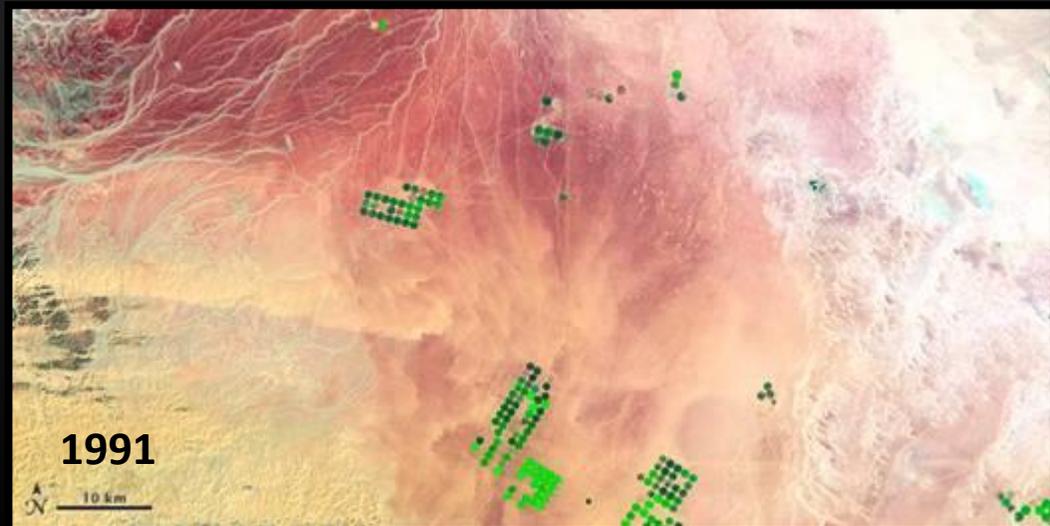
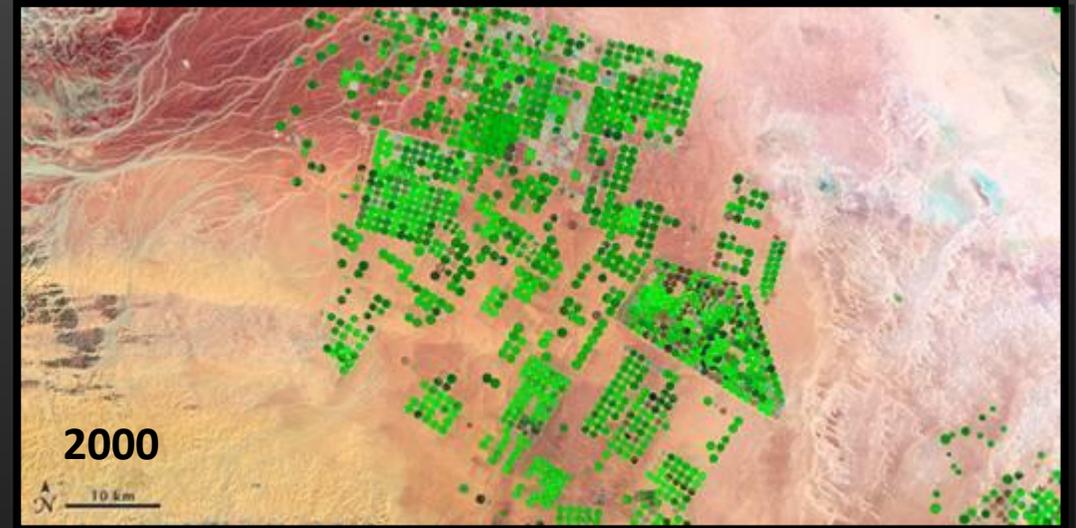
The substantial majority of these agricultural funds can be traced to the Najd heartland to **serve a selected elite circle**.

At the same time, **traditional agricultural areas**, especially in the Asir (see photo), have been neglected and consequently partly abandoned.

Loss of valuable traditional knowledge - e.g. *falaj* irrigation system (Qanats)



Evolution of agricultural operations in the Wadi As-Sirhan Basin



Evolution of agricultural operations in the Wadi As-Sirhan Basin



The crop circles in the image use a center-pivot irrigation system and are about one kilometer (0.62 miles) across.

