

# PICSim | 2006

The Middle East '06



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# Kingdom of Saudi Arabia

المملكة العربية السعودية

Dear Delegates,

My name is Silvio Pellas, and I am looking forward to serving as your chair for the Saudi Arabia committee. I would first like to start of by welcoming you to what is a one-of-kind a conference: PICSIM 2006. This conference seeks to simulate the real-world conditions of international diplomacy, by making all the committees be fully interactive and responsive to one another. Each committee will not only be expected to react to their own individual crises, but also to the dilemmas of the other committees represented. This will require each delegate to be on top of their game at all times; by being well versed in the area and by being capable of adapting to the situation at hand. I am really happy that you have chosen this committee; I guarantee you will not be disappointed. Saudi Arabia will be sure to be one of the focal points of the conference. Its small size will allow all extensive opportunities for participation. Currently Saudi Arabia is at a crossroads, it is trying to become a more open and democratic society while at the same time combating domestic terrorism. In addition, a burgeoning population, aquifer depletion, and an oil-dependent economy are all concerns the government is working to address. Saudi Arabia is one the most powerful and influential countries in the Middle East. It will be sure to play a prominent role in any transnational crisis, as it seeks to become the de-facto leader in the region.

A note on the Background Guide: this guide is not meant to be a comprehensive guide on both these topics. It is certainly not meant to be your one and only source to prepare for the conference. Instead, the two topic guides should be thought of as starting points for your research that will give you a foundation for the rest of your research. Please do not simply read this guide and think that you are prepared for the conference, you are not. Researching is a great part of the Model UN experience. Not only will it help you learn a great deal more about this fascinating region of the world, but it will give you the edge you need in convincing the committee of your country's position.

In order to prepare for the Conference I am asking you to e-mail me a position paper. The position paper should be about a page long, and it should clearly present your assigned position on said topic and provide answers to the questions posed in the Background Guide. This assignment will be due on February 17th. It is designed to help you better prepare for the conference and to ensure that all of you are faithfully representing your assigned committee role. If you have any questions or concerns, please contact me at the e-mail address below.

Finally, a few things about myself: I am currently a junior in the Woodrow Wilson School of Public and International Affairs, with a certificate in Latin American studies. I have studied the Middle East and particularly Saudi Arabia through courses here in the university. I am from Latin America, having lived my entire life in Managua, Nicaragua. I have participated in Model UN programs throughout High School and my first two years of college. I am really looking forward to meeting you all.



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### Committee Positions

The King and the Prime Minister [CHAIR]

The King's Personal Aide [DIRECTOR]

The First Deputy Prime Minister who is the Crown Prince [UPENN]

Minister of Economy and Labor [UVA]

Minister of Internal Security (Prince Naif) [BARD]

Minister of Justice [ELON]

Minister of Intelligence [HIRAM]

Minister of Foreign Affairs [BRANDEIS]

Minister of Defense [UVA]

Minister for Islamic Affairs, Endowment, Dawa and Guidance [UMASS]

Minister of Education [HIRAM]

Minister of Health [PENN STATE]

Grand Mufti: Saudi Arabia's highest ranking cleric and head of the Council of Senior Religious Scholars. [MIDDLEBURY]

Minister of Interior (Minister of Municipal and Rural Affairs) [COLUMBIA]

Minister of Petroleum and Mineral Resources [EXTRA]

# A Brief Overview

Saudi Arabia is the largest country in the Arabian Peninsula and the 14<sup>th</sup> largest in the world. It is bordered by the nations of Jordan, Iraq, Kuwait, Qatar, Bahrain, the United Arab Emirates, Oman, and Yemen; it also has access to both the Persian Gulf and the Red Sea. The capital and largest city is Riyadh, and its official state religion is Sunni Sunni Islam. The official language of the Kingdom of Saudi Arabia is Arabic. The country—ruled by King Abdullah bin Abdulaziz al-Saud—has a population of 26.4 million people.

The climate of the country is very dry and hot, with very little rainfall. The majority of the country has very little vegetation and great swaths of desert in the south and southeast making up almost half of the country. The eastern part of the country extends along the Persian Gulf and it is the oil region. The southwest region has mountains as high as 3,000 meters and it is known as



the greenest and coolest area. Less than 2% of the entire country is suitable for cultivation and there are no permanent rivers and lakes.

The population is 90% Muslim Arabs of the Wahhabi sect (which is a branch of Sunni Islam). There also exists a minority of Shiites in the northeast. However, the only faith that is publicly allowed is Islam. Before the 1960s most of the population was semi-nomadic. Now more than 95% are settled. The country has one of the fastests growing populations in the world, with a birth rate of 2.31 percent. The population also includes 100,000 westerners that mostly live on compounds; the foreign workers play an important role in the country making up a large portion of the labor force and consumer base. Nevertheless, Saudi Arabia heavily regulates who enters its country by for example not providing visas to atheists, Israelis, and anyone with an official stamp from the State of Israel.

