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NOEL J. AUGUSTYN*

DOING BUSINESS IN SAUDI ARABIA. BY NICHOLAS A. ABRAHAM, ESQ.

When a reporter and a photographer from Life Magazine visited Riyadh in 1943 they claimed they were among the first non-Muslims ever to have visited the capital of Saudi Arabia and home of its first king, Ibn Saud; moreover, they stated that in modern times fewer than one hundred other occidentals had preceded them to any of the desert kingdom’s fortresses.¹ A glance at the publication dates of the works cited in the “Suggested Reading List” section of Mr. Abraham’s treatise² shows that the traffic has picked up considerably since then. Recent interest in the Arabian Peninsula is related far more to the fact that Bedouin chiefs no longer buy fuel from Oil City, Pennsylvania than it is to a search for anthropological or other truths. Inspired no doubt by similar motivational forces, this book is one more addition to a list of works — two of which the author cites³ — bearing the same or similar titles and general organizational format. However, Mr. Abraham’s work appears to be the most comprehensive and readable book in the genre.⁴

This is more than a practical reference book. The work consists of nine chapters and appendices containing many charts, maps, tables and photographs, in addition to the narrative text. Personal insight and opinion into the legal, commercial, social and economic features of life in “The Kingdom,” are offered as well as geography, history and politics. Certain sections make worthwhile reading for those whose interest in Saudi Arabia is primarily academic.

Mr. Abraham begins with a good description of the Arabian Peninsula’s most distinctive feature — its geography. Like Caesar’s ancient Gaul — and this can be the only resemblance — Arabia is divided into three parts: the cosmopolitan Ḥijaz region in the west near the Red Sea, significant as the home of Islam’s two holiest cities, Mecca and Medina, and hence site of the mass annual pilgrimage which each Muslim should make at least one in a

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3. N.A. SHILLING, DOING BUSINESS IN SAUDI ARABIA (1975), ABRAHAM, supra note 2, at 327; PRICE WATERHOUSE, DOING BUSINESS IN SAUDI ARABIA (1975), ABRAHAM, supra note 2, at 331.
4. DOING BUSINESS IN SAUDI ARABIA is Volume I of a three volume series. The others are entitled DOING BUSINESS IN EGYPT (1980) and DOING BUSINESS IN KUWAIT (1980).
lifetime, called the *Hajj*, the central part of the country, the *Najd*, birthplace of the 18th century Wahhabist movement and home of the reigning Saud family; and the Eastern Province, on the Persian Gulf, site of most of the oil. But for the mountains of the *Hejaz* and the relatively fertile *Asir* area south of it, Saudi Arabia impresses most westerners as a giant sandbox, a moonscape the size of the United States east of the Mississippi where the bleakness of the unpopulated terrain on the highway from Dhahran to Riyadh is interrupted only by oil flares, hundreds of abandoned cars and trucks, and an occasional dead camel on the roadside. And it is a hot sandbox, where temperatures from May through September are over 100 degrees daily, frequently 130 degrees in the interior. In sum, Saudi Arabia is an extraordinarily severe physical environment. Human survival there before the amenities of the industrial world was understandably linked with Arabia's other important and obvious characteristic, Islam.

The treatment of the rise of Mohammed, his influence and the worldwide religion he founded in the 7th century is a noteworthy improvement over other "doing business in Saudi Arabia" books. Similarly, the description of the rise of Wahhabism, and its implementation throughout the land provides a brief but fine explanation of why Saudi society exists today as it does. Nonetheless this section contains some weaknesses. While a disclaimer is issued early that the discussion of Islam may seem simplistic, it should not excuse the amazingly casual comparison of the *Shari'a*, accurately described as "the constitution and canon law of Islam," with "the western concept of natural law." Similarly, whatever similarities may exist between the Islamic Sunni-Shi'ite schism and the Protestant Reformation, one's schoolboy knowledge that the latter occurred in the sixteenth, not "the fifteenth

5. Najd is often spelled "Nejd," and is but one example of the transliteration problems encountered in the absence of a universally accepted Arabic-English standard. The most common examples, of course, are "Muslim" v. "Moslem" and "Mohammed" v. "Muhammad." Some mention of this in Abraham's work would be helpful to the uninitiated reader, even though the spellings in the book are consistent. For an amusing treatment of this phenomenon see the preface to T.E. Lawrence, Seven Pillars of Wisdom 18-20 (1978) (New York: Penguin Edition).

6. ABRAHAM, supra note 2, at 7.

7. See id. at 18.

8. Wahhabism is essentially a puritanical interpretation of Islam. After its adoption by the Saudis it became accepted throughout the peninsula via the post World War I conquests and consolidations of Ibn Saud. See generally, e.g., ABRAHAM, supra note 2, at 33-36.

