

## **Pattern of Urban Development in Saudi Arabia: Implications for Policy and Planning.**

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### **Introduction**

It is well established that urbanization and economic development are positively associated. Thus, countries with high GNP per capital tend to have higher urbanization level, and rapidly growing economies are also urbanizing rapidly. However the positive impact of urbanization depends not only on the level of urbanization but also on the size and spatial distribution of cities in the national urban system. The existence of a well developed and strongly linked urban hierarchy is believed to be important for promoting national growth, for producing and distributing goods and services, and for diffusing information, innovations, and modernization. Also social change and modernization are positively correlated with city size.

The pattern of urbanization in Saudi Arabia, as in many other developing and rapidly growing economies, is highly imbalanced where a few large cities overdominate the entire urban system in terms of distribution of urban population and economic activities. Urban primacy may have adverse implications on social equity and stability, and also on the efficiency of national development and the distribution of its benefits. Moreover, an imbalance urban development pattern is inconsistent with, and probably inconducive to, achieving important national development goals.

The purpose of this paper is to analyze the pattern of urbanization in Saudi Arabia and to examine its socio-economic implications. The first section briefly reviews the city size distribution system in developing countries and its policy issues. The next section analyzes the urbanization process in Saudi Arabia and describes its existing pattern. Finally, policy implications of imbalanced urbanization are discussed and an urban development strategy is suggested.

## CITY SIZE DISTRIBUTION IN DEVELOPING COUNTRIES: POLICY ISSUES

Two major types of city size distribution have been identified (Berry, 1961). The first is the primate distribution where one major city (or sometimes two or three) dominates the entire urban system. The second is the rank-size distribution where the size of a city is proportional to its rank in the national urban hierarchy.

Whether there is a relationship between the city size distribution and economic development remains an unsettled question (Richardson, 1977). The rank size and the primate distribution are both found in developed and developing countries (Davis, 1969). However, primate distribution is more common in developing countries particularly those which are small in size, dependent on export of primary goods, having highly centralized administrative system and middle income (Gilbert et al., 1983). For example, among the seventy five countries with per capita income lower than 1,800 U.S. dollar, fifty-five were found to have primate distributions (Gilbert et al, 1983). This does not suggest that primacy is an inclusive feature of the Third World countries, but it is certainly a general characteristic of a majority of them. Whereas the rank-size distribution "if anything is more likely to apply in large countries with a long history of urbanization and with a complex economic structure" (Richardson, 1972, p. 393).

There are different opinions regarding the implications of primate distribution and whether urban imbalances should be corrected by deliberate policy intervention.

Two contrasting views can be identified. One view argues that there is a positive relationship between the city size and economic efficiency (as measured by real per capita income), therefore, the growth of large and primate cities should be encouraged and protected (Alonso, 1968; Mera, 1973). Thus, developing countries should not be concerned with fighting urban primacy, but rather should concentrate on promoting economic growth. Economic forces tend to work to correct urban problems associated with polarization.

This conviction is based on two arguments. First, urban concentration is positively associated with economic efficiency (narrowly defined), thus

large cities are more efficient and a necessary condition for raising national income. Second, urban primacy, as suggested by El-Shakhs' hypothesis (El-Shakhs, 1972), is rare in under-developed countries, increases during the early stages of industrialization and decreases subsequently.

The opposing view generally rejects the laissez-fair argument and considers primacy as neither efficient nor consistent with the development objectives of many developing countries (Johnson, 1971; Brutzkus, 1975;). This view has been based on several grounds. First, although primacy may have positive economic effects at the early stages of development, it may create serious economic and social problems in the long run. Primacy, it is argued, would increase the cost of providing social and physical infrastructure, widen the spatial socio-economic disparities, and increasing the difficulty of managing large cities. Furthermore, primacy may adversely affect the development of efficient national urban hierarchy.

Second, the alleged advantages claimed by the proponent of large cities may result not from urban size per se but rather from such intervening factors as a better urban structure and a more educated and trained labor force (Gilbert, 1976). Furthermore, the strong pull of private cities is partly influenced by urban and industrial-biased policies (Gilbert and Gugler, 1983). The emphasis on urban industrialization-which most often is heavily protected and subsidized-tends to distort and overestimate the real economic advantages of large cities.

Third, the empirical evidence about the virtues of large cities is inconclusive and mainly drawn from the experience of developed countries (Gilbert and Gugler, 1983). In Latin America, economic efficiency (as measured by real income per capita) has been found higher outside the major cities (Ternent, 1976).

