INTRODUCTION

Rentier state theory (RST) gained currency in the late 1980s, and remains widely cited or accepted, as an explanation for the lack of democratization and for economic problems in oil- and gas-producing states of the Middle East. It postulates that externally-derived, unproductively-derived ‘rents’ such as oil and gas revenues (or fees, foreign aid, and the like) give the state autonomy from society, removing pressures for democratization, economic liberalization, and other policies in response to societal antagonism or pressure. Societal pressures are ‘bought off’ by rents, and rents also pay the cost of an expansive state repressive capacity. This argument is, of course, simplistic, and the development strategies of the Gulf in the past two decades – including the spectacular globalized development of Dubai and, more recently, Qatar, Abu Dhabi, and others – suggests that a simple argument of state autonomy from society is inaccurate or incomplete, and that RST requires refinement and sophisticatization.

The paper is a preliminary attempt at that refinement, specifically arguing that while rents allow allocative states to restrict or even avoid pressure for democratization, the state still relies – as all do – on a base level of legitimacy and societal toleration of the regime. Thus, rentiers must still be politically responsive, yet not democratic, to a core set of societal needs and values. The state must balance repression and cooptation – a rentier does not have unlimited repressive ability, whatever its financial capacity – and especially, if it is to survive, a rentier state must be adaptable to the changes brought by globalization and must provide opportunity and employment through economic diversification. Yet the rentier state is relieved of democratic accountability, while never truly autonomous from society, and thus still has a non-democratic or quasi-democratic accountability attached to the rentier bargain. The paper that follows makes this case, and argues for the concept of a ‘late-stage rentier state’ in the case of the Arab states of the Gulf. The paper begins by outlining the tenets and constraints of orthodox RST, and then makes the case for a more sophisticated understanding of these states’ rent-based relationships with society, and highlights their main characteristics in the Gulf from the 1990s to today.

THE DEVELOPMENT OF RENTIER STATE THEORY (RST)

RST first emerged in the context of the literature on the Arab state and on the prospects for democratization in the Arab world. Early proponents of the theory such as Luciani (1990) and Beblawi (1990) made the argument in what is now simple, even simplistic, terms:

A rentier or exoteric state will inevitably end up performing the role of allocating the income that it receives from the rest of the world … [A]s long as the domestic economy is not tapped to raise further income through domestic taxation, the strengthening of the domestic economy is not reflected in the income of the state, and is therefore not a precondition for the existence and expansion of the state. …for those that depend on
income from abroad, allocation is the only relationship that they need to have with their domestic economy; all others [i.e. extractive states] ride their domestic economies. (Luciani 1990: 71-72)

In other words, the rentier state is autonomous from society. Provided it allocates a minimum amount of wealth, then the state is free to do what it wishes with the remaining wealth. Further, the state also need not concern itself with domestic bases of support, or legitimacy, either: the population is ‘bought off’, with democratic input sold to the state in exchange for a share of the rental wealth, and those who do not accept this ‘rentier bargain’ are subdued by the strong repressive apparatus purchased with rents. The absence of democratic processes and institutions, therefore, is an outcome of rentierism (Crystal 1990; Luciani 1990; Sandbakken 2006), although there may be the scope for a fiscal crisis to create an impetus for political reform and democratization (Luciani 1994). RST experienced something of a resurgence after the 2001 publication of an article by Michael Ross that seemed to confirm a link between oil and undemocratic government (Ross 2001), and which remains cogent in the case of the Middle East (Ross 2009) if questioned in some other contexts (such as some Latin American states, as Dunning 2008 has demonstrated). The state’s elite is neo-patrimonial, especially because a small but important number must still be involved in the generation of the rents and in sustaining the ruling elite (Beblawi 1990: 87). Where the state ventures actively into economic production, it commonly does so through some version of state capitalism (Schlumberger 2008).

Luciani and others took this argument further, to questions of economic policy – or the lack of it – and development strategies in a rentier economy. Among the early claims of RST proponents was Luciani’s that: “The state, being independent of the strength of the domestic economy, does not need to formulate anything deserving the appellation of economic policy: all it needs is an expenditure policy” (Luciani 1990: 76). This argument drew on the limited roles of the state in supporting or sustaining a non-rent domestic economy as early rents grew, as well as the limited interest of the state in diversifying the economy until employment and population pressures, and a confused approach to food security (confusing it with food self-sufficiency), caused some Gulf states, especially Saudi Arabia, to meddle in subsidized economic diversification schemes in the 1970s and 1980s. The allocative (versus redistributive) function of the rentier was important too, because it caused little damage to the state: a misallocation of wealth, corruption, waste, and inefficiency all were, the argument went, of little importance to populations provided their expectations from the state were met. Rentier states at this time (i.e. from the 1950s to the mid-1980s) employed much of the population, paid them well, and almost completely avoided taxation: they could attract criticism, perhaps, but not mobilized opposition. The idea of the rentier state lacking a positive and societally-engaged economic policy, therefore, probably held water then.

