

PUBLIC ADMINISTRATION IN SAUDI ARABIA:
PROBLEMS AND PROSPECTS

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{ Saudi Arabia is basically a traditional country. The present governmental and administrative structures were superimposed over the old tribalistic patterns and strong religious fundamentalism. Furthermore, the country was long isolated from the outside world by geographical factors as well as by traditional conservatism and seclusion. }

In the early days of its formation, Saudi Arabia faced two serious problems. First, the country lacked any experience in modern administration or governmental institutions. The second was the severe shortage of manpower due to the fact that the majority of the people were nomads (bedouins) and, thus, out of the labor force. The Saudi government attempted to resolve these problems by various means. First, the government sought to adopt from other Arabian countries, especially Egypt, some governmental and administrative patterns. Second, the government imported foreign employees needed to fill the mushrooming governmental and industrial bureaucracies. The country was very poor, subsisting mainly on revenue derived from pilgrimages to its holy cities, until 1938 when oil was discovered in commercial quantities. Thereafter, the government was able to pursue the

modernization of the country. Formal education was given top priority in order to alleviate the high illiteracy rate among the people. Free education at all levels continues to be available for every eligible student whether at home or abroad. In the meantime, the Saudi government embarked upon establishing modern governmental and administrative organs to meet the requirement of the contemporary state. The simple, traditional institutions were replaced by relatively more modern and complex ones. Yet, the Kingdom is encountering great administrative problems which certainly hamper and deter the State's efforts to promote economic and social developments.

The purpose of this study is to expound the dilemma that, in spite of the huge wealth of Saudi Arabia, its drive for development and modernization is stumbling. This situation is due to a large extent to the country's severe administrative limitations.

The study takes the macro approach and it is within an interdisciplinary scope. It relies heavily on primary sources, i.e., government documents, without disregarding secondary sources. In developing the study, two major areas were treated in four chapters: one is a brief description of the historical, geographical, and social settings of the country, with great emphasis on the administrative apparatus and regulations; the other is a scrutiny of the major administrative problems facing the country which impede the

country's development. Chapter One briefly treats the general background of the country. Chapter Two describes in detail the administrative framework of the Kingdom, its early developments and its present status. Chapter Three critically examines some of the major administrative problems facing the country. Finally, the study concludes with a chapter on the assessment of the government's endeavor toward administrative reforms. Chapter Four further offers some recommendations for alleviating those problems. Those recommendations were aimed at alleviating human problems, removing organizational deficiencies and improving budgetary practices and means.

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INTRODUCTION

A Brief Historical Perspective

The modern state of Saudi Arabia was established upon the foundations of two solid pillars--an eighteenth century wahhabi religious reform movement and an ambitious and able king who turned the movement into an organized effort to achieve the unity of the Arabian peninsula. From exile in Kuwait, King Abd al-Aziz Ibn Saud restored the Saudi rule in the peninsula by conquering and recapturing Riyadh, the capital of his forefather's territory, Najd. Most of Najd yielded to him between 1903 and 1906. Between 1907 and 1913, he added the al-Hasa region. In 1921, he captured Hayil, the capital of the northern part of Najd, and in the same year the region of Asir was incorporated into the territories of Abd al-Aziz. In 1925, he conquered Hijaz and, thus, most of the peninsula was under King Abd al-Aziz' control. In 1927 Abd al-Aziz was proclaimed King of Hijaz and Najd and its dependencies. On September 22, 1932, the country was re-named the Kingdom of Saudi Arabia.

Following the uniting of the country, oil was discovered in 1938 in commercial quantities. The discovery of oil changed the entire economic and social condition of Saudi Arabia. It was instrumental in transferring the tribalistic, traditional society to a more urban and modern one.

However, a modern society necessitated a modern administrative system. Toward that end, King Abd al-Aziz established the basis of the country's present administration. A month before his death, the King sanctioned the formation of a Council of Ministers, under the presidency of his eldest son, Crown Prince Saud.

Abd al-Aziz died November 9, 1953; Saud became King; and Faisal was named Crown Prince. For much of King Saud's reign, Faisal was the President of the Council of Ministers and assisted his brother in extending the administrative structure of the State. New ministries and autonomous agencies were created to implement the nation's economic and social development. Most elements of the personal and direct rule which had characterized the reign of Abd al-Aziz were eliminated or modified.

Under King Saud, the tremendous income the country received from oil was spent extravagantly and unwisely. Thus, the country was on the verge of bankruptcy in 1958. Because of his poor policies and ill health, Saud was deposed by the religious leaders, the royal family, and the Council of Ministers in November, 1964, and Faisal was proclaimed as the third King of Saudi Arabia. Under King Faisal development and diversification of the economy and the promotion of education and social welfare have received increased attention.

Since the very beginning of its establishment, Saudi Arabia has faced two formidable problems. First, the country, long ruled by traditional and tribal patterns, lacked any experience in modern government and administration. Second, there was a severe shortage of trained personnel that could be relied upon in filling governmental as well as industrial bureaucracies. Utilizing some of the huge revenue from oil, the Saudi Arabian government gradually tried to alleviate these problems.

With respect to the first problem, the country borrowed some organizational patterns and technical experts from other Arabian countries, especially Egypt, to make a foundation for modern government and administration. Second, to ameliorate the shortage in manpower, the government imported the needed employees and laborers from other Arabian countries, such as Syria, Lebanon, and Egypt. Experts on highly technical matters were called upon from highly advanced countries, such as those in Western Europe and the United States. Furthermore, the government embarked upon a broad program of education, enabling every eligible person to obtain free education at all levels whether in the kingdom or in foreign countries.

With the tremendous revenue derived from oil, the accompanying Western influences, and the spread of formal education, popular expectations have risen and demands have begun for changes and improvements in standards of living

and economic and social progress. Spontaneous changes as well as deliberate steps were taken by the government to bring about progress and economic development. Political and administrative as well as economic institutions and laws and regulations were established. The most important step taken was the issuance of the Statute of the Council of Ministers in 1958. This Statute constitutes a Magna Charta for Saudi Arabia since it transferred the Kingdom from an absolute monarchical rule to collective ministerial rule. Faisal, in 1962's ten-point program, promised the creation of a written, secular constitution, the so-called Basic Law. Although this promise has not been implemented, the principle is there. Certain measures were also initiated to promote stability and development, including the establishment in 1952 of the Saudi Arabian Monetary Agency (SAMA) as the central bank to strengthen and stabilize the country's currency, to centralize government receipts, and to control disbursements authorized by the budget provisions. Economic planning was introduced as early as 1958, yet was not given serious consideration until 1965, when the Central Planning Organization was established. The first formal and comprehensive economic plan was initiated in 1970.

Furthermore, the government has long realized the administrative deficiencies of the country and sought to alleviate this situation by various means and regulations. In 1961, the Institute of Public Administration was

established to provide for adequate training for government employees and to furnish scientific research on public administration. A High Committee on Administrative Reform headed by the King was established in 1963 to study the administrative apparatus and needs and recommend changes and reforms. The year 1971 witnessed significant developments with respect to administrative improvement. The General Personnel Statute as well as the General Personnel Bureau Statute were issued and, thus, the theoretical foundation for modern Civil Service was laid down. Furthermore, to enhance government employees' integrity, responsibility, and honesty, the Commission on Supervision and Investigation and the Commission on Disciplining Civil Servants were created. Auditing government accounts was given greater emphasis when the General Control Bureau Statute was issued in 1971, and, accordingly, the Bureau was made an independent body and was given broader jurisdiction than before.

Modern Administrative Responsibilities

The activities of modern states have increased substantially in this century as a result of the widespread notion of and demands for the welfare state. The functions of the state are no longer confined to the traditional ones of defense, foreign affairs, and education but include taking an active part in the acceleration of economic and social changes necessitated by both technological and ideological changes. The area of public services has steadily grown.

larger and larger. Thus, the objectives, goals, and functions of the State have become enlarged. Accordingly, the purposes, activities, and the organization of public administration, the right arm of the State, have been affected.

In the developing nations, the responsibility of public administration is certainly much greater than that of the highly developed nations. In the developing countries, the mass of the people are poor, illiterate, and deeply tied to the traditional and conservative ways of life. The major task of bringing about changes and improvement in this type of society falls mainly on public administrators who have to carry out the new changes and developments in the society as introduced by the political process. This phenomenon is certainly true in the case of Saudi Arabia where administrators are being entrusted with increasing responsibilities and functions as the activities of the State expand and vary. As a result public bureaucracy has proliferated to meet the demands of the modern state. Administrative efficiency as well as effectiveness is essential in modern states and is a prerequisite for sound economic planning. Yet this requirement is absent in Saudi Arabia because, in spite of the huge wealth of the country, the development process is extremely slow and deficient, mainly due to the country's tremendous administrative limitations. Albert Waterston, in his book Development Planning: Lessons of Experience (1965), has stated correctly that "in most less developed countries the limitation in implementing plans is not financial resources,

but administrative capacity." There is no doubt that the Kingdom of Saudi Arabia faces acute administrative problems which certainly hamper and deter any effort for modernization and developments. To be sure, the Saudi government has taken some measures toward administrative reform, but they are not sufficient because they were introduced on a piecemeal basis and, thus, lack comprehensiveness and planning. There are many neglected areas in the administrative reform endeavor. It is hoped that this study will cast some light on such disregarded areas.

Purposes, Methods, Organization of Study

Saudi Arabia's fairly rapid transformation from monarchical absolutism to ministerial government, its sudden wealth, and its pressing needs to provide a "good life" for its citizens as measured by contemporary standards, all combine to promote an interest on the part of those concerned with developmental administration. Two major reasons can be cited for this particular examination of Saudi government and administration. The first is the fact that there is no systematic and comprehensive study done about the public administration of Saudi Arabia. The reason, thus, also constitutes a serious limitation of the study since there is an obvious stumbling stone to serious students who desire to write on the topic. The other reason is one typical of natives of transitional states, specifically a desire to assist in the country's development by contributing to knowledge

about the nation. This particular study attempts to add to the knowledge of Saudi Arabia by making a rational and analytical examination of the administrative apparatus of the Kingdom.

This study relies heavily on primary source materials, i.e., government documents. However, utilizing these documents did result in difficulties. Chapter Two, on the administrative framework of the Kingdom, was based on official documents concerning public laws and statutes, most of which were in Arabic. The translation process was somewhat awkward but, at least, there was adequate information on the governmental structure. Chapter Three, however, presented a different kind of problem. There are no official views or studies regarding the administrative problems encountering the country, except a limited number of interviews with some Saudi officials made in conjunction with this study. The only rational and serious studies were made by the Ford Foundation with which the Saudi Arabian government contracted in 1960 to make recommendations on administrative reform. These studies, however, were not available. In fact, the Institute of Public Administration, which has custody of the studies, apologetically denied the request to examine the studies on the grounds that they were highly confidential. Accordingly, the analytical diagnoses pursued in this chapter were based for the most part on the author's perception, observation, and experience and by the use of analogies constructed in part by use of secondary-source data.

The study follows the macro approach in dealing with the subject. The overall structure of Saudi Arabian government and administration is described and the broad problems confronting this transitional nation are detailed. The recommendations offered in conclusion are similarly broad and are directed toward reforms needed to overcome the country's current administrative dilemmas. The study accepts the unity of social science; consequently, an interdisciplinary approach is employed. Methodically, the study is essentially legal-historical in nature, with a public policy emphasis.

The study begins with a brief review of the historical, social, and political background of Saudi Arabia. The objective of Chapter One is to show the factors that shaped the substance of public administration in Saudi Arabia. A description and review of the administrative framework of the Kingdom, together with the most important administrative laws and regulations, then follows. This is the task of the second chapter. Chapter Three is devoted to the critical analysis and scrutiny of the administrative problems confronting the country. Finally, the study concludes with a chapter on the assessment of the government's efforts in pursuing administrative reforms. Chapter Four also suggests some recommendations for alleviating these administrative problems.

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CHAPTER I

BACKGROUND OF SAUDI ARABIA

The public administration of a country is not an isolated phenomenon. Instead, it is the product of many factors and conditions that act and react upon each other and determine its content. Public administration in Saudi Arabia is certainly shaped by the physical and cultural environment, as is the case in every nation.

To understand the administration of the Kingdom, one must also understand the factors that formed the substance of its public administration. Reviewing such factors will assist one in comprehending the process through which the administration of the country has evolved. Furthermore, these factors will serve as a guide to some of the causes of the administrative problems encountered by the country. It is hoped that this chapter will briefly acquaint the reader with the country in general and with those factors closely related to administration in particular.

Geographical and Historical Settings

Geography

The modern Kingdom of Saudi Arabia, occupying the largest portion of the Arabian Peninsula, consists roughly of some 865,000 square miles. The Kingdom is bounded on the

north by Jordan, Iraq, and Kuwait, with two areas of neutral territory west and south of Kuwait; on the west by the Gulf of Agaba and the Red Sea; on the south by Yemen; and on the east by Muscat and Oman, Qatar and the Persian Gulf. The geographic location of the Kingdom gives her great political importance. It is strategically located between Africa and Asia, lies close to the Suez Canal and has access to both the Red Sea and the ^{Arabian} ~~Persian~~ Gulf.¹

Fifteen per cent of the land is estimated to be arable; however, only one per cent is actually under cultivation because of the water scarcity. Rainfall is scanty and capricious, averaging four inches or less throughout most of the country. Vegetation is light with sand and parched earth dominating the landscape in many areas. However, along the crest of the Asir and Hijaz range, which extends from the Yemen border north to the highlands west of Taif, rainfall is as much as twelve inches annually in certain localities. Also, wells in certain oases throughout the Kingdom are sufficiently productive to maintain perennial irrigated cultivation.

The main feature of the Arabian climate is the intense heat from April through October. Shade temperatures often exceed 120° Fahrenheit and, along the coasts, are coupled with high humidity. In the interior, the altitude of the Nejd

¹George A. Lipsky and others, Saudi Arabia: Its People, Its Society, Its Culture (New Haven, 1959), p. 19.

Plateau makes the air dryer and thereby less oppressive. There is a moderate season from November through March when the weather is quite pleasant. On the Red Sea coast nighttime winter temperatures may drop to 55° or 60° Fahrenheit, while on the Persian Gulf the weather is cool enough in mid-winter to warrant heating in houses and offices.

History

The Kingdom is a new nation. Its history began properly on September 22, 1932, when King Abd al-Aziz Ibn Saud unified the dual Kingdoms of Hijaz and Najd. A new nation was born and a new country was created under the name of the Kingdom of Saudi Arabia.

Mohammed united the Arabs under the flags of Islam in the seventh century, and his followers, led by the Caliphs, founded a great empire with its capital in Medina. Later the Caliphate capital was transferred to Damascus and then to Baghdad, but Arabia retained its importance because of the holy cities of Mecca and Medina. After the Ottoman Conquest in 1517, the Persian Gulf and the Red Sea coast regions, including the holy cities, became part of the Ottoman Empire. By the eighteenth century, the Arabian peninsula had been broken up into many small sheikdoms under various sheiks.

The Kingdom is almost entirely the creation of King Abd al-Aziz Ibn Saud (1882-1953). A descendant of earlier Wahhabi rule, he seized Riyadh, the capital of Najd in 1901.² By 1906 he established Wahhabi dominance in Najd. In April, 1913, Ibn Saud recaptured Hofuf, the principal town of the oasis of al-Hasa. Eastern Arabia, where the oil industry is now established, was almost entirely under the control of the House of Saud from 1790 to 1871. While members of the House of Saud were engaged in civil war, the Turks seized the region in 1871. In 1921, Jabal Shammar with its capital, Hayil, was finally conquered, and Ibn Saud's rival, Ibn Rasheed, was killed. In the same year the region of Asir was incorporated into the Kingdom as a result of an expedition headed by his son, Faisal. Ibn Saud conquered Hijaz in 1924-25 and consolidated it and Najd into a dual kingdom in 1926 after liquidating the Hashimite Kingdom.

Oil was discovered in 1936 and commercial production began during World War II. This was a turning point in the history of the Kingdom. Before the discovery of oil, the nation's economy was based upon oases agriculture of a simple and primitive type, small-scale fishing along the coasts, pearling in the Persian Gulf, nomadic herding, and commerce and income derived from pilgrimages to Mecca. With

²The terms "Wahhabi" and "Wahhabism" refer to Shaikh Mohammed Ibn Abdul-Wahhab (d. 1792) and the movement he started. He advocated the abandonment of deviation from the orthodox theory of Islam and the return to the original teachings of Quran and the prophet.

the discovery of oil in commercial quantity, the petroleum industry became the backbone of the country, providing more than eighty-five per cent of the government's income.

On Ibn Saud's death in 1953, the eldest son, Saud (1902-1969), succeeded to the throne. The era of King Saud was characterized by lack of political stability, financial crises, and lavish and unwise spending. As a result of his poor rule and ill health, he was stripped of all his political power on March 30, 1964, by joint resolutions of the royal family, the Council of Ministers, and the Ulama (religious jurists), and Faisal was chosen as the Regent of the country.³ Later, these same bodies on November 2, 1964, deposed King Saud and proclaimed Faisal as a king.

Under King Faisal, development and diversification of the economy and the promotion of education and social welfare received increased attention. Among recent projects and innovations are the extension of education to girls, increased medical benefits, unemployment compensation, a major road construction program, a desalination plant at Jeddah to supply water and electric power, a steel plant, and a new oil refinery.

³For complete texts see "Transfer of Powers from H. M. King Saud to H. R. H. Amir Faisal," Middle East Journal, XVIII (Summer, 1964), 351-354.

Cultural Factors

The Population

In the absence of an accurate census, estimates of the population vary widely between 3 million and 7 million. Saudi government statisticians placed the figure at about 3.3 million in 1962. But the figure of 5 million to 5 1/2 million is accepted as a reasonable estimate by authoritative foreign sources including the International Bank for Reconstruction and Development.⁴

The population is composed mainly of descendants of the indigenous Arab tribes with a generous infusion of ethnic groups of African and Asian origin who came originally for the purpose of pilgrimage and who subsequently became citizens and were assimilated into the original population. Those ethnic groups are concentrated in Hijaz in such cities as Mecca, Medina, and Jeddah, with some in the Eastern province where the oil industry has attracted foreigners to work there.

A large percentage of the population are nomads (bedouins) who are tribal herders moving around in search of sufficient pasturage. The rest of the population are city or town dwellers engaged in many occupations, and they work as farmers, small businessmen, shopkeepers, industrial laborers, and government employees. There has not been any industry

⁴The American University, Area Handbook for Saudi Arabia (Washington, D. C., 1971), p. 18.

in the past, but the 18,000 industrial workers who are primarily employed in Jeddah and the Eastern province, where most of the oil and secondary industries are located, constitute the nucleus of an industrial populace.⁵

The overwhelming majority of the people are Sunnite Moslems with a small minority of Shiite Moslems in the Eastern province. Thus, the Moslem religion is predominant, and its significance is discussed in this chapter.

One particularly acute problem of the population issue is the high rate of illiteracy, which amounts to about ninety per cent among the population. Related to this problem is the scarcity of trained personnel to staff the government's mushrooming bureaucracy and the lack of technicians, skilled laborers and entrepreneurs in industries and business.

The country relies heavily on foreign hands. Laborers of construction are imported from Yemen and other Arab countries. Doctors, teachers, and technicians are brought from Arab countries and from Pakistan and India. Experts on highly technical matters are called upon from the United States and Western European countries.

Realizing the importance of education as a basis for combatting illiteracy, the Saudi government paid great attention and gave much importance to the establishment of a large number of primary and secondary schools as well as colleges and universities throughout the whole country. The

⁵Ibid., p. 259.

emphasis given to education could be clearly seen through the allocation for education which has risen from \$3,120,000 in 1952 to \$130,542,000 in 1972.⁶

The Social Structure

The characteristic social pattern of Saudi Arabia is tribal, with all relationships and loyalties centered on the family unit. The family is the "fundamental and essential repository of every individual's personal identity."⁷ Family obligations still take precedence over all others, and all life is organized in terms of the family. The sense of family unity, extending to grandparents, aunts, uncles, and cousins, is highly evident and is the nucleus of clan and tribal relationships. Most households include relatives from outside of the immediate family who do not have households of their own. It is preferred for the son of one brother to marry the daughter of another brother. A typical Saudi family usually includes three generations within a household--the husband and his wife or wives, their unmarried children, and married sons with their wives and sons. All members of the family are obligated to submit to the authority of the father, although his wife directs activities pertaining to the home.

⁶The Christian Science Monitor, April 5, 1972, p. 9.

⁷Lipsky, p. 47.

The Saudi society, however, has gone through tremendous changes since World War II. Many traditional influences have been undermined by oil wealth and accompanying Western influences. The people began to be influenced by Western products, innovations, customs, and tastes. The tribal life is giving way to rapid urbanization. Automobiles and planes have largely replaced the camel caravans.

The evidence of change is highly visible. Air conditioned office buildings and apartments now rise from the center of old walled towns. Fairly-equipped hospitals and schools are multiplying in number. New industries and a rising middle class of businesses are coming into being.

These changes were brought about mainly by two forces. The first was the production of oil in the 1930's. The second was the spread of formal education in the country and sending Saudi students to foreign countries to continue their higher education.

The Role of Religion

Saudi Arabia is the birthplace of Islam. The country contains in its borders two of the most Moslem holy cities, Mecca and Medina. The official religion of the State is Islam, which controls and governs all aspects of life whether social, political, or economic.

The country has no single formal constitution like that of the United States. The Shariah, which is the law of Islam, is officially the country's constitution. This system

of law, which goes back to the beginning of Islam, is based on the Quran and the traditions of Mohammed, his companions, and the first generation of Moslems.

The rights, duties, and obligations of both the ruler and the ruled are set forth in Islamic law. Basic rights, such as equality before the law and the sanctity of private property, are integral parts of this constitution. Besides regulating what a Westerner would consider purely religious questions, the law of Islam provides a system of private law, civil penal codes, laws of war, and part of the system regulating relations with non-Moslems.⁸ The interpretation of this system is a function of the Shariah judiciary and the Ulema.

The country's judicial system and organization is entirely based on Islamic principles and concepts.⁹ With its various levels, "the Shariah Courts--ranging from trial courts through the courts of appeal--are the only courts presided over by the religious judges (qadis), even to the point of enforcing traffic regulations."¹⁰

⁸"Saudi Arabia," Encyclopaedia Britannica, Vol. XX, 1964, p. 11C.

⁹For an excellent account of the judicial system of the country see Soliman A. Solaim, "Saudi Arabian's Judicial System," The Middle East Journal, XXV (Summer, 1971), 403-407.

¹⁰George Lenczowski, "Tradition and Reform in Saudi Arabia," Current History, LII (February, 1967), 98.

The atmosphere of religious fundamentalism is clearly evident in the functioning of a public organization called the Committee of Public Morality, which acts as overseer of public and private conformity of the citizens with the teachings of Islam. Among its duties are the observance of the prohibition on alcohol, gambling, et cetera, and urging the people to go to mosques during the Moslem prayers five times a day.

