

The Saudi Arabian Economy: Policies, Achievements, and Challenges

Dr. Mohamed Aly Ramady

Book Review Collections

1. A hard, thorough look at the Saudi economy, May 31, 2005

By

[Azim Wazeer](#) (Sri Lankan living in KSA) - [See all my reviews](#)

This review is from: [The Saudi Arabian Economy: Policies, Achievements, and Challenges \(Hardcover\)](#)

As an expat living in the kingdom and a student at KFUPM this title was of great use to me due to the fact that I'm a finance major. What Dr. Ramady has done in this one of a kind text is combine his extensive industry experience here in the kingdom and his dedicated research about Saudi Arabia in a flowing, eloquent text covering every major issue and aspect of the country's economy. A great tool for researchers & students indeed with an excellent bibliography showing you just how far and wide the author went in order to acquire the various data & statistics that are needed for such a comprehensive study of any country's economy.

The author shows a deep understanding & appreciation of the kingdom's culture and people. Having said that, he has not refrained from criticism. The kingdom like any other economy is faced with many problems and it is here that the author's experience & research really shine through as he takes an in depth look at what the problem is, why it's occurring, what will follow in the future all while remaining non-confrontational to prevent antagonizing anyone and perhaps positively affecting the people of the kingdom and the people who wish to understand its economy.

The book has greatly benefited my own research in Saudi foreign trade. After conducting a substantial search for material on the kingdom's export sector it was quickly apparent to me that there was a lack of meaningful qualitative data based on the various trade statistics available. 'The Saudi Arabian Economy' solved many of my problems. Interesting information such as Lebanon's role as a trans-shipment center for Saudi goods & specifically a table listing top Saudi exporters came in handy during the selection of

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companies for a questionnaire that I was preparing on the development of the Saudi export market all show that the book has not missed a single thing.

2. An interesting and well researched book!, January 1, 2008

By

L. Capuder (US Expat in Saudi Arabi) - [See all my reviews](#)
([REAL NAME](#))

This review is from: [The Saudi Arabian Economy: Policies, Achievements, and Challenges \(Kindle Edition\)](#)

Professor Ramady has done an excellent job researching and presenting the inherently interesting subject of the Saudi Arabian economy!

I am an American working in Saudi Arabia who has a degree in Economics. Saudi Arabia provides a terrific case study in Economics with so many wonderfully unique issues - such as the petroleum-driven economy, efforts to diversify to non-petroleum industries, Saudi banking and the move to Shariah (Islamic) financing, the evolution of the Gulf's largest stock market, and Saudization of the work force.

Beyond the meticulously researched and footnoted text, Prof. Ramady provides useful analysis of the published data, and also keen and accurate insights "beyond the numbers" based on his intimate knowledge of the subject matter and his qualitative research. For instance, many of the readers may not be aware that Dr. Ramady is quoted in the national press as an expert on the Saudi economy and stock market, whenever the newspapers want thoughtful analysis of the implications of the day's events here.

I would highly recommend this book to anyone who wants to study more about the socio-economic aspects of KSA or who loves Economics and desires to explore some terrific applications of economic theory.

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3. A Magnificent Guidebook to the Economy of Saudi Arabia, June 2, 2005

By

Mohammad Alsaleh (Riyadh, Saudi Arabia) - [See all my reviews](#)
(REAL NAME)

This review is from: [The Saudi Arabian Economy: Policies, Achievements, and Challenges \(Hardcover\)](#)

Form a first glance on this great book, you would find various virgin subjects that haven't been handled by any researcher' review or book on the economy of the Kingdom of Saudi Arabia.

As a proud Saudi researcher and worker in the Saudi Islamic finance sector, I have found many subjects that were extremely important in any research topic concerning the economy of Saudi Arabia. Among the important subjects that have been handled by this book:

1. Women in Saudi Arabia:

Dr. Ramady handles this virgin topic by pointing out women's roles in the Saudi economy and especially the workforce, by looking their existing and future roles in the workforce.

2. The Saudi mining sector:

This sector is considered as a reserve asset to the kingdom. Dr. Ramady studies the distribution of the oil and mining sector among the regions of the kingdom, hence the need for specialization in each sector. Saudi Arabia, as Dr. Ramady describes, has a large oil-rich area in the eastern province along with a specialized region in oil related matters. On the other side, the kingdom has a mineral-rich region in the west with a specialized region that could handle such a resource.

3. The national debt:

This book handles the national debt bill by analyzing the Saudi budget and the growing expenses which holds back the ability to handle the national debt quickly. The kingdom has a growing wage bill, subsidy bill and interest bill that should be handled by the government.

4. Privatization:

The book explains in detail the different forms of government privatization such as BOT and BOO. The book then explains the steps taken in privatizing the Saudi Telecom Company. The book then handles potential privatization opportunities in the gas sector. The book also mentions the impediments in privatizing the electricity sector by comparing such experiences in other countries.

