

Prestige Aid: The case of Saudi Arabia and Malaysia

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Foreword by May Darwich

The Arab Gulf states have historically used foreign aid as a tool of foreign policy towards their neighbours. Following the 2011 Arab uprisings, Gulf states, particularly Saudi Arabia, the United Arab Emirates, and Qatar, have used targeted financial aid and military assistance to influence the outcomes of political transitions in the Middle East and North Africa (MENA) region. The growing trend is that the exercise of economic statecraft by Gulf states has transcended the regional boundaries to other regions, namely Africa and Southeast Asia. This increasing foreign aid to countries outside of the MENA region challenges our conventional understanding of the foreign policies of Gulf states as driven by materialist motives. Instead, this working paper presents a fresh perspective on this phenomenon by focusing on the case of Saudi foreign aid to Malaysia. The paper argues that this type of foreign aid is related to non-material drivers in Saudi foreign policy, namely the pursuit of prestige. Against this background, research on foreign aid may give more attention to incentives related to symbolic dimensions of power in the foreign-policy making of donor countries and may take on a more comprehensive perspective to international relations.

Abstract

The growing trend of developing countries such as China, Iran and Saudi Arabia in adopting alternative mechanisms for the provision of foreign aid challenges traditional institutions and the landscape of development assistance. Furthermore, Malaysia as a geographically distant state, presents a challenge to the conventional notion of Saudi Arabia concentrating its support in the MENA region. Therefore, a classical and neoclassical realist explanation for the role of prestige and status in competing for hierarchical positions in the global structure elucidates a state's interest in engaging with the practice of foreign aid far removed from its geostrategic interests. Accumulating prestige and recognition for its actions benefit a state's position in the anarchical world structure and provide it with further influence to exert its own interests. This paper argues that Saudi Arabia engages in prestige and status-seeking behaviour, by providing foreign assistance to states, such as Malaysia, in the form of development grants, donations to universities, Islamic institutions and infrastructure projects. This paper contributes to the literature on foreign aid by providing novel insights on the symbolic motives of these policies.

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About the Author

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Introduction

Saudi Arabia has been a principal donor towards Malaysian infrastructure projects such as the port in Penang or the East-West highway. Furthermore, the state has donated substantially to various universities focusing on medicine or technology and assisted Islamic institutions through the provision of donations. The broad trend for the support has been concentrated on aspects of development, more recently advancements in research and manufacturing. However, the gulf state is regarded to have little economic or political incentive in providing foreign assistance to a geographically distant and developing Southeast Asian state (Idris 2013: 3). This puzzle calls attention to the question of why Saudi Arabia has continued to support Malaysia since the Third Malaysian Economic Plan that began in 1976 (Von der Mehden 1993: 35). Although their trading relationship has simultaneously grown, it would be misguided to argue that the basis for foreign aid is solely limited to economic factors.

The importance of this topic has been highlighted by scholars referring to the use of resources by states such as China, Iran, Venezuela and Saudi Arabia to fund development projects across the world as a “silent revolution” (Copper 2016: 147). These states, often called ‘rogue states’, seem to ultimately undermine well-meaning development policies in order to further their own national interests while shaping the global structure (Naim 2009). However, this paper is more concerned with the symbolic dimensions of providing foreign assistance, including its suggested benefits towards patron states.

Consequently, this paper seeks to answer the question of what motivates Saudi Arabia to provide foreign aid to geographically distant states, such as Malaysia. Traditional International relations (IR) theory has not effectively assessed the symbolic importance of foreign aid when it is not primarily aimed at genuine economic development, and has largely regarded it an ineffective foreign policy tool (Burnell 2007: 3). Beyond these theoretical lacunae, the relationship between Saudi Arabia and Malaysia, two countries hardly sharing any geopolitical affairs, has been overlooked. Henceforth, this paper engages with IR theories to provide a compelling explanation of this puzzling relationship that cuts across two regions.

