DEVELOPMENT OF OIL AND SOCIETAL CHANGE IN SAUDI ARABIA

THESIS

Presented to the Graduate Council of the North Texas State University in Partial Fulfillment of the Requirements

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MASTER OF ARTS

By

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Before the discovery of oil Saudi Arabia's economic structure was limited, and the majority of the population was engaged in herding and agriculture. Social life was also very simple. The Saudi economy has made tremendous strides since commercial oil production began in 1938. A series of national development plans was formulated, and the government has devoted considerable attention to the improvement of education, the Bedouin lifestyle, and many other aspects of society.

Chapter I of this thesis presents background information about Saudi Arabia, and Chapter II outlines the development of its oil resources. Chapters III, IV, and V describe Saudi Arabia's family life, its educational system, and its nomads. Chapter VI offers a summary and suggestions for enhancing future development in the kingdom.
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CHAPTER I

INTRODUCTION: BACKGROUND INFORMATION
ON SAUDI ARABIA

The modern state of Saudi Arabia was established in 1902, when King Abd al-Aziz rode out of the desert and took his family seat of Riyadh—now the capital of the kingdom—with a surprise attack that ended in the capture of the Masmak fortress, which still stands today (5, p. 2). King Abd al-Aziz was subsequently proclaimed sultan of Nejd—the middle section of the Saudi Arabia—and its dependencies. On January 8, 1926, the citizens of Makkah (Mecca) also swore allegiance to him and named him king of Hejaz—the western section of the country.

Before oil was discovered and successfully exploited, Saudi Arabia was a poor land. Although Abd al-Aziz's power increased after the unification of the kingdom, he had to struggle to make ends meet. According to the book The Heart of Arabia, written a decade before Abd al-Aziz unified the country, all he had in the treasury was £3,000 and $4,000 (14, p. 293). As Arthur Young says,

It was in the decades between the two world wars that Saudi Arabia began to change from a land of nomads, oases, and a few walled towns to one of the world's key countries. The major causes of change were the unification of most of Arabia by
Abd al-Aziz, commonly known as Ibn Saud, and the discovery of the world's richest oil fields. During less than half a century these events, with the efforts of Saudi's leaders and people, have had a spectacular effect . . . in a way without precedent in history (18, p. 1).

In 1927, Great Britain recognized Abd al-Aziz's domain. On September 22, 1932, the country was renamed the kingdom of Saudi Arabia (10, p. 44). During most of World War II, Saudi Arabia remained neutral, although Ibn Saud personally favored the Allies. At the end of the war Saudi Arabia entered the United Nations as a charter member (11, p. 17). Ibn Saud's conquests in the period after World War II brought under one rule a territory that had long been fragmented and disunited.

Saudi Arabia joined the Arab League, which was originally composed of Saudi Arabia, Egypt, Syria, Jordan, Iraq, Lebanon, and Yemen (North Yemen), in March, 1945. The Arab League now consists of twenty members. Its stated purposes are to strengthen relations among the member states, to coordinate their policies in order to achieve cooperation, to safeguard their independence and sovereignty, and to generate concern among the members for the affairs and interests of Arab nations.

Land and Population

Saudi Arabia has a land area of approximately 830,000 square miles, equivalent in size to the United States east
of the Mississippi, excluding New England. The country extends approximately 1,200 miles from north to south and 1,000 miles from east to west at its furthest extremities (12, p. 5). Almost all of Saudi Arabia is hot and dry, although certain climatic variations do occur. Winters are generally balmy, but nights can be quite cold in the mountains and the interior, where temperatures may even fall below freezing. Summers are very hot; temperatures as high as 140°F have been recorded in the desert. Along the coast, high humidity militates against such extremes, but summers are quite oppressive, with temperatures hovering around 100°F to 115°F and humidity in the high nineties (12, pp. 5-6).

Saudi Arabia comprises about 80 per cent of the land of the Arabian peninsula. It is bounded on the west by the Red Sea; on the south by the two Yemen Republics and Oman; on the east by the Arabian Gulf, Bahrain, the United Arab Emirates, and Qatar; and on the north by Kuwait, Iraq, and Jordan (Figure 1).

Preliminary statistics released from Saudi Arabia's 1974 population and housing census, as shown in Table I, indicate that the kingdom had slightly over 7 million people at the end of 1974, including expatriates residing in the country and 1.88 million nomads (6, p. 1). In 1981, the Saudi population was estimated to be 9 million persons (7, p. 15).
Fig. 1--Map of Saudi Arabia*

### TABLE I

**POPULATION OF SAUDI ARABIA BY ADMINISTRATIVE AREA, 1974***

<table>
<thead>
<tr>
<th>Administrative Area</th>
<th>Number of Demographic Units</th>
<th>Number of Families</th>
<th>Sedentary Population</th>
<th>Nomadic Population</th>
<th>Percentage of Nomadic to Total Population</th>
<th>Total Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Riyadh</td>
<td>1,992</td>
<td>198,936</td>
<td>965,805</td>
<td>306,470</td>
<td>24.0</td>
<td>1,272,275</td>
</tr>
<tr>
<td>Makkah</td>
<td>4,088</td>
<td>325,789</td>
<td>1,513,634</td>
<td>240,474</td>
<td>13.7</td>
<td>1,754,108</td>
</tr>
<tr>
<td>Eastern Province</td>
<td>667</td>
<td>120,684</td>
<td>690,188</td>
<td>79,460</td>
<td>10.3</td>
<td>769,648</td>
</tr>
<tr>
<td>Asir</td>
<td>4,597</td>
<td>127,131</td>
<td>434,884</td>
<td>246,477</td>
<td>36.2</td>
<td>681,361</td>
</tr>
<tr>
<td>Madinah</td>
<td>1,742</td>
<td>98,835</td>
<td>282,195</td>
<td>237,099</td>
<td>45.7</td>
<td>519,294</td>
</tr>
<tr>
<td>Jizan</td>
<td>4,537</td>
<td>85,483</td>
<td>387,161</td>
<td>15,945</td>
<td>4.0</td>
<td>403,106</td>
</tr>
<tr>
<td>Qasim</td>
<td>509</td>
<td>48,724</td>
<td>215,447</td>
<td>101,193</td>
<td>32.0</td>
<td>316,640</td>
</tr>
<tr>
<td>Hail</td>
<td>504</td>
<td>45,338</td>
<td>117,210</td>
<td>142,719</td>
<td>54.9</td>
<td>259,929</td>
</tr>
<tr>
<td>Tabuk</td>
<td>472</td>
<td>33,642</td>
<td>105,388</td>
<td>88,375</td>
<td>45.6</td>
<td>193,763</td>
</tr>
<tr>
<td>Al-Baha</td>
<td>1,296</td>
<td>34,323</td>
<td>156,997</td>
<td>28,908</td>
<td>15.5</td>
<td>185,905</td>
</tr>
<tr>
<td>Najran</td>
<td>242</td>
<td>26,569</td>
<td>91,555</td>
<td>56,415</td>
<td>38.1</td>
<td>147,970</td>
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<tr>
<td>Northern Frontiers</td>
<td>130</td>
<td>19,345</td>
<td>42,666</td>
<td>86,079</td>
<td>66.9</td>
<td>128,745</td>
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<td>Jawf</td>
<td>85</td>
<td>19,243</td>
<td>34,093</td>
<td>31,401</td>
<td>47.9</td>
<td>65,694</td>
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<tr>
<td>Qurayyat</td>
<td>98</td>
<td>5,873</td>
<td>18,432</td>
<td>12,972</td>
<td>41.3</td>
<td>31,404</td>
</tr>
<tr>
<td>Frontier nomads</td>
<td>...</td>
<td>30,000</td>
<td>...</td>
<td>210,000</td>
<td>...</td>
<td>210,000</td>
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<tr>
<td>Saudis resident abroad at time of census</td>
<td>...</td>
<td>...</td>
<td>73,000</td>
<td>...</td>
<td>26.8</td>
<td>73,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>20,995</strong></td>
<td><strong>1,210,915</strong></td>
<td><strong>5,128,665</strong></td>
<td><strong>1,883,987</strong></td>
<td><strong>7,012,642</strong></td>
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</table>

The native language of Saudi Arabia is Arabic. Since Arabic is widely spoken in north Africa and the Near East, these regions exhibit major dialectical differences, but classical Arabic—the language of the Qu’ran (Koran)—allows educated people in the Arab world to communicate with each other.

The majority of the population of Saudi Arabia is Arab, descended from indigenous tribes. Ethnic minorities have emerged, principally from those who have been permitted to remain in the country after making a religious pilgrimage (Hajj) to the holy cities of Makkah and Madinah (Medina). Some ethnic minorities came to work in Saudi Arabia's expanding oil industry. Until recent decades most of the Saudi population was nomadic (Bedouins), but migration to cities and towns caused by rapid economic development in the kingdom has reduced the proportion of nomads in the population to 15 per cent, according to a 1980 estimate (13, p. 15). There are no native Christians in Saudi Arabia, although Christians from other countries are employed in the Saudi oil industry (1, p. 2).

With the establishment of the kingdom in 1932 and the accumulation of wealth, class distinctions have developed in the country. The royal family is the highest class, followed by the lesser princely families, tribal sheikhs, and top Ulama (religious authorities). A handful of
wealthy members of successful merchant families have also attained an upper-class lifestyle (15, p. 7). According to Ray L. Cleveland, a new middle class, although still numerically small, is emerging rapidly in Saudi Arabia, consisting of occupational groups such as administrators, technicians, teachers of modern subjects, scientists, military officers, and others in government and business. These persons, however, are distinguished from the rest of the middle class by their reliance on secular, non-traditional knowledge. The Saudi middle class also includes merchants, traders, and land-owners as well as middle-level groups with traditional educations. Among this last is an important group of Shariah judges, lawyers, and religious scholars as well as teachers of religion and Arabic at all levels in the Saudi school system (2, p. 74). It should be noted that the growth of the new middle class and its impact on Saudi life are difficult to measure. The lower class is made up of nomadic Bedouins and unskilled and semi-skilled workers in the government and private sectors.

The population of the kingdom of Saudi Arabia is concentrated in several major cities and in the southwest province. For administrative purposes, Saudi Arabia is divided into five such regions or provinces (Figure 1), each headed by a governor. The principal cities of Nejd, the central province, are the national capital of Riyadh and
Buraydah. Riyadh has developed into a center of commerce as well as the center of government. Its estimated population is 800,000 persons.

The western province, Hejaz, contains the cities of Jeddah, Makkah, Madinah, and Taif. Jeddah, the major port on the Red Sea, is the first stop for many pilgrims on their way to Makkah. Jeddah's population is approximately 1 million. Makkah, the birthplace of the prophet Mohammed, is the spiritual capital for all Muslims throughout the world. It is the location of the holiest shrine of Islam, the Ka'aba, housed in the Great Mosque. Makkah lies 47 miles from Jeddah and, with a population of around 650,000, is the kingdom's third largest city. Madinah, 260 miles north of Jeddah, contains the tomb of the prophet Mohammed and is the second holy city for Muslims. Entrance to Makkah and Madinah is permitted only to followers of Islam. Situated high in the mountains, Taif serves as the kingdom's summer capital.

According to Brian McMaster, the southwest province of Saudi Arabia, Asir, receives more rain than any other region of the country due to its relatively high altitude (13, p. 26). Its terraced mountains constitute one of the kingdom's most heavily populated areas. Abha, the main provincial city, is renowned for its moderate climate.
The eastern province, Al-Hasa, contains Saudi Arabia's oil fields, a triangle of three cities, and the oasis of Hasa, which supports about 100,000 people. Dammam and Al-Khobar, separated by a distance of 12 miles, are the two major cities on the flat and desolate coast of the Arabian Gulf; their combined population is approximately 340,000. The Arabian American Oil Company (ARAMCO) has its headquarters at Dhahran, which is a commercial center and the main seaport of the eastern and central provinces. Further north, Jubail is being developed as a major industrial city, utilizing the area's readily available energy resources. Jubail is more advanced in its development than Saudi Arabia's other heavy industry port, Yanbu, on the western coast.

In general, the development of oil has greatly changed the character of the eastern province. The oil industry has drawn Saudis from every corner of the kingdom, Arabs from other countries, and foreign nationals from Europe, the United States, Africa, and Asia to Al-Hasa. Subsidiary service industries to the oil industry are also located in the eastern province. Furthermore, with a relatively high and steady income, many workers in Al-Hasa own their own homes in Dammam or Al-Khobar and are thoroughly middle-class in outlook.
The Northern province, with the city of Tabouk as its nucleus, is important for both agricultural and strategic purposes. Tabouk has grown rapidly, and its population is now 115,000 persons (13, p. 26).

Religion

Saudi Arabia is a traditional, conservative, Islamic society that has suddenly been confronted with the full force of twentieth-century Western technology and thought. Despite rapid social change, the impact of Islam on the culture and society of the Middle East, particularly on Saudi Arabia, cannot be overstated, for Saudi Arabia is the birthplace of the Muslim religion. Islam is the state religion of the kingdom, and the majority of the population are Sunnites who follow the purist doctrine of Mohammed Ibn Abd al-Wahhab.

Saudi Arabia is by far the most conservative of the Arab states. Two mutually reinforcing factors account for this conservatism. First, as stated previously, Saudi Arabia is the birthplace and cradle of Islam; second, it is also the place of origin of a religious reform movement known in the West as Wahhabism. These factors have given the Saudis a sense of uniqueness in the Muslim world.

The core of belief for the followers of the prophet Mohammed and the reformer Ibn Abd al-Wahhab is laid down in the Qu'ran, the holy book that contains "those formal
utterances and discourses which Mohammed and his followers accept as directly inspired. Muslim orthodoxy, therefore, regards them as the literal Word of God mediated through the angel Gabriel" (3, p. 35). The Qu'ran outlined the basis for a new religion that was neither Christian nor Jewish but was influenced to some extent by both faiths.

The center of Islamic teaching is the belief in the absolute oneness of God (Allah). God is eternal; everything and everyone depend on Him, and all events occur in accordance with His will. The prophets were messengers of God sent among men to teach them how to lead a righteous life and to warn them away from sin (10, p. 18).

The other source for Islamic law in Saudi Arabia is the Sunna doctrine supported by Ibn Abd al-Wahhab. Four schools of legal thought have developed among the Sunnites, however, each named after its originator: the Hanafit, the Malikite, the Shafiite, and the Hanbalite. Today the Hanafit school rules in western Asia (except Saudi Arabia), lower Egypt, and Pakistan; the Shafiite is espoused in Indonesia; and the Malikite prevails in north and west Africa and upper Egypt. The Hanbalite school was the last to be developed; it was also "responsible for the most intolerant and fanatical view of a Muslim's duties and responsibilities" (4, p. 102). It declined in importance during the centuries of Ottoman rule but has experienced
a revival in Saudi Arabia, where it is now the predominant school of legal thought.

In general, Islamic religious customs impose a conservative stamp upon Saudi Arabian society, and all aspects of life are guided by conformity to the teachings of the Qu'ran. The five pillars of Islam are continual profession of faith (there is no God but God, and Mohammed is the prophet of God), praying five times a day, alms-giving, fasting during the month of Ramadan, and, if one's means permit, making a pilgrimage to Makkah. Religious officials (Matawah) ensure adherence to this way of life. Shops are closed during prayers, and immodest dress among women is not tolerated. During Ramadan, the month of fasting, Muslims do not eat, drink, or smoke during daylight hours. In short, Islam is not only one of the three great monotheistic religions of the world, it is also a way of life, incorporating a practical legal system that lays down precise rules for behavior in private, social, and business interactions.

Government

Before the unification and renaming of the kingdom of Saudi Arabia in 1932, the Arabian peninsula was torn for centuries by struggles for political power that rarely resulted in unity. The Bedouins of the peninsula were always contending with one another for control in the country, which
had been devastated by their fighting. No single tribe in central Arabia had been able to assert its leadership, but individual tribes alternately demanded support from others when their leaders were unable to extend authority over a larger area (17, p. 227).

