

Chapter 1

Saudi Arabia under Crown Prince Abdullah

— Its New Trend in the Domestic, Foreign and Oil Policy —

Introduction

King Fahd of Saudi Arabia came down with illness in late 1995. His health had since recovered somewhat temporarily, but he was admitted to hospital to undergo an operation repeatedly in 1998 and 1999, and has not fully recovered yet even now. Ailing King Fahd has thus been staying away from the direct involvement in day-to-day state affairs, and in his place, Crown Prince Abdullah, King Fahd's younger half brother and Saudi Arabia's No. 2 man, has come to play an increasingly bigger role in the process of making policy decisions. Until then, Saudi policies had been decided at the initiative of King Fahd. With Abdullah having more chances of playing an active part in the affairs of state, his presence is beginning to affect the decision-making process, albeit only gradually.

This chapter is intended to shed light on how these changes in Saudi Arabia's power structure are affecting its domestic, foreign and oil policies.

1.1 Why Is the Change in the Leadership an Issue?

First, We review developments concerning King Fahd's health. Born in 1921, King Fahd is of advanced age (some say the year of his birth is not 1921.) and has been rumored to be long suffering from chronic diseases such as diabetes and heart trouble. As described above, he had a stroke in November 1995 and the affairs of state was entrusted to Crown Prince Abdullah, who took the helm of Saudi Arabia's domestic and foreign policies, though for a relatively short period of time. King

Fahd later recovered to an extent allowing him to take charge of state affairs again, but his health was still far from stable. Concern over his health was rekindled after he entered hospital for an examination of gallbladder infections in March 1998 and underwent an operation to remove the gallbladder in August of that year. In May 1999, King Fahd also had an operation to remove the coagulation of blood from his eye, and after the eye operation, he went to the town of Marbella, a wealthy resort on Spain's Costa del Sol, for recuperation, staying there for over two months from mid-July to late September.

After returning home from Spain, King Fahd has been having a remission in his illness, attending cabinet meetings and having talks with visiting foreign dignitaries. With his health not having recovered fully by any measure and the advanced age of 80, however, he has been distancing himself from day-to-day affairs of the state. Filling in for King Fahd under these circumstances, Crown Prince Abdullah has come into prominence in domestic affairs as well as on the international arena.

The growing influence of Crown Prince Abdullah is expected to have no small impact on the domestic and foreign policies of Saudi Arabia. The first reason has to do with Saudi Arabia's political system, under which the King reigns as a ruler with real political powers.

Saudi Arabia is an absolute monarchy, and the King stands atop the country as the head of state and at the same time holds the post of prime minister in the council of ministers. The King has the final authority to make decisions on adminis-

trative matters and new legislation is promulgated in his name. In addition to his powerful administrative authority, the King is also the commander-in-chief of the armed forces. Moreover, the King, professing to be the Custodian of the Two Holy Mosques, in Makka and Madina, has been performing the leading role in Islam in Saudi Arabia, an Islamic state. Thus, the King holds the leadership in all areas of administration, military affairs and religion with mighty institutional powers.

In actual politics, however, the King has not always made arbitrary decisions by himself, but instead decided policies after obtaining the consent of influential members of the royal family. In Saudi Arabia, the King's brothers and quite a few of other royal family members are assigned to important positions, and even the King cannot govern with total disregard for these key royal family members. On the other hand, however, the King's strong leadership is required in such political environment in sorting out and unifying various opinions of the influential royal family members to make policy decisions. Thus, in the real world of politics, the King has actually performed the active role in making decisions on domestic and foreign policy issues.

Thus, the Saudi Arabian King has been reigning as a monarch with real powers and conducted domestic and foreign affairs while paying heed to opinions of important royal family members. Since assuming the throne in 1982, King Fahd has managed Saudi Arabia's domestic and foreign policies for long years. Since that supreme leader has now backed out of the day-to-day administration of state affairs to cause the center of politics to shift, it is only natural that the process of decision-making should be affected profoundly.

