
Promoting and financing industrial diversification in resource dependent countries: the case of Saudi Arabia

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Résumé

This paper is concerned with the role of the state in promoting and financing industrial diversification, and focuses on a resource-dependent country that has not successfully diversified its industrial basket yet: Saudi Arabia. This paper begins by highlighting the role of industrial policies in mitigating the Dutch Disease and in achieving economic diversification. It, then, reviews three major industrial diversification approaches for resource-dependent countries: resource-based industrialization (RBI) (e.g. Perez 2015), the Growth Identification and Facilitation Framework (Lin 2011) and the Product Space Theory (Hidalgo and Hausmann 2009). These frameworks are used in two ways; firstly, to discuss possible diversification strategies in Saudi Arabia, and secondly, to assess the diversification strategy (Vision 2030) which was launched recently by the Saudi Government. Finally, the chapter examines the role of the Saudi financial system in achieving these industrial diversification plans. To evaluate the role of the financial sector, the researcher conducted semi-structured interviews with senior officials in major public and private financial institutions.

Mots-Clés: Industrial policy, resource dependent countries, economic development

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