Later works still held to the broad characterizations of the rentier state that Luciani, Beblawi, and others developed in the 1980s and 1990s. Ross’s 2001 time-series data analysis, already mentioned, was not dissimilar in its findings. He outlined three effects of rents that, he argued, sustained or prolonged authoritarian and non-democratic governments in oil states. These were: the ‘rentier effect’ (where low or no taxation bought society’s political acquiescence); the ‘repression effect’ (where rents helped the state to purchase repressive apparatus and institutions); and the ‘modernization effect’ (where rents caused or enhanced socio-economic stagnation or underdevelopment) (Ross 2001: 332-338). While Ross later confessed that this study had its shortcomings (2009: 2), its central claims fit with orthodox RST – in fact, they gave it renewed verve in scholarly circles – and these ideas retained currency among many political economists. Indeed Ross still stands by the ‘rentier effect’ argument of his 2001 article (2009: 24-25).

THE LIMITATIONS OF ‘CLASSICAL’ RST
Ross’s and others’ (Luciani 2005b) self-revisionism feeds into the central tenet of this paper: that early RST, while having some plausibility in explaining the early linkages between oil and authoritarianism and underdevelopment, are less persuasive and comprehensive in light of the changes in the Middle East, and not least of all the hydrocarbon-based Arab rentiers of the Gulf, in the last two decades. This ‘classical’ RST of the 1980s and into the 1990s did not well explain the variations in political activism in the Gulf – compare, say, Kuwait’s activist parliament with the near-absence of democratic institutions in Saudi Arabia or the United Arab Emirates (UAE) (Herb 2009) – nor did it explain why oil wealth was so much better spent during the 2003-2008 oil ‘boom’ in contrast to the oil booms of the 1970s and early 1980s (Maloney 2008). Nor did it address the effective use of oil wealth to develop non-oil models of economic development, famously the ‘Dubai model’ (Hvidt 2009) now being copied by Qatar (Siddiqi 2010), Abu Dhabi (Davidson 2009), and others – hardly something that classical RST would expect from an autonomous state.

It was clear by the 1990s that ‘classical’ RST was in need of revision or sophisticatization. This came in several ways. The most significant critique was of the reductionism (Rosser 2006: 7) inherent in simple regression modelling or in generalizations that lacked political or historical context. Much of the early RST work “explained development performance solely in terms of the size and nature of countries’ natural resource endowments” (Rosser 2006: 7), and thus constituted “a case of economics pushing politics out the door” (Moore 2004: 6). Regression modelling has its place, of course, but it routinely methodologically disregards qualitative factors. Most of all, simple arguments may confuse causality and correlation.

RST gained currency and popularity because there seemed, prima facie, a correlation or causative link between rents and one or more of authoritarianism, the absence of democratic processes and institutions, or economic underperformance. The wave of RST literature in the 1990s coincided, moreover, with a period of scholarly focus on democratization (Moore 2004, 5): in RST many found a plausible quantitative and qualitative theory that avoided the controversial political culture approach (on this see Anderson 1995 and Hudson 1995) or the trap of overstating the legacy of history in the region. Still essential therefore was reference to historical experience and to the unique social or developmental conditions of a rentier state: rentier states did not come into being the day that oil began flowing. RST thus needed to incorporate pre-rent state-society dynamics into its analysis of post-rent politics (Moore 2004: 8-11), and problems of state formation needed to be included too (Schwarz 2008). Further, the business-government relationship varied across the Gulf: contrast the shared social origins of the political elite and the merchants in Kuwait (Crystal 1990: 18-26, 39-44) with the chasm between them in Saudi Arabia (Luciani 2005a: 150-151, 157-159) and Iraq (Batatu 1978: 244-258, 274-281). Foley (2010: 2) makes the argument which is the focus here, even while broadly endorsing (revised) RST, that greater political pluralism in the 2000s coincided with an oil boom – the opposite outcome that classical RST proponents would expect.

