

Table of Contents

World Affairs Councils of America	2
Board of Directors	3
Member Councils.....	4
Sponsors of the World Affairs Councils.....	6
About Leadership Missions.....	7
Delegates	9
Schedule of Meetings	10
Trip Overview	12
Municipality of Jeddah	13
Dr Haifa R. Jamalallail.....	14
Effat College	14
Jeddah Chambers of Commerce & Industry and Businesswomen’s Department.....	15
Dean Suhair Al Qurashi	16
Dar Al-Hekmah College	16
Moutaz M. Mashour, Interim Vice-President, Human Resources and Jamal Abdullah Buhlaigah, Interim Director, Human Resources	17
King Abdullah University of Science and Technology (KAUST).....	17
King Abdullah Economic City (KAEC).....	18
Omar Bahlaiwa, Secretary General	19
The Committee for International Trade (CIT).....	19
General Saleh Bin Ali Bin Mohammed Al-Mohia.....	20
Ministry of Defense	20
Abdullah Al Hussein, Minister	21
Ministry of Water & Electricity	21
Rayed Gremliy, Deputy Director- Western Department.....	22
Ministry of Foreign Affairs	22
Amr bin Abdullah al-Dabbagh, Governor.....	24
Saudi Arabian General Investment Authority (SAGIA)	24
Ministry of Economy and Planning.....	25
Photos.....	27

World Affairs Councils of America

ENGAGING GRASSROOTS AMERICA IN WORLD AFFAIRS

Our mission is to:

- Empower citizens to participate in the national debate on world affairs
- Build citizen support for American engagement in the world
- Stimulate communities to interact effectively in the global economy
- Help people relate their local concerns to global issues
- Improve international education locally, nationally, and internationally
- Foster international interests in America's young people
- Build alliances with counterpart organizations locally, nationally, and internationally
- Increase council professionalism by disseminating best practices

The Foreign Policy Association (FPA) and World Affairs Councils were part of the same system from 1918 until the early 1950s. The FPA began informally in the spring of 1918 with a small group surrounding Woodrow Wilson and included journalist Paul Kellogg. The initial group was concerned that with the end of World War I, Americans would choose an isolationist foreign policy over one of engagement. By 1947, this vision evolved into one of a national organization based on a network of independent community councils.

In 1986, the National Council of World Affairs Organizations (NCWAO) national office was established in Washington, DC. This office evolved into the World Affairs Councils of America - a commonwealth of 89 World Affairs Councils serviced by a national office that provides resources, as well as serving as the central agency of correspondence, and information exchange.

Each year the WACA supports the grassroots development of the council network. Our national conference allows policymakers to interact with World Affairs Council members in Washington, DC. Annually, the WACA hosts and works with local World Affairs Councils on the national championship Academic WorldQuest competition. The WACA also serves an important role representing the council network to the world at large, including foreign diplomats and the U.S. State Department.

While its structure may have evolved since 1918, WACA's goal of building a vital and diverse constituency within the American public on international affairs remains intact today.

Ms. Barbara A. Propes, President & CEO
Mr. David Koontz, Director of Finance
Ms. Christie Roberts, Director of Programs
Ms. Laura Reidy, Director of Education
1726 M Street NW, Suite 202, Washington, D.C. 20036
Phone: (202) 833-4557 Fax: (202) 833-4555
Email: waca@worldaffairsCouncils.org

Board of Directors

Chairman

Ambassador James R. Jones, *Co-Chairman, Manatt Jones Global Strategies, Washington, DC*

Vice Chairman

A. Alexander Lari, *Chairman, Claremont Group, New York, NY*

Secretary

Michael C. Maibach, *President, European-American Business Council, Washington, DC*

Treasurer

Mr. Joe Melookaran, *President, International Relations Council of Kansas City, Kansas City, MO*

President and CEO

Barbara A. Propes, *World Affairs Councils of America, Washington, DC*

Abdulaziz Al-Abdulkader, *Owner, AMA Group of Companies, Saudi Arabia*

Carlos Alvarez, *President, Gambinus Company, San Antonio, TX*

Dixie Anderson, *Executive Director, World Affairs Council of Western Michigan, Grand Rapids, MI*

David Bailey, *Manager, International Government Relations, ExxonMobil, Washington, DC*

Lowell Blankfort, *San Diego World Affairs Council, San Diego, CA*

Rachel Bronson, *Vice President, Chicago Council on Global Affairs, Chicago, IL*

Ali Ebrahimi, *President, Ersra Grae, Houston, TX*

James N. Falk, *President, World Affairs Council of Dallas/Fort Worth, TX*

Robert Fischer, *Executive Director, St. Louis World Affairs Council, St. Louis, MO*

Jonathan M. Fox, *President Emeritus, Samuel Aaron International, Stamford, CT*

Dr. Ward Fredericks, *Chairman, World Affairs Council of the Desert, Palm Springs, CA*

Mr. Ken Furst, *President, Momentum Group, Springfield, MA*

Mimi Chapin Gregory, *President, Naples Council on World Affairs, Naples, FL*

Dr. Joseph M. Ha, *Vice President, Nike, Beaverton, OR*

Felicity Harley, *Executive Director, World Affairs Council of Connecticut, Hartford, CT*

Noel Lateef, *President, Foreign Policy Association, New York, NY*

James Lexo, *Executive Vice President, VSE Corporation, Alexandria, VA*

Howard Li, *Chairman and CEO, Waitex, New York, NY*

Kenton McDonald, *Branscomb PC, Corpus Christi, TX*

Joe Melookaran, *President, International Relations Council of Kansas City, Kansas City, MO*

Deanna Pelfrey, *Chairman, World Affairs Council of Kentucky and Southern Indiana, Louisville, KY*

Michael A. Phillip, *Vice President, Merrill Lynch, Oxnard, CA*

Sanjay Puri, *President and CEO, Optimos, Chantilly, VA*

Diana Sedney, *Manager, International Government Relations, Chevron, Washington, DC*

Angela Weck, *Executive Director, Peoria Area World Affairs Council, IL*

Peter C. White, *President, Southern Center for International Studies, Atlanta, GA*

