# \*\*\*\*\*\*\*\*\*\* Saudi Arabia

Only in 1973–74, with the Arab oil embargo, did most Americans grasp the importance of faraway Saudi Arabia, the non-Communist world's No. 1 oil producer, to the economic health of the West. Five years later, the Saudis are among the first to be consulted by Washington on Mideast matters; 30,000 Americans work in the arid kingdom on economic and military projects; 10,000 young Saudis study at universities in the United States. Even so, the Saudis remain a bit of a mystery, with their Islamic conservatism, their Bedouin ways, their quiet use of dollar diplomacy in Africa and the Arab states. Here William Rugh reviews the kingdom's epic past and uncertain future; John Duke Anthony examines Saudi Arabia's cautious foreign policy; and David Long looks at the complex world of oil.

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## A TALE OF TWO HOUSES

#### by William A. Rugh

In 1745, a Muslim scholar and preacher named Muhammad ibn Abd al-Wahhab rode into the small oasis town of Diriya in the center of the Arabian peninsula. A puritan reformer who preached a return to the simple, austere ways of early Islam, he had been expelled from other settlements in the parched interior. But at Diriya, he was greeted warmly by an ambitious local shaykh, Muhammad ibn Saud, a hereditary ruler of Bedouin stock who, like all of his countrymen, claimed descent from Ishmael, the son of Abraham. What happened next could have been a screenplay for Cecil B. DeMille.

Cemented by marriage, the Saud and Wahhab families forged a lasting alliance for conquest and crusade: The Sauds supplied an ever growing corps of town-dwelling Arabs and Bedouin (literally, "desert nomad") warriors; the Wahhabs in-

cited them to religious fervor. Soon, the vast, dry, thinly populated expanse of what is now Saudi Arabia, an area almost as large as the United States east of the Mississippi, fell under their sway.

Twice the House of Saud expanded over the desert peninsula in the 19th century, and twice its sword was broken. It finally rose again under Ibn Saud at the turn of the 20th century. It was Ibn Saud who brought the infidel's tools—the radio, the car, the railroad—into the land; it was he who granted the first oil concessions to Western companies. A shrewd but traditional and pious ruler—on his way to meet Franklin D. Roosevelt in Egypt in early 1945, he had his tents pitched on the deck of the U.S. destroyer and five times daily asked the navigator to point him toward Mecca—he could not foresee the wealth and power that oil would place in his nation's hands or the changes it would bring to a largely nomadic people who until the 1930s had no word for "million."

#### **\$4 Million an Hour**

In many respects, Saudi Arabia entered the 20th century much as it had entered the 10th. Until World War I, the distant Ottoman Empire, of course, was a potential menace—but little more. And while the British in 1820 had strung a necklace of "trucial" shaykhdoms—now the United Arab Emirates—along the Western shore of the Persian Gulf, London's agents rarely penetrated the forbidding terrain beyond the coast. There, the nomadic Bedouin way of life, which began with the domestication of the camel thousands of years ago, went on undisturbed. In 1900, a few Arabs dwelled in small towns or cities hugging the coast or the oases. But most lived as herdsmen and hunters, fiercely proud, proverbially unruly, and given to raids (*ghazu*) on nearby tribes. Roads were nonexistent.

Today, the Saudi ruler can view his domains from modern jet aircraft, and "all-weather" highways link the major cities. And thanks in part to the kingdom's astounding oil wealth—\$1

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million in revenue every 15 minutes—the voice of the government in Riyadh is respected from Washington to Tokyo. Once a city of sun-dried brick visited by fewer than a dozen Westerners prior to 1900, the capital now boasts a modern bureaucracy and gleaming glass and steel office buildings and hotels.

#### The Swing State

Yet in those same hotels, liquor is still not served; the Koran remains the country's constitution; and in many areas, Bedouin tribes, though now only 20 percent of the population, live much as they have since Abraham's time—except that they are peace-ful. The House of Saud rules supreme, there are no political parties, murderers are beheaded, and thieves may lose a hand. In Saudi Arabia, it is not 1979, but 1398—according to the official Islamic *hijra* calendar based on lunar cycles and dating back to the time of Prophet Muhammad's flight to Medina. Slavery, sanctioned by the Koran, was not officially outlawed in the kingdom until 1962.