The country is very insular with most of its culture revolving around the Islamic religion. Saudi Arabia is home to the two holiest sites in Islam, Mecca and Medina. Every day, five times a day, Muslims are called to prayer and the Qur'an, Islam's holy book, is Saudi Arabia's constitution. The basis for the legal code is Shari'ah (Islamic holy law). The law dictates that men and women will dress with modesty, women will have to wear a veil while in public. The law also prohibits the drinking of alcohol, public theaters, and cinemas. The law is enforced by the Mutaween (religious police), also known as the Authority for the Promotion of Virtue and Prevention of Vice. There are around 3,000 officers but they are assisted by thousands of volunteers. They have the power to arrest and ban consumer products and media. The Mutaween recently created a website where people can posts tips about "un-Islamic" practices. Punishments for transgressing the law are usually severe and include public flogging.

The central institution of the Saudi government is the Saudi Monarchy. The country is ruled by the Saud dynasty which began with Abd Al Aziz Al Saud in 1932. The king is selected among the leading members of the royal family and with the subsequent ratification of the ulema (religious leaders). Even though the King is thought off as an absolute monarch his power are bounded by the Shari'a and other Saudi traditions. He is also influenced by the Saudi royal family, religious leaders, and other important elements in Saudi society such as rich merchants and tribal leaders. These families also usually make up most of the high government position. In 1953, the Council of Ministers was created to advise the king on general policy and direct the bureaucracy. The council



consists of 25 or so members, composed of the King's ministers and a small number of advisers and heads of major autonomous organizations. Saudi Arabia does not have a legislative body or political parties; laws are made by the King and the Council of Ministers. However, the Kingdom does have a Consultative Council of 120 members—selected by the King—which has no legislative powers, but it has the right to summon and question ministers and offer



recommendations to the king. Saudi Arabia is divided up into 13 emirates (provinces) and each is headed by an emir appointed by the King. For the first time in many years, Saudi Municipal elections took place in 2005; it is still not clear what this means for the development of democracy in the country. Finally justice is administered according to the Shari'a by a system of religious courts. There are efforts to maintain the judiciary protected by law, nevertheless the king acts as the highest court of appeal and has the power to pardon. There is a long established tradition that is still maintained today, allowing common people to directly speak to high officials as part of a public audience.

Saudi Arabia's economy, despite attempts at diversification, has been based upon oil since 1950; when oil extraction began in earnest. Before 1950 Saudi Arabia was a relatively poor country, with little infrastructure. However, since the oil boom Saudi Arabia has become a fairly affluent. Oil exports make up around 90 percent of total Saudi export earnings, 75 percent of state revenues, and 40 percent of the country's gross domestic product (GDP). Saudi Arabia has ¼ of the world's known petroleum reserves (260.1 billion barrels), is the world's largest oil exporter (7.7 million barrels per day), and plays a leading role in OPEC (Organization of Petroleum Exporting Countries). For example, they helped convince other oil exporting nations to cut back their production in order to raise prices in 1999. Furthermore, contrary to most oil exporting countries, Saudi Arabia's supply of oil is actually increasing as new reserves are continually found. Oil revenues made the royal family and other prominent families extraordinarily wealthy, this revenue has now begun to be channeled into government development programs.

Currently the economy is heavily state regulated, many industries are public and unions and collective bargaining are illegal; however, Saudi Arabia has announced plans to privatize certain industries such as the electric companies. This is in an effort to reduce the country's dependence on oil and increase employment. At the same time, the government has tried to reduce the country's reliance on non-Saudi labor by increasing the number of Saudis in private sector jobs, in a policy known as Saudi-ization. Nevertheless, by 2002 there were still 5.4 million non-Saudis working in the country. The government has also tried to promote agriculture, manufacturing, tourism, and the banking and financial services sector. There has been growth in these industries yet many are still underdeveloped.

### Issues

Instead of providing a comprehensive list of all the issues that Saudi Arabia is dealing with, I will instead focus on three broad areas, and send an updated list of topics as we get closer to the conference. I am taking this approach because the situation in the Middle East is constantly changing. As such, I do not want to give you a list of topics to be reviewed that will be irrelevant in a couple of week's time. The three areas that will be presented next are long term issues that will most surely still be in question when the conference comes around. Each one of these issues will play a large part in our discussions during the conference; therefore all of you should be very familiar with them.