Fourth, intermediate-sized cities are as efficient as large cities, and furthermore, do not often develop the disadvantages associated with big cities (Hansen, 1971; Neutze, 1967). The economic efficiency of large cities stems basically from the advantages of agglomeration economies (i.e. economies of scale and external economies) which reduce the average cost of production. However, it has been demonstrated that beyond a certain urban size the agglomeration economies may not be a significant factor (Neutze, 1967) The overall evidence supports an efficient threshold in the range of 150,000 to 200,000 people (Hansen, 1971).

Fifth, it is highly questionable that urban deconcentration, or what is sometimes called as the polarization reversal (PR), may take place spontaneously through the operation of the free market mechanism. Although the work of El-Shakhs (1972) demonstrates that primacy increases with development, there is no conclusive evidence that primacy will naturally be reversed as development advances. On the contrary, primacy has a tendency to reinforce and perpetuate itself over time (Brutzkus, 1975; Ternent, 1976).

Finally, although the literature on urbanization suggests that there is no optimal city size distribution that should be pursued as policy goal, there is a wide support for the existence of a well-developed and strongly-linked national urban hierarchy. The importance of intermediate and small cities and rural towns has been increasingly recognized by economists, planners, and international agencies (Richardson, 1977; Johnson 1971; Brutzkus, 1975; United Nations, 1968; World Bank, 1979; and Friedman, 1973).

It is advocated that the lower level of urban hierarchy is essential for increasing agricultural production, promoting rural development, and integrating rural areas with urban centers (Richardson, 1977; Johnson, 1971; and Friedman, 1973). Several studies have also suggested that there is a close link between the national settlement pattern and the spatial diffusion of information, innovations and modernization from the core to the peripheral areas (Berry, 1972; Misra, 1971). These studies argue that if an urban system lacks adequate central places of different sizes widely distributed over the national space, the spatial diffusion of social change and information may fail to take place or at best it occurs at a very slow pace.

In summary, the debate between the two opposing views regarding the policy implications of primate city size distribution cannot be settled conclusively. However, it seems that there is a strong case for governments in the Third World countries to establish national urbanization policies to create an efficient urban hierarchy compatible with their long-run development objectives and aspiration. Furthermore, as Richardson (1977, 10) indicates, "The desirability of national urban growth strategy, however, may be justified independently of the primate city problem. Long-term spatial planning is an important dimension of long-term planning in general." The question, therefore is not whether there is a need for national urbanization policies but rather how to devise effective and feasible policies. This indeed should be the concern of national urban planners in developing countries.

## URBANIZATION IN SAUDI ARABIA

### Urban Growth

Urbanization in Saudi Arabia is a recent phenomenon. Prior to 1930 the majority of the population were nomads and villagers mostly engaged in pastoral and subsistent farming activities. In 1932 urban population was estimated at 300,000 people, and only the holy city of Mecca had more than 50,000 inhabitants. (McGregor, 1972). However, since the discovery of oil in 1933, and particularly during the last fifteen years, Saudi Arabia has experienced rapid transformation and structural socio-economic changes that have induced large spatial and occupational shifts, and consequently a fast and sudden increase in urbanization.

As can be seen from Table (1) urban population in settlements of 10,000 people and more increased from less than a million in 1962/63 to a little over 3 million in 1974, and to over 7 million in 1987. Thus, the percentage of population living in urban areas increased from 30% to 65%. The populations of all cities and towns have increased over the past 25 years. Many villages became small towns, and many towns grew into medium-sized cities. Indeed, the number of urban centers increased from 23 in 1962 to reach 74 in 1987. Figure 1 shows national, regional, and district centers in Saudi Arabia.

**Table (1)**

Urban Population in Saudi Arabia

|                         | 1962 <sup>(1)</sup> | 1974 <sup>(2)</sup> | 1987 <sup>(3)</sup> |
|-------------------------|---------------------|---------------------|---------------------|
| Total Population (000)  | 3,303               | 7,012               | 10,929              |
| Urban Population* (000) | 981                 | 3,028               | 7,129               |
| % of Total Population   | 30                  | 43                  | 65                  |
| No. of urban centers    | 23                  | 39                  | 74                  |

\*Urban population is defined here as population living in settlements of 10,000 and more inhabitants.

### Sources:

- (1) Clarke, J., Introduction, in Clarke, J. and Fisher, W.B., (eds.), *Population of the Middle East and North Africa: A Geographical Approach*, New York, Africana, 1972.
- (2) Central Department of Statistics, *The Population Census of 1974*,

Riyadh, Saudi Arabia.

- (3) Al-Shawaf, A., and Zahid, Z., "Population and Planning For Urban Development," Al-Baladiyat 1988, pp. 42-59). (in Arabic).