Since the establishment of the kingdom, the political structure of Saudi Arabia has changed from a primitive tribal-religious patriarchy to an absolute monarchy in which the king's authority is limited only by Islamic law (16, p. 225). The laws of Islam provide the country with civil and penal codes and regulate religious problems. Religious law is the source of all legislation (1, p. 4), but the king is empowered to issue decrees in instances when religious law is not applicable. The Qu'ran is the supreme law in the kingdom. The Shariah, which is the foundation of the Saudi judicial system, is based on the Qu'ran and the Sunna of the prophet Mohammed.

The judiciary is an independent agency in the state. The Quadis (judges) usually hand down decisions in accordance with the Hanbalite version of the Shariah. When not theoretically in conflict with the Shariah, justice can also be governed by tribal and customary laws. The late King Faisal observed,

Our constitution is the Koran and our law is the Shariah of Mohammed (God's peace and blessing be upon him); our system of government is based
on the interest of this country, where such interest does not conflict with the principles of our religion and Shariah (9, p. 41).

The governmental structure of Saudi Arabia consists of the king as prime minister, a deputy prime minister, and other ministers. The Council of Ministers is responsible for the national budget, social and economic development, defense, and foreign affairs. The current leader of Saudi Arabia is King Fahd Ibn Abd al-Aziz, who succeeded his brother, the late King Khalid, in 1982. He was the country's first Minister of Education and adopted an educational strategy that still serves as a guideline for the Saudi educational system. Fahd also served as Minister of the Interior at a crucial stage of Saudi Arabia's history and contributed to the establishment of national security and stability. He was also one of the major architects of the Arabian Gulf Cooperation Council (AGCC).

Saudi-Arab Relations

Saudi-Arab relations are dependent upon mutual respect. These relations are dominated by two factors: pan-Arabism and anti-Zionism. Both of these are set in an Islamic cast. Saudi Arabia wants not only to be recognized as the leader of the Muslim world in general and of the Arab world in particular but also as the guardian of the holiest Islamic places, the organizer of the Hajj, and the new financier of the Middle East (1, p. 72).
In the 1930s, Saudi Arabia entered into treaties with neighboring Arab states on the basis of Islamic friendship and Arab brotherhood. In 1945, the kingdom joined the Arab League, which was formed to strengthen relationships among member states. King Abd al-Aziz agreed to join the League on the condition that all of its members guarantee that the independence and sovereignty of each individual state would be safeguarded and that no member would attempt to alter the form of government of any other (11, p. 72).

Saudi Arabia has changed in the fifty years since Abd al-Aziz proclaimed the establishment of the kingdom in 1932. The country has been transformed from a little-known desert land into one of the world's key nations in both economic and international affairs. The policies governing the development and exploitation of Saudi oil resources are basic factors in the world economy, and the kingdom's huge assets abroad make it important in international finance. Saudi Arabia provides extensive direct aid to developing countries and assists them indirectly through international agencies such as the International Monetary Fund (IMF) and the World Bank.

As a member of the AGCC, Saudi Arabia has established very close relations with the Gulf countries, especially with Bahrain. The Bahrain-Saudi Arabia causeway, one of
the most significant ventures in international cooperation of the 1980s in the Middle East, is an embodiment of the kingdom's role in fostering Gulf cooperation. The 15-mile causeway, which will join Jasra in Bahrain with Al-Khobar in Saudi Arabia, will consist of five bridges and seven embankments with two traffic lanes plus an emergency lane in each direction. Border posts will be built on the causeway between the territorial waters of the two countries. First envisaged by King Faisal, the causeway is expected to boost economic activity among AGCC members, contribute to the flow of agricultural and manufactured products, and facilitate the movement of Gulf nationals within the region (8, p. 11).
CHAPTER BIBLIOGRAPHY


CHAPTER II

THE DEVELOPMENT OF OIL IN SAUDI ARABIA

Saudi Arabia is one of the most important countries in the world because it is the largest producer of oil and plays a major role in supplying oil to other nations—indeed, Saudi Arabia is the main source of oil for industrial countries. It holds over one-fourth of the world's proven reserves and has a decisive voice in oil distribution and pricing (27, p. 6).

Saudi Arabia before Oil Development

Before the discovery of oil, Saudi Arabia's economy was very limited, based on revenues from pilgrimages, taxes, and agriculture. Sheikh Rustum Ali observes that agricultural methods were primitive, and poverty, illiteracy, and disease were widespread (3, p. 14). The government's yearly receipts were roughly equivalent to $500,000.

As worldwide economic conditions improved during the 1920s, more and more Muslims made the pilgrimage to Makkah, and the Saudi Arabian government came to expect an average of about 100,000 pilgrims a year. Pilgrims commonly brought goods with them to Saudi Arabia to sell to cover their expenses, and the duty paid on them became an important source of funds.
Revenues shrunk, however, with the advent of the Great Depression. The countries of the Middle East and Asia, from which most pilgrims came, were hard hit by decreasing prices of the raw materials they produced, and fewer persons could afford the costly journey to Makkah. The number of pilgrims fell to 80,000 in 1930 and to 40,000 in 1931 and continued to fall thereafter; customs receipts, of course, declined accordingly. The Saudi Arabian government was hard put to meet this monetary emergency. Taxes were raised, some economies were made, (24, pp. 167-172), and the king sought foreign aid.

King Abd al-Aziz approached Britain for larger aid, but he would not accept the controls and restrictions Britain required. In 1932, as a last resort, he turned to the Soviet Union, which had recognized his rule in 1926, the first nation to do so, as well as the first to establish a legation (1929) with a Soviet Muslim as the first minister. A Soviet ship brought to Jidda a large cargo of goods. But their disposal brought competition with local merchants in Jidda, resulting in a ban on trade with Russia. . . . eventually the legation was closed and the personnel ordered home in 1938 (29, p. 5).

When oil was discovered in the kingdom in commercial quantities in 1938, the Saudi economy began to depend heavily upon it, relying on these resources for 95 percent of the country's national income. Oil revenues have fueled Saudi Arabia's economic development programs and have propelled its current transition from a traditional tribal economy into a modern industrialized society.
The Discovery of Oil

On May 29, 1933, the Standard Oil Company of California obtained a 60-year concession covering a large area in the eastern part of Saudi Arabia, and an operating company known as the California Arabian Standard Oil Company was established. In 1934, when the Texas Company joined the enterprise, its name was changed to the Arabian American Oil Company (ARAMCO) (17, p. 548). The commercial development of oil began in 1938, and, by 1945, oil production had risen to 21,311,000 barrels annually. In 1948, ARAMCO was owned by four American corporations, as shown in Table II.

<table>
<thead>
<tr>
<th>TABLE II</th>
</tr>
</thead>
<tbody>
<tr>
<td>OWNSHIP OF ARAMCO, 1948*</td>
</tr>
<tr>
<td>Company</td>
</tr>
<tr>
<td>Standard Oil Company of California</td>
</tr>
<tr>
<td>Texas Company</td>
</tr>
<tr>
<td>Standard Oil Company of New Jersey</td>
</tr>
<tr>
<td>Socony Mobil Oil Company</td>
</tr>
</tbody>
</table>


Saudi Arabia's first published budget was issued for fiscal year 1947-1948 but contained only general information. According to Ali,
The many years during which the income from oil was being squandered gave Saudi Arabia a later start than necessary in its economic development and planning. Officially, planning in Saudi Arabia started in 1958, with the establishment of the Economic Development Committee (EDC) (3, p. 7).

Since 1958, the Saudi Ministry of Finance has issued a yearly budget that differentiates expenditures of the royal household from those of the state. On the recommendation of the International Bank for Reconstruction and Development, a Supreme Planning Board (SPB) was formed in 1960 to replace the EDC, and in 1965 a Central Planning Organization superseded the SPB (3, p. 7).

Saudi Arabia's oil production had grown to an average of 6 million barrels a day in 1972, and the total annual production, according to a Saudi Arabian Monetary Association Annual Report, rose to 2,201.8 million barrels (14, p. 3). In that same year, Saudi oil revenues increased by 45 per cent to $2,734.1 million. By September, 1974, Saudi Arabian oil production reached 8.3 million barrels per day, and the country had accumulated $11.5 billion in oil revenues (3, p. 7).

In 1973, the Saudi Arabian government acquired a 25 per cent interest in ARAMCO's crude oil concession rights, facilities, and production; later that year, it increased its interest to 60 per cent. Saudi Arabia now has full control over its oil resources.
The discovery of oil brought about a transformation in the financial and economic situation of the kingdom. Income from oil revenues has funded the expansion of transportation and communication facilities and the development of water resources. The government has built schools and made free education at all levels and free medical aid available to the people. The impact of Western technology, especially through the endeavors of ARAMCO, is propelling Saudi Arabia rapidly along the road to modern development. The kingdom is changing from a predominantly pastoral and tribal way of life to one depending on oil revenues, industry, and advanced agricultural techniques.

The export of crude oil began in 1938, as mentioned earlier, from a small storage and shipping terminal at the coastal village of Al-Khobar, which received crude oil from Dhahran through a six-inch company pipeline for barging to the Bahrain Petroleum Company refinery. Ras Tenura was chosen as the site for ARAMCO's tanker terminal, and the first crude oil cargo, according to ARAMCO's publication *Fifty Years of Achievement*, shipped aboard a tanker was loaded on the D. G. *Scofield* on May 1, 1939 (4, p. 2). Following the outbreak of war in Europe in that year, however, operations in Saudi Arabia gradually came to a halt. Activity resumed on a limited scale in the fall of 1943, when plans were announced for a 50,000 barrel per day refinery at Ras Tenura.
This sharp increase in production marked a postwar push by ARAMCO for its share of the expanding peacetime crude oil market. Production, which had averaged less than 20,000 barrels a day before 1944, rose to 500,000 barrels per day by the end of 1949. From 1950 through 1969, the amount of crude oil produced by ARAMCO rose at an average annual rate of about 9 per cent. By 1970, its average daily production was 3,548,865 barrels, a rate that was to be almost tripled during the next eleven years, reaching 9,623,828 barrels in 1981. In the following year, because of changes in the international market, production decreased to 6,327,220 barrels per day, as shown in Table III.

During 1982, new oil accumulations were discovered onshore in wildcats at Amad, Hamd, Maghrib, and Tinat. Additional drilling will be required to determine the full significance of these discoveries. The number of commercial oil fields at the end of 1982, according to Fifty Years of Achievement, was 48, 14 offshore in the Arabian Gulf, 31 onshore, and three (Berri, Qatif, and Manifa) extending under both land and water (4, p. 3) (Figure 2).

The Ghawar field, 150 miles long and 25 miles at its greatest width, is the largest onshore oil field in the world; Safaniya is both the world's first offshore field and its largest. ARAMCO produces more crude oil and
### TABLE III

ARAMCO CRUDE OIL PRODUCTION, 1938-1982*

<table>
<thead>
<tr>
<th>Year</th>
<th>Barrels per Day</th>
</tr>
</thead>
<tbody>
<tr>
<td>1938</td>
<td>1,357</td>
</tr>
<tr>
<td>1939</td>
<td>10,778</td>
</tr>
<tr>
<td>1940</td>
<td>13,866</td>
</tr>
<tr>
<td>1941</td>
<td>11,809</td>
</tr>
<tr>
<td>1942</td>
<td>12,412</td>
</tr>
<tr>
<td>1943</td>
<td>13,337</td>
</tr>
<tr>
<td>1944</td>
<td>21,296</td>
</tr>
<tr>
<td>1945</td>
<td>58,386</td>
</tr>
<tr>
<td>1946</td>
<td>164,229</td>
</tr>
<tr>
<td>1947</td>
<td>246,169</td>
</tr>
<tr>
<td>1948</td>
<td>390,309</td>
</tr>
<tr>
<td>1949</td>
<td>476,736</td>
</tr>
<tr>
<td>1950</td>
<td>546,703</td>
</tr>
<tr>
<td>1951</td>
<td>761,541</td>
</tr>
<tr>
<td>1952</td>
<td>824,757</td>
</tr>
<tr>
<td>1953</td>
<td>844,642</td>
</tr>
<tr>
<td>1954</td>
<td>953,000</td>
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<tr>
<td>1955</td>
<td>965,041</td>
</tr>
<tr>
<td>1956</td>
<td>986,129</td>
</tr>
<tr>
<td>1957</td>
<td>992,114</td>
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<td>1958</td>
<td>1,015,029</td>
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<td>1959</td>
<td>1,095,399</td>
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<tr>
<td>1960</td>
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<td>1961</td>
<td>1,392,518</td>
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<tr>
<td>1962</td>
<td>1,520,703</td>
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<tr>
<td>1963</td>
<td>1,629,018</td>
</tr>
<tr>
<td>1964</td>
<td>1,716,105</td>
</tr>
<tr>
<td>1965</td>
<td>2,024,870</td>
</tr>
<tr>
<td>1966</td>
<td>2,392,737</td>
</tr>
<tr>
<td>1967</td>
<td>2,597,563</td>
</tr>
<tr>
<td>1968</td>
<td>2,829,982</td>
</tr>
<tr>
<td>1969</td>
<td>2,992,662</td>
</tr>
<tr>
<td>1970</td>
<td>3,548,865</td>
</tr>
<tr>
<td>1971</td>
<td>4,497,576</td>
</tr>
<tr>
<td>1972</td>
<td>5,733,395</td>
</tr>
<tr>
<td>1973</td>
<td>7,334,647</td>
</tr>
<tr>
<td>1974</td>
<td>8,209,706</td>
</tr>
<tr>
<td>1975</td>
<td>6,826,942</td>
</tr>
<tr>
<td>1976</td>
<td>8,343,953</td>
</tr>
<tr>
<td>1977</td>
<td>9,016,952</td>
</tr>
<tr>
<td>1978</td>
<td>8,066,105</td>
</tr>
<tr>
<td>1979</td>
<td>9,251,079</td>
</tr>
</tbody>
</table>
natural gas liquids (NGL) than any other company. Its 1982 crude oil production of 2.3 billion barrels amounted to approximately 97 per cent of Saudi Arabia's total production. Cumulative crude oil production from 1938 through 1982 totaled 46.4 billion barrels.

ARAMCO's crude oil production in 1982, combined with Saudi Arabia's share of production from the Saudi Arabia-Kuwait partitioned Neutral Zone, enabled the kingdom to maintain its position as the largest oil-producing nation in the Middle East and the third largest, after the Soviet Union and the United States, in the world. The kingdom is also the world's largest exporter of oil and NGL. Saudi NGL production from gas associated with crude oil production averaged 429,503 barrels per day, for a total of 156.8 million barrels in 1982. The remaining recoverable reserves from ARAMCO's concession area were estimated to be 165 billion barrels of crude oil and 114 trillion standard cubic feet of gas, as determined by the Ministry of Petroleum and Minerals in consultation and agreement.

TABLE III--Continued

<table>
<thead>
<tr>
<th>Year</th>
<th>Barrels per Day</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980</td>
<td>9,631,366</td>
</tr>
<tr>
<td>1981</td>
<td>9,623,828</td>
</tr>
<tr>
<td>1982</td>
<td>6,327,220</td>
</tr>
</tbody>
</table>

*Source: ARAMCO Calendar, Fifty Years of Achievement (Dhahran, Saudi Arabia, ARAMCO, 1984), p. 7.
Fig. 2--The oil fields of eastern Saudi Arabia*

with ARAMCO. The combination of oil reserves in ARAMCO's areas of operation and the kingdom's share of reserves in the Saudi Arabia-Kuwait Neutral Zone constitutes about 25 per cent of the global total, making Saudi Arabia's oil reserves the largest in the world.

In February, 1975, the Saudi Arabian government asked ARAMCO to plan, design, construct, and operate on its behalf a program to gather and process gas from ARAMCO's areas of operations. This master gas system will be the backbone of Saudi Arabia's long-term industrial development program. In 1981, work began on the expansion of the existing master gas system by collecting additional gas, mainly from offshore fields, for processing at currently operating gas plants. This effort is part of the long-range development of a major oil and gas distribution center at Tanajib, located 93.75 miles north of Ras Tanura, which is destined to become ARAMCO's fifth major operations and maintenance center.