9. See ABRAHAM, supra note 2, at 37.

10. See id. at 42. Indeed, inasmuch as rights defined by the *Ijma'a*, a source of the *Shari'a*, *id.*, derive from the community, these rights almost by definition cannot conceptually be the same as natural or "human" rights whose source is independent of community consensus. See R. E. RODES, THE LEGAL ENTERPRISE (1976). On the other hand, since the *Shari'a* is considered to be "law," which only God makes, as opposed to "regulations" which are issued by man, in this sense it could be compared to "natural law."
century,"\textsuperscript{11} affects the credibility of whatever the author says about the former, and unfortunately but necessarily about much else. Similarly, one need not be well versed in history or religion to know that Pontius Pilate was not a "Jewish" procurator in Palestine.\textsuperscript{12}

Another interesting area which distinguishes this book from others of its kind yet subjects it to criticism is the treatment, in both tone and substance, of the Arab peoples and their political situation in the Middle East outside Saudi Arabia. While knowledge of the Saudi view of Israel and the Palestinian situation is critical to an understanding of Saudi relations with the West, it is questionable whether this subject merits a 30 page treatment in this type of book. While sympathetic treatment of the Arab position on Palestine has been overdue, the author's egregiously pro-Arab tone and omissions may alienate some readers. For example, there is no mention of the fact that before Israel's capture of East Jerusalem and the West Bank territories in 1967, Jews were denied access to their holy places there; today, however, one may observe both Muslims and Jews worshipping at nearby shrines such as the "Dome of the Rock," the al-Aqsa Mosque and the "Wailing Wall."\textsuperscript{13} There is similarly no mention with respect to the intertwining of politics and religion in Saudi Arabia itself that Christians can find Riyadh not unlike pre-Constantinian Rome. Whatever its virtues, Islam in Arabia today has no public tolerance for its Christian relatives. There are no church buildings besides mosques in Saudi Arabia, and one will find non-Muslims worshipping, if at all, only in their own catacombs.

Treatment of other aspects of the Saudis and their society is fairly even-handed. Even more emphasis could be placed on some facts which would considerably enhance the Arab image in the eyes of many westerners who are simply unaware of Saudi Arabia's current contributions to the world at large. The monetary value of Saudi Arabia's foreign aid contributions, for example, is second only to that of the United States, and on a per capita basis is far greater.\textsuperscript{14} More importantly, the Saudis have exhibited an extraordinary amount of responsibility toward the world economy by continuing to produce nearly nine million barrels of oil per day.\textsuperscript{15} Alternatively, they could reduce that amount by one half, demand and receive compensating price increases and possibly double the time remaining before the life blood of their country is effectively depleted. Moreover, on a personal basis Westerners consistently find that Saudis are "good natured, friendly, patient and courteous."\textsuperscript{16} At the

\textsuperscript{11} See Abraham, supra note 2, at 38.
\textsuperscript{12} See id. at 106 n.1.
\textsuperscript{13} See id. at 107.
\textsuperscript{14} Id. at 90.
\textsuperscript{15} See id. at 139-43.
\textsuperscript{16} See id. at 271.
same time there is no attempt to evade the fact that life for anyone in Saudi Arabia can be oppressively dull and that "there is almost nothing that would attract foreign tourists, and, to the contrary, a great deal to keep them away."  

Primarily this book is intended to present fundamentally useful information. Facts with respect to the conduct of business and how a Westerner can live in the Kingdom, are generally presented quite well. The chapters on the economy and the legal, commercial and social features of business, present an abundance of solid information and generally good advice. To the extent weaknesses are evident here, they are due more to omission rather than commission and personal interpretation rather than data. Nonetheless, some kinds of information are more useful than other kinds. While the table listing the letters of the Arabic alphabet may be of interest, it is of little practical use. Arabic, particularly in its written form, is not French, Italian or Spanish, and a little information in this area simply does not go a long way. On the other hand, the only "Arabic" numerals used by Arabs which a Westerner would recognize are "1" and "9," and a table showing the Western counterparts of "Arabic" numbers would have been very helpful indeed.

Great emphasis is justly placed on the importance of having a well-drafted contract and even greater emphasis is placed on the importance of good personal rapport with the Saudis. Nevertheless, it should be stressed even more strongly that regardless of how well one drafts a written agreement, and no matter how ultimately just Saudi courts may be, the best instruments are of no avail when things go sour with one's Saudi partner.