The second reason is that King Fahd and Crown Prince Abdullah have had differences of opinion from the beginning over domestic and foreign policies. While these differences became less conspicuous in recent years, Fahd and Abdullah were apart in political orientation to a certain extent from the start. During the period

from the years as crown prince to the years after he assumed the throne in 1982, or from the 1970s through the 1980s, Fahd had been considered as an advocate of modernization, while Abdullah had been regarded as a conservative. It was also pointed out that documents written after the 1980s indicated King Fahd tended to be relatively receptive to new knowledge and culture and take pro-Western policies while Crown Prince Abdullah, cherishing tribal values and a tribal mode of human relations, tended to give greater weight to Islam and Saudi Arabia's ties with the Arab world.

Before becoming the King, Fahd held such posts as minister of education and minister of the interior and acquired thorough them knowledge and experiences in domestic affairs. On the other hand, Abdullah has been commander of the National Guard for many years since 1963 with little involvement in administrative matters. With domestic affairs largely determined in line with King Fahd's intentions, differences between the two leaders are more noticeable in external relations, rather than domestic matters. Looking at the record of their stances in foreign relations, King Fahd and his another younger half brother, Prince Sultan bin Abdul Aziz, second deputy prime minister and minister of defense and civil aviation, are conducting foreign policy by taking relations with the United States into particular consideration. Crown Prince Abdullah, meanwhile, has stronger bonds with Syria and other Arab countries as well as with Iran, Pakistan and other Islamic states.

The third reason is the difference in their personal political connections, or groups of followers that surround them. The personal relationships among the key royal family members are complicated because it involves the question of succession. Roughly speaking, there exist two streams; the Sudeyri Seven¹ gathering around King Fahd and the non-Sudeyri Seven with Crown Prince Abdullah as the central figure.

King Fahd is backed by the so-called Sudeyri Seven, the brothers by the same mother, includ-

ing Second Deputy Prime Minister and Minister of Defense and Civil Aviation Sultan bin Abdul Aziz, Minister of the Interior Naif bin Abdul Aziz, and Governor of Riyadh Region Salman bin Abdul Aziz. Since King Fahd's accession to the throne in 1982, Saudi Arabia's politics evolved around the Sudeyri Seven. On the other hand, Crown Prince Abdullah has no brother by the same mother but is surrounded by royalty members who keep the Sudeyri Seven at a distance. Abdullah who has served as commander of the National Guard for many years also has connections associated with the National Guard.

As discussed above, the King of Saudi Arabia has reigned over the country as a monarch with real powers, and King Fahd and Crown Prince Abdullah have the different political orientations fundamentally and different personal connections. Therefore, if Abdullah strengthens his leadership, it does not only mean the transfer of political leadership from King Fahd to Crown Prince Abdullah but also is likely to affect the future direction of politics as well as personnel affairs of the state.

1.2 Any Change in Domestic, Foreign and Oil Policy?

1.2.1 Impact on Domestic Politics

What changes can be seen in Saudi Arabia's domestic politics since King Fahd fell ill in 1995? First, domestic developments from the 1991 Gulf War up to now are reviewed.

From the Gulf War through the mid-1990s, Saudi Arabia's domestic policies evolved around the response to the issue of democracy and measures to deal with Islamic political movements. In 1991, Islamic scholars submitted a petition seeking reform of state politics, to be followed by a similar petition in 1992, prompting the Saudi government to initiate reform of domestic administration. It promulgated the Basic Law of Government in 1992, and announced a plan for the establishment of the *Majlis al-Shura* as a consulta-

tive council. The *Majlis al-Shura* was created in 1993, and the Saudi government established regional councils in 1994.