Other authors pointed to a different dynamic but with the same impact, arguing that external influences, threats and inter-state instability also created variations in Gulf rentier states’ exact roles and behaviours. Issues such as social origins, business-government comparisons, the centralization or dispersal of economic power, and external imperatives do not demolish RST, but they do require of it greater finesse. Important in this view were the blurring of economic and military aspects of security (Moore 2004: 11 citing Gause 1994), the involvement of rentiers in military conflict (see the case studies on Syria and Iraq in Heydemann 2000), and the influence of external actors in the Gulf (Luciani 2005b; Saikal 2003; Sadowski 1993; among many).

At the core of much of this are two points; specifically two criticisms of the simple or classical RST model. One is that the state autonomy so central to classical RST is simplistic and unsustainable: the state must do more than simply buy off or repress society before doing as it wishes. Moreover, in the late 1990s and 2000s, the Gulf rentiers became more activist in politically-sustainable
economic diversification and more forward-looking in general than classical RST would suggest. The second point stems from this: the state is not just not autonomous, but is embedded in its political economy: classical rentier theorists may be correct that the state can avoid democratization or direct accountability to society, but it must still be responsive – as it has come to be in the past couple of decades as it looks into the more distant future and considers its longer-term survival. It can also be less autonomous if it chooses a state capitalism approach.

The upshot of this debate is that the term ‘rentierism’, and the basic components of RST, remain in wide currency (Aarts and Nonneman 2005: 437-440), despite some variations in its adoption. However there is a need for revision of the specific RST concept, to account for the variety of rentier states and their specifics. Moore (2004) uses the term ‘revised’ rentier state theory, but what follows seeks to be even more comprehensive in arguing for a ‘late-stage rentier’ model applicable across the Arab Gulf states.

TOWARDS A THEORY OF ‘LATE RENTIERISM’

The many revisionist authors that have implied retaining the principles of RST but amending its specifics are essentially correct in arguing such. Non-rent factors such as pre-rent historical dynamics and impact, the types of rents earned by the state, and regional security problems or conflicts are all important. However all of these change the specifics of the rentier state, not its overall rentier characteristics or the basic applicability of a rent-focused explanation to them. What is proposed here is ‘late-stage rentierism’ as a new way of characterizing states that first, are rentier by virtue of a centralized state earning a large proportion of its income from unproductive external sources, but second, have incorporated some quasi-rentier or non-rentier aspects into their economic conduct and their relationship with society and with intermediaries such as civil society. Some rentier characteristics from classical RST remain, but rentierism has become more sophisticated as the state has matured, and as new external threats emerge concomitant with the rents that created or sustained the state for so long. Specifically, a late-stage rentier model is necessary because of the confluence, since about 1990 but especially in the 2000s, of: rentier states beginning to think longer-term; the impacts of globalization and the need to respond to it; new state economic and development imperatives and policies (often at times of high, not low, rents); and population growth and employment pressures. These, combined with rentier regimes still not wishing to cede any real power to society or opposition groups, account for this late-rentierism.

What is meant by these factors – state maturity, globalization, development policies, population and employment pressures, and the like – is that the context of rentierism has changed, not just its characteristics. It is unfortunate that many scholars assume that the Middle East is largely outside of the globalization process, because this suggests a removal of agency from the state. In fact, the Arab state – not least of all the rentiers, it has emerged – have been very much responsive to globalization and affected by it. Specifically, globalization has both required and encouraged economic responses by states, as well as impacting on the strategic environment. Globalization most obviously has brought with it trade liberalization; a greater flow of private capital; other financial reforms; and easier communications and transport across nation-state borders (Henry 2005). More opaquely but no less importantly, globalization brings the deterritorialization of place and space, and new reaches of marketization and commercial forces (Dodge and Higgott 2002: 17-21). All of these have implications for and impacts on the Gulf (Fox et al 2006; Henry and Springborg 2001: 178-193; Sadik 2002). The reach of globalization extends to the strategic and security realms too, as regimes face new pressures for political reform and liberalization (Al-Naqeeb 2006; Henry 2005: 122-126), as identity at individual, group and nation-state levels are challenged (Foley 2010: 103-123), and as concepts of ‘security’ shift and are re-evaluated (Smith 2006).
Importantly, concomitant with globalization has been new pressures from population growth and, in turn, for the creation of long-term employment opportunities for Gulf nationals in prestigious, well-paying areas. Saudi Arabia had an oil income boom, especially from the early 1970s until the price drop in the mid-1980s (Wilson and Graham 1994: 172-181), but since then has struggled with budgetary pressure during times of low oil prices. In the period from about 1980 to the present, its population has roughly doubled – rising by roughly 4 percent per annum (Malik and Niblock 2005: 103). Oil income per capita, therefore, despite an improvement during the 2003-08 oil boom, has never matched what it was in the 1970s, and this has strained the traditional (classical) rentier bargain. Unemployment officially sits at around 11 percent but is actually 15-20 percent or more (Malik and Niblock 2005: 103), and higher still among youth. The Saudi regime needs to create employment: not just a lot of jobs, but well-paying and prestigious ones that the population will embrace, given the mudir (“manager”) syndrome there (Champion 2003: 200-202) and in much of wealthy Gulf (Davidson 2008: 178-180) … people want professional or managerial jobs, not menial, semi-skilled, or technical ones, despite the demand for those among employers.

