

The Kingdom of Saudi Arabia (KSA), once an underdeveloped desert country, is now the fifteenth largest global economy thanks to substantial oil and gas reserves and its place as the world's leading producer of oil. Bordered by Iraq, Kuwait, Oman, Qatar, the United Arab Emirates and Yemen, Saudi Arabia mostly consists of desert accompanied by a harsh climate and temperature extremes. The country is governed as an absolute monarchy by the ruling family, the House of Saud, dating from the nation's hard-fought unification and inception in 1932. The kingdom is currently overseen by the King and First Deputy Prime Minister Salman bin Abd al-Aziz Al Saud who took over the reins of power in 2015. Considered the birthplace of Islam, Saudi Arabia contains two of Islam's most holy shrines located in Medina and Mecca, destination for the annual Hajj pilgrimage. This fact, in addition to a strict interpretation of Islam termed Wahhabism, has resulted in the creation of a highly religious national identity. Sparsely populated, its 31 million inhabitants are predominantly young and highly urbanised with over 80% living in towns and cities such as Jeddah and Riyadh, the extensively modernised capital. Saudi Arabia is also home to more than 10 million foreigners who have relocated for work, including over 100,000 European and North American expatriates. Around 90% of the population are Sunni Muslim while the remainder are predominantly Shia, although other faiths are also represented including Christianity and Hinduism. Although Arabic is the official language, English is widely spoken, especially in business, and is a compulsory second language in schools. The only Arab nation forming a part of the G20 economies, the kingdom has achieved high human development and currently ranks among high-income countries according to World Bank indices. GDP stands at US\$646 billion dollars with GDP per capita PPP reaching record levels of over US\$50,000 in 2015, the 14th highest in the world. However, the kingdom's continuing dependence on oil revenues combined with low global oil prices has led to a .projected economic contraction in 2016