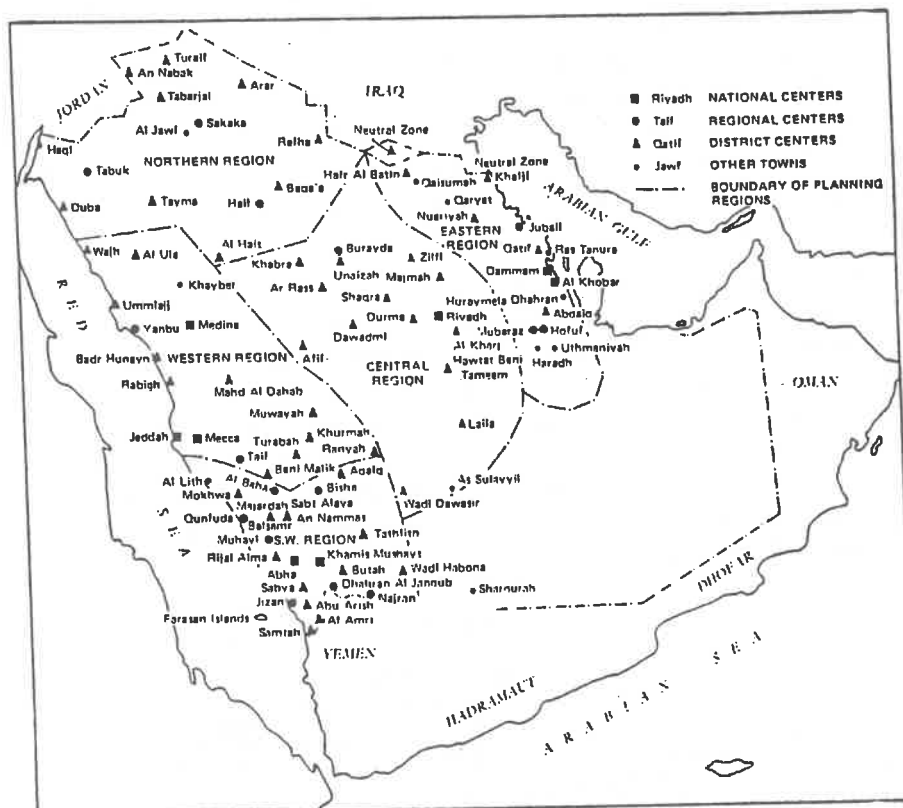


Figure (1)

Kingdom of Saudi Arabia:  
national, regional and district centers

The growth rate of urban population has significantly outpaced that of total population. The average annual growth rate of urban population was 17.4% between 1962-1974, and 10.4% between 1974-1987. These growth rates were much higher than the overall rate of population growth which ranged between 4-5%. It must be noted, however, that the highest urban growth rates have occurred in the large cities of 100,000 and more inhabitants. As can be seen from Table (2), the growth of the seven largest cities was phenomenal, particularly between 1962 and 1974. After 1974 the

growth rate decreased but it was still relatively high for Riyadh, Jeddah, and Medina. Table (2) shows also that in 1962 the three largest cities had less than 200,000 inhabitants; but by 1987, these cities grew into large metropolitan centers and two of these cities have over one million inhabitants.

**Table (2)**

Population Growth in the Seven Largest Urban Centers  
in Saudi Arabia, 1962, 1974, and 1987.

| City   | Population (000) |         |         | Avg. Annual Growth Rate |         |         |
|--------|------------------|---------|---------|-------------------------|---------|---------|
|        | 1962(1)          | 1974(2) | 1987(3) | 1962-74                 | 1974-87 | 1962-87 |
| Riyadh | 169              | 667     | 1417    | 24.5                    | 8.6     | 29.5    |
| Jeddah | 148              | 566     | 1312    | 23.5                    | 10.0    | 31.4    |
| Mecca  | 159              | 367     | 742     | 11.0                    | 7.8     | 14.7    |
| Medina | 72               | 198     | 550     | 14.6                    | 13.7    | 26.5    |
| Taif   | 54               | 205     | 283     | 23.3                    | 0       | 17.0    |
| Hofuf  | 30               | 128     | 160     | 27.2                    | 1.9     | 17.3    |
| Dammam | 45               | 128     | 172     | 15.4                    | 2.6     | 11.3    |

**Sources:**

- (1) Walpole, N.C, et al., Area Handbooks For Saudi Arabia, Washington, D.C., U.S. Government Printing Office, 1971, p. 19.
- (2) Central Department of Statistics, The Population Census of 1974, Riyadh, Saudi Arabia.
- (3) Al-Shawaf, A., and Zahid, Z., Population and Planning For Urban Development, Al-Baladiyat 1988, pp. 42-59.