Despite these domestic political reform efforts by the government, the domestic situation remained unstable. After the arrest of influential Islamic scholars, there was a riot in Buraida in 1994. Then, a terrorist bomb attack hit Riyadh in 1995, and another terrorist bombing incident occurred in al-Khobar on the Persian Gulf. Since after the Gulf War, Islamic people stepped up movements to reform the political system. As the government tightened the screws, these movements developed into terrorist activities.

King Fahd fell ill at the time of political instability caused by activities of Islamists. The King's illness added to the uncertainty of domestic politics due to the loss of powerful leadership.

With the June 1996 al-Khobar bombing incident as a turning point, however, movements for political reform and terrorist activities began to quiet down. The domestic political wounds caused by the fallout from the Gulf War began to heal, and at the same time, political reform and security measures implemented by the government started to take effect. Another big factor was that the general public's attention turned outward. The people of Saudi Arabia began to turn their eyes to the fate of Muslims entangled in the Bosnia-Herzegovina civil war that had been intensifying since the mid-1990s. As their attention was drawn to developments overseas involving Muslims, including Central Asia, Kosovo and Chechnya, in subsequent years, public interest in domestic politics died down gradually.

Since the mid-1990s, the focus in the domestic situation shifted from political issues to employment and other economic problems. Among the pressing domestic issues at the time were an expansion of job opportunities for Saudis, reduction of expatriate workers reaching around six million, extradition of illegal foreigners, promotion of industrialization, promotion of foreign investment in gas, oil and other sectors, economic system re-

forms in response to globalization and reform of various other domestic systems to smooth the way to join the World Trade Organization (WTO).

As these domestic developments indicate, despite King Fahd's illness in 1995 and the lingering concern over his health, the change in power structure has produced little noticeable impact on the domestic situation, barring some minor changes. There has been little perceivable impact on personnel affairs either. Some regional governors were replaced since 1995, but basically, the balance in personnel matters has been maintained to indicate no particular fallout from the change in power structure. There is almost no sign of Crown Prince Abdullah's influence rising substantially.

In the background of all this are the following circumstances. First of all, King Fahd has not withdrawn from politics completely and kept his presence felt to a certain degree by participating in cabinet meetings. Under the Saudi system, King Fahd still has the final say, and as long as he demonstrates his wish to keep involved in politics, nobody can ignore him in making policy or personnel decisions. The presence of Second Deputy Prime Minister Sultan and other influential royal family members belonging to the Sudeyri Seven also seems to have worked as a check on the behavior of Crown Prince Abdullah.

As King Fahd and the Sudeyri Seven have been in control of domestic administration since the 1980s, Crown Prince Abdullah does not have a strong foothold in domestic affairs. With Abdullah's influence still limited, domestic affairs are being managed under the checks-and-balances mechanism in the absence of King Fahd's full commitment to day-to-day state affairs, a situation that can be characterized as sort of collective leadership. Since it was hard to make policy decisions for a major change of direction in domestic affairs or unilateral personnel changes in favor of the Crown Prince under such a situation, Saudi Arabia's domestic situation evolved relatively calmly.

1.2.2 Change in Foreign Policy

There have been recognizable changes in foreign policy. Since diplomacy demands physical strength, Crown Prince Abdullah is taking an increasingly bigger role in place of ailing King Fahd. Born in 1923, Abdullah is around 78 but his health is in a very good shape allowing him to travel frequently to other Arab states as well as Europe, the United States and Asian countries to make active top-level contacts.

Soon after King Fahd fell ill in 1995, Crown Prince Abdullah attended a summit meeting of Gulf Cooperation Council (GCC) states in Muscat, and continued as an active player in the diplomacy through his visits even after a certain recovery in King Fahd's health. Table 1 is a list of countries Abdullah visited since 1997, that gives an indication of how active he has been in the diplomatic visits in the last three to four years.