Jonathan Widdis, *President and CEO, Akmaa LLC, Anchorage, AK*

Richard Wilhelm, *Vice President, Booz Allen Hamilton, McLean, VA*

Maria Wulff, *President, World Affairs Council of Oregon, Portland, OR*

Member Councils

89 councils - 40 states

ALABAMA

Alabama WAC (Montgomery)

Southern Center for Int'l Studies
(Atlanta)

ALASKA

Alaska WAC (Anchorage)
Juneau WAC

HAWAII

Pacific and Asian Affairs Council

ARIZONA

WAC of Arizona (Scottsdale)

ILLINOIS

Chicago Council on Global Affairs
Peoria Area WAC
WAC of Central Illinois (Springfield)
WAC West Central Illinois
(Jacksonville)
WAC of the Quad Cities (Rock Island)

CALIFORNIA

Los Angeles WAC
WAC of Inland S. California (Riverside)
WAC of Monterey Bay Area
WAC of N. California (San Francisco)
WAC of Orange County
WAC of San Diego
WAC of Sonoma County
WAC of the Desert (Palm Springs)
WAC of Central California Coast

INDIANA

Indiana Council on World Affairs

IOWA

WAC of the Quad Cities (Davenport)

COLORADO

Colorado Springs WAC
Denver WAC
Foothills WAC

KENTUCKY

WAC of Kentucky and S. Indiana

LOUISIANA

WAC of New Orleans

CONNECTICUT

WAC of Connecticut (Hartford)
World Affairs Forum (Stamford)

MAINE

WAC of Maine (Portland)

DELAWARE

WAC of Wilmington

MASSACHUSETTS

WorldBoston
WAC of W. Massachusetts
(Springfield)

DISTRICT of COLUMBIA

WAC of Washington, DC

MICHIGAN

Detroit Council on World Affairs
Great Lakes WAC
Int'l Affairs Forum (Traverse City)
WAC of W. Michigan (Grand Rapids)

FLORIDA

WAC of Jacksonville
Naples Council on World Affairs
WAC of the Florida Palm Beaches

MINNESOTA

Minnesota International Center
(Minneapolis)

GEORGIA

Savannah Council on World Affairs

MISSOURI

Int'l Relations Council (Kansas City)
WAC of St. Louis

MONTANA

WAC of Montana

NEVADA

Las Vegas WAC
Northern Nevada International Center
(Reno)

NEW HAMPSHIRE

N.H. Council on World Affairs
(Concord)

NEW MEXICO

Santa Fe Council on Int'l. Relations

NEW YORK

International Institute of Buffalo
Foreign Policy Association
WAC of Long Island
WAC of Mid-Hudson Valley

NORTH CAROLINA

WAC of Charlotte
Triad WAC (Greensboro)
WAC of E. North Carolina (Greenville)
International Affairs Council (Raleigh)
WAC of W. North Carolina (Asheville)

OHIO

Akron Council on World Affairs
Cleveland Council on World Affairs
Columbus Council on World Affairs
Dayton Council on World Affairs
WAC of Greater Cincinnati

OREGON

WAC of Oregon

PENNSYLVANIA

WAC of Philadelphia

WAC of Pittsburgh
WAC of Greater Valley Forge
WAC of Greater Reading

RHODE ISLAND

WAC of Rhode Island

SOUTH CAROLINA

Columbia World Affairs Council
Charleston Foreign Affairs Forum
WAC of Hilton Head

SOUTH DAKOTA

South Dakota WAC (Brookings)

TENNESSEE

WAC of Tennessee (Cookeville)

TEXAS

Houston WAC
WAC of Greater Dallas - Ft. Worth
WAC of San Antonio
WAC of South Texas (Corpus Christi)

UTAH

Utah Council for Citizen Diplomacy

VERMONT

Vt. Council on World Affairs
(Colchester)
Windham WAC of Vermont

VIRGINIA

WAC of Greater Richmond
WAC of Greater Hampton Roads

WASHINGTON

Olympia WAC
WAC of Puget Sound (Seattle)
WAC of Spokane
WAC of Tacoma

WISCONSIN

Institute of World Affairs (Milwaukee)

Sponsors of the World Affairs Councils

Major Sponsors

Chevron
ExxonMobil
The Gambrinus Company
The Maibach Foundation
The Turkish Cultural Foundation

Participating Sponsors

Akmaq, LLC
AMA Group of Companies
American Society of International Law
Anheuser-Busch Companies
Booz Allen Hamilton
The Claremont Group
European American Business Council
European Union
Foreign Policy Association
The Fox Family Foundation
Holland America
Integrated Concepts and Research Corp
JMA Chartered-Mr. Joe Melookaran
The Kaiser Family Foundation
Mr. Lowell Blankfort
Mr. Michael Phillip
The People Speak
W.K. Kellogg Foundation
VSE Corporation

Affiliates

The Africa Summit	International Center for Journalists
Alliances Françaises USA	International Law Institute
America-Israel Friendship League	International Republican Institute
The American Academy of Diplomacy	The Kellogg Foundation
American Foreign Service Association	Korea Economic Institute
American Forum for Global Education	The Korea Foundation
American Society for International Law	Middle East Institute
American-Kuwaiti Alliance	My Wonderful World - A National Geographic-led Coalition
Be Global	National Council for International Visitors
Brookings Institution	National Democratic Institute
The Cato Institute	National Geographic Society
Center for International Trade	Public Affairs Alliance of Iranian-Americans
Center for Strategic and International Studies	Strafor (Strategic Forecasting)
Coalition for Citizen Diplomacy	The Stanley Foundation
Council on Foreign Relations	U.S. Department of State
The Economist	U.S.-India Business Alliance
European-American Business Council	United States-Indonesia Society
Fora TV	World Affairs Magazine
Foreign Affairs Magazine	World Bank
Foreign Policy Research Institute	
Inter-American Dialogue	

About Leadership Missions

What is a Leadership Mission?

A Leadership Mission is an overseas fact-finding visit to a city, country, or international organization by a national leadership delegation of the World Affairs Council movement.

The World Affairs Councils of America is the largest non-profit international affairs organization in the United States with 89 councils around the country, national and international affiliates, and 500,000 members and participants.

What is the purpose?