Some indications of the rapid growth of large cities of 100,000 and more can be gleaned from Table (3). During the last decade (1970-1980), the relative share of large cities in total population increased from 20 to 42%, while cities of smaller size grew less rapidly and, as a result, their relative share decreased noticeably from 20% to 12%.

**Table (3)**

Distribution of Total Population

|                                                                          | 1970 | 1975 | 1980 |
|--------------------------------------------------------------------------|------|------|------|
| Percentage living in metropolitan centers (population more than 100,000) | 20   | 35   | 42   |
| Percentage living in small towns                                         | 20   | 16   | 12   |
| Percentage living in rural areas                                         | 60   | 49   | 46   |
|                                                                          | 100  |      |      |

**Source:**

Ministry of Planning, Third Development Plan, (1980-1985), Riyadh, Saudi Arabia, p. 56.

The pace of urbanization in Saudi Arabia has been influenced by the recent rapid growth of the construction and services sectors. The large increase in the oil export earnings, particularly during the second half of 1970's, has led to a substantial growth in these sectors. Much of this growth was concentrated in large cities. Thousands of jobs were created every year in large cities especially in construction and services. These jobs have attracted massive flows of migration (local and foreign) to the large cities thus resulting in substantial increase in their populations.

**Sources of Urban Growth**

Generally, there are two sources of urban growth: natural growth and rural-urban migration. Also for labor-shortage countries like Saudi Arabia, international migration is an additional source. It is not possible from the available data to determine the relative share of each source, however, several observations can be made.

First, the rate of natural increase in urban centers has been remarkably high, ranging between 2.6 to 3% a year. This high rate of growth-which has been induced by a combination of high and stable birth rates and declining mortality rate is certainly a significant source of urban growth.

Second, a substantial amount of urban growth has resulted from net migration. In fact the rate of urban growth has been 3 to 4 times higher than the natural urban increase. According to United Nations estimate, 62% of urban growth in Saudi Arabia during 1970-1978 was due to net migration (Renaud, 1981).

Net migration comes from two important sources. First, Saudi Arabia has a large number of foreign workers. For example, in 1985 there were 2,660 thousands foreign workers; comprising of 60% of the total labor force (Fourth Plan, 1985). Also, it was estimated that in 1987, 40% of the total population were foreigners (Gulf Bank, 1988). The majority of those foreigners are living in major urban centers and they constitute a large proportion of the urban population. Some estimates indicate that 89% of non-national population reside in large cities over than 50,000, while only 43% of national population live in these cities (Al-Wattan Al-Arabi, 1987). Second, large numbers of rural population migrated to urban centers. Data on rural-urban migration are limited, however, there is indication that a substantial movement of rural population to large cities has occurred during the 1960's and 1970's. For example, it was estimated that nearly 85% of the Riyadh population in 1968 were migrants, 41% of those migrants came from rural areas (including nomadic settlers), 21% from other Saudi cities, and 23% from foreign countries (Doxiades Associates, 1968). The major causes of internal migration stem basically from the spatial inequality in job opportunities and the provision of public and social services.

### Urban Development Pattern

One of the marked characteristics of the urban pattern in Saudi Arabia is the excessive concentration of the urban population in the few large cities that constitute the national metropolitan centers. Primacy indexes usually indicate the magnitude of urban concentration. Table (4) shows some indexes of urban primacy in Saudi Arabia. However, it must be recognized that low primacy ratios in Saudi Arabia may not accurately measure urban concentration due to the existence of more than one large city in a close range at the top of the urban hierarchy. As can be seen in Table (4), four-city index (i.e.,  $P1/P2$  to  $P3$ ) indicates that primacy ratio was .45 in 1962, increased to .59 in 1974, but it decreased to .54 in 1987. Up to 1974 urbanization was associated with increasing primacy regardless of the measure used. After 1974, however, only the measure relating to the population of Riyadh city to the largest base (i.e.,  $P2 - P10$ , or  $P2 - P25$ ) showed a continued increase.

Table (4)

Indexes of Urban Primacy 1962, 1974, and 1987

|                                          | 1962    | 1974    | 1987      |
|------------------------------------------|---------|---------|-----------|
| Population of Riyadh City ( $P_1$ )      | 169,185 | 666,840 | 1,417,000 |
| $P_1/P_2$                                | 1.14    | 1.18    | 1.1       |
| $P_1/P_2$ to $P_3$                       | .45     | .59     | .54       |
| $P_1/P_2$ to $P_{10}$                    | N.A.*   | .34     | .38       |
| $P_1/P_2$ to $P_{25}$                    | N.A.*   | .28     | .30       |
| *Not available                           |         |         |           |
| $P_2$ = Jeddah, the second largest city. |         |         |           |
| $P_3$ = Mecca, the third largest city.   |         |         |           |

Source: Calculated by the author from the sources of Table (2).