There is no doubt that Islamic religion plays a major, if not the major, role in the Saudi society. It is not surprising, however, because the country is the cradle of Islam and within it the holy shrines of Islam are located.

The Economy

Agriculture

Before the discovery of oil Saudi economy was of a non-self-supporting type in which sedentary and nomad exchanged their specialties. The greatest single source of income was the pilgrimage to Mecca. Agricultural production is localized and poor, but it is being steadily improved and much progress has been made in controlling the periodic locust invasions. Scarcity of rain and water is a perpetual problem; the oases provide a few staple crops; in places dams have been built to trap the seasonal valley floods; and some irrigation is practiced successfully in such places as al-Qaseem and al-Hasa. Agricultural development programs

in the mid-1960's provided for the construction of several dams for drinking water projects and for the establishment of agricultural centers for technical assistance to farmers. The government urged and encouraged farmers to diversify their products instead of relying heavily on their main produce of dates. Farmers have begun to plant vegetables, melons, and other crops as well as fodders like alfalfa.¹¹ In some places agricultural production was "so successful that in early 1967 tomatoes from Eastern provinces and from Buraydah in Nejd were exported to Lebanon, one of Saudi Arabia's main suppliers of fruits and vegetables."¹² But the country still has a long way toward self-sufficiency in agricultural as well as other products. The country has to import essential food stuff and many necessities of life, such as rice, flour, sugar, tea, and piece goods.

The Oil Industry

The dominant feature of the economy of Saudi Arabia is the oil industry. Now oil, practically the only export of the country, provides over three-quarters of the government revenue. In 1967, with crude oil production of 2,806 barrels a day, Saudi Arabia took first place among Middle East producers and third place in world production.¹³

¹¹Arabian American Oil Company, Aramco Handbook (Dhahran, Saudi Arabia, 1968), p. 186.

¹²Ibid., p. 187.

¹³Ibid., p. 95.

Oil was found successively at Abqaiq (1941); Qatif (1945); Uthmaniya (1951, and later found to be part of the much larger Ghawar field); off-shore at Safania (1957), and Kharsaniya (1960).¹⁴ Three-quarters of the crude oil is piped to the refineries at Ras Tunura and Bahrain, both tanker terminals on the ~~Persian~~ ^{Arabian} Gulf. Most of the remainder goes by the 1,068-mile Trans-Arabian pipe line (Tapline) built in 1950 to Sidon in Lebanon across Jordan and Syria. A third refinery began operation at Jeddah in 1968. The chief oil producer is the Arabian American Oil Company (ARAMCO), a consortium in which California Standard, New Jersey Standard, and Texaco each hold thirty per cent shares and Mobil ten per cent. There are smaller concessions to Getty Oil Company, the Japanese Arabian Oil Company, and to a joint Italian (ENI) and Phillips (United States) Company in the Rub al Khali.

In 1950, Saudi Arabia and ARAMCO made a new agreement for sharing profits on the basis of the so-called 50/50 principle. The agreement gave Saudi Arabia a substantially larger return from the venture than from the earlier agreements.

In 1960 Saudi Arabia, along with Iraq, Iran, Kuwait, and Venezuela, formed the Organization of Petroleum Exporting Countries (OPEC) with its primary concern being the

¹⁴Most of the information about oil is obtained from Arabian American Oil Company, pp. 107-170.

stabilization of oil prices. Through several negotiations, the organization was successful in obtaining better terms and higher returns from the international companies. Furthermore, in January, 1968, Saudi Arabia joined with Kuwait and Libya to form the Organization of Arab Petroleum Export Countries (OAPEC), which is designated to supplement rather than to conflict with the work of OPEC.

Recently, Saudi Arabia unilaterally and through OPEC has pushed for government participation in ownership. The energetic Saudi Minister of Petroleum and Mineral Resources, Ahamad Z. Yamani, in a series of negotiations with ARAMCO, was able to reach a settlement on twenty per cent participation which will eventually increase gradually to fifty-one per cent.¹⁵

Diversification of the Economy

Saudi Arabia, along with many underdeveloped countries, suffers from heavy reliance on a primary commodity. The demand for the primary commodity is often inelastic and subject to drastic price fluctuations.

The problems these countries face, which also underly their hesitancy to "specialize along lines of comparative advantage," stem mainly from the fact that their primary

¹⁵Frank J. Gardner, "Persian Gulf Oils Bow to Participation," Oil and Gas Journal, LXX (March 27, 1972), 48.

products face instability of external demand. Further, this demand itself is unreliable.¹⁶

It is quite obvious that oil receipts accruing to the Saudi government carry an enormous weight in relation to total receipts. Since this source accounts also for the greater and crucial part of national income (being mostly in foreign exchange) and since this income is subject to sudden and drastic fluctuations, it would be reasonable to expect a deliberate governmental effort in creating a more balanced economic structure. However, not before November, 1962, did the government indicate publicly that this problem would be taken into consideration in the formation of economic development policies. In that year, the General Petroleum and Mineral Organization, known as Petromin, was established as a public corporation wholly owned by the Saudi government. It was created to stimulate development of the country's petroleum and mineral resources and of industries related to them. Specifically, Petromin activities cover three categories: petroleum, petrochemicals, and minerals and mineral industries.

Many of its projects are still in the stage of feasibility studies, but others are on their way to implementation. Petrochemicals are being produced at Dammam, where the Saudi Arabian Fertilizers Company (SAFCO) has been

¹⁶Ragnar Nurkse, Equilibrium and Growth in World Economy: Economic Essays (Cambridge, Mass., 1961), p. 241.

established. Sulphuric acid is to be produced for export; pharmaceuticals and food processing are being developed. A steel rolling mill has been set up at Jeddah. Copper, chromite, gypsum, and rock salt are also found. Some gold and silver are mined.

Economic Planning

Formal economic planning in this country is a very recent innovation. The literature on this subject is very limited and no official publications or information are available.¹⁷

The country until very recently has spent its oil revenues without reference to a plan. No coordination of investments has taken place and the volume of constructive investment, compared to the Kingdom's huge oil earnings, has been very tiny.

Only when the country faced the severe exchange crisis of 1956-57 did the Kingdom attempt to rationalize its public finance and the expenditures of oil income. Faisal, then the Crown Prince, was appointed Premier of the country. He, with the assistance of the International Monetary Fund (IMF), launched an austerity program. He took appropriate measures to strengthen the Saudi Arabian Monetary Agency (the Central Bank) and declared a moratorium on the import of automobiles and other luxury items.

¹⁷This section has drawn heavily from an article that gives the most recent and comprehensive account of the topic: David G. Edens and William P. Snavely, "Planning for Economic Development in Saudi Arabia," The Middle East Journal, XXIV (Winter, 1970), 12-30.

In 1958, the Economic Development Committee was created upon the recommendation of Anwar Ali, IMF official and now governor of SAMA. The Committee was charged with studying all existing ministerial projects and proposals and to evaluate their productive potentialities and to submit a report to the Prime Minister. The Committee was composed of the governor of SAMA, two economic advisors from the Ministry of Finance, and representatives from the Ministries of Commerce, Agriculture, and Health and Communication.

The performance of the Committee was not satisfactory and, as a result, it was replaced in 1961 by a Supreme Planning Board. The Board was set up consisting of the Prime Minister or his deputy as a chairman and Ministers of Finance, Commerce, Agriculture, and Health. The Board was given broader responsibility for the overall economic activities and the coordination of the development projects of the various ministries.

Yet, attempts at economic planning faced several obstacles which deterred its effectiveness, the most important of which was the lack of adequate and reliable statistical data. In spite of the fact that a statistical agency, the Central Department of Statistics located in the Ministry of Finance, was created in 1960, the first published economic and other statistics did not appear before 1965. Closely related to this is the scarcity of expertise on technical matters within the public bureaucracy.

The Board was not very successful in its planning capacity largely because it functioned merely as a sub-committee of the Council of Ministers, devoting most of its time to budgetary activities. This essentially budget department function "was exercised at the expense of the planning function."¹⁸

Foreign experts provided by the United Nations and Ford Foundation emphasized the need for more clearly defined responsibilities and more jurisdictional authority over all the economy.

In response, King Faisal in January, 1965, approved the decree establishing the Central Planning Organization (CPO). This planning organization was headed by a president of ministerial rank who had become recently a member of the Council of Ministers. The organization was given greater responsibility and broader jurisdictional authority over ministries and other agencies.

In September, 1969, the President of the CPO, Hisham Nazer, announced a five-year development plan beginning with the fiscal year 1970. Its primary aim was to promote maximum development of human resources and to diversify the sources of national income.¹⁹ The goal is an annual growth

¹⁸Ibid., p. 24.

¹⁹"Chronology," The Middle East Journal, XXIV (Winter, 1970), 65.

of 9.3 per cent in GNP in contrast to the recent rate of 8.5 per cent.²⁰

The Political Framework

The transformation of Ibn Saud's tiny sultanate of Najd into the present Saudi Arabian Kingdom since the days of the Prophet resulted in the transformation of the old traditional Wahhabi State into the complex bureaucracy of a monarchical-ministerial government. The form of government in Saudi Arabia is the result of continuous interaction between religious traditions, local conditions, and the long-established administrative patterns. These patterns have been established and modified through a long period of "trial and error" by adoption from other systems of government. The first official and formal Council of Ministers was created by King Abd al-Aziz in October, 1953.²¹ The Council, however, started its first session in March, 1954, and on March 22, 1958, a more elaborate and comprehensive statute for the Council was established. The principal decisions of the Council, the supreme executive and legislative body, are issued in the form of royal decrees. Elections are held only at the municipal level. The Consultative Council,

²⁰George Rentz, "Saudi Arabia," The Americana Annual, 1970, p. 599.

²¹Royal Decree No. S/1911/4288, 1/2/1373 A. H. (Oct. 9, 1953), published in the Official Gazette Umm al-Qura, 1485 8/2/1373 A. H. (Oct. 16, 1953). Hereafter Umm al-Qura will appear as U. Q.

whose members are appointed by the King, designed to inform the sovereign of his people's view, has become merely a decorative institution. Local governments are largely in the hands of officials appointed by the King, many of whom are his relatives.

The Constitutional Concept

The country has no secular constitution. The country's only constitution is the "Book of God (Quran) and the tradition of his Prophet." The government in all its activities functions within the framework of the Islamic principles and ideas or the Sharia.²² As one author has indicated, in the Islamic theory of government there is a fusion of state and religion:

In Islamic theory, the Sharia claims to regulate all the actions of men, public and private, social and individual. In theory, it makes no concession to Caesar and asserts its authority over political man in all his acts of government as well as over private man in his prayers. This idea is summed up in the maxim, Islam din wa daula, "Islam is religion and state."²³

In matters not explicitly prohibited or made obligatory by the Sharia, residual authority to enact regulations reposes in the monarch, who acts through the Council of Ministers. To supplement the Canon law of Islam, the

²²For more detail on the Islamic law see H. A. R. Gibb and Harold Bowen, Islamic Society and the West, 2 vols. (London, 1957), I, 114-138.

²³Richard H. Nolte, "The Rule of Law in the Arab Middle East," The Modern Middle East, edited by R. H. Nolte (New York, 1963), p. 157.

government has issued elaborate sets of laws and regulations. They cover such matters as personnel, labor, custom duties on imports, banking, the use of motor vehicles and so on. Yet these laws and regulations have so proliferated and increased considerably that it became necessary to establish a comprehensive and integrated secular constitution for the country. Accordingly, King Faisal, then Premier and Crown Prince, announced in 1962 in a ten-point reform statement the intention of the government of creating a formal constitution. The first point in his statement dealt with this matter as follows:

In order to achieve a unified system of government based on the principles of the Sharia, a basic law will be promulgated drawn from the Quaran, the tradition of the prophet, and the acts of the Orthodox Caliphs. It will set forth the fundamental principles of government and the relationships between the governor and the governed, organizing the various powers of the state, and the relationship among these powers and provide for the basic rights of the citizen, including the right to freely express his opinion within the limits of Islamic belief and public policy. The Consultative Council, developed during the previous cabinet as a legislative authority, together with the addition and modification made thereto, will become part of the basic law.²⁴

Although most of the ten-point reform program was implemented, no constitution has been formulated yet. This was attributed mainly to two reasons.²⁵ First was the two-year struggle for power between Faisal and his brother Saud.

²⁴"Ministerial Statement of November 6, 1962, by Prime Minister Amir Faysal of Saudi Arabia," The Middle East Journal, XVII (Winter-Spring, 1963), 161.

²⁵Lenczowski, p. 102.

The second factor was the eruption of the civil war in 1961 in Yemen, which created great tension in the area for a relatively long time.

The King

Saudi Arabia is a hereditary monarchy. At the present, succession to the throne is confined to the male descendants of the late King Abd al-Aziz. Faisal, the present King, is the third King of modern Arabia after his father and his older brother Saud. Within this monarchical structure, the King both reigns and rules. Yet practically speaking, the King's rule is circumscribed by religious and social requirements and traditional limits. As one observer has noted, the King's absolute power is limited by three elements:

(a) the paramountcy of the sacred law of Islam (Sharia) whose main exponents are the religious jurists (Ulama) of the puritan Wahhabi sect; (b) the need to cultivate the tribes whose loyalty is necessary as a counterweight against certain disruptive forces; (c) the principle of consultation which, though highly informal in its operation, represents a restraining influence on any possible arbitrariness.²⁶

Where the divine law is precise and specific, the King leads his subjects in enforcing and obeying it. In spheres where the divine law does not have direct application, the will of the King comes first. The King may issue a decree or order on his own initiative, or he may approve a recommendation by his Council of Ministers. In either case, the regulation comes into effect when it is embodied in royal decree.

²⁶Ibid., p. 98.

Immediately attached to the King is Ad-Diwan al-Malaki, or the Royal Cabinet, which is comparable to the White House Office in the United States. The Cabinet is an important organ of the government since it includes not only the administrative staff but the King's advisors. The King's Cabinet is organized into a number of branches. A private office functions as a secretariat to the King, while sections for private affairs, protocol, privy purse, and political affairs assist the King in carrying out his executive duties.

The Crown Prince

The Crown Prince is selected by the King from within the royal family with the advice and consent of members of the royal family. The Crown Prince administers the affairs of the Kingdom in the case of the absence of the King from the Kingdom. He also is the First Vice-President of the Council of Ministers and is assisted in carrying out his duties by a cabinet similar to that of the King, though smaller in size. After becoming the King, Faisal named his second youngest brother, Prince Khalid Ibn Abd al-Aziz as the Crown Prince on March 29, 1965, after the legal heir to the throne, Prince Muhammed, declined the post.

The Council of Ministers

The Council of Ministers (Majlis Al-Wuzara) began functioning officially in March, 1954.²⁷ The Council is the highest political institution in the country next to the King. Members of the Council exercise legislative powers as a group and individually as executive heads of their respective ministries. The Council includes the ministers who head the fourteen ministries, some ministers of state, the advisors who are appointed by the King, and any other persons whom the King may designate.

Organizationally, the Council is composed of several parts. The Council has a President (who is the King) and two Vice-Presidents (one of whom is the Crown Prince) as well as twenty members. Attached to the office of the president is a special administrative staff to assist in directing the affairs of the Council. The Council consists of four divisions: the Secretariat General, the Grievance Board, the Division of Experts, and the Cabinet of the Presidency of the Council of Ministers.

Foreign Affairs

The Kingdom's contact with the outside world began after World War II.²⁸ Saudi Arabia entered the war on the

²⁷This topic will be treated in greater detail in the following chapter.

²⁸For more detailed information on the Kingdom's foreign policy, see G. A. Lipsky, "Foreign Relations," in Saudi Arabia, pp. 140-148. For current analytical examination of the subject see Robert R. Sullivan, "Saudi Arabia in International Politics," The Review of Politics, XXXII (Oct., 1970), 436-466.

allied side but took no part in the fighting. After the war, Saudi Arabia became a charter member of both the United Nations and the Arab League. The country took part in the 1948 war against Israel with nominal forces.

Diplomatic ties between the United States and Saudi Arabia had been developing. Gradually, an American legation was opened in Jeddah in 1942 and a Saudi legation in Washington in 1944. Both missions were raised to the status of embassies in 1949. After the death of King Ibn Saud, King Saud continued his father's open policy to the foreign world.

In 1945, conflict over the oasis al-Buraimi arose between the Kingdom and Britain, which considered the oasis as belonging to Muscat and Oman and to Abu Dhabi, states with which Britain had treaty relations. Consequently in January, 1953, Oman, with the help of Britain, occupied al-Buraimi. In July, 1954, the British and Saudi governments agreed to submit the dispute to an arbitration tribunal. This met in Geneva in September, 1955, but the negotiation broke down and the issue is still unsettled.

At first, King Saud supported the Nasser regime in Egypt, but in 1956 he entered an alliance with the Hashimite rulers of Jordan and Iraq. In 1958, he opposed the Union of Egypt and Syria, in the United Arab Republic, and became a bitter foe of Egyptian policy. Beginning in 1961, he with

King Hussein of Jordan, supported the royalists forces in Yemen's civil war against the Egyptian backed revolutionary. Beginning with the era of King Faisal, the issue of the war in Yemen remained the major problem confronting the country.

After an agreement had been signed at Jeddah by King Faisal and President Nasser in August in 1965 providing for immediate ceasefire in Yemen, some Egyptian troops were withdrawn. The ceasefire, however, failed and fighting was resumed. When Egypt was defeated by Israel in 1967, King Faisal and President Nasser signed a fresh agreement, according to which the Egyptian Army was withdrawn and Saudi Arabia ceased assisting the Yamani royalists.

In the late 1960's, King Faisal embarked on a policy of Islamic solidarity to counteract his ideological opponents, Nasser and the Baathists.²⁹ The Saudi ruler was a prime mover in the organization of the first Islamic "summit" conference held in Rabat, Morocco, in September, 1969. As a sequel to this event, a Conference of Islamic Foreign Ministers met in Jeddah, Saudi Arabia, on March 23-26, 1970, and decided to set up a permanent Islamic Secretariat with its seat in Jeddah and a further Foreign Ministers' Conference in Karachi, Pakistan.

A further result of Jeddah meeting was the liquidation of the long-standing hostility between Saudi Arabia and the

²⁹Sullivan, p. 439.

Republican government of Yemen with which diplomatic relations were established later in 1970.

In the 1970's, the Kingdom maintains its position as a leader of the conservative anti-Communist forces in the Arab world. In spite of the fact that the Union of the Soviet Socialist Republics was one of the early countries to recognize and to have a legation in Saudi Arabia, the country has no diplomatic relations with her or with any other Communist country.³⁰ The Kingdom still contributes \$140 million annually to Egypt and Jordan after the June war of 1967. The Kingdom, furthermore, continues to channel its financial and diplomatic support for the Palestinian Arabs through the al-Fatah organization.

Summary

Chapter One has presented a history of the development of Saudi Arabian society, culture, economy, and government, with an emphasis on the changes brought about by the discovery of oil in the 1930's and the spread of formal education in the country.

It is appropriate to look next at the administrative framework of the country, and a description of the administrative structure is the task of Chapter Two. This chapter will attempt to trace the development of the administrative apparatus from its early stages to the present. The

³⁰Lipsky, pp. 146-147.

chronology will be accompanied by a review of the most important administrative laws and regulations.

CHAPTER II

THE ADMINISTRATIVE FRAMEWORK OF THE KINGDOM

Early Developments

At the very beginning of its establishment, the Kingdom had no formal administrative or governmental structure.¹ Instead, King Abd al-Aziz managed his Sultanates of Najd and al-Hasa on a personal basis with the assistance of a few of his sons and foreign advisors. This informality was due to two factors. The first was the relative smallness of the nation at that time. The second was that the country had a great lack of anything resembling a formal structure of government. As one of the early foreign experts, who witnessed the country at its earliest stages of development, has attested,

. . . Saudi Arabia has previously had little contact with the outside world, practically no experience in modern political administration and hardly any tradition of self-government on a broad national scale, the rapid strides taken by her administrators toward efficiency and order are little short of miraculous.²

¹The analytical framework and the historical substance of this chapter are drawn from the most comprehensive study of the government of the Kingdom (Arabic Text): Muhammed T. Sadiq, Tatawur al-Hokm wa al-Edarah Fi al-Mummlakah al-Arabiyyah al-Saudiyyah (Riyadh, Saudi Arabia, 1965).

²Karl S. Twitchell, Saudi Arabia: With an Account of Its Natural Resources (Princeton, New Jersey, 1947), p. 110.

Illustrative of the Saudi Arabian provincialism is the key province of Najd. Najd was long isolated from outside influences and its conservative society preserved its traditional heritage and the tribal system was dominant.

The Governor of Najd was King Abd al-Aziz's eldest son Saud, who was directly connected to the King. Saud ruled the province from Riyadh, and all princes of the towns and tribal chiefs of Najd were administratively attached to him. In addition to the prince, there were in most towns a judge and finance officer. The town prince was virtually the administrative ruler who was responsible for all its internal affairs and for the supervision and control of the judge and the finance officer. In some instances, the prince of a town had a small bureau, the function of which was to receive and refer all public transactions to the concerned government bodies. In some cases the prince would perform the functions of the judge if there was no judge for the town. Each prince sent periodic reports to the governor of the province indicating the conditions of his town or village and his recommendation for future improvements. As one can see, the administration of the province was simple. In fact, there are no official documents that indicate the existence of specialized governmental organs to govern the province, rather it was administered on a simple personal basis. This coincided with the tribal society system which was predominant at that time.

The situation was very similar in the province of al-Hasa, where the King, after the expulsion of the Turks from that area, appointed his cousin, Prince Abd-Allah Ibn Jiluwi, as the Governor of al-Hasa. Like Najd, the provincial prince (governor) had jurisdictional authority and control over the princes of towns and villages of the province. Similarly those princes supervised and controlled the actions of the judges and finance officers of their towns or villages. After the state granted Standard Oil of California the oil concession in the province in 1933, there began the slow evolution of a small number of specialized departments. Those departments, which exercised authority over the whole province, included the Department of Police, Finance Department, Department of Customs, and the Coast Guards.

Yet with the annexation of Hijaz in December, 1925, governmental machinery started evolving rapidly. Hijaz, which was under the Ottoman rule for a while and which had contacts with the outside world through pilgrims visiting its holy cities, had had relatively more experience than the other provinces of the Kingdom. At the beginning of the annexation of Hijaz, King Abd al-Aziz maintained the status quo in Hijaz and left the original political institutions and laws without any drastic changes for one year. He then appointed his second eldest son, Faisal, as his viceroy in Hijaz. In addition, he ordered the formation of a Founding Commission on January 13, 1926, consisting of eight members

elected by representatives from all the cities of Hijaz and five members appointed by the King himself. This Commission worked for seven months toward the creation of the Fundamental Instructions and presented its draft resolutions thereon to the King, who approved them on August 30, 1926.³ Those instructions gave the Hijaz self-autonomy in many aspects of government except for matters concerning military foreign affairs, which were reserved for the King. Furthermore, those instructions called for the establishment of various political institutions: the Consultative Council, the Administrative Council, a Control Bureau, the General Inspection Department, and the General Municipal Council.

