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Where Arab Media Magnates Stand vis-à-vis Globalized Media Flows: Insights from Egypt and Saudi Arabia

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Arab-owned media conglomerates that have business interests both inside and outside the Arab region raise questions about the relative contributions made by those interests at the different national, regional, and global levels in securing for their owners global recognition as well as power and influence at home. Arab media owners like Prince Alwaleed bin Talal, Naguib Sawiris, and others feature regularly in global rankings of the rich and powerful but, although they are most often presented as members of a transnational corporate elite, each arguably also remains embedded in a national ruling class. This article explores relevant aspects of the evolution of the Alwaleed and Sawiris empires in order to locate them within the structures of transnational media and communications industries. By also investigating and comparing their interventions at the national level, in relation to media choices respectively available to Saudi and Egyptian media users, the study aims to shed light on the interplay of national and transnational powerbases in the context of Arab media politics and economics.

With the rise of Arab satellite television in the last 10–20 years, a handful of Arab media magnates have entered the global limelight. Prince Alwaleed bin Talal of Saudi Arabia is the most prominent example. Alwaleed bought shares in such U.S. media firms as Time Warner, Disney, and News Corporation in the 1990s, before he increased his ownership stake in the Saudi Arabian company Rotana to 100% in 2003. In 2010, after Rotana had grown from a music producer and record label into a full-scale transnational conglomerate, encompassing regional television channels, radio stations, film production, a film library, a magazine, and advertising sales operation, News Corporation's Rupert Murdoch returned Alwaleed's earlier compliment by taking a stake in Rotana. Together, the two companies established a Middle East base for the Fox Movies channel of News Corp.'s Hollywood studio 20th Century Fox, and in 2012, News Corp. increased its stake in Rotana to nearly 19%.

Another figure on the global stage is Egypt's Naguib Sawiris, owner of Orascom Telecom Holding (OTH). Having partnered with France Telecom in winning Egypt's first privatized cell phone license in 1998, OTH became the vehicle for expansion into Africa, Asia, Italy, and Canada. Sawiris, linked to media investments through his family's Renaissance Cinema Company, winner of another Egyptian state-

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awarded license in 1998, took an increasing personal interest in media enterprises as digital convergence took hold. A majority owner of the first Melody channels (music and film) launched by Gamal Marwan, grandson of former Egyptian president Gamal Abdel-Nasser, Sawiris financed the new Nahrain television channel in Iraq after the U.S. invasion in 2003. The following year, he joined other backers of Egypt's first economically viable independent newspaper, *Al-Masry al-Yaum*, and went on to create his own Egypt-based satellite entertainment channel, OTV, in 2007, adding ONTV as a current affairs outlet in 2008 before selling it to Tunisian media entrepreneur and Telecom Italia board member Tarik Ben Ammar in December 2012. Attending a regional meeting of the World Economic Forum in 2006, Sawiris told reporters that he had started OTH as a "regional activity," and that he believed he could "replicate the story in media" (Khalaf & Wallis, 2006).

These thumbnail accounts illustrate the overlapping national, regional, and global levels at which both Alwaleed and Sawiris operate. Such overlap poses questions about the relative importance of each level. To what extent did these men achieve global recognition because of their positions nationally, respectively in Saudi Arabia or Egypt? Or is it more a case of power and influence in their home countries deriving from the extent and nature of their investments abroad? Do they decide about national media investments based on transnational objectives, or are their transnational activities more often subject to priorities defined within state boundaries? This article explores the overlap with help from theories of the transnational capitalist class, drawing evidence from the public statements and reported actions of both men.

Transnational Capitalism and the Media Business

"Goodbye, Davos man" was the headline in a May 2012 article of the online magazine *Salon.com* declaring that the "age of economic globalization is over" (Lind, 2012). The reference to "Davos Man" echoed Samuel Huntington's use of this term (Garton Ash, 2005; Huntington, 2004) as shorthand for the archetypal member of a post-national global elite—the kind of person who frequents gatherings like the annual World Economic Forum in the Swiss resort of Davos. The article's author, Michael Lind, seized on recent signs of accord between socialists and the far right in France over limits to immigration, coupled with the bailing-out of national firms that took place from the United States to Germany in 2008, to argue that the rise of nationalist state capitalism is the major trend of our time. According to Lind, Davos Man was heading for the exit, just like Neanderthal Man. Capitalism would endure, partly private and partly statist, but libertarian free market globalism was destined for the "dust heap of history" (ibid.).

This assertion is as oversimplified as the globalist rhetoric it decries. First, there is disagreement as to whether what may have the appearance of a single global elite was ever anything other than an alliance of national elites, or indeed national ruling classes. Second, since the state is a site of struggle between opposing forces, there must be doubt about the implied single-mindedness of policy in any state. Third, it is not inconceivable that members of a global elite deploy the language of national competitiveness and the national interest to open the way for transnational corporations, thereby advancing global integration at the expense of state decision making. By the same token, it is possible that U.S. unilateralism may be depoliticized by being framed in terms of a benign globalization. A brief summary of these debates can lay the groundwork for assessing where Alwaleed and Sawiris and their media corporations may stand vis-à-vis national policy makers in Riyadh or Cairo, as well as the global policy makers who assemble annually in Davos.

