

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. However, the kingdom's continuing dependence on oil revenues combined with low global oil prices has led to a projected economic contraction in 2016. 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. 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. 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. Around 90% of the population are Sunni Muslim while the remainder are predominantly Shia, although other faiths are also represented including Christianity and Hinduism. 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. 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. This fact, in addition to a strict interpretation of Islam termed Wahhabism, has resulted in the creation of a highly religious national identity. 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.