One year after the formation of the government institutions according to the Fundamental Instructions, the King chose a Commission of seven members and a Secretary known as the Inspection and Reform Commission. This Commission was charged with studying the administrative apparatus of the Kingdom, investigating its weaknesses, and proposing recommendations with regard to improving the public administration of the Kingdom.⁴ In addition the Commission was given the authority to look into the citizen's complaints against any

³The Fundamental Instructions of the Kingdom of Hijaz were published in the Official Gazette Umm al-Qura 90, 25/2/1345 A. H. (Sept. 3, 1926) and in Umm al-Qura 91, 3/3/1345 A. H. (Sept. 10, 1926). Hereafter Umm al-Qura will appear as U. Q.

⁴U. Q. 133, 1/1/1346 A. H. (July 1, 1927).

civil servant or any governmental agency.⁵ Later, the Commission delivered its report to the King and among its recommendations which were approved by the King were the creation of statutes for the Consultative Council, the formation of an Education Council, and the issuance of regulations for the Municipal and Executive Councils in order to assist the General Viceroy in carrying out his duties.⁶

The Consultative Council (Majlis al-Shura)

Section four of the Fundamental Instructions called for the creation of a Consultative Council which consisted of the General Viceroy and his advisors and six notable people appointed by the King for one year. Yet the Council had been in operation only ten months when the Inspection and Reform Commission proposed the initiation of a statute for the Council. The proposal was accepted by the King, who ordered the dissolution of the Council and the formation of the statute on July 7, 1927. Later, the statute was issued, the new Council members were appointed, and the Council met in its first session.⁷ The new Council consisted of eight members under the presidency of the General Viceroy.

⁵U. Q. 134, 8/1/1346 A. H. (July 8, 1927).

⁶U. Q. 135, 15/1/1346 A. H. (July 15, 1927).

⁷The Statute and the names of the members of the Council were published in U. Q. 135, 15/1/1346 A. H. (July 15, 1927).

The Council continued functioning for one year until a new statute was issued.⁸ Among the most important changes embodied in the new statute were the change in the number of membership from eight to unlimited numbers as the King desired; the selection of two vice-presidents, one appointed by the King and the other selected by the Council; and daily instead of semi-weekly meetings of the Council.

The Council exercised its responsibilities, in accordance with its statute of 1928, with broad jurisdiction in many legislative matters for twenty-five years. Yet when the Council of Ministers was formed in 1953, the Consultative Council lost its importance and effectiveness.⁹ Somewhat later an additional body, the Council of Deputies, came into being under the Viceroy of the Hijaz.

The Council of Deputies

Because of the expansion and increase of the responsibilities of the General Viceroy, it was deemed necessary to reorganize the government of Hijaz. The General Viceroy proposed to King Abd al-Aziz the establishment of a new council with broad jurisdiction. The Council of Deputies (Majlis al-Wukala) was formed when its statute was issued in 1931.¹⁰

⁸The New Statute was published in U. Q. 186, 25/1/1347 A. H. (July 12, 1928).

⁹Sadiq, p. 39.

¹⁰The Statute of the Council of Deputies was issued in 19/8/1350 A. H. (December 30, 1931), published in U. Q. 370, 7/9/1350 A. H. (January 15, 1932).

The Council was composed of four members--a president, the Deputy Minister of Foreign Affairs, the Deputy Minister of Finance, and the Vice-President of the Consultative Council. The President of the Council was Amir Faisal Ibn Abd al-Aziz, who was at that time also the President of the Consultative Council, Minister of Interior, Minister of Foreign Affairs, and the Viceroy of the Hijaz. The Council was authorized to issue all instructions to government departments whether the instructions originated in the Council or were decrees promulgated by the King. The King was the source of authority, which he could delegate to the Council.¹¹ Furthermore, the members of the Council were collectively responsible for public policy before the King and every deputy was responsible for his actions to the President of the Council.¹²

The Council continued to exercise its functions in Hijaz for more than twenty years, until the Council of Ministers was established in 1953. The Council of Ministers was the first central organ that exercised broad jurisdictions over the whole country in the history of the Kingdom.¹³

The Present Governmental Structure

The Council of Ministers

As the years passed, the foundation of the rule of King Abd al-Ziz was becoming more stable and strong and the

¹¹Ibid., Article V.

¹²Ibid.

¹³Sadiq, p. 47.

central government began to exercise a greater amount of sovereignty over the country as a whole. The country was rapidly expanding, and the simple, traditional society was giving way to a more complex and sophisticated society. This transformation was brought about by the fact that King Abd al-Ziz was interested in change and innovations and the revenue from oil was increasing rapidly. In turn, this combination of interest and revenue led to tremendous expansion of the country and the government's extension of many services and functions to meet the changing conditions. The government built hospitals and schools, constructed roads and railroads, established an air force and airlines, and organized municipal governments. As a result of the expansion of government services and functions, the existing forms of government became deficient and inadequate. The increasing complexity required specialists who could handle these activities.

During this growth period, a number of new ministries were established. The Ministries of Foreign Affairs and Finance have existed since 1930 and 1932, respectively. During the Second World War, in November, 1944, the Ministry of Defense arose out of the earlier Agency of Defense. And in June, 1951, the Ministry of the Interior was re-established. Then, within less than a year, five new ministries suddenly evolved: Communications in September, 1953; both Education and Agriculture in December, 1953; Commerce in March of the

next year; and Health, made independent of Interior, in July, 1954. In addition to the ministries themselves, a number of new independent or subordinate agencies were set up, such as the Department of Labor and the Directorates General of Petroleum and Mineral Affairs and of Broadcasting, Press, and Publications. All of these were eventually elevated to ministerial level. With the creation of ministries, similar functions were joined under single responsible heads. One more step in the coordination and consolidation remained. Like functions were being gathered under new ministers or agency heads, but there remained the need for the ministers to be assembled into a coordinating body. Such coordination began in October, 1953, when King Abd al-Aziz ordered the formation of a Council of Ministers.¹⁴ The decree's preamble states that the King decided to establish a Council of Ministers in part "because of the increase in the number of obligations and the diversification of the responsibilities placed upon the State." Article I sets forth the main provisions of this decree:

A Council of Ministers is to be formed under the presidency of our Son Saud, Crown Prince of the Kingdom and Commander-in-Chief of the Armed Forces. It shall be composed of all those Ministers of State charged by royal decree with the conduct of the affairs of Ministries entrusted to them, so that they may look into all the affairs of the nation, whether foreign or domestic and it shall decide what corresponds to the interest of the country in these matters in order to refer them to us.

¹⁴Royal Decree No. 5/19/1/4288, 1/2/1373 A. H. (Oct. 9, 1953), published in U. Q. 1485, 8/2/1373 A. H. (Oct. 16, 1953).

With the appointment of the King's eldest son, Amir Saud, as the President of the Council of Ministers, King Abd al-Aziz was turning over to Crown Prince Saud increased responsibilities for running the government. Yet a month after the issuance of the decree, King Abd al-Aziz died and the Crown Prince Saud became the new King of the country. As a King, however, Saud continued his work in organizing the Council. The Council spent about six months working on its procedural rules. The statute of the Council of Ministers and the statute of the Divisions of the Council were issued in March, 1954.¹⁵ Five months later King Saud appointed Prince Faisal as the President of the Council. In the following month and for the purpose of bringing the country under coordinated and unified control, King Saud issued a decree abolishing the General Viceroyalty Cabinet and transferred its functions to a cabinet for the President of the Council of Ministers.

The Council continued exercising its jurisdiction and functions according to its old statute for about four and a half years. During this period, the administrative apparatus was growing very rapidly to face the tremendous increase in government services and activities. Accordingly, it was found necessary to revise the old statute of the Council. As a result, King Saud issued an order in 1958, giving the

¹⁵Both documents were published in U. Q. 1508, 21/7/1373 A. H. (March 26, 1954).

President of the Council full authority to determine domestic, foreign, and financial policies of the Kingdom and to revise the statute of the Council. One month later, the Council drafted a new statute that was sanctioned by the King.¹⁶ The Council has continued to function in accordance with this statute with very few amendments.¹⁷ With this new statute, the country was moving from monarchical rule toward ministerial rule. The Statute of 1958 gave the Council much broader jurisdictions over the domestic and foreign affairs of the country than the previous statute. Article 18 of the Statute outlines the functions of the Council of Ministers:

[It] shall draw up the policy of the state, internal and external, economic and financial, educational and defense, and in all public affairs; and shall supervise its execution; and shall have legislative authority, and executive authority and administrative authority. And it shall be the arbiter in all financial affairs and in all the affairs committed to other Ministries of the State and other departments. And it shall be the factor deciding what actions it may be necessary to take therein. And international treaties and agreements shall not be regarded as effective, except after its approval. And the decisions of the Council of Ministers shall be final, except such of them as require the issue of a royal command or decree, in accordance with the rules of this statute.

In legislative matters "every Minister has the right to present to the Council a project of law within the scope of

¹⁶Royal Decree No. 38, 22/10/1377 A. H. (May 11, 1958), Sanctioning the Council of Ministers Resolution No. 620, 22/10/1377 A. H. (May 11, 1958), published in U. Q. 1717, 27/10/1377 A. H. (May 16, 1958).

¹⁷See full text in H. St. John Philby, "Saudi Arabia: The New Statute of the Council of Ministers," Middle East Journal, XII (Summer, 1958), 320-323.

his Ministry . . . and the Council may agree thereto to reject it."¹⁸ Moreover, members have the right "to propose any matter which [they] may consider expedient for discussion in the Council."¹⁹ Yet, final approval of all legislative decrees rests with the King. Article 23 of the statute deals with this issue in the following manner:

If His Majesty the King does not approve of any decree or order put forward to him for his signature, it will be returned to the Council, with a statement of the reasons leading thereto, for discussion thereof. And, if the decree or order is not returned by the Secretariat of His Majesty the King to the Council of Ministers within 30 days of the date of its receipt, the President of the Council shall take such action as he may think appropriate: informing the Council thereof.

It is, however, safe to say that the Council of Ministers is the highest political institution in the country charged as it is with legislative, executive, and administrative tasks, in spite of the fact that its actions require royal approval.

The organization of the Council.--As Figure 1 indicates, the Council of Ministers is currently composed of the King as the President of the Council, two vice-presidents, fourteen Ministers, six Ministers of States, the advisors who are appointed by the King, and any other persons whom

¹⁸The Statute of the Council of Ministers of 1958, Art. XXII.

¹⁹Ibid.

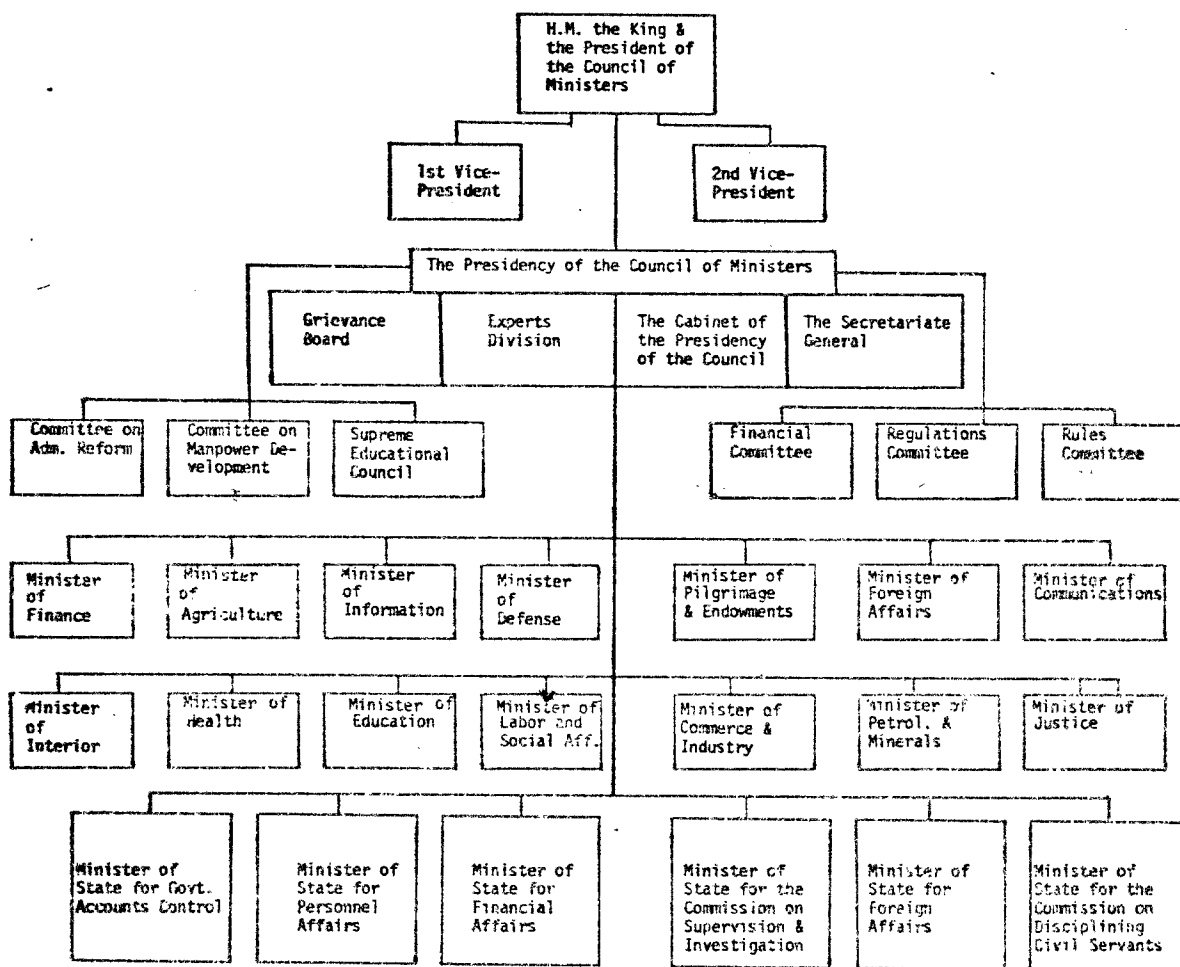


Fig. 1--The Organizational Chart of the Council of Ministers

Source: Compiled from the Statute of the Council of Ministers of 1958 (as amended).

the King may designate.²⁰ The Council has four main divisions: the Secretariat General, the Cabinet of the Presidency of the Council of Ministers, the Experts Branch, and the Grievance Board. The Secretariat General runs a comprehensive clerical operation, handling the paper work required by the Council, examining almost all of the new rules and regulations of the country. The Cabinet of the Presidency assists the President in directing the affairs of the Council. The Experts Branch, as the name implies, consists of specialists in various fields for providing the Council with technical input when necessary. The function of the Grievance Board is to furnish recourse to justice for anyone who feels wronged. Any complaint may be laid before the Board, which is required to investigate and submit a recommendation to the President of the Council.

In addition, the Council is divided into three standing committees: Financial Committee, Regulations Committee, and Administrative Committee. These committees are composed of specialists in these fields from among the members of the Council or from outside the Council to study specific topics before being submitted to the Council. The Council also appoints ad hoc committees to study particular subjects not covered by the standing committees. Examples of such

²⁰Articles VII and VIII of the Statute of the Council of Ministers of 1958 were amended in November 18, 1964, making the King head of the Council and making members of the Council responsible to him.

committees are those for administrative reform and for manpower development.

Ministries and agencies.--Ministries and independent agencies operate under the authority of His Majesty the King and the Council of Ministers. Each Minister and agency head formulates policies and programs for his ministry or agency; proposes all major policies, legislation and programs to His Majesty the King and to the Council for approval; and oversees the implementation of such policies and programs.

Responsibility for policies and programs is divided among the ministries and agencies on a functional basis. In principle, the functions of each ministry and agency are separate and distinct except for those which exercise a coordinating role in relation to other ministries and agencies--in particular, the Ministry of Finance and the Central Planning Organization.

In practice, there is some overlapping in the functions of the different ministries and agencies. For instance, several ministries and agencies operate educational and training establishments and the Ministry of Defense provides hospitals for military personnel and their families; and some ministries and agencies--notably the Ministry of Interior, in the issuance of visas for immigrant workers, and the Ministry of Information--perform services on behalf of other ministries and agencies.

The Civil Service

The concept of a civil service is very new in Saudi Arabia and largely alien to the manner of thinking and of life as they existed little more than twenty years ago. The work to be done for the community was as much a family affair as that performed in commerce, fishing, and the artisan trades; who participated in community work and under what conditions was decided as much on a basis of personal relationships in the one case as in the other.

It is, therefore, easy to understand that the introduction of a modern framework for the public service has met and is meeting enormous difficulties. At the same time, the expansion of the State in every phase of modern government activity calls for an organizational effort and a wide variety of skills.

Two major features at present characterize the civil service in Saudi Arabia. In the first place, there are many foreign workers in all categories of administrative, professional, and technical personnel as well as skilled and unskilled labor. In the second place, a clear divorce between private pursuits and interests and the requirements of public service has not been fully accepted.

The present public bureaucracy evolved very slowly and gradually. At the very beginning of the establishment of the Kingdom, there were very few public servants. When King Abd al-Aziz began delegating some of his authority to his

sons and advisors, they began employing people to assist them in their work. Those people usually were appointed on a personal basis and from among acquaintances. Gradually those employees entered the civil service with very little pay in kind or money. Now the situation has changed tremendously and the government has become the biggest employer in the country. It is estimated that the total number of civil servants has reached 132,606 in 1971 as compared to 92,170 in 1964.²¹

When the Fundamental Instructions for the Kingdom of Hijaz were issued in 1926, its Section Seven treated the affairs of al-Maamoureen (literally the commanded ones, i.e., civil servants) in general. This section pointed out some of the requirements for every person occupying public office, such as Saudi nationality, efficiency, good behavior, and manners. In return, the government guaranteed the employee some rights: respect, his tenure in service, and protection against severance except after trial.²²

In 1929 a new Special Instructions for Personnel were issued.²³ According to Articles I and III of the Instructions, public service was divided into three categories,

²¹Ministry of Finance and National Economy, Central Department of Statistics, Statistical Yearbook, Seventh issue (Dammam, Saudi Arabia, 1971), p. 352.

²²The Fundamental Instructions, Sec. VII, Art. 56-60.

²³Published in U. Q. 210, 23/7/1347 A. H. (January 1, 1929).

each of which determined the level that had the privilege of appointments. The first category included department directors, division chiefs, judges, administrators, military governors, and directors of police who were appointed, removed, and transferred by the King himself. Every position whose salary equalled or exceeded 400 piasters fell in the second category under the authority of the General Viceroy. Every position whose salary was less than 400 piasters fell in the third category; the appointment privilege for this category was within the jurisdiction of departmental directors or administrative governors with the notification of the General Viceroyalty.

Yet the most important feature of those Instructions was the requirement in Article VI for the establishment of a position for an Officer of Records in the Cabinet of the General Viceroyalty to keep a general record of the names and qualifications of government employees. With this requirement, there existed for the first time a central body for recording government employees and position of the state.

That situation continued until 1931, when the General Personnel Statute (Nizam al-Maamoureen al-Aam) was issued in 113 articles.²⁴ Those articles covered many areas dealing with public services, such as employees' selection, appointment, salaries, duties, classification of jobs, leaves,

²⁴Published in U. Q. 347, 22/3/1350 A. H. (August 7, 1931).

transfers, promotions, severance, trial and disciplinary boards, punishments, and general rules. With the issuance of that statute, the theoretical foundations that govern the affairs of the employees and jobs were unified in spite of the fact that there was no central organ specializing in the supervision and control over personnel.²⁵ Yet in 1939, the Ministry of Finance established the Bureau of Personnel and Established Salaries (Diwan al-Maamoureen wa al-Awaeed al-Muqarrah). But this body did not differ much from the functions of the Officer of Records which was created eleven years earlier in the Cabinet of the General Viceroyalty. The functions of this organ were confined to keeping, for each public employee, records containing information about his name and date of birth, qualifications, date of his appointment, and a copy of the result of his medical examinations.

In 1945, the General Personnel Statute (Nizam al-Muwazafeen al-Aam) was issued and the previous statutes were abolished.²⁶ The Statute contained twenty-three chapters, which consisted of 215 articles covering a wide range of rules and regulations dealing with public employees and public service. In the same time, the name and the organization of Diwan al-Maamoureen wa al-Awaeed al-Muqarrah was

²⁵Sadiq, p. 127.

²⁶Published in U. Q. 1061, 19/7/1364 A. H. (June 29, 1945).

changed to Diwan al-Muwazafeen wa al-Taqaud (Bureau of Personnel and Pensions). This bureau continued its routine functions with regard to keeping records of public personnel and positions without any broad jurisdiction over the various ministries and agencies.

In this period, the country was witnessing great expansion in many aspects and many ministries came into being, such as the Ministries of Interior, Health, Communications, and Education. And, as a result of this expansion in the activities of the State, it was found that these regulations and rules did not meet modern needs. This realization became evident about the time that the Council of Ministers was formed (1953), and among the subjects to which the Council paid attention were the affairs of personnel. Accordingly, the Council spent some time studying the affairs of personnel and issued a resolution amending the Personnel Statute and issued new instructions and rules which were added to the old statute.²⁷ The Instructions consisted of three introductory articles and basic rules in twenty-nine articles. Among the most important features of those basic rules were that the salary of an employee would be determined according to position he held rather than according to the person occupying that position.²⁸ In effect, the Instructions

²⁷The Council of Ministers' Resolutions No. 47, 24/8/1373 A. H. (April 28, 1954).

²⁸Ibid., Article VII.

emphasized the "principle of equal pay for equal work."²⁹ Furthermore, Article XVI of the Instructions stressed the fact that the General Personnel Bureau is responsible for the supervision and execution of rules and regulations concerning personnel. This was the first time that it was stated explicitly that the Bureau is the central organ responsible for the affairs of the personnel in the entire country.³⁰

A few years later, another Personnel Statute was issued.³¹ That statute was composed of three chapters and 129 articles covering a wide range of personnel affairs in a more elaborate manner and with an effort to avoid the gaps and errors of the previous statute. At the same time, the Council of Ministers issued a Resolution calling for the transfer of the General Personnel Bureau from the Ministry of Finance to become an independent organ attached to the presidency of the Council of Ministers.

With the passage of time, it behooved the government to issue a new statute for personnel to meet the changing conditions and to get rid of the mistakes and errors of the older statute. The latest and the present General Personnel Statute (Nizam al-Muwazafeen al-Aam) was passed a year ago.³²

²⁹Sadiq, p. 134.

³⁰Ibid.

³¹Royal Decree No. 42, 29/11/1377 A. H. (June 16, 1958), published in U. Q. 1724, 17/12/1377 A. H. (July 4, 1958).