In a study that traced the "making" of a transnational capitalist class (TCC) over the three decades (1976–2006) during which Davos-style globalist neoliberalism was at its height, William Carroll (2010) concluded that transnational corporate and political interlocking had grown, but that national bases also remained resilient. Using social network analysis, Carroll and others measured both the interpenetration of capital across the world's biggest corporations and cross-representation on these corporations' boards of directors. They found that there had been "no massive shift from nationally bound corporate elites to a transnational network detached from national moorings" (ibid., p. 224). This would come as no surprise to Peter Gran, who sees the modern world system as dependent on the "collusion of national ruling classes worldwide," with hegemonic strategies "basically worked out on the national level" so that each ruling class emerges out of and responds to its own hegemonic logic, "each helping the others thwart class conflict" (Gran, 2001, p. 176). Samir Amin (2011) suggests that what is called a TCC may actually be a group of associated classes constituting a globally dominant historic bloc, or a group of classes of differing nationalities who are conscious of their shared interests, yet are still in competition with each other. Given the media focus of the current study, it is important to note that corporate elites—as Carroll (drawing on Gramsci, 1971, p. 5) points out—are not the same entities as capitalist classes. Elites include "organic intellectuals" who may not be capitalists and may be subordinate in the structure of economic power, but give the group an awareness of itself and lead the way in representing corporate interests in the political and cultural fields (2010, p. 6). Carroll concludes that "billionaire social circles" may be connected to each other transnationally through the brokerage of networkers who are not, themselves, billionaires (ibid., p. 150).

Different models of the TCC propose different answers as to how the TCC and the state interrelate. William Robinson and Jerry Harris (2000) reject the idea that world ruling class formation results from international collusion of national bourgeoisies. They envisage the TCC, made up of those who own and control transnational corporations and transnational capital, controlling the levers of an emergent transnational state apparatus (TNS) from the center of a loosely constituted historic hegemonic bloc or ruling coalition. Since transnationalization is the means by which the TCC seeks to resolve problems of capital accumulation and avoid constraints on capital at the level of the national state, the TCC needs transnational political institutions. Thus, in Robinson and Harris's model, the transnational state apparatus comprises externally integrated national states, together with such supranational economic and political forums as the World Bank, the International Monetary Fund (IMF), the World Trade Organization (WTO), and so on.

For Leslie Sklair, in contrast, the TCC is made up of four factions, one of which includes globalizing politicians and bureaucrats, whom Sklair (2000; see also Sprague, 2010) sees as the state portion of the TCC. The others are owners and controllers of transnational corporations and their local affiliates, globalizing professionals, and consumerist elites, among whom Sklair (2000) places merchants and media. Different conceptualizations of the state's contribution to transnational practices are particularly relevant in relation to Saudi Arabian capital, given the extent to which expansion of Saudi

Arabian influence globally, in politics, religion, and media, has originated not from state policy, but from individuals with or without official roles (Al-Rasheed, 2008).

In Sklair's view, all four factions of the TCC have used the discourses of national competitiveness to further the interests of global capital. Since members of the TCC think in terms of markets, which may or may not coincide with specific nation-states, they advance the belief that incentives to attract foreign investment are in the national interest. Sklair sees TCC members as having outward-oriented perspectives on most economic, political, and cultural/ideological issues, and as seeking to project images of themselves as citizens of the world—a world where they enjoy similar lifestyles on private jets and at exclusive resorts in all continents—as well as their places or countries of birth (Sklair, 2000). In a similar vein, Robinson and Harris (2000) consider global corporate media to have played an essential role in producing the ideological and cultural basis for development of a globalist hegemonic bloc, in which the TCC occupies a central and leading role, but which also includes not only agencies of the transnational state apparatus and politicians, but also individuals capable of providing ideological legitimacy. Splits and differences within the TCC mean, according to Robinson and Harris (ibid.), that the TCC must constantly work to maintain its dominant role.

The notion of globalizing capitalists engaged in constantly reproducing hegemony invites investigation of what Timothy Mitchell calls the "incoherences, reversals, and reformulations that accompany the apparent logics of globalization" (2002, p. 298). Since capitalism is a historic and social reality as well as an economic one, and since it involves state responsibility for organizing the political set-up of social formations (Amin, 2011), there is a need, as Gran (2001, p. 168) argues, to go beyond a focus on the "Rise of the West" to a more inclusive formulation of social history that starts with the "Rise of the Rich" on a global level. Carroll's finding, that giant corporations based in the Global South are still only "very tentatively reflected in the elite network of corporate interlocks" (2010, p. 225), does not remove the need for analysis of the process whereby interlocking takes place. Clearly, a thorough study of globally known billionaires in Arab countries would encompass far more than their media investments, and a study of two billionaires cannot reach conclusions about the existence or otherwise of a transnational capitalist class. For current purposes, however, the media businesses of Alwaleed and Sawiris are taken as potentially indicative of how these two individuals relate to transnational capitalism and the global corporate elite. In what follows, data are selected and analyzed for what they reveal about the national or international origins of the vast assets that enabled the two men to invest in media, about the image they seek to project internationally, and about the inward or outward orientation of their media investment objectives.