Aside from the diplomatic trips, Crown Prince Abdullah held talks with many foreign leaders visiting Saudi Arabia and had numerous telephone conversations with such leaders as Iranian President Muhammad Khatami, the then President of the United States Bill Clinton, the then Vice President Al Gore, the then Secretary of State Madeleine Albright, Egyptian President Hosni Mubarak, Yemeni President Ali Abdullah Saleh, late Syrian President Hafez al-Assad and top leaders of the GCC states. These activities by Abdullah helped Saudi Arabia improve its relations with other countries and greatly contributed to boosting Saudi Arabia's influence in the international arena, particularly in the Arab and Islamic world.

The facts described in Table 1 testify to the growing role of Crown Prince Abdullah in Saudi Arabia's diplomacy. Is this bringing about any change in the country's foreign policy?

During a period between 1997 and 1998, we can find some changes in Saudi Arabia's foreign policy. The first of them was Saudi Arabia's declaration not to take part in the Middle East and North Africa Economic Conference (Mena),² scheduled

Table 1 Countries Visited by Crown Prince Abdullah (since 1997)

	Arab states	Europe, N. America, Japan	Other countries
1997	Egypt (6), Syria (6), Lebanon (6, 9) Kuwait (12: GCC summit)		Pakistan (3: OIC summit), Iran (12: OIC summit)
1998	Egypt (2), Syria (5), Jordan (6), UAE (12: GCC summit)	Britain (9), France (9), U.S. (9), Japan (10)	China (10), S. Korea (10), Pakistan (10)
1999	Jordan (2: funeral, 6), Bahrain (3: funeral, 4), Morocco (5, 10), Libya (5), Syria (6), Egypt (6), Algeria (10), Tunisia (10)	Italy (5), Vatican (5)	S. Africa (5)
2000	Egypt (3, 6), Syria (3, 6: funeral, 7), Lebanon (3), Oman (4: GCC consultative summit meeting), UAE (4), Qatar (5), Yemen (5), Kuwait (7) Bahrain (12: GCC summit)	U.S. (9: UN summit)	Brazil (9), Argentina (9), Venezuela (9)

Source: Compiled by the author.

Figures in parentheses indicate the month of visit.

for November 1997 in Qatar. The Mena conference, launched after the 1991 Madrid Conference on peace in the Middle East, is designed to promote economic cooperation in the Middle East and North Africa region to contribute for the peace process. While Saudi Arabia was expected to play no small role at the conference in view of its economic power and its position as the core of the GCC states, it became uncertain at the time whether the country was really going to participate. Israel was scheduled to attend the Mena meeting in Doha, Qatar. But antipathy toward Israel grew very strong among Arab countries because of the stalled Middle East peace negotiations.

On June 30, 1997, Crown Prince Abdullah, during his visit to Lebanon, stated Saudi Arabia would not attend the Mena conference in Qatar, officially announcing the Saudi government's no-show policy for the first time. The Saudi policy of not attending the meeting was confirmed by Foreign Minister Saud al-Faisal on July 3 in Cairo, where he was visiting.

At the time, there were growing calls for an Arab boycott of the conference, led mainly by Syria. But some major Arab countries like Egypt and Morocco were undecided. While the conference was still far off in November, Saudi Arabia made the nonattendance announcement early, ahead of Egypt and other countries. Since the Gulf Crisis,

Saudi Arabia had maintained good relations with the United States. Notwithstanding the United States' wish to promote the Mena conference, Saudi Arabia decided to boycott the conference. The Saudi action indicated its foreign policy was beginning to shift from the conventional course.

The second instance indicative of the change is Saudi Arabia's refusal to let the U.S. military use Saudi bases to launch its attacks against Iraq. The tension was building up between the United States and Iraq since November 1997 over Baghdad's refusal of U.N. inspections for weapons of mass destruction. In February 1998, possibilities increased of the United States launching attacks against Iraq. The actual attacks were avoided by mediation efforts of U.N. Secretary-General Kofi Annan. In the period running up to February, Saudi Arabia refused firmly to let the United States use bases on Saudi soil for warplane sorties to attack Iraq. It had permitted the use of bases for previous U.S. attacks against Iraq, so the refusal signified a shift that was clearly beginning to emerge in Saudi Arabia's foreign policy.