5. Globalization:

The book also handles the issue of globalization and joining the World Trade Organization, which is scheduled to happen by the end of this year. The book discusses impacts of such an event on Saudi producers and consumers in both the short and long term.

This book is considered to be, to me and many other researchers who are interested in the economy of Saudi Arabia, a guidebook and a path in studying this country's economy by pointing out the important issues that control this country's economy.

4. A unique view on a unique economy, May 31, 2005

By

[Hussain Bokhari](#) (Pakistan) - [See all my reviews](#)

This review is from: [The Saudi Arabian Economy: Policies, Achievements, and Challenges \(Hardcover\)](#)

This book has provided a new angle from which people can look at the Saudi Economy. The country has been a major player in the world's economy ever since the discovery of oil. There have been several books in the past about this mysterious economy, but they have been from people living outside the Kingdom. Dr. Ramady's view is the first of its kind in a very long time to come out of the Kingdom itself.

He has used his experience and vast knowledge of the country and its people to give us a complete view on what Saudi Arabia has accomplished, is currently focusing on, and what challenges lie ahead.

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The best thing about this book is that it not only points out the fundamental weaknesses in the economy, but it also talks about the ramifications, and the way forward. It gives a bird's eye view of the Economy, which allows the reader to make sense of the Saudi policies.

As a student, the book allowed me to obtain much needed data and information about the Saudi Economy and put things into perspective. Although everyone knows the importance and the Kingdom's reliance on the Hydrocarbons industry, the book points to other growing parts of the economy as well.

The author has an unbiased view on the economy, as he praises the strengths of the Economy, and criticizes the lack of attention being put on the problems.

The sections on 'The Financial Markets' and 'Key Challenges' are extremely interesting. The first part is made interesting due to the fact that author has spent over ten years in the Saudi banking sector. For instance, he has brought to light some previously un-talked about issues such as shareholder concentrations in Saudi Banks. The latter part regarding the Key challenges talks about issues that are extremely important for the future success of Saudi Arabia.

The incredible wealth of facts and figures in mentioned in this book point towards an impressive effort. This book should not only be read by the Saudi public and those who are looking for a better understanding of the Saudi Economy, but also by the Policy makers of Saudi Arabia themselves.

5. Highlights key problems well, May 27, 2005

By

[James Collins "James Collins"](#) (UK) - [See all my reviews](#)

This review is from: [The Saudi Arabian Economy: Policies, Achievements, and Challenges \(Hardcover\)](#)

It is pleasing to see that the book has attracted good reviews from readers and researchers, who have not been afraid to indicate their ethnicity unlike Gnoose review.. This person either has not read the book well or is another

embittered expatriate who has an axe to grind against the Kingdom , given his so-called knowledge about Saudis' coffee and working habits .. This is a serious book that addresses key problems, maybe not in the confrontational style that Gnoose or others wish for. For example

1. Unemployment - If Gnoose had bothered to read , the Author brings this up and points out that the level of unemployment might reach a staggering level of nearly 48% - for males only - by 2013 , if no serious attempt at structural economic changes takes place .

2.Cultural issues and work habits - this is explored in depth as being one key constraint in the Saudisation policies, and the Author also examines in detail the impediments faced by women in Saudi Arabia, ..

3.The good Professor also examines in depth the failings of the Offset program - something which other , Western researchers have not picked up on, and this is certainly not the hallmark of a Professor who is afraid to speak up his mind ..

4.Did the previous reviewer read the sections on the treatment of foreign workers and their contribution to the building up of the Saudi Economy ? This is social and cultural issues , I believe , unless I totally misunderstood the concept..

Finally the Royals are mentioned - revisit the index and see CP Abdullah's name and more important , READ the section on the workings of a RENTIER economy which illustrates the drawback of this system of income distribution ..

Ofcourse, the book might not be everyone's cup of tea, especially for those with predisposed prejudices and notions about the region ,and Saudi Arabia in particular. That there is a lot that needs to be done in the Kingdom is undoubted - but to gripe about the Royal Family and ignore other changes and the nuances of the workings of the Saudi system is to miss on the changes going on today .. So many times others, outside the region ,have been blinded on these finer points - just look at the mess in Iraq and the previous advice of the so called experts in our Western world. Whatever its shortcomings , this is a valuable and serious piece of work on Saudi Arabia..

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Ofcourse those who cannot stomach data and statistics can always read novels such as " Under the Veil. or Beneath the Veil or In front of the Veil " etc to reinforce stereotypes..

6. What a valuable book, May 29, 2005

By

[Badr Al-Nowaisser](#) (Jeddah- Saudi Arabia) - [See all my reviews](#)

This review is from: [The Saudi Arabian Economy: Policies, Achievements, and Challenges \(Hardcover\)](#)

I consider this book written by Dr.Ramady as one of the best books I've ever read about economy in Saudi Arabia.