After his ascent to the throne, King Salman bin Abdul Al Saud visited Malaysia as his first stop during his 2017 tour of Asian states, making the most recent pledge of RM40 billion in potential investments (Astro Awani 2017). These trips highlight Saudi Arabia’s attention towards engaging with states, such as Malaysia, that are removed from its primary geo-strategic interests but remain a source of prestige within the international hierarchy. By providing financial assistance to these states, Saudi Arabia receives political recognition of its status. This is exemplified by the lavish symbolic

gestures of visiting development projects and religious monuments throughout the King's stay in countries, such as Malaysia and Indonesia. Saudi Arabia has most prominently supported various developmental projects, educational enterprise and religious activities. The manner and direct end results of this behaviour is highly contingent on Saudi Arabia's interest in gaining international prestige.

In the first section of the paper there is a literature review covering various realist as well as social constructivist approaches to the concept of foreign aid as a form of seeking influence and power. Both theoretical frameworks highlight reasons why states would provide foreign aid to geographically distant countries. Following the literature review is a short outline of the theoretical argument, emphasizing specific evidence related to the case study within the context of the literature. Subsequently the section on methodology highlights the limits of this research specific to the case study as well as the emerging literature on the topic, including a clarification on the definition of foreign aid and its complexities with reference to this research. The following empirical evidence highlights a wide range of prestige seeking behaviours that Saudi Arabia has engaged in within this specific case study, elucidating how accumulating prestige and competing for status drives the provision of foreign assistance.

Foreign Aid for Power and Security - Theoretical Perspectives

Foreign assistance and aid have long been a cornerstone of great and middle powers' foreign policies. IR scholars have attempted to explain the drivers of these policies through various theoretical perspectives. Whereas a strand in the realist literature focuses on the role of power projections, another strand within constructivism concentrates upon the norms and values shaping the provision of foreign aid. Neorealism concentrates upon a state's self-interest in maximising national security and economic benefits while the neoclassical and classical realist approach focus upon the symbolic dimensions of providing foreign aid.

The classical realist scholar Hans Morgenthau (1967: 13) defines power as a "man's control over the minds and actions of other men". Therefore, in the anarchic world order, states providing foreign assistance can be seen as accumulating power through influence. Richard Lebow (2010: 508-509) refers to this spirit as the "universal drive for self-esteem" inherent in human behaviour. This form of self-esteem is closely related to honour, which suggests a certain hierarchy of status within international relations. Since this status cannot be solidified by an overarching power, states are

intrinsically deemed to compete over “hierarchy” as well as security or power (Paul et al. 2014: 17). Therefore, states such as Saudi Arabia are driven to use soft power and cultural or diplomatic channels in order to increase their status and prestige on the international stage, which could include providing foreign assistance. Richard Lebow (2010: 23) argues that power is distinct from prestige in the sense that power can “lag behind the actual capabilities of states”. Consequently, it is more apt to talk about garnering prestige rather than power, when analysing foreign aid. Max Weber (Paul et al. 2014: 90) first developed this idea by arguing that international relations are driven by the desire for “machtprestige” as it constitutes the basis for being a Great Power. Therefore, state behaviour can be explained through the desire for prestige, which is paralleled by a desire for greater power on the international stage. Therefore, Saudi Arabia may be seen as seeking prestige and competing for status in order to attain the position of a great power in the anarchical system of states.

Neorealism however asserts that a state is primarily motivated by security concerns as well as economic factors when providing foreign aid (Kamminga 2007). Therefore, this theoretical strand emphasises the donor’s self-interest in maximizing its national security. In accordance with this argument, foreign aid would be directed at neighbouring countries, as Saudi Arabia has historically done. Furthermore, neorealism has underscored the importance of economic concerns with regard to security (Schraeder et al. 1998: 297). It has been argued that economic incentives are equally important to national security and therefore a significant factor when providing foreign assistance. The Malaysian case challenges these central arguments due to its geographically distant position as well as limited economic incentives. Therefore, this puzzle presents a direct challenge to the neorealist framework.