Second Deputy Prime Minister and Minister of Defense and Civil Aviation Sultan has a strong influence in Saudi Arabia's military ties with the United States, because he, as the Minister of Defense, has been dealing with the military affairs between Saudi Arabia and the United States

including the use of bases and weapons purchases and Sultan's son, Bandar bin Sultan, was in the post of Saudi Ambassador to the United States for many years. Sultan was staying in Morocco after having a knee operation in Switzerland in October 1997. He returned home on February 8, 1998, just as the U.S.-Iraqi tension was coming to a head and the possibility of the use of force was heightening. Given King Fahd's lack of involvement and the absence of Second Deputy Prime Minister Sultan, Saudi Arabia's decision not to let the U.S. military use Saudi bases in an about-face from the previous stance appears to have been influenced by the wish of Crown Prince Abdullah.

Thus, the influence of Crown Prince Abdullah can be perceived in the change in Saudi Arabia's foreign policy between 1997 and 1998. It is said that King Fahd has a tendency to pay greater attention to Europe and the United States in foreign policy, while Crown Prince Abdullah gives greater weight to relations with Islamic and Arab countries. As Abdullah is boosting his presence in the country's diplomacy, it is only natural that Saudi Arabia's foreign policy has taken a slight turn away from the United States and toward Arab and Islamic countries.

Other developments in Saudi Arabia's foreign policy that deserve special mention include Crown Prince Abdullah's participation in the summit meeting of the Organization of Islamic Countries (OIC) in Tehran, Iran (December 1997), the signing of a border accord with Yemen (June 2000) and the signing of a sea border accord with Kuwait (July 2000), which all helped improve Saudi Arabia's ties with neighboring Arab and Islamic states.

In relations with Iran in particular, Crown Prince Abdullah visited Iran in 1997 and former President Hashemi Rafsanjani visited Saudi Arabia in February 1998. Following reciprocal visits by the two countries' foreign ministers, oil ministers and other government leaders (see Table 2), Iranian President Khatami visited Saudi Arabia in May 1999 to mark a substantial improvement in bilat-

eral relations, which owes much to the coincidence that in Iran, President Khatami, inaugurated in May 1997, took active steps to improve the country's ties with other countries and in Saudi Arabia around the same time, Crown Prince Abdullah began to take the initiative in its foreign policy.

When the U.S. forces launched an attack against Iraq in December 1998, Saudi Arabia again refused to permit the use of Saudi bases. But this incident alone cannot be interpreted as showing a deterioration in U.S.-Saudi relations. In fact, Crown Prince Abdullah himself made an official visit to the United States in September 1998 and held talks with the then President Clinton and other U.S. leaders. Except for the base use issue, the bilateral relations have continued without much trouble.

All things considered, Saudi Arabia's foreign policy under Crown Prince Abdullah somewhat tilted more toward Arab and Islamic countries than before. But, as the countries visited by Abdullah include the United States, Britain and France as well as the Vatican (see Table 1), the diplomacy under his leadership should be viewed as being conducted in a manner of keeping the balance between Asia and Europe/the United States and between Islamic countries and non-Islamic countries. Despite a slight tilt toward the Arab and Islamic countries, Crown Prince Abdullah seems to be trying to maintain ties with the United States, European nations as well as Japan and other Asian countries.

Saudi Arabia's overall relations with the United States are likely to be maintained as have been in the past. As Saudi Arabia's nonattendance at the Mena conference and its refusal to let the United States use its bases for attacks on Iraq, however, Saudi Arabia's unconditional support for the United States can no longer be guaranteed in the event of future confrontation between the United States and Arab Islamic states.