An important indication of the existence of primate distribution is the lack of conformity with the rank-size rule. As figure (2) shows, the deviation from long-normal city size distribution, represented by the straight line, indicates that there are more large cities and less medium and small-sized cities than required by the rank size distribution. A triple primacy may exist where the three largest cities (Riyadh, Jeddah, and Mecca) comprise approximately 1/2 and 1/3 of urban population and total population in 1987, respectively.

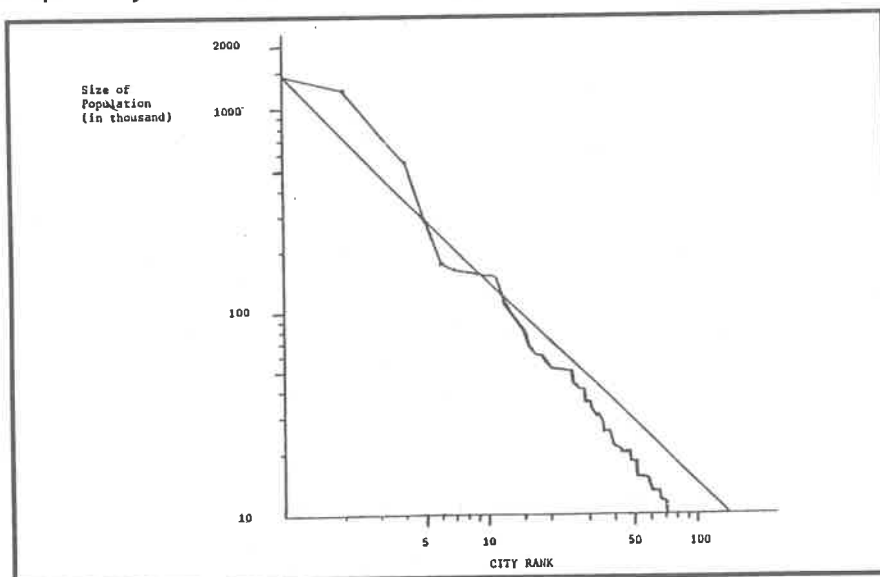


Figure (2) Rank Size Distribution for Saudi Cities, 1987

The overwhelming concentration of urban population in few urban centers can also be indicated by Lorenze Curve, shown in Figure (3). Nearly 80% of urban population live in 20% of the urban settlement (or 15 cities), while the combined population of 54 cities comprise only the remaining 20% of the urban population.

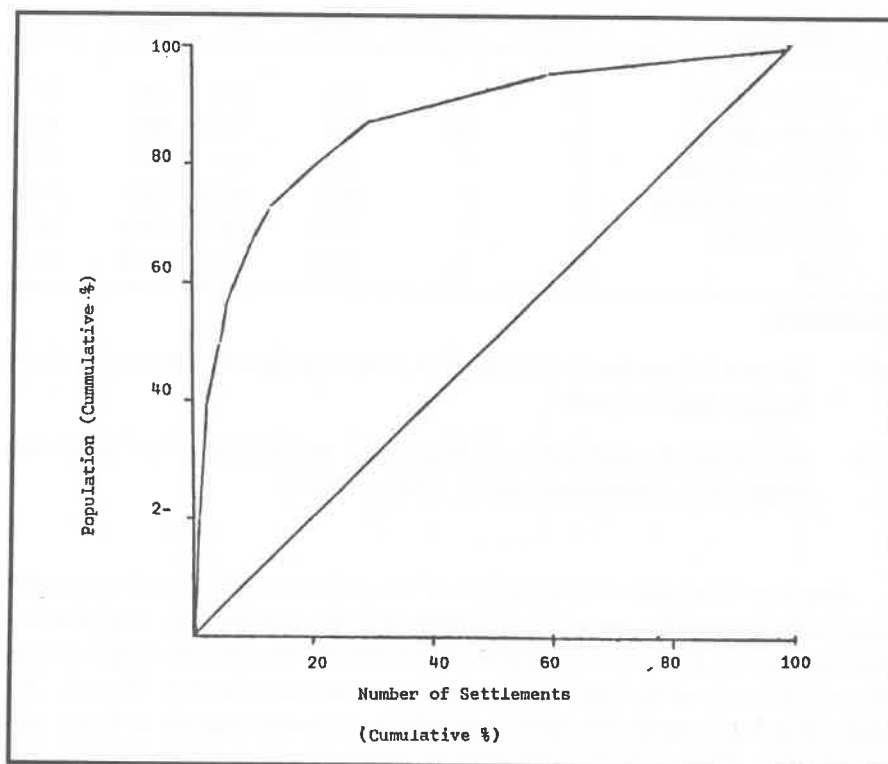


Figure (3)