The main purposes are to get to know the people, the issues, and the problems of the city, the country or the organization first-hand and to establish a much greater connection between the country and a well-informed and influential part of the American public. These trips are for meeting and discussion purposes.

Better knowledge of the host country and its issues means better programs back home at the local council level. These include country-specific information channeled through more speaker invitations, radio and television programs, council publications, curriculum materials, teachers' workshops, business roundtables, conferences, and travel programs.

The World Affairs Council movement prides itself on independence. It wishes to confront the world's issues directly, not through the prisms of official foreign policy, interest group ideology, or the national media. The movement strongly believes in people-to-people diplomacy and is one of the preeminent organizations of its kind in the United States.

Who goes?

Delegations are generally made up of 10 national leaders of the council system, i.e. presidents of councils, national board members, local chairpersons, program directors, and local board members. Trips usually last between 7 and 10 days.

Who pays?

The host government or organization covers the expenses inside the country. The hosts sometimes pay the international airfare to the country as well. Hosts have been foreign affairs ministries, national information services, local foundations, or local nonprofit organizations.

What do the delegations do?

Delegations hold a wide variety of discussions and make numerous site visits. Typically, discussions include a session at the foreign ministry and often with defense, education, economics, privatization, and other field experts as well. Commonly, delegations meet with the media, business associations, think tanks, foundations, and universities as well. Sessions are largely short briefings followed by extensive question-and-answer periods.

Site visits often include industrial facilities, military installations, development projects, and rural settings. Delegations are usually hosted once by the American embassy and sometimes pay a courtesy call on the national president.

How do the hosts benefit?

What the delegation learns is communicated to the members throughout the United States through a trip report, local programming, and council conferences and workshops.

Local programming on the host country has increased through 89 World Affairs Councils as a result of each tour. Perspectives gained on tours appear in publications, on radio and television, at conferences, in national foreign policy discussion publications, and in educational materials which we prepare for classrooms.

These visits also lead to the development of long-term working relationships between counterpart organizations in the host country and the World Affairs Councils. The working relationships produce joint projects, conferences, professional exchanges, speakers' visits to the United States, intern exchanges, publications, or the like. The tours sometimes lead to increased business interest from some of the 2,000 corporations that financially support the world affairs council movement around the country.

National delegation visits often then lead to follow-up by local councils. Many local councils have educational travel programs for their members. Leadership Missions often start a series of trips from around the council world. For local trips, the travelers normally are paying their own way.

What countries or organizations have hosted study tours?

Over the last ten years, the World Affairs Council system has taken leadership delegations to China, Japan, Korea, Taiwan, Hong Kong, Vietnam, Singapore, the Philippines, India, Turkey, Jordan, Syria, Saudi Arabia, the UAE, Israel, Morocco, Lebanon, Brazil, Canada, NATO, the European Union, Poland, Kuwait, Egypt, and Tunisia. Several countries have issued repeat invitations.

Delegates

Amb. Mark Johnson
Executive Director
Montana World Affairs Council
Missoula, Montana

Alex Lari
Founder / Chief Executive Officer
The Claremont Group
New York City, New York

Dixie Anderson
Executive Director
World Affairs Council of Western Michigan
Grand Rapids, Michigan

Jim Lexo
President and CEO
ICRC
Alexandria, Virginia

Stephen Gregory
Co-Founder and Partner
Economic Security Consultants Ltd.
Norfolk, UK

Lowell Blankenfort
President
Blankfort Unlimited Inc.
Chula Vista, California

Barbara Propes
President
World Affairs Councils of America
Washington, D.C.

Pat Ryan
President
Ryan and Associate
Cookeville, Tennessee

Suresh Ramamurthi
General Partner
Vitham Capital Partners
Kansas City, Missouri

Jonathan Widdis
President
Akmaa, LLC
Anchorage, Alaska

Schedule of Meetings

November 30 – December 8, 2007

Friday – November 30

Evening Meet at Conference Palace Hotel

Saturday – December 1, 2007

Morning Visit to the Municipality of Jeddah
Visit Effat College
Visit to Jeddah Chamber of Commerce & Industry and the
Businesswomen's Department
Afternoon Visit to Dar al-Hekmah & Luncheon
Evening Tour Old City

Sunday – December 2, 2007

Morning Visit King Abdullah University of Science and Technology
Briefing at the Jeddah Sheraton Hotel
Visit King Abdullah Economic City
Afternoon Luncheon at Hotel
Evening Travel to Riyadh

Monday – December 3, 2007

Morning Visit to the CIT/Council of Saudi Chambers
Visit to MODA – meeting with Chief of General Staff – Gen. Saleh
Bin Ali Bin Mohammed Al-Mohia
Meet with Minister of Water and Electricity
Afternoon Ministry of Foreign Affairs – Meet with Rayed Gremliy – Deputy
Director, Western Department
Evening National Museum
Dinner by Engr Khalid al-Seif

Tuesday – December 4, 2007

Morning Saudi Arabia General Investment Authority (SAGIA)
Briefing on 8th Five Year Plan by Ministry of Economy and
Planning
Afternoon Luncheon at House of Abdulaziz Abdulkhader

Wednesday – December 5, 2007

Morning Drive to Eastern Province
Evening Arrive at Dammam – Gulf Palace

Thursday – December 6, 2007

Morning Full day program arranged by Al Ahsa Chamber of Commerce and Industry and Tourism Commission
Drive to Hofuf
Tour Date Factory
Tour Historic Ibrahim Palace/Fort

Afternoon Tour Gara Mountain
Visit to Al Othman (NADA) for factory/farm tour and luncheon

Friday – December 7, 2007

Morning Aramco program
Visit Aramco Exhibit – Dhahran
Windshield Tour of Aramco Compound – Dhahran
Visit Aramco Heritage Gallery – Ibn Batuta Exhibit Tour

Saturday – December 8, 2007

Delegation members depart via Bahrain International Airport, Muharraq

Trip Overview

As one delegation member stated, this was an opportunity of a lifetime. We were treated like a high level delegation, always staying in government facilities, including one of the King's palaces. Most notable however, were the high speed police escorts everywhere we went. Traffic was heavy in their large cities, just like ours, but we did 80-90 mph through the city-including red lights many times.