Table 2 Mutual V.I.P. Visits between Saudi Arabia, Iran (since 1997)**(From Iran to Saudi Arabia)**

March	1997	Foreign Minister Velayati (an invitation to OIC)
November	1997	Foreign Minister Kharrazi (tour of Gulf states)
February	1998	Former President Rafsanjani
March	1998	Foreign Minister Kharrazi
June	1998	Foreign Minister Kharrazi
November	1998	Foreign Minister Kharrazi
March	1999	Foreign Minister Kharrazi
March	1999	Oil Minister Zangeneh
May	1999	President Khatami
July	1999	Deputy foreign minister Sadiq Kharrazi
July	1999	Foreign Minister Kharrazi
September	1999	Oil Minister Zangeneh
October	1999	Majlis Speaker Nateq Nouri
November	1999	Oil Minister Zangeneh (attendance at International Energy Forum)
March	2000	Oil Minister Zangeneh
April	2000	Defense and Logistics Minister Shamkhani
July	2000	Economic Affairs Minister Namazi

(From Saudi Arabia to Iran)

December	1997	Crown Prince Abdullah (OIC summit)
May	1998	Foreign Minister Saud
November	1998	Petroleum and Mineral Resources Minister al-Naimi
November	1998	Majlis al-Shura (Consultative Council) Chairman Jubeir and a Majlis delegation
May	1999	Defense and Civil Aviation Minister Sultan
June	1999	Majlis Chairman Jubeir and a Majlis delegation (a meeting of the Islamic Parliamentary Union)
October	1999	Industry and Electricity Minister Yamani at the head of a 117-member delegation
November	1999	Petroleum and Mineral Resources Minister al-Naimi
January	2000	Commerce Minister Faqih (a ministerial meeting of the Iran-Saudi Arabia joint committee in Tehran)
February	2000	Minister of State al-Khwaitar as special envoy of King Fahd
October	2000	Foreign Minister Saud
November	2000	A Saudi economic mission

1.2.3 Any Change in Oil Policy?

Is there any perceivable change in Saudi Arabia's oil policy after 1995? In conclusion before discussion, there is no significant change in the country's oil policy, though there was an alteration to a decision-making organization.

There is not much known about Crown Prince Abdullah's thinking about oil policy, partly because he has had relatively few connections with the oil industry. Abdullah reportedly criticized King Fahd's oil policy in the 1980s as catering to the interests of the United States and Europe. If

that is true, and given his orientation in domestic and foreign policies, it can be assumed that Crown Prince Abdullah in his policy tends to give greater importance to the interests of Saudi Arabia and other oil-producing countries.

Since March 1999, Saudi Arabia has led coordinated reductions of oil production by oil producers, mainly by the Organization of Petroleum Exporting Countries (OPEC), in order to help lift oil prices. Saudi Arabia was keen to push for output cuts. When crude oil prices slid down to as low as around \$10 per barrel in London (Brent), it was only natural for Saudi Arabia, the world's

top producer, to strive to keep oil prices afloat. The Saudi move should not be construed as signaling a major shift in the country's oil policy from international cooperation to a pursuit of high oil prices.

After oil prices surged toward summer, Saudi Arabia, heeding calls for output increase by the United States and other consuming nations, adopted the stance of bringing oil prices to a preferable range and decided to raise output. The decision was primarily based on the past experiences that oil price surges depressed demand for oil in consuming nations and slow demand led to declines in oil prices, eventually resulting in oil revenue falls. At the same time, the Saudi move reflects its stance of continuing to cooperate with the United States and other oil-consuming nations.

In the area of oil and gas development, Saudi Arabia has been promoting foreign investment in gas development since 1998. The form of foreign capital introduction into gas development has yet to be spelled out, but it is assumed to be mainly for the field of gas utilization. Little change is foreseen in the area of oil development. The upstream field of oil production, including development of oil fields, continues to be closed to foreign investment, except in the Neutral Zone. Thus, Saudi Arabia's oil policy has undergone no significant change, little affected by the change in power structure since 1995.

