

# All the King's Consultants

## *The Perils of Advising Authoritarians*

By Calvert W. Jones

“Does a Lebanese kid from Harvard know more about the streets of Riyadh than I do?” a Saudi business developer asked me in 2016, bemoaning the scores of highly paid foreign consultants whispering into the ears of his country’s leaders. The phenomenon isn’t unique to Saudi Arabia, and neither are the complaints. “All their eyes are on our money,” an Emirati adviser said in an interview. “Too many strategies, not enough getting done.”

Experts play valuable and highly visible roles advising leaders in wealthy liberal democracies and international institutions. But far less is known about what they do—and to what effect—for authoritarian regimes and developing countries. That’s a problem, because autocratic leaders from China to Saudi Arabia increasingly rely on experts, especially from top consulting firms, universities, and think tanks in the West. In 2017, the consulting market in the Gulf monarchies topped \$2.8 billion, with Saudi Arabia accounting for almost half of that amount, according to Source Global Research. Experts and the institutions they work for have sometimes appeared unprepared to handle the potential pitfalls of operating in authoritarian contexts. In recent months, experts who assist regimes associated with human rights violations, corruption, and other wrongdoing—and often charge hefty fees—have provoked growing public criticism, both in the United States, where many are based, and in the countries where they operate.

Consider McKinsey, a global leader in management consulting. The firm, among others in the sector, has come under scrutiny for its work with governments and government-owned enterprises of questionable reputation. Last October, the firm released a statement saying it was “horrified” that a report it had produced on social media usage in Saudi Arabia may have been used by the regime in Riyadh to target political dissidents. A few months earlier, in South Africa, the firm had become embroiled in a major political corruption scandal, in the wake of which it admitted to overcharging the state-owned power company Eskom and failing to properly vet one of its partners. McKinsey eventually agreed to repay the South African government the equivalent of \$74 million. In a public statement, it apologized to the people of South Africa. “We were not careful enough about who we associated with,” the firm acknowledged, and “did not understand fully the agendas at play.”

This is valuable self-reflection and sets a productive example, because whenever experts work with authoritarian regimes or in countries where endemic corruption has eroded the rule of law, they are navigating perilous ground. **In principle, experts seek to rationalize governmental decision-making and enhance legitimacy, and the evidence suggests that they often achieve those goals in open political environments. But do they succeed on either count under authoritarian conditions? Should they even try?**

To shed light on such questions, I spent 19 months between 2009 and 2017 conducting field research in the Middle East, focusing on the United Arab Emirates (UAE) and other Gulf monarchies where foreign experts work closely with rulers on almost all aspects of governance. I interviewed scores of advisers from major consulting firms and universities and dozens of ruling elites (including one ruling monarch). Sitting in on palace meetings, I observed how experts behave in their interactions with authoritarian ruling elites, many of whom—regardless of Western stereotypes—care about the welfare of their citizens, not least for reasons of self-preservation. I also collected qualitative and experimental data on how citizens in such countries view experts and the reforms in which they are involved. I found that expert consultants sometimes help regimes govern better, but their efficacy and influence wane over time, especially as they become less willing to speak candidly about the obstacles to progress. What is more, working with expert advisers generally does not enhance the legitimacy of an autocratic regime—in fact, quite the reverse.

These findings matter for foreign policy debates in Washington and other Western capitals, where policymakers are grappling with how to respond to the rising tide of authoritarian rule around the world. One might argue that the assistance that autocrats in places such as China and Saudi Arabia receive from Western experts cuts against U.S. interests—especially when that assistance helps authoritarian regimes repress dissent and violate human rights. But such regimes have remained remarkably persistent despite predictions of their impending collapse for a variety of reasons, including resource wealth and economic growth produced by globalization. Expert assistance does not matter more than those larger factors: **if Western experts all withdrew from China and Saudi Arabia, those regimes would not suddenly collapse.**

**The fact that experts do not help prop up authoritarian regimes quite as much as their critics might think does not mean that their work has no strategic implications.** Those implications, however, might be counterintuitive—even ironic. If, as my research suggests, international experts can inadvertently undermine the legitimacy of authoritarian regimes, their advice may wind up contributing to developments that even their fiercest critics would cheer.