Numerous Saudis reminded us that prior to the oil boom in the 70's, this was a different place-mostly Bedouins riding camels and sleeping in tents. In the last 35 years, they have advanced considerably. America has been a close friend and ally during that period. We helped discover oil in "lucky hole #7" and subsequently helped them get their economy organized. Their entire structure is best suited for the US businessman to utilize.

In the 60's and 70's, the King started paying qualified students to get post-secondary education in the country of their choice. America was the first choice for many, to the point where we averaged 20,000 students per year. Today, those students of the 60's and 70's are running the Saudi government and many industries there. They speak perfect English and have fond memories and friends in the US.

Their biggest complaint is that the Transportation Security Administration (TSA) treats them as criminals until proven innocent and that visas to the US are extremely difficult to secure. Obviously, 9-11 has put tremendous stress on the previously excellent relationship Saudi Arabia has had with the US. They blame the US media for much of it; it highlights and reiterates an indictment of Saudi Arabia because a majority of the 9-11 participants were from Saudi Arabia. The government and industry leaders we met with said they are subject to the same terrorists we are. (I did notice the same barriers and security measures we have here.) They said the radical *jihadis* are generally young, disenfranchised individuals. We were also told that the reports on "reprogramming" 1500 captured terrorists who were released is real in the sense that they have a serious program to determine their motives and then try to integrate them into society with jobs, etc. Without that explanation, most would assume they were simply turned loose.

Most everyone we met was in the government or industry elite, so it is difficult to know how the general population feels. The message to us was "we want to mend fences and we want the Americans to stay involved and engaged with us." What has changed in the past few years is that Saudi Arabia is not dependent upon America to buy their oil or help build their infrastructure. For the first time, Japan surpassed the US as their #1 trading partner. They are on a big push to attract foreign investments and for public-private partnerships like the "economic cities" they are building. They said US firms are noticeably missing. It was clear that they had no hesitation in pointing out what they think Americans are doing wrong. Again, this reflects that they no longer feel dependent upon the US. Japan, China, Singapore, Europe are all major players in Saudi Arabia.

The briefings by the ministers were interesting, but the "culture" day we had was most interesting. We visited a date factory where they processed dates for the royal family. The King provides free dates to many attending the Hajj. We toured a dairy farm that might be one of the biggest in the world. I forget the exact numbers but it was something like a total of 15,000 Holstein cows of which they milk 7000 four times a day. On the property, they make yogurt and many other dairy products. We visited some

caves where Saudis go to escape the heat, because it can be fifteen degrees cooler in these caves.

We visited Saudi Aramco in the Eastern Province where the largest oil reserves are. They have a fabulous museum that chronicles the discovery of oil there. The British discovered oil in Persia (modern-day Iran) first and few thought the rest of the Arabian Peninsula had any. An American geologist made multiple attempts and finally struck oil in “lucky hole #7”. Oil was found just in time because King Aziz was desperate for money to help keep the tribes unified. Aramco made an oil deal with the King and the rest is history. In the mid 80’s, the Saudis made a deal to take 100% of the ownership.

It was clear that the Saudis wanted us to leave with some clear impressions, most notably in cultural reform. The Quran is what governs their religious and secular lives and most Saudis tend to be conservative in their interpretation. King Abdullah is trying to “modernize or westernize” (how ever you want to characterize it) by issuing reform edicts. Currently, those concern the rights of women and the judiciary. The first two days we were there, they were focused on demonstrating the progress of removing barriers to women in the workplace. We visited two new universities strictly for women. The women we met were very impressive, especially the deans for both colleges. One vowed she was going to be a minister to the King. If the King’s position was not secure, she would probably set her goals for that. We brought up the Qatif rape case where the victim was sentenced to 200 lashes. A week after we left, the King pardoned her, not that there was connection to our trip. Our assessment is that they are making progress on cultural and social reform, but as we were reminded, the King cannot get out too far in front of the general population or he could risk losing his position. Chances are a stricter constructionist would replace him.

All in all, it was a great trip; truly a once in a lifetime experience.

Municipality of Jeddah

Jeddah is the second largest city in Saudi Arabia, though it is the principal commercial area of the country as a result of its port on the Red Sea. Since the 1970s, there has been major growth to the north of the city because of the new airport, as the city has continued to expand to the east and south.

The city has always enjoyed strong commercial ties to the United States, but since 9/11, the U.S. has shunned the area. In fact, our delegation was the first from the United States to visit in some time. Our hosts also made a point of noting their difficulty in obtaining visas to the United States.

Jeddah is currently one of the most important cities in Saudi Arabia, due in large part to its proximity to Mecca. Jeddah officials are determined for the city to grow, while still maintaining its spiritual significance. Therefore, they stress the following three areas of infrastructural growth as being the most important development issues for them:

- Transportation, including airport and traffic planning
- Jeddah’s waterfront development, which will include linking the waterfront to the historic district

- The historic district of Jeddah (as tourism is considered a viable and potential industry for the area)

They feel they have the city management team in place with a comprehensive plan to handle the substantial growth issues the city will face in the coming years. Indeed, a representative (an American) from the FLUOR engineering firm sat in on our discussion.

They are refining a system for “one-stop” shopping, as they attempt to make the paperwork and permit process as easy as possible for private developers and contractors doing work in the city.

During the question and answer session, the officials spent time discussing the preservation efforts in the city. This was particularly appropriate for our delegation, as we had a guided tour of the historic Jeddah area, now a World Heritage site, led by the archeologist in charge of the entire restoration effort. Examples of the unique Western-Arabian architecture can only be found here in Jeddah, as well as some 16th century Portuguese, Turkish, and Eastern European influences.

We ended on a light note, with one of the ministers talking about his skiing days in Colorado while he was at university there.

Dr Haifa R. Jamalallail

Effat College

Our host for the visit to Effat College, Jeddah was Dr Haifa R. Jamalallail, who spoke with great pride at the achievements the college has made to further the education of women in Saudi Arabia, and follows the Royal Decree by King Abdullah that women should learn.

The college was started under the guidance of Queen Effat who provided an educational fund to allow development and expansion.