King Fahd and the Sudeyri Seven have kept control over the oil industry, including personnel matters. Crown Prince Abdullah has so far had little involvement in the oil industry. These probably explain, at least partly, the lack of any big change in the oil sector despite the change in power structure in Saudi Arabia.

Since 1999, however, there have been some organizational changes concerning oil policy decision-making. In September 1999, the Ministerial Committee for Petroleum was established. In January 2000, the Supreme Council for Petroleum and Mineral Affairs was created under King Fahd. With Crown Prince Abdullah sitting on the petroleum

council as a leading member, he is expected to gain a gradually increasing influence over oil policy through his role in the supreme council. In a survey of Saudi Arabia's future oil policy, developments in relations with oil-consuming countries and future personnel changes of ministers, such as the minister of petroleum and mineral resources, require close watching.

1.3 Future Outlook

This last section examines the growing roles in domestic politics of the supreme councils and the *Majlis al-Shura* and the impact of the intensification of the Palestinian-Israeli conflict since September 2000. Both have important implications for the future course of Saudi Arabia's domestic and foreign policies.

Since 1999, Saudi Arabia established important supreme councils. The Supreme Economic Council³ was created in September 1999, and the Supreme Council for Petroleum and Mineral Affairs⁴ was set up in January 2000. And there are other councils include the Supreme Tourism Council, the Supreme Information Council, the Supreme Islamic Affairs Council, and the Supreme Judicial Council. These supreme councils have been playing certain roles in domestic politics as sort of advisory organizations. In particular, the newly established Supreme Economic Council and Supreme Council for Petroleum and Mineral Affairs have come to play a major role in deciding Saudi Arabia's economic and oil policies. The Supreme Economic Council mainly examines problems related to economic development and promotion of foreign investment, while the Supreme Council for Petroleum and Mineral Affairs discusses the oil strategy and policies regarding development of the energy sector. The *Majlis al-Shura*, established in 1993, was at first thought to be an organization with weak authority because it is an appointed body and has no legislative power. In recent years, however, it is increasing the degree of involvement in the process of policy decisions

through its deliberations and recommendations to the government.

Previously, under Saudi Arabia's political system, major policies had been decided at cabinet and other top-level meetings under the strong leadership of the King. As ailing King Fahd cannot provide a powerful political leadership at the moment, the supreme councils made up of key ministers and the *Majlis* are expected to strengthen their roles as forums to iron out and adjust varying demands and complicated interests. The bottom-up method of policy decisions is gaining ground in the policy-making process, and deliberations at the *Majlis* are also beginning to influence policy decisions. These structural changes are likely to increase opportunities for opinions of the general public to be reflected in politics.

The political values of Crown Prince Abdullah, who keeps tribal values and connections and who gives greater weight to Islam and ties with the Arab world, have many things in common with the values held by the Saudi Arabian people, particularly those who live in the Najd region, the center of politics, in central Saudi Arabia. Amid the structural changes occurring in the process of policy decisions, it is assumed, the politics under Crown Prince Abdullah are increasingly likely to more closely reflect opinions of the general public.

Saudi Arabia's policy response to the intensification of the Palestinian-Israeli conflict gives something of an insight into that likelihood.

Since late September 2000, violent clashes have been continuing in the West Bank and Gaza Strip between the Palestinians and Israel. The violence, triggered by Israeli opposition Likud party leader Ariel Sharon's visit on September 28 to Jerusalem's holy site, *al-Haram al-Sharif*/the Temple Mount, sacred to Muslims, left overwhelmingly large casualties on the Palestinian side, with the number of Palestinian people killed topping 300 by the end of the year. The violent clashes were broadcast via television to arouse major reactions in other Middle East countries. In the Gulf region

since October, citizens and students intensified activities to denounce Israel and support the Palestinians.

