

SAUDI ARABIA IN FOCUS

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TERRORISM

CROWN PRINCE SAYS TERRORIST HOLD IS OVER

In an interview with the Kuwaiti newspaper *Alseyassah* published on August 16, Crown Prince Abdullah affirmed that security in Saudi Arabia is strong, the hold of terrorism is over, and all that is being done now is "mopping up". He declared that the acts of terrorism, in spite of some negative impact, they have given impetus to the economy by uniting the people. The number of factories is increasing, and the petroleum, natural gas and petrochemical sectors are expanding. Saudi Arabia, he said, is like many countries – the United States included – who have had to face internal violence and organized crime; but the Kingdom has successfully overcome the threat.

MILITANT KILLED IN MAKKAH INCIDENT

Abdulrahman bin Obaid-Allah Al-Harbi was killed in Makkah, in the vicinity of the Grand Mosque, when he attacked security officers who were trying to apprehend him. He was wanted for his involvement in an extremist group for whom he manufactured explosives and car bombs, taking part in the June 2003 incident at the Al-Khaldiyah apartment building, and identified as one of those who, together with Nimr bin Sahaj Al-Bogomy, now in custody, fired at the guards of Riyadh's Al-Muhaya Compound prior to last Ramadan' car-bomb attack.

FOREIGN AID

SAUDI RED CRESCENT ASSESSES DARFUR SITUATION

A Saudi Red Crescent Society delegation headed by Dr Abdulrahman Al-Sowailim toured Sudan's western region of Darfur to assess the situation there prior to the provision of emergency relief aid. The Society, having been requested by the concerned Sudanese authorities to focus on health services in the villages where displaced people are expected to return, has pledged to construct a number of medical centers. A medical team arrived in Darfur on August 15. Saudi Arabia has pledged U.S. \$ 10.7 million in basic humanitarian aid to the region.

OIL

CROWN PRINCE REITERATES SAUDI POLICY ON OIL

In an interview with the Kuwaiti newspaper *Alseyassah* published on August 16, Crown Prince Abdullah affirmed that it is not in Saudi Arabia's interest to cause harm to the global economy, and reiterated the Kingdom's view that the ideal price range is between \$25 and \$30 a barrel. The giant oil companies, he said, must take responsibility for the current price hikes, citing unnecessary hoarding and stock transaction practices. All Saudi Arabia can do, he declared, is to increase its daily production rate, otherwise "the matter is out of our control as an oil producer".

KINGDOM REAFFIRMS PLEDGE TO INCREASE PRODUCTION

On August 11, Minister of Petroleum and Mineral Resources Ali Al-Naimi issued a statement reaffirming the Kingdom's endeavors to ensure the stability of the international oil market and pointing out that Saudi Arabia has over the past three months increased its production of crude by more than one million barrels per day, raising the average daily production to 9.3 million barrels. The Kingdom, he declared, is prepared, if required, to make immediate use of its remaining production capacity of more than 1.3 million barrels daily.

Meanwhile, on August 15 the *Washington Post* published an op-ed by Ambassador to the United States Prince Bandar bin Sultan entitled 'The Saudis and Oil Stability' that included the comment: "No country understands the negative effects of high oil prices better than Saudi Arabia. Saudi Arabia profits by meeting customers' demands, not by frustrating them."

ECONOMY

NEW MOBILE PHONE COMPANY ENDS SAUDI TELECOM MONOPOLY

A consortium led by the Etisalat mobile phone company has obtained a license for cell phone service, ending the monopoly of the Saudi Telecommunications Company (STC) and promising job opportunities for thousands of Saudis. The Etisalat Consortium Company is being set up with 65 percent of the shares owned by Saudis, including fully 20 percent to be floated for subscription by Saudi citizens. The remaining 35 percent is held by the United Arab Emirates' Telecommunications Corporation.

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