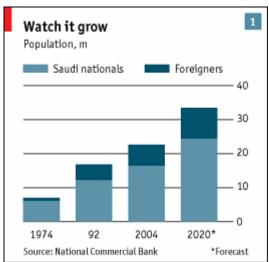
# The Economy



Saudi Arabia's economy has recently been booming in 2005 the GDP rose 7%, there was a 50% surge in oil exports, and a 100% leap in prices in the stock market which is now worth a hefty \$600 billion. This was the third consecutive year that the economy has been able to grow at such a pace. The boom in the economy has mostly been due to high oil price, but the growth in finance, manufacturing, and tourism has also helped. The country also has now been made a member of the World Trade Organization and the World Bank has declared it to have the best overall environment in the region for doing business.

Even with all this growth, Saudi Arabia still faces serious economic challenges that it must successfully address if it was to continue to grow steadily. A large part of the problem is the rising unemployment. Almost 13 percent and possibly more Saudi nationals are currently unemployed. This is a very serious problem since Saudi Arabia has one of the largest birth rates in the world. Every year there are thousands and thousands of students coming out of schools and universities without any job to go to. This is a potentially destabilizing situation because it might lead to the creation of a class of restless young men; making them prime candidates for recruitment by extremist groups. Should the government engage in more public projects to employ these young men, should it expand its welfare programs, and/or should it seek to encourage more foreign investment? These are some of the questions that we will examine and hopefully address during our sessions.

The government also is facing the issue of ever increasing numbers of foreign workers. These are not simply coming from western nations in Europe and North America, a great amount are coming from nations such as India. The large amount of foreign workers poses the danger that in the mass of immigrants, there might be extremists and terrorists coming into the nation. The other problem is that the nation has become increasingly dependent on foreign workers. Many times foreign workers are hired instead of domestic workers, leading to ever higher unemployment rates. It is still not clear what the government should do with regards to this issue.



Finally there are several other issues that the government is seeking to address such as: examining the amount of regulation that business currently have to deal with; address the extravagant spending by the thousands of royal princes and princesses; and reduce the national debt.

These are some of the most pressing economic questions that our council will have to deal with. New and innovative approaches to these problems will be given special consideration. The more research that is given to these questions the better prepared will be to answer them.

## Security



Saudi Arabia has many security concerns that dominate its agenda. The most threatening external and conventional threat to the Saudi Kingdom was eliminated with the defeat of the Iraqi Ba'athist regime in 2003. However, that does not mean that it there are no more external threats. Currently tribesmen from Yemen cross the frontier at will and their presence threatens Saudi territorial integrity. Iran also poses a threat due to their aggressive and unpredictable behavior. It is possible that Iran could seek to threaten Saudi oil pipelines or attempt to incite Saudi's Shiite minority.

The more immediate danger currently facing Saudi Arabia springs from within the borders. The behavior and legitimacy of the government is under constant rhetorical attack from both liberal and conservative groups. Terrorist cells have killed more than 200 people since May 2003. Suicide bombers have touched almost every corner of the kingdom. The military has had difficulty dealing with these non-conventional attacks as such the police and internal security have been the ones that have stepped up their efforts. Saudi Arabia's continued dependence on the U.S. has been both a blessing and a curse. The alliance has allowed them to obtain high tech weaponry and assistance, but it has also provided enemies of the government with an easy target.

# Political and Social Reforms

Saudi Arabia is currently divided between the desire to maintain faithful to their religion and the desire of some sectors to obtain social reform in areas such as education. King Abdullah has begun to take some steps to open the country up such as lessening the regulation of businesses. However, on other areas such as the education of its youth and its gender discrimination the kingdom has taken very few steps. With regards to democracy most Saudis believe that it is way too early to seriously consider a full turn towards democracy. Nevertheless, there are many steps that the government could possibly take to have better disclosure of government activities. For example, budgets and the decision making process could be made more transparent. Saudi Arabia has seen the dangers of being too closed, since many believe that the growth of dissident groups such as al-Qaeda have been fueled by the government's refusal to tolerate any kind of opposition. Currently the government is attempting to find the right balance between increasing internal security and allowing a greater degree of democracy.

The other major area of concern currently is Saudi Arabia's human rights record which is considered by most international observers to be very poor. The country has been very heavily criticized for its oppression of religious and political minorities, torture of prisoners, and its behavior and discriminatory action towards expatriates, homosexuality, and women. Saudi Arabia either denies these charges or they defend them by stating that they are part of Saudi tradition and Islamic religion. Saudi clerics see the entrance of the western culture as a personal threat to the purity of Islam. As such, they see any potential reform with suspicion. Nevertheless, their support will be very important if any social reforms are to be done.



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