In Kuwait, the United Arab Emirates and Oman, students and citizens held demonstrations and protest rallies. Demonstrations and other protest actions are quite unusual in the GCC states except Kuwait, since they have strict controls over political activities by students or citizens. This alone shows how big an impact the latest violence had on the Gulf region.

In Saudi Arabia Hamburger chain McDonald's also embarked on a campaign to donate one riyal (about \$0.37) per meal to hospitals taking care of Palestinian children during the Ramadan month started 27th November 2000. And people came to boycott some of U.S. commodities and companies because of the American support to Israel. These developments show the extent of the conflict's impact on Saudi Arabia and the deep concern among Saudi people.

The intensification of the Palestinian-Israeli conflict is influencing Saudi Arabia's foreign policy as well. Saudi government leaders repeatedly denounced Israel and voiced support for the Palestinians. Crown Prince Abdullah made such statements as well, and also announced a boycott of a summit meeting of the Organization of Islamic Countries (OIC) in Qatar from 12 to 14 November, criticizing the existence of the Israeli trade office in Doha. After Qatar announced the closure of Israel's trade office in its capital, Abdullah changed his stance to attend the OIC summit.

Recently, as seen above, Saudi Arabia's domestic and foreign policies have a tendency to fall into line with the trends of public opinions. In the recent past, there have been no instances of the Saudi government's policies being decided contrary to the direction pointed by public opinions. In the boycott of the Middle East and North Africa Economic Conference or in the refusal to grant the United States the use of bases in air attacks against Iraq, the government's policies appear to have been decided under the significant influence

of the public's antipathy toward Israel and the heightened sympathy toward the Iraqi people, respectively.

Thus, the trends of public opinions cannot be neglected any longer in foreseeing the direction of the Saudi government's domestic as well as foreign policies. In Saudi Arabia, the generation born after the first oil shock of 1973 is raising their voice to be heard. Their values are different from those held by the older generation. Depending on how the Palestinian-Israeli conflict evolves, hard-line opinions may come to the fore among the Saudi people. For the time being, we cannot take our eyes off developments in the Palestinian-Israeli conflict.

Notes:

1. The Sudeyri Seven are the seven brothers having the same mother, Hassa bint Ahmad al-Sudeyri: King Fahd; Second Deputy Prime Minister and Minister of Defense and Civil Aviation Sultan; Deputy Minister of Defense and Civil Aviation Abdul Rahman; Minister of the Interior Naif; former Deputy Minister of Defense and Civil Aviation Turki; Riyadh Region Governor Salman; and Deputy Interior Minister Ahmad.
2. The conference at first was called the Middle East and North Africa Economic Summit, but was

changed to the Middle East and North Africa Economic Conference in October 1997, when the participation by top government leaders became difficult.

3. The Supreme Economic Council, headed by Crown Prince Abdullah, includes as its members Petroleum and Mineral Resources Minister Ali bin Ibrahim al-Naimi, Industry and Electricity Minister Hashim bin Abdullah Yamani, Minister of Labor and Social Affairs Ali bin Ibrahim al-Namla, Saudi Arabian Monetary Agency (SAMA) Governor Hamad al-Sayari. The council's job is to crystallize economic policy and ways of implementing it and report to the cabinet regularly. It also studies the five-year development plans and financial policy and prepares preliminary budget and spending drafts, and also considers job training and the creation of new jobs.
4. The Supreme Council for Petroleum and Mineral Affairs, headed by King Fahd, includes as its members Crown Prince Abdullah, Second Deputy Prime Minister Sultan, Foreign Minister Saud al-Faisal, Petroleum and Mineral Resources Minister al-Naimi, and Finance and National Economy Minister Ibrahim bin Abdul Aziz al-Assaf. The council's job is to define and approve Saudi Arabia's oil and gas policy and draft Saudi Aramco's general policies. It also makes decisions on levels of oil production and approves oil price policy.

(Sadashi Fukuda)