Furthermore, Realism overlooks the importance of a state’s identity and the role it might play in international relations, specifically with regard to drivers of foreign aid. Although scholars such as Erik Ringmar (2016) have used the role of identity with tenants of realism in order to explain a states need for international recognition, there remains a theoretical gap in the realist literature. A state’s identity may not change its inherent prestige seeking behaviour, however, it may impact the way in which it engages in this behaviour. This can be seen in how Saudi Arabia provides foreign assistance to specific Islamic institutions driven by its own position in the greater Islamic ‘ummah’. Regardless of various theological interpretations, the ‘ummah’ can be broadly defined as “the single universal Islamic community” in which most significantly Iran and Saudi Arabia have competed for a position of leadership (Cumakov 2014: 470).

Realism is also limited in the sense that it does not emphasise the dynamics of a domestic regime, creating a gap in the theoretical framework. Domestic actors, including the Saudi Arabian royal family, have imperative roles as they each individually are sanctioned to provide foreign

assistance to various states (Nonneman 1988: 153). Therefore, these leaders and their approach to foreign policy will have a direct impact on the provision of foreign aid. Neoclassical realism, however, allows for an analysis of state institutions as well as the role of elites. First coined by Gideon Rose (1998), this particular strand combines classical realism and neorealism in order to elucidate the systematic variables explaining foreign policy decisions.

Social constructivists, however, argue that structures such as the anarchical world order are socially constructed and based on states' conception and perceptions (Wendt 1999: 394). Furthermore, it is ideas, norms, values, and culture that determine a state's identity and consequently its interests (Wendt 1999). Therefore, these identities or interests are not pre-determined. This can be seen in Saudi Arabia's identity as a leader of the greater Islamic 'ummah' and its interest in supporting this identity through providing assistance to, and cooperating with, Islamic institutions. Michael Barnett defines identity as "the understanding of oneself in relationship to others" (Telhami and Barnett 2002: 62). Therefore, it is a state's self-perception and process of socialisation with other states that determines its identity. Martha Finnemore (1996: 29) and Amitav Acharya (2005: 96) both highlight the role of socialisation and norms in the international system that drive a state's behaviour. In this sense, a state's identity has a direct role in the motivation for providing foreign assistance.

Tomohisa Hattori (2003: 246) argues that giving financial aid for moral reasons has persisted because the Global North designed multilateral institutions that channel foreign aid in order to maintain their position of power. Due to the international norm of providing foreign assistance, Saudi Arabia may be inclined to replicate such behaviour. These norms can be regarded as standards of behaviour; while abiding by them may result in international recognition (Finnemore 1996: 5). Therefore, a state's role in the world is influenced by its identity as well as the status it wants to perpetuate. As mentioned previously, foreign aid has become a norm for states with vast resources; and as a result, emerging powers can be seen as abiding by these norms in order to integrate themselves into the global hierarchy. A growing number of countries outside the Middle East, such as China and Venezuela, are engaging in the practice of providing foreign aid to developing states. Constructivist scholars do highlight the "discursive or symbolic construction of power" which is related to a state's legitimacy (Guzzini 2013: 82). However, the constructivist literature remains largely limited with regard to the importance of prestige.

Constructivists have failed to explicitly explain why emerging states do not abide by the norms of the Development Assistance Committee (DAC) and similar institutions that have dominated the institutional framework (Howard 2014: 77). States such as Saudi Arabia are instead offering their own alternative forms of providing financial assistance, usually in highly secretive or unconventional manners. Instead, this theoretical strand focuses on socialisation and interaction as being the

determinants for a state's identity and subsequently its national interests. Therefore, they believe that this "status competition" is also what determines a state's identity in the first place (Larson and Shevchenko 2014: 38). However, this paper would rather assert that states inherently seek to augment their status through behaviour that may or may not be considered the social norm. Therefore, states view prestige as a means to an end as well as an end in itself. Constructivism does not attribute enough weight to the role of agency with regard to a state's decision to engage in this competition, or choosing to exemplify a specific identity when aspiring to a certain status. Shannon and Kowert (2012: 63) argue that constructivism is unable to distinguish between power and status and how this affects a state's behaviour. Ultimately constructivist literature remains rather vague with regard to prestige seeking behaviour and has described it as an analogue for power competition. These gaps render its approach underdeveloped with regard to this particular topic.