As with many nations pulled suddenly into the 20th century, contrasts and anomalies abound. They are apparent in the desert and the cities, within single generations, even inside the royal family. King Saud (1902–69), son of the great Ibn Saud, was a traditional ruler. His life revolved around the harem, the hunt, and the mosque, and like his father, he sired more than 40 sons. Saud paid little heed to sophisticated finance and, at one point in the mid-1950s, managed to put his kingdom \$300 million in debt.

But Faisal, his brother and successor in 1964, was at home in Western capitals; his diplomatic experience began as a teenager at the Versailles Peace Conference of 1919. Of his eight male children, six attended U.S. or British universities, and one went to Sandhurst, the British military academy.

Yet even Faisal ruled in the age-old manner, maintaining the *majlis*, or ruler's court, where the king is more accessible to his subjects than is any Western head of state, and with virtually no ceremony. It was here that Faisal was assassinated by a demented nephew in 1975.

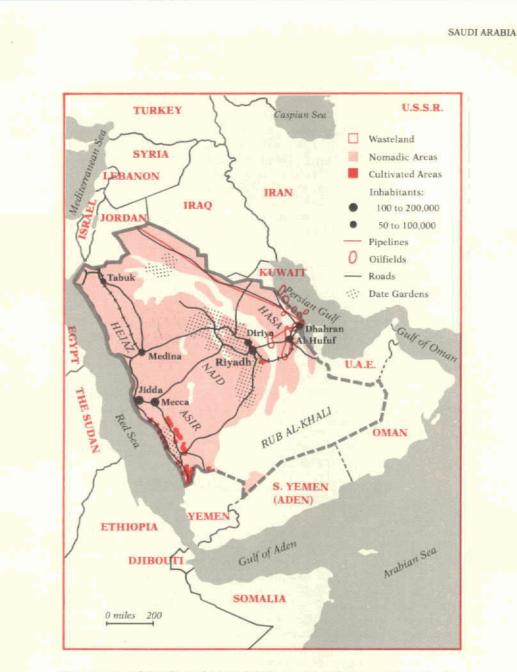
However irregular the 20th century's manifestations in Saudi Arabia, the kingdom has undeniably emerged as a force on the world scene. It is increasingly important to the United States, both as an oil supplier and as a Middle Eastern power. It has become a leader of the Arab world and the region's leading political financier. It is the "swing" state in the 13-member Organization of Petroleum Exporting Countries; its leaders can thus almost single-handedly determine the price of oil. Yet like much else on the peninsula, Saudi power cannot be interpreted in a conventional sense. Though strong in terms of money and influence, the Saudis are weak militarily.\* Power has come late to the House of Saud. Muhammad ibn Saud (d. 1765), founder of the dynasty that has given Saudi Arabia its name and its monarchs, was merely the *amir* of a tiny desert principality when he met the evangelical Shaykh Abd al-Wahhab. As for the evangelist, his father and grandfather had been *qadis* (Islamic judges); steeped in theology and jurisprudence, he was appalled by the superstition and immorality among his fellow Muslims. His dour preachings did not sit well with high-living contemporaries.

#### **Holy Alliance**

But Muhammad ibn Saud liked him, and the alliance, maintained to the present day, was stunningly successful. The domains of the House of Saud grew outward from the old capital of Diriya. At first the Saudis had only a seven-man expeditionary force; then, in a few years, a raiding party of 800, which swelled to an army of thousands. By 1780, the Saudis had won over the central (Najd) area of the Peninsula; by 1793, the eastern (Hasa) district; and by 1806, the holy cities of Mecca and Medina in the western (Hejaz) district.