Lorenze Curve for Saudi Arabia:

Concentration of Urban Population, 1987

Also, the distribution of urban population by the size of settlement, Table (5), shows a high degree of concentration in the few large cities. In 1987, 75% of the total urban population were concentrated in the 12 cities that had more than 100,000 inhabitants. The intermediate-sized cities (in the range of 50,001 to 100,000) were relatively few and accounted only for 10% of the urban population indicating, a weak middle hierarchical base. In addition, around 8% lived in 18 small cities (in the range of 20,001 to 50,000). At the lower level of the urban system, there were 33 small towns and market centers containing less than 7% of the urban population.

Table (5)

Distribution of Urban Population by Size of Settlement 1974 and 1987

| Size of Settlement | No. of Cities       |                     | Urban Population |      |      |      |
|--------------------|---------------------|---------------------|------------------|------|------|------|
|                    | 1974 <sup>(1)</sup> | 1987 <sup>(2)</sup> | 1974             | %    | 1987 | %    |
| 10,000 - 20,000    | 18                  | 33                  | 252              | 8.3  | 475  | 6.7  |
| 20,001 - 50,000    | 11                  | 18                  | 365              | 12.1 | 580  | 8.1  |
| 50,001 - 100,000   | 3                   | 1                   | 198              | 6.5  | 716  | 10.0 |
| 100,001 - 200,000  | 4                   | 7                   | 622              | 20.6 | 1054 | 14.8 |
| Over 200,000       | 3                   | 5                   | 1591             | 52.5 | 4304 | 60.4 |
| Total              | 39                  | 74                  | 3028             | 100  | 7129 | 100  |

**Sources:**

- (1) Central Department of Statistics, The Population Census of 1974, Riyadh, Saudi Arabia.
- (2) Al-Shawaf, A., and Zahid, Z. Population and Planning For Urban Development, Al-Baladiyat 4(16), 1988, p. 42-59.

Another important characteristic of the urban pattern is the excessive concentration of the country's industry, finance, commerce, physical and social capital, private investment, fixed capital assets, and high educational and cultural facilities in few population centers, namely, Riyadh, Jeddah, and Dammam/Al-Khobar, and also to a lesser degree in three next large cities (Mecca, Taif, and Medina). Indeed the first three national centers have a substantial share of the country's non-farm economic activities, far greater than their share of the national population. For example, although the combined total population of these three centers comprised only 25% of the national population in 1974, they accounted for 66% of employment and 58% of establishments in the private industrial and services sectors (Census of Establishments, 1976). Also, a majority of the public sector's employment is concentrated in these centers, particularly in Riyadh, the capital of the country. Moreover, substantial percentage of the public investment in infrastructure and municipal services goes to these large centers. An example of this is evident from Table (6) where between 1965-1973, 63% of the budget allocation to municipalities went to the six largest cities. This percentage distribution in 1977 has remained essentially unchanged where 64% was allocated to the same six large cities (Al-

Rawaf, 1980). The present situation may not differ very much; although in absolute terms, municipal funds have increased for all cities and towns, the relative share is still about the same.

**Table (6)**

Central Fund Distribution for the Kingdom's  
Municipalities During 1965-1973

| Area                                        | Estimated<br>Population | Allocation<br>(Saudi Riyals) <sup>(1)</sup> | Percentage |
|---------------------------------------------|-------------------------|---------------------------------------------|------------|
| Six Largest<br>Urban Centers <sup>(2)</sup> | 1,800,000               | 881,019,899 <sup>(3)</sup>                  | 62.93      |
| Total Medium<br>& Small Towns               | 2,200,000               | 519,024,866                                 | 37.07      |
| Total                                       | 4,000,000               | 1,400,044,765                               | 100.00     |

<sup>(1)</sup> Up to 1975 1 U.S. DOLLAR = 3.5 Saudi Riyals

|                       |                            |
|-----------------------|----------------------------|
| <sup>(2)</sup> Riyadh | <sup>(3)</sup> 269,563,511 |
| Jeddah                | 258,607,613                |
| Mecca                 | 144,442,622                |
| Medina                | 103,324,972                |
| Dammam                | 57,668,577                 |
| Taif                  | 47,412,594                 |

Source: Al-Rawaf, O., The Concept of The Five Crises in Political Development: Relevance to the Kingdom of Saudi Arabia, Unpublished Ph.D. Dissertation, Duke University, 1980 (p. 466, Table 22). Based on collected information from the Agency of Municipal Affairs, Ministry of Interior.