Prestige Aid: Saudi Money for Malaysia

The use of financial assistance in order to garner "global prestige" by states such as Japan, Iran and China has been discussed by Ngair Woods (2008: 1205), who refers to this activity as a "silent revolution" in which emerging states are competing with the current system dominated by great western powers as cited in Copper (2016: 147). The emergence of new and independent foreign aid programs by these states highlights the theoretical significance of this case study. Foreign aid has typically been associated with Western powers as a program for developmental or humanitarian assistance, while the role of foreign assistance from "emerging powers" has remained an unexplored concept in international relations (Watson 2014: 59). Furthermore, Malaysia's geographically distant position and non-Arab identity challenge conventional notions concerning typical foreign aid behaviour. Anoushiravan Ehteshami (2015: 233) has highlighted the "Asianization" of the Middle East as an important shift in the balance of economic power. Therefore, this case study is also relevant in bridging the gap between area studies of two different regions.

Defining foreign aid is a highly contested subject. Whereas Hans Morgenthau (1962: 303) compares it to a modern day bribe, the Organisation for Economic Co-operation and Development defines official development assistance as "Grants or loans undertaken by the official sector, with the promotion of economic development and welfare as main objectives" (OECD 2017). These varying definitions account for the differing forms and intentions of foreign aid provision. Although the OECD's definition is apt when referring to large organizations that regard it primarily as a form of charity, it remains incongruous with reference to this particular case study. Although the Saudi

Development Fund (SDF) similarly defines loans in these terms, the foreign assistance referred to in this paper has different attributes and goes beyond the assistance channelled through the SDF.

A more appropriate as well as flexible definition is provided by Carl Lancaster (2008: 9), for whom a state's foreign aid is a "voluntary transfer of public resources, from a government to another independent government, to an NGO, or to an international organization...". Therefore, the more flexible term "foreign assistance" is used in this paper in order to cover any form of monetary transaction originating from the donor country that intends to benefit the recipient nation. The terms 'foreign assistance', 'financial assistance', 'foreign aid' or any variation of such language will be used to refer to this form of support.

Scholars such as Luhmann (2003) are returning to classical realist assertions regarding power as related to fundamental human drivers of prestige, honour and status. Luhmann (2003: 10) suggests that prestige and status can be regarded as substitutes for power. The concept of status presents a global hierarchy with "clearly defined positions" while prestige is linked to everyone believing that a certain actor is in possession of a particular "quality" (O'Neill 2001: 193-4). Therefore, prestige is derived from everyone else believing that a state exhibits a certain quality rather than possessing specific material factors. This theoretical argument is grounded in the classical realist framework which highlights the symbolic dimensions of power as seen within the early works of Hans Morgenthau. There is an emerging literature in IR theory that re-integrates these ideas with a sociological foundation as presented within the works of Erik Ringmar and Thomas Lindemann (Ringmar 2016; Lindemann and Ringmar 2016).