Sources of Super-Affluence

For a few weeks of every year, Alwaleed (born in 1955) and Sawiris (1954) are, numerically speaking, the same age. They are a whole generation younger than Saudi Arabia's octogenarian king and Egypt's former octogenarian president. They grew to adulthood in the 1970s, when Saudi Arabia, as a leading oil exporter, was benefiting from soaring crude oil prices and Egypt was undergoing an "open door" policy aimed at relaxing government controls on the economy for the benefit of the private sector. In interviews today, both men often boast that they are self-made.

Alwaleed, with assets listed in 2012 as US$18 billion, making him the 29th-richest person in the world according to *Forbes Rich List*, stresses his efficiency and work ethic. He once told a reporter (at 4:00 a.m. after a bicycle ride in the desert): "I work more than anybody in my company and they know that. . . . I work day and night, so nobody can ever tell me, 'Oh I'm tired I can't work any more'" (Bhoyrul, 2010). Recording the statement, the reporter added his own admiring comment that Alwaleed has "clearly demanded efficiency to good effect in the past 30 years" (ibid.). In the mini-narrative that is usually recounted to explain his wealth, Alwaleed is said to have mortgaged the house his father gave him in 1979 and invested the proceeds so effectively in property, banking, and construction that he made his "first $1bn by 1989" (Flanagan, 2010). There is a longer, less widely told narrative, however. In that one, Alwaleed appears to have depended heavily on his princely status and family connections. According to an investigation by *The Economist* (1999), his business empire, with its allegedly mismatched income and outgoings, had "a mystery at its heart" involving "a valuable and unrevealed source of income." The longer narrative recalls how Alwaleed, grandson of Saudi Arabia's first king, Abdel-Aziz ibn Saud, relied on his divorced mother, Mona El Solh, daughter of Lebanon's first prime minister, to use her contacts in Beirut to find him a new school after he was expelled for appearing to cheat in an exam and physically assaulting a teacher (Khan, 2005, pp. 32–33). When civil war broke out in Lebanon in 1975, Alwaleed spent four years pursuing a degree in business administration in California. In 1985, he was awarded a postgraduate degree by a university in New York.

Besides the financial help received from his father, Prince Talal, Alwaleed also had the minimum monthly stipend of US$15,000 paid to all princes of the ruling Al Saud (*The Economist*, 1999). After his return to Saudi Arabia in 1979, it was almost a decade before he achieved prominence by launching a controversial hostile takeover and restructuring of the ailing United Saudi Commercial Bank, a move which cost just US$10 million and implied the acquiescence of senior princes. Alwaleed is expansive about the advantages the takeover gave him. His biography, published in 2005 by News Corp. subsidiary HarperCollins, quotes Alwaleed explaining that, "in the bank you see everything. . . . We became the eye of the hurricane, seeing everything . . . building connections with the business community, with who's who in private banking, in corporate banking, investment banking" (Khan, 2005, p. 61).

The fact that, in 1990–1991, not long after his Saudi banking acquisition, Alwaleed was able to invest nearly US$800 million in the U.S. bank Citicorp, when he was still only 36 and Citicorp urgently needed capital, has been attributed, albeit without confirmation, to help received from his uncle, the late Prince Sultan (Briody, 2003, p. 58). Sultan was Saudi Arabia's defense minister for 49 years. Sultan's son, Bandar, was the Saudi ambassador to the United States for 22 years until 2005 and a close associate of the Bush family (Unger, 2004). The Carlyle Group, a private equity firm based in Washington, D.C., had only existed for four years when it advised Alwaleed on the Citicorp deal; George W. Bush (U.S. President 2000–2008), a former board member and consultant of U.S. company Harken Energy, had recently been appointed to the board of a Carlyle Group acquisition. The Saudi ruling family were said by someone close to them to view investing in the Carlyle Group as a way to show their "deep gratitude to President George [H. W.] Bush for defending the Saudis in the [1991] Gulf War" (Unger, 2004, p. 167). Both the defense and the gratitude were consistent with the "pretty robust . . . elite bargain" that had endured in U.S.-Saudi relations for half a century (Aarts, 2005, p. 403). American author Robert Baer, who undertook Middle East assignments as a CIA case officer between 1976 and 1997, told a pro-democracy news website in 2003 that the Saudi ruling family's practice of keeping vast sums in U.S. banks had been agreed with former U.S. Secretary of State Henry Kissinger as part of an unwritten U.S.-Saudi deal over the 1973 Arab oil embargo (Buzzflash, 2003, quoted in Ménoret, 2005, p. 210).

By 1998, the recovery in Citicorp's share price had pushed the value of Alwaleed's stake in the bank to US$7.6 billion (*The Economist*, 1999). It dipped again soon after, but his reputation as an international investor had been secured. He had consolidated his business interests in 1996 under the Kingdom Holding Company (KHC), based in Riyadh. This choice of name clearly signalled his royal connections, which Alwaleed saw as an influential factor in his extensive dealings with non-Saudi firms from both the East and the West. Giving media interviews aboard his yacht, acquired from American real estate developer Donald Trump (Silver, 1999), Alwaleed readily described himself as a "strategic deal-maker" (ibid.), explaining on another occasion that "they call us because we are Saudi and royalty" (Kemp, 1998, p. 5). Comparing himself to two internationally known financiers, Warren Buffett and George Soros, Alwaleed said: "I'm a billionaire and I'm international—a Buffett, Soros type—yet I'm an Arab and a neighbour. I'll leverage my assets as best I can. I have alliances with everybody and I don't have enemies" (ibid.).