## IMPLICATIONS AND POLICY ISSUES

Polarized and concentrated urbanization, although not necessarily inefficient and certainly has positive economic effects at the early stages of economic development, may not be efficient and is incompatible with the national policy goals in the long run.

The present pattern of urbanization in Saudi Arabia, if continues unaltered, may have serious implications in the long run. First, the polarized and rapid urban growth of large cities makes their management difficult and the provision of urban and social services inadequate and costly. Although many of the urban problems in Saudi Arabia are related more to the fast rate of growth and to the city management, than to the urban size, the latter may become an important factor if large cities continue growing at their present rate (8-10% annually). Despite the fact that little is known about the size of cities at which diseconomies exceed the economies of agglomeration, it is widely argued that social costs of urbanization are related to and influenced by urban scale (Beier et al., 1980).

Second, as Lloyd Rodwin (1970) points out, countries which over-emphasize metropolitan growth have usually the tendency to neglect the development of their rural and peripheral areas. Saudi Arabia is a case in point where the public investment has been heavily biased towards the few large cities. This, in combination with the excessive concentration of private investment in the few large cities, would increase the socio-economic gap between the core and peripheral regions and also within regions at intra-urban and rural-urban levels.

Third, the polarized and imbalanced urban system is inconsistent with important national policy goals. It is likely to have an adverse effect on the growth of the agricultural sector and rural areas; on the diffusion of the social change and innovations from the core regions (or cities) to the peripheral regions (or areas); and on the promotion of the development of the lagging regions.

Agricultural development - which is an important policy goal for economic diversification - requires an efficient and stable settlement pattern at the middle and lower levels of the urban hierarchy. Agricultural modernization depends on the viability and accessibility of the intermediate cities and small towns as market and service centers. In Saudi Arabia, where nearly 1/3 of the population still lives in villages and hamlets, the existing small ci-

ties and towns are inadequate in number and distribution to service the widely scattered rural population. More importantly, they are not fully developed to function as market and services centers to their rural hinterlands. In the majority of cases, small cities and towns have inadequate social services and physical infrastructure, lack non-farm employment opportunities, are badly linked with their rural areas or with the national urban centers, and are poorly provided with technical services (e.g., extension services, and repair shops) needed by rural and farming communities.

The polarized urban system is also inconsistent with the development of the lagging regions and the reduction of social and spatial inequalities. The national metropolitan centers are all located in the more developed regions (i.e., Western, Central and Eastern regions of Saudi Arabia). The lagging regions (Southern and Northern) are not only much less urbanized, but also their urban hierarchical systems are significantly weak and undeveloped. Cities in these regions are few in number, and more importantly, they are small in size. Furthermore, these cities are located far from the national centers of development, innovation, and modernization.

It is generally expected that in countries with large areas, such as Saudi Arabia, the spatial diffusion of development from the national urban centers to the rural areas and small cities, particularly those of the lagging regions, may be very slow in pace and weak in effect. This is partly because of the large distances that separate them. Thus if the development of the rural areas and lagging regions is to be encouraged then sufficient agglomeration economies have to be generated in these regions by promoting the growth of their largest cities.

Taking into consideration the foregoing long-term implications of the present pattern of urbanization, it can be argued that for Saudi Arabia there is an urgent need for a national urbanization policy. A planned and guided urbanization is more consistent with, and even more conducive to achieve, the national policy goals and long-run national growth potential.

The rationale for a national urbanization policy can be based on two important grounds. First, although it is difficult to prove when major cities become too large from optimal size point of view, the rapid rate of growth of large cities has certainly social and economic costs. In addition, poor urban planning and inefficient city management may have exacerbated these problems. Slowing down the growth of these cities would most likely ease the pressure on the social and urban services, improve the living conditions, and reduce the cost of urban development.

Second, from a national perspective, the size of the large cities is ex-

cessive with respect to the rest of the urban system. Unchecked metropolitan growth may adversely affect (because of the strong agglomeration pulls and biased-urban policies) the development of an efficient hierarchical urban system. A decentralized urban pattern is more consistent with the country's national development objectives.

The Third Development Plan (1980-1985) has stated explicitly that one of its important objectives is to avoid the increasing concentration of the urban populations and economic activities in the few major cities (Third Plan, 1980, p. 108). However, the plan has not dealt with this issue explicitly nor has it indicated how this objective is to be achieved. Therefore, to date, there is no coherent, and consistent national urbanization policy.

It can be argued that such a policy is not only essential, but is also feasible. The factors that would support such argument would be: the relative availability of capital, the dominant role of the government sector, the high growth rate of population and urbanization, the high share of migration in the growth of cities, the rapid growth of the national economy, and the existence of a number of attractive locations in the rural regions and in the core regions (outside the sphere of the metropolitan cities).