The master gas system also includes construction and operation of a transpeninsular pipeline to deliver NGL to the Red Sea port of Yanbu. The plant at Yanbu produces propane, butane, and natural gasoline. The pipeline, ranging from 26 to 28 to 30 inches in diameter, is approximately 725 miles long. The construction of the pipeline began in November, 1978, and was finished in
1981 (4, p. 5). Subsequent to the completion of the Yanbu fractionation plant and the NGL export terminal in 1982, Yanbu has become an important new outlet for Saudi oil and NGL.

Another major project being carried out by ARAMCO that is contributing to the industrialization and development of the eastern province of Saudi Arabia is a consolidated electric power system. During its initial years of operation, ARAMCO was designated by the Saudi Arabian government to plan, construct, manage, and operate the Saudi Consolidated Electric Company (SCECO) in the eastern province. Progress is continuing toward making SCECO an independent entity, although at the present time it still receives assistance in management and operation from ARAMCO. SCECO supplies electricity to towns and villages of the eastern province and provides bulk power for the master gas system and all of the industries in the area. Construction is proceeding on major power generation, transmission, and distribution facilities. At the end of 1982, the system's generating capacity was 4,342 megawatts (4, p. 4). Such undertakings as these amply demonstrate the significance of Saudi oil resources for the kingdom's economic development plans.
Saudi-American Relations since the Discovery of Oil

Relations between Saudi Arabia and the United States are based on common security interests, friendship, and mutual confidence and respect (2, p. 34). As Ali points out, Saudis have been dealing with American individuals since 1933, when King Abd al-Aziz granted the exclusive oil concession to the Standard Oil Company of California. ARAMCO represents the largest single American investment in any foreign country—more than $2 billion in Saudi Arabian oil production facilities since 1933 (3, p. 76).

The most important contact between Saudi Arabia and the United States was made by Charles R. Crane, an American minister and philanthropist, in the early 1930s, when Saudi Arabia was severely affected by the worldwide depression. Due largely to the drastic decrease in the numbers of pilgrims to Makkah, the kingdom's typical annual revenue of £5 million had dropped to £2 million, the government was £300,000 in debt, and the salaries of officials, soldiers, and police officers had fallen in arrears (23, pp. 289-290). Ali describes the results of Crane's activities in Saudi Arabia.

In 1931 Crane arrived in Saudi Arabia to discuss various economic possibilities there with the king. But the king's uppermost interest was in finding water. Crane came back to the United States and sent K. S. Twitchell to Arabia. Twitchell's report on water was pessimistic, but encouraging as regards mineral resources
and oil. Twitchell advised Ibn Saud to await the outcome of oil discovery in neighboring Bahrain. He then returned to the United States for the purpose of promoting capital investments in Saudi Arabia and got Standard Oil Company of California interested in an oil exploration project. . . . Standard Oil obtained the oil concession on May 29, 1933 (3, p. 77).

When a new concession agreement was signed between ARAMCO and the Saudi government on May 31, 1939, the king had received an attractive offer from Japan, but he preferred to continue his association with the Americans as it had the advantage of ensuring the economic development of his country without incurring political liabilities (17, p. 549). Private American oil investments provided the starting point for contemporary Saudi-American relations. In April, 1941, an ARAMCO representative met with President Franklin D. Roosevelt and tried to obtain his approval for a government loan to Saudi Arabia. It was decided that the United States would request Britain to make funds available to Saudi Arabia. Since Britain was receiving lend-lease aid from the United States, a British loan to Saudi Arabia amounted to indirect lend-lease from from the United States. On February 18, 1943, President Roosevelt declared Saudi Arabia eligible for direct lend-lease assistance, which amounted to $17.5 million. In addition, 22.3 million ounces of silver were lend-leased for the minting of Riyal coins (19, p. 107).
Saudi-American relations remained purely commercial until 1940. The United States at that time maintained a policy of isolation and non-involvement in world affairs, which reflected a deep-rooted doctrine in its foreign policy, but World War II changed this situation, and the United States began to take a more active role in international affairs. During the first years of the war, King Abd al-Aziz remained neutral. In 1943, the United States decided to secure a strategic air base in the Middle East to connect Cairo with Karachi in order to strengthen the war effort against Japan, and the U.S. Joint Chiefs of Staff named Dhahran as their objective. After top secret negotiations, the king granted this air base lease to the United States, and in March, 1945, he declared war on Germany. From that time onward, there were multiple increases of diplomatic, military, technical, and economic contacts between the United States and Saudi Arabia (1, p. 36). Cooperation between the two nations grew in numerous fields at all levels.

Although it is the world's second largest oil producer, the United States has no more than 6 per cent of its proven reserves. The United States consumes almost 27 per cent of the world's energy, and American imports of oil from Saudi Arabia constitute almost 8 per cent of the total U.S. consumption. In addition, Saudi Arabia is a major
market for American products and investments. For these reasons, Saudi-American relations are of great importance to the United States.

In a recent interview following the visit of Saudi Minister of Commerce Soliman Al-Solaim to the United States, U.S. Secretary of Commerce Malcolm Baldridge discussed the present state of Saudi-U.S. trade ties and their implications. Recognizing what he called Saudi Arabia's "great strides in its development program," Baldridge touched on the role of American companies in the kingdom, pointed out that these firms have played a major part in Saudi Arabia's development in the past, and stated that a close Saudi-American relationship will continue in the future. A combination of American and Saudi Arabian technology, capital, and expertise is setting the trend in Saudi-U.S. cooperation (13, p. 3).

After fifty years of diplomatic relations, the United States and the kingdom of Saudi Arabia have strengthened their mutual ties through strong growth in trade. Trade between the two countries is an important factor in their relations, particularly for the U.S. citizens working in Saudi Arabia and for the Saudi students in the United States. In short, the kingdom of Saudi Arabia definitely constitutes a cornerstone of American foreign policy in the Middle East.
The Impact of Oil Revenues on Saudi Arabia's Economic Development

The story of oil in Saudi Arabia, as previously stated, started in the 1930s, when ARAMCO began its explorations in the desert of eastern Arabia. Production was very low during World War II, but in 1945 production on a large scale began rising from 50,000 barrels per day in that year to 8.5 million barrels per day in 1974 (6, pp. 36-40).

Initially, ARAMCO paid the Saudi government only a small portion of its earnings, but by the 1950s that amount had gradually increased to 50 per cent of the company's total revenues. In the 1970s, Saudi Arabia initiated a move to participate in the ownership of ARAMCO. The government's share of ownership rose to 60 per cent in 1974, and the company is now completely owned and controlled by the Saudi government.

As noted earlier in this chapter, oil revenues have fueled Saudi Arabia's economic development programs and prompted the kingdom's current transition from a traditional tribal economy into a modern industrialized society (21, pp. 15-16). The discovery of large quantities of oil in Saudi Arabia changed the entire revenue structure of the country and stabilized its economy.

Oil revenues have enabled Saudi Arabia to make great strides in the development of the nation as a whole and
of its people in only a few decades. For example, the kingdom has entered into numerous contracts to bring international companies to work within its borders. As John Yemma states,

In one generation, Saudi Arabia aimed to leapfrog from its status as a nomadic desert kingdom, right through an adolescence of oil riches and pell-mell development, and into adulthood as a world power, not only in crude oil but in refined chemicals, gasoline, aluminum, and steel. . . . With its riches from oil exports, the kingdom assembled an industrial infrastructure in the 1970s and early 1980s, with work continuing to this day. Workers and bosses arrived from throughout the world. Superhighways, ports, pipelines, were rushed into service. . . . In joint ventures with multinational chemical and oil companies, $12 billion worth of state-of-the-art refineries and factories—and the spanking new cities to support them—went up at Yanbu on the Red Sea and Jubail on the Arabian Gulf. . . . Suddenly, Saudi Arabia's expensive dream is reality . . . (28, p. 17).

In addition, rising oil prices in the early 1970s allowed education, housing, health, communication, public services, social security, and many other facilities in the kingdom to be substantially improved, and these developments led to a more settled and diverse life for most of Saudi Arabia's citizens.

As a result of increasing oil revenues, the government of Saudi Arabia set up a program of economic development plans. The Central Planning Organization (CPO) was instructed to design a five-year economic development plan. Newly trained Saudi economists were assigned to the CPO, and the Stanford Research Institution was hired.
to prepare the plan. Within two years the plan for 1970-1975 was produced and approved by King Faisal. The overall goal of the plan was to raise the people's standard of living within the kingdom's existing religious and social framework (8, p. 23). This was achieved by increasing the economy's absorptive capacity and by diversification to reduce Saudi Arabia's dependence on oil. The plan called for 9.8 per cent in the gross domestic product (GDP) during the five-year period, with expenditures of SR (Saudi Riyals) 41.3 billion (8, p. 43). Because of the sudden increase in oil revenues following the 1973 Arab-Israeli war, however, actual expenditures were doubled to SR 86.5 billion (15, p. 52). The 13.5 per cent growth in the GDP exceeded the projected figure of 9.8 per cent (16, p. 48).

The goals of the second five-year plan (1975-1980) were basically the same as those of its predecessor. The projected economic growth for the plan period was 10.2 per cent, and its primary emphases were on diversification, physical and human capital formation, and improvements in social welfare (10, pp. 4-5). The last of these was imperative in order to distribute the benefits of oil production among all of Saudi Arabia's citizens, to draw the population into the labor force, and to increase labor participation rates. Projected expenditures amounted to SR 498.2 billion, a nearly sixfold increase over actual
expenditures during the period of the first five-year plan. The centerpiece of the second five-year plan was the construction of two economic growth points based on integrated petrochemical industries at Jubail and Yanbu, as mentioned earlier in this chapter. Connected by a pipeline to the east coast oil fields, the Yanbu complex is designed to provide employment in the impoverished northwestern part of the kingdom. It is also a guarantee that the kingdom's main source of revenue would not be completely cut off should hostilities in the Arabian Gulf interrupt oil production in the eastern region of Saudi Arabia.

The construction of the Jubail and Yanbu industrial complexes and the building of several strategically placed military garrison cities will have other benefits as well. Saudi Arabia is a huge, sparsely populated country with an average population density of only 5.78 persons per square mile. The migration of rural inhabitants to the new cities, coupled with the expansion of existing large metropolitan areas, will yield economies of scale that should reduce the cost of providing social services to the people.

The most significant constraint on economic development in the kingdom is a shortage of qualified Saudi labor. Given the country's large income, the final success or failure of its planned economic development hinges
largely on the availability of professional, technical, and even manual labor. To meet the excess demand for labor, it has been necessary to import thousands of expatriate workers. Until the early 1970s, the expatriate labor force in Saudi Arabia was small, but since 1973 the foreign work force has expanded rapidly. Between 1973 and 1974, the number of expatriates employed in the kingdom rose 39.2 per cent from 131,148 to 182,505 (1, p. 84). The total continued to grow during the period of the second development plan, reaching 1,060,000 in 1980 (11, p. 35).

Warnings that the presence of large numbers of alien workers could weaken the social structure of Saudi Arabia have been brushed aside, for, as Minister of Planning Hisham Nazer pointed out,

The Third Development Plan focuses on diversification and expansion of the domestic labor force through Saudization. The Ministry of Planning has also been instrumental in coordinating an increased role for the private sector in the development process, a major goal of the third plan. Agriculture, industry, and mining have also been emphasized (13, p. 3).

The general targets of the Third Development Plan, which covers the period from 1980 to 1985, were delineated as follows:

1. Preservation of Islamic values and the applications, considerations, and spread of the divine Shariah;

2. Defense of creed and homeland and safeguarding internal security and stability in the country;
3. Continuation of balanced development though developing revenues and boosting oil income in the long run and preservation of exhaustible riches;

4. Lessening dependence on oil as the main revenue source;

5. Development of manpower through education, training, and upgrading of general health standards; and


Furthermore, the Third Development Plan was inaugurated in a much more favorable situation than was its predecessor. Inflation, which was severe at the end of the First Plan period and during the first two years of the Second Plan, was reduced to an average rate of increase of 10.5 per cent in 1979. With inflation under control, most of the population was able to have a much higher standard of living at the beginning of the Third Plan than at the comparable period of the Second Plan. The average annual per capita income from employment increased from SR 4,800 in 1975 to about SR 8,200 in 1980, and government social welfare programs added an estimated extra 29 per cent to personal income levels during the period. Thus, the average Saudi was much better off in 1980 than in 1975 (11, pp. 37-38).

A significant aspect of the Third Plan is a reduction in the volume of investment in infrastructure relative to
other sectors so that development can be accelerated in the productive sectors and thus induce structural changes in the economy. The specific objectives for the plan are to complete projects begun during the Second Plan and to provide needed physical infrastructure in areas that can be identified as potential growth centers for productive economic activities in the future. Development of municipalities in an integrated and organized manner will continue, as will the development of infrastructure for the support of the two industrial cities at Jubail and Yanbu (11, pp. 77-78).

The goals of the Fourth Development Plan (1985-1990) are defined as follows:

1. Safeguarding Islamic values;
2. Defending the faith and the nation and upholding the security and social stability of the realm;
3. Forming productive citizen-workers by providing them with the incentives conducive thereunto--ensuring their livelihood and rewarding them on the basis of their work;
4. Developing human resources, thus ensuring a constant supply of manpower and upgrading and improving its efficiency to serve all sectors;
5. Raising cultural standards to keep pace with the kingdom's development;
6. Reducing dependence on the production and export of crude oil as the main source of national income;

7. Continuing to bring about real structural change in the kingdom's economy through continuous transformation to produce a diversified economic base, with emphasis on industry and agriculture;

8. Developing mineral resources and encouraging the discovery and utilization thereof;

9. Concentrating on qualitative development through improving and further developing the performance of the utilities and facilities already established during the previous three development plan periods;

10. Completing the infrastructural projects necessary to achieve overall development; and

11. Achieving economic and social integration among the Arab Gulf Cooperation Council (AGCC) countries (9, p. 1).

The Fourth Development Plan has introduced a number of new economic dimensions, according to Minister of Planning Nazer. Some basic industries will be allowed to sell stock to the private sector, new joint stock companies will be established with the intention of making investments in large stock projects, and a Saudi stock market will be set up to control the exchange of companies' stock.
Although petroleum resources will continue to play an important role in Saudi Arabia's economy, new emphasis will be placed on the development of other mineral resources, such as iron for the steel mills at Jubail and Jeddah and the mining of gold. The kingdom's petrochemical production and refining capacities will be bolstered to optimum levels, and its domestic oil storage and transportation capabilities will be expanded (12, p. 3). It is recognized that, without oil revenues, the kingdom cannot maintain its development plans and establish the productive projects that they call for.

Saudi Arabia's Participation in OPEC

The power of the Organization of Petroleum Exporting Countries (OPEC) has been a basic factor in boosting Saudi Arabia's income. OPEC was created in 1960 by Saudi Arabia, Iraq, Kuwait, Iran, and Venezuela at a conference in Baghdad (27, pp. 203-215). OPEC was founded in part as a result of the growing nationalism that led developing countries that export oil to acquire greater control over its production by foreign companies. The headquarters of OPEC was located in Geneva, Switzerland, from January 21, 1961 through August, 1965, when it was moved to Vienna. Both sites were chosen for their political neutrality. As shown in Table IV, only seven of OPEC's thirteen members are Arab states (1, p. 53).
<table>
<thead>
<tr>
<th>Country</th>
<th>Date of Membership</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Iran</td>
<td>September, 1960</td>
<td>Founder member</td>
</tr>
<tr>
<td>Iraq</td>
<td>September, 1960</td>
<td>Founder member</td>
</tr>
<tr>
<td>Kuwait</td>
<td>September, 1960</td>
<td>Founder member</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>September, 1960</td>
<td>Founder member</td>
</tr>
<tr>
<td>Venezuela</td>
<td>September, 1960</td>
<td>Founder member</td>
</tr>
<tr>
<td>Qatar</td>
<td>December, 1960</td>
<td>Full member</td>
</tr>
<tr>
<td>Indonesia</td>
<td>December, 1962</td>
<td>Full member</td>
</tr>
<tr>
<td>Libya</td>
<td>December, 1962</td>
<td>Full member</td>
</tr>
<tr>
<td>United Arab Emirates</td>
<td>November, 1967</td>
<td>Full member</td>
</tr>
<tr>
<td>Algeria</td>
<td>July, 1969</td>
<td>Full member</td>
</tr>
<tr>
<td>Nigeria</td>
<td>July, 1971</td>
<td>Full member</td>
</tr>
<tr>
<td>Ecuador</td>
<td>November, 1973</td>
<td>Full member</td>
</tr>
<tr>
<td>Gabon</td>
<td>December, 1973</td>
<td>Associate member</td>
</tr>
</tbody>
</table>


In January, 1968, Saudi Arabia joined with Kuwait and Libya to form the Organization of Arab Petroleum Exporting Countries (OAPEC), an entity whose purpose was to supplement rather than to conflict with the work of OPEC. The current members of OAPEC are Algeria, Bahrain, Egypt, Iraq, Kuwait, Libya, Qatar, Saudi Arabia, Syria, and the United Arab Emirates. OAPEC's headquarters is located in Kuwait (1, p. 57).