## **SPEAKING TRUTH TO POWER—FOR A WHILE**

**One might expect experts who advise authoritarian regimes to be simple yes men, telling their clients whatever they wish to hear. The truth is more complicated.** Certainly, some experts are not as principled as others. In the resource-rich Gulf region, many consultants are aggressive marketers, touting one-size-fits-all solutions in what one interviewee described as a “feeding frenzy” of experts vying for contracts. Others specialize in the less savory areas of authoritarian governance, such as security and surveillance, a trend that has rightly provoked a strong backlash both within the countries in which they consult and internationally.

Most experts, however, seem genuinely interested in making a positive difference in areas such as education, infrastructure, and economic management. They do not feel especially implicated in autocratic wrongdoing. In fact, they see themselves as helping kindle valuable change from within. And they often do—at least at the beginning, when they study policy challenges, gather information, and identify potential solutions. In this early stage, experts are well positioned to

exercise a rationalizing influence over authoritarian ruling elites, who may be surprisingly unaware of problems, having been shielded from reality by their own lieutenants. For example, in the educational sector, experts collect valuable data, including at the local level, and share startlingly candid reports with ruling elites. Indeed, an adviser and consultant with many years of experience working in Bahrain described an early McKinsey report on the educational system there as “quite thorough, revealing things that were very embarrassing [to the regime].”

Experts are generally willing to speak truth to power at this early point. But problems develop as decision-making advances and experts are asked to evaluate different potential courses of action. Over time, experts learn and then adapt to incentives, rooted in the authoritarian political context, to alter or limit their advice. First, despite initial assurances to the contrary, they realize that they can be easily fired, with very little opportunity for redress. Foreign experts can be swiftly deported or politely asked to leave, and local ones can be demoted with virtually no explanation. Second, experts begin to more clearly perceive the atmosphere of intense rivalry in which they operate and get drawn into palace intrigues. The Bahrain-based adviser described it as a game of musical chairs: “First it’s the prime minister, next it’s the crown prince, and then it’s the minister of education,” all competing in the educational reform sector, each with his own rival team of experts. Finally, experts find themselves cast as convenient scapegoats when reforms falter. In Qatar, for instance, a top education expert with the RAND Corporation emphasized that “as soon as things went awry, what we were doing was [dismissed as] ‘the RAND reform,’ even though it was clearly the emir [who] chose it.”

Over time, experts grow less and less willing to speak truth to power, at least in a clear way. The atmosphere of uncertainty and insecurity to which they become accustomed ultimately leads them to worry more about their status. Many say that a smart survival strategy is not to lie but to say very little. As the Saudi business developer explained: “[Experts] say their opinion on day one, and then they are told, ‘No, we want to do it this way,’ and then they will keep quiet and do what they are told. They know that someone else will come and take their place if they don’t.”

The result is that the quality of the advice experts give tends to decline. At some point, they can even start to make things worse. With top experts at their side, ruling elites easily become overconfident, especially about their ability to fast-track the changes they want at minimal cost. They come to believe in state-building shortcuts, and consultants find themselves bargaining over time frames. A top education adviser in the UAE explained: “The plan I’d written was to reform all the schools in seven years.” But “by the time I got back [from vacation], [the minister of education] had reduced it to five years, and by the second day, Sheik Mohammed bin Rashid had reduced the reform to three years.” Ultimately, the education adviser went along with the revised schedule, despite doubts about its feasibility. The Saudi business developer described the general pattern as follows:

[Ruling elites] are trying to find a miracle solution. They sit there and basically say, “How can we reduce [energy] consumption without raising prices [which would involve political costs]?” And you’ll say again, “It can’t be done,” and then they say, “Well, what solution have you seen being applied in other countries,” and you say, “Raise prices,” and they say, “But we can’t.” And

then this conversation can go on for an hour, and then His Excellency or whatever will say, “You have to find me a solution. You’re a consultant—you’ve done this before.”

These patterns are ultimately cyclical. When ruling elites are disappointed by a lack of progress, they tend to blame the particular experts involved. So they recruit a new team of experts, or else move on to other projects as other ruling elites take over the effort to tackle the same reform problems, often with the same disappointing results. Little learning from the past tends to survive because of weak institutional review processes and a lack of communication across reform efforts.