Population and employment pressures arguably are linked also to the threat to regimes from Islamism. To some Islamists, globalization itself is a threat to their values (Halliday 2002: 45-56), and they may see the state as being in concert with globalizing forces or external powers rather than serving the interests of the people (Gray 2010: 102-111). There is a link, too, between rents and corruption, which as an antithesis of Islamic values (Hafez 2009: 473-477) is an issue that Islamists engage. In Saudi Arabia since the 1990s some Islamists have been violent towards the regime (Champion 2003: 230-244), and to a lesser extent in Dubai too(Davidson 2008: 292-297). Elsewhere, the threat or prospect of Islamist violence deeply worries leaderships. Countering the perceived threat from Islamists – one that is growing but is fairly recent – has become a goal of the rentier state, and traditional autonomous states were much more vulnerable than the more responsive, societally-interactive late-rentier one.

Finally, late-stage rentierism reflects a change in the perspective of the state and its approach to both rents and its own long-term survival. The oil wealth of the post-war period and in the booms of the 1970s and 1980s was disproportionately wasted or mismanaged (Maloney 2008: 133). Behind the new rentier state of the 1990s and 2000s are: the experiences of the 1970s-1980s oil booms and the shock of the low oil prices of the later-1980s and the 1990s (Maloney 2008: 133); a recognition that more active state capitalism can assist in providing state longevity, both through the derivation of new forms of wealth and as an alternative to politically-risky neoliberal economic liberalization (Bremmer 2010: especially 51-81); and perhaps even a realization that oil is a finite resource with an ultimate, if unknown, expiration date. What is meant here by state ‘maturity’, therefore, is that regimes are taking a more considered and strategic look at their longer-term roles, weaknesses and survival strategies.

THE FEATURES OF THE ‘LATE RENTIER’ STATE

There are variations in the precise behaviours and sub-features of the late-stage rentier. Not all are the same, but where they vary is in their precise features, not their overarching characteristics. What follows are five characteristics of the late-stage rentier state, according to this argument. These, it is argued, fit for all of the Gulf Cooperation Council (GCC) states over much of the 1990s and through the 2000s to the present time.

1. It is non-democratic, but may allow some pluralism and is always more responsive than classical RST would argue.

Classical RST held that the rentier state was completely non-democratic, and that its control of rents gave it complete autonomy from society and freedom from any pressure to reform, through both the
repressive and cooptive means at the state’s disposal. The threats to the state that have emerged despite the rents at their command, however – unemployment pressures, Islamist challenges, globalization’s new technologies – suggest that while the late-stage rentier can avoid actual democratization, it must still be responsive to basic societal needs beyond the distribution of rents. In most of the Gulf, there has been some pluralization of politics (Foley 2010: 137-139), but at a level that does not threatened the state’s elite: the creation of relatively weak legislatures is an example, as is the toleration or even embrace by states of transnational television and online technologies. Democratization has not occurred to the point where electoral results can change national leaderships or the system itself – and is unlikely to for the foreseeable future – and civil society actors such as the mass media, the religious elite, and the merchant classes remain quite tightly restricted by the state. That political pluralization has occurred at all suggests that the late-stage rentier state acknowledges the need to appear open to change, responsive to the views and ambitions of society, and (moderately) consultative about the more important decisions that it takes. These days the state has no alternative, which was an explanatory failing of the classical RST model.