³²Royal Decree No. M/5, 1/2/1391 A. H. (March 28, 1971), approving the Council of Ministers' Resolution No. 1021, 28/10/1390 A. H. (December 27, 1970), published in U. Q. (Supplement) 2365, 10/2/1391 A. H. (April 6, 1971).

The Statute was issued in an Interpretive Memorandum, three chapters and sixty-eight articles. The first chapter covers jobs; the second chapter deals with personnel; the third covers general and transitional rules and the salaries scale. With the initiation of this new statute, civil service in Saudi Arabia was laid upon a good foundation and was brought under central rules and control.

Among its salient features is the fact that the statute has borrowed from modern administrative theories without disregard to the tradition of the country and its needs.³³ In addition, the regulation viewed public positions in a manner different from earlier rules by adhering to the principle that "positions and salaries are for functions performed, not for individuals per se," in order to achieve justice among government employees in the different jobs.³⁴ It was stated explicitly that "merit is the basis for the selection of employees to occupy public positions."³⁵ The duties of the civil servants were treated in Articles 15-21 in Chapter Two, Section 2 of the Statute. These articles do not mention all the duties but only some of the most important ones, such as the rule stated in Article XVI:
". . . the Civil Servant must treat the public, his superior,

³³Ibid., from the Interpretive Memorandum.

³⁴Ibid.

³⁵The General Personnel Statute of 1971, Chap. I, Art. I.

colleagues and inferiors in good manner." Article XVII required that the employee must devote work time for performing his duties and executing orders issued to him with precision and honesty and within the regulations and rules. The Statute, in Article XVIII, furthermore, makes the employee responsible: ". . . every employee is responsible for his actions and responsible for the progress of his satisfactory work within his jurisdiction." On the other hand, the Statute forbade the employee particularly from "misuse of the authority of his position, acceptance of bribes or requesting bribes in any form which is indicated in the Anti-bribe Regulation, not to engage in any private work that has any connection with the ministry or agency in which he is working."³⁶

The Statute, however, does not disregard the privileges of the employees. Among those is the salary which was covered in Chapter Three of the Statute. The salary is a compensation which the State pays in return for the service that the employee performs. Yet this salary is not payable except when the employee is exercising his work.³⁷ Furthermore, the State guaranteed the employee periodical increases in salaries and promotion according to a salary scale, as prescribed in Article XXVI of the Statute.

³⁶Ibid., Art. XIV, Sec. I, 3, 6.

³⁷Ibid., Art. XXIV.

The General Personnel Bureau.--At the same time that the General Personnel Statute was issued, the Statute of the General Personnel Bureau (Nizam Diwan al-Muwazafeen al-Aam) was issued.³⁸ The Statute has laid the foundation for a central organ which has very broad jurisdiction over the affairs of personnel of the whole country. The Statute consists of four articles drawing the functions and jurisdictions of the Bureau in clear and definite manner. The first article of the Statute states that "the General Personnel Bureau is an independent administration, which supervises personnel's affairs in the various ministries and agencies and it is connected to the President of the Council of Ministers." Article II shows the importance of the Bureau, where the Statute specifies that the Bureau shall be headed by a president with ministerial rank and to be appointed by Royal Decree.

Article III treats the jurisdictions of the Bureau, among which are the following:

1. To propose regulations and rules related to personnel affairs and to issue them according to regulatory means. (Sec. A)
2. Supervision over the execution of all the regulations and rules and decisions related to personnel's affair and issuance of necessary instructions. (Sec. B)
3. Advertisement of vacant jobs and giving examinations and nominations for vacant jobs. (Sec. D)
4. Job classifications. (Sec. E)

³⁸Royal Decree No. M/8 1/2/1391 A. H. (March 28, 1971), published in U. Q. 2365, 10/2/1391 A. H. (April 6, 1971).

5. Study salaries, wages, allowances, compensation, rewards, and suggest their changes. (Sec. F)
6. Suggest public policy for employees' training and propose the means to raise their efficiency with association with government agencies concerned. (Sec. H)
7. Examination of personnel's grievances referred to it by other agencies. (Sec. K)

The fourth and last article of the Statute requires that "the President of the Bureau present annual reports to the President of the Council of Ministers, indicating the achievements of the Bureau accompanied by a comprehensive study of status of personnel and public positions."

It is safe to conclude that with the issuance of the two Statutes of Personnel and the Bureau, the foundation of modern bureaucracy has been established. This, however, does not mean that these statutes have solved all the problems of personnel; rather they are appropriate steps toward that objective.

The Commission on Supervision and Investigation and the Commission on Disciplining Civil Servants.--Once the framework for sound personnel system has been established by the Statutes detailed above and the standards of conduct and employees' rights and duties had been outlined, it remained for the State to maintain discipline by the same manner. Although in some of its sections, the General Personnel Statute deals with this topic, it was not sufficient. In order to meet its deficiencies and the expansion of the public personnel force, it was necessary to issue a

comprehensive and separate statute for that purpose. Thus, the Statute of Disciplining Civil Servants (Nizam Taadeeb al-Muwazafeen) was issued in 1971.³⁹ The Statute was initiated to discipline civil servants if they committed administrative or financial violations contrary to the public interests and to promote employees' responsibilities toward public jobs. Thus, the Statute called for the creation of two organs, the first a Commission on Supervision and Investigations and the second a Commission on Disciplining Civil Servants. As its name implies, the Commission on Supervision and Investigation is responsible for the supervision of civil servants with regard to their duties and responsibilities and for investigation of their shortcomings. The second, the Commission on Disciplining Civil Servants, deals with hearing and rendering sentences on cases referred to it by the former commission. Yet the Statute did not monopolize the issue of discipline for those two bodies only, but left some disciplinary jurisdiction in the hands of the administrative heads.⁴⁰

The Statute consists of four main sections in fifty articles. The first section deals with the Commission on Supervision and Investigation--its formation, jurisdictions,

³⁹Royal Decree No. M/7, 1/2/1391 A. H. (March 28, 1971), sanctioning the Council of Ministers' Resolution No. 1023, 28/10/1390 A. H. (Dec. 27, 1970); published in U. Q. (Supplement) 2365, 10/2/1391 A. H. (April 6, 1971).

⁴⁰Articles XXXV, XXXVI, XL and XLI of the Statute deals with this matter.

and procedures. The second section is concerned with the Commission on Disciplining Civil Servants--its formation, jurisdiction, and procedures. The third section treats the principles of investigation and discipline. The fourth and last section covers general rules.

The Statute in Section I, Chapter I, Article 5 specifies the jurisdiction of the Commission on Supervision and Investigation as follows:

1. To make the necessary supervision to discover the administrative and financial violations.
2. To examine complaints referred to it by concerned ministers or any governmental agency with regard to financial and administrative violations.
3. To investigate the administrative and financial violations which are discovered by its Department of Supervision or by any government official or agency.
4. To follow up cases which are referred according to the Statute of Disciplining Civil Servants.

The Statute, on the other hand, states that "the jurisdiction of the Commission on Disciplining Civil Servants is to look at disciplinary cases referred to it by the Commission on Supervision and Investigation."⁴¹ The Statute, furthermore, indicates that there will be "a Council of Trial which

⁴¹The Statute of Disciplining Civil Servants (1971), Sec. II, Chap. II, Art. 12.

consists of a president, two members, and a Secretary appointed by the President of the Commission, with the attendance of a representative from the Commission on Supervision and Investigation."⁴²

It is premature to judge these two bodies and their effectiveness because they are in the early stages of developments. Yet it is a sign of progress that such bodies are established to promote employees' responsibility of actions and behavior and to protect the public from the abuses of government employees.

Other Administrative Organs

The Council of Ministers and its numerous ministries and the General Personnel Bureau do not constitute the whole administrative apparatus of the country. There are several administrative organs which were created gradually and according to needs and changing conditions. These bodies were established as a result of the expansion of governmental activities and functions. The society became relatively complex and sophisticated and cannot be ruled according to the old tribal system or governed by simple traditional rules. There must be some modern institutions and organization to regulate and operate the society in its new form. Among the most important organs which will be covered in this section are the General Control Bureau, the Grievance

⁴²Ibid., Sec. II, Chap. II, Art. 8.

Board, the Institute of Public Administration, and the Saudi Arabian Monetary Agency as an example of public corporations.

The Grievance Board.--The Board was created in 1954 according to the old Statute of the Divisions of the Council of Ministers which specified the creation of an administrative agency called the Grievance Board (Diwan al-Mazalem).⁴³

The Board was given the following functions:

- A. Acceptance and recording of all complaints presented to it.
- B. Investigation of every complaint presented or referred to it and preparation of a report accompanied by the proposed procedures.
- C. Presentation of this report to the King to issue his order.

In spite of the fact that the Board was established as a division of the Council of Ministers, its chairman is appointed by Royal Decree and is responsible to his Majesty the King who shall be his final authority.⁴⁴

Seven months after its founding, Prince Musaad Ibn Abdul Rahman was appointed as Chairman of the Board. Musaad spent ten months organizing the Board and preparing its by-laws. Then the King issued a decree sanctioning the Grievance

⁴³The Statute of the Division of the Council of Ministers which was issued on March 17, 1954, Art. XIV.

⁴⁴Ibid., Art. XVII and XXIV.

Board Statute.⁴⁵ The Statute differed little from those set out in the Statute of the Division of the Council of Ministers. The main difference was that the latter made the Board a little more autonomous of the Council of Ministers Presidency's Cabinet and allowed it to become a separate branch in the Council of Ministers. According to its present regulations, the Board presents its findings report of complaints to the Minister or agency chairman directly concerned and sends a copy to the Royal Cabinet and to the Cabinet of the Presidency of the Council of Ministers.⁴⁶ Furthermore, the concerned minister or chairman is obligated to execute the decisions of the Board or veto it within two weeks, indicating the causes of rejection.⁴⁷ Then the Chairman of the Board presents the matter to the King to issue his decision regarding the appropriate actions.⁴⁸

Prince Musaad remained the Chairman of the Board until 1960 when he resigned and was succeeded by Shaikh Abdullah al-Masaary, who is still the Chairman of the Board.

The broad jurisdictional authority that was granted to the Board in regard to receiving all complaints, whatever their source and against any government official or agency, made it possible for the Board to act as an adjudicative.

⁴⁵Published in U. Q. 1577, 23/12/1374 A. H. (Dec. 5, 1955).

⁴⁶The Grievance Board Statute of 1955, Art. II.

⁴⁷Ibid.

⁴⁸Ibid.

body. Yet the Board has not been positively active in exercising its jurisdiction largely because the Board's functions have not been widely publicized so that the citizens would be aware of its important role.

The General Control Bureau.--According to the old Statutes of the Council of Ministers and its Divisions of 1954, the Cabinet of the Council of Ministers consisted of four divisions, one of which was the Government Account Control Bureau. Chapter Two of the Statute of the Divisions of the Council was devoted to the Bureau, and this chapter determined and specified the Bureau's jurisdiction and functions.⁴⁹ The Bureau enjoyed broad jurisdiction as the guardian of public funds against any misuse of state funds. Although the Bureau was created in 1954, it did not start functioning before 1956 when Muhammed H. Faqi was appointed as the Deputy Comptroller General. The Bureau began functioning after the completion of its organization, yet it remained without a Chairman until 1957. In that year, Prince Musaad Ibn Abdul Rahman was appointed the Comptroller General who issued internal by-rules for the Bureau. Accordingly the Bureau consisted of four sections: Inspection, Audit, Financial and Administrative. Prince Musaad remained the Comptroller General until he resigned in 1960, and A. Daghestani was appointed as Vice Chairman of the Board. In

⁴⁹The Statute of the Divisions of the Council of Ministers of 1954, Arts. VI-X.

spite of the broad jurisdiction of the Bureau, it seemed that the Bureau did not operate positively as a guardian of public purse.⁵⁰

During the first two years of operation the Bureau's audit was confined to post-audit. Yet in mid-1958, the Bureau was given the jurisdiction of pre-audit through its financial representatives residing in the various ministries and agencies. In 1961, however, the Bureau's pre-audit was abolished when the new Regulation of Financial Representatives was issued.⁵¹ Accordingly, pre-audit was transferred to the Ministry of Finance, which became responsible for the appointment transfer, severance of financial representatives, and the issuance of related instructions.

The Bureau remained as a division of the Council of Ministers until 1971, when its status was changed by issuing the Statute of the General Control Bureau.⁵² Consisting of thirty-seven articles, the Statute's first six articles deal with the formation of the Bureau; Articles 7-14 treat the jurisdiction of the Bureau. The accounting and financial violations were spelled out in Articles 15-19, and the annual report is covered in Articles 20-22; the remaining articles deal with general rules.

⁵⁰Sadiq, p. 142.

⁵¹Royal Decree No. 85, 20/9/1380 A. H. (March 7, 1951), published in U. Q. 1861, 23/9/1380 A. H. (March 10, 1961).

⁵²Royal Decree No. M/9, 11/2/1391 A. H. (April 7, 1971), sanctioning the Council of Ministers Resolution No. 151, 8/2/1391 A. H. (April 4, 1971), published in U. Q. 2367, 20/2/1391 A. H. (April 16, 1971).

The most important feature of the Statute is that it recognizes in Article I the Bureau as an autonomous body connected only to the President of the Council of Ministers. According to Article II of the new Statute, the Bureau consists of a chairman, vice-chairman, and a sufficient number of employees. The Chairman of the Bureau is appointed by Royal Command and could not be removed or retired except by Royal Command; he holds ministerial rank.⁵³ Abd al-Aziz Khuwaiter, former Vice-Rector of Riyadh University and a man well-known for his integrity and honesty, was appointed as the Chairman of the Bureau, and Daghestani remained as a vice chairman.

The Bureau, according to its new Statute, was given greater and broader authority than before. The Bureau is authorized to post-audit all of the States' revenues and expenditures and all of the fixed or transferred funds and to see to it that all these funds are properly utilized.⁵⁴ The ninth article of the Statute outlines those governmental agencies and organs that are subject to the audit of the Bureau, including all ministries and their branches, municipalities and water departments, public corporations, and every private corporation or company to which the State contributes capital or to which the government guarantees a minimum profit.

⁵³The Statute of the General Control Bureau (1971), Art. III.

⁵⁴Ibid., Art. VII.

The Institute of Public Administration (IPA).--In an attempt to raise the efficiency of civil servants, the Saudi government established the Institute of Public Administration in 1961.⁵⁵ The IPA is an autonomous body, administratively attached to the Ministry of Finance and National Economy.⁵⁶ The Institute is governed by a Board of Directors headed by the Minister of Finance as a Chairman and the Deputy Minister of Finance as a Vice-Chairman and four members including the Director General of the Institute.⁵⁷ The major objective of the Institute was stated in Article IV of the Statute of the IPA as follows:

. . . to promote the efficiency of civil servants and to qualify them theoretically and practically to be able to assume their responsibilities in a way that promotes the level of administration and fosters the development of the national economy.

More specifically, Article III of the Statute spells out the functions of the Institute in this manner:

- A. To set up and execute educational and training programs for the different levels of civil servants.
- B. To conduct research and administrative studies which will be directed and supervised within the Institute, and in cooperation with the authorities in ministries and government agencies and their branches if a field study is to be carried out in one of these agencies.

⁵⁵The Statute of IPA was sanctioned by Royal Decree No. 93, 24/10/1380 A. H. (April 10, 1961), amended by Royal Decrees No. M/39, 1/9/1380 A. H. (December 13, 1966), and No. M/5, 27/6/1390 A. H. (August 30, 1970), published by IPA (Riyadh, Saudi Arabia, 1970).

⁵⁶Ibid., Art. I.

⁵⁷Ibid., Art. IV.

- C. To collect, classify and catalogue government administrative documents of the kingdom.
- D. To hold conferences on development administration to be attended by top level civil servants.
- E. To call for Arab, regional, and international conferences to be held in the kingdom and to participate in similar conferences held abroad.
- F. To publish research papers and administrative data and to exchange them with those concerned within the kingdom, with Arab and other countries.
- G. To encourage scientific administrative research and offer study leaves and remuneration that will serve this purpose.
- H. To offer educational and training scholarships in fields of administrative affairs, so that recipients of these scholarships will return to teach at the Institute and help in raising the administrative efficiency of the Institute's staff.
- I. To accept trainees from Arab countries.
- J. The Institute may benefit from technical and material assistance offered by international agencies and private institutions.

The Public Corporations.--With the increase and expansion of governmental activities and the variations of the State's functions, the Saudi government has had to utilize the concept of establishing public corporations to deliver specific functions. The main objective behind this step was to remove these corporations from government routine and red tape and to give them flexibility and autonomy to exercise the particular and vital roles entrusted to them. Each corporation has its own Board of Directors that guides it in achieving its objectives. The Board, furthermore, may lay down by-laws and instructions needed for the proper functioning

of the corporation. Legally, each corporation is recognized as an autonomous body and, accordingly, it may make financial and administrative laws of the State. Yet all corporations have one element in common, i.e., all corporations were established primarily to promote public interest, not to make profits, although in some cases, corporations are managed in a business-like manner, e.g., Saudi Arabian Airlines.

The first experiment with corporations in the country was in 1952 when the government established the Saudi Arabian Monetary Agency (SAMA) and its Statute was issued.⁵⁸ The Agency is responsible for banking transactions of the Kingdom and for the formation and implementation of its monetary policy. The Statute of SAMA outlined its main functions:

1. The stabilization of the internal and external values of the Saudi Riyal.
2. Assisting the Ministry of Finance and National Economy in controlling the expenditures of government departments in accordance with the annual budget law that prescribes the limits on these expenditures.⁵⁹

SAMA operates under the direction of a Board of Directors presided over by SAMA's Governor. The Board also includes a Deputy Governor and three other members. Board members are nominated by the Council of Ministers and confirmed in their appointment by Royal Decree. SAMA operates

⁵⁸Royal Decrees No. 30, 1/1046 and No. 30/4/1/1047, 25/7/1371 A. H. (April 15, 1952), published in U. Q. 1411, 8/8/1371 A. H. (May 2, 1952).

⁵⁹Ibid., Art. 11.

independently under its Statute promulgated by Royal Decree and works in close cooperation with the Ministry of Finance and National Economy.

SAMA was not, however, the only public corporation in the country. The year 1962 witnessed the creation of four more public corporations. Those were the Social Security Corporation, which was attached administratively to the Ministry of Labor and Social Affairs; the Public Corporation of Mineral Resources, which was administratively attached to the Ministry of Petroleum and Mineral Resources; Saudi Arabian Airlines Corporation, which was administratively attached to the Ministry of Defense and Civil Aviation; and the Agricultural Bank, which was attached to the Ministry of Agriculture and Ministry of Finance. Later on, many public corporations came into being to bring the total number of public corporations performing various functions to sixteen.⁶⁰

The Budgetary System

The budget is the main instrument by which the government executes its fiscal policy. It provides the legal authority and administrative framework for receipt of government income and disbursement of expenditures for total government activity. In Saudi Arabia, budget formulation and execution is the prime function of the Ministry of Finance and National Economy.

⁶⁰See the Chart of Central Government Organization, Figure 2, p. 66.

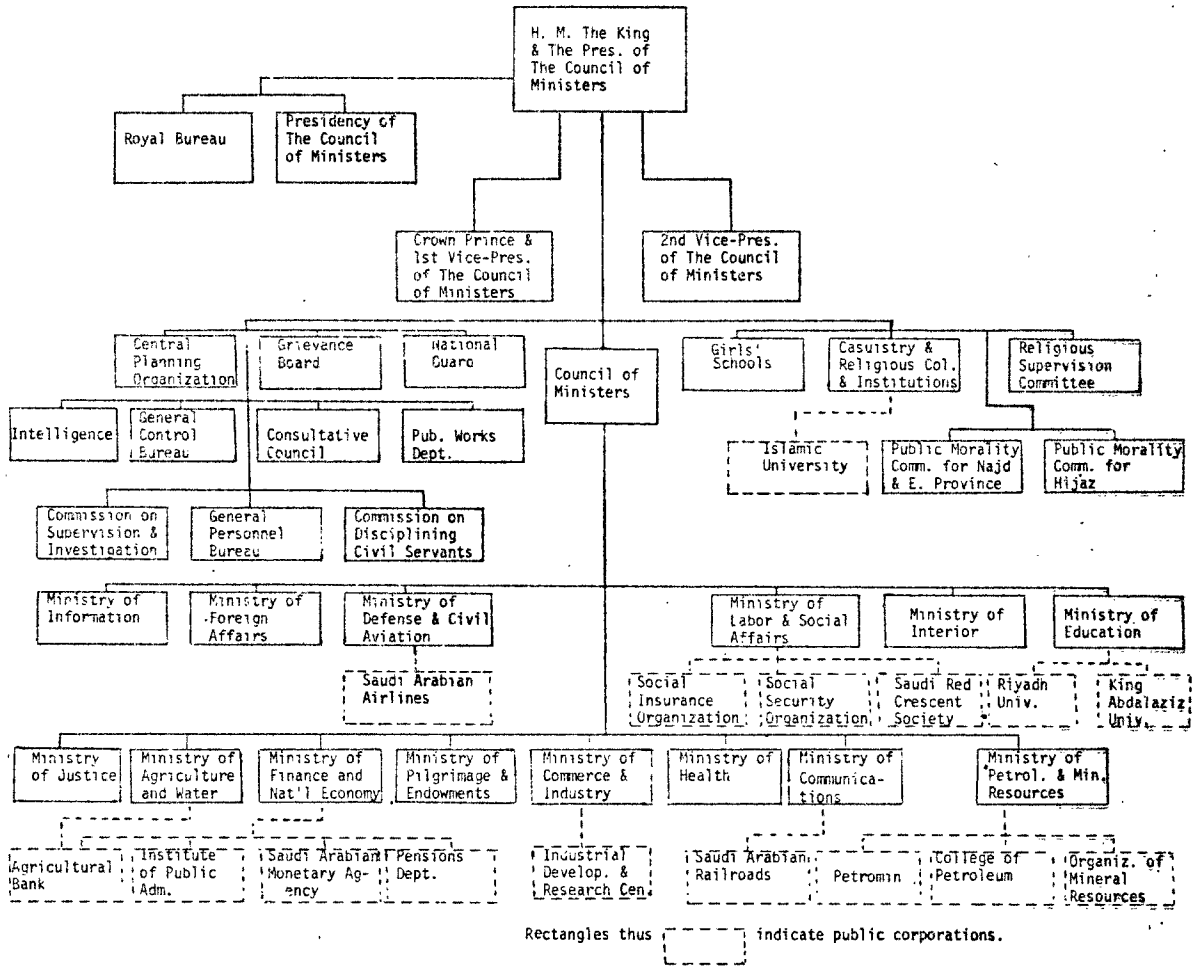


Fig. 2--Central Government Organization
1392 A. H. (1972)

Source: Compiled from the Budget 1391 A.H.