The college opened in 1999 and provides a unique environment with many resources. There are eight programs of higher education through human resources, science and engineering. Currently 375 students, an increase of 110 over the year before, receive academic training from a faculty of forty-nine. Twenty percent are male, who are drawn from around the world and this is reflected in the twenty-five percent of the students who are international, coming from twenty-one countries.

The college underpins its principles with a belief in women, women’s education, and the preparation of the next generation of Saudi women.

To broaden students’ knowledge of global issues, each month an external speaker from either Saudi Arabia, the region or internationally visits the college to lecture. These lecturers are seen as role models for the students. The college strives to balance tradition with its international program.

The educational links to the United States exist through Duke University which has designed and helped to deliver an engineering program and through Georgetown University supporting a business administration program. This is backed up by support from the State Department and companies like Microsoft.

Now in its sixth year the college is seeking accreditation not only within Saudi Arabia but also internationally for the courses it runs. To date the college achieves a retention rate of ninety-three percent of students, a high retention of faculty and staff, as well as a graduation period of four years.

Most recently, approval has been given for the development of a foreign affairs training department to train female Saudi diplomats. Supported by the Georgetown School of Foreign Service, this is due to commence in 2008.

Career development beyond college extends to planning courses tailored to need, providing work experience and internships either within the Kingdom or internationally.

The college has a modern library that contains a good standard of research material that is shared with other universities, and it is hoped that it will be provided electronically in the future for distance learning.

In time, the college will expand and we were shown the new arts building and facilities. It is hoped that in the future, collaboration on research, student exchanges, and remote teaching methods will help deliver the vision.

Ultimately, technology and a strong will are the driving factors to achieve a greater educational program for women, which are being recognized today at all levels within the Saudi government.

Jeddah Chambers of Commerce & Industry and Businesswomen's Department

We visited first with the Businesswomen's Center at the Jeddah Chamber of Commerce, which is the result of King Abdullah's policy to encourage women in society. A training center was opened in 2002 which focuses on empowering women, supporting initiatives by businesswomen, and encouraging private employment opportunities for women. The women follow the model for Arab Muslim women as described at www.saudiwomenforum.com.

Sixty percent of the women in Jeddah are under twenty years of age. Women have long been in the shadows, and because employment of women is new concept, women are required to have a male guardian or sponsor for a variety of business transactions, like starting a business or obtaining a bank loan. However, the chamber is working to reform such regulations, while also giving women access to an incubator program which will

provide an inexpensive office, administrative assistant, and funding to start their own business (in which they are permitted to hire men as employees).

Since the center opened, there has been an increase in women in the private/commercial sector and in international organizations. The Kingdom is trying not to isolate women, but is rather taking an approach that integrates women with men.

The Jeddah Chamber has 27,000 members of which 2,000 are women. Four out of eighteen chamber board members are women. The chamber is also attempting to separate religious laws from traditional practices. For example, a colored abaya head scarf is new, while black is the traditional color.

Our second meeting was with the Jeddah Chamber itself. Jeddah is the trade capital or gateway to Saudi Arabia and has the largest international airport. The U.S. is one of the largest strategic partners of Saudi Arabia, with U.S. trade estimated at \$28 billion annually. We discussed the cost and market for pharmaceuticals, clothing and the growing fashion industry.

In response to a question of what American businessmen can do to improve business relations with Saudi Arabia, a local partnership with a Saudi Arabian company was indicated as a good step forward. Construction, real estate and logistics have been booming for the past ten years, with a target now on IT and petrochemicals. There is a need for foreign investment, though investment by China and India has been growing, while U.S. participation has been dropping. They encourage investments & U.S. businesses to come to Saudi Arabia, and discussed the challenges of educating Americans about Saudi Arabian culture. The chamber believes person-to-person contact is key and would like to increase partnerships with Americans.

The overall population in Saudi Arabia is approximately 20 million, of which half are under the age of 20. There is a need and goal to create jobs and opportunities for the younger generation and for women.

Dean Suhair Al Qurashi

Dar Al-Hekmah College

Dar Al Hekmah is a prestigious private women's college located in Jeddah. The school began operations in 1999 in association with technical assistance with the Texas International Educational Consortium. It is the first private women's college with all classes taught in English.

According to Dean Al Qurashi, who earned her PhD from Cambridge, the school's current enrollment is 1270, of which over 900 are full fledged students, with about 350 in continuing education programs. Other nationalities attend classes, including a few Americans.

Dar Al Hekmah has recorded some impressive achievements. The school has six PhD candidates in the pipeline at such universities as Harvard, London School of Economics, and Oxford. Currently the school offers seven majors ranging from graphic design, banking and finance, nursing, and political science. Dean Al Qurashi told us that Dar Al Hekmah will be starting a partnership with the Fletcher School of Diplomacy at Tufts University to undertake studies in international relations. The Saudi Ministry of Foreign Affairs has announced that the ministry will be recruiting women to participate as diplomats and Dar Al Hekmah will be the primary university training facility.

Tuition is about \$14,000, with full costs estimated to be about \$19,000 per student. The difference is made up by fundraising through a few wealthy Saudi donors. Although the college enjoys royal family endorsement, it is not supported by the state.

Our program concluded with impressive presentations by students demonstrating their language skills.

**Moutaz M. Mashour, Interim Vice-President, Human
Resources and Jamal Abdullah Buhlaigah, Interim Director,
Human Resources**

King Abdullah University of Science and Technology (KAUST)

We attended a presentation at KAUST, followed by a trip to King Abdullah Economic City about 100 km north of Jeddah.

Both Mr. Mashour and Mr. Buhliagah are executives of Saudi Aramco who are working for the KAUST initiative. The vision behind KAUST is:

- to create a strong scientific base
- to spur a knowledge based economy
- for Saudi Arabia to make a positive contribution to human civilization
- to make it open to all

KAUST intends to conduct scientific research that will lead to discoveries and inventions and sponsor creative and talented students.