While representatives of the House of Saud collected taxes and administered secular affairs, the sons and students of Shaykh Abd al-Wahhab supervised the spiritual, judicial, and cultural activities throughout the territory. (The Justice Ministry, a religious entity governed by *Sharia*, or Muslim canonical law, is today headed by a member of the al-Ash-Shaykh family, descendents of Abd al-Wahhab.) They trained the local religious authorities, the judges, and the school teachers. They encouraged the activities of so-called *mutawaeen*, or volunteers; organized into Committees for the Encouragement of Virtue and Discouragement of Vice—the words are from the Koran—the *mutawaeen* enforced strict observance of prayer attendance, fasting, and the bans on smoking, drinking alcohol, and the wearing of gold or silk.

<sup>\*</sup>U.S. advisors began training the Saudi army and air force in 1952. By the 1960's, turmoil in neighboring countries led to a quick upgrading of Saudi military capability. Currently, the kingdom's relatively modestly equipped ground forces are divided into a 45,000-man army (composed of individuals grouped together without reference to tribe or home) and a 35,000-man national guard (composed of intact tribal units). Each of these volunteer forces is headed by a brother of King Khalid. Total annual defense budget: \$7.5 billion.



One percent of Saudi Arabia's 830,000 square miles is arable; only the southwestern Asir province receives regular rainfall. In elevation, the kingdom lies like a tilted playing card, raised slightly along the Red Sea and sloping downward to the Persian Gulf. Western estimates put the population of Saudi Arabia at 4–5 million. The first Saudi state did not survive. Its conquest of the Hejaz, which includes Mecca and Medina, had interrupted three centuries of Ottoman rule and deprived the Turks of lucrative earnings from the Hajj—the pilgrimage to the holy cities that every Muslim must make at least once in his life during the lunar month of Ramadan. The Ottoman Sultan retaliated; by 1818, the Saudi leadership was under siege in Diriya. When the city fell to the Turks, most of the al-Saud princes were imprisoned. Amir Abdullah, the Saudi ruler, was beheaded.

With the breakup of the Saudi state, fragmentation returned to the peninsula. Because Ottoman rule, headquartered in Constantinople, was distant and indirect, tribal shaykhs and town barons resumed *de facto* control over their separate fiefdoms. For the remainder of the 19th century, the House of Saud sought to revive its power. But due to recurring intra-family rivalries, its successes were limited to the central plateau region, or Najd. Nine members of the Saud family, from their new capital of Riyadh, successively ruled all or part of the Najd between 1820 and 1891. Then they were evicted once again, this time by the up-and-coming al-Rashid family. Abd al-Rahman, last of these Saudi rulers, fled with his family to exile in neighboring Kuwait, his infant children tucked into his camel's saddlebags.

#### The Rise of Ibn Saud

Abd al-Rahman and his kin were treated well in Kuwait, but they nourished hopes of restoring the House of Saud to power. That task fell to Abd al-Rahman's son, Abd al-Aziz, known in the West as Ibn Saud. Ibn Saud made his first move in 1902. This tall and charismatic young man—he was only 22 at the time—moved across the desert gathering Bedouin tribesmen into a small, 200-man expeditionary force. From among them, he selected 15 for a dramatic nighttime raid on Riyadh. Once inside the town's mud walls, he waited until dawn; then, he and his cousin Jilewi led the small band in hand-to-hand combat against the surprised Rashidi governor and his guards as they emerged from a fortified castle. When the battle was won, the townsfolk welcomed back Ibn Saud to his ancestral home.

In the days before the tank and the airplane, desert warfare was a not-too-bloody affair conducted on camelback with sabers and rifles. Opposing forces laid ambushes, made quick raids, and then generally retreated. By means of such age-old tactics, Ibn Saud steadily widened the circle of his rule. By 1906, he had recovered most of the Najd. In 1913, he drove the Ottoman gar-

risons out of the Hasa district on the east coast. But he had not forgotten the power of religion. Ibn Saud sent missionaries to the Bedouin tribes and encouraged the creation of agriculturalreligious settlements based on Wahhabi ideas. After 1912, groups of the *Ikhwaan* (literally, "brotherhood") sprang up all over the Najd; Ibn Saud found them a reliable source of aggressive warriors who fought loyally for him and the Wahhabi cause.