From 1960 through 1973, OPEC's total revenues from oil increased tenfold to $93 billion. From 1974 through
1981, the total rose more than thirteenfold to about $1,250 billion. The yearly cost of U.S. oil imports grew about tenfold between 1973 and 1981, to nearly $76 billion. In 1980, total revenues from OPEC oil were $264 billion; eleven of OPEC's thirteen members, with little more than 2 per cent of the world's population, were paid approximately nine-tenths of these huge sums by non-OPEC countries. The remainder went to populous Indonesia and Nigeria, which together represent 5 per cent of the world's population (29, p. 112).

The kingdom of Saudi Arabia went along with OPEC's price increases, but within the organization it argued for stable prices and some degree of moderation. Saudi leaders were aware of the potential social and international dangers, as ever higher prices upset the world economy and aggravated inflation; to press fellow OPEC members to agree to a fixed basic price, the kingdom kept its oil production at around 9 to 10 million barrels per day from 1979 through most of 1981. This raised its share of OPEC production from about one-third in 1977 to about half in September, 1981 (25, p. 1).

Saudi Arabia and some other OPEC members endeavored to moderate increases in oil prices, recognizing their responsibility for, as well as their interest in, a stable world economy. In addition, the kingdom contributed about
$52 million to the first International Monetary Fund (IMF), and it made the largest pledge to the second and larger fund—about $2.5 billion compared with $1.9 billion from the United States. By May, 1981, Saudi Arabia had loaned about $3 billion to the World Bank and about $6 billion to the IMF. It then agreed to make further loans to the latter for its fund to aid countries with serious payment problems in the amount of approximately $4.72 billion (SR 4 billion) in the first year, up to a total of approximately $9.44 billion (SR 8 billion) over six years (7, pp. 172-187).

In the period from 1976 to 1980, the government of Saudi Arabia provided aid totaling $20 billion to sixty countries for economic and social development. This aid constituted about 6 per cent of the country's GDP; 41 per cent of all OPEC aid, which totaled about $8 billion yearly as of 1981; and 15 per cent of similar aid provided by industrial countries. In providing part of this aid, Saudi Arabia joined with other Arab and Islamic nations, subscribing more than 20 per cent of the $15 billion total capital of twelve regional development institutions (26, p. 1).

After World War II, the demand for oil grew faster than that for any other type of energy, including coal, hydrogen, nuclear power, and natural gas. One of the
reasons for this increasing demand was that the cost of producing oil was much lower than that for any of these other energy sources. Table V presents world oil supply and demand projections from 1979 to 1981, including OPEC production.

In 1973, OPEC's thirteen member countries spanned four continents. The majority (seven) were Arab countries (Saudi Arabia, Iraq, Kuwait, the United Arab Emirates, Algeria, and Libya), six were in western Asia (Saudi Arabia, Iran, Iraq, Kuwait, Qatar, and UAE), four were in Africa (Algeria, Libya, Nigeria, and Gabon), two were in Latin American (Venezuela and Ecuador), and one was in Oceania (Indonesia). Their exports accounted for over 85 per cent of the world oil trade (27, p. 203).

In November of 1979, President Jimmy Carter declared that the United States would not import oil from Iran. When Iran's exports to the United States ceased, President Carter already knew that Saudi Arabia was producing more oil than it had to (20, pp. 68-69). According to Time magazine, "Saudi Arabia feels the squeeze largely because it has made disproportionately large cuts in its crude oil production to protect the price of oil and the market shares of the have-not OPEC members" (22, p. 53).

As the result of conflict among some of its members, (e.g., Iran, Algeria, and Libya), OPEC was weakened somewhat
### TABLE V

**WORLD OIL SUPPLY AND DEMAND PROJECTIONS, 1979-1981**

(MILLIONS OF BARRELS PER DAY)*

<table>
<thead>
<tr>
<th>Factor</th>
<th>1979</th>
<th>1980</th>
<th>1981</th>
</tr>
</thead>
<tbody>
<tr>
<td>Demand (non-Communist)</td>
<td>52.5-54.1</td>
<td>45.9-56.7</td>
<td>68.3-72.6</td>
</tr>
<tr>
<td>United States</td>
<td>18.4-19.7</td>
<td>19.3-20.7</td>
<td>22.2-25.6</td>
</tr>
<tr>
<td>Western Europe</td>
<td>13.7-14.4</td>
<td>13.7-14.7</td>
<td>15.8-18.2</td>
</tr>
<tr>
<td>Japan</td>
<td>5.9-6.2</td>
<td>6.2-6.6</td>
<td>8.1-8.8</td>
</tr>
<tr>
<td>Canada</td>
<td>2.2-2.3</td>
<td>2.2-2.4</td>
<td>2.9-3.5</td>
</tr>
<tr>
<td>Other developed countries</td>
<td>1.3</td>
<td>1.4</td>
<td>1.9</td>
</tr>
<tr>
<td>Non-OPEC less developed countries</td>
<td>7.8</td>
<td>8.5</td>
<td>12.0</td>
</tr>
<tr>
<td>OPEC countries</td>
<td>2.8</td>
<td>3.0</td>
<td>4.0</td>
</tr>
<tr>
<td>Other demand</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Non-OPEC supply</td>
<td>21.2</td>
<td>22.2</td>
<td>20.4-22.4</td>
</tr>
<tr>
<td>United States</td>
<td>10.2</td>
<td>10.0</td>
<td>10.0-11.0</td>
</tr>
<tr>
<td>Western Europe</td>
<td>3.1</td>
<td>3.7</td>
<td>4.0-5.0</td>
</tr>
<tr>
<td>Japan</td>
<td>0.0</td>
<td>0.0</td>
<td>1.3-1.5</td>
</tr>
<tr>
<td>Canada</td>
<td>1.5</td>
<td>1.5</td>
<td>0.4</td>
</tr>
<tr>
<td>Other developed countries</td>
<td>0.5</td>
<td>0.5</td>
<td>8.0-9.0</td>
</tr>
<tr>
<td>Non-OPEC less developed countries</td>
<td>5.3</td>
<td>6.1</td>
<td>...........</td>
</tr>
<tr>
<td>Net Communist trade</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>U.S.S.R.-Eastern Europe</td>
<td>0.2</td>
<td>0.3</td>
<td>3.5-4.5</td>
</tr>
<tr>
<td>China</td>
<td>0.4</td>
<td>0.5</td>
<td>0.0</td>
</tr>
<tr>
<td>Required OPEC production</td>
<td>31.1-32.1</td>
<td>32.9-34.7</td>
<td>46.7-51.2</td>
</tr>
</tbody>
</table>

as these countries' interests diverged (18, pp. 60-61). This weakness allowed every member of the organization to set its own price for oil production, and these factors contributed to a general decrease in oil prices. Saudi Arabia has made diligent efforts to stabilize and restore OPEC's power to control the price of oil. From time to time, the kingdom has increased or decreased its oil production in accordance with demand in the market.
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CHAPTER III

FAMILY LIFE IN SAUDI ARABIA

The Structure of the Saudi Arabian Family

The family is perhaps the most important social institution in Saudi Arabia. Individual members participate in major domestic decisions, but the final authority lies with the father, who is the family head (7, p. 26). The traditional basis of the family is tribal, with all relationships and loyalties centered on the family unit. This serves to develop personal identity (8, p. 47).

Even during the current period of modernization and social transition in Saudi Arabia, family obligations continue to take precedence over all others, and the lives of individuals are shaped by the structure of the family, its commitments, and its responsibilities. A sense of family unity, extending to grandparents, aunts, uncles, and cousins, is evident and is the nucleus of clan and tribal relationships. Most households include relatives from outside the immediate family who do not have households of their own. A typical Saudi family usually comprises three generations within a household: the husband and his wife or wives, their unmarried children, and married sons with their wives and children (although educated
sons usually prefer to live in separate units with their wives and children). All members of the family must submit to the authority of the father, although his wife directs activities pertaining to the home (11, p. 8).

The basic family unit in Saudi Arabia is the extended family. Tribal affiliations are usually respected, and individuals may take refuge for brief periods in the homes of fellow tribesmen when they are far away from their own residences (8, p. 48). Saudi social life is based on ties of blood and kinship. The Arab is known by the family to which he belongs. Honor (ird) is largely a family consideration, and dishonor is to a considerable extent the consequence of misdeeds by female family members. Younger people are expected to care for their elders, and all members of families should be concerned with each other's welfare. Among intimate acquaintances a husband and wife are known by the given name of their oldest son or daughter—for example, abu Waleed, abu Reem (father of Waleed, father of Reem) and umm Waleed, umm Reem (mother of Waleed, mother of Reem). Children customarily take their father's first and family names as their second and third names (8, p. 297). A wife, however, retains her family name rather than taking that of her husband.

The distinction between public and private aspects of Saudi society is rigidly maintained. For example, when
a woman appears in public she must wear a long black cloak (abayah) and veil her face. Saudi women are now permitted to work outside the home, but their places of employment must be segregated from those of men. Women work in various fields, particularly education and health. Polygyny is permitted by Islam, but the practice is declining in Saudi Arabia, particularly among members of the younger generation. Educated people generally prefer monogamous marriages, and many Saudis do not wish to subject their children to the stresses of growing up in a home with more than one mother (8, p. 24). A move toward smaller families is becoming apparent among better-educated Saudis.

Oil wealth has not made substantial changes in the structure of the Saudi Arabian family, nor has it altered the people's religious faith. According to George Lipsky, The holy Koran and the Hadith continue to be the basic texts for the formal education of the young and the reflection of scholars, as they have been for more than a thousand years. Results of past events and the outcomes of future ones are expressions of God's will. God is the ultimate cause of today's rain, tomorrow's sunshine, the success or failure of a marriage, or the outcome of a business venture. Man must do his best, but only if God wills it will he be successful. Formal references to God's omnipotence permeate all social discourse (8, p. 296).

Marriage

Marriages in Saudi Arabia are arranged by the couple's families. When a man is ready to marry, he makes his
intentions known to his family, and his father or any other close male relative makes inquiries among the fathers of eligible daughters. Bride and groom meet each other for the first time on their wedding day, before the marriage ceremony. Of Islamic marriage Peter Hobday states,

The rules for married life in Islam are clear and in harmony with human nature. In consideration of the physiological and psychological make-up of man and woman, both have equal rights and claims on one another, except for one responsibility, that of leadership. This is a matter which is natural in any collective life and which is consistent with the nature of man. The Qu’ran (2.228) states thus: and they (women) have rights similar to those (of men) over them, and men are a degree above them (3, pp. 91-92).

The man’s role of leadership in relation to his family does not mean that he holds dictatorial power over his wife. Islam emphasizes the importance of taking counsel and mutual agreement in family decisions. A woman has the right to accept or reject the proposal of any suitor, and any woman who is forced to marry against her will has the right to dissolve the contract. In addition, according to the teachings of Islam, a woman has the right to make her preference known concerning any man whom she might wish to marry.

Marriage in Saudi Arabia is regarded as a civil contract, and the wedding ceremony is attended by a respected member of the community and conducted in the presence of two male witnesses. With regard to polygyny, Mohammed Al-Oteiby states,
The Qu'ran does not advocate license or excess in these marriages and insists that a husband treat his wives equally. The Qu'ran states, "Marry women of your choice, two, or three, or four; but if ye fear that ye shall not be able to deal justly (with them), then only one" (2, p. 4).

Marriage customs, it should be noted, vary by regions within Saudi Arabia.

Wealth may not be the major consideration in marriage arrangements, "for a prosperous family may be pleased to marry a daughter to a relatively poor but educated man" (9, p. 53). One of the components of the marriage contract is a provision specifying the financial obligations (mahr) assumed by the husband in taking his bride. The social standing of the bride's family is an important consideration. The mahr, which must be paid to the bride's father or mother before the marriage, is used for the purchase of clothing for the bride, articles for her future home, and other property as an investment for her future security. Among the poor, a substantial proportion of the payment may be used by the bride's father to defray the expenses of the wedding celebration.

The marriage may be celebrated either in the residence of the bride's family or at the husband's home, where the new couple will live. In urban areas it is traditional for the bride to be placed on a special chair, often elevated so that her bridal clothes, jewelry, and beauty may be observed and applauded by everyone present. Female
relatives and friends of the bride gather in her home to celebrate the event. Friends and relatives of the groom accompany him to escort the bride to her new home. The groom then performs a symbolic gesture such as lifting her veil and kissing her. The groom is expected to give his bride a gift (subhah)—for example, an expensive wristwatch or necklace.

**Divorce**

Divorce is less frequent in the towns and villages of Saudi Arabia than among the Bedouins. The marriage contract may be dissolved if the wife is barren, if the husband fails to maintain a suitable standard of living for his wife, or if the temperaments and habits of the spouses are seriously incompatible. Barrenness need not result in divorce, since the husband may marry a second wife if he wishes to have children.

Women have the right to secure a divorce for cause through the courts (Qadis). According to Al-Oteiby,

The rights of women in Islamic societies with regard to divorce are enumerated below.

1. A woman may obtain a divorce from her husband if she retained that right for herself in the marriage contract.
2. A woman may obtain a divorce from her husband if she finds life with him to be insupportable, in which case she must repay the dowry that he gave her at the time of their wedding. If the divorce originates with the husband, he may not reclaim any of the dowry.
3. A wife may obtain a divorce from her husband without repaying the dowry if she can prove that he abused her or did not provide an adequate sustenance allowance (2, p. 5).

A woman is required to wait three months after being divorced before she may marry again. If a divorced woman has children, the husband must continue to support her until she remarries.

The divorce rate in Saudi Arabia has risen in recent years. One factor contributing to this increase in divorces may be the increasing wealth of much of the population; another may be the fact that the desire of married women to seek employment often brings them into conflict with their husbands' traditional values and may cause serious marital discord.

**Family Authority**

The head of the family is expected to exercise his authority in most domestic decisions involving outside activities and obligations. Activities within the home, however, are under the authority of the wife, who directs her children; her daughters-in-law, if any; and, to some extent, the men in the family in the maintenance of household routine.

Several examples illustrate the scope of the husband's familial authority. His approval is necessary for his wife to visit the home of a friend who does not live
nearby, for his son to enroll in school, and for his family to invite relatives or friends to their home for a celebration (8, p. 49). In actions affecting his parental family, however, the husband should and usually does follow the course suggested to him by his parents.

Child Training

Traditionally, children are regarded as a blessing in Saudi Arabian society. A common felicitisation is "May you have many children" (8, p. 50). In the past, a couple expected to have a child within their first year of marriage, but many educated couples today prefer to delay starting their families for two to five years. New parents invite friends and relatives to celebrate the birth of their first child. A week before the celebration, the couple name the child. Well-wishers bring gifts when they make visits of congratulation to the parents.

Until the age of seven or eight years, there is little difference between the activities of boys and girls. Boys then increasingly seek the company of males, and girls are restricted to their homes and to the company of females. Of Saudi family patterns as children mature, Lipsky states,

Children are thought of as belonging more to their mother than to their father up until they reach the age when they are able to dress, feed, and generally look after themselves. Boys are thought to achieve this level of maturity about
two years before girls. ... Guardianship over the children is legally exercised by the father between the age of dependency and that of puberty, fixed at fifteen years for both sexes. A girl, however, is apt to remain under the authority of her guardian until she marries (8, p. 50).

