

HISTORICAL REFORMS AND THE OIL REVOLUTION

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Abstract: This article covers the social, economic and political reforms implemented during the reign of Faisal bin Abdulaziz, one of the kings of Saudi Arabia (1964–1975). King Faisal's activities in education, oil policy, industrial development, media and international relations are extensively analyzed. In particular, the process of modernization of Saudi Arabia is shown based on such important aspects as opening the way to women's education, nationalization of the oil industry through the PETROMIN organization, activity in OPEC and OAPEC, and the role of the 1973 oil embargo in international politics. The article presents the Faisal era as a turning point in the formation of modern Saudi Arabia.

Keywords: Faisal bin Abdulaziz, Saudi Arabia, oil policy, educational reforms, PETROMIN, OPEC, oil embargo, modernization, women's rights, media.

Introduction: Born in Riyadh in April 1906, Faisal grew up in a deeply political environment. His father, King Abdulaziz, had just begun to unify the Arabian Peninsula, an enterprise in which Faisal played an early role. As a young prince, he led military expeditions to consolidate Saudi rule and became a key figure in Saudi diplomacy during his teenage years. At the age of 14, he became his father's representative in London, where he became acquainted with Western power structures.

In 1964, Faisal became king, and his brother Khalid was appointed crown prince.

King Faisal focused on the country's economic development. During his reign, from 1964 to 1975, a modern diversified economy began to be formed that did not rely on the oil sector.

This was in line with the reformist king's program and marked the beginning of a complete modernization of Saudi society.

Main part: The Ministry of Education in Saudi Arabia was established in 1954. However, at that time, education was only intended for men. During the reign of King Faisal, education became more open and fair, not only for the nobility, but also for all the people of Saudi Arabia, both men and women, could receive an education. Since he became a prince of Saudi Arabia, he has focused on the development of education in Saudi Arabia. He and his wife are actively involved in the development of education. He and his wife introduced open education for women in the 1960s, which anyone could attend. At this time, women could receive education and have the same or equal rights as men. Although earlier in the 1950s, King Saud himself opened a special school for women on the territory of the palace, only royal women received education in this school, and education was dominated by men. Prince Faisal and his wife's campaign was controversial. At the time, women were prohibited from receiving education, and parents were concerned about sending their daughters to school. Prince Faisal and his wife did not stop convincing the community of the importance of formal education for women. As a result of this campaign, primary schools for girls were established in the Kingdom of Saudi Arabia in the 1960s, and in 1960, Prince Faisal founded the An-Nur Institute, a special education institution. His great interest in education became even more evident when he became King of Saudi Arabia. In 1965, King Faisal, through the Ministry of Education, initiated an initiative to eradicate illiteracy. Previously, the population in Saudi Arabia was still illiterate. Initially, there were only

a few schools in Saudi Arabia. During his leadership, Faisal built many schools for girls and boys, libraries, laboratories, fields, etc. The government even established special schools for the disabled. Sirojuddin, Waslah stated that "...the Saudi Arabian government provides assistance to parents of students who cannot afford to pay for their children's schooling. This is a policy initiated by King Faisal with the slogan "Free Education for All".

One of the important stages was the establishment of the General Organization for Petroleum and Minerals - PETROMIN, which was established by Saud on the basis of a royal decree issued on November 30, 1962. PETROMIN was formed as the industrial base of the state sector. It was engaged in the implementation of state projects in the field of petroleum and minerals, the import of all mineral raw materials, geological surveys, cooperation with national and foreign private capital in the development of the extractive industry, and the establishment of operating companies operating in this field. Over the following decades, PETROMIN became a conglomerate of companies related to various oil extraction and refining.

At the same time, the Saudi government also signed a preferential oilfield agreement with the French state-owned company AUXIRAP. This agreement was much more advantageous than the previous agreements with ARAMCO: it stipulated higher concession fees and income taxes, as well as an obligation to use, rather than flaring, additional gas. This created the basis for a review of the agreements with ARAMCO, which at that time still produced more than 90 percent of Saudi oil.

Urbanization led to increased "mixing" of the population belonging to different tribes and local groups, increased familiarity with modern lifestyles and new social values, and accelerated the process of class differentiation in society.

King Faisal also paid great attention to the social sphere. In November 1969, a new Labor Law was adopted. According to it, it was envisaged to significantly improve working conditions for all categories of workers, pay benefits, and eradicate illiteracy. A labor inspectorate was also established.

In the 1960s, funds allocated to the education sector grew rapidly. The number of students studying abroad increased. State funds allocated to education increased from 274.8 million riyals in 1963 to 14,950.8 million riyals in 1975. While maintaining the religious Muslim education system, the state also established a system of secular secondary and higher education institutions. The funds allocated for the creation of a modern health care system also increased rapidly: from 87.4 million riyals in 1963, the amount reached 1,163 million riyals by 1974.

The turning point for Saudi Arabia was 1973. The Arab states, primarily Egypt, were planning to launch an offensive to liberate the territories occupied by Israel. Their position could be strengthened by joint political actions on oil by the Arab oil-producing countries - these actions were seen as a means of putting pressure on Israel's allies and the world community.

In May 1973, the Economic Council of the League of Arab States held a special meeting to discuss this issue. Saudi Arabia's position as the world's largest oil producer was crucial.

On October 6, the Fourth Arab-Israeli War began. On October 19, after learning that US President Richard Nixon had ordered \$2.2 billion in military aid to Israel, King Faisal decided to reduce oil production in Saudi Arabia by 10 percent (a decision that had actually been made at the 1974 OPEC meeting in Cairo).

Oil prices suddenly rose by 70 percent and continued to rise. The oil embargo was eased for some countries at the end of 1973, and in March 1974, at the initiative of Saudi Arabia, it was completely lifted for the United States.

The actions of the Arab oil-producing countries were not only political, but also of great economic importance. The Arab countries immediately became independent and influential entities. The predatory monopoly prices for oil were abolished and replaced by a new, fairer system based on the cost of producing oil from the worst fields.

Another important consequence of the oil embargo for Saudi Arabia was the agreement of the American owners of ARAMCO to nationalize the company. This was announced in November 1974. During this period, Saudi Arabia increased its stake in ARAMCO to 60%. The final

nationalization of the company took place in 1980, and this process was carried out by the state for \$ 2.5 billion.

Nevertheless, the nationalization of ARAMCO did not lead to a deterioration in relations with the United States. American capital and the US administration recognized Saudi Arabia as a new high-level partner. In June 1974, Interior Minister Fahd signed an agreement in Washington on Saudi-American economic and military cooperation. That month, US President Richard Nixon visited Saudi Arabia.

On March 25, 1975, King Faisal was assassinated. He was succeeded by his brother Khalid, and Fahd was declared heir to the throne. Under the new king, economic and social development continued at a rapid pace, leading to a radical transformation of the country's infrastructure and education system.

Conclusion: The Faisal era was an important period for Saudi Arabia. Because during this period, the nationalization of the state's oil, the development of industry, education, the economy, and the role of Saudi Arabia in international political circles increased. By this time, the country's oil revenues and the problems that followed them had increased, and the systematization of the economic and financial sectors of the state was established. Much attention was paid to the social and educational sectors of the state. In general, the Faisal era was the cornerstone of modern Saudi Arabia. The most important event during the Faisal era was the oil embargo in 1973. It was precisely because of this event that the country's prestige and international role increased. After this event, Arab countries also showed that they had their place in the world and that they could also use the weapons in their hands. In short, the era of King Faisal is an important period in Saudi history.

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