The treatment of the various business organizational forms, particularly the description of the advantages of the Limited Liability Partnership, is important, as is the treatment of the Boycott regulations and the Foreign Corrupt Practices Act including its relationship to the use of "grease" payments. Indeed, congratulations are in order for the mentioning of a subject which other publications tend to avoid but which plays such an important role in the Kingdom's daily operations. One certainly does pay "more" for installation of a telex or telephone if it is needed before the customary two year waiting period. But it should be stated that one also pays "more" to have papers

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17. Id. at 55.
18. Id. at 170.
19. Id. at 46.
20. See id. at 184-89.
21. Cf. id. at 176. (The author states that "Chapter 5 of the Koran (the Contract's [sic] Chapter)" concerns Islamic contract formation. In the reviewer's translation of the Koran (New York: Penguin) (1979), Chapter 5 is entitled "The Table" and makes no mention of contract formation.)
22. Id. at 200.
23. Id. at 217.
24. Id. at 285.
notarized "rather quickly,"25 assuming that means less than a fortnight, and thus the filing fees for company registration can be considerably more than "SR 100 (about $30)."26 One can also pay "more" to be assured a seat on an airplane or a room in a hotel.

Other bits of information not contained in this book would be useful, and some that are included are incorrect. For example, to be informed of the use of "service charges" by Saudi banks to circumvent the Islamic ban on interest would be both interesting and useful.27 A warning about the foot-high "speed bumps" might be helpful to a reader traveling the Dhaharan road from Riyadh to the Marriott at night. Also, if the country has "few insect problems,"28 why are bedding and even paper money sprayed with repellant in the summer? And surely one accustomed to winters in the northern United States does not find the winters in the Arabian interior "unpleasantly cold."29 Finally, "sheik" is not pronounced "shike,"30 but rather "shake." Much of the good information contained in this book — the dining at midnight, the conflict of interest problems, the prohibition of men working alongside women (except in the case of the national airline, Saudia) and the plight of Western women, the negotiations with cab drivers, the Arab dislike for dogs, and the seeming inability of an Arab to say "no" — is unlikely to change soon. Nevertheless, much information is already dated. There are now at least two more hotels in operation in Riyadh in addition to those listed.31 Aramco at the time of this writing will probably be wholly Saudi owned.32 In brief, a revised version or at least a supplement is or will soon be in order.

Stylistically, the author's worst enemy appears to be his editor. Most readers of anything in English have grown accustomed to commonplace solecisms, i.e., split infinitives, the use of "centered around,"33 the misuse of "hopefully,"34 and the confusion between the plural and the possessive.35 Perhaps only "purists" are disturbed by these errors, but it is an editor's duty to correct them. Other mistakes are more distracting, i.e., the misuse of the word "apostasy,"36 the printing of "resilient" when "resistant" was intended,37 italicizing some proper names and not others,38 the statement that Rome

25. Id. at 188.
26. Id. at 202.
27. Cf. id. at 150 (Abraham mentions "interest-free" loans but not bank service charges.)
28. Id. at 19-20.
29. Id. at 19.
30. Id. at 225.
31. Id. at 289.
32. See id. at 245.
33. See id. at 103.
34. See id. at 79.
35. See id. at 176.
36. Id. at 40.
37. Id. at 49.
38. Id. at 130 et seq.
ruled Palestine for 1600 years rather than 600\textsuperscript{39} and the misspelling of "Bechtel."\textsuperscript{40} Moreover, while many of the maps, tables and charts bear citations, many do not. And although it is mentioned that King Saud, Ibn's successor who reigned from 1953 to 1964 was a "poor ruler,"\textsuperscript{41} does that justify expurgating his portrait from the gallery of his fellow monarchs? Particularly without an explanatory note? And what is the source and date of that unlikely photograph of the young, lean Ibn Saud?\textsuperscript{42}

Finally, the most distracting stylistic feature is the unnecessary repetition found throughout the text. Since this book is primarily a reference work, much of the repetition in separate chapters, and indeed, in separate numbered paragraphs is not only excusable, but necessary. There is no reason, though, for repeating the same thought in nearly the same words within the same numbered paragraph.\textsuperscript{43} It is always hard to know to what extent style affects substance, but in this case the effect is noticeably adverse.

Nevertheless, this book is overall a fairly solid piece of work and a genuine contribution to the literature. Although most of the infrastructure for the desert kingdom is nearing completion, the opportunity for doing many kinds of business there still exists. This book will make useful reading for anyone wanting to follow the footsteps of those who have opened the Arabian Peninsula to the rest of the world, and even for some who simply want to know how that part of the world operates which now so vitally affects us all.

\textsuperscript{39} Id. at 106.
\textsuperscript{40} Id. at 153.
\textsuperscript{41} Id. at 36.
\textsuperscript{42} Id. at 61.
\textsuperscript{43} See, e.g., id. at 39 ("Tenets of Islam").