The Budgetary Process.--The budget year extends over a period of one Hijra year, beginning on the first day of the seventh Hijra month (Rajab) and ending on the last day of the sixth month (Jummada II) the following year.⁶¹ The Ministry of Finance initiates the process of budget formulation by issuing a directive to all ministries and agencies asking them to submit their budgetary estimates for the next fiscal year. Work on budget formulation then starts at the lowest level of government and is completed at the top by a series of reviews at different levels. The original estimates are framed in detail by the government agencies that collect receipts and incur expenditures and are based on past actual expenditures, current trends, and future expectations and commitments. These estimates are submitted by the departments of each ministry or agency to their own budget departments, which examine them and pass them on to the Ministry of Finance.

The power to introduce or delete a budgetary heading rests with the Ministry of Finance acting in consultation with the various ministries and agencies. The Ministry of Finance is also responsible for the control of government expenditures in accordance with budgetary provisions and supplementary appropriation. Estimates of major budgetary

⁶¹The Islamic (lunar) calendar is eleven days shorter than the Gregorian calendar. Roughly every three years, one month in the Gregorian calendar must be skipped to adjust to the Islamic calendar. The year 1972 A. D. corresponds to the year 1392 A. H.

headings of revenues are formulated by the Ministry of Finance, based on past realization and future expectations.

After budget proposals have been examined and accepted, rejected, or modified, the proposed budget that emerges is submitted to His Majesty the King and the Council of Ministers. Following its approval the budget becomes effective by Royal Decree.

Budget classifications.---The Saudi budget is based on a line-item classification in which the budget contains a great many details of items, such as personnel, salaries, et cetera. At present, the expenditure side of the budget is divided into four main chapters:

- Chapter 1. Salaries: providing for established posts and expenditures for salaries.
- Chapter 2. General Expenditures: providing for expenditures for goods and services.
- Chapter 3. Other Expenditures: providing for expenditures for various transfer payments, and subsidies to public corporations and semi-independent government agencies.
- Chapter 4. Projects: providing for expenditures for social and economic infrastructure projects, directly productive projects, public buildings and defense projects.⁶²

The structure of government revenue.---Table I shows the structure of government revenue for the period 1384-1385 (1964-1965) to 1390-1391 (1970-1971). By reviewing the

⁶²Source: annual budgets as appearing in Ministry of Finance, Central Department of Statistics, Statistical Yearbook, Seventh Issue (Dammam, Saudi Arabia, 1972), p. 333.

TABLE I

GOVERNMENT BUDGET: ESTIMATED REVENUES 1384/1385-1390/1391 A. H.

In millions of Saudi riyals; SR 4.3 equals US \$1

Gregorian Calendar	70/71	69/70	68/69	67/68	66/67	65/66	64/65
Islamic (Hijra) Calendar	90/91	89/90	88/89	87/88	86/87	85/86	84/85
Royalties from oil	1573.0	1738.5	1177.0	1126.6	1160.7	954.4	813.4
Income Tax:							
Oil Companies	3863.5	3459.3	3018.8	2388.8	2783.4	2186.5	1756.6
Other Co. & individuals	99.5	62.6	46.7	44.0	42.7	38.0	36.5
Total	3963.0	3521.9	3065.5	2432.9	2826.1	2224.5	1793.1
Tapline fees	3.5	--	2.5	--	--	3.3	1.8
Tax on oil products	89.0	27.0	23.5	21.0	20.0	16.0	15.0
Customs duties	292.0	242.5	242.5	192.0	175.0	165.0	135.0
Total	384.5	269.5	268.5	213.0	195.0	184.3	151.8
Transport Tax:							
Railway & Dammam Port	--	--	--	--	--	14.0	14.0
Plate of Cars	16.0	12.5	10.0	10.0	10.0	6.0	5.0
Road Tax	41.5	41.3	35.4	31.0	29.0	24.0	23.0
Total	57.5	53.8	45.4	41.0	39.0	44.0	42.0

Services:									
Public Service fees	26.0	28.5	27.0	27.0	24.0	24.0	21.9		
Municipalities fees	30.0	24.5	12.0	12.0	12.0	11.0	9.0		
Ports fees	17.6	15.5	14.0	14.0	12.0	11.3	10.0		
Airports fees	6.8	5.8	5.6	3.0	2.5	2.5	2.0		
Quay fees	8.5	5.7	5.0	5.0	5.0	4.0	4.0		
Post	7.8	6.0	6.0	6.0	6.0	5.0			
Telegraph	15.7	14.4	14.0	14.0	14.0	10.0	14.0		
Telephone	27.6	18.0	7.0	7.0	6.0	4.0			
Total	140.0	118.4	90.6	88.0	81.5	71.8	60.9		
Others:									
Papers of value	17.0	17.7	10.5	8.3	8.3	7.8	8.1		
Govt. Sales (properties)	8.5	7.0	4.5	4.0	4.0	4.0	4.0		
Rents & instalments	9.0	8.0	4.0	4.0	4.0	4.0	4.0		
Miscellaneous income	166.0	224.7	228.0	141.7	126.5	118.8	84.7		
Drawn from the Dept. Fund	--	--	200.0	--	10.4	100.4	50.0		
Drawn from the Reserve	--	--	435.5	871.6	564.6	247.0	100.0		
Zakat	6.5	6.5	6.0	6.0	5.0	--	--		
Interin Jihad Tax	55.0	--	--	--	--	--	--		
Total	262.0	263.9	888.5	1035.6	722.8	482.0	250.8		
Grand Total	6380.0	5966.0	5535.5	4937.0	5025.0	3961.0	3112.0		

Source: Budget Volumes as cited in Ministry of Finance, Central Department of Statistics, Statistical Yearbook, 1971, p. 340.

revenues of 1390-1391, one can see that by far the major proportion of government revenue is derived from income taxes on oil companies and other companies and individuals. In that year, the estimated revenue from this source constituted sixty-two per cent of the total revenue.

The second largest source of revenue is that from oil royalties, which constituted twenty-five per cent. But if income taxes on oil companies, Tapline fees, and taxes on oil products are added to royalties from oil, oil will then produce eighty-seven per cent of the total revenue, giving the true picture of the fact that the major proportion of government revenue is still derived from oil.

The third source of revenue is obtained from Tapline transit fees, tax on oil products consumed locally, and customs duties, which together amounted to six per cent of the total revenue.

The fourth source is derived from documentary fees including official regulations and publications, revenue stamps, driving licenses and work permits, residence permits, passport and identity card fees, and government sales. This source constituted four per cent of the total revenue.

The fifth source is gained from services, including duties on public services, municipalities fees, quay duties, and post, telephone, and telegram, making two per cent of the total. The last and least revenue which amounted to one per cent is obtained via a transport tax, which includes revenue

from the Saudi Government Railways and Dammam Port, duties on vehicle license plates, and on roads.

It is important to note the increase in the government's total revenue, which was more than doubled in a period of seven years. As Table I indicates, government income increased from 3112.0 million riyals (\$691 million) in 1384-1385 (1964-1965) to 6380.0 million riyals (\$1418 million) in 1390-1391 (1970-1971).

Local Governments

Because of the unitary nature of Saudi Arabian government, it is also necessary to summarize local governmental structures as a part of the nation's administrative framework. The organs of local governments are the General Municipal Councils, the District Council, and the tribal and village Councils. A General Municipal Council is established in the cities of Mecca, Medina, and Jeddah. Its members are proposed by the inhabitants and must be approved by the King. Functioning concurrently with the General Municipal Council is a General Administrative Committee, which investigates ways and means of executing resolutions passed by the Council. Under the presidency of local chiefs, there are also elected District Councils, consisting of the chief's assistant, the principal officials, and other important persons of the district. Every village and tribe has a Council composed of the Sheik, who presides, his legal advisors, and two other prominent personages. These Councils have powers to enforce the regulations.

The principal administrative divisions of the country follow provincial boundaries and include Najd, Hijaz, Asir, and the Eastern Province.

Najd (capital Riyadh) is subdivided as follows:

1. The principality of Riyadh, to which are associated Wadi-al-Dawasir, al-Aflaj, al-Hariq, al-Kharj, al-Aridh, al-Washim, and Sudair.

2. The principality of al-Qaseem, comprising Unaizah, Buraidah, al-Russ and their villages and al-Mudhnab and its dependencies.

3. The Northern principality (capital Hayil), including the tribes of Shammar, Anazah and Mutair, the town of Taima in the South, and some northerly towns.

Hijaz (capital Mecca) includes the principalities of Tabuk, al-Ula, Dhaba, al-Wajh, Amlaj, Yanbu, Medinah, Jeddah, al-Lith, al-Qunfodah, Baljarshi and Tayif.

Asir (capital Abha) includes Abha, Qahtan, Shahrān, Rijal Alma, Banu Shahr, Bariq, Bisha, Nijran, and its villages and Jaisan, capital of the district of Tihamah.

The Eastern Province (al-Hasa--capital Dammam) includes Hofuf, Mubraz, Qatif, Dhahran, al Khubar and Jubail.

The existing system of regional, district and local governments is

. . . connected to the Ministry of Interior in several important ways. It is an intricate system with overlapping jurisdictions among local government units and the Ministry's central operations. In some respects

the Ministry exercises highly centralized control of the system while in other respects, the local units of government function autonomously.⁶³

Moreover, the system does not follow any clearly defined geographical organization at the regional, district, and local levels. There are also no generally accepted regional and district centers of government throughout the Kingdom, although the main locations of regional and district governments have been determined by the process of political and economic evolution. Nor is there any formal machinery for coordination of the development activities of the various ministries at different geographical levels..

The need for improvement of the structure and organization of regional and local governments has been recognized by the government for some years. Provincial Statute (Nizam al-Muqatat), designed to achieve such improvement, was issued in 1963.⁶⁴ Although the provisions of the Statute have not been implemented, they provide for

1. Administrative division of the country into provinces, districts and centers.
2. The division to be determined by reference to geographical features, population, communication and local circumstances.

⁶³Ford Foundation Public Administration Project, "Management Survey Report--Ministry of Interior," Riyadh, November, 1965.

⁶⁴Royal Decree No. 12, 21/5/1383 A. H. (October 9, 1963), published in U. Q. 19921, 30/5/1383 A. H. (October 18, 1963).

3. Definition of the administrative relationships and responsibilities of each organizational unit.⁶⁵

Summary

This chapter has dealt with the administrative apparatus of the country by tracing the administrative development for a period of fifty years. During that time, the country has moved from the simple, traditional tribal system to a more modern and complex society. Institutional organizations and administrative laws were given great emphasis.

Knowing the background of the country, its administrative apparatus, and governmental system, one can turn to an examination of the most important administrative problems confronting the country, the topic to be discussed in the next chapter. This examination will involve scrutinizing these problems and utilizing cause-effect analysis.

⁶⁵Ibid., Art. I.

CHAPTER III

THE ADMINISTRATIVE PROBLEMS OF THE COUNTRY

After reviewing the background of Saudi Arabia and examining its administrative apparatus, one can now look closely at the administrative problems confronting the country. There is no doubt that those problems are slowing and hindering the country's development in general and its economic development in particular. This interference is due to the fact that the Saudi government plays the major role in enhancing development, but its means (administration) are inadequate for attaining the ends (development).

This chapter will attempt to critically examine the administrative problems facing the country. Furthermore, it will utilize cause-effect analysis in order to uncover the root causes of such problems. This approach, in turn, will make it possible to search for appropriate and adequate solutions for those problems. Methodologically, the study accepts the premises advocated by Fred W. Riggs for the need to look at administrative behavior in relation to its environment, its "ecology."¹ The Riggs perspective is subsequently elaborated throughout the chapter.

¹Fred W. Riggs, Administration in Developing Countries: The Theory of Prismatic Society (Boston, 1964).

For the purpose of analysis, the administrative problems of the country are divided into three main categories: human problems, organizational problems, and budgeting deficiencies. These in turn are divided into sub-categories, all of which will be discussed in the following sections.

Human Problems

Traditional Attitude and Behavior of the People

To a large extent, administrative problems are humanistic in nature because the administration of a country is the creation of man who determines its substance and content, fashions its structure and organization, and forms its laws and regulations. Hence, to study the administrative problems of a country, one finds it indispensable to study and analyze the attitude and behavior of the people of that country.

As was indicated in the previous two chapters, Saudi Arabian society was basically a tribal society. The traditional pattern of administration in the Kingdom before the impact of oil discovery and its accompanying Western influences and the spread of formal education may be best described in terms of patrimonial type of administration, especially in its tribalistic form. Patrimonialism implies traditionalized legitimacy, routinization of the charismatic characteristics of the source of legitimacy, and the development

of a personal administrative and military staff for the ruler.²

The picture is different now: the Saudi Arabian society has gone through incredible changes in the direction of modernization. People settled in cities and towns; more people are getting education; and the society in general enjoys a higher standard of living and better health standards than before. Concomitant to this, the formal structure of state was established. Political and economic organizations were constructed to meet the demands of a modern state, including structures such as the Council of Ministers, Saudi Arabian Monetary Agency, the Central Planning Organization, the General Personnel Bureau and others, along with the appropriate statutes and laws. Thus, the modern foundation of the state was laid down. The traditional influences began to decline and a trend of secularization and modernization came into being, as one close observer of Saudi Arabia has noted:

The trend towards secularization is accelerated by the rise of new elements to position of influence. The government, which for two centuries functioned with a very simple structure, has grown tremendously, acquiring in the process a bureaucracy more western than Islamic in its organization and methods. A regular army, a small air force, and an embryonic navy--all drilled in the western style and outfitted with western uniforms--have taken their place beside the tribal levies, whose forte was the raiding tactics of ancient

²For a discussion of patrimonialism, a term borrowed from Max Weber, see his The Theory of Social and Economic Organization, translated by M. Henderson and Talcott Parsons, 1st American ed. (New York, 1947), p. 346.

Arabian warfare. Both at home and in schools abroad a new generation of youth, studying sciences and western humanities, is delving into subjects remote from the Islamic curriculum. A new class of industrial workers is learning that progress depends on technical skills, and the more skilled are moving up towards the managerial ranks. The readiness of the government to alter drastically the web of society is indicated by the seriousness with which it is investigating schemes to settle large numbers of bedouin on the land.³

This transformation was achieved in a period of less than fifty years during which the process of change was slowly and gradually pursued. Yet, was this time sufficient to completely transfer this tribal society to an urban one? In short, did the Arabian mentality and attitudes change to suit the new society? In reality, the answer is "no," because in spite of the fact that the Saudi Arabian's personality and character have gone through tremendous changes and influences toward modernization, he had retained some "traditional remnant" of the past.

What has emerged is that the Saudi Arab has a "dual personality"--one personality is attached to the modern world and ideas and the other clings to the traditional, religious elements. In other words, the new Saudi Arab is suffering from an ambivalence of attitude and behavior--the inner struggle between the past and the present, between the old and the new, between the tradition and modernization. As one author has noted,

³George Rentz, "Saudi Arabia: The Islamic Island," Journal of International Affairs, XIX (No. 1, 1965), 83-84.

. . . the limited but significant impact of Western cultural elements in Saudi Arabia have challenged many of the traditional social practices and, with them, underlying values. It is doubtful, however, that the core of traditional values has yet been shaken, and it is likely that tradition continues to define the basic meanings and goals of Saudi individual and social life. . . . the people of Saudi Arabia, for all the onrush of events that followed the discovery of oil in the desert, are recognizably the inheritors of a tradition that geographic isolation and religious fervor have kept strong.⁴

To a large extent, the Saudi society conforms to Riggs' prismatic theory. It has some elements of the fused society and some elements of the refracted society. In developing his theory of prismatic society, Riggs introduces an interesting model for the administration of developing countries which he calls the "sala model."⁵ The sala represents one type of administrative system found within the transitional societies. The word "sala" is used in many Asian and Latin American countries to refer to an office, but it may also be a pavilion, drawing room, or place for religious meetings. Riggs contrasts the sala with the "bureau" or "office" in modern societies and the "court" or "home" in traditional societies.⁶ Among the elements identified in the sala and which could be found in the Saudi Arabian society are

⁴George A. Lipsky and others, Saudi Arabia: Its People, Its Society, Its Culture (New Haven, 1959), p. 295.

⁵Fred W. Riggs, "The 'Sala' Model: An Ecological Approach to the Study of Comparative Administration," Readings in Comparative Public Administration, edited by Nimrod Raphaeli (Boston, 1967), pp. 412-432.

⁶Ibid., pp. 414-415.

heterogeneity, formalism, and overlapping. Riggs draws a realistic portrait of the prismatic society, which suffers from dualism of character.

One of the characteristics of prismatic society is a high degree of "heterogeneity," which is to say, a mixture of traditional, "fused" characteristics, on the one hand, and modern, "refracted" traits on the other. Hence a modern city with a sophisticated, intellectual class, western-style offices, modern gadgets of administration, is typically found in the same country with rural villages run by "chiefs," "headmen" or "elders" whose political, administrative, religious, and social roles may be quite undifferentiated and traditional in character.⁷

He furthermore indicates that "the mixture might be a set of new administrative structures different from both the traditional and modern and a product of the mixture."⁸ The Riggs model appears to fit the Saudi situation.

Riggs turns to another phenomenon which explains the existence of the discrepancy between what is formally prescribed and what is actually practiced, i.e., formalism.⁹ He clarifies the administrative behavior of officials in the developing countries:

. . . the laws on the statute book are one thing, the actual behavior of the official is another. Not that the law is irrelevant to behavior. Indeed, the official may insist on literal performance of the law or he may disregard it utterly. What permits formalism is the lack of pressure toward program objectives, the weakness of social power as a guide to bureaucratic performance, and hence great permissiveness for arbitrary administration. Whether an official chooses to enforce a law to the letter or permit its total violation depends, presumably, upon his inclinations and his advantage.¹⁰

⁷Ibid., p. 415.

⁸Ibid.

⁹Ibid.

¹⁰Ibid., p. 416.

Next in order in his exposition is Riggs' explication of the third feature of the prismatic model, namely, the phenomenon of "overlapping" which he refers to as

. . . the extent to which formally differentiated structures of a refracted type co-exist with undifferentiated structures of a fused type. In other words, it is typical in a prismatic situation for new structures--government offices, parliaments, elections, markets, schools--to be set up, but the effective functions of administration, politics, economics, education, continue to be performed at least to a considerable extent, by older undifferentiated structures, such as the family, religious bodies, caste and communal grouping. New norms or values appropriate to the differentiated structure are given lip-service, but the older values of an undifferentiated society still retain a strong hold. Thus overlapping implies a social schizophrenia of contradictory formal (conscious) and informal (unconscious) behavior patterns.¹¹

The "Sala Model" elucidates very eloquently the dilemma confronting developing nations with respect to their administration. [While the ^{government} state is trying to improve its administration, some social factors deeply rooted in the people retard such endeavors. This is certainly true in the case of Saudi Arabia. The Saudi Arabian administrators, even if they were highly educated, are greatly influenced by old social factors and religious considerations in their attitude toward public service and their behavior in public service. The administrator of today still shares the general negative attitude of the people, which includes, among other things, dislike of hard work, lack of the sense of time value, and fatalism in its worst form. As one author has observed,

¹¹ Ibid., p. 417.

Freedom from "busyness" is valued by Arabs in itself as well as for the various recreational activities leisure makes possible. A situation requiring constant effort lacks only the fire to be a description of hell. Certainly every Middle Easterner believes that "hurry is the devil's work." Status is symbolized by the degree to which a position is free from work. Even the lowest clerk in a government office will do his best to give his visitors the impression that he does not have much to do. Something is wrong with a man who feels it necessary to be doing something at all times. Business should not be dealt with directly but only after considerable social talk, and a request for urgency unless it is a matter of utmost importance arouses suspicious of ulterior designs.¹²

The people's attitude toward ^(time) time is most alarming.

They do not know the value of time and the line between time of work and leisure is blurred. J. A. Morris describes the Saudi Arabian bureaucrat's typical behavior and attitude toward work and ^{time} time within the context of tradition:

"Many of these people give their best by staying away from office," says one Saudi bureaucrat of his colleagues, and an unofficial but objective estimate places the average effective time put in per bureaucrat per day at from one to two hours. Nor is this cavalier attitude toward endeavor confined to the lower echelons. One Saudi official with an advanced degree from a university in the U. S. turned up late at an important conference recently. He apologized, then added that he couldn't stay; he had visitors at home and it would not be in the tradition of Arab hospitality not to go back and entertain them. "These people need a complete change of mentality," complains one foreign advisor. "They've got to understand that it is not a cardinal breach of courtesy to kick people out of their offices who just come in to chat."¹³

A still more dangerous phenomenon is the people's fatalistic attitude in life, which could be seen very clearly

¹²Lipsky, pp. 305-306.

¹³Joe Alex Morris, "Five Kinds of Time, Problems of Reform," Newsweek, LXVI (March 8, 1965), 43.

in the constant usage of such phrases as inshallah (if God wills it), malesh (it does not matter) and bukra (tomorrow). This explains the usual sight of piles of case files on the desks of public employees awaiting examination or a mere signature, while the officials are reading newspapers, drinking tea, or chatting with each other. This lack of urgency and the attitude of indifference causes unnecessary delays of public transactions, which might take weeks, months, or even years to settle. The citizen suffers greatly from this delay by coming back and forth to follow up his business, especially if he does not know personally an employee in the concerned department or if no high official or personage could intermediate on his behalf to speed up his business.

Nepotism and Favortism

The ^{civil servant} civil servant in a modern administrative system is required among other things to be impartial in his dealings with the ^{public, person etc.} public, unaffected by special interests of relatives or friends and uninfluenced by political considerations. In Saudi Arabia, however, as the case in most of the developing countries, this ideal conflicts with strong family ties and loyalty which are regarded more important than impartial efficiency in the ^{public service} public service. The spread of mahsubiyah (favoritism), explains Abd al-Ziz al-Khuwaiter, Chairman of the General Control Bureau, "is the direct product of the relative smallness of the society and the accompanied result

that individuals are closely acquainted with each other and feel obligated to aid one another."¹⁴ A far more serious social phenomenon is the widespread practice of wastah (intermediation, i.e., the process by which some important personality would intervene for someone in getting a job or to speed up his business with the government bureaucracy). It is an accepted fact among the people that one cannot finish his business with government bureaucracy or get a good job without wastah or good recommendation from a prominent personality, e.g., a prince, minister, or tribal chief. The spread of such attitudes creates negativism with regard to the morale of people seeking government employment. Furthermore, it is hampering the government's effort in ascertaining the principle of the merit system as prescribed in the General Personnel Statute.