Naguib Sawiris's ranking on the Forbes Rich List is far below Alwaleed's, at No. 367, based on assets of US$3.1 billion in 2012, but the geographic and financial origins of his place in the business world also involve a nexus of early cross-border relationships. Like Alwaleed, Sawiris chooses to explain his present position through factors other than "easy money." He told *TIME* magazine the following at the time of the revolutionary uprising in Egypt in February 2011:

> I like my success to be attributed only to my hard work, my honesty, my reputation, my background, my education and my family. I don't like easy money, it doesn't taste right. How can you celebrate your success when you know you took a shortcut? It's just not my style. (Stier, 2011)

Sawiris is careful to point out that, although his father was a wealthy entrepreneur, he personally did not join his father in the family business until the age of 23, by which time he had made enough money of his own through selling car jacks to live independently. He told *Bloomberg News*, "I didn't want my success to be attributed to my dad" (Baker & Kassem, 2011). He insists that, while studying engineering in Zurich, he survived on his own earnings from casual work in the city and not on the money sent to him by his father (ibid.). Yet his father, Onsi Sawiris, had by then built up construction companies in both Egypt and Libya, having spent 10 years in Libya after President Nasser's nationalizations of the early 1960s. He returned to Egypt to found Orascom in 1976, after Nasser's successor, Anwar Sadat, reopened the country to private investors in 1974.

OTH's website alludes to the company's origins as part of Orascom group's expansion into information technology and telecommunications equipment, representing major U.S. companies that included Hewlett-Packard, IBM, and AT&T (OTH, n.d.). Mitchell (2002, p. 284), drawing on trade press articles of the period, traces the group's ability to fund expansion into civilian communications, construction, and tourism to the profits it earned as local agents of Hewlett-Packard and AT&T, building

U.S.-funded communications networks for the Egyptian military. By the 1990s, Orascom controlled a dozen subsidiaries, including a military technology import business with offices close to the Pentagon in the United States (ibid.). Another subsidiary ran Egypt's largest tourism developments, partly funded by the World Bank, which—together with the IMF and USAID—formed alliances with a variety of official and unofficial forces in Egypt (ibid., p. 211). Through their positions as chairmen of Orascom Construction Industries and Orascom Development Holding, Naguib's brothers Nassef and Samih also became billionaires. Egypt's three richest men in 2012, according to Forbes, were members of the Sawiris family: Nassef (US$5.1 billion), Naguib, and Onsi (US$2.9 billion), in that order.

OTH bought into Egypt's first Internet service provider, InTouch, in 1994, and in 1998 it became majority owner of the Egyptian Company for Mobil Services, MobiNil, Egypt's new private mobile phone monopoly. The state's Telecom Egypt had launched the country's first and only global system for mobiles in November 1996, and it was this business that passed to MobiNil, a consortium in which OTH was joined by France Telecom and Motorola's local agent Systel. MobiNil, which also counted the state-owned Al-Ahram Press Group among its backers, inherited 83,500 subscribers from Telecom Egypt, as well as a waiting list of 25,000 (Kamel, 2004, p. 726). Vodafone Egypt, initially branded as Click, won the second GSM license some months later (ibid.). Thus, "privatization" moves blurred boundaries between public and private ownership, enriching family-owned businesses in Egypt that came to enjoy powerful monopolies or oligopolies (Mitchell, 1999, p. 31). World Bank consultant and former Harvard University fellow John Sfakianakis judges that Egypt's elite business networks enjoyed state patronage as part of the Mubarak government's "larger agenda of state-business symbiosis," with "state licences of private sector ventures" following the "oligopoly route" (Sfakianakis 2004, p. 91). He describes families like the Sawiris family as "quintessential cronies" whose wealth resulted from their "connections with bureaucrats and politicians" (ibid.). Having won the Egypt license at a moment when WTO promotion of liberalized telecom markets was helping to drive privatization in the Middle East and Africa, OTH moved swiftly into these markets. By the time it was floated on the stock exchanges of Cairo, Alexandria, and London in 2000, OTH had interests in Jordan, Yemen, and Pakistan, as well as 12 African countries, including the Democratic Republic of Congo and Zimbabwe (OTH, n.d.).

Crafting an Image Internationally

Alwaleed and Sawiris attract the international media spotlight, both because they seek it, and because Western reporters who are drawn into their orbit often portray them as fundamentally different from the respective national contexts to which they are presumed to belong. Both project an image of a canny investor and prized mediator who effortlessly straddles two worlds: those of Western counterparts and powerful constituencies at home.

