**Is Saudi Arabia infected with Dutch disease?**

It is certain that the increase of the prices of natural resources, including oil, contributes greatly to economic prosperity, but is this prosperity permanent or temporary? Several studies have shown that an abundance of natural resources does not necessarily lead to sustainable/ strong/ durable economic growth. The statistical data on oil-producing countries over the past three decades do not indicate that abundant oil resources have strongly influenced constant economic growth.

A historical study of economic growth, during the last two centuries, in a number of countries including Japan, Russia, the Netherlands, and Spain, showed that those countries with the least natural resources achieved higher economic growth. In addition, the studies showed that an abundance of natural resources reduces economic growth. This conclusion was based on data regarding oil and mineral reserves over a 30-year period, beginning in the 1970s( or: over three decades beginning in the seventies of the last century).However, the revenues from oil, gas, and other natural resources generally affect economic growth both positively and negatively. On one hand, these revenues provide financial resources for development programs such as investment, education, and infrastructure. On the other hand, an abundance of natural resources, including oil and gas, clearly coincided with symptoms of Dutch disease.

Dutch disease means the paradox that occurs when a country’s huge natural wealth results in a lack of production, manufacturing and even a lack of competitive motivation. This phenomenon is not limited to the Netherlands, but it has been observed later in Nigeria, Azerbaijan, the UK, and the Gulf countries due to their oil wealth. It has also been noted in Spain, Mexico, Australia, and South Africa after the discovery of gold and diamond mines. So, Dutch disease refers to the practice of discovering abundant natural wealth and relying on it in a way that eliminates competition and reduces manufacturing industries, making the entire community dependent on the state.