#### A House Restored

World War I embroiled the decaying Ottoman Empire in a conflict with the Allies from which it never emerged. In 1914, the Hejaz district was still part of the Empire, but local control was exercised by the Sherif of Mecca, whose family, descended from the Prophet Muhammad, had traditionally ruled the holy cities of Mecca and Medina.\* With British arms and Colonel T. E. Lawrence's advice, the Sherif in 1916 declared an Arab revolt against the Ottomans. Ibn Saud, watching from the sidelines, could only applaud the move. But he was aware even then that he would have to face the winner. The winner was the Sherif.

Ibn Saud had periodically engaged his neighbor to the West in minor border skirmishes, but open warfare did not break out until 1924. In that year, the Sherif, emboldened by the progress of the Arab independence movement which he had initiated, declared himself King of the Arabs and Caliph of all Muslims. To Ibn Saud, the claim was preposterous; to the *Ikhwaan* and other zealous Wahhabis, the Sherif's rule of the Hejaz and the holy cities meant corruption, moral laxity, and religious backsliding of the worst sort. When Ibn Saud decided on a Hejaz conquest, the devout Bedouin tribesmen responded enthusiastically.

Indeed, their enthusiasm was excessive: They began the campaign with a mad sweep through the Hejazi resort city of Taif, which resulted in some 300 civilian deaths. Exaggerated tales of the so-called Taif massacre spread quickly in the Hejaz, caused panic in the towns, and helped lead the Sherif to abdicate in favor of his son, Ali. But Ali soon gave up all resistance; by 1926, Ibn Saud controlled the entire Hejaz and the neighboring Asir district, as well as the Najd and Hasa. The House of Saud had reclaimed its territory.

The Kingdom of Saudi Arabia (as it was formally named in 1934) has survived intact down to the present day. Ibn Saud and his sons Saud, Faisal, and Khalid, who have ruled the country as successive monarchs throughout the 20th century, have kept the

<sup>\*</sup>After World War I, two of the Sherif's sons were installed by the British as Kings of Transjordan (now Jordan) and Iraq. Jordan's King Hussein is the Sherif's great-grandson.

#### **INSIDE THE ROYAL FAMILY**

When Crown Prince Khalid became King of Saudi Arabia in 1975, many Western observers concluded that because of his retiring demeanor and chronic poor health—he had had two heart attacks in 1969—he would be little more than a figurehead; his younger, more energetic brother, Prince Fahd, according to his view, would actually rule in his capacity as Crown Prince and First Deputy Prime Minister. (The king is Prime Minister.)

This expectation, however, was based on a fundamental misunderstanding of the Saudi political process. Saudi Arabia is a traditional Islamic monarchy, and like the American President, the Saudi monarch cannot delegate his role as head of government. Moreover, King Khalid has shown much more interest in the governmental process than some had originally expected.

The belief that Saudi Arabia is an *absolute* monarchy is another popular misconception. The king is subject to two powerful constraints—Islamic law (which is the law of the land) and the royal family. In political terms, the royal family is the more visible constraint, for it serves, in effect, as the constituency of the kingdom. No king can rule without the expressed consent of the family. This role is given legal sanction through an ancient Islamic institution, *ahl al-aqd wal-hal* (the people who bind and loose). Composed of the

nation together, mindful that their ancestors failed to do so because of foreign intervention and internal feuds. But the major challenge facing the House of Saud has been to reconcile a traditional, millennia-old desert culture with the requirements of a growing, modern nation. As late as the 1930s, King Ibn Saud was able to exercise direct, personal rule in the traditional manner of a desert chieftain. There was little about the country that would have shocked or surprised his forebears. True, some of the more extremist Ikhwaan leaders mutinied in 1929 when it became clear that the king-although a devout Wahhabi himself-would not deal harshly with the non-Wahhabi Muslims of the Hejaz and, indeed, would tolerate all of the many Muslim sects coming on pilgrimage to Mecca. And true, many in the hitherto isolated towns of the Najd were perplexed when Ibn Saud returned from the Hejaz with airplanes, telephones, and motorcars-instruments, no doubt, of evil power. But the king easily suppressed the Ikhwaan and in the process crushed forever the Bedouin nomads as a military power in the kingdom. And he persuaded his people that Western technology could be

royal family and high-ranking government officials (though totally dominated by the family), this institution must approve a new king and can depose a reigning one. In 1964, for example, King Saud lost the confidence of the family and was replaced by his brother, King Faisal.