2. **It is open to globalization, not closed – but is still protectionist in many ways.**

Classical RST theorists would probably consider the rentier state introverted and isolationist, including in how it would respond to uncontrollable externalities such as globalization. The Arab world’s response to globalization at first was often slow and inadequate to social and development needs, but the late-rentiers of the Gulf have now (carefully) embraced globalization. The examples of Saudi Arabia and the UAE are illustrative. In Saudi Arabia the state was at one time an “open economy but closed society” (Wilson 2006: 165), but it has, since the 1990s, managed a process of reform, including economic liberalization in the process of attaining World Trade Organization membership, which it gained in 2005. It also has sought closer GCC integration, made a nascent opening to Western-style tourism, and cautiously implemented other reforms in education and new media. Such changes, however, are at the regime’s conservative and gradual pace: whatever the fractures within the ruling elite or within the wider state, the royals deliberately are not allowing reforms which could undermine their or ‘ulima authority. It is also careful to preserve its central position in the Muslim world and as a result is extremely conservative about any reforms that might impact the state’s religious reputation.

The UAE is different as, being a collection of individual emirates but with ultimate dominance by Abu Dhabi – as was seen during Dubai’s struggle with the global financial crisis – each emirate has pursued slightly different paths. Still, Dubai became a key trade and transport hub by the early 1990s, and quickly developed a diversified economy that, under certain conditions, was very open to international trade, focused foreign investment, transport, tourism and other linkages (see the examples in Davidson 2008). What the regime was trying to achieve was a diversification of rent-like income: it placated its middle classes as well as its wealthy through new opportunities in stocks, property, trade, and work as senior government officials, business intermediaries and investors. This is why its focus has been on tertiary economic sectors or intermediary roles in international trade, investment and finance, and not in manufacturing or the like. Dubai’s rulers have sought to develop rentier-like characteristics in a non-oil economy – to be late-rentier.

That others, including Abu Dhabi (Davidson 2009), Qatar (Siddiqi 2010), and less-successfully Kuwait are seeking to emulate what has been called the ‘Dubai model’ – specific (Hvidt 2009) or problematic (Foley 2010: 144-153) though that tag is – is a sign of the appeal of this wider approach to selected globalized economic opening, managed to deliver rentier-like outcomes to incumbent regimes.
3. **It not only has an economic policy, it has a development policy too – but not a development model.**

Classical RST theorists argued that the state was so autonomous that it did not need to act economically beyond distributing rents, to the point that Luciani argued that it did not even need an “economic policy” (1990: 76). The late-stage rentier not only has an economic policy – an active approach to both fiscal and monetary policy, trade policies, post-industrial aims, and the labour market, among others – but it has a development policy too: it seeks to create certain predetermined economic outcomes, and in so doing, must develop quite a comprehensive set of economic, business, trade and related policies. All Gulf states have done, and do, this (Davidson 2008; Davidson 2009; Foley 2010: 144-147; Luciani 2005a; Malik and Niblock 2005; Nugée and Subacchi 2008, among many). They are late-rentier because rentier-like political goals still underline these policies.

However, while the late-stage rentier state has development policies (and usually an overarching development goal or strategy) it does not have a single development model. Despite having undertaken some marketization reforms, it is not by any stretch neoliberal and in fact sees neoliberalism as fraught with risk (Niblock 2006: 96-102). Nor, however, do other development ‘model’ tags fit the Gulf: it is not at all Islamic in its economic policy, despite Islamic finance and other initiatives being allowed or even encouraged, and the case for ‘models’ like the “Beijing consensus” are explanatorily weak in the case of the Gulf too (Springborg 2009). To this should be added that part of being late-rentier is being hybridist in adopting development models: the Gulf exhibits some socially-cautious neoliberalism consistent with the post-Washington consensus, allows a little Islamic economics into the mix, and possesses certain elements, such as state capitalism, of the Beijing consensus. A simple model eludes the region, however: at best only some aspects of the ‘Dubai model’ might be transferable to other Gulf states.