Parents are likely to be indulgent during their children's early years and to become more formal after they reach the age of seven or eight. Punishment, when needed, may be administered by either parent. When children attain maturity, they are treated like adult friends by their parents. Children may be present at adult gatherings but are not allowed to participate in the conversation unless a question is directed to them.

Inheritance

The death of a husband does not break up his household in Saudi society. Members of his family (e.g., father, uncles, brothers, cousins, adult sons) give support to his wife and children. A widow must wait for four months and ten days after the death of her husband or, if she is pregnant, until the birth of her child before she may legally marry again (8, p. 56), but a widower may marry again at any time. Lipsky describes the laws and customs governing inheritance in Saudi Arabia.

From the husband's estate must be paid, first, all outstanding debts, second, any special bequests made by him, provided these do not exceed one-third of the remaining value of his estate. The remainder is divided among those eligible to inherit, as defined by the Hanbali version of the Sharia law.
... Ordinarily, sons will get twice as large a share as daughters. If there are no children in the family the wife will inherit one-fourth of the remainder of the husband's estate; otherwise she receives one-eighth. A husband receives either one-half or one-fourth of his deceased wife's estate (8, p. 57).

The Role and Status of Women in Saudi Arabian Society

The status of women under Islam is probably one of the least understood subjects in the non-Muslim world. In the past, Islam served to free women from oppression; today it guarantees them full legal rights. A complex set of religious and cultural values shapes the lives of women.

The advent of Islam brought with it genuine concern for improving the status of women, who were proclaimed spiritually equal to men with full legal capacity. Islamic law guarantees women inheritance rights, the right to retain their names after marriage, and the right to obtain a divorce. The Qu'ran guaranteed Muslim the right to conduct business as they pleased and to own property and dispose of it freely. The prophet Mohammed's first wife, Khadija, was a Muslim businesswoman.

Perhaps the most far-reaching effect of economic development in Saudi Arabia is the changing role of women. Increased education among females is bringing about changes in their status. According to the Statistical Yearbook for 1960-1961, in that year Saudi Arabia's student population
totaled 143,010 individuals, and almost 92 per cent of them were males; ten years later, that proportion had fallen to 74 per cent, and, in 1980, only 62 per cent of the students in the kingdom were males (5, p. 86).

In addition, growing demand for education among women has led to an increase in the number of women attending institutions of higher learning. In 1960-1961, no women were enrolled above the secondary school level. In 1970, 691 women were attending post-secondary institutions; by 1975, the number had jumped to 5,310, and, in 1980, to 15,932 (5, p. 86).

A further indication of the changing role of women in Saudi Arabia is the areas of concentration in which they are matriculated. Some women specialize in education and go to work in that field. In 1970, 37 women were enrolled in the Faculty of Commerce at King Saud University (formerly Riyadh University); by 1975, that number had risen to 254, and 80 women were studying medicine, the most prestigious profession for women. Most women entering this field are trained as nurses, but a few female physicians are employed in Saudi Arabian hospitals. Women also work in the banking sector (9, pp. D1-D2); 30 to 40 per cent of all money in the kingdom is controlled by women, and several banks operated by women for women have been established. Since 1980, four women's banks have been
opened in Jeddah and another nine elsewhere in the kingdom. In addition to banking, women have been entering the business world by opening stores catering to women.

Modern education has broadened the horizons of women students, especially those who have studied in the United States and western Europe. Education and travel have piqued women's intellectual interests in a wide spectrum of areas that were formerly the exclusive preserve of men. Many of these women see themselves as a valuable "natural resource" and are eager to use their education and skills in service to their families, their society, and their country.

Yet, despite the rising educational level of women and their entrance into new fields of employment, the traditional norms guiding behavior between the sexes still prevail in Saudi Arabia (10, p. 92). These educated women are not seeking liberation in the Western sense because, even for the most advanced, self-fulfillment and social responsibility are still predominantly linked to the family as the basic social institution. Although the extended family imposes most of the social restrictions on women, it would be difficult to conceive of a woman liberating herself entirely from the institution that provides her with the greatest sense of self-identity. This family-oriented self-identity will endure among
Saudi women as long as they follow the teachings of Islam.

The Impact of Social Change on the Saudi Arabian Family

Morshed Zughaibi describes the changes that oil wealth has brought about in Saudi Arabian society.

The Saudi society 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 (11, p. 9).

Fifty years ago, most of the population of Saudi Arabia was living in the desert as unsettled Bedouins. The camel was the primary means of transportation, and the wheel was not in use in most areas of the country. Life was harsh and short. Today automobiles, televisions, dishwashers, and radios are used in virtually every household. The number of automobiles and trucks is so great that traffic jams as large as those in New York City, Boston, and other major Western cities are common occurrences. Saudi pilots fly Boeing 747s and other airliners, cities to house thousands of inhabitants are rising out of the desert, and a modern infrastructure has been put in place (6, p. 19).

Rapid social change has weakened the extended family, although it remains the basic unit of Saudi Arabian society.
As noted earlier, a family may consist of hundreds of members who keep in touch with one another and provide for each other's welfare. In recent years, however, the government has taken over some of the services that extended families gave to their members, sponsoring free health care, free education, old age pensions, worker's compensation, orphanages, and many other social programs. Furthermore, the government has established several financial institutions that grant interest-free loans to help people of limited means to overcome unforeseen financial exigencies and to enable individuals to obtain interest-free home mortgages.

Industrialization in Saudi Arabia has provided additional impetus for women to become educated and to enter professions. As more married Saudi women choose to attend college, the government gives them financial assistance and provides child care programs. Currently, approximately 1,400 Saudi wives are studying in the United States with their husbands (4, p. 10). Moreover, the Ministry of Higher Education reported that 7,556 males and 931 females with government scholarships were studying in universities outside Saudi Arabia in 1984, as shown in Table VI.

Women in Saudi Arabia today play a vital and growing role in the development of the kingdom. In 1977, the
TABLE VI

SAUDI ARABIAN STUDENTS WITH GOVERNMENT SCHOLARSHIPS AT UNIVERSITIES ABROAD BY DEGREE LEVEL AND SEX, 1984*

<table>
<thead>
<tr>
<th>Degree Level</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-degree</td>
<td>425</td>
<td>121</td>
</tr>
<tr>
<td>Diploma</td>
<td>10</td>
<td>5</td>
</tr>
<tr>
<td>Bachelor's</td>
<td>6,069</td>
<td>740</td>
</tr>
<tr>
<td>Master's</td>
<td>864</td>
<td>58</td>
</tr>
<tr>
<td>Doctoral</td>
<td>150</td>
<td>7</td>
</tr>
<tr>
<td>Fellowship</td>
<td>38</td>
<td>...</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>7,556</td>
<td>931</td>
</tr>
</tbody>
</table>


Central Department of Statistics within the Ministry of Finance and National Economy conducted a survey of labor force activities. With regard to the participation of Saudi men, Saudi women, and expatriates in the work force, the survey stated,

... 1,165,730 Saudi males, or 59.3 per cent of the male population aged 12 years and over, were members of the labor force, including those working in agriculture. Of the 1,940,007 Saudi women 12 years of age and over, only 93,960 were employed in all fields, including agriculture. Of the foreign population aged 12 and over--1,090,599 persons--733,920 were participants in the labor force; only 356,679 were not (2, p. 77).
Saudi women are permitted to work in three divisions of the public sector: the General Presidency of Girls' Education, the Ministry of Health, and the Ministry of Labor and Social Affairs. A few women are employed in customs, border immigration bureaus, and banks. In 1976, the total number of women employed in the public sector was 10,952; five years later, in 1981, that figure had risen to 23,935 (2, p. 96). Al-Jazeera daily newspaper stated that the number of women employed in the public sector has reached 30,000 in 1985 (1, p. 5).

Islam encourages women's contributions to society and guarantees women important legal rights. Within the Saudi system of traditional and religious values, the growing participation of women in education and employment provoked by social change is certain to continue.
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CHAPTER IV

THE SAUDI ARABIAN EDUCATIONAL SYSTEM

Education in Saudi Arabia was founded before the establishment of the kingdom. Private religious education was provided in Qu'ranic schools and in mosques (Masjids), especially in the holy cities of Makkah and Madinah (3, p. 16). Talal Hafiz describes these early educational facilities.

... education in Arabia was limited to a few religious schools known as "katatib" (writing schools) and "halaghat" (traditional Islamic seminar teaching style). Both types of schools concentrated on individualized student instruction in small group settings. The katatib, located at or near the mosques, presented basic teaching of Shariah and some reading and writing skills. The halaghat offered in-depth study and discussion of Islamic law, using a seminar format. The same format is successfully used by higher education institutions in the United States. Instructors and students were generally seated in a circle or semicircle on the floor. Students also gathered for small group discussion among themselves, with the teacher joining these discussions to provide clarification or comment on student reactions (6, p. 45).

The role of the katatibs and halaghats began to change, however, after the establishment of the kingdom of Saudi Arabia, and both were eventually superseded by public schools, although in large Masjids the halaghats continue to offer traditional Islamic teaching and discussion (6,
When the kingdom was founded, the government took responsibility for the administration of education; the Directorate of Education was established in 1923 to take charge of the supervision and implementation of education. When the Council for Education was created in 1930, the authority of the Directorate of Education was extended to cover all educational matters throughout the kingdom (3, p. 16). The Ministry of Education, established in 1936, supervised schools for males.

It should be noted that, because in general the people were opposed to permitting their daughters to attend school, education for females in Saudi Arabia developed much later than education for males. Thus, the General Presidency for Girls' Education, which supervised private and public education for females, was not created until 1959. After its founding, however, it played an important role in making age-appropriate levels of education available to all females. In addition, the General Presidency for Girls' Education has responsibility for adult education for females in Saudi Arabia (3, p. 38).

Adult education for both males and females consists of two stages. *Makaf'ah* (illiteracy) is a "combating" stage which is equivalent to the first three grades of elementary education. *Matab'ah* (follow-up) is equivalent to the fifth and sixth grades of elementary education.
In 1981-82, 146,192 adult students--90,708 males and 55,484 females--were enrolled in makaf'ah and matab'ah.

Public education is free at all levels from kindergarten to college. The Saudi government also provides students with free textbooks and health services, and students in some intermediate (junior high), secondary (senior high), vocational, and higher education institutions receive monthly allowances for living expenses. Out-of-town university students are furnished with living accommodations, and many students studying in foreign countries are sponsored by government agencies (6, p. 46).

Elementary Education

Elementary Education for Males

The number of elementary schools for males in Saudi Arabia rose from 306 in 1953 to 699 in 1960. In 1962, there were 938 elementary schools for males in the kingdom, comprising 5,991 classes and accommodating 139,338 students. In 1972, the number of classes had increased to 13,905, with a total enrollment of 330,955 students (11, p. 32). The number of elementary teachers in schools for males also increased to 29,348 in 1980. In 1982, the number of schools was 4,083, composed of 30,832 classes and a total enrollment of 600,891 students. The number of elementary teachers--male and female--increased to 55,015 in that year (10, pp. 43, 48). These statistics include the
kingdom's private schools, which are under the supervision of the Ministry of Education and account for 5.9 per cent of the total number of schools (1, p. 17).

Elementary schooling for males is a six-year program of instruction. The student starts school at age six and moves from one grade to the next after passing a final examination which is administered in May of every year. Upon completion of his six years of elementary education, the students enters the intermediate level (junior high) of education (8, p. 9). Curricula are formulated and textbooks chosen by the Ministry of Education. Private schools must adopt the same curricula as public schools, especially in social studies, which include religion, history, and geography. In addition, the textbooks used in private schools must be approved by the Ministry.

Curricula in Saudi Arabia emphasize religious studies. The weekly program in elementary school for males consists of about 30 to 35 periods, each 45 minutes in length. Science is taught in all six years of elementary training. Students are given instruction in general science, simple physics, and chemistry. Classes are held in a science laboratory, where teachers can conduct experiments for the students. In rural areas, however, because of the lack of labs, science instruction is given in the classroom.
Classes in mathematics, which is also taught in each of the six years of elementary education for males, are held every morning. Students learn numbers, addition, subtraction, multiplication, division, the decimal system, fractions, computation of simple and compound interest, and simple algebra and geometry (13, p. 10).

Elementary Education for Females

As noted previously, the formal education of females in Saudi Arabia is a relatively recent development. Before the establishment of the General Presidency for Girls' Education in 1959, education for females had been the responsibility of the private sector. In 1959, Saudi Arabia had only 15 elementary schools for females, and in 1960 there were only 113 female teachers. In 1962-63, the total number of elementary schools for females rose to 60, comprising 530 classes and accommodating 18,880 students. A decade later, these totals increased to 552 schools, 5,072 classes, and 168,893 students (11, p. 43).

By 1980, the number of elementary schools for females had tripled, at 1,655, and these schools had 17,263 female teachers and approximately 3,264 female administrators (8, p. 107). In 1981-82, the number of schools increased to 2,204, with 17,345 classes and 397,416 students. The number of teachers (male and female) increased to 55,015, as mentioned above (10, pp. 43, 48).
Like males, female students enter school at six years of age and embark upon a six-year course of study at the elementary level, divided into six grades. Students are promoted from one grade to the next at the end of the year after passing a final examination. The school year is divided into two sessions, each contributing 50 per cent to the year's total grade, 15 per cent for homework and 35 per cent for classroom participation and the final examination.

When a female finishes the sixth grade, she is awarded the Elementary Education Certificate, entitling her to continue her study at the intermediate level. Elementary curricula are formulated and textbooks selected by the General Presidency for Girls' Education, and private schools must adhere to its stipulations.

As for males, the weekly program of elementary instruction for females consists of about 35 periods of 45 minutes each. Unlike schools for males, however, schools for females include training in cooking and fundamentals of tailoring and needlework (13, pp. 9-10).

Intermediate Education

Intermediate Education for Males

The intermediate level of education follows the elementary level and lasts for three years. In 1952, Saudi Arabia had fewer than 10 intermediate schools for males.
In 1962-63, the number of schools had risen to 65, comprising 414 classes and accommodating a total of 11,148 students. In 1972-73, there were 359 schools with 2,239 classes and 63,278 students (11, p. 32). By 1980, the number of schools had increased to 857, the number of classes was 5,793, and the total enrollment of male students at the intermediate level was 140,566. Also in that year, intermediate schools for males were staffed by 11,626 teachers and 3,275 administrators. The number of students per class ranged from 28 to 40 (8, p. 145). Finally, in 1981-82, Saudi Arabia had 1,212 intermediate schools for males with 6,893 classes and 176,641 students. The number of teachers (male and female) at the intermediate level was 18,261 (10, p. 53).

The weekly program in intermediate schools for males consists of approximately 34 45-minute periods. The student takes five English periods, five mathematics periods, and five science periods, as well as periods in religion, Arabic language and literature, social studies (such as history, geography, and Arab society), geology, drawing, and physical education.

The three-year course of intermediate study is divided into three levels. At the end of the third level, successful students are awarded an Intermediate Education Certificate which entitles them to go on to secondary school (high school).
Some modern intermediate schools in Saudi Arabia are day schools in which students take courses in vocational culture and practical applications. Other intermediate schools, which concentrate on Islamic culture, are religiously oriented. These schools award their own diplomas (12, p. 10).

After the elementary and intermediate stages of education, male students are encouraged to move on to the secondary level, where they may choose among religious, vocational, technical, teacher-training, industrial, commercial, or agricultural schools. These alternatives, along with others available to both male and female students at all educational levels, are displayed in Figure 3.

Intermediate Education for Females

For females as for males, intermediate education consists of three years of instruction after the elementary course of study. In 1960, the kingdom had only 5 intermediate schools for females, comprising 13 classes and accommodating 235 students. By 1972-73, there were 82 intermediate schools for males with 589 classes and 19,589 students (11, p. 43), and in 1980 the total number of schools had jumped to 350. In that year 5,208 teachers in these schools were giving instruction to 80,087 students. The schools also employed 1,115 administrators and other workers (8, p. 145). By 1981-82, the number of
Fig. 3--Outline of the Saudi Arabian educational system

*Source: Talal Kalid Hafiz, "The Potential Role of Education/Instructional Tele-
vision in Higher Education and Human Resources Development for the Kingdom of Saudi
Arabia," unpublished doctoral dissertation, University of Colorado, Boulder, Colorado,
1976, p. 50.
intermediate schools for females had again risen sharply to 515, with 3,720 classes and 97,362 students, and the total number of teachers at the intermediate level (males and female), as noted above, was 18,261 (10, pp. 42, 53).