The royal family expresses its support or lack of support for the king and his policies through the traditional process of consensus (*ijma*). Because the family shuns the limelight, no outsider is quite sure how consensus-building takes place. Age and seniority appear to be major factors, with senior generations taking precedence over junior generations, older brothers over younger ones. The key generation comprises the king and his 30 surviving brothers, all sons of the late King Abd al-Aziz (Ibn Saud).

The old king had many wives, and sons of the same mother also tend to gravitate toward each other in royal family dealings. The two most powerful sibling groups are the king and his older brother Muhammad, and Fahd and his six full brothers, sometimes known as the "Sudayri Seven" after the maiden name of their mother. After Faisal's assassination, Muhammad, the oldest living son of King Abd al-Aziz, technically had a prior claim to the throne but deferred to his younger, blood brother, Khalid. He is still, however, very powerful in the royal family.

—David Long

useful.\* In any event, such intrusions were minor compared with what was to come.

It started in the 1930s. Ibn Saud, as generous as he was impecunious, did not believe at first that his kingdom was potentially oil rich, although his neighbors to the East, in Kuwait and Bahrain, had already parlayed the dark green liquid into substantial wealth. By all accounts, Ibn Saud was more interested in drilling artesian wells for fresh water—understandable for a desert ruler; understandable, in fact, for any Muslim, whose vision of Paradise, gleaned from the Koran, was of a place of flowing streams and brooks.

Yet water would not pay Ibn Saud's bills, and during those depression years, the revenues from the pilgrimage to Mecca then the kingdom's major source of revenue—were falling. At one point, according to H. St. John Philby, the eccentric Englishman who had befriended the king during World War I, Ibn

<sup>\*</sup>According to one story, when the *Ulema*, or religious scholars, condemned the telephone as the devil's invention, Ibn Saud had them assemble in one place, then gave them a call and read the Koran over the line. They were reassured.

Saud was prepared to sell all the mineral concessions in Saudi Arabia for one million pounds. The deal he got from Standard Oil of California in 1933 was somewhat better: 35,000 gold sovereigns down, and one gold sovereign for every 5 tons of oil, in return for drilling rights to a tract of shifting sands the size of Texas. On a sweltering day in Jidda, Philby watched as the sovereigns were counted out, one by one, and handed across a table to Saud and his treasurer, Abdullah Sulayman.

The "miracle" occurred five years later when Standard Oil, through its subsidiary, the California Arabian Standard Oil Company, finally pierced the cap rock at a well known as "Dammam No. 7" to make the first great oil strike in the kingdom. Others followed. After the Allied victory in World War II allowed the commercial shipping trade to resume, petroleum was pumped out of Arabia; sovereigns were pumped back in. In the first year of postwar oil production, Ibn Saud received \$10 million; within five years, he had amassed \$240 million; by 1954, \$3 million a week was coming into the kingdom. The king's treasure chests were overflowing.\*

#### Tapping the "Miracle"

Where did the money go? Some of it went for a new railroad; some, later, for roads and an airline. (The 1.5 million annual Hajj pilgrims quickly made Saudi Arabian Airlines one of the largest passenger carriers in the Middle East.) Eventually, the government began to provide amenities for its people: free education and health care, postal and telegraph service, electricity—and, of course, artesian wells. With the country's revenues at first defined *in toto* as the king's personal income, much of the new wealth also found its way into the hands of the royal family, many of whose members acted as *nouveaux riches* in all times and places have acted.

The government bureaucracy expanded rapidly. Before 1939, the only government "officials" besides the king himself were two of his sons (Crown Prince Saud and Foreign Minister Faisal) and Finance Minister Sulayman. But even they made no major decisions without consulting the king, who busied himself with every minute detail of government and met daily in *majlis* with individual citizens seeking his help. Today there are 20 separate ministries and some 100,000 civil servants, many of them Western-educated Saudi technocrats.