Alwaleed demonstrated his desire to stay in the headlines in December 2008 when, according to the *Financial Times*, Kingdom Holding Company included leather-bound copies of his 2005 biography, *Businessman, Billionaire, Prince*, complete with its companion DVD, as part of a box of gifts sent to global "opinion formers" (Mychasuk & Terazono, 2008). The biography's dust jacket states that the prince is "brilliant, charming and extraordinarily hardworking" and carries endorsements by Citigroup chairman Sandy Weill and former U.S. President Jimmy Carter. A Western journalist based in Abu Dhabi reports that

Alwaleed's "intense interest in his own image" is behind the presence of a video team filming "every interview he gives to the press" (Flanagan, 2010). Alwaleed's many businesses produce a stream of press releases, and these are routinely picked up by U.S., European, and Gulf business media outlets, especially those, like Fox News, in which he has a shareholding through the parent company. In the months preceding News Corp.'s finalization of its decision to take a stake in Rotana in February 2010, Rotana Group executives led the way in circulating news of the impending deal. A report about it in *The Wall Street Journal*, which belongs to News Corp. property Dow Jones & Co., stated that a News Corp. representative had been "unreachable for comment" (Sergie & Critchlow, 2010). An item in the *Financial Times* indicated that News Corp. "declined to comment" (Saigol & Edgecliffe-Johnson, 2010).

Alwaleed's father, Prince Talal bin Abdel-Aziz, was outspoken about the need for constitutional reform in Saudi Arabia in the 1960s, and he aired similar views again, including promoting women's rights, after being readmitted to the kingdom's establishment in the 1990s (Sakr, 2001, p. 70). Alwaleed's opinions are on the liberal side, in Saudi terms, in line with his father's. His presence on the international scene, often accompanied by his fourth wife, Princess Ameerah (who tweets and drives, when she is outside Saudi Arabia), is capable of earning him the label "progressive" in newspaper headlines, even when he appears somewhere that would be off-limits to all but the richest. Thus, an article in *The Times* of London, reporting on the official re-opening of the Savoy Hotel in London after Alwaleed bought it and closed it for refurbishment for three years, was reprinted in *The Australian* with the headline "Progressive Prince Alwaleed Bin Talal Bin Abdul Aziz using wealth to heal wounds of 9/11" (Thomson, 2010). Alwaleed is a shareholder in News Corp., which owns both *The Times* and *The Australian*. "Healing the wounds" refers to those inflicted on Saudi Arabia's international relations by the presence of 15 Saudi nationals among the 19 hijackers who killed some 3,000 people in the United States in 2001. Alwaleed has said he wants to "bridge the gap and inform the West about Islamic culture" (ibid.). He confounds Western stereotypes of Saudi Muslims by appointing women in management positions, and he funds centers for Islamic studies at Harvard and Georgetown Universities in the United States and the Universities of Cambridge and Edinburgh in the UK.

"I am a great believer in the West," Alwaleed told an interviewer in 2010. "When Iraq overtook Kuwait [in 1990], it was the US and the British who were there for us" (Thomson, 2010). He was equally supportive of U.S. policy on extraterritorial jurisdiction in 2011, when U.S. forces killed Osama Bin Laden in Pakistan in a raid that the United States organized unilaterally. He told Fox Business that the way Bin Laden met his end was "good, correct and any person who disputes that is not a human being" (Sambidge, 2011). Although the prince was increasingly vocal about his faith in "the West" in the decade after 2001, *The Economist* had already noted in the 1990s that his image served a useful purpose for Saudi public relations. "Saudi royalty needs its heroes," it wrote. "The family is secretive, venal and backward: in Prince Alwaleed the world sees a man who is open, intelligent and successful" (*The Economist*, 1999). Yet Alwaleed is barred from holding high office inside the kingdom, because his parentage is only part Saudi.

Appearing to operate on the margins of the ruling body, rather than at its center, is something that also applies to Naguib Sawiris, who has told reporters that he could not expect to hold high office because he belongs to a Christian minority in a predominantly and self-consciously Muslim country. Even so, the U.S. administration of George W. Bush chose Sawiris to promote its "freedom agenda" in the Middle East, when it named Sawiris as the only Egyptian on the original 14-member board of the Foundation for the Future (FFF), a nonprofit grant-making organization created in 2005 at the behest of U.S. State Department official Liz Cheney, daughter of then-U.S. Vice President Dick Cheney. The nomination followed OTH's expansion into the Iraqi GSM market (via the company Iraqna, divested in 2007) and the awarding of U.S. contracts to Orascom's U.S. subsidiary over many years, with an upturn in contracts for work in Iraq and Afghanistan after 2002.[1] Although presented as a multilateral initiative, the FFF was not widely regarded as such (Government Accountability Project, 2010), and Sawiris' name did not appear on subsequent lists of board members. But his credentials as a supporter of democratic freedoms were so well-established with mainstream U.S. media by this point that he would eventually become the Egyptian interlocutor for high-profile U.S. television presenters seeking to inform viewers about the politics of Egypt's revolutionary uprising in 2011.