## **DEVILS KNOWN AND UNKNOWN**

In spite of these common setbacks, autocrats still tend to see experts as necessary to provide fresh thinking on reforms and to build support for them. Many see their own state bureaucracies as holding outdated and overly politicized perspectives—which may be true, although this state of affairs tends to arise because ruling elites often hand out good government jobs to regime loyalists without much regard to merit. Many authoritarian elites realize that bringing in outside experts can ruffle feathers in the short term, but they tend to think it demonstrates to the people how seriously they take problems. As one of the UAE’s ruling monarchs explained, Gulf rulers must prove they are “not like Hosni Mubarak,” the former Egyptian president whom many Egyptians saw as unresponsive to their needs and who was ousted after an uprising in 2011.

Yet it is far from clear how experts influence public support in authoritarian regimes. To gather more systematic evidence, I ran three experiments in Kuwait testing the effects of expert involvement and the conditions under which experts are more or less likely to encourage popular buy-in for reform and development projects. In the first experiment, 281 Kuwaitis were asked to imagine that their country’s leaders were launching a major reform to improve either education or infrastructure (by random assignment). They read a mock newspaper article describing the reform and the likely benefits to come, such as much-needed traffic reduction. The subjects were also randomly assigned to an “experts” or a “no experts” condition. So about half read that a team of top international experts would be assisting with the reform, and the experts’ credentials and extensive experience elsewhere were described. For the rest of the subjects, experts were not mentioned as playing any role in the reform effort.

The results were revealing. Far from conferring legitimacy, the involvement of experts was associated with a significant drop in legitimacy. Subjects who read that experts were involved were less likely to support the reform, compared with subjects in the “no experts” condition. The delegitimizing effect of experts was also apparent regardless of the type of reform. One might expect that experts in more technical areas of governance, such as infrastructure, would inspire greater public confidence, but the results did not support that hypothesis. Moreover, subjects who reacted negatively to the expert-led reform also demonstrated a more general feeling of unease about their own country in the form of diminished patriotism.

The second experiment tested whether the nationality of the experts mattered for legitimacy. Subjects were randomly assigned to read news stories about expert-advised infrastructure reform; the stories read by each group were identical except that the experts were described as

American, Chinese, or Kuwaiti. Strikingly, when American experts were said to be involved, the subjects expressed significantly lower support for the reform compared with when experts of the other two nationalities were mentioned—and this in Kuwait, a country whose population is often viewed as more pro-American than others nearby, due to the U.S. role in responding to Iraq’s invasion of the country in 1990. However, support for the reform did not differ significantly whether Chinese or Kuwaiti experts were featured, and the subjects indicated that they saw the Chinese experts as more capable than the Americans and the Kuwaitis. Although this finding may be disappointing for American consultants, it’s not necessarily evidence of profound anti-Americanism, let alone a new love for Chinese experts. Most likely, it reflects Kuwaitis’ longer experience with American (and British) experts, which includes their frustration with the lack of progress on various reforms. Chinese experts—with whom citizens at this point would be less familiar—may simply be “the devil you don’t know.”

The third experiment varied the length of time the subjects were told the experts had spent in the country. One group read in the article that the international experts had “arrived yesterday,” and the other, that they had been “living and working in Kuwait for ten years.” Aside from that difference, the news stories were identical. The results were clear: long-term experts were associated with far greater legitimacy than short-term ones. Subjects were more supportive of the reform, more confident that the reform would succeed, and more confident about the experts themselves when they were described as having been in the country long term.

This raises a dilemma, because the longer experts stay on the scene, the more likely they are to be drawn into authoritarian incentive structures that undermine their ability to help improve governance. So those who possess the most local knowledge after years in a country and who might be otherwise best suited to advise rulers may also be the least effective. The rationalization of policy may come at the expense of legitimacy, and vice versa.

### **CONSULTANT, ADVISE THYSELF**

This experimental evidence raises doubts about the ability of experts to rationalize and legitimize authoritarian rule. It’s not as if experts never have positive effects in such contexts—far from it. But the challenges are more significant than many might realize, especially for those consultants working directly with ruling elites at high levels of government.