In his prismatic model, Riggs expounds the cause-effect of nepotism with respect to recruitment, in the Sala society:

. . . although selection is based, formalistically, on examination, the characteristic result is nepotism. "Nepotism" is a prismatic mode of recruitment, in which familistic considerations dominate appointments, although the formal rules prescribe non-ascriptive tests. Pre-occupation with family influence and nepotism, however, distracts attention from a more significant aspect of recruitment in the sala. In the diffracted model, the rewards of an office are primarily professional, but in the prismatic model they include also the hope of power. Thus the sala official is in practice not only recruited for his technical competence, but also with a view to his political mobility--his capability to rise

¹⁴In an interview with him in his office (GCB) in Riyadh, June 27, 1972.

to elite status or to help others realize their ambitions.¹⁵

Lack of Sufficient and Efficient
Public Personnel

There is no doubt that the most difficult problem facing the Saudi public administration is the great limitation of the human resources that can be drawn upon. This problem is due to a large extent to the fact that the majority of the people (the bedoins) are out of the stream of the labor force because of a preference for their nomadic life. On the other hand, those already in the public service include a large percentage of unqualified people who lack the technical skill and know-how. The combined result is a severe shortage in manpower available for civil service; hence, this problem has a quantitative as well as qualitative aspect.

The Saudi government has long realized this difficulty and tried to alleviate this problem by importing the labor force needed from other countries. At the present, the country has a large number of foreign nationals working in various jobs ranging from construction of buildings to medical doctors and highly professional specialists working in the oil industry and with the government in advisory capacities. In 1970 alone, the number of foreigners who

¹⁵Riggs, Administration in Developing Countries, p. 278.

entered the labor force in the Kingdom reached 299,242 engaged in various occupations (public and private).¹⁶

Yet the supply of ^{highly skilled} manpower to the public sector as well as the private sector is always lagging behind the demand. According to the first formal five-year economic plan of 1390 (1970), the prediction was that the "demand for manpower during the period of the plan is likely to exceed supply arising from natural increase of the labor force alone by nearly 154,600."¹⁷

The greatest shortage in manpower is in the field of skilled and semi-skilled workers. It is estimated that during the span of the economic plan of 1970, there will be a shortage of 30,000 to 35,000 skilled and semi-skilled laborers that have to be recruited from outside the country.¹⁸

The inadequate supply of public employees, however, is not the only problem encountered by the country with respect to personnel. With the existing supply of personnel, there are qualitative aspects, e.g., level of education and skill, efficiency, cultural attitude toward work and so on. There was unanimous agreement among the Saudi Arabian officials interviewed that the number one administrative problem

¹⁶Ministry of Finance, Central Department of Statistics, Statistical Yearbook, Seventh issue (Dammam, Saudi Arabia, 1970), p. 169.

¹⁷The Kingdom of Saudi Arabia, C. P. O., Development Plan 1390 A. H. (Dammam, Saudi Arabia, 1970), p. 86.

¹⁸Ibid.

facing the country is the lack of sufficient and efficient public personnel. Turki al-Sudairy, Vice-Chairman of the General Personnel Bureau, put the matter in this way:

There is no doubt that the most important administrative problem confronting the country is the severe shortage of qualified personnel with administrative and technical capabilities in the public sector.¹⁹

According to Hamdi Abu-Zaid, Director General of the Department of O. & M. in the Ministry of Finance, the problem is

The shortage in manpower, which constitutes a bottleneck to development. In addition, there is a general lack of coordination and rational distribution of existing manpower force in accordance to our plans and programs which lead to a vicious circle.²⁰

On the other hand, Abd al-Aziz al-Khuwaiter, Chairman of the General Control Bureau was very critical of government employees and their attitude toward seeking government employment:

Employees transfer from one department to another or from a ministry to another in pursuit of higher pay and other advantages. They look for employment in positions not necessarily within their qualification or field of specialization. Instead, they search for jobs that pay more, have shorter working hours and easy work. In effect, the governmental job suffers from the wide freedom of choice enjoyed by the employee. But fortunately, the G. P. B. has taken lately certain measures with regard to job classification, promotion, transfer, et cetera that would, hopefully, resist this trend.²¹

¹⁹In an interview with him in his office in Riyadh, June 26, 1972.

²⁰In an interview with him in his office in Riyadh, June 26, 1972.

²¹In an interview with him in his office in Riyadh, June 27, 1972.

Finally, ^{some of} the Saudi Arabia public employees are characterized by laziness, inefficiency, low productivity, non-time orientation, irresponsibility, and indifference. It is not an uncommon scene to witness employees coming late to their work or going out early from their offices. Those who do sit in their offices do not seriously exercise their duties, but instead they read newspapers, drink tea, or chat with each other--customs indicated earlier as products of Saudi fatalism. If an applicant inquires about his business, it is customary for him to be asked to come back tomorrow or maybe a month later. In this atmosphere of indifference and irresponsibility, the individual citizen who wastes his time and energy in following up day after day his transactions in governmental bureaucracy suffers the most. This attitude of employees is the product of many factors, most of which are social. Additionally, there is a lack of proper supervision and organization; for example, no utilization of records of accomplishment is made by top administrators.²²

Poor Working Conditions and Illegal Practices

The atmosphere in which public personnel exercise their duties is not conducive to productive work. Public buildings are not designed according to functional and operational considerations. They are usually large palaces with separated wings connected to each other by long corridors which

²²Ibid.

make internal communication very difficult. As one Saudi official has indicated,

Most public buildings are old and not suited for the nature of work performed in them, and buildings [containing divisions with] overlapping functions are far separated from each other, [a fact which] delays communication among them. In addition, these buildings are not equipped with modern tools to facilitate the administrative transactions, such as pressure tubes, adequate communication system, computers and so on.²³

In addition, working rooms in most cases are crowded, dirty, poorly illuminated, and not air-conditioned--conditions which make work uncomfortable and boring. Filing systems are very primitive and unorganized, and this fact leads to employees' frustration and annoyance. Anyone trying to find a particular file is confronted with an inadequate classification scheme that prohibits quick and easy identification.

Poor working conditions are not, however, confined only to the physical features mentioned above. There are some problems regarding poor pay for personnel and the concomitant result of outside employees and illegal practices. In spite of the fact that the salary standards of Saudi Arabian public employees are relatively high compared to other Middle Eastern countries, there is increasing evidence of great resentment on the part of public employees of their salary levels, due largely to the great inflationary pressures, both internally and externally. External inflation

²³Ibid.

comes about as a result of the imported goods from the international markets on which the country relies heavily. Internal inflation, on the other hand, is the result of a rising standard of living in the country due to the increasing revenue from the oil industry and the huge government expenditure on economic development and other forms of service.

Great pressure on government employees, especially in the lower brackets, exists in meeting the various demands of life, and these people seek some exits from this trap. In the first place, they take advantage of short working hours to find supplementary means of work, such as clerical work or business of some sort. The Saudi Arabi civil regulations forbid public employees from taking outside jobs without special permission from the Council of Ministers, but such regulations are often evaded.

Yet, there is a shorter way to earn extra income through certain types of corruption, particularly bribes. Bribery has become so institutionalized that it is impossible for one to finish his transaction in government business unless he pays bribes in return. Whether the transaction costs a few riyals for small transactions, such as issuing licenses or work permits, or a hundred thousand riyals, in the case of bids for government contracts makes no difference. The widespread use of such social ill is most annoying for the average citizen, who cannot afford paying bribes, for an

individual who is in great need of a job but who must pay illegal fees for a work permit. The ubiquitous practice of bribery has a devastating effect on governmental social regulations depending on honest inspection, such as those dealing with working conditions, housing standards, or health measures. Furthermore, it is inevitable that the citizen will develop a negative attitude and distrust toward the government and its employees.

The Saudi government is aware of this alarming phenomenon and has taken certain measures to combat this social disease, including the Anti-Bribery Regulations and the punishment of employees caught in bribery cases. Furthermore, the recent establishment of the Commission on Supervision and Investigation and the Commission on Disciplining Civil Servants may have further important implications toward the alleviation of such corruptive practices. But these measures have not proved sufficient and effective "because they focus on the symptoms rather than on the root of the matter."²⁴

Organizational Problems

By all means, the administrative problems related to human factors are not the only type of problems confronting the country. In addition to these, there are organizational problems. Although the latter are certainly related to the former, it is pertinent to treat them separately to make the

²⁴Amitai Etzioni, Modern Organizations (Englewood Cliff, New Jersey, 1964), p. 114.

study easier to grasp and to account for any outside influences. As a prelude to an examination of the organizational problems, one definition may prove helpful. The term that needs defining is "organization." Talcott Parsons defines organization as "those social units of human grouping deliberately constructed and reconstructed to seek specific goals."²⁵ Amitai Etzioni, furthermore, describes organizations as those social units characterized by

(1.) division of labor, power and communication responsibilities, divisions which are not random or traditionally patterned, but deliberately planned to enhance the realization of specific goals; (2.) the presence of one or more power centers which control the concerted efforts of the organization and direct them toward its goals, these power centers also must review continually the organization's performance and re-pattern its structure where necessary, to increase its efficiency; (3.) substitution of personnel; i.e., unsatisfactory persons can be removed and others assigned their tasks. The organization can also recombine its personnel through transfers and promotion.²⁶

Organizational Deficiencies

The country's organizational structure has developed slowly and gradually on a piece-meal basis from a very primitive and simple organization to a more complex and expanding bureaucracy. Because the country at its early stages of development lacked any formal structure of government, it had to borrow from the outside an organizational

²⁵Talcott Parsons, Structure and Process in Modern Societies (Glencoe, Ill., 1960), p. 17, as cited in Etzioni, p. 3.

²⁶Etzioni, p. 3.

style which laid the foundation for its bureaucratic pattern. The organizational structure of Saudi Arabia was constructed along the Egyptian pattern of administration. Egypt, which was a relatively more advanced country and has had more educated people, provided the Kingdom with administrative experts and personnel who applied the Egyptian style of administration to Saudi Arabia. Although the Egyptian experts helped establish a formal organizational pattern for the country, they also imported into the country some counterproductive traits of the administrative behavior and system of Egypt, such as overcentralization, excessive routine, and glorification of officialdom and ranks. The borrowed Egyptian administrative style was, however, adapted to the conditions of the country and its needs and eventually a Saudi Arabian administrative model began to appear and to form its own characteristics. This model was definitely the synthesis of the Egyptian model and the local conditions.

Organizationally, ministries and governmental agencies are constructed on a functional basis, e.g., health, agriculture, finance, et cetera. There are, of course, some functional overlaps between the various ministries. Examples of such overlaps include the ministries of Education, Health, and Labor and Social Affairs, all of which perform educational functions. The Ministry of Defense, which has a health program for its personnel, overlaps with the functions of Ministry of Health. Along the Egyptian pattern, "internally

ministries have a uniform structure, with a symmetrical graduation of horizontal divisions and official titles."²⁷

At the top of the hierarchy is the minister, who is appointed by royal command. The minister is assisted by two deputies and a general director who are all appointed by the King. Below them are department chiefs who supervise and control the division heads who, in turn, are responsible for the employees in their jurisdiction. A simple departmental-line form of organization, where divisions of departments perform somewhat differentiated functions, is followed. Each superior is in direct charge of his subordinates and subject in turn to the higher command and authority of his immediate superior.

There is generally a lack of line-staff organization in the administrative structure of the country. There are only a few financial, personnel and management specialists who can provide high level advisory skills which improve the work of line officials. To a great extent, this is due to the severe shortage of qualified people who could perform such functions.

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Rigid organizational pattern and resistance to change.--
 The Saudi Arabian organizational pattern is characterized by rigidity, inflexibility, and inertia. The old inherited

²⁷Walter R. Sharp, "Bureaucracy and Politics--Egyptian Model," Toward the Comparative Study of Public Administration, edited by William J. Siffin (Bloomington, Indiana, 1959), p. 162.

organizations are neither adequate nor appropriate for fulfilling the needs of governmental activities and changing conditions and policies. Yet there is a tendency for the country's organizations to endure and remain unaltered regardless of change in strategies and public policies. This static quality is, however, generally the case in all organizations, as one author has indicated:

People instinctively resist change. Even though they might not like their current situation, they are used to it--if it is reasonably comfortable, there is a strong desire to leave it as it is. Therefore, in a time when change is inevitable, the manager must be fully aware of the logical and emotional aspects of change and be prepared to handle both. In an organization, resistance to change takes many forms. Sometimes the problem is the chief executive's lack of a desire to change himself and to direct change in his organization. He evidences a lack of willingness to think change through with his people so that the rewards to all may be seen and recognized. And finally, the lack of persistence to see things through is often an important factor.²⁸

Resistance to change, of course, is highly evident in Saudi Arabia, where the strong tradition of conservatism and preference of status quo are prevalent. The Saudi Arabian government, however, has taken an important step toward the improvement of the organizational structure of its bureaucracy. The Organization and Management (O. & M.) Department was set up within the Ministry of Finance for providing management assistance to ministries and governmental agencies. Currently the O. & M. Department is conducting micro-studies

²⁸J. Keith Loudon, "Responsibilities of the Chief Executive," Handbook of Business Administration, edited by H. B. Maynard (New York, 1967), Sec. 3, p. 4.

of government bureaucracy by reviewing and examining the organizational structure of each ministry and agency in order to propose better measures and styles to improve their effectiveness.²⁹ The task of the O. & M. Department's officials, however, is a difficult one with regard to selling their ideas of reorganizations to bureaucrats. As one official has pointed out, "power centers are opposed very strongly to any kind of innovation in organizational structure or improvement of work procedures and methods."³⁰ Then he added, "but we try our best to convince the bureaucrats of the benefits and the facilitation of work gained from such changes and innovations."³¹

Lack of goal determination and job description.--Organizations are constructed or reconstructed to perform a specific task or to accommodate multiple goals. According to one author, "an organizational goal is a desired state of affairs which the organization attempts to realize."³²

Most public organizations in Saudi Arabia function without adequate determination of goals to be realized by each ministry or agency. Thus, the desired state of affairs is unclear. The agencies operate on the basis of the functions they render and not on predetermined and clear goals.

²⁹Hamdi Abu-Zaid, Director General of O. & M., in an interview with him in his office in Riyadh, June 26, 1972.

³⁰Ibid.

³¹Ibid.

³²Etzioni, p. 6.

Therefore, public employees work with vague ideas of the broad goals of their organizations and exercise their duties in a routine manner and without adequate understanding of the objective of their organization and any change in its structure, policies, or laws thereof. Accordingly, public employees are detached from the organization in which they are working and do not have loyalty towards it and lack involvement in their work. Hence, they do not have the incentive or the motivation for hard work or creativity or any sense of achievement.

Related to the lack of clearly stated goals is the general lack of formalized, i.e., stated and written, job descriptions. Job descriptions are a prerequisite for a definite determination of duties and responsibilities and to provide common expectations for both manager and employees.³³

Public employees exercise their duties in a haphazard and vague manner without detailed and clear descriptions of their jobs. Accordingly, employees are not fully aware of their jobs' functions and have blurred conception of the rules and duties. A more serious result of this is that employees escape from responsibilities of actions, and their superiors are unable to supervise and control them properly.

³³H. Dwight Meader, "Salary Evaluation," Handbook of Business Administration, edited by H. B. Maynard (New York, 1967), Section 11, p. 123.

Lack of adequate communication system.--An adequate communication system is an important requirement for an effective organization. The lack of any appropriate and effective communication system constitutes a major problem for an organization concerned with the realization of goals, however vague the goals.

Conditions and an atmosphere conducive to a good communication system are non-existent in Saudi Arabian bureaucracy. This void is the result of organizational deficiencies as well as social and cultural factors. Intra-organizational communications (vertical as well as horizontal) are dysfunctional in nature. This dysfunctionism creates "uncertainty about work goals, hampers social interactions, and prevents the organization from dealing effectively with change."³⁴

Downward vertical relationships of the Kingdom's bureaucracy within an organization are similar to those reiterated by one author referring to other countries:

Vertical relationships . . . are largely limited to the flow of documents and occasional formal directives or requests by top officials. Lack of personal contact between contiguous vertical levels means that there is little understanding of another's problems or of potentials for production and improvement.³⁵

³⁴Stanley Powers, "Administrative Communications," Managing the Modern City, edited by James M. Banovetz (Washington, D. C., 1971), p. 194.

³⁵Jay B. Westcott, "Governmental Organization and Methods in Developing Countries," Development Administration Concepts and Problems, edited by Irving Swerdlow (Syracuse, New York, 1963), p. 49.

Subordinate employees, on the other hand, lack the means and skills of upward communications. They cannot communicate with their superiors with respect to problems, complaints, and suggestions about their work. According to one author, there are five obstacles to communications that could hamper upward communications:

1. Fear that talking will get the employees in "dutch."
2. Belief that management is not interested in employees problems.
3. Lack of training in communications skills.
4. Feeling that upward communications is not prime supervisory qualifications.
5. Belief that management will not respond to employee suggestions.³⁶

Horizontal communication is also deficient. One observation made during the interview stage of this study was that there is little direct communication between equals except with personal talk which is not related directly to work problems. In other words, there is a lack of any systematic communications among employees in relation to work needs and requirements. Lateral communications can be enhanced by several means, such as project teams and task force meetings, planning sessions, and discussion of mutual problems confronted in work.³⁷ Temple Burling stresses that

³⁶Esther R. Becker, "Providing for Two Way Communications," Handbook of Business Administration, edited by H. B. Maynard (New York, 1967), Sec. 4, p. 28.

³⁷Ibid., p. 30.

"people whose jobs are related must be able to work out their relationships between themselves and not depend exclusively on orders flowing from a central point above."³⁸

The dysfunctional communication system in Saudi Arabia is largely the product of neglect of the importance of communication by top management as exhibited by the lack of any formal and explicit provisions for an adequate communication system in the public bureaucracy. This failure, for instance, explains the absence from many governmental organizations of modern communication devices, such as pneumatic tubes or conveyors, good filing equipment, bulletin boards, and so on.

Yet deficient communication is not confined within the government, but also extends to communication between the government and the people. For instance, public organizations rarely if ever publicize their functions and the services they render to the public. The public does not know about the public services available to them except in a very vague and casual manner. Two negative consequences for the administrative process result. In the first place, the public is deprived of the right to have access to information to which they are entitled and to the available governmental services and privileges. Second, public employees do not have access to the public's demands,

³⁸Temple Burling, "Aids and Bars to Internal Communications," Hospitals, XXVII (November, 1954), 34, cited in Becker, Ibid., p. 30.

grievances and complaints. Furthermore, a great portion of the employees' time is wasted with people who come inquiring about their business in the wrong place or at the wrong time. Closely related to this is the fact that public buildings of ministries and agencies are generally not equipped with appropriate information and means to guide the public into the right place for a particular business, e.g., information desks, informative signs, and directories.

Finally, utilization of public relations departments in governmental organizations is rare, and, when provided, they are poorly equipped and ambiguously conceived. Public relations has become an important administrative organ which provides a connecting link between the government and the public in modern administrative systems.

The absence of research and development. ¹⁻³ Research and development (commonly referred to as "R. & D.") have become important concepts in modern administration. Successful performance of R. & D. functions indicates technological advancement, increased growth and productivity, and efficient means to realizing goals. } R. & D. denotes two stages--research and development--as one author elucidates:

Basic research essentially entails a searching for new scientific knowledge with no specific, practical application in view; applied research on the other hand, consists of scientific investigations and experimentation when a practical or commercial objective is more or less defined. Development embraces the long and expensive stages of work between developing an idea and

actually translating this³⁹ idea into a tangible prototype product or process.

^{D. Countries}
 [In the Kingdom, there is a limited utilization of R. & D. functions in ^{both P+D} governmental organizations. There are a few governmental ^{orgs.} organs which make use of such instruments as the Central Planning Organization, Petromin, the Ministry of Agriculture, the Institute of Public Administration, and the Research and Development Center (RDC) of the Ministry of Commerce. With the exception of the CPO, RSC, and IPA, ^{my} these ministries and agencies do not have a formalized and distinct organizational structure for R. & D. and lack adequate data, equipment, and personnel with technical skills.]

To a large extent, the absence of any systematic and rational studies of governmental organizations is due to neglect of the R. & D. function in the public bureaucracy. When asked for some research studies done on the General Control Bureau, the bureaucrats answered, in a manner typical of many governmental agencies, that there were none! In answering a question about the reason for not having a R. & D. department in the bureau, Abdul Rahman Dawoud, Chief of the Annual Report Department of the GCB, said apologetically, ^{my} [There is not a R. & D. department in the bureau largely because we have neither the sufficient

³⁹Nester E. Terleckyj, Research and Development: Its Growth and Composition (New York, 1963), pp. 10-11.

appropriations for such function, nor the qualified and skilled employees who are capable of performing such work."⁴⁰

There is no doubt that the disregard of R. & D. in many governmental organizations is a serious defect in their structures. No progress or improvement could be achieved in the administrative procedures, processes, and structures without deliberate systematic studies and rational endeavors vis-à-vis R. & D., which has become a "potent force for change."⁴¹

Proceduralism and Red Tape

One of the most serious administrative problems in the Saudi Arabian governmental organization is the widespread existence of elaborate procedures and red tape. Due to overcentralization and lack of trust in the employees at the lower level, government bureaucracy requires that public transactions be handled by a process of stage-by-stage referral from lower to higher echelon to assure conformity and compliance to rules and regulations. This can be clearly seen in the country via the application of a sterile and time-consuming method for handling public transactions, namely the "case file," which is best described as follows:

. . . a "case file" system of paper processing in which each subject requiring decision has its own cardboard folder on file. Every office possibly interested in

⁴⁰In an interview with him in his office (GCB) in Riyadh, June 27, 1972.

⁴¹Terleckyj, p. 8.

the subject studies the folder to determine whether there exists a precedent or regulation which might affect the decision. The process of passing a folder from office to office frequently takes several months.⁴²

Another author notes the similar manifestation of red tape in Egypt, which resembles the conditions prevailing in the Kingdom:

In the absence of even the most simple forms, correspondence becomes unduly voluminous and appropriate actions on inquiries and requests from private citizens is either delayed or does not take place at all. The nature, or tempo, of actions depends in many cases on the social or political status of seekers of information, permits, licenses, passports, visas, identification cards, or pecuniary benefits to which they may be entitled.⁴³

Sharp sheds some light on the reasons behind excessive routine measures:

[The] glorification of red tape and bureaucratic inertia are of course partly the result of low pay and poor staff morale. It is also due to cumbersome office methods and the lack of mechanical labor-saving devices. Moreover, as Fred W. Riggs has observed, "officials more concerned with personal status than with task achievement often prefer processes of consultation and delay to decisive action."⁴⁴

Such a situation has a devastating effect on the administrative processes in two ways. In the first place, the detailed procedures and excessive red tape place great burden on the citizen who wastes a great amount of time and energy in pursuing his public transactions. It even places greater burden on the poor, illiterate or old citizen who lacks the

⁴²Westcott, p. 50.

⁴³Sharp, p. 171.

⁴⁴Ibid.

knowledge or the access to the complicated and long procedures which might eventually prevent them from claiming the protection or benefits to which they are entitled. Second, excessive procedural and routine work causes top government officials to spend a great deal of their time handling trivial details and subsequently to neglect their important duties, such as policy formulation and planning.