The age of female students upon entering the intermediate stage of education is usually about twelve years. The course of instruction at this level is designed to prepare the students to fulfill the role of wife and mother and to contribute to a strong Islamic society. The curriculum concentrates on Islamic education but also includes English, science, mathematics, drawing, domestic sciences and needlework, geography, and history. Like males, after females complete the third year of intermediate education, they receive an Intermediate Education Certificate that permits them to enter secondary school (13, p. 9).

Secondary Education

Secondary Education for Males

Like the intermediate level that precedes it, the secondary stage of education for males in Saudi Arabia is a three-year course of study. In 1962-63, the kingdom had 6 secondary schools for males, comprising 68 classes and accommodating a total of 1,997 students. A decade later, there were 67 schools with 570 classes and 15,675 students (11, p. 32). By 1980, the number of schools had risen to 252 and their total enrollment to 54,928
students. In that year the schools employed 4,243 teachers, 1,512 administrators, and 1,477 other workers. In 1981-82, the kingdom had 463 secondary schools for males with 2,786 classes and 74,270 students. The number of teachers at the secondary level (male and female) was 6,902 (10, pp. 42, 43, 53).

The first year of secondary education for males consists of general subjects such as social studies, geography, history, Arabic language and literature, physics, chemistry, mathematics, and biology. Male secondary students are also required to take classes in English language (13, pp. 17-18). After this initial year of study, the curriculum is divided into two tracks, scientific and literary. A student chooses his major according to his ability, interests, and grade point average. The scientific track focuses on subjects such as physics, chemistry, mathematics, and geology. On the other hand, the literary track focuses on literature and social studies, including Arabic literature, geography, history, psychology, sociology, and English. Instruction in English at the secondary level is designed to enable students to engage in simple conversation and read simple texts (13, p. 17).

Secondary education in Saudi Arabia is currently experiencing several problems. First of all, learning is largely dependent upon memorization. Second, because
schools for both sexes suffer from a shortage of science, mathematics, and English teachers, the government has been obliged to hire foreign teachers to provide instruction in these areas. Many of the textbooks are old, and for the most part students do not read books related to their studies other than these texts, especially in schools that do not have libraries. Laboratory facilities are also inadequate in some secondary schools (13, p. 19).

Secondary Education for Females

Like males, females in Saudi Arabia are admitted to secondary school after receiving the Intermediate Education Certificate. In 1963-64, the kingdom had only one secondary school for females; nine years later, there were 13 schools, comprising 94 classes and accommodating 3,244 students (11, p. 43). By 1980, the number of schools had increased to 113, with 1,079 classes and 28,957 students. These schools employed 2,215 teachers, 499 administrators, and 342 other workers (8, p. 179). In 1981-82, Saudi Arabia had 175 secondary schools for females with 1,583 classes and 41,819 students (10, pp. 42, 53).

The timetable of secondary instruction for females consists of seven 45-minute periods per day. Most female secondary school teachers are from other Arab countries; a few are native Saudis.
The length of the secondary course of study--three years--and its structure--general subjects in the first year and a division into scientific and literary tracks in the second and third years--are the same for females as for males. After graduating from secondary school, females may either enter the College of Education for females or enroll as external students in other colleges in the kingdom if their field of study permits such an arrangement.

Higher Education

The Ministry of Education in Saudi Arabia formerly controlled all of the kingdom's institutions of higher learning. In an effort to meet growing needs for trained manpower, however, and to extend administrative responsibility beyond the secondary level, the government established the Ministry of Higher Education in the summer of 1975 (6, p. 52).

Saudi Arabia began its program of higher education with the opening of King Saud University (KSU), formerly Riyadh University, in 1957. At that time, KSU consisted only of a college of literature with an enrollment of 27 students and a staff of nine instructors. In the intervening years, the university has expanded greatly and now comprises 16 colleges:
Faculty of Arts,  
Faculty of Education,  
Faculty of Commerce,  
Faculty of Science,  
Faculty of Agriculture,  
Faculty of Engineering,  
Faculty of Pharmacy,  
Faculty of Medicine,  
Faculty of Dentistry,  
Faculty of Nursing Sciences,  
Faculty of Education at Abha,  
Faculty of Medicine at Abha,  
Faculty of Higher Studies,  
Arabic Language Institute,  
Program of Health Faculty, and  
Computer Science Faculty (4, p. 32).

In 1975, 5,638 students were enrolled at KSU, and the university had 959 instructors. Five years later, enrollment had almost doubled, reaching 10,496 students, and by 1982 it had risen even more sharply to 17,861, with 1,820 instructors. In 1983, KSU had 19,686 students and 2,132 instructors (9, p. 65).

Instructors and training for KSU's Faculty of Medicine are provided by the University of London under the terms of a 15-year agreement formalized in 1969-70. A new campus capable of accommodating more than 20,000 students was recently opened at ad-Dir'iyah (Saudi City). KSU functions on the semester system.

In 1961, the Islamic University (IU) was founded in Saudi Arabia. It is a religious institution for higher learning that offers instruction not only to Saudis but to students from countries throughout the Arab and Islamic worlds. In 1975, IU's enrollment was 890 students, and
its faculty totaled 48 instructors. In 1980, IU had 3,987 students; the following year, its enrollment dropped to 3,271, but its faculty numbered 379 instructors (9, p. 65).

IU consists of six religious colleges:

Faculty of Islamic Law,
Faculty of Islamic Preaching,
Faculty of the Holy Qu'ran,
Faculty of Arabic Language and Literature,
Faculty of Prophetic Holy Aphorisms, and
Section of Higher Studies (4, p. 32).

The University of Petroleum and Mineral Resources (UPM) was opened in 1964 to facilitate petroleum research and industrialization in Saudi Arabia. It is now comprised of six colleges:

Faculty of Science,
Faculty of Engineering Science,
Faculty of Applied Engineering,
Faculty of Industrial Management,
Faculty of Higher Studies, and
Faculty of Environmental Design (4, p. 32).

In its first year, UPM had 67 students and 14 instructors. By 1975, its enrollment had climbed to 1,497 and its complement of instructors to 166. In 1980, the number of students at UPM was 2,651; in 1982, the university had 3,122 students and 620 instructors. In the following year, UPM's enrollment was 3,394 students, taught by 669 instructors (9, p. 65).

UPM functions on the semester system and uses English as its language of instruction. The faculty includes instructors from the United States, Europe, and the Middle
East. UPM offers a full year of major field orientation and English language instruction to prepare secondary school students to continue their education (6, p. 55).

The fourth institution of higher education in Saudi Arabia is King Abd al-Aziz University (KAAU), which opened in 1967 at Jeddah. Initially, it was a private institution with colleges of economics and administration. Its beginning enrollment was 90 students, 60 males and 30 females, and it had five administrators, eight full-time instructors, and four part-time instructors (6, p. 54). KAAU became a government-supported institution of higher learning in 1971. It now includes 12 colleges:

- Faculty of Arts and Humanities,
- Faculty of Economics and Administration,
- Faculty of Engineering,
- Faculty of Science,
- Faculty of Education at Makkah,
- Faculty of Islamic and Islamic Studies at Makkah,
- Faculty of Medicine and Medical Sciences at Jeddah,
- College of Education at Madinah,
- College of Geology,
- Institute of Meteorology,
- Sea Science Institute, and
- Arabic Language Institute at Makkah (4, p. 32).

In 1975, KAAU had 3,737 students and 633 instructors. In 1980, its enrollment was 11,610, and by 1982 18,028 students were attending the university, taught by 1,257 instructors (9, p. 65). Like KSU, KAAU has adopted the semester system.
The Saudi government maintains segregation of the sexes throughout the educational system, in accordance with Islamic principles and the kingdom's cultural traditions. The faculties of all institutions of higher education are male, with the exception of that at the College of Education for Girls (CEG) and some of the instructors at KAAU. CEG was opened in 1970 to respond to the growing number of female students who desired to continue their education beyond the secondary level and to the kingdom's need for more female teachers. CEG is directed by the General Presidency for Girls' Education. Female students are also accepted by the Faculties of Art and Commerce at KSU, the Faculties of Education and Islamic Law and Islamic Studies at KAAU, and the Faculty of Islamic Law affiliated with Imam Mohammed Bin Saud Islamic University. In 1975, 1,009 students were enrolled at CEG. By 1980, the total had risen to 7,184 (6, p. 56).

Imam Mohammed Bin Saud Islamic University (IMSU) was established in 1974. It includes 15 colleges:

- Faculty of Arabic Language,
- Faculty of Social Sciences,
- Faculty of Islamic Law,
- Faculty of Islamic Theology,
- Faculty of Islamic Law and Arabic Language at Abha,
- Faculty of Islamic Law and Arabic Language at Qaseem,
- Higher Institute of Jurisdiction at Riyadh,
- Higher Institute of Islamic Preaching at Riyadh,
- Higher Institute of Islamic Preaching,
Higher Institute of Islamic Preaching at Madinah,
Faculty of Islamic Law at Qaseem,
Faculty of Arabic Language and Social Studies at Qaseem,
Faculty of Islamic Law at Abha,
Faculty of Arabic Language and Social Studies at Abha, and
Faculty of Islamic Law and Studies at Al-Hassa (4, p. 32).

In 1982, IMSU had 6,631 students and 806 instructors. In the following year, those totals rose to 7,532 and 946 (9, p. 65).

Saudi Arabia's sixth institution of higher education is King Faisal University (KFU), which opened in the 1975 academic year. It includes six colleges:

Faculty of Agricultural Science and Nutrition,
Faculty of Veterinary Science and Livestock at Al-Hassa,
Faculty of Medicine and Medical Science at Dammam,
Faculty of Architecture and Planning at Dammam,
Faculty of Education, and
Faculty of Management Sciences (4, p. 32).

In 1977, KFU's enrollment was 550 students (1, p. 157); five years later, that total had risen to 1,814 students, taught by 544 instructors (9, p. 65).

The seventh and last institution of higher education in Saudi Arabia is the University of Umm Al-Qura (UUA) at Makkah. It opened in 1982-83 and comprises eight colleges:

Faculty of Islamic Law at Makkah,
Faculty of Theory and Islamic Preaching,
Faculty of Arabic Language,
Faculty of Applied Science and Engineering,
Faculty of Education at Makkah,
Faculty of Education at Ta'if,
Arabic Language Institute, and Faculty of Social Sciences (4, p. 32).

UUA had 6,278 students and 785 instructors in 1982. In the following year, its enrollment rose to 7,759 students, and its faculty increased to 1,110 instructors (9, p. 65).

Government Support and Progress in Education

As a result of government and popular support, education in Saudi Arabia has made significant progress in recent years. Spurred by the rapid economic and social changes that are taking place in the kingdom, new and diverse educational needs have emerged. To meet these needs, the government is focusing its efforts in two major areas. The first of these is the educational base. The government is making diligent efforts to expand this base, particularly at the primary and intermediate levels, as a crucial factor in spreading mass literacy, which is a basic requirement for economic development and healthy social change. The second area of emphasis is qualitative improvement of education through continued streamlining of curricula and methods of instruction, upgrading of teaching facilities and staff, and regular training courses and seminars (12, p. 108).

Appropriations for education in the kingdom's 1983-84 budget totaled SR 27,772.8 million, representing 10.7 per cent of all allocations (compared to 10.2 per cent in the
preceding year. Of this sum, 40.9 per cent was earmarked for the Ministry of Education, 21.5 per cent for the General Presidency for Girls' Education, 31.6 per cent for the Ministry of Higher Education, 4.5 per cent for the General Organization for Vocational and Technical Education, and 1.5 per cent for the Saudi Arabian National Center for Science and Technology (SANCST) and the Institute of Public Administration (12, p. 110).

The total number of students (male and female) enrolled at all levels of education in the 1982-83 academic year was 1.78 million, representing a rise of 7.6 per cent over the preceding year, as shown in Table VII. The rate of increase in teaching staff was still higher--9.5 per cent--with a total of 100,281 teachers (male and female) in 1982-83. About 880 schools, institutes, and colleges were opened during that year. Primary education exhibited the lowest rate of growth (7.5 per cent), and higher education showed the highest (16.8 per cent). Education at the intermediate and secondary levels recorded an expansion of 9.9 per cent, and adult education declined slightly. Despite these differences in growth rates, the various levels of education maintained their relative positions overall (12, p. 107).

Primary student enrollments accounted for 60.3 per cent of the total number of male and female students at
<table>
<thead>
<tr>
<th>Item</th>
<th>1981-82</th>
<th>1982-83</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Male</td>
<td>Female</td>
</tr>
<tr>
<td>Number of institutions</td>
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<tr>
<td>Kindergartens</td>
<td>16</td>
<td>228†</td>
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<td>Primary schools</td>
<td>4,083</td>
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<td>Intermediate/secondary schools</td>
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<td>778</td>
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<td>Institutions of higher education</td>
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<td>11</td>
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<td>Special education schools</td>
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<td>9</td>
</tr>
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<tr>
<td>Number of students</td>
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<tr>
<td>Kindergartens</td>
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<td>15,651</td>
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<td>Primary schools</td>
<td>600,891</td>
<td>397,417</td>
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<tr>
<td>Intermediate/secondary schools</td>
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<td>147,899</td>
</tr>
<tr>
<td>Institutions of higher education</td>
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<td>19,922</td>
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<tr>
<td>Special education schools†</td>
<td>1,519</td>
<td>677</td>
</tr>
<tr>
<td>Adult education facilities‡</td>
<td>90,708</td>
<td>55,484</td>
</tr>
<tr>
<td>Total</td>
<td>1,018,829</td>
<td>637,050</td>
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<tr>
<td>Number of teachers</td>
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<td></td>
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<tr>
<td>Kindergartens</td>
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<td>1,467</td>
</tr>
<tr>
<td>Primary schools</td>
<td>31,975</td>
<td>23,040</td>
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<td>Intermediate/secondary schools</td>
<td>16,580</td>
<td>10,734</td>
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TABLE VII--Continued

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<td>1982-83</td>
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<td></td>
<td></td>
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<tr>
<td></td>
<td>Male</td>
<td>Female</td>
<td>Total</td>
<td>Male</td>
<td>Female</td>
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<td>Number of teachers (continued)</td>
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<tr>
<td>Institutions of higher education</td>
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<td>1,533</td>
<td>6,943</td>
<td>6,104</td>
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<td>Special education schools</td>
<td>619</td>
<td>224</td>
<td>843</td>
<td>601</td>
<td>212</td>
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<td>Total</td>
<td>54,604</td>
<td>36,998</td>
<td>91,602</td>
<td>57,713</td>
<td>42,568</td>
</tr>
</tbody>
</table>


*Excluding vocational and technical education.

†For both male and female children.

§Including sections for female students.

¶Professional institutes operated by ministries other than the Ministry of Education.

¶Literacy schools.
all levels in Saudi Arabia, followed by the intermediate and secondary levels (25.3 per cent), adult education (7.8 per cent), higher education (4.2 per cent), and kindergarten and special education (2.4 per cent) (12, p. 107). Education for females has expanded significantly; the number of female students has continuously risen at a faster rate than that of males, thus raising their proportion of all enrollments. The total number of female students at all educational levels reached 700,209 in 1982-83, representing 39.3 per cent of all students.

The teaching staff at all levels of education rose by 9.5 per cent, but individual increases ranged from 8.8 per cent among primary teachers to 14.2 per cent among higher education instructors. The teaching staff at the intermediate and secondary levels registered a 10.2 per cent growth rate. The increase in female teaching staff (15 per cent) exceeded that in female students (10 per cent), but the ratio in male education remained unchanged at 17 students per teacher (12, p. 107).

According to Al-Jazeerah daily newspaper, the number of students in all Ministry of Education Schools during the current academic year (1984-85) is 962,750. The number of teachers is 53,100, of whom 28,060 are native Saudis (2, p. 6). Asharq Al-Awsat (The International Daily Newspaper of the Arabs) states that 80,000 students
are enrolled in higher education, distributed among 60 colleges, and that the budget for higher education is SR 2.5 billion (5, p. 6). In fact, during the last three years higher education has achieved the highest rate of growth, in both number of students and teaching staff, compared to all other levels of education.