Charlie Rose of PBS in the United States interviewed Sawiris in February 2011 and again in April; CNN's Hala Gorani interviewed him about his support for Amr Moussa, Mubarak's former foreign minister, as presidential candidate in 2012—support that Sawiris had already voiced a few months earlier on CNBC. Regular appearances like these did not begin with the uprising; they built on previous media interviews and existing contacts established over previous years—for example, in 2005 for CNN and 2008 for Charlie Rose. As the *Institutional Investor*'s Stephen Glain put it in his article on Sawiris in September 2011, "I first met Sawiris in March 2002." *The Economist* (2005) wrote approvingly about the Sawiris family's regional ambitions, quoting a family member likening Naguib to a "racing car." It later featured Naguib Sawiris sharing the "secrets of success" in *The Economist* Emerging Markets Summit Conference in the UK in September 2010 (Economist Conferences, 2010).

A notable aspect of much of this international media exposure is the extent to which it is aligned with Sawiris's own preferred narrative for his business ambitions. The latter can be inferred from an eight-page advertising feature placed in the July–August 2009 issue of the bi-monthly American magazine *Foreign Policy* (Star Communications 2009). Headed "OTH: Freedom of Speech," the first page[2] announced that OTH's CEO had managed, with "dedication and forthrightness," to "turn the humble cell phone into a herald of globalization." Page 2 carried the argument that Egypt needs to "dismantle the legacy" of Nasser and step up economic liberalization. It quoted Naguib Sawiris voicing approval for President Mubarak's policies, which he linked to the World Bank's 2008 ranking of Egypt as the world's "most improved economy" in terms of "the ease of doing business." In a Q&A on page 7, Sawiris attributed the North Korean government's decision to allow its citizens to use cell phones to OTH's "intervention and investment." The breakthrough is "an act of democratization," he said, because the authorities are "extending one of the fundamental human rights, the right to free speech."

Since Sawiris omitted any mention that cell phone use in North Korea is tightly controlled—so tightly that a factory worker was executed in March 2010 for making an illegal international call (Kim,

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[1] Orascom Construction Industries ranked ninth in the top 100 contractors winning U.S. contracts for work in Iraq and Afghanistan in 2004–2006 (Center for Public Integrity, 2007).

[2] Pages in the feature itself are not numbered. The feature appears after page 56 of the magazine.

2010)—it may not be surprising that his self-professed enthusiasm for democratic freedoms influences those who hear him speak. Thus, a headline in the *Institutional Investor* called him a "Revolutionary Leader" (Glain, 2011, p. 82), and the related article quoted Sawiris as saying that OTH offices were the "back office of the revolution" because 60% of its staff were in Tahrir Square providing medicine, sound systems, and logistics to protestors, and because his channel ONTV "put it all on air" (ibid.) *TIME* magazine quotes Sawiris as declaring that he has "always been an independent person," ready to voice his opinion at any time. It goes on, without further justification, to conjecture that Sawiris's "openness" may "come in part" because his clan belongs to Egypt's Coptic Christian minority (Stier, 2011). Almost nothing is mentioned in these Western media sources about Orascom's compliance with the Mubarak government's orders to close down mobile phone and Internet services on January 28, 2011.

Yet Sawiris himself has occasionally acknowledged that it was not advisable to voice free opinions under Mubarak, which raises doubts about the independence and truthfulness of his praise for Mubarak's policies and Egypt's "friendly investment environment" in U.S. television interviews before the 2011 uprising (Sakr, 2007, p. 29). On February 14, 2011, three days after Mubarak stepped down, Sawiris admitted to Charlie Rose:

> Even someone like me was scared . . . I asked an assistant to prepare a CD of all my interviews in Egypt here (just for myself), to get all the phrases that I was risking saying. Because if you went a little bit overboard, the next day something will be faked against you or your interests will be hit.

Rationale for Investments in National Media

Compared with their transactions elsewhere in the world, the sums that Alwaleed and Sawiris have invested in Saudi and Egyptian media, respectively, are smaller, being measured in millions, rather than billions. These investments are strategic, however, having a mix of commercial and political objectives.

Where private Saudi media investors are concerned, the usual business model is to opt for a base outside the kingdom in order to operate beyond its tight controls on content. Thus, Rotana Media Group has offices and studios in Dubai, Cairo, and Beirut, but its news is covered regularly in the Saudi press. This includes publications of the Saudi Research and Marketing Group, in which Alwaleed acquired a 25.5% stake through a mixture of privately negotiated and stock exchange purchases in 2007. The addition of two Fox International channels to the Rotana network in 2008, even before the official cross-ownership tie-up with News Corp., put Rotana in a better position to attract advertising in competition with other channels that were already showing nonstop American films and sitcoms with Arabic subtitles. It followed an increase in Alwaleed's stake in News Corp. in 2004–2005, when he raised his holding of shares in the company to 7%. News Corp. paid approximately US$140 million in stages between 2010 and 2012 to gain nearly 19% of Rotana, which valued it at considerably less than the US$1 billion that Alwaleed had suggested in 2006 (Sakr, 2007, p. 194). However, Alwaleed presented the Rotana-News Corp. relationship as going "way, way beyond finance" and marking a "qualitative leap not just for Rotana but for the whole Arab world," in part because the partnership would help Fox News and the United States "to understand the Arab world better" (Karam, 2010).

