



ROYAL EMBASSY OF SAUDI ARABIA FACT SHEET

Political, Economic and Development Initiatives

During the last 50 years, Saudi Arabia has experienced rapid economic development and corresponding societal and political change. To balance this with the nation's rich cultural and religious heritage and facilitate continued progress, the Saudi government has undertaken a number of political and economic initiatives to encourage political participation, promote economic growth, increase foreign investment and expand opportunities for its citizens.

Education – Preparation for the Global Economy: Saudi Arabia views its citizens as the most essential element of the nation's development. To support the Kingdom's continued growth and to meet the needs of a burgeoning youth population, the government allocates about 25 percent of its annual budget to educational initiatives. Initiatives the Kingdom has undertaken during the last decade include:

- A \$267 million project to upgrade the math and science syllabi in schools in the Kingdom. The project is expected to be completed by 2012
- A multi-year program to update curricula, introduce new teaching methods and provide better training for teachers
- The establishment of courses in public schools to educate young Saudis about civic responsibilities and participatory governance
- A 25-year strategy developed by the Ministry of Education to align the higher education system with the country's development and job market requirements
- The establishment of 25 new colleges of technology, 28 higher technical institutes and 50 industrial training institutes as recently announced in the Ninth Five-Year Development Plan

Modernization – Promoting Political Progress: Developments on the educational front have been complemented by those within the political system. King Abdullah has made a series of recent changes within the government, including:

- The establishment of a committee called the Allegiance Commission to formalize the royal succession. Under the new system, the King will nominate a Crown Prince, and the Allegiance Commission will vote on the candidate
- The appointment of Interior Minister Prince Nayef bin Abdulaziz to the position of Second Deputy Prime Minister
- The appointment of Nourah Al-Fayez to Deputy Minister of Education for Women's Education
- The appointment of a new Secretary General of the Judiciary Supreme Council

- The appointment of a new Secretary General of the Supreme Economic Commission
- The appointment of a new Director General of the Commission for the Promotion of Virtue and Prevention of Vice

Diversification – Building an Economy for the Future: With one-quarter of the world's known oil reserves and 13 percent of world production, Saudi Arabia is the world's leading producer and exporter of oil. Given the finite nature of the country's natural resources and the historical importance they have played in the nation's development, the Kingdom has taken precautions to expand its economic base.

- The best indicator of Saudi Arabia's economic growth is the increase in its Gross Domestic Product (GDP) from \$20 billion in 1970 to \$375.76 billion (at current prices) in 2009, according to the Saudi Arabian Monetary Agency (SAMA) 46th annual report
- In 2009, non-oil GDP grew by 5.1 percent

The Kingdom has taken steps to privatize many of its vital economic sectors. The Supreme Economic Council has led these efforts by specifying the sectors to be privatized, including telecommunications, civil aviation, desalination, highway management, railways, health services, government hotels, municipal services, and operation and management of social service centers.

Together, these developments and a decade of other economic reforms led to Saudi Arabia's accession to the World Trade Organization, making the nation the 149th member of the organization on December 11, 2005. This has opened the Saudi economy to unprecedented opportunities for foreign investment and job creation. As evidence of continued progress, on November 4, 2010, an International Finance Corporation (IFC) – World Bank report ranked Saudi Arabia 11 out of 183 economies surveyed in the annual *Doing Business 2011* report.



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