

# Saudi economic recession research proposal sample

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## **GDP**

In Saudi Arabia Gross Domestic Product (GDP) has expanded to 5.87 percent in the third quarter of last year over the 2011 quarter. Over the years the GDP growth rate have been recording an average of 5.12 percent with the highest growth rate of 27.49 percent in 1974 and the lowest of -11.10 percent in 1982. 55 percent of the GDP is constituted by the petroleum sector.

## **Unemployment**

The rate of unemployment has increased from 5.40 percent in 2009 to 5.50 in 2012 as reported by the Central Department of Statistics and Information. Between 1999 and 2012, the rate of unemployment in Saudi Arabia has been averaged to 5.35 percent, with maximum rate at 6.30 percent in 2006 and a minimum rate of 4.35 percent at the end of 1999.

## **Inflation**

In January 2013, the inflation rate in Saudi Arabia was recorded at 4.20 percent as reported by the Saudi Arabian Monetary Policy. In the economic history of the country, the inflation rate averaged 2.8 percent since 2000 to 2013. The highest inflation rate was 11.1 percent in July 2008 and the lowest was -2.0 percent in the beginning of year 2001. The consumer price index includes foodstuffs, fuel and water, rent, renovation and telecommunication among others.

## **Monetary Policy**

The monetary policy is implemented by the Saudi Arabia Monetary Agency, SAMA. The function of SAMA involves issuing the Saudi Riyal, which is national currency, regulating foreign exchange reserves, commercial bank supervision, exchange rate and price stability, and enhancing growth and efficiency in financial system.

## **Fiscal Policy**

In Saudi Arabia, the government spending increased from 127,588 SAR million in the second quarter of 2012 to 153,398 SAR million in the third quarter of the same year. With an average of 103,781.35 SAR million, the country experienced the highest level of government spending at 1533,393 SAR million in August, 2012 and lowest record at 76,217 SAR in early 2008.

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