Overcentralization

One of the most stubborn administrative problems facing the developing countries is a great tendency toward overcentralization; and Saudi Arabia is no exception to this widespread phenomenon. Employees at the lower levels and local officials are not authorized to make even minor decisions, a fact which has negative consequences on their initiative and morale. Everything is usually referred up through several levels of the bureaucratic hierarchy until it reaches the department head or even the minister. An adequate description of the matter refers to

. . . an undue emphasis on administrative decision making by top management--after detailed and elaborate review by a long series of subordinate officials who for the most part repeat or duplicate each other's work operations.⁴⁵

This awkward situation could be attributed to three interrelated factors. First, the present government structure was imposed over a long-existing disintegrated and

⁴⁵Ibid.

fragmented tribal system and independent provinces which enjoyed complete autonomy. When the country was finally brought under one control, it was necessary to bring its fragmented parts under centralized and unified control. Yet, this situation of overcentralization continued to exist even though the country has been unified for a long time and the government has a stable and strong foundation. Secondly, the country has a great shortage of qualified personnel, a fact which leads to the concentration of authority at the top where there are a few qualified people who could handle the administrative functions. Thirdly, this has been aggravated by obstacles caused by the public who refuse to accept the decisions of subordinates and insist on seeing the chief directly. This phenomenon is a special difficulty in a country like Saudi Arabia where a tradition gives everybody the right to walk into the office of the highest officials to present his case in person. Top officials are certainly hampered in their work and have difficulty concentrating on important subjects during office hours. Riggs, in his "Sala" model, again points to the dangers of overcentralization with regard to retarding communication and decision-making processes:

Efficient administration requires a bureaucratic structure which is neither highly concentrated nor highly dispersed. Undue concentration poses insuperable problems for communication and decision-making. A few individuals at the apex of the pyramid find themselves challenged to make quickly a range of decisions which would require superhuman capabilities. The result is

necessarily either procrastination and long delays, or inept and inadequate policies.⁴⁶

Budgetary Deficiencies

The budget of a country is the most important modern administrative and financial tool. In Saudi Arabia government budget consists of the executive's plan expressed in monetary terms for spending and raising funds. It is through a budget that a government puts its plan into action. "One of the most important functions of the budget is to correlate financial plans of various enterprises (and thus their production plans) through redistribution of finance among them."⁴⁷ It also reflects the administrative character of a country and its effectiveness or short-comings. If the administrative apparatus of the country is weak and deficient, this certainly will be exhibited in its budget. Hence, efficient administrative practices are prerequisite for sound budgetary system.

Major Problems

The budgetary system of Saudi Arabia is inadequate and deficient. Two major problems could be detected with respect to budgetary practices. The first is related to the type of budget classification used in making the budget. Second is

⁴⁶Riggs, Administration in Developing Countries, pp. 282-283.

⁴⁷United Nations, "Government Budgeting and Economic Planning in Developing Countries," Economic Bulletin for Asia and the Far East, XVII (September, 1966), 2.

the lack of integration and close relationships between the economic planning of the country and its budget.

The budget of Saudi Arabia is based on object or "line-item" classification where the objects of expenditure are stated in great detail and include salaries, personnel, et cetera. This type of budget classification serves certain budgetary purposes. It provides a strong central control over departmental expenditures through the specification and itemization of objects of expenditures in great details before its approval by the Council of Ministers and the King. As a result, the discretion of the administrative officers is substantially curtailed. For Saudi Arabia, this type of classification "was a great technical step forward in budgeting, since it permitted the installation of a government accounting system which could be linked with budget accounts and thus limit defakations."⁴⁸

The object classification, however, has two serious defects. In the first place, it limits unduly the administrative freedom of choice with respect to the transfer of funds from one category of the budget to another according to needs and strategic priorities because funds cannot be appropriated except for the specified object. Second, under this system, there is no indication of the actual accomplishment expected of the government departments for a certain

⁴⁸Jesse Burkhead, Government Budgeting (New York, 1967), p. 128.

volume of expenditure. It does not tell what targets will be fulfilled from expenditures incurred on a particular item. It does not show estimates of costs per unit of work or cost-benefit ratio. In other words, this type of budgeting does not conform to modern budgetary practices which put great emphasis on efficiency and rationality.

The second major defect in the country's budgetary practices is the lack of integration and coordination between economic planning and the budgetary processes. The budgetary system prevailing in the country is not oriented to planning, but instead the planning process is subject to budgetary means and procedures. This system, of course, has serious effects on the success of the economic planning. The divergence between the plan and budget is attributed to various factors. First, the planning and budgeting processes are carried out by separate organizational bodies and, consequently, by different groups of people with differentiated background, skills, attitude and experience.⁴⁹ Thus, "in the absence of a proper liaison between these agencies the links between the preparation of plans, the designing of projects and the allocation of resources for them cannot but be of a tenuous kind."⁵⁰ Second, the relationship between planning and budgeting may be weakened by the inaccuracy of the plans estimates of the governmental overall investments,

⁴⁹United Nations, p. 2.

⁵⁰Ibid.

putting great pressures on the annual budget which can only seek the approximation of the plans targets.⁵¹ Third and most important, the divergence between the budget and the plan can be attributed to the budgetary deficiencies as exhibited in its lack of comprehensiveness and the exclusive use of object classification.⁵² Traditionally, the budget is merely made up of individual projects, presented by competing ministries and agencies in a fragmented and micro manner. Furthermore, budget preparation is scheduled on an annual run which does not coincide with the plan run.

Accounting and Auditing Shortcomings

An effective system of government accounting is basic to the budgetary process. It is essential for efficient national financial administration. The responsibility for the maintenance of proper accounts of Saudi Arabian government rests with the Ministry of Finance and National Economy, and these accounts are administered by the Saudi Arabian Monetary Agency and its branches.

The present accounting system is inefficient and lacks any systematic analysis. It is largely concerned with compliance with legal provisions but does not serve as a management tool because the accounting system is centralized in the Ministry of Finance and does not reveal the cost of governmental programs. As Burkhead has remarked,

⁵¹Ibid.

⁵²Ibid.

In most underdeveloped countries the operating efficiency of government is greatly hampered by an inadequate and cumbersome accounting system. These systems were often devised primarily to serve the interests of accountability in a very narrow sense, that is, to prevent the misappropriation of public moneys. In practice this has come to mean repetitive accounting, an overcontrol enforced by a pre-audit system that requires extensive pattern of documentation. This state of affairs . . . serves to limit the effectiveness of all the administrative operations of government.⁵³

Auditing on the other hand is the most important instrument of legal control over the finance of a country. It serves as a guardian against the misuse of public funds as prescribed by legal provisions of the budget. In the Saudi Arabian budgetary system, there are two forms of auditing: pre-audit and post-audit. The former is the jurisdiction of the Ministry of Finance, which assigns its Financial Representatives to perform pre-audits of ministries and governmental agencies. Pre-audit involves the advance determination of the legality of certain transactions which is accomplished by countersignature of warrants or other documents by the Financial Representatives, authorizing the incurrence of obligations.⁵⁴ Post-audit is the function of the General Control Bureau. Post-audit, on the other hand, is concerned with "the verification of legality of individual transactions and the accuracy of the accounts."⁵⁵

⁵³Burkhead, pp. 480-481.

⁵⁴Ibid., p. 361.

⁵⁵Ibid., p. 362.

The auditing system of the country in its two forms (pre- and post-audit) has many shortcomings. In the first place, there is ample evidence that pre-audit "tends to reduce the degree of responsibilities exercised by departments and agencies."⁵⁶ Furthermore, there is a great shortage in the number of the Financial Representatives who perform pre-audit; the Financial Representatives are, consequently, overburdened and they eventually unnecessarily hold up governmental transactions awaiting their review and verifications. Burkhead has noted rightly that the pre-audit may lead to "duplicating effort, to excessive delays and to resultant inefficiency in the transaction of governments fiscal affairs."⁵⁷ There is also the possibility of the development of a jurisdictional friction between the GCB performing post-audit and the Financial Representatives of the Ministry of Finance who execute the pre-audit.

With respect to post-audit, there are numerous defects in its perception and application. In the first place, post-auditing of the country is mainly concerned with verifying that government funds have been spent accurately and within the legal limitations set forth by the Council of Ministers. It does not pay any attention to waste and inefficiency of government bureaucracy, i.e., performance auditing. This inattention is to a large extent due, on the

⁵⁶Ibid., pp. 361-362.

⁵⁷Ibid., p. 262.

one hand, to the deficiency of the entire budgetary system based on object classification. On the other hand, there is a great scarcity of qualified financial personnel working for the GCB and other financial departments of the government.

An interview with Abd al-Aziz al-Khuwaiter, Chairman of the GCB, revealed the difficulties encountered by the Bureau with regard to financial personnel and their practices in exercising financial responsibilities:

1. The chiefs of financial divisions do not execute their responsibilities and duties properly with respect to the supervision of their subordinates to the point that financial errors continue to exist without intervention on their part to correct such mistakes.

2. The employee who has recently joined a financial division continues to be unskilled and inefficient because he does not find someone who could provide him with guidance and advice and relies instead on his colleagues who might be erroneous themselves.

3. Although there is a practical training in financial matters, it is not at the desired standard. The trainee who took a training course usually lacks the practical application of the principles of finance he studied. In effect, there is an attempt to solve this problem through cooperation between the GCB and the IPA. They have formulated a training program to

take secondary school graduates through a two-year training course in the Institute in order to provide them a proper and adequate training in financial affairs.

4. One of the most important difficulties with respect to financial personnel is their inclination to repeat the same errors over and over. This is due to the fact that employees rely sequentially upon each other. As a result, the error committed by the first employee who started the transaction will continue without anyone paying attention until the matter is over.

5. At the present, the financial circles still suffer from the existence of employees whose original fields of specialization were not finance, but who were transferred to their current position for promotion purposes. This situation made it difficult to achieve financial reform and improvement.

6. Finally, the state budget is growing tremendously and its expenditure is increasing considerably, but there is no balanced proportion between the number of the state's financial personnel and the volume of the state budget.⁵⁸

⁵⁸In an interview in his office in Riyadh, June 27, 1972.

From the preceding discussion, it is clearly evident that budgetary defects are largely due to the tremendous shortage of sufficient qualified and skilled personnel in financial administration.

Summary

In this chapter, an attempt has been made to analyze the most important and outstanding administrative problems of Saudi Arabia. Those were treated in three broad categories: human problems, organizational problems, and budgetary problems. The first category included problems such as the traditional attitude and behavior of the people, nepotism and favoritism, lack of sufficient and efficient public employees, and so on. The second category, however, covered matters such as organizational deficiencies, centralization, and proceduralism. The lack of an adequate budgetary system completed the discussion of Saudi administrative problems.

It was not the intent of this study to make an exposé of those problems but rather an objective diagnosis of the administrative ills of the Kingdom. This diagnosis will be helpful in suggesting some corrective measures and solutions to alleviate the problems of the administrative apparatus of the country. This will be the task of the following and last chapter of this study.

CHAPTER IV

ADMINISTRATIVE REFORM: CURRENT STATUS AND RECOMMENDATIONS FOR THE FUTURE

An examination of the administrative problems and ills encountered by the Kingdom demands a concluding chapter that suggests some adequate and appropriate solutions. As the previous chapter indicates, the country is facing enormous administrative difficulties that certainly hamper and impede its development in general and its economic development in particular. Since the Saudi government plays the major role in the process of development, it is indispensable that its administration has to be effective and efficient. Hence, there is a great need for administrative reform to achieve such an objective.

This chapter will deal with the topic in two dimensions. First, the need for administrative reform and the Saudi governments actions taken toward that goal will be discussed. Second, this study will be concluded by introducing some recommendations that will hopefully enhance and promote better, more efficient, and more rational administration.

The Need for Administrative Reform

Public administration is the major tool for conducting the economic and political activities of the state in a

disciplined and orderly manner and for effectively realizing social and economic progress. When this instrument is inefficient or dysfunctional, there exists a great need for administrative reform which could cure or at least alleviate its ills. Yet it is neither possible nor practical to prescribe a blueprint for a perfect administrative system. But what is feasible is to improve the quality of the existing administration by scrutinizing constantly the areas of deficiency and to look for appropriate measures to eliminate its defects. That public administration is a vital and essential instrument for promoting development through the variety of roles it must play is evidenced by the comments of Fredrick T. Bent:

Public administration must play many roles in the modernization process. Economically, its role is to acquire and utilize savings for investment. Politically, it is to reorganize and redistribute the formal powers and functions of the state, socially to integrate ethnic, religious and regional communities into a truly national community, and administratively, to create and maintain public institutions capable of meeting expanding demands.¹

Hence, it is imperative that administrative reform be initiated to enhance efficiency and effectiveness, so that the government can bring about modernization and progress for the whole society. The many problems cited in the previous chapter are a testimony to the need for reform.

¹Fredrick T. Bent, "A Comparative Analysis of Public Administration in Modern, Traditional and Modernizing Societies," in Chandler Morse and others, Modernization by Design, Social Change in the Twentieth Century (Ithaca, New York, 1969), p. 190.

However, the question arises as to what is meant by administrative reform. G. E. Caiden gives an elaborate and precise definition:

Administrative reform is the artificial inducement of administrative transformation, against resistance. It is artificial because it is man-made, deliberate, planned; it is not natural, accidental or automatic. It is induced because it involves persuasion, argument, and the ultimate threat of sanction; it is not universally accepted as the obvious or true course. It is an irreversible process. It has moral connotations, it is undertaken in the belief that the end results will always be better than the status quo and so worth the effort to overcome resistance. These three distinguishing features--moral purpose, artificial transformation and administrative resistance--give administrative reform its distinctiveness.²

Caiden furthermore outlines the conditions and situations that necessitate administrative reform:

1. When the administration is obviously failing to meet the demands put on it. . . .
2. When the administration, though meeting current demands, is not equipped to tackle extra demands. . . .
3. When the administration with reserve capacity is unable to anticipate future demands, it concerns itself only with the immediate, lacking the research facilities, communications and creativity to anticipate the future and to prepare accordingly. . . .
4. When the administration that does have reserve capacity and the ability to anticipate future demands does not adopt the most effective methods. . . .³

From the previous discussion, it is evident that although administrative reform might not be a panacea, it is essentially the only hope for any kind of improvement and

²Gerald E. Caiden, Administrative Reform (Chicago, 1969), p. 65.

³Ibid., pp. 131-132.

correction. It is the only logical path of rational and systematic diagnosis of administrative problems. Administrative reform is the best treatment of administrative ills short of major surgical operation, i.e., violent disruption or revolution.

Governmental Measures Toward Administrative Reform

Recently, the Saudi government under the wise leadership of King Faisal has realized the importance of administrative reform because "the development of modernizing societies requires a high level of public administrative competence."⁴ The Kingdom has taken various steps toward this objective. The most important measures initiated by the government toward that end will be described briefly.

High Committee on Administrative Reform

The High Committee was established in 1383 (1963) to take all necessary steps for administrative improvement. It is now composed of His Majesty the King (Chairman); the Minister of Defense (Vice Chairman); the Ministers of Petroleum, Communications, Information, and Agriculture; and the Presidents of the Central Planning Organization and the General Personnel Bureau.

⁴Bent, p. 189.

A preparatory committee composed of the Deputy Minister of Finance, the Director of the General Personnel Bureau, and the Director of the Institute of Public Administration is charged with the study of subjects that stem from Ford Foundation Public Administration projects and from subcommittees of the High Committee. It reviews these studies with ministries concerned and presents recommendations to the High Committee.

The High Committee has been instrumental in the establishment of the Central Planning Organization, the Central O. & M. Department, the Public Works Department and the Central Purchasing Department. The general objectives for administrative reform as prescribed by the economic plan of 1970 are to:

1. Improve the effectiveness of the agencies established to undertake centralized functions of government.
2. Achieve greater delegation of authority and responsibility for other functions to the specialized agencies of government.
3. Achieve clearer definition within all agencies of the functions of divisions, sections and individuals, and hence greater delegation of authority and responsibility at all levels.⁵

The Central Planning Organization

The historical development of the planning process was discussed in some detail in Chapter One. The Central

⁵Central Planning Organization, Development Plan 1390 A. H. (Riyadh, 1970), p. 46.

Planning Organization replaced the Committee for Economic Development in 1384 (1964). Its charges were to coordinate and integrate ministry development programs and projects and weld them into a national program for approval by higher authority. In so doing, it is expected to formulate a compatible set of goals, to determine the means by which these goals may be achieved, and to produce a consistent set of aggregate projections showing the rate of economic development attainable over a five-year period.

The CPO has an agreement under which the Stanford Research Institute furnishes advisory and research service for planning and plan implementation. It also obtains advisory services from the United Nations experts in such areas as manpower planning and statistics.

The general objectives for the CPO for the plan of 1390 (1970) are to

1. Improve the utilization of economic, financial, and human resources by ensuring that decisions on policies, programs and projects are based on adequate studies of the economic, social, and financial implications of such decisions.
2. Promote the collection of statistical and research information so that decisions may be made and plans and programs formulated in the light of a more comprehensive knowledge of facts and a better assessment of the potential for development.
3. Encourage the adoption of policies and forms of economic organization that will give economic and social forces greater freedom to contribute to the processes of economic and social development.⁶

⁶Ibid., p. 49.

Central Organization and Management
Department

The Central Organization and Management Department established in 1966 is located in the Ministry of Finance. Its principal function is to assist ministries and agencies to attain greater operating efficiency and effectiveness through improved organization, systems, and procedures. The central organization and management (commonly abbreviated simply O. & M.) services are provided by specially trained Saudi and foreign management consultants. The Department is to cooperate with O. & M. units established in the major ministries. The O. & M. services are also responsible for assisting in implementation of decisions made by the High Committee for Administrative Reform.

The Central O. & M. Department is the only central staff organization at present engaged in this work. It is taking the lead in promoting cooperation among ministerial staff units and central staff units.

High Committee for Manpower Development

The High Committee for Manpower Development was established in 1387 (1967). It is supported by an Advisory Committee on Manpower Development consisting, at present, of senior officials from ministries concerned with the problems of development and utilization. The Committee is currently undertaking a review of major problems relating to manpower development and utilization, and the means by which these

problems may be resolved or alleviated. One of its primary concerns is the need to create effective machinery for manpower planning.

Other Important Administrative Actions

The government has also established and revised various regulative bodies and statutes which will have salutary effects on administrative reform and improvement in the long run. These were discussed extensively in the previous chapter, but it is appropriate to list them here to keep the continuity of the subject:

1. The Institute of Public Administration (1961),
2. The General Personnel Statute (1971),
3. The General Personnel Bureau (1971),
4. The General Control Bureau (1971),
5. The Commission on Supervision and Investigation (1971),
6. The Commission on Disciplining Civil Servants (1971).

Some Recommendations for Further Administrative Improvements

This section is a logical sequel to Chapter Three, which discussed in some length, the administrative problems facing the Kingdom. Because the administrative problems of the country were framed according to those related to human factors, those dealing with organizational difficulties, and those relating to budgeting, the suggested reforms will follow the same format.

Although the Saudi government has initiated various means and programs to improve public administration, they were not sufficient. Administrative reform was pursued, on piece-meal basis, treating the particular needs of a program or an organ, but the government has not, for the most part, spelled out any framework for a systematic and comprehensive approach to administrative reform. Consequently, vital areas of administration were neglected or left without adequate measures. The following section deals with such shortcomings and emphasizes personnel policies.

Human Aspects

Modification of traditional attitudes.--The preceding chapter indicates that the administrative problems of the Kingdom stem, to a large extent, from traditional social and cultural hurdles. The State has established many modern institutions, but it did not pursue a deliberate, systematic effort to induce individuals to abandon many of their traditional modes of thought and behavior. The government has embarked upon a bold formal education program which provides every citizen, almost regardless of social status, free education at all levels both at home or abroad. Yet, it is clearly evident that formal education alone is not sufficient because public employees, even with a high level of education, still are clinging to and greatly affected by social and cultural considerations which obstruct change and reform.

Certainly, time will eventually solve most of these problems, but the short-run picture will delay development and progress tremendously.

Thus, the government should make efforts to create a sense of awareness of public objectives in the public in general and public bureaucracy in particular, because up until now it "has made few efforts to consolidate the growing national consciousness."⁷ It should wage national campaigns to foster popular participation since "participation unfreezes attitudes, encourages positive responses, permits more balanced interactions and reduces resistance."⁸

This could be accomplished by systematic and predetermined campaigns utilizing mass communication media, such as television, radio, and newspapers, to stress such matters as respect of work, value of time, and the harm of negatively conceived fatalism. Furthermore, the government should take more specific measures with respect to public bureaucracy to enhance a positive attitude toward public service by exploiting such tools as leaflets, circulars and posters and by initiation of some work mottos stressing efficiency, importance of time of work, speeding public business, and so on.

⁷The American University, Area Handbook for Saudi Arabia (Washington, D. C.), p. 202.

⁸Caiden, p. 155.

Fighting nepotism and favoritism.--The widespread dominance of nepotism and favoritism is definitely linked to social and cultural aspects. With respect to recruitment of public employees, the Saudi government has taken the first formal step toward the assertion of the merit principle by prescribing explicitly in the General Personnel Statute of 1971 that merit is the basis for employment, promotion, et cetera. Yet there is a discrepancy between what has been stated by the law and what is actually practiced which defeats the purpose and spirit of the law. Public officials at the top of the hierarchy must set a good example to lower-level employees by behaving in an impartial, neutral, and honest manner. Furthermore, the government should stimulate through propaganda means a gradual change in values and ethical standards among the civil servants and the public and by providing for appropriate laws and regulations which could reduce the occurrence of nepotism and favoritism in the public bureaucracy.

Bettering work and employee conditions.--Improvement in public bureaucracy can only superficially be attained by propaganda means and regulative measures. There have to be tangible and concrete actions and conditions to induce personnel to become efficient, honest, and public-service oriented. In other words, it is essential to improve the atmosphere and climate of work to genuinely improve public service. There are two major areas that need more attention.

First, the government should pay greater attention to the design and facilities of public buildings. Buildings should be designed to enhance the functions performed therein and to improve internal communications. They also should be equipped with modern tools and devices such as pressure tubes or conveyors, computers, an adequate inter-communication system, bulletin boards, an efficient filing system, and the like. Also, more attention should be directed to general maintenance, cleanliness, good illumination, and air conditioning of offices, factors which are conducive to comfortable and productive work. There is considerable evidence that ministries and agencies that take such measures have great appeal among the young, educated people seeking government employment. Examples of such governmental bodies include the Institute of Public Administration and Petromin, which have well-designed and maintained buildings and good working conditions.

In the second place, in order to eliminate corruptive and illegal practices, e.g., bribery, it is crucial to improve the material as well as the moral condition of public employees. There must be a comprehensive study for salary scale and revision of the existing one so as to counteract the inflationary pressures on employees and to enhance honesty and integrity of public employees. There should be provisions for pecuniary remunerations, such as rewards and bonuses, for employees that show initiative and imagination.