Following this strand of literature, Saudi Arabia engages in the practice of providing foreign assistance to a geographically distant and economically peripheral state such as Malaysia in order to garner prestige and augment its own status in the international hierarchy of states. Prestige aid is referred to as "relatively cheap" since it is an "economically useless symbol of modernity" that does not require excessive commitment of resources (Morgenthau 1962: 304). Therefore, Saudi Arabia is not primarily interested in economic development but rather views this aid as a symbol of prestige. Lindemann and Ringmar (2016: 3) argue that state behaviour is determined by their interest in seeking international recognition that is related to a state's self-perpetuated identity. Recognition can be defined as a "social act that ascribes to a state some positive status" by which its identity is acknowledged and reinforced "with legitimate social standing (Lindemann and Ringmar 2016: 27). Saudi Arabia receives international recognition for engaging in these practices that reinforce its drive towards increased prestige and status. Malaysia is also engaging in forms of recognition during this particular visit as exemplified by large ceremonial demonstrations, memorandums of understanding between the respective state-owned oil companies Saudi Aramco and Petronas as well as visits to the

Universti Malaya and the International Islamic University of Malaysia where the King is expected to receive honorary doctorates (The Nation 2017). The rhetoric of stronger bilateral ties and support for the Gulf State as well as these symbolic gestures of recognition highlight how Malaysia provides prestige to Saudi Arabia. Furthermore, Najib Razak explicitly highlighted the importance of their cooperation in providing leadership for the ‘ummah’ and praised as well as pledged support for Saudi Arabia’s mediating role in current Middle Eastern conflicts (The Nation 2017).

Furthermore, it is not the aid itself but the “positive relationship” established as well as “the subject matter to which it is applied” that is important (Morgenthau 1962: 308). The emphasis on religious activities also highlights the important dynamics of state identity and Saudi Arabia seeking prestige and status internationally as well as within the narrower scope of the Islamic ‘ummah’. It could be argued that this struggle for leadership coincides with an interest in garnering prestige, related to engaging with Islamic communities beyond their own regional boundaries. Ultimately, Saudi Arabia seeks to garner prestige and status by providing foreign aid to Malaysia. This can be influenced by the state’s interest in pursuing an identity that coincides with larger world influence in the context of the international hierarchy as well as the Islamic ‘ummah’. Saudi Arabia primarily seeks to enhance its prestige and status by providing foreign assistance for development projects, various universities and religious activities across Malaysia.

This paper will use the case of Saudi foreign aid to Malaysia to illustrate the validity of above presented theoretical argument. The specific foreign aid program established in Saudi Arabia during the mid-1970s is not adequately explained by conventional theoretical debates. The Saudi Arabian case has remained largely unexplored even though its program is one of “the largest of its kind” and estimated to be the second largest contributor to foreign aid worldwide after the USA (Al-Sugair 1994: xiv; Patrick 2016). Therefore, this topic is significant not only due to the vast wealth associated with Saudi Arabia’s donations but also the suggested growing influence of the state as a result. However, it should be mentioned that Saudi Arabia has been highly reticent to publish comprehensive details regarding their development funds. Less than 50% of the funds channelled through the SDF since 1978 are “officially accounted for” while a number of academics believe the numbers could be much higher (Nonneman 1988: 153, Patrick 2016). This may explain the lack of investigation into the role of Saudi Arabian foreign aid and remains a limitation throughout the research. However, the intent to keep such information private also reveals the significance of the program to the state and its governing body. Ultimately this case study presents a challenge to the traditional neorealist framework with regard to new forms of providing foreign aid by emerging powers and the distant geostrategic position of the recipient state.

Furthermore, the lack of wider in-depth studies of classical or neoclassical realist literature concerning prestige and status coupled with the absence of incontrovertible empirical evidence leaves this area of study deficient of a conclusive account. The evidence and theoretical explanations provided in the empirical analysis remain largely speculative at this point of research. Although the theory provides a sound and convincing argument, it is also likely that, in alternative cases, most famously China's use of foreign aid programs across the developing world, factors such as economic profits play a far larger role. However, this should not discount seeking prestige or status competition that are equally important in the aforementioned case. Although the role of prestige may differ in significance between case studies, that does not diminish the function of these attributes which ultimately form part of various decisions made by states.