## AN URBAN DEVELOPMENT STRATEGY

Since World War II many countries in the developed and developing world have adopted urban development strategies and policies to influence the way their cities grow and to reorganize the spatial distribution of their population and economic activities. Richardson (1981) suggests ten different urban development strategies that can be used in developing countries. Most of them aim at slowing down the growth of some cities (e.g., primate cities) and/or promoting the development of others (e.g., intermediate cities and small towns).

For Saudi Arabia, a decentralized urbanization strategy must combine three different complementary urban strategies: (1) promoting the growth of major cities of the less developed, predominantly rural regions, or alternatively promoting a number of growth centers of different levels in these regions; (2) stimulating the growth of a number of carefully selected intermediate and small size cities in both developed and rural regions; and (3) promoting the growth and strengthening the role of small market towns and rural service centers.

The most efficient approach to pursue this strategy is what Lloyd Rod-

win (1970) has termed "Concentrated decentralization". The basic objective is to decentralize economic activities from the concentrated areas or to promote new activities in selected areas, which have good potential for economic expansion, in both the developed and the peripheral regions. The justification of concentration is to reap the advantages of agglomeration economies and to reduce the capital costs. For a country like Saudi Arabia, with a small population scattered over a large area, selective concentration is more practical and efficient than arbitrary or uniform dispersion of economic activities.

A decentralized urbanization strategy, to be effective, needs a strong and continuing political commitment and also a set of effective policy instruments to bring the desired changes. There is a wide variety of spatial instruments to influence the location and direction of economic activities and population (Richardson, 1977). The most widely cited instruments are migration subsidies and controls, financial incentives, infrastructural investment, industrial location, direct public investment in economic activities and the decentralization of the administrative system.

In Saudi Arabia, as is normally the case of rapidly developing and late urbanizing countries, net migration is a major source of urban growth. Moreover, the flows of migration are heavily polarized towards the national development centers where the overwhelming majority of secondary and tertiary employment is concentrated.

This suggests that migration policies may be an effective instrument for the success of urban development objectives which aim at restructuring the national settlement pattern and changing the spatial distribution of population. An effective policy to influence the rate and direction of migration flows (local or foreign) is to guide and to plan the location of jobs. The objective of such a policy is to restrict or moderate the growth of jobs in large cities, and alternatively to create jobs in carefully selected locations that show development potentials in order to direct migrants away from the excessively concentrated areas. Measures to implement this policy may include: (1) decentralization of government offices and public institutions (e.g., colleges, administrative agencies, research centers); (2) creating adequate non-agricultural employment and income opportunities in regional as well as in small-sized cities; and (3) providing adequate social and urban services outside the metropolitan centers.

Finally national urbanization policies should be consistent and fully integrated with the macro and sectoral policies. While the national planners in Saudi Arabia have recognized the undesirability of urban polarization, they

have not yet given sufficient attention to the implicit spatial implications of national policies which, most often, have the tendency to perpetuate and to enhance the polarization and concentration process.

### CONCLUSION

This paper has attempted to analyze the policy implications of imbalanced urban patterns that generally characterize Third World countries. It was argued that polarized and concentrated development is inconsistent with, and probably is inconducive to, achieving long-term national objectives of many developing nations.

It is highly desirable for developing countries, especially those that are rapidly growing and late urbanizing, to adopt national urbanization policies in order to enhance their national economic efficiency and achieve social harmony and political stability. Such policies are not only desirable but they are also feasible due to the high share of rural migration in urban growth and to the dominant role of governments in the national economy. In many developing countries urban imbalances are not only caused by the spontaneous market forces but also are influenced by the sectoral and macro development policies which usually tend, unintentionally however, to perpetuate and reinforce the urban concentration process.

Urban development in Saudi Arabia since the late 1960's has been extremely rapid and excessively concentrated in the few large national centers. If this concentrated development continues unaltered, it may have adverse effects on the national socio-economic development. It was argued that such a development pattern may not be efficient and certainly is incompatible with important national goals. In particular, it is incompatible with developing and stabilizing rural areas; developing and commercializing the agricultural sector; diffusing development impulses and modernization from the core to the peripheral areas; and reversing or moderating the trend of urban concentration in the few large cities.

Although a balanced urban and regional development is an important national goal in Saudi Arabia, still there is no explicit, coherent national urbanization policy. This paper argued that such a policy is needed to moderate the rapid growth of the large cities, and to create an efficient urban hierarchy at national and regional levels. This paper also sketched out an appropriate urban development strategy aims at achieving the desired urban policies.

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