KAUST is independently financed through endowments and its operations are independent of any government agency. KAUST will be open to men and women and admissions will be based on merit only. KAUST intends to focus on advanced research, developing an environmentally responsible campus, as well as four research institutes:

- Resource/Energy & Environment
- Biosciences
- Material Science & Engineering
- Applied Math & Computer Science

This is intended to be a post-graduate only institution. The development strategies consist of global research partnerships, and special partnerships which include

- WHOI- Woods Hole Oceanographic Institute
- IFP – French Institute of Petroleum
- NUS– National University of Singapore
- In-Kingdom partnerships with other universities within Saudi Arabia

KAUST plans on being operational September 2009. To achieve this objective, they are building a student pipeline of 500 students through a scholarship initiative and intend to hire 48 teaching scholars by 2009. In addition, they are recruiting distinguished scholars (Nobel laureates) to head and anchor each of the major research initiatives. KAUST site is located adjacent to the King Abdullah Economic City. The Minister of Petroleum, Ali bin Ibrahim Al-Naimi, heads the interim team, while a search is currently on for a president.

King Abdullah Economic City (KAEC)

We drove to KAEC, located about 100km north of Jeddah on coast of the Red Sea. A representative from Emaar, the developer of KAEC and SAGIA (Saudi Arabia General Investment Authority), made a presentation on KAEC. A brief summary of the presentation is as follows:

Estimated investment: \$27 billion

Objective: To create more skilled jobs in Saudi Arabia

City Size: Estimated size is 168 million square meters. The size of Dubai or Washington DC.

Job Creation: one million new jobs – with two million people living in KAEC.

City Plans: The city plans include several zones such as:

- Seaport
 - Largest in the region with several times more capacity than Jeddah. Designed to incorporate latest GIS/GPS container management systems and other technologies. Will include a Hajj terminal to handle 300,000 pilgrims.
- Industrial District
 - Area estimated 63 million sq m. Dedicated to plastics.
- Financial Island
 - Part of the business area. Expected to compete with Singapore or Dubai and become financial hub for Middle East.
- Education Zone
 - World class k-12 and undergraduate programs

- Resort Area
-Will include golf course, yacht clubs, water sports, and hotels/resorts along Red Sea. Will serve as a major resort destination within the region. (Note: this location is approximately 50km from Sudan across the Red Sea).
- Business Area
- Several attractive skyscrapers planned. Largest in the region. Will also contain the largest prayer hall (mosque) to handle over 200,000 people.

The first phase of development has been sold out, and price inflation has begun as a result. We visited the impressive sales office where there were both men and women sales persons. There is a scale model of the proposed development which is fully funded by the private developer Emaar. The government role is limited to providing the land, while SAGIA provides consulting and oversight for the development.

The presentation also covered other new economic city initiatives around the Kingdom. Here is a brief overview:

City	Inv.	Jobs	New Pop.	Developer	Size (Sq m)	Focus
Medina	\$7bn	20,000	200,000	Quad Int	4.8m	Islamic Services, Educational Theme park, Prophetic Heritage, High Tech Park, Incubators, Electronic Government
Jazan	\$27bn	500,000	250,000	Saudi Bin Ladin Group	100m	heavy industry, port, power generation, aluminium
Hail	\$8bn	55000	80000	Rakisa	156m	Focus on Airport hub - more than 10 capitals within 1 hour . Transport, logistics, downstream industries

Omar Bahlaiwa, Secretary General
The Committee for International Trade (CIT)

Our meeting was with Omar Bahlaiwa, who discussed a variety of topics with us and provided the following information:

- Arabs are famous traders going back thousands of years.
- The SA Chamber of Commerce started 55 years ago.
- Saudi Arabia is about the size of Texas.
- The SA growth rate is 2.4% and the GDP is \$347 billion.
- GDP per capita is \$14,500.
- SA possesses the largest economy in the ME.
- They have \$1 trillion in the development sector.
- In 2002, the GDP was \$188 billion and in 2006 it was \$347 billion.
- The non-oil sector is growing the most.
- Oil revenue is 32.5% of the GDP and non oil is 67.5%.

- The largest ME economies in order are SA, UAE, Egypt, Kuwait, Morocco, Libya and Oman.
- SA has 25% of the world's proven oil reserves.
- SA has the 4th largest in gas reserves.
- Petrochemicals business is big due to amount of cheap fuel.
- SA has approximately \$500 billion invested in the U.S.
- SA has become a member of the WTO organization.
- The King is instituting administrative reform. Key issues include restructuring the public bureaucracy, as well as promoting public and private partnerships.
- Water resources are of strategic importance.
- Exports equal \$215 billion and imports equal \$66 billion.
- SA expertise is in petrochemicals, electrical power towers, air conditioning, plastics, etc.
- Advantages: raw materials i.e. oil; high tech applications; strategic location; transportation capability.
- Japan is now the #1 importer of SA products with the US #2; South Korea and China are next.
- The U.S. has been SA's most valued partner since the 1930's. Americans found oil in SA and a made a deal with Aziz.
- Omar Bahlaiwa comment: US security agencies treat Saudis as criminals until proven innocent. A lot of trust has been lost among our respective people.
- Visas are the #1 problem preventing a closer relationship.
- The Department of Homeland Security needs to focus in the right place.
- SA has suffered from the same young radicals the U.S. does.
- The U.S. keeps making the same mistakes as Vietnam, Afghanistan, etc.
- There are on average of 20,000 Saudi students a year in U.S. universities, which provide a considerable contribution to Saudi-U.S. relations.
- The economic cities will create a new social life; new rules i.e. co-ed facilities, movies, etc.

General Saleh Bin Ali Bin Mohammed Al-Mohia

Ministry of Defense

At the Ministry of Defense, our group met with General Al-Mohia, the Chief of Staff of Saudi Armed Forces. Gen. Al-Mohia is a decorated officer who has attended numerous training courses in the U.S. He recalled his work with senior U.S. officers during Desert Storm.

Gen. Al-Mohia criticized the U.S. for not using its area expertise, a reference to the invasion of Iraq. The resulting instability in Iraq "hurts us as much as it hurts you." The consequences have spilled over into the region and the U.S. will not be able to make a clean break.

When asked about Iran, Gen. Mohia referred to Tehran's nuclear ambitions and U.S. concerns. However, he said Washington was employing a double standard vis-à-vis Israel, which is never criticized. He worried that any attack by the U.S. on Iran would lead to the closure of the Straits of Hormuz by Iran, thus bearing serious consequences for the Kingdom.