Saudi Arabia provides foreign aid to countries such as Malaysia in order to garner prestige. Significant financial aid started to flow from Saudi Arabia as a result of the oil boom in the early 1970s. Gerd Nonneman (1988: 135-136) argues that this program was primarily created in order to influence the "thinking of other governments" and for recognition of the kingdom's immense wealth and "independence at the international level". These arguments coincide with theories concerning prestige and status in which states engage in behaviour to increase their international standing. Although financial aid is intuitively considered a form of assistance targeted at economic development, the director of the Arab-Malaysian Development Bank argues their only focus is making the largest amount of profits possible (Von der Mehden 1993: 36). As a result, Saudi Arabia has primarily looked towards North America and Western Europe for such investments. From 1976 to 1983 the Saudi Arabian government provided SR2.70 million for the Lepar Utara Land Settlement and SR15.60 million for four new district hospitals (Idris 2013: 55). Financial support for essential sites of infrastructure has been typical during Malaysia's initial phases of modernisation. Fundamentally, "status" is incremental to "authority", both of which are required to be considered a "great power" (Clunan 2014: 276). Therefore, Saudi Arabia is not only seeking prestige in and of itself but is also looking to increase its status within the international hierarchy of states in order to be considered a greater power. Therefore, it has been illustrated that, within the context of this case study, providing foreign assistance is concerned primarily with increased status rather than economic development.

Saudi Arabia began providing financial aid for socioeconomic development projects within Malaysia during the countries plans for industrialisation and modernisation. From the years 1975 to 1993 it has been reported that Malaysia received a total of SR 312.30 million from the official Saudi Fund for Development (SFD) (Idris 2013: 132). In 1986 the SFD allocated US\$132 million for the port of Penang and the East-West Highway (Von der Mehden 1993: 33). Such a contribution is

significant in size and also important due to the project that it was given to. Financial aid provided for such projects can be regarded as “spectacular symbols of, and monuments to, industrial advancements” rather than meant to meet actual economic objectives (Morgenthau 1962: 303). Through the international recognition provided by Malaysia and other states, this type of financial support is meant to be grand and symbolic in order to increase the status of Saudi Arabia. Nevertheless, these types of donations tend to occur in isolation from each other and do not reflect a larger pattern of significant investment. This highlights the relatively cheap nature of prestige aid as it remains an “economically useless symbol of modernity” (Morgenthau 1962: 304). Consequently, Saudi Arabia’s occasional investment in emblematic forms of development is primarily meant to increase their own status in the hierarchy of the world structure.

A large portion of financial aid is also directed at education, specifically supporting various universities in Malaysia. During the Tun Razak administration (1970-76), SR48.20 million were provided to the University of Technology and SR54.20 to the Medical Faculty of Universiti Kebangsaan Malaysia (UKM) (Idris 2013: 133). This illustrates that aid is also channelled towards educational enterprise as a symbol for advancement. Hans Morgenthau (1962: 304) explains the process of prestige aid as increasing the prestige of the recipient, which in turn increases the prestige of the giver. Therefore, by providing assistance to various institutions across Malaysia, it augments the status of Saudi Arabia. Another example of recognition was provided by the Muslim College in Petaling Jaya, which built a hall in King Faud’s name to honour his support for the institution (Von der Mehden 1993: 18). This also resulted in the Saudi Arabian state providing a further \$200,000 million for the construction of the hall and a yearly \$15,000 for its upkeep (Von der Mehden 1993: 18). This example also includes the dynamic of repetition and a commitment to continual financial support. Barry O’Neill (2001: 242) argues that with repetition, such actions can be “understood more directly by precedent” in which they could evolve into a norm rather than just a symbolic act. Although the dynamic of commensurate repetition is rare within the case study, it does highlight the evolving potential for emerging powers to institutionalise their own social norms with regard to procedures of foreign assistance. Saudi Arabia has provided foreign assistance to universities as symbols of advancements, in order to receive international recognition. Financial assistance from Saudi Arabia has shifted and evolved in form, however, the reciprocal relationship of prestige aid has been sustained. Asmady Idris (2013) previously argued that there has been a decrease in Saudi Arabia’s commitment to Malaysian development due to shifting priorities. However, more recently (during the 1990s) Saudi Arabia has invested RM139.6 million into the industrial-manufacturing sectors within Malaysia such as food processing, plastic materials, textile products and electrical manufacturing (Idris 2013: 138). The lack of commitment to recurrent investments in the same sector