<sup>\*</sup>In 1952, the Saudi Arabian Monetary Agency, the kingdom's central bank was established to bring some order to the country's increasingly complicated finances. Headquartered in Jidda, it administers Saudi Arabia's monetary reserves, issues coins and notes, and regulates banking. SAMA's efforts have made the Saudi riyal one of the most stable currencies in the world.

A merit-based personnel system is in place, but the princes of the House of Saud, now numbering more than 4,000, continue to hold the key posts. From among Ibn Saud's sons have come all three monarchs since the old king's death in 1953, as well as nearly all of the incumbents in the most powerful Saudi posts: prime minister; the ministers of defense, interior, and foreign affairs; and the governors of Mecca and Riyadh. Many other al-Saud princes, particularly the well-educated younger ones, have made names for themselves in the newer ministries petroleum, agriculture, youth. Their cousins from the Sudairy and Jilewi families hold most of the provincial governorships.

#### Swift Justice

Islam, too, remains a vital feature of Saudi culture. It is the kingdom's official religion, and all of the king's subjects are Muslim. Most of them perform the prayers every day, in the prayer places in schools, mosques, and public buildings; many mosques are busy during all five of the prescribed daily prayer periods. Virtually everyone observes the dawn-to-dusk fasting period for the lunar month of Ramadan. Almsgiving (*zakah*) is a compulsory tax, not optional as in other Muslim countries. The Saudi national flag is the only one to carry the Muslim profession of faith—"There is no god but God, and Muhammad is His Messenger"—a phrase that also appears at the head of all official stationery and documents.

The Wahhabi interpretation of Islam continues to predominate. All other sects are respected and protected, but Wahhabi fundamentalism remains strong. Religious observances are simple and unostentatious. When a Saudi dies, be he king or commoner, he is still buried in an unmarked grave—a Wahhabi practice meant to discourage idolatrous veneration. There are no elaborate mosques, no tombs of saints, even the Prophet's birthday is not celebrated; the faithful concentrate their devotion solely on God. Saudi law is still based on a relatively literal interpretation of the Koran, which may lead, for example, to the stoning of adulterers and the flogging of drunkards. Justice is predictable and swift; Saudi Arabia has one of the lowest crime rates in the world.

Yet the Wahhabi influence, while strong, may be waning. Saudis regularly study and travel abroad; some 10,000 young Saudis are now studying in the United States. And tens of thousands of foreigners—not only other Arabs but Koreans, Pakistanis, Indians, Britons, and Americans—have been welcomed into the kingdom to live and work. (Still unwelcome are most Jews and firms doing business with Israel.) Radio and imported

television programs have brought the world, especially the West, closer to the Saudi public. (One in ten Saudis owns a TV set, one in four a radio.)

But there are no nightclubs or other such places of entertainment. Cinemas are still banned, and the government ensures that television programs conform to Saudi social and cultural norms. (So, too, with imported books and magazines.) Poetry writing and storytelling flourish, as they always have, but other forms of creative expression, such as representational art, have only been allowed in recent years.

#### Strangers in the Land

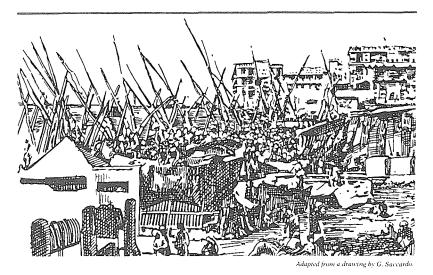
The social role of Saudi women is still restricted, though not as much as before. When women today leave the privacy of their homes, they are supposed to be covered from head to toe. Their pictures normally do not appear in their passports, on television, or in the newspapers.\* But they now have access to public schooling all the way through university, though co-education does not exist. And while they can enter such professions as radio broadcasting, teaching in girls' schools, and nursing for women patients, they must behave discreetly to avoid even a hint of impropriety. Such puritanical rules are justified by reference to Islamic scripture, interpreted strictly and literally in Wahhabi fashion. "Men are superior to women," says the Koran, "because of the qualities whereby God has made a distinction between them."