Such an incentive program would have salutary effects on employees' esprit de corps. To induce employees' initiative and creativity, a United Nations expert has proposed the utilization of a suggestion scheme with rewards.⁹

Providing for sufficient and efficient public personnel.--Problems related to public personnel could be examined at two levels: quantitative as well as qualitative. In the first place, there is great shortage of personnel to fill the mushrooming public bureaucracy. Second, the existing public personnel is suffering from inefficiency, unproductivity, and low morale. There are some measures which could alleviate this kind of situation.

First, the government should not hesitate to continue its present policy of hiring foreign employees from other countries, especially those of high technical capabilities, to meet the demand of the economic plans and other purposes. Employment of foreigners is a "necessary evil" until the country is able to be self-sufficient in manpower requirements.

Second, the government should remove statutory restrictions on doubling jobs, especially of those employees with administrative and technical skills. This flexibility will permit more than one ministry or governmental agency to

⁹Leif H. Skare, Further Development of Administration Improvement Work in the Kingdom of Saudi Arabia. Restricted report. Submitted via Public Administration Division, United Nations, New York, 1969.

benefit from the special qualifications of an employee. For example, a college professor might work for a particular ministry in an advisory capacity and vice versa.

Third, the General Personnel Bureau should take appropriate measures to correct the imbalance in the distribution of employees among the various ministries and departments; many ministries and departments currently suffer from a shortage of employees and others from overstaffing.¹⁰ A balance could be accomplished via a comprehensive study of the supply and demand for personnel in the public bureaucracy and by subsequent transfer of personnel.

Fourth, since the severe shortage of public employees constitutes a great obstacle to administrative effectiveness, it behooves the government to resort to labor-saving devices to correct or at least alleviate this deficiency. There are wide variations of labor-saving tools ranging from simple machines, such as addressographs and accounting machines, to the most sophisticated ones, namely, computers, which could substantially compensate for human labor. Computers will be a great help in such areas as accounting, payroll, and similar applications, where there is a high volume of routine and repetitive handling of information.

Fifth, although the government has lately encouraged the education and employment of women in specific areas,

¹⁰Institute of Public Administrators, Training Programs Implemented 1388/1389, Plan 1389/1390 (Riyadh, 1969), p. 32.

such as journalism, teaching, and social work, a larger number of women are still out of the labor force due to the fact that girls' education has begun late in the country and because of social and cultural taboos. The government should encourage more utilization of this vital, unused source of manpower.

Finally, in spite of the fact that the Institute of Public Administration has realized considerable achievements in administrative improvement, its training program is not producing a sufficient number of trainees. Since its establishment in 1961, the Institute has graduated only 1,149 up to 1390-1391 A. H. (1970-1971).¹¹ This is a very small percentage if compared to the number of 79,870 public employees (in cadre) in 1971.¹² Hopefully, the Institute will be able to overcome in the future some of its problems, such as a shortage of suitable Arabic texts and adequate teaching staff.¹³

However, it has been stated that quality as well as quantity of personnel is a problem. Effective administration does not consist merely of sufficient numbers of

¹¹The Ministry of Finance, the Central Department of Statistics, Statistical Yearbook, Seventh Issue (Riyadh, 1971), p. 61.

¹²Ibid., p. 352.

¹³Muhammed T. Sadiq, A Working Paper on Training Programs to Fulfill the Needs, prepared for the Working Group of Schools and Institutes of IIAS Congress of 1965 (Riyadh, 1965), p. 4.

employees or of establishing properly structured organization and well-formulated rules and procedures. Rather, effective administration also consists of competent people, and quality ultimately determines success or failure. A good society cannot be built by an administration whose personnel are themselves lacking moral character or technical abilities and efficiency.

One suggested area of improvement is that junior employees should be trained and stimulated to acquire self-confidence and to be fully responsible for the less important executive decision. There should be no need for cases to pass through more than two levels of the hierarchy before a final decision is made. Personal responsibility of employees for the work assigned to them should be recognized. This will reduce the burden on top administrators who are occupied with trivial business and to enhance employees' initiative and creativity.

Another qualitative improvement concerns appointments and promotions. The system of appointment and promotion should be based on the principle that a person from the lowest rank can rise to the top if he has acquired the necessary qualifications and if his performance has been outstanding. There should be an adequate and objective rating system of public employees to evaluate their performance and productivity. Furthermore, top administrators should motivate their subordinates and encourage their

initiative, creativity, and self-esteem through the utilization of certain schemes that stimulate the employees' actions, such as rewards, suggestions box systems, counseling programs, and achievement certificates.

At the present time, most of the training programs of the Institute of Public Administration are directed mainly at middle management without any preparation for superior officers who have the final authority in the administrative process. The result is friction between subordinates who obtained training in the institute and their superiors. Conflict arises when the subordinates try to apply what they learned but their superiors do not accept new ideas. As Mohammed T. Sadiq has pointed out,

Superiors are not familiar with administrative training and therefore they are not receptive to change. A good solution for this problem would be in training of these superiors. If they are trained they would encourage rather than resist change. The Institute, however, is not conducting training programs for top level officers. As yet it is not prepared to launch this program.¹⁴

The Institute of Public Administration must pay greater attention to this vital area of training government personnel. The Institute should tailor a special training program for top administrators that develops certain positive skills for those administrators, such as leadership capacities, communications skills, and creativity.

¹⁴Ibid., p. 6.

Alleviating Organizational Deficiencies

The organizational structure is the framework of administration, and its improvement is required for improving the substance of administration. Development of efficient and effective organizational patterns which enhance better communication, decision making, and a smooth flow of work, is thus necessary.

The O. & M. of the Ministry of Finance has taken positive steps toward improving the organizational structure of public bureaucracy. Currently, it is conducting micro-studies of reorganizational patterns of the different ministries and agencies. It is not accidental that at the top of the O. & M. Department is the General Director, Hamdi Abu-Zaid, who holds a masters degree in public administration from an American university. The appointment of an individual regarded as energetic, qualified, and well-educated to the O. & M. section indicates the genuine efforts of the government to induce substantial change and improvement. The present organizational patterns in the Kingdom, however, need a great deal of revision and modification.

National organizations have proliferated and promulgated considerably to the point there exist fourteen ministries, sixteen public corporations, six independent or semi-independent regulatory bodies, and others. There is a great deal of duplication and overlap and a lack of adequate coordination among those agencies exercising closely related functions. The time has come to review the existing national

system and for the O. & M. Department to conduct the necessary studies and research and propose a comprehensive reorganization plan for the government. This plan should emphasize the rational grouping and coordinating of the governmental organizations in order to promote effective administration and to eliminate overlap and duplication.

Moreover, there is an increasing importance given to the roles of specialists in modern bureaucracies. More appropriate than the traditional format is an organizational scheme that would include the specialists in a "line and staff" relationship similar to those commonly in operation in the advanced countries of the West. In this system, the chief of the "staff" is an administrator who is assisted by a number of functional assistants who are specialists in the field. It would be worthwhile to experiment with this type of organization in Saudi Arabia.

Providing for adequate communications system.---There is a great need for each governmental agency to pay more attention to the communication system because it is very vital for effectiveness of any organization.¹⁵ As a basic improvement, vertical communication should be enhanced by management. Specific improvements should include clarity of downward messages, less formalism, and more upward

¹⁵This section has drawn heavily from Esther R. Becker, "Providing for Two-Way Communications," Handbook of Business Administration, edited by H. B. Maynard (New York, 1967), Section Four, pp. 25-33.

communication. Top management, in other words, should deliberately utilize some communication techniques which might facilitate communication between management and employees. Among those possible techniques for improving downward communication are employee publications, policy and procedure manuals, organization creeds, posters, and even loudspeakers.¹⁶

Upward communications, likewise, should be encouraged and developed. Top management should create an atmosphere that is conducive to effective communication by removing obstacles to communication between superiors and their subordinates and providing such schemes and means as a suggestion system, opinion surveys, grievance meetings, reporting, and general meetings.

In addition to the promotion of vertical communications, lateral communication too should be enhanced by top management by encouraging employees to develop a formal and systematic approach to discuss their work problems, needs and strategies. In order to improve communications among them, employees should utilize certain means and tools, such as project team or task force meetings, planning sessions, and discussion of mutual problems.¹⁷

External communication also needs improvement. It is evident that the communication between the government and

¹⁶Ibid., pp. 32-33.

¹⁷Ibid., p. 30.

the public is dysfunctional. There is a great need for governmental agencies and departments to publicize their functions and the services available to the public. One example of the general lack of adequate communication between the government and the people is the Grievance Board, established long ago supposedly to alleviate public grievances against the bureaucracy. Yet it rarely publicizes its activities or services. Many people do not know that such a body even exists. The Board, as well as all other governmental organs, should embark upon large-scale publicity campaigns throughout the country via the various communication media (television, radio, leaflets, brochures, lectures, et cetera). The purpose of such campaigns would be to explain and inform the public about the governmental services available to them and to enhance public response.

Each government agency would be strengthened by the addition of a public relations division in order to provide information and promote understanding of governmental activities. Any public relations program encompasses certain broad objectives and utilizes basic tools. Specifically, public relations objectives are

1. To serve the public via information, responding to requests and disposing of complaints.
2. To publicize [Government] activities and programs.
3. To create good will for the [Government].

4. To persuade the public to support [Government] programs.¹⁸

Public relations' functions could be carried out through various means and tools such as press releases, publications, and special services (speakers bureaus, tours, et cetera).¹⁹

Providing for goal determination and job description.--

The Saudi Arabian organizations generally lack, with few exceptions, very clearly and explicitly stated goals which should be emphasized and stressed by the management. Instead, they operate with vaguely conceived and too broadly stated goals. This kind of situation is certainly not conducive to organizational productivity and effectiveness. The goals of organizations according to Etzioni, serve three purposes. First, they portray the future state of affairs which the organization is attempting to accomplish by drawing up guidelines for organizational activities. Second, goals, when set up, provide a source of legitimacy which justifies the existence as well as the activities of an organization. Finally, goals serve as a measuring stick by

¹⁸Marion C. Tureck, "Municipal Public Relations in 1966," The Municipal Year Book, 1967 (Chicago, 1967), p. 242, as cited in David S. Arnold, "Public Relations," Managing the Modern City, edited by James M. Barovetz (Washington, D. C., 1971), p. 400.

¹⁹Ibid.

which the effectiveness and efficiency of the organization is determined accurately.²⁰

Thus, it is very crucial for governmental organs to have precise and clearly stated and emphasized organizational goals in order to be rational and effective. It is a prerequisite for any purposive mental or physical work.²¹ Accordingly, it is recommended that each ministry or agency must state its goals in more clear and definite terms and provide for their systematic study, modification, and revision when deemed necessary.

Closely linked to the matter of goal determination is the need for an adequate and comprehensive set of job descriptions. A well-written and conceived job description is not only important in the job evaluation process, but also aids in the selection process, career development, performance appraisal, clarification of assignments, and other activities. If job assignments are indefinite, it is difficult, if not impossible, to determine if goals are being met.

The importance of an adequate job description scheme can be clearly understood by the purposes it serves:

To provide a basis for job evaluation;

To check on soundness of the organization structure;

²⁰Amitai Etzioni, Modern Organizations (Englewood Cliffs, N. J., 1964), p. 5.

²¹George R. Terry, Principles of Management (Homewood III, 1968), p. 24.

To aid in assigning functions to positions;

To establish a framework for manager-subordinate agreement of specific work assignments, objectives to be accomplished, and limits of authority and responsibility;

To specify the factors to be used in measuring the individual's accountability for performance.²²

Accordingly, each ministry and governmental agency is urged to establish a system of job descriptions by which jobs are spelled out definitively and the tasks directed toward the results to be accomplished by each specific position.

Stressing research and development.--Research and development has become instrumental in fostering change and progress. No improvement in the administrative apparatus and process can be realized without systematic analysis of the weaknesses, conditions and needs of administration except through research and development (R. & D.). Governmental agencies should make deliberate efforts to establish R. & D. departments to perform rational studies and do the necessary research desired for the particular activity concerned. Moreover, these departments should be placed as close as possible to top management in the organizational hierarchy so that they may be helpful in policy formulation.

In order for these departments to initiate R. & D. in their respective organizations, it will be necessary to carry out the following brief steps:

²²H. Dwight Meader, "Salary Evaluation," Handbook of Business Administration, edited by H. B. Maynard (New York, 1967), Sec. II, p. 123.

1. Setting objectives for research and development.
2. Scanning the environment for technological opportunities and risks. This step includes technological forecasting.
3. Conversion of the objectives and information about the environment into a strategy for research and development.
4. Communication of the results to those responsible for decisions about particular projects and making of final decision on expenditures of funds.
5. A follow-up on results, so that management can learn how to do the job better in the future.²³

Reducing overcentralization.--Overcentralization of administrative authority and responsibility constitutes the most alarming and dangerous phenomenon in Saudi Arabia. It is an administrative evil that delays unduly public transactions, awaiting final decisions from top management, and kills initiative and creativity of employees at the lower echelon. Top administrators have an excessive amount of work to produce, leaving them very little time to think, plan, and review the work they direct. This sad situation is the result of "high-level officials [who] distrust the judgment of lower-level managers and, therefore, try to do work which should be done by their subordinates."²⁴

²³W. Warren Haynes and Joseph L. Massie, Management Analysis Concepts and Cases (Englewood Cliffs, New Jersey, 1969), p. 765.

²⁴Jay B. Westcott, "Governmental Organization and Methods in Developing Countries," Development Administration Concepts and Problems, edited by Irving Swerdlow (Syracuse, N. Y., 1963), p. 47.

It is obvious that if the problem of overcentralization is to be overcome, there is a need for reduction in the number of levels of decision-making in order to prevent delays and promote quick decisions. This can be accomplished via delegation of authority whereby the work is permitted to flow directly to each officer responsible for a decision, subject to guidance from his superiors when necessary.

Reducing elaborate procedures and red tape.--The public administration of Saudi Arabia, not unlike other developing nations, has a stigma of being rigidly procedural and red-tape inclined. Procedural bottlenecks have formed negative images in the mind of the average citizen because government transactions are always associated with procedural and routine delays. In spite of the fact that, at least in theory, government agencies are created to serve the people, the elaborate procedures have placed great obstacles to that end. Although it is indispensable for the government to establish procedures to cope with the complexity of activities it handles and to instruct its personnel to act in uniform and standard manner, blind application of rules and regulations has undermined the original purpose of procedures. Public employees have usually adhered to the strict and rigid application of procedural rules as if they were ends in themselves instead of being mere means.

It is obvious that administrative reform cannot be realized if such rigid procedures are prevalent in

administration. Thus it is essential that all governmental agencies and establishments be aware of this dangerous situation and take appropriate steps toward the improvement of procedures and elimination of red tape. Two specific suggestions can be made. One is reduction of overcentralization by the process of delegating authority and increasing the responsibilities of government employees at the lower echelon as discussed earlier. The other is launching a research study toward the realization of improved processes via simplification of work procedures.

There is a great need for reducing the volume of paper processing in government transactions as evident in the use of the sterile and time consuming "case file" system. The case file system should be abolished entirely and replaced by the usage of well-written and informative short forms.

Improving the Budgeting System

Two major deficiencies were traced in the preceding chapter with respect to the budgeting system of Saudi Arabia. The first was linked to the inadequacy of the budget classification used by the Saudi Ministry of Finance, i.e., object classification. The second was the lack of sufficient integration and close coordination between the planning process and budgeting which undermine planning objectives. These deficiencies might be alleviated by adopting a performance budget and its accompanying accounting system and by a greater emphasis on planning.

Performance budgeting.--The time has come for the Ministry of Finance to introduce gradually performance budgeting as a step to the ultimate application of the most advanced budgetary system, namely, Planning Programming Budgeting System (PPBS). A performance budget is a budget based on the work to be done or services to be produced by the government with emphasis on costs, rather than upon the means of accomplishment, such as personnel, services, equipment, et cetera. The United States' Bureau of the Budget defines a performance budget in these words:

A performance budget is one which presents the purposes and objectives for which funds are required, the costs of the programs proposed for achieving those objectives, and quantitative data measuring the accomplishments and work performed under each program.²⁵

In order to initiate and operate this type of budgeting, the Saudi Ministry of Finance has to follow basic steps involved in this process:

First, the Central Budget Office and the administrators of departments and agencies must cooperate in the identification of work programs that are meaningful for management purposes . . .

Second, programs, once identified, should be examined in relation to organizational structure. Where it appears desirable in the interests of more effective administration, some organizational realignments may be called for to assume a greater harmony between program and hierarchy.

Third, the units of performance should be identified within each program . . .

Fourth, consideration should be given to the full measurement of performance costs . . .

²⁵Quoted in Jesse Burkhead, Government Budgeting (New York, 1967), p. 142.

Fifth, a system of internal reporting should be established so that progress under the program can be measured throughout the fiscal year.

Sixth, the legislation that authorizes the budget should be drafted in program terms. Appropriation structure should be simplified so that each program, where possible, is financed from a single appropriation.

Seventh, the accounts maintained to control and record the disbursement of moneys should be established on a program basis, subdivided by performance units. This, together with a simplification of appropriation structure, will establish a single set of accounts to support all phases of the budget cycle.²⁶

With the application of performance budgeting, it is logical that improvement be extended to accounting and auditing. Government accounting must be compatible with budgetary reforms. It should not be concerned solely with meeting legal provisions but should be recognized as a tool with multiple purposes including serving the needs of management and executive and legislative needs for information.

With respect to auditing government accounts, it is preferable that the pre-audit be abolished because it places a great limitation on management and delays unduly public transactions and governmental actions and decisions. Instead, emphasis should be concentrated on improving post-audit. Performance auditing should be utilized "to check on the operation of the system, rather than on manner in

²⁶Burkhead, p. 154.

which each transaction is documented."²⁷ In other words, post auditing should serve management in enabling it to evaluate its programs.

Initiation of the performance budget should pave the road, in the long run, for the introduction of PPBS. This budgetary system is more compatible with economic planning and is conducive to efficiency and rationality due to the utilization of the complicated tool of cost-benefit analysis.

It is conceivable, however, that there will be some difficulties encountered in the installation of the performance budgeting which basically requires the measurement of full cost per unit of governmental output. But this difficulty could be overcome by introducing at the beginning a "performance classification which seeks only to measure broad program costs over time, supplemented by performance reporting."²⁸ Furthermore, it is preferable that such a budgetary system be applied, at first, to those activities the output of which can be measured in definable units, e.g., public works, education, and agriculture.

It is also understandable that the application of performance budgeting involves the calculation of unit costs of the various programs; hence the use of detailed and advanced cost accounting is indispensable. This, of course, requires a technical competence of budget personnel which the country

²⁷Ibid., p. 481.

²⁸Ibid. p. 480.

substantially lacks. Therefore, there is a great need for people engaged in the budgetary process to be trained in the various techniques and skills that are concomitant to the application of such a system. Furthermore, the political limitations of PPBS are frequently cited. However, the inherent irrationality in Saudi administration dictates the use of any tool that might increase rationality. Adoption of PPBS is, however, obviously conditional on solving the skilled manpower problem.

Integrating budgeting with planning.--With the expansion of governmental responsibilities in the economic and social spheres and with the increased intervention by the State in the economic affairs of a country, the importance of government budgeting as a tool for economic planning has increased tremendously. It follows that the planning agency and budgeting organ should work in close cooperation and coordination toward the rational formulation and implementation of economic plans. Yet in Saudi Arabia, as in the case of most of the developing nations, the budget function is separated from the planning process. This separation places a great strain on economic planning and hinders considerably the feasibility and success of economic plans. Accordingly, there is a great urgency for integrating economic planning and the budgetary process to improve the formulation as well as the implementation of plans. To realize this vital end, it behooves the planning and budgeting organs to pay

attention to the following measures:

1. Close coordination between the planning agency and the Budget Department of the Ministry of Finance and the Central Bank . . .
2. Appropriate timing of the schedules of working of the annual budget.
3. Active participation in the annual planning process of the administrative agencies, ministries and departments who are responsible for making the budget and for implementing the projects/programs.²⁹

In addition, it is strongly recommended that the Ministry of Finance utilize a more precise and accurate type of double budgeting. Although the general budget of Saudi Arabia includes expenditures for developments as well as for current operations, the distinction between the two budgets is blurred. In a more rational system, there would be two separate categories of budget expenditures. This type of arrangement helps "identify programs and to facilitate an appraisal of the budgetary performance with respect to plan objectives and programs."³⁰

Summary and Conclusions

Public administration in Saudi Arabia has evolved from the simple, personal, and traditional administration to a more complex and modern one. With the huge revenues derived

²⁹United Nations, "Major Problems and Obstacles in Plan Implementation," Economic Bulletin for Asia and the Far East, XVIII (Dec., 1967), p. 21.

³⁰United Nations, "Government Budgeting and Economic Planning in Developing Countries," Economic Bulletin for Asia and the Far East, XVII (Sept., 1966), 9.

from oil and with the spread of formal education in the country, it behooved the government to modernize its administration to meet the demands placed upon her for a more positive and active role in the society. Many administrative institutions were established and concomitant laws and statutes were promulgated in order to meet the changing conditions and functions of the contemporary State. Yet, it is evident from the above discussion that Saudi Arabia suffers from great administrative limitations. Administrative problems were examined in three categories: human problems, organization problems, and budgetary deficiencies. Human problems were given greater emphasis and attention because the administrative process does not operate in a vacuum and is closely related to its political and cultural milieu. The Saudi government was aware of the administrative problems confronting the country. Thus, the government has taken certain measures toward reform, such as the establishment of the Institute of Public Administration and the formation of the High Committee on Administrative Reform to deal with the administrative defects of the Kingdom. Furthermore, personnel affairs were given great emphasis; thus, the General Personnel Statute and the General Personnel Bureau Statute were issued in 1971 to bring personnel affairs under universal standards and central control. Yet, the administrative steps initiated by the Saudi government were done on a piecemeal basis and, thus, lacked comprehensiveness and

coordination. Hence, this study has attempted to offer further recommendations toward the betterment and improvement of public administration in Saudi Arabia. These recommendations have been directed for the most part at alleviating the root causes of administrative ills confronting the country in order to obtain appropriate and workable solutions.

In conclusion, there is no doubt that Saudi Arabia is suffering from grave administrative dilemmas which constitute an obstacle to the productive utilization of the country's huge revenue derived from oil. Accordingly, it behooves the Saudi government to place more stress on the importance of seriously improving its administrative apparatus. Yet no real improvement of administration can be achieved if the general public is isolated from this process. The government must take serious actions and adopt a positive attitude toward the involvement and participation of the people in its drive for modernization in general and its pursuit of administrative reform in particular. Mass participation is conducive to the people's understanding of the government actions; hence, they may be willing and able to cooperate with governmental plans and more cheerfully respond to its instructions and direction.

Finally, there are implications for future research in this study. There is presently a very limited body of literature on Saudi Arabian government and administration,

especially material written in English. Therefore, such a case study contributes to the body of factual information about this particular nation.

More generally, it is hoped that this study will contribute to the literature of Middle Eastern comparative administration. This case study of Saudi Arabia casts some light on the administrative characteristics and problems of Saudi Arabia which resemble to a large extent those of the region as a whole.

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