supports the argument that the aid is meant for status rather than economic development. This financial assistance has also largely varied between loans, scholarships, aid and 'gifts'. Therefore, the type and form of aid has not remained coherent, however, it has always been a prominent feature of the Saudi-Malaysian relationship as the former continues to seek prestige through these methods.

The substance and form of financial assistance remain difficult to quantify due to the lack of transparency or published material. Both Asmady Idris (2013) and Fred von der Mehden (1993) have relied primarily on information from newspaper reports since SFD reports remain inconsistent and devoid of specific details. The lack of information and details regarding the exact dynamics of financial assistance between the two states is a limitation for any investigation into this topic. Furthermore, it seems counterintuitive that a state seeking prestige from providing financial aid is not openly advertising their engagement in this norm. Michael Doc Howard (2014: 76) attributes the lack of transparency to the nature of the regime type, as Saudi Arabia remains highly reticent about their domestic operations. Furthermore, he suggests that a lack of transparency among emerging powers is orchestrated in order to "maintain a competitive advantage" (Howard 2014: 76). Therefore, reducing the amount of public information can be seen as advantageous in order to safeguard Saudi Arabia's strategic goals in competing for higher status. Ultimately the primary motivator remains seeking prestige through the provision of foreign assistance.

A lack of information may also result from transactions that would not be internationally recognised as "aid", further obscuring its definition. Morgenthau (1962: 303) describes "prestige aid" as another form of bribery, which makes it difficult to distinguish between official financial assistance and what would be considered a modern day bribe. At the beginning of 2016 the BBC published a report that identified large sums of money in Najib Razak's (the prime minister of Malaysia) personal bank accounts as having originated from Saudi Arabia (Gardner 2016). The Saudi government eventually confirmed these donations as a "gift" and it has been suggested that it was meant to aid the prime minister in winning the 2013 elections (Gardner 2016). The clandestine nature in which this transaction took place suggests that Saudi Arabia retains a level of secrecy concerning their aid programs because there are times in which it breeches the line between financial assistance and bribery. Therefore, it is hard to define this most recent action as financial aid for the benefit of Malaysia, but is rather a donation to the leading political party. Either way, prestige is meant to establish a collective admiration or perception of a state based on its actions (O'Neill 2001: 244). Consequently, this donation reinforces the notion of accumulating prestige by maintaining a positive image of Saudi Arabia in the eyes of the Malaysian government. Therefore, although financial aid is difficult to quantify as well as define, its end results remains the accumulation of prestige to compete for positions of status in the hierarchy of states.

Saudi Arabia has also supported Malaysia with regard to various religious activities. The Muslim Welfare Organization Malaysia, or PERKIM, has been the primary recipient of financial aid from Saudi Arabia for religious grounds. The first donation in 1975 amounted to \$19,710 while in 1981 this had risen to \$500,000 (Idris 2013: 193). Therefore, it has been suggested that Saudi Arabia is driven to support Malaysia due to a shared overarching belief system and the sense of commonality based upon this identity. States can seek prestige by promoting themselves on the grounds of “moral leadership” (Paul et al. 2014: 14). Therefore, by promoting themselves as the leader of the greater ‘ummah’ on the foundations of Islamic legitimacy, they are also pursuing a higher status within a specific context. Saudi Arabia has perpetually sought to project the image of leadership within this community (Von der Mehden 1993: 20). Therefore, its self-perpetuated identity is in part driving the competition for status as highlighted by the International Islamic University of Malaysia (IIUM), to which its last donation totalled over US\$2 million (Idris 2013: 196). This example highlights a significant trend in which Saudi Arabia supports Islamic educational institutions across Malaysia in a variety of ways, from donating copies of the Qur’an to monetary support. Although this behaviour is shaped by the role of religion, the significance of it is driven by the desire for status. By engaging in these charitable donations, Saudi Arabia is seeking to enhance their position in the International hierarchy within the context of the Islamic ‘ummah’.