In March 2010, after the News Corp. purchase was announced, Rotana paid the equivalent of nearly US$18 million to win one of five private FM radio licenses in Saudi Arabia in the kingdom's first open bids for such a license. The deal, a great deal smaller than the US$300 million that Alwaleed paid in 2011 for an estimated 4% stake in Twitter, had a strong commercial rationale, since it offered synergies with Rotana Media Group's music division and existing radio stations in Jordan, Lebanon, and Syria. But it also consolidated Alwaleed's place within the Saudi establishment, and in April 2012, Rotana FM earned a commendation from the king at the Janaderiya festival in Riyadh.

This position among Saudi Arabia's ruling group stood to be further reinforced when Alwaleed decided to locate his new 24-hour news channel, Alarab, not in Dubai or Abu Dhabi, but in Bahrain. The announcement, in late 2011, came only months after Saudi troops had been despatched to Bahrain in response to the Bahraini ruling family's request for help from neighboring governments to disperse protestors demanding political reforms. The announcement also revealed that 100 people working for Rotana Media Group in Riyadh would relocate to Bahrain. In the months preceding Alarab's launch, the channel's commercial logic was unclear, given Alwaleed's existing stake, as a News Corp. shareholder, in the rival television channel Sky News Arabia (owned by News Corp. subsidiary BskyB), and given his choice of an editor from print media as general manager. Alarab was to be a personal investment by Alwaleed, rather than a new KHC or Rotana venture, mainly, as Alwaleed told Bloomberg TV, because it would need "a lot of investment upfront" (White, 2010). But the project did establish an alliance with Bloomberg, which agreed to provide five hours daily of news coverage.

Bloomberg representatives stressed that editorial independence and freedom of speech were prerequisites for their association with Alarab (Flanagan, 2011), which accorded with Alwaleed's own insistence, in an interview with the German newspaper *Handelsblatt* in May 2012, that he was "for freedom of opinion and freedom of press." If you invest in Twitter, he told the paper, "you believe in freedom of information," adding that freedom and equality should be introduced quickly by all countries that had "not yet seen the influence of the Arab spring" (Reuters, 2012). His message on that occasion was rather different from the one he shared in an interview with CNBC on March 11, 2011, a transcript of which was carried by SRMG's daily *Arab News* (part-owned by Alwaleed) on March 15, 2011. Treating Alwaleed as a trusted source on Saudi politics, who had been "outspoken" about the region's "need for reform," CNBC's Maria Bartiromo asked the prince for his "first-hand" view of what had happened in Saudi Arabia on the day when protestors there had planned to hold a "Day of Rage." Alwaleed used the opportunity to dismiss what had happened across the kingdom as a non-event, a "tempest in a teacup."

Questioned about "Mideast unrest," he noted that only four out of 20 Arab countries had "some problems" and continued: "We hope that this thing is not contagious and does not spread at all, and so far so good." Alwaleed stressed to Bartiromo that Saudi Arabia's internal stability was crucial for the global oil market, and he said he was confident that the Bahraini government "under the leadership of the king of Bahrain and his able crown prince" would be able to "solve the problem very amicably." Bartiromo, who neglected to suggest any type of "meaningful reform" in Arab countries beyond women getting the right to drive in Saudi Arabia, accepted Alwaleed's comment about amicable resolution of unrest in Bahrain without follow-up, moving immediately to questions about oil. To his insistence that the "Day of Rage" in Saudi Arabia actually turned out to be a "Day of Allegiance to the King," Bartiromo's response—according to the transcript—was "Yeah, that's a great way to put it."[3]

Sawiris has made much of both free markets and free expression in connection with his media investments inside Egypt (Sakr, 2010, pp. 115–116). In 2000, when Mubarak's government changed the law to allow private broadcasters to transmit by satellite from inside a designated zone, Sawiris shunned the opportunity because, he said, operating by satellite was something he could do anywhere. He accused the government of falsely claiming broadcasting as a strategic sector and holding onto its terrestrial broadcasting monopoly for purely financial reasons, whereas opening up terrestrial television to the private sector would boost revenues through jobs, licenses, and taxes (Howeidy, 2000; Kandil, 2000). By the time he changed his mind and launched OTV as a satellite entertainment channel in January 2007, Sawiris had already invested, with two other rich entrepreneurs, in Egypt's first newspaper of record, *Al-Masry al-Yaum*, which launched in 2004 and made its mark with credible reporting on election fraud in Egypt in 2005. He was clearly interested in promoting enough transparency to keep Egypt open for international business. Apparently overlooking his own previously stated annoyance at government monopolies, and disregarding advantages enjoyed by OTH through its business contacts with figures close to government, Sawiris told CNN's financial editor, Todd Benjamin, in November 2005: "[Y]ou can start any kind of business [in Egypt], and the investment environment is friendly and open."[4]

Using local media to campaign against Islamization was another dimension of the same effort to maintain a welcoming environment for business, especially the international tourism business on which parts of the Orascom Group depend. In 2007, Sawiris complained to a group of journalists that "when I walk in the street now I feel like I am in Iran . . . I feel like a stranger" (Reuters, 2007). His stated aim in creating OTV had been to "report on the good and bad qualities of Egyptian society" without being "vulgar" or "superficial," getting people to "reflect on who they are" (Tryhorn, 2010). It was clear in the first instance that the freedom envisioned for OTV was to show selected American imports uncut, despite disapproval from the country's conservative and religious groups. The subsequent addition of ONTV, featuring talk shows on current social and political affairs, extended editorial freedoms into the sphere of political talk. ONTV's slogan, "Stay in the Light," was reportedly chosen to convey liberal values of "citizenship, freedom, equality, modernization [and] rationality" (Samaan, 2008). But there were limits to freedom, as when outspoken commentator Ibrahim Eissa left the channel in the run-up to Egypt's heavily-rigged elections of November 2010, or when Yosri Fouda, host of a late night talk show, was left alone to try to resist editorial interference from the country's military rulers in 2011.

