

I. DEVELOPMENT GOALS

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Planning implies the efficient use of a country's resources in accordance with certain rationally-determined priorities for the attainment of nationally-cherished goals. Since goals are culturally, historically and politically oriented, a country's development plan essentially reflects its fundamental values and principles.

The fundamental values and principles which guide Saudi Arabia's balanced development are expressed in the following goals:

- ☆ Maintain the religious and moral values of Islam.
- ☆ Assure the defense and internal security of the Kingdom.
- ☆ Maintain a high rate of economic growth by developing economic resources, maximizing earnings from oil over the long-term, and conserving depletable resources.
- ☆ Reduce economic dependence on export of crude oil.
- ☆ Develop human resources by education, training, and raising standards of health.
- ☆ Increase the well-being of all groups within the society and foster social stability under circumstances of rapid social change.
- ☆ Develop the physical infrastructure to support achievement of the above goals.

The Development Plan, 1395-1400 provides for further advance toward the social and economic goals listed above while maintaining the religious and moral values of Islam. These goals are elaborated and placed within the context of Saudi Arabia's internal policies in the discussion that follows.

1. High Rate of Economic Growth

The human and natural resources which God has given the Kingdom will be efficiently used to maintain a high rate of economic growth and to reduce the country's dependence on a single depletable asset, oil.

The Government recognizes that to achieve this goal requires diversifying the economy by encouraging expansion in agriculture, industry, and mining, with particular emphasis on petrochemical and mining industries in which the Kingdom enjoys a comparative advantage.

The Government will encourage the expansion of the private sector in these activities through providing the necessary facilities and incentives.

2. Development of Human Resources

All the people of Saudi Arabia will have access to educational and training facilities at all levels, and health services will be provided throughout the Kingdom.

Education and training — free of charge at all levels — will continue to expand and improve in quality, with the aim not only of eradicating illiteracy and promoting learning, but also to teach new skills, to stimulate research and the use of production and distribution techniques, and to inculcate the spirit of honest hard work.

To achieve the full potential of the Kingdom's human resources requires the creation of a healthy social and physical environment combined with an adequate free medical service throughout the country in fully-equipped hospitals, dispensaries, and health centers.

An economic climate will be created that enables the individual to find gainful employment in accordance with his capabilities, to depend on himself in earning his living, and to contribute to the development of his country.

3. **Social Well-being**

Social services will be developed to ensure that every group and individual, however disadvantaged, enjoys an adequate, dignified minimum standard of living; levels above this minimum will continue to be the reward of individual effort and achievement.

Towards realizing this goal, the Government intends to expand and intensify its programs in the following ways:

- ☆ Make essential goods, especially staple food items, available at stable and reasonable prices, subsidizing prices if necessary, with due regard to the effect on domestic production.
- ☆ Provide free education at all levels and create a clean and healthy environment with adequate medical facilities available free of charge.
- ☆ Arrange on easy terms suitable housing constructed at Government initiative for those with limited income, and encourage construction by others through granting interest-free loans with some subsidy; the ultimate goal is that every Saudi family owns its own house.
- ☆ Extend social security and other benefits, including assistance payments for the needy.
- ☆ Make credit available free of interest to those with limited incomes having temporary financial difficulties.

4. **Physical Infrastructure**

The Government will continue to expand and improve the physical infrastructure — transportation, communications, municipalities, and housing — as required to support achievement of the above economic and social goals.

5. **Economic Freedom Within Social Welfare**

The economic system of Saudi Arabia is based on the principles of free economy where a substantial part of the production and distribution of goods and services is left to individuals and groups enjoying freedom in their dealings and transactions. While the Government of Saudi Arabia will uphold the market system and encourage the private sector to play a fundamental role in the accelerated growth and development of the country, it will take all necessary measures to make the market system conform to the larger social interests of the country.