4. **It is state capitalist, whatever development policies it adopts.**

Regardless of the development approaches or economic policies that the late-stage rentier state sets, it is always, at its core, state capitalist. By this is meant that it allows market-price mechanisms to operate, and the private sector to play a (controlled) role in the economy, but the state is a key, if not the major, actor in the economy and owner of the means of production. There are several characteristics of this state capitalism. First, its oil and gas companies and assets are state-owned but, because they are run for the political purpose of regime maintenance, they function professionally and efficiently unlike the politicized state-owned firms of the past or of elsewhere (Hertog 2010). Second, and a related point, all Gulf states are resource-nationalist in the sense of treating hydrocarbons as strategic assets and using the income for political, not just economic, goals (Bremmer 2010: 63-65). They are still rentier in nature, in other words, which obviously remains core to being late-rentier too. Third, other key sectors of the economy beyond hydrocarbons are state-owned: a large percentage of Dubai’s major firms are state-owned businesses within the Dubai World or Dubai Holding groups (Hvidt 2009: 410), for example, and in Saudi Arabia firms such as Saudi Basic Industries Corporation (SABIC) and the National Commercial Bank look like private sector actors and have managerial autonomy, but are state-controlled or -owned (Luciani 2005a: 146). Other businesses in most or all of the Gulf – the airlines, telecommunications firms, defence industries – are even more tightly state-controlled and -owned. Fourth, they favour particular key private sector actors: what Bremmer calls “national champions” (2010: 67-69) are, in the Gulf, the major private sector firms owned and operated by royals, merchant families, other well-connected individuals and sometimes foreign businesspeople (Luciani 2005a). The aim is to sustain business actors that are supportive of the state and its state capitalist structure, and while there have been (limited) business challenges to state authority from time to time, generally the cosy relationship that political elites have with business ones has served the political interests of the former well.
The above does not mean that genuine private sector operations are not routine. The Gulf states are competing to create free trade and investment zones, to carve business sector niches, and to reform their business rules and practices to make business processes simpler and cheaper. Such initiatives do not challenge the authority of the state, however: such zones and reforms do not reach in to the hydrocarbon sector, or into other ‘strategic’ economic sectors, or into sensitive geographical or social areas, or (normally) into the permission of business investment that might compete with established business elites or the extended royal family’s commercial interests. In other words there is a business-friendly policy but within a state capitalist framework: with the state controlling key firms and sectors, and informally influential in the upper levels across the private sector.

5. **It is cognizant of long-term imperatives and threats.**

The Gulf states experienced considerable stress during the period of low oil prices from the mid-1980s through to around 2000. The lesson of this for late-stage rentiers is that they need to account for rent fluctuations when planning for the long-term survival and (political) prosperity of the regime. They do this in a couple of key ways. One is that already mentioned: through a managed diversification and partial-marketization of (some) economic sectors, which create a wider employment base and a relatively low-risk source of taxation income and other revenue from the state beyond rents. This is of immediate benefit in ironing out the fluctuations, often dramatic ones, in rent income, but also in moving the economy towards a better footing for the decline and eventual exhaustion of hydrocarbon rents.

Second, a further characteristic of state capitalism – sovereign wealth funds (SWFs) – could be seen in this light; as a response to long-term political imperatives. SWFs are state-held investment portfolio funds, funded by foreign exchange assets, that buy and hold domestic or international investments and which seek through these investments to earn a risk-based return on the investment (Gray 2009: 3). SWFs everywhere, not least of all in the Gulf, serve several purposes in this regard (Gray 2009: 16-21). First, they give the appearance to society of considered governance and a state that is thinking about preserving energy wealth for the future; in other words, of a magnanimous and thoughtful regime. Second, some funds are designed to ease, or play the role of easing, some problems of the ‘resource curse’ such as sharp variations in income, inflated exchange rates, and large foreign currency reserves. Finally, they give the state a long-term kitty from which to manage politics, including when hydrocarbon reserves decline and as the allocative power of the regime declines. It would be crude to describe SWFs as state retirement funds, but they do at least in some measure act as such: the late-rentier state has adopted them, in part, to ensure a source of income after the basic rents that currently sustain it are exhausted.

**CONCLUSION**

There is more to Gulf politics than rents: as some authors have shown, social change and reform, technology, globalization and other factors are important and are impacting the region regardless of its rentier status. However, rents and rentierism are central to an understanding of the nature of Gulf regimes, their durability, their behaviour, and the nature of their relationship with society. These other, non-rent dynamics are important, but only in addition to the fundamental (late-stage) rentierism of the Gulf, not as a challenge to its explanatory primacy.

Classical RST, however, has proven inadequate to the task of understanding the rentier bargains that underpin state power in the Gulf in the current day. Too many variables – population change, globalization, business pressure, new international imperatives – complicate the state and its role, requiring a political elite that wishes to survive in the long-term to develop a more nuanced, engaged and complex approach to society and to policy-making, even if its fundamental reliance on
rents to underwrite these changes remain, as does the basic goal of regime survival. The idea of late-stage rentierism has, at its core, a set of explanatory principles and shared characteristics of the late-rentier state that, it is argued, provide a framework through which to understand the new regimes of the Gulf and the circumstances in which they have found themselves in the 1990s, 2000s and now into the 2010s.

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