General Mohair commented at length on the military-to-military relationship between the U.S. and Saudi Arabia. The U.S. is not as flexible as the Europeans, and particularly criticized the "service fee" of 4.3 % the Ministry of Defense must pay the Pentagon. "We have to beg, and we never know the basis upon which the fee is assessed." When asked if this dissatisfaction is the reason Saudi Arabia is talking to the Russians about arms sales, General Al- Mohair said the reason is that Moscow is cheaper.

Like many Saudis we spoke with, General Al Mohair criticized the current policy of issuing visa to Saudis. He mentioned that the husband of his sister, who herself is medical doctor and had spent five years at Harvard, was denied a visa to accompany his wife "for nothing."

He stressed that all his candidates for military training in the U.S. are fully cleared on the Saudi side.

Abdullah Al Hussein, Minister *Ministry of Water & Electricity*

We visited the Ministry of Water & Electricity and met with Minister Abdullah Al Hussein. A number of important topics were discussed including desalination, solar power, and electricity/power generation.

Saudi Arabia is one of the driest regions of the world and has the highest use of desalination anywhere. Although the desalination process uses a lot of energy, it also produces water and power.

Saudi Arabia was indicated as the most advanced desalination user in the world and has patents pending on the filtration process that filters out salt. Salt content in the Gulf is twice that of the Atlantic, which means the cost to produce desalinated water in Saudi Arabia is higher. Desalination has no ill effect on the environment, and it supplies 55-60% of domestic demand for water in Saudi Arabia.

Water usage in Saudi Arabia is 260 liters per day per person which is double that of the European Union. Desalination output in Saudi Arabia is expected to double over the next five (5) years. They are also trying to reduce water demand via a nationwide water conservation program. Conservation kits are provided free to households which have resulted in a 30% reduction in water usage.

Transportation of desalinized water is a huge cost issue. For example, Riyadh requires a 450 km pipeline from the coast, and part of the route is uphill. There is currently a 20% loss due to leakage en route. Transport costs are equal to the cost of producing the water in the desalination plants. The water production cost is \$1 per cubic meter prior to transport. It is important to note that Saudi Arabia is the leader on desalination technology and issues because it is the only option in this country to deliver needed water supplies.

Solar power has been studied in a joint program with the U.S. since the 1970's, but had not previously been found to be as competitive as conventional power. Solar power is approaching equality with conventional power, resulting in limited solar usage now.

Electricity/power generation is 60% gas, which is mostly in the interior, and 40% via oil. Generation of power is now ready for private investors. Saudi Arabia needs \$50B in investments in this sector by 2015.

Wind energy looks promising and is being studied by Saudi Arabia's Energy Research Institute. The Saudi Electricity Company is key for anything to do with power. Opportunities include distribution, cables, transformers and manufacturing and there is a huge demand for spare parts for power and desalination plants. They also need consultants for long-term planning.

Rayed Gremliy, Deputy Director- Western Department *Ministry of Foreign Affairs*

Mr. Gremliy stated that the Ministry's Western Department was established four years ago in recognition that there have been special problems and misunderstandings in relations between Saudi Arabia and the West, particularly the United States. He said Saudi Arabia recognized the U.S. as an imperial power and during the Cold War, Saudi Arabia worked closely with the U.S. in fighting communism. Most of Saudi's elite, he noted, have been U.S.-educated, and American companies dominated foreign investment in Saudi Arabia. Saudis have become accustomed to studying, getting medical care, and even becoming tourists in America.

But since 9/11, he said differences have arisen. American public opinion and congressional opinion have not been favorable to the Saudis, while American foreign policy is not very popular with the rest of the world, and Saudi culture is not altogether understood by foreigners. Still, he asserted, Saudi Arabia had joined the United States in fighting terrorism. But there have been big problems with Saudis obtaining visas to enter the U.S. and some statements about Saudi Arabia, he said, have discouraged American investment in Saudi Arabia. But relations recently have improved on both sides, he stated.

Despite Iraq, the Israeli-Palestinian conflict is the most important conflict in the Middle East, Gremliy said, and the stagnation in resolving it is unfortunate. Iran, he stated, is a source of concern, but that should not preclude a solution.

Gremliy said Saudi Arabia wants a stable Iraq, regardless of sectarian considerations and that sectarian conflict in Iraq threatens its existence as a nation. He said Saudi Arabia has tried to establish the principle of non-interference by foreign nations in Iraq. He said they should not provide weapons to any militias.

When asked about Hamas, the Palestinian extremist group which controls Gaza, Gremliy said he thinks that if peace negotiations between Israel and more moderate Palestinians are successful, it is likely that Hamas would go along.

Meeting Minutes

	<u>Actions/Comments</u>
1.0	<u>Background</u> To understand the current perception of U.S. – Saudi relations
2.0	Ministerial Overview USA recognized as a non-imperial power that fought communism with Saudi Arabia. The elite in the current Saudi government were trained in the USA. Post-9/11 it was recognized that the two countries were not as favorable towards one another as previously thought. U.S. foreign policy was not popular in the region and the Saudi culture was not understood in the West.
3.0	<u>Terrorism</u> The co-operation in the fight against terrorism is very advanced and this co-operation extends to global issues. There are difficult challenges facing the U.S. Congress and public in understanding the terrorist threat. The fight against terrorism is seen as a fight against Islam. Research shows that there are improvements being made on both sides but to date this is small.
4.0	<u>Visas</u>
4.1	The issuing of visas to Saudis wishing to enter the US still remains a challenge, and this is impacting in two ways: Tourism Medical Treatment
4.2	Travel warnings issued by the U.S. State Department are now impacting commercial engagement and a decline in U.S. companies securing contracts in the region is reflected here.
5.0	<u>Turkey</u>
5.1	King Abdullah’s visit to Turkey was seen as an opportunity to put pressure on the country over its relationship with Iran. This is seen as key to the role that Saudi Arabia is taking in the Middle East
6.0	<u>U.S. relations Saudi Arabia and Iraq</u> Saudi Arabia will not support a solution in Iraq that involves sectarianism; this