Of course, part of the problem is authoritarianism itself, and there isn’t much (short of regime change) to be done about that. But there are a few ways in which experts might avoid pitfalls: by focusing their efforts on the fact-finding stage of problem solving, for instance, and by showing a greater willingness to walk away if leaders ignore their proposed solutions. To rebuild public trust and legitimacy, experts should spend more time in the country getting to know the local context—albeit while staying alert to the risk of perverse incentives the longer they stay.

Even if expert consultants can do better, some might argue that they should simply avoid working with nondemocratic regimes, especially those associated with human rights abuses. Sanctions already prohibit such collaboration in some cases. Yet regimes are rarely all good or all bad, and expertise may be especially useful in closed political contexts, including to help avert the disastrous potential consequences of bad policies: mass-transit accidents, famine,

environmental degradation, and so on. Furthermore, expert consultants probably do not prop up authoritarian regimes quite as much as some critics believe: indeed, my research suggests that international experts can actually undermine legitimacy, potentially reducing domestic support for autocrats and weakening their regimes.

The ethics of expert involvement with such regimes are therefore complex, resembling what national security theorists describe as “the dual-use dilemma,” which arises when something may be used to benefit humanity but also to harm it. Rulers might use expert advice to improve people’s lives, but they may also use it to clamp down on dissent, restrict individual freedom, and commit larger human rights abuses. Experts may not always fully grasp these risks. Take, for example, a public statement that McKinsey issued late last year in response to critical coverage of its work with repressive and corrupt regimes published by The New York Times. McKinsey cited the positive change it has helped bring about around the world and argued that “like many other major corporations, including our competitors, we seek to navigate a changing geopolitical environment, but we do not support or engage in political activities.” The problem is that expert assistance—even if not intended as such—may end up being highly political. Indeed, it is extremely difficult to prevent assistance and advice that one gives to a government from influencing “political activities,” since, in a fundamental sense, everything a government does is by definition a political activity.

It may be helpful to think about these risks as existing on a continuum. On one end are the high risks that come from giving autocrats advice on sectors that are closely associated with the coercive power of authoritarian regimes, such as internal security and surveillance. On the other end are the lower risks associated with advising on sectors such as education, trash collection, and road safety. Experts may be better off focusing on the latter, although it is important to realize that even these sectors are not immune to ethical dilemmas. For example, consultants may work with education ministries to improve how students learn marketable skills in public schools, only to realize that authoritarian elites are also using schools for indoctrination.

To navigate this difficult terrain, expert consultants need to develop stronger guidelines for engagement with (and disengagement from) such governments. Michael Posner, director of the Center for Business and Human Rights at the NYU Stern School of Business, recommends that consultants establish clear guidelines for when to decline to work with a government, how to react when a government client asks for help on a matter that violates fundamental rights, and when to disengage from existing but inappropriate government contracts. These are essential starting points. But the dual-use dilemma adds an extra layer of complexity. In murky political contexts, it is difficult for experts to know how their expertise will ultimately be used.

That deeper problem isn’t easy to solve, but research on dual-use dilemmas in other areas suggests that transparency and information sharing can help. The expert community should push harder for both when it comes to their work under authoritarianism. Although their competition with one another can be a hindrance, experts need to share their experiences among themselves more routinely, aiming to build a stronger knowledge base concerning government clients, particular sectors, and how expertise has been used on a case-by-case basis.

Although authoritarian regimes themselves are not known for their transparency, the institutions in liberal democracies where many international experts are based—consulting firms, government aid agencies, universities, and nongovernmental organizations such as think tanks and foundations—could be significantly more transparent about what they do in such political contexts and the outcomes they achieve. Researchers have tools to measure the effectiveness of many kinds of interventions in governance and society, but to use them, they must have a clearer picture of what experts are doing. It isn't sufficient for organizations to conduct such research on themselves, because of inherent conflicts of interest.

Leaders enlisting outside experts is hardly a new phenomenon. But the depth of expert involvement with authoritarian regimes is growing, along with the range of areas in which such experts consult. Organizations that provide expert advice should reveal more about the clients they take on, the work they do, and the outcomes they achieve, as well as the obstacles they encounter. If they did, they could continue to apply their expertise—and to profit, in the case of private-sector consultants—while also maximizing their potential to make a positive difference for people who live under such regimes.