In recent years, the availability of oil revenues in Saudi Arabia has made possible the annual expansion of appropriations for education, in accordance with the kingdom's development plans (Table VIII). Every possible effort is being made to educate all citizens, old and young, male and female, dwellers in cities and villages and Bedouin settlements. The exact proportion of educated persons in the Saudi Arabian population is not known. According to Saad Eddin Ibrahim, however, in 1977 the rate of literacy was only 18 per cent (7, p. 42); The World Almanac's estimate for the same year was 15 per cent (14, p. 577). The Ministry of Higher Education, the Ministry of Education, or the General Presidency for Girls' Education opens new schools when such action is justified by projected enrollments.

As indicated previously in this paper, the tremendous revenues derived from oil in Saudi Arabia, accompanying Western influences, and the spread of formal education have caused the people's expectations to rise and have
TABLE VIII
GOVERNMENT APPROPRIATIONS FOR GENERAL EDUCATION
(IN MILLIONS OF SAUDI RIYALS), 1975-1984*

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1975-76</td>
<td>12,941.0</td>
</tr>
<tr>
<td>1976-77</td>
<td>13,977.5</td>
</tr>
<tr>
<td>1977-78</td>
<td>15,049.1</td>
</tr>
<tr>
<td>1978-79</td>
<td>15,155.0</td>
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<td>1979-80</td>
<td>17,396.0</td>
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<tr>
<td>1980-81</td>
<td>21,294.2</td>
</tr>
<tr>
<td>1981-82</td>
<td>25,823.3</td>
</tr>
<tr>
<td>1982-83</td>
<td>NA</td>
</tr>
<tr>
<td>1983-84</td>
<td>27,772.8</td>
</tr>
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fostered popular demands for change, including improvements in living standards and economic and social progress.
CHAPTER BIBLIOGRAPHY


CHAPTER V

THE NOMADS OF SAUDI ARABIA

Nomadism is one of the oldest lifestyles in the Arab world. Nomads live in the desert and enjoy a simple existence.

Some people adopt agriculture, . . . . Others adopt animal husbandry, the use of sheep, cattle, and goats for breeding and for their products. Those who live by agriculture or animal husbandry cannot avoid the call of the desert, because it alone offers the wide fields, acres, pasture for animals and others that the settled areas do not offer. . . . Their social organization and cooperation for the needs of life and civilization, such as food, shelter, and warmth, do not take them beyond those things (9, p. 129).

Because over 80 per cent of the Arabian area is desert, all of the states of the Arab world have a Bedouin component in their citizenry. In Saudi Arabia, the Gulf States, southwestern Iraq, the Syrian desert, Libya, Sudan, and Somalia Bedouin inhabitants comprise more than 10 per cent of the countries' total populations (10, p. 5).

The Bedouins' main social organization is the tribe (kabila) and its subsegments, the clan (ashirah) and the sib (batn). Their habitat is the desert, their shelters are animal-skin tents, and their means of sustenance are camel or sheep herds. Their value system emphasizes
primordial loyalty to the kinship group, communalism, courage, and hospitality.

The most important Bedouin tribes in Saudi Arabia are the Anaza, Mutair, Harb, Utaybah, Shammar, Al-Murrah, Qahtan, Quraysh, Dawasir, Manasir, Yam, Ghamid, Shah Ran, Juhaynah, Bali, Zaharan, Ruwalah, Huwaytat, Bani Hajir, Bani Khalid, Al-Ajman, and Awazim (5, p. 94). For much of Arabian history most of these tribes existed as independent political entities. In his effort to unite Arabia in a single state, King Abd al-Aziz, the founder of modern Saudi Arabia, used several means to integrate the various tribes into the country's new national political structure. To achieve stability, for example, the king used political marriage to consolidate his power; he married approximately twenty women from influential tribal families. Evidence of the success of this method of extending the influence of the Saud family is still apparent in that almost every major tribal family in the kingdom has some connection with the royal family (6, p. 56). With the passage of time, the influence of Bedouin tribes diminished somewhat under Saudi Arabia's national government.

The importance of the tribe as a socio-political-economic unit in Saudi Arabia has lost a great deal of its meaning as a result of the way the present national society and culture are emerging. Tribal control of grazing and migration patterns has been largely eclipsed by the 1953 Royal Decree which legally opened all range lands to anyone who wished to use them without regard to
tribal affiliation and by the development of modern state-owned water resources (9, p. 145).

Tribal sheikhs have traditionally played a social role that goes far beyond merely enhancing tribal identification in the kingdom. For many years their influence stemmed largely from their function as major channels of communication between governmental authorities and the kingdom's hundreds of thousands of tribesmen. Now there are well-defined limits to the manifestation of sheikhs' influence—whether a tribe is settled or nomadic and whether or not its lands are strategically important, the sheikh's influence now seldom extends beyond the geographic locus of the tribe itself.

In addition, the size of Saudi Arabia's Bedouin population is decreasing.

In the past, most of the inhabitants of Saudi Arabia were either nomads or village dwellers. . . . In 1965, it was estimated in a government report that nomads accounted for 50 per cent of the country's population. . . . In 1979, the Bedouin population in the kingdom was 1,884,000 and the total population was 7,021,000; thus, in 1979 Bedouins constituted 26.8 per cent of Saudi Arabia's population (3, p. 25).

Estimates of the exact number of Bedouins in the kingdom vary, however, and accurate census statistics are not available. In 1981, Mohammed Ahmed As'ad stated that 10 per cent of Saudi Arabia's inhabitants were Bedouins (6, p. 142) but in that same year Abdullah Al-Abbadi commented,
There are no longer nomads who live a completely nomadic life. It is probably safe to assume that fewer than 10 per cent of the population is Bedouin and that their numbers decrease at a rate of 2 per cent per year (1, p. 74).

For many years Saudi farmers and herdsmen functioned in a mutually dependent socioeconomic relationship to survive in the kingdom's harsh, arid climate. Farmers cultivated the limited areas around oases which had enough water to grow some crops for human needs, but they could not supply additional forage adequate for livestock production. The nomadic Bedouins developed special abilities in eking out an existence from the extensive dry lands that could support a limited number of animals. They became experts in locating areas that had recently received rainfall and in finding water and forage for their livestock. The nomads were forced to travel continually to find adequate feed for their animals and were dependent upon settled farmers for some of their food and supplies. In return, in addition to supplying the farmers with camels, the Bedouins gave them protection and provided markets in which they could trade (12, p. 287).

In the past, many urban families sent their children to live among the Bedouins for a few seasons so that they could learn Bedouin lore and absorb the positive values of living in a simple society in the purity of the desert. Even today many members of the urban elites of Saudi Arabia
and the Arabian Gulf States make trips to the desert to hunt and to converse with the Bedouins, who tell them stories of their nomadic life.

The Bedouins' herding year is divided into four or sometimes five periods. The number of periods and the precise beginning and end of each depend on the amount of rainfall and the time of its occurrence. Fall (al-asferi) begins in mid-September and lasts until December or early January. In winter (ash-shita), the Bedouins enjoy a season that they call ar-rabi'ah for a few weeks in February and early March. As-seif lasts from late March until early June. The last period of the years is the halting (al-gaidh) at summer wells. Each period or season is associated with different pasture areas.

Bedouin tents, pitched opposite the wind and usually facing south, may have two, three, four, or five poles. The men's section, which occupies more than one-third of the tent, is the only one that a male visitor may approach and is the scene of all male social activities. The women's section is subdivided by the piling up of household items and supplies in such a way that each conjugal unit has a separate place in the tent. The fire on which the women prepare meals, coffee, and tea is located at the other end of their section of the tent. The men's coffee fire is located just in front of their section (Figure 4).
Fig. 4--Interior of Bedouin black tent (bayt)*

Some Bedouins have specialized knowledge and skills. The members of the Al-Murrah tribe, for instance, are renowned as trackers. They can identify the tracks of animals and people in the desert sands, and they know the individual footprints of their own camels and those of their kinsmen. This ability is particularly useful when searches must be made for camels that have strayed from the herd (7, p. 54). Moreover, Al-Murrah trackers can distinguish whether a set of human footprints are those of a woman or a man, whether the person is young or old, and, if the prints are a woman's, whether she is pregnant. Because of this ability, until recently a number of Al-Murrah tribe members were assigned as trackers in every major police station in Saudi Arabia. When a crime had been committed, the tracker went to the scene and observed the footprints in the area; then he sat in the marketplace of the town or village to observe the feet of the people there.

Old and New Bedouin Settlements

Al-Abbadi describes the beginning of the government's policy of locating Bedouins in permanent settlements in Saudi Arabia.

When King Abd al-Aziz took over the majority of the land known as Saudi Arabia, most of its population consisted of nomadic Bedouin tribes. As early as 1912, he began persuading them to live in permanent settlements. He did this in
order to make the Bedouins easier to control and to facilitate the recruitment of military forces by the government. The king also wished to turn the loyalty of the Bedouins to the state rather than to their individual tribes (3, p. 26).

This process began in 1912. The most important of the old settlements was the Artawiya settlement, which housed a large number of members of the Mutair tribe. In 1913, the Utaybah tribe settled in Al-Ghatghat and the Harb tribe in Dukhnat, and tribes such as the Shammar, Dawasir, and Awazim began to form other settlements (6, p. 57). By 1929, there were between 122 and 500 settlements inhabited by tens of thousands of Bedouins (7, p. 30).

The other old settlements were called Hijar (migration), and their inhabitants were called Ikhwan (brethren). The name Hijar signified that the Ikhwan had migrated from the ignorance of Bedouin existence to an enlightened sedentary life and linked them to the prophet Mohammed's journey from Makkah to Madinah. Ikhwan indicated the settlers' brotherhood in faith and the certainty of salvation (6, p. 56).

In their settlements the former nomads

... had two basic functions: agriculture and military. The agricultural function was for subsistence, and the military function was divided into three groups. The first group was always ready to answer the call for the holy war launched by Imam (king). The second group consisted of men who were called when the Imam declared an urgent holy war, and each of them had the duty of bringing with him another warrior who rode behind him on his camel. The third group was expected to respond to the call of the holy war when the
Ulama (the religious teachers), acting on the advice of the Imam, declared general mobilization in defense of the homeland. During his lifetime, King Abd al-Aziz set up more than 122 settlements, each of which was taken over by a sub-tribe. More than twelve tribes were divided into more than fifteen sub-tribes, each consisting of three hundred to five thousand members (6, p. 58).

The new settlement for Bedouins in Saudi Arabia was the King Faisal settlement project initiated in the early 1960s, in which an area of some 8,000 acres of former grazing land was prepared for agricultural purposes at a cost of approximately $30 million (8, p. 146). The project was originally intended to be the nucleus for the settlement of 1,000 Bedouin families distributed in eight villages. During this time many nomads were suffering from the effects of a drought of at least seven years' duration which had decimated their herds of sheep and goats, particularly in the northern region. This same period also witnessed an acceleration in the growth of the major cities of the area as the benefits of oil revenues began to be felt throughout the Saudi Arabian economy. Consequently, an increasing number of younger Bedouins began to leave the desert to seek jobs, mainly as unskilled laborers, in the cities and oil fields of the kingdom and in the neighboring states of the Arabian Gulf, especially Kuwait, Qatar, and Abu Dhabi.

The government became concerned with the plight of its nomadic people and sought to improve their living
conditions and to establish what it felt would be a more secure basis than pastoralism for their subsistence. Thus, additional settlement projects were undertaken, but the King Faisal settlement at Haradh was by far the largest. This site was selected because of its known water resources and because it was conveniently located to the railroad, three hours from the potential market at Riyadh and four from that at Dhahran.

The objectives of the Harad site development program were:

1. To change political bases from kinship to kingdom,
2. To move from isolated camp life to community life,
3. To move from nomadic pastoralism to modern farming,
4. To move from individualism to cooperative participation,
5. To change from traditional technology to modern technology, and
6. To move from tribal participation as a kinsman to national participation as a citizen (8, p. 148).

A Bedouin can be described as a man who lives for the day with no concern for tomorrow and who enjoys peace of mind. The values of Bedouinism are generally viewed as drawbacks to development, and Bedouins are seen as victims of their limitless hospitality. A Ministry of Agriculture survey of the Bedouins in the Haradh area
in 1964, however, indicated that 90 per cent desired to settle and 99 per cent wanted to live in concrete houses (8, p. 147).

The most noticeable change among Saudi Arabian Bedouins is that from herding camels for subsistence to herding sheep and goats for subsistence and for sale in urban markets. Most commentators on contemporary Saudi Arabia state that Bedouins have all but ceased to exist and believe that they have abandoned the desert and settled in urban communities. Many urban Saudis share this belief, which was based on the undeniable fact that large numbers of Bedouins have settled in and around cities, while those who remained in the desert have become almost invisible. They are invisible to the townspeople because today they dress like other citizens in the kingdom and no longer ride into town on camels but, rather, in new pickup trucks. In addition, many Bedouin families have settled and have established households in towns.

Most traditional Bedouin households included more than one nuclear family. In such cases there were more people than were actually needed to do the work connected with herding, so each herd supported more people than it required. Thus, it was easy for many Bedouin families to be divided into two groups--some members went to work in towns or cities, while others continued to tend herds in
the desert. This phenomenon occurs most frequently among traditional camel herders such as the Al-Azab (members of the Al-Murrah tribe), but it appears to a greater or lesser degree among the majority of Saudi Arabian Bedouins who are now herding sheep and goats instead of camels (8, p. 155).

The switch from camels to sheep and goats was directly dependent upon the development of underground water resources through the drilling of deep wells operated by mechanical pumps and upon the use of trucks in connection with herding. These factors greatly increased the potential for sheep and goat herding in the desert. In the past, the camel, with its ability to survive without water for long periods of time, was the only animal that could be taken to many of the better grazing areas of the desert. Since the Bedouins are now able to transport water directly to their herds by truck instead of taking the animals to the wells, they can also move sheep and goats by truck directly to grazing areas.

Many oasis sites in Saudi Arabia have witnessed the development of small service towns whose populations include semi-sedentary pastoralists, merchants, police officers, teachers, and a few farmers. The development of agriculture is an important part of these new settlements. The emergence of the new towns has also contributed to the
invisibility of pastoralists in the larger cities of the kingdom.

Nomads and the Need for Manpower in Saudi Arabia

The government's interest in settling the nomads arises from the need for manpower in Saudi Arabia. The country's population, like that of many other developing nations, is a youthful one; persons under 15 years of age constitute 44 per cent of the citizenry, according to United Nations estimates (13, p. 55). The proportion of the population aged 65 years and over, in contrast, is relatively small. The labor force participation rate of Saudi males 12 years of age and older was about 65 per cent in 1980, down from 69 per cent five years earlier (in large part this decrease was attributable to the longer span of formal education for children and youths 12 years of age and older), and women constituted only about 6 per cent of the Saudi labor force during the period of the Second Development Plan (1975-1980).

It would appear that population size alone cannot be held responsible for the scarcity of both skilled and non-skilled manpower and resultant constraints on economic development. Rather, the kingdom's relatively low literacy rate, inadequate training, large numbers of unsettled nomads, negative attitudes toward education and employment
of females, and the youthfulness of the population are all responsible for keeping the proportion of the population actively engaged in economic activities at such a low level.

The distribution of employment by economic activity in the kingdom of Saudi Arabia experienced structural changes between 1975 and 1980. A shift of manpower from the agricultural sector has occurred toward construction, utilities, trade, finance, business services, and community and social services. Table IX displays the distribution of employment in Saudi Arabia by economic activity in 1975 and 1980. Workers engaged in manufacturing represented 4.2 per cent of the total labor force in both of these years. A relative shift of the labor force toward the manufacturing sector may be expected in the future; only if this occurs and the productivity of the Saudi working population, including increased participation of Bedouins in the labor force, continues to grow at a reasonable rate will the kingdom overcome its current shortage of manpower.