Donations for religious institutions and activities can primarily be seen as a form of accumulating prestige within the greater Islamic ‘ummah’. The importance of recognition is highlighted by the fact that a number of these donations were secured subsequent to visits by Malaysian Prime Ministers Tun Abdul Razak Hussein and Tun Hussein Onn to Saudi Arabia (Idris 2013: 206). By executing these diplomatic missions, Malaysia is recognising the significance of Saudi Arabia and its support for their own nation. Therefore, the increased status that Saudi Arabia receives from said recognition encourages the state to continue engaging in this behaviour. One of the first donations consisted of copies of the Qur’an and the Friday speech to the National Mosque (Idris 2013: 205). In this case financial assistance refers to material goods relating to religious scripture, further expanding the definition of aid. By providing Malaysia with foreign assistance, Saudi Arabia is accumulating prestige as the leader of the greater Islamic ‘ummah’. This can also be seen within the specific context of competition with other Arab and Muslim majority states such as the United Arab Emirates or Iran who have also engaged in using foreign assistance as a tool to garner power (Von der Mehden 1993: 16). Although religion has played a role in shaping foreign assistance with regard to its form and target, the desire to gain status remains the primary motivator. Therefore, Saudi Arabia provides foreign assistance to religious activities in Malaysia in order to enhance its own position on the international stage.

Conclusion

Saudi Arabia provides foreign assistance to development projects, research, universities and religious activities in Malaysia in order to receive international recognition as well as augment its own status in the global hierarchy of states. Seeking a higher status is an overlooked state behaviour in international relations literature, despite being able to effectively explain Saudi Arabia's interest in engaging with states that are far from its primary geo-strategic interests. Seeking recognition can be seen with regard to its attempts at competing with global powers in the hierarchy of states. However, it can also be seen within the context of its religious identity and self-perpetuated role as leader of the Islamic 'ummah'. The use of neoclassical realist assertions with regard to human drivers of state behaviour effectively explains why Saudi Arabia provides financial assistance to Malaysia, however, the role of identity remains an important factor. Therefore, the realist literature on prestige is central to explaining Saudi Arabia's behaviour, although it fails to grasp the importance of a state's identity and its role in influencing state behaviour which is provided through the constructivist school of thought or identity literature.

Seeking prestige can explain the behaviour of other emerging powers, such as China, Japan or Iran, that are engaging with the international community through foreign aid programs. However, it should be cautioned that social and historical contexts could still influence a state's decision as to how it engages in specific cases as well as the relative importance of economic incentives. In broad terms, the importance of seeking prestige is central to any provision of foreign aid however the extent to which other factors are equally or more important, such as economic profits. Yet, they may differ from one case to another. The growing trend of developing countries to use alternative mechanisms for providing foreign aid clearly competes with the more traditional forms such as the OECD's. The importance of these trends should not be overlooked as the neoliberal policies of the World Bank and the IMF have isolated many developing states who now look towards countries like China, Iran and Saudi Arabia to fund development projects. This shift in behaviour will have significant impacts on the future of development across the globe, altering the landscape upon which foreign assistance is provided. Therefore, a clear analysis of the motivations and processes by which these states are choosing to provide foreign assistance is of paramount importance to future academic debates.

In the context of this case study, the lack of transparency and the clandestine nature of Saudi Arabia's foreign assistance is a clear limitation for any investigation into this topic. Furthermore, an analysis of the role of specific leaders (Foreign Policy Analysis) in respective countries could further illustrate their motivations and the reciprocal relationship of providing foreign assistance for

international recognition and influence. In future research, this theoretical argument could also be extended to other emerging powers and parallel case studies.

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