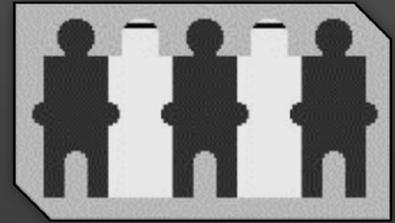
Source: NASA, 2012

Please note that this 'devastating' technology was sold to a developing country in the 80ties by Western nations – **who certainly were already aware of the future consequences!**

1991

2012

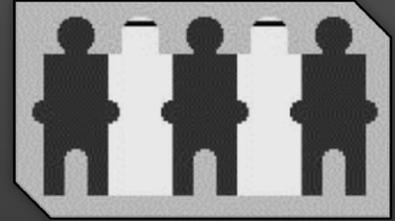
Local Agricultural Production Consequences



- ➔ The agricultural water demands in Saudi Arabia were 83–90 percent of the total water demands during 1990–2009
Source: Chowdhury & Al-Zahrani, 2013
- ➔ Depending on source - two thirds or four fifths of Saudi Arabia's non-renewable groundwater sources have been depleted - allowing the country a maximum of another 50 years of these limited reserves
- ➔ Salination and further degradation of soils (increasing desertification)
- ➔ The presence of even more foreign labor (employed in agriculture)

Despite the Rio Declaration on Environment and Development in 1992 , there was no shift whatsoever to the principles of sustainable development





Displaced Friesian Cows & Unsustainable Dairy Industry

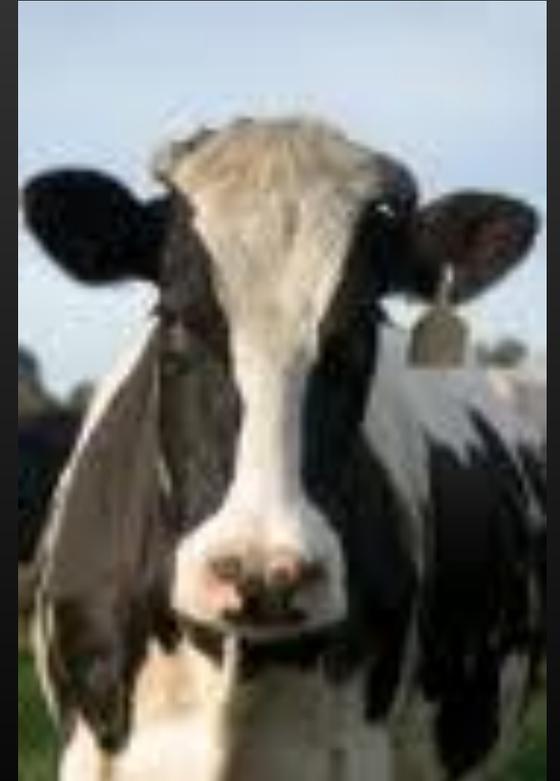


37000 Holstein Friesian cows each requiring an estimated 113.6 liters (30 US gallons) of water daily for drinking and a cooling system.

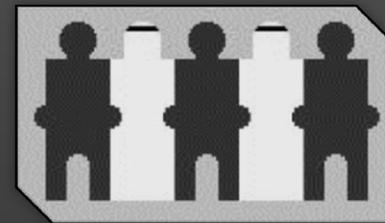
The approximately 4.2 million liters of freshwater are again extracted from fossil aquifers 1.83 km (6000 feet) underground.

New concessions to pump even deeper and exploit a new aquifer when their first option was depleted were given

Ownership of dairy industry will prevent any serious action!



The Political Challenge of Food Security in the GCC

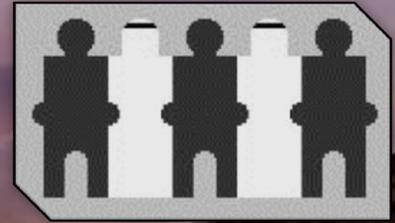


When putting ‘food security’ into the direct context with authoritarian ideologies and political realities in the Gulf monarchies we will be reminded of Sen’s succinct quote that there is “*...no such thing as an apolitical food problem*” (Sen, 1982, p. 459).

Counterintuitively, the contemporary threat of ‘food insecurity’ in the Gulf economies is not necessarily caused by the inability to supply food, but should rather be considered **the result of long-term systemic failures**.

Identity politics with nationalistic tendencies conveying the message of power and control have often determined unsustainable ideologies rather than being a reflection of either economic or environmental rationale.

Questions for Discussion?



The Saudi dairy policy – a good use of capital?

Subsidies – do we need to talk about price reform?

Getting the balance right between imports, domestic production and storage?

Challenges for health promotion and sustainable development ?

What could / should international actors do to assist in this development challenge and to safeguard food insecure nations?