Nomads' Attitude toward Labor

In spite of the economic transition that is taking place in Saudi Arabia, the traditional value system of the Bedouins remains almost untouched and is persistently observed. For example, certain categories of work, including various types of manual labor, are regarded by the Bedouins to be aib (unrespected).
<table>
<thead>
<tr>
<th>Activity</th>
<th>Employment 1975</th>
<th>Employment 1980</th>
<th>Average Annual Growth Rate, 1975-1980 (%)</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>N</td>
<td>%</td>
<td>N</td>
</tr>
<tr>
<td>1. Producing sectors</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agriculture</td>
<td>695,000</td>
<td>39.8</td>
<td>598,800</td>
</tr>
<tr>
<td>Mining</td>
<td>3,400</td>
<td>0.2</td>
<td>7,300</td>
</tr>
<tr>
<td>Oil and refineries</td>
<td>27,400</td>
<td>1.6</td>
<td>36,000</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>74,400</td>
<td>4.2</td>
<td>104,200</td>
</tr>
<tr>
<td>Utilities</td>
<td>16,100</td>
<td>0.9</td>
<td>31,500</td>
</tr>
<tr>
<td>Construction</td>
<td>172,300</td>
<td>9.9</td>
<td>300,100</td>
</tr>
<tr>
<td>Total</td>
<td>988,600</td>
<td>56.6</td>
<td>1,107,900</td>
</tr>
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<td>2. Services sectors</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade</td>
<td>153,600</td>
<td>8.8</td>
<td>310,600</td>
</tr>
<tr>
<td>Transport</td>
<td>114,500</td>
<td>6.6</td>
<td>214,600</td>
</tr>
<tr>
<td>Finance and business services</td>
<td>13,100</td>
<td>0.8</td>
<td>34,800</td>
</tr>
<tr>
<td>Community and social services</td>
<td>230,000</td>
<td>13.2</td>
<td>482,300</td>
</tr>
<tr>
<td>Total</td>
<td>511,200</td>
<td>29.3</td>
<td>1,042,300</td>
</tr>
<tr>
<td>Activity</td>
<td>Employment 1975</td>
<td>Employment 1980</td>
<td>Average Annual Growth Rate, 1975-1980 (%)</td>
</tr>
<tr>
<td>----------</td>
<td>-----------------</td>
<td>-----------------</td>
<td>------------------------------------------</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>%</td>
<td>N</td>
</tr>
<tr>
<td>3. Government*</td>
<td>246,700</td>
<td>14.1</td>
<td>321,000†</td>
</tr>
<tr>
<td>Total (1 + 2 + 3)</td>
<td>1,746,500</td>
<td>100.0</td>
<td>2,471,200</td>
</tr>
</tbody>
</table>


*Civilian employment only.

†This government figure includes an estimated 49,600 daily workers not classified as civil servants.
When the author was in Saudi Arabia last year, he asked one of his Bedouin friends, "If a friend asked you whether he should take a manual job such as a carpenter with a salary of 4,000 Riyals ($1,118) a month or an office position with a salary of 2,000 Riyals ($559) a month, what would you advise?" The Bedouin's reply was that he would recommend the office position, which, in his opinion, was respected whereas the carpenter's job was aib. As As'ad observes, "the Bedouin does not value manual agricultural work. This is due to his loyalty to traditional values in his life that are not in agreement with the modern means of production" (6, p. 16).

Changes in the Bedouin Lifestyle after Oil Development in Saudi Arabia

In the early days of oil exploration in Saudi Arabia in the late 1930s, Bedouins began to work for American oil companies, first as guides and then as unskilled laborers. Some of them were trained to drive and maintain trucks, and, subsequently, some began to purchase secondhand pickup trucks from ARAMCO. During the last ten years, the truck and other types of motor vehicles have become "tent-hold" items for many Bedouins. Trucks are used to haul water, to transport flocks of sheep from one grazing site to another, and to oversee camel herding over a wide expanse of desert.
The motor vehicle has had a tremendous effect on the life of Saudi Arabia's nomads and has opened new cultural and economic vistas for them. Now Bedouins go to cities, they listen to the radio while roaming the desert, and they deal with car agents, mechanics, electricians, and gasoline distributors (10, p. 7).

The increasing use of trucks in the desert has been accompanied by other equally dramatic changes in the infrastructure basic to the development of the desert. Both the government and oil companies in Saudi Arabia developed underground water resources by drilling deep wells, and, as a result, the nomads' patterns of grazing and time cycles have markedly changed. Now they can remain longer in one site close to waterheads. They have also learned to share water sources with other tribes since the wells are not tribally dug or owned.

These two developments prompted the government to offer educational, social, and health services to the nomads during the summer season. This service delivery program, known as the Summer Campaign, has expanded steadily since 1977 to cover the entire kingdom. In the Summer Campaign the Saudi government is planting the seeds of sedentary life for the Bedouins. The location of schools, mosques, and clinics around deep water wells gives the nomadic tribes a point of reference and an incentive to settle (10, p. 8).
Efforts to incorporate nomads into the modern sectors of Saudi society have succeeded in only two areas: working in the oil fields and enlisting in the Saudi Arabian National Guard. In both cases, the individual Bedouin remains strongly committed to his tribe and to its nomadic lifestyle.

Bedouins who revert to a nomadic existence are not returning to traditional nomadism in its entirety. The tent, the camel, the sheep, the horse, and the sword are all still present, but intermingling with them are the truck, the radio, the television, and the machine gun. Bedouins still travel around the vast Arabian desert, but when they decide to move from one site to another they can do so much more quickly now than they could in the past. The herd is still the Bedouins' major economic base for milk, meat, wool and hair, transport, and a medium of exchange, but now it is supplemented by cash from wages and salaries. The traditional Bedouin diet of milk, dates, and meat has been supplemented by Uncle Ben's Converted Rice and canned food.

Cole describes the attention that the Saudi Arabian government has given to the Bedouins in its economic development efforts.

The Bedouins are singled out for special consideration in the Second Development Plan for 1975-1980, a fact that shows that the government is cognizant of and concerned about the Bedouins'
situation. According to the Plan, the life and economy of the Bedouin in Saudi Arabia have the following characteristics:
--Low per capita income in comparison to the national average;
--Heavy reliance on raising livestock as their basic source of income while producing the major share of domestic meat supplies;
--Almost total dependence on clement weather for survival of flocks and herds;
--Rapidly deteriorating range land in most areas due largely to overgrazing;
--Lack of immediate access to most social, educational, and other services;
--Significant migration to urban areas resulting in an estimated net annual decrease of 2 per cent per year in the nomadic population (9, p. 136).

In recent years, the government has recognized that livestock is one of the kingdom's major resources and that this sector of the economy should therefore be encouraged and developed. To accomplish this goal, a cash subsidy program has been initiated, administered by the Ministry of Agriculture and Water, whereby the government annually pays Bedouins SR30 ($9) per sheep and SR50 ($17) per camel. This program was implemented following the severe drought of the 1960s, which resulted in the mass starvation of animals, in order to encourage and assist the Bedouins to rebuild their herds and flocks (4, p. 140). Government loans through the Agricultural Bank on extremely easy terms, without interest, are available to individual Bedouins to purchase water tanker trucks. Farmers are also eligible for loans. As shown in Table X, funds have been made available for the development of such agricultural marketing
TABLE X

PLANNED LOAN FINANCE OF THE SAUDI ARABIAN AGRICULTURAL BANK (IN MILLIONS OF SAUDI RIYALS), 1975-1980*

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>1. Agricultural production</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agricultural production</td>
<td>64.4</td>
<td>74.1</td>
<td>84.2</td>
<td>96.4</td>
<td>108.2</td>
<td>427.4</td>
</tr>
<tr>
<td>requirements</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Development of virgin land</td>
<td>14.4</td>
<td>14.4</td>
<td>14.4</td>
<td>14.4</td>
<td>14.4</td>
<td>72.0</td>
</tr>
<tr>
<td>Development of apiary industry</td>
<td>0.3</td>
<td>0.3</td>
<td>0.3</td>
<td>0.3</td>
<td>0.3</td>
<td>1.3</td>
</tr>
<tr>
<td>Nomadic herdsmen</td>
<td>2.5</td>
<td>3.0</td>
<td>3.5</td>
<td>4.0</td>
<td>4.5</td>
<td>17.5</td>
</tr>
<tr>
<td>Development of fisheries</td>
<td>2.0</td>
<td>2.0</td>
<td>2.0</td>
<td>2.0</td>
<td>2.0</td>
<td>10.0</td>
</tr>
<tr>
<td>Total</td>
<td>83.6</td>
<td>93.8</td>
<td>104.4</td>
<td>117.1</td>
<td>129.4</td>
<td>528.2</td>
</tr>
<tr>
<td>2. Marketing and processing</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cold storage plants</td>
<td>5.0</td>
<td>5.0</td>
<td>5.0</td>
<td>5.0</td>
<td>5.0</td>
<td>25.0</td>
</tr>
<tr>
<td>Processing plants</td>
<td>5.0</td>
<td>5.0</td>
<td>5.0</td>
<td>5.0</td>
<td>5.0</td>
<td>25.0</td>
</tr>
<tr>
<td>Poultry and animal feed plants</td>
<td>3.0</td>
<td>3.0</td>
<td>3.0</td>
<td>3.0</td>
<td>3.0</td>
<td>15.0</td>
</tr>
<tr>
<td>Dairy farms, milk processing</td>
<td>15.0</td>
<td>15.0</td>
<td>15.0</td>
<td>15.0</td>
<td>15.0</td>
<td>75.0</td>
</tr>
<tr>
<td>and collection centers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>28.0</td>
<td>28.0</td>
<td>28.0</td>
<td>28.0</td>
<td>28.0</td>
<td>140.0</td>
</tr>
<tr>
<td>Total (1+2)</td>
<td>111.6</td>
<td>121.8</td>
<td>132.4</td>
<td>145.1</td>
<td>157.4</td>
<td>668.2</td>
</tr>
</tbody>
</table>

and processing enterprises as cold storage plants, processing plants for the dairy industry and for numerous other products, leather tanning and preserving, and mixing or poultry feed. The Agricultural Bank serves as the fiscal agent in the government's agricultural subsidy program. According to Al-Jazeerah daily newspaper, between April, 1984 and January, 1985, the Agricultural Bank's loans totaled SR1,929 million (2, p. 32).

The Saudi Bedouins, like other groups in the Arab world, have been touched deeply by oil and its chain effects. The Bedouins are silently struggling to preserve their way of life in the face of new technologies, new methods of production, and new economic forces. Modern technology, symbolized by the motor vehicle, is used to maintain the Bedouins' traditional activities of herding and roaming the desert, and the camel has been transformed from an imperative for survival into a means of luxury sport (10, p. 7).

Another government program that has affected the lifestyle of Saudi Bedouins is the Real Estate Development Fund.

In 1974, the government set up the Real Estate Development Fund to provide loans to residential owners. The loans--up to $90,000 each--are interest free for 25 years. The borrower receives a 20 per cent discount if payment is made on schedule with an additional 10 per cent discount if payment is made in a lump sum. By 1980, the
Fund had made more than 150,000 residential loans and another 7,500 loans for rental properties, for a total of more than $10 billion (11, not paginated).

As a result of this program, nomadic tribal associations are becoming less important as old cities are modernized and new ones are built. Saudi Arabian cities developed around neighborhoods dominated by a single tribal group, and migrants to those cities sought areas in which their tribe predominated. The current growth of cities past their old boundaries and the building of new houses and apartments offer attractive alternatives to living in tribal areas.
CHAPTER BIBLIOGRAPHY


CHAPTER VI

SUMMARY

The kingdom of Saudi Arabia has a land area of approximately 830,000 square miles, equivalent to the United States east of the Mississippi. Saudi Arabia extends approximately 1,200 miles from north to south and 1,000 miles from east to west, as stated in Chapter I of this thesis.

The kingdom's population was over 7 million persons, according to the 1974 census. The majority of Saudi Arabia's inhabitants are Arabs, descended from indigenous tribes. Ethnic minorities have emerged, composed principally of groups who have been permitted to remain in the kingdom following religious pilgrimages to the holy cities of Makkah and Madinah and of persons who have come to Saudi Arabia to work in the expanding oil industry and on projects initiated as part of the kingdom's development plans.

Before the discovery of oil, Saudi Arabia was very poor, subsisting mainly on revenue derived from pilgrimages, and had a simple, tribal economy. The discovery of oil in the 1930s, however, radically altered economic and social conditions in Saudi Arabia and was instrumental in transforming the tribalistic, traditional society into a more urban and modern one. Saudi Arabia is a major exporter
of oil and is the largest supplier for the United States, which is the world's largest oil user (40 per cent of world consumption). The kingdom sells oil to many countries not only because of the oil's good quality but also because of its low price compared to those charged by other OPEC nations.

Since oil is a depletable resource, why should the kingdom export all of it in a short time, particularly in view of the fact that the Saudi Arabian economy is almost entirely dependent on oil exports and external imports? It is true that the country is building factories such as the basic infrastructure industries at Jubail and Yanbu and is cultivating its land, but it will take decades to transform the economy into an industrial one. The basic infrastructure has been created, however, and in time Saudi Arabia's dependence on oil will be reduced. To accelerate this diversification and increase private enterprise, the government has entered into partnerships with businessmen and shouldered part of their start-up costs. When these firms become viable, the government should withdraw and sell its share to its private partners.

As a result of the impact of oil revenues, Western technology, and the cooperation of ARAMCO, the kingdom is moving rapidly into the era of modern development. Fifty years ago most of the population of Saudi Arabia was living
in the desert as unsettled Bedouins; today established cities are growing, new cities and towns are being established, and automobiles, televisions, dishwashers, radios, and many other appliances are being used in almost every household. Rapid social changes have led to the weakening of the extended family as the basic unit of Saudi Arabian society.

The number of students in all schools under the supervision of the Ministry of Education during the 1984-85 academic year was 962,750; 53,100 teachers were employed in these schools, of whom 28,060 were native Saudis. The number of female students at all levels of education reached 700,209 in 1982-83, representing 38.3 per cent of all students. In that same year the teaching staff at all educational levels rose by 9.5 per cent, with increases ranging from 8.8 per cent in primary schools to 14.2 per cent in institutions of higher education. Finally, the number of students in higher education in 1984-85 was 80,000, distributed among 60 colleges and universities.

The kingdom is building its school system and has begun to graduate Saudi professionals and technicians. Investment in human capital and Saudization of business and industry will also reduce the kingdom's reliance on foreign workers, although some foreigners will be needed to fill menial jobs that most Saudis will not take.
The revenues and changes resulting from oil development in Saudi Arabia have affected the lives of Bedouins as well as other sectors of the society. In the past, many urban families sent their children to live among the Bedouins for a few seasons so that they could learn Bedouin lore and absorb the positive values of living in a simple society. Today many of Saudi Arabia's Bedouins are working for oil companies or have joined the national guard. In addition, the government and the oil companies have encouraged the Bedouins to settle close to their places of work. The government's interest in settling the Bedouins springs from the need to alleviate the kingdom's serious manpower shortage.

Saudi Arabia is the focus of world attention. Its economic activity, development projects, and proper exploitation and use of various resources continue to be objects of study. Having achieved national unity, powered by the cohesion between the people and their leaders, the kingdom has been transformed into a modern nation with a strong political, financial, and economic status.

Because oil is a depletable substance, the kingdom should be able to depend on its other resources as well. For example, the country has iron and gold in the northern areas of Hejaz and Nejd, copper and silver in the western region, and rock salt in the southwest, as well as the
silicon utilized in cement factories. The kingdom's famous date trees are another valuable resource. All of these should be developed and used as additional sources of revenue for the country in preparation for the eventuality of oil supplies running out.

The status of women in Saudi Arabia should be given more attention, and their involvement in the labor force should be expanded. An old Arabian saying declares, "The woman is half of the society." Thus, in order to decrease the kingdom's dependence on foreign workers, women should participate fully in the development of the country.

The government should continue to encourage Bedouins, who represent one-third of Saudi Arabia's population, to settle, to join the labor force, and to allow their children to attend school so that they can serve the country in the future as skilled workers or professionals. An Arabian proverb says, "The city cannot be built without its bricks, and the bricks must come from the land itself, not from outside."
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