	<u>Actions/Comments</u>
6.1	goes against the national interest of the Kingdom
6.1	Saudi Arabia is seeking a unified and stable Iraq
6.2	Saudi Arabia believes that the consequence of leaving Iraq without stability will be unimaginable. Iran has admitted its role in Iraq; Syria is seen as working towards a stable Iraq but is perceived to be interfering in the internal politics. Saudi Arabia will not interfere in the internal politics of Iraq as a matter of policy.
6.3	The Saudi authorities recognized that the U.S. did not warm to the views that Saudi Arabia had on its foreign policy, the Saudi government now feels that the foreign policy is working better in the region, through regional engagement to deliver a united and stable Iraq
6.4	No weapons are supplied by Saudi Arabia to the militias in Iraq although the government recognized their 'brothers do'
7.0	<u>Iraqi Government</u>
7.1	The Saudi government sees that the Iraqi government recently missed an opportunity to appear as a united national government. The Iraqi government is seen as sectarian; this is reflected in the recent visits by the Iraqi Prime Minister failing to visit the injured from all sects, not just his own.
8.0	<u>Annapolis</u>
8.1	Saudi Arabia came to Annapolis because it was stated that there was a real opportunity to secure a structured peace process through the terms of reference given: <ul style="list-style-type: none"> • United Nations Security Council resolutions would be upheld. • The Road Map would be followed through • That the peace initiative would be progressed by both sides There is concern regarding the two state solution; the right of return is a highly symbolic issue which cannot preclude the Palestinians. Care will have to be taken to avoid opponents of the peace process having a dialogue.
8.2	Currently Saudi Arabia and the United States have a strategic committee. Meetings are planned to take place twice a year and to date; 3 out of a planned 4 have taken place. The meetings consider a range of regional issues and sit above normal political work undertaken. (We were not briefed on the content or outcomes of these meetings).

Amr bin Abdullah al-Dabbagh, Governor

Saudi Arabian General Investment Authority (SAGIA)

Presented by the head of SAGIA

- Investment is the “oxygen of growth”.
- This program is needed to deal with social issues such as unemployment

- Women comprise 22% of the SAGIA workforce. They have a talented pool of women.
- The strategic planning started in 2004.
- Our key goal is “competitiveness”.
- “10 X 10” – Be in the top 10 most competitive countries by 2010.
- Vision – rapid and sustainable growth.
- Two key components: A. Energy and B. Location...two core competencies.
- Pro business environment and a knowledge based economy.

Key elements of the plan include:

1. The launching of a “Center for Competitiveness” used Harvard Business School’s Institute for Strategy and Competitiveness as a model, comprising 300 indicators. SA jumped to #23 in the world in 2007, so it is paying dividends already. A UN audit put SA #1 or 2 in the Middle East and #20 in the world. The World Economic Forum ranked SA #34 in the world. They invited WACA to the Global Competitive Conference scheduled for January 20-24.
2. Economic cities were launched. The King Abdullah Economic City, which was visited by WACA, will be the size of Washington DC. These will be used to implement new social programs and also allows for new innovation. Cisco is building an IT infrastructure that will surpass anything ever seen. The economic cities will contribute \$120 billion to GDP and double per capita income.
3. Strategic initiatives in the petro industry. McKinsey and Booz Allen Hamilton helped developed the plan. These industries are energy intensive and SA has an abundance of cheap fuel. Six aluminum plants and smelters are in the works. A 5000 megawatt plant (biggest ever) is in the plans. Other industries include: fertilizer, steel and plastics. In addition, transportation systems to support these industries-seaports, railroad and air transport are being planned. Finally, some energy intensive life science businesses are being developed, such as data centers.

Q&A Session:

Corporate America is absent from the SA boom.

Japan is their #1 investor due to their need for energy security

Plan is to relocate energy intensive industries to SA

China is developing its own economic cities

SAGIA has offices in Washington DC. They are trying to promote more U.S. investment

This is led by private industry, not the government. “We have the honey, not the money” is his motto. SAGIA provides the incentives to invest.

SA has to be WTO compliant, which means they can’t give away energy to get investments

“Borderless environment will result in assets/ money going to the most competitive locations.”

Ministry of Economy and Planning

Established 58 years ago, the Ministry of Economy and Planning is responsible for all planning for the Kingdom.

We were provided with information on where the Saudi Arabian economy is predicted to go. Saudi Arabia has one of the best infrastructures because of their detailed planning for government spending on health, education and roads.

We were briefed on the economy and social development, with human resources development being their top priority. Spending is largely on education. Previously students had to travel into the big cities for their education which was an issue for females. As an alternative, universities have now been established in each region. Nine new universities have been built in the last three years.

University curriculum is currently focused on science, medicine, engineering, computer sciences and the pharmaceutical industry. Social sciences are secondary. The previous history of the Middle East has been all about social sciences, but this did not prepare people for the labor market.

Work force training raised similar geographic issues. As a solution, training centers have been built in each of the thirteen regions in Saudi Arabia, with emphasis on training centers for females.

Improved health is also a key planning focus with the primary concentration on health care for mothers, children and the elderly. Each district in Saudi Arabia now has its own clinic. There is a shortage of contractors because so much is being built at once. National health is improving with the mortality rate at age 74 for males and age 76 for females, which is an increase from statistics from the 50's and 60's.

The World Bank reports that Saudi Arabia and Egypt have the most significant ongoing economic reform of all countries worldwide. As a result, there is an estimated \$18B investment inflow into Saudi Arabia. The U.S. is #1 and Japan is #2 in levels of investment in Saudi Arabia. The Kingdom is booming and there are inflationary pressures, both because of the boom and from imported goods.

Saudi Arabia believes that investing in their people is the most important element for future success and prosperity. Saudi Arabia is modeling its future like Japan and Northern European countries which are not blessed with natural resources and therefore rely on investing in their human capital. Saudi Arabia is looking at technology, with a current status of one computer for every twelve students, and trying to get to a ratio of one computer for every two students. Saudi Arabia has found that females are better than males in the computer field.

Saudi Arabia has planned six new economic cities with a goal to diversify economically as well as to distribute the population to a broader geographic area. Each economic city is within 100km of an existing population center, with the intention to provide new job opportunities and a better place to live for adjacent populations and others. The plan is very ambitious and will have a far reaching impact if successful. Saudi Arabia projects a population growth to 30 million by 2024 and the planned economic cities are a response to that growth.

Photos

Jeddah



Riyadh