Since I'm Saudi, and this book is realated to my field, I can say that comparing with other books on the Saudi economy written by western Professors and researchers such as Cordesman and Wilson, this book is the most up to date and brings out social issues more clearly while the other authors concentrated on political issues which distracted from the economic analysis.

Dr.Ramady's book guided me in some reasearches that am doing now, it was very valuable for me and I assume it will be an excellent source of information about our economy for everyone.What am sure about is that this book is not the kind of books that you read only once, this book (at least for me) will be read many times due to what its author showed of high analysis skills.

7. Saudi Gazette Newspaper Book Review, January 18, 2011

This review is from: [The Saudi Arabian Economy: Policies, Achievements, and Challenges \(Hardcover\)](#)

Web Link of the review:

[...]

"New book analyses Saudi economy thoroughly"

A new book has been recently published that should generate interest in

Saudi Arabia's economic development, and will appeal to both students and lay readers. "The Saudi Arabian Economy: Policies, Achievements and Challenges", was authored by Dr. Mohamed A. Ramady, a visiting Associate Professor of Finance and Economics at the King Fahd University of Petroleum and Minerals.

The Kingdom continues to attract international attention given its geo-strategic political role. Serious academic work and research is often hard to find and most writers tend to be from outside the Kingdom without access to first-hand data or quality sources. This book is one exception. The Saudi economy has changed almost beyond recognition since the oil boom days of the 1980s, and the Kingdom itself has changed economically, socially, and demographically. Written by a long time observer of Saudi Arabia, this book brings forward the main challenges facing the Kingdom.

In this second edition version, Dr. Ramady, a professor of economics at KFUPM and former international banker, uses several overlapping themes to establish and develop a framework for studying the fundamental challenges to the Saudi economy, as well as using his personal experience from working in the Saudi banking sector. From the onset, he argues that the pace and diversity of reforms instituted by King Abdullah, Custodian of the Two Holy Mosques, have been the cornerstones upon which the current economic change is built. The legal and commercial reforms are praised, as well as the decision to use the accession to the WTO in 2005 to push through other administrative reforms.

Despite progress in this sector, Dr. Ramady opines that the private sector has still not effectively stepped in to take over from the government - as the major engine of growth and sustained job creation - as hoped for in the various Saudi National Plans.

An area which the author finds comfort with, however, is the Saudi capital market without its previous excesses, the opening up to foreign players and investors to give it depth and especially the role of the Capital Market Authority as probably one of the most effective regulators in the Gulf, a far cry from the earlier establishment period. The shielding of the Saudi financial sector from the excesses of the recent global financial crisis under the relative conservative regulatory regime of Saudi Arabian Monetary Authority is also dealt with in detail, as well as the effects of globalization and the opening up of the Saudi financial sector to a new wave of foreign banks since the Kingdom's WTO accession.

The author examines how Saudi banks have recently started venturing

abroad and the problems of global supervision of such institutions in light of global financial contagion, as witnessed during the recent global financial crisis.

This edition deals in some detail with the hydrocarbon and minerals sector, including the emergence of the competitive petrochemical sector as being one of the few winning cards that Saudi Arabia gained on its WTO accession, but Dr. Ramady is more pessimistic about the long-term viability of some Saudi industries, especially those that still depend on heavy government subsidies which have to be reduced in line with WTO accession commitments.

Other areas of pessimism are still the slow pace of privatization, the obstacles faced by Saudi women in effective participation in the national economy and the spectre of looming unemployment, especially that of uneducated job seekers, amongst a young population.

The policy of Saudization is examined closely and the author feels that a new approach of free market forces and changing the current sponsorship laws like Bahrain, might bring about a greater degree of market labor supply flexibility, but that overall the Saudi private sector is resistant to Saudization for many reasons, chief of which is the availability of cheaper foreign labor. Not all is pessimism though, as Dr. Ramady highlights recent successes for the Kingdom such as the liberalization of the foreign direct investment regime under SAGIA's auspices and the improved ranking in global competitiveness and business ease, which put the Kingdom ahead of other GCC economies.

Saudi Arabia's place in the Gulf Cooperation Council, as well as its evolving strategic economic relations with China and other countries are analysed in depth, but the author believes that the common currency plan might now be put on a back burner and that the pressure to de-peg from the dollar has also eased, given the recent problems in the Eurozone and the reluctance of other players such as China and the EU to replace the dollar as a currency of reserve or the foreseeable future. Unlike earlier low inflation eras, Dr. Ramady believes that Saudi Arabia has now to learn to live with periods of relatively moderate to high inflation rates.

Altogether, this edition is a welcome addition to Saudi researchers as it brings together a compelling narrative on recent developments affecting the Kingdom in a dispassionate manner, and has included a comprehensive reference list for those researching the Kingdom. The book is now available at leading Saudi book stores.

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The Saudi Arabian Economy: Policies, Achievements and Challenges.
By Dr. Mohamed A. Ramady. Springer. 2010.