New ideas and concepts have come into the country through secular education, which has grown rapidly to meet the needs of a modernizing state. Secular grade schools were started first by Jidda merchant families—who still control much of the nation's commerce—at the beginning of this century. They expanded after 1926 to prepare Saudis for study at universities in Egypt and elsewhere. Today, the three Saudi universities, with their Saudi professors, offer a wide range of modern and traditional subjects and are flourishing.

Saudi elementary schools still place heavy emphasis on traditional subjects: Islam, Arabic language and literature, and Arab history and geography. Students—there are some 600,000 of them in elementary school alone—learn by rote, memorize parts of the Koran and other texts, and relate much of their learning to Islam. After sixth grade, the system divides into two tracks, both leading to university and graduate work. One is

<sup>\*</sup>There are six major Arabic daily newspapers, and two English-language dailies. All are subject to "regulation" by the Ministry of Information.

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Jidda's waterfront during the pilgrimage season, 1920.

modern and secular. The other is religious, preparing graduates for careers in law and teaching.

The religious track produces scholars so well versed in classical Islamic subjects that the Saudis can claim the most learned religious intellectuals in the Muslim world. These graduates—as judges or legal experts, as teachers of religion, history, and Arabic—play a major role in reinforcing traditional norms and ideas. Americans and other Westerners working in Saudi Arabia's "modern" sector rarely come into contact with such people, yet they help shape the fundamental moral tone of the country.

But so, in a way, do the Americans and other foreigners, and the Saudis may be caught between the two. Indeed, perhaps the greatest change wrought by the kingdom's wealth and rapid development is that the "average" Saudi no longer exists. As a statistic, Saudi Arabia's annual per capita income is high—now well over \$7,000, compared to \$1,250 in oil-rich Iraq and an astonishing \$15,000 in even richer Kuwait. But it only masks the wide disparities among the Saudi population not just in income but in occupation and way of life.

The oil industry, based in Dhahran, produces 90 percent of Saudi Arabia's income; Dhahran, as a result, is a major urban center with many Westerners and a growing Western-style Arab middle class. In Riyadh, the veneer of modernity is more recent; the skyline is new, as are the bungalow-type suburbs radiating from its sparkling downtown. Jidda, with its old palaces and

busy markets, remains in many respects a city unto itself. Long the diplomatic capital, still a commercial center (although most Western companies have opened offices in Riyadh), the port on the Red Sea has been a cosmopolitan trading city since Biblical times.

In the interior, some oasis dwellers and nomads live as before—if one discounts the omni-present motor vehicles. (One in five Saudis owns a car.) Some Saudis straddle both the ancient and the modern worlds, working in the oil fields by day, returning to their traditional villages at night. Industry is expanding fast: In the mid-1950s, there were only five industrial enterprises in the kingdom; now there are hundreds, involving everything from steel to textiles, fish canning to petrochemicals. But agriculture and herding still employ most Saudis.

The contrasts and contradictions apparent in Saudi Arabia are not necessarily a cause for local concern. Unlike many developing nations, the Saudis have no legacy of colonialism to overcome. The kingdom has been more or less independent for 200 years under the strong rule of the House of Saud. Radical intellectuals rarely develop and never thrive in the country; its economic troubles-such as a 20 percent inflation rate-stem from a prosperity other nations would envy; the military seems to be loyal; and the nation's leadership is intelligent, welleducated, cohesive, and not given to delusions of grandeur. Lacking military might, the kingdom is certainly more vulnerable in the international sphere-yet even here the caution and shrewd diplomacy of its leaders have won the kingdom the respect of most of the Arab world, most of the Third World, and most of the industrialized West. Saudi Arabia's continued stability is not assured—but its chances are good.

In the eyes of Saudi leaders, there is much of value in the old way of life—and much to be avoided in the new. And they believe, with some reason, that they will be able to pick the right path between the two.