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[3] Two transcripts of the interview are available online. *Arab News* (2011) has one at http://www.arabnews.com/node/371048 from which Bartiromo's questions have been removed. A full transcript, containing both questions and answers is at
http://www.zawya.com/story/ZAWYA20110315031602

[4] Interview aired November 18, 2005. Transcript is available at
http://edition.cnn.com/2005/BUSINESS/11/15/boardroom.sawiris

Sawiris is himself a persistent communicator who tweets and hosted his own Ramadan talk show on OTV in 2008 and 2009. But the more frequent the communication, the greater the risk that terms like "freedom" and "democracy" appear to become devalued. Speaking to Steve Chiotakis on American Public Media's *Marketplace Morning Report* six days into Egypt's uprising on January 31, 2011, Sawiris was unapologetic about his company's role in the suspension of mobile phone and Internet services, then still in force. "We have just to adhere to whatever the government decides," he said. "We have no jurisdiction, because our license gives them that right." His argument for reinstating the services was based solely on business needs. Asked for his opinion about the legitimacy of the suspension, he said the following:

> At the beginning, yes maybe, because they wanted to avoid turmoil, but I think right now we should restore the service, otherwise they're paralyzing all the business correspondents. We are unable now to continue business as usual. In today's world, you cannot do any business without your e-mails.

Sawiris then called, on behalf of "serious businessmen," for a "real democracy regime" in Egypt as the "best security for people like us to grow, and invest more." A few weeks later, on April 11, 2011, he told Charlie Rose that Bahrain's "king and crown prince are very democratic."

Conclusion

When the transnational status of two leading contemporary Arab media magnates is examined from a historical perspective, any sense of these particular individuals having been solely responsible for propelling themselves from a national stage onto a transnational one fades into implausibility. In the cases of both Alwaleed bin Talal and Naguib Sawiris, a previous generation of the same family had already established self-interested cross-border links with centers of power in the United States. Collaboration with the U.S. over oil prices rises and petrodollars shored up the legitimacy of the Al Saud inside Saudi Arabia; collaboration with U.S. firms secured the Sawiris family's privileged relationship with Egypt's U.S.-backed military regime that was further underpinned by support from the World Bank and USAID. The transnational business dealings of Prince Alwaleed or Naguib Sawiris emerged from their respective families' long-standing bilateral connections with political dynasties in the United States. That is to say: Interpenetration of private wealth and state institutions in the United States, Saudi Arabia, and Egypt, together with historic alliances between national ruling elites in the United States and each of its two biggest Arab allies, are central to explaining both the national status and global recognition accorded to these two major investors in Arab media today.

Ample U.S. media coverage of both men, driven by their U.S. connections, has served to project an image of their role in world markets that corresponds remarkably closely to that of the liberal free-market globalizing "citizen of the world" assumed to typify a transnational capitalist class. The U.S.-owned television news channels seen here to have circulated the idea that Alwaleed and Sawiris value free speech and equality of opportunity for individuals to win financial rewards in return for hard work—notably Time Warner's CNN, News Corp.'s Fox Business, NBCUniversal's CNBC, and Bloomberg TV—thereby promote a sense that these are the shared values of a certain global elite of investors. Media portrayals and interviews presented above give the impression that Alwaleed and Sawiris are somehow helping to spread business-friendly values to Saudi Arabia, Egypt, and other countries of the Global South. Such an impression is fostered in Alwaleed’s case by media outlets in which he owns shares, or with which he has business partnerships. In the process, these outlets cast North-South corporate interconnections in a favorable light, to the potential benefit of U.S.-based entities seeking political and commercial influence in the Global South through collaboration with companies owned by the two men.

Yet portrayals of Alwaleed and Sawiris as having free-market reformist credentials that set them apart from the national majority in Saudi Arabia and Egypt do not stand up to scrutiny when details of their local media investments are examined. These reveal that such investments and occasional divestments are governed not by long-term personal commitments to progress, but by expediency. It is unlikely in principle that, having accumulated capital through entrenched economic and political privilege in a national environment of monopoly capitalism, a billionaire would choose to overturn the system that underpins such privileges. In practice, it emerges that, despite repeating their respective beliefs in free markets and media freedom, both men have remained capable of reaching accommodations with political systems inimical to those beliefs. Both have been able to turn a lack of political and economic transparency within the borders of their home countries to their own advantage in dealings beyond those borders, whether with transnational media outlets or other entrepreneurs.

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