

Summit Communications

Transcript of the interview with

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Representative of His Majesty Sultan Qaboos bin Said



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Could you explain for the benefit of our readers your position and the role that you play?

I am the representative of His Majesty the Sultan, ruler of Oman. That's my title and my job is varied but is mainly whatever His Majesty wishes me to do. I have represented him mainly at Islamic summits for the last 3-4 years and I also receive foreign envoys who carry written messages to His Majesty. I receive them in my office and secure delivery of their papers. I receive some ambassadors who are finishing their duties in Oman and I attend some of the social functions; basically, I perform any task that His Majesty wishes me to do. I was in the Army for 18 years and have now been in the Government for 14 years. When I came out of the Army, I was Secretary General for the Higher Committee for Conferences, which is chaired by Sayyid Fahad, the Deputy Prime Minister. I had the opportunity to be the Chairman of the GCC Negotiating Team where I learnt a great deal. The work contributes towards non-specific Government planning; reports are produced, the Government departments analyse them and convert them into workable plans. Basically, my office performs a protocol function. I am not directly involved with services and other ministries but I play a part as a member of the Government.

As a member of the ruling family, what are your hopes and goals for Oman in the coming years?

Well, we hope that we will further strengthen our relations with other peoples and nations. We have done very well so far and hope to continue to strive to

maintain Oman's favourable position and image. We are friendly to all, co-operate with everyone, always taking a positive but cautious stance with other nations. We assess a situation, try not to take sides, especially when friends clash and aim to maintain balance.

What are the main lessons of your experience in the Omani government over the past 14 years and prior to this in the Army as well?

I learnt a lot from His Majesty himself as I have had the chance to talk to him and get his views. He is very wise; like a teacher for me. I learned that Oman does not gallop; but takes very firm steps; we take our time, always acting with patience. When we want to dismiss something, we don't dismiss it immediately; we take time to see if it is the right decision. We all help each other to make the right decisions; His Majesty has selected professional Omanis and those with experience, some older than himself to assist him in his planning and strategy.

In the Army, I learned about discipline and how important it is to maintain a high standard. Here in Oman, wherever you look, you learn something; whether it's in the education sector, the health sector, how it's all divided and sequenced and we are developing the participation of the people. Instead of throwing democracy openly without reservation to the people, we teach them that they can question things, participate in things whilst exhibiting manners and good behaviour but respect must be maintained.

Democracy without respect becomes chaotic; bad language and hooligan type behaviour in order to express freedom is not acceptable. You don't have to damage anything or

anyone to achieve your goal, convincing others to your viewpoint. I learned this approach and its very useful.

I received most of my education abroad; I undertook secondary school in Lebanon and had further education in Somerset in UK and then I joined the Army and went to Sandhurst. I participated in a lot of seminars there and went to the Houses of Parliament many times, observing how politics in the UK are administered.

Perhaps you could comment on the Government's strategy to develop the non-energy, the non-hydro-carbon sector?

In the past, Oman was an international port between the continents; we did not have oil and gas. We are very fortunate that geographically we sit right in the middle and command the longest coastline of the Gulf States at over 2000 miles. We have used this very effectively in the Hormuz-Musandam Channel and in Muscat and Sohar in a moderate way in the past, as we did not have the resources to build our infrastructure. The Government are well aware that it is very difficult to compete on an industrial footing with your neighbours who are richer than we are; it's a very big challenge for Oman but we can compete with our facilities. We are building new airports, modern tourist cities and hopefully these will replace our dependence on oil and gas for income.

Regarding tourism, we are selective, wanting tourists who come to Oman to enjoy the culture and the environment. We have a lot to offer them; we might not give them

nightclubs but that is available elsewhere. Tourism is an industry, a major revenue generating sector which involves a lot of different sectors and skills. There is a tremendous amount of investment in tourism and the Ministry of Tourism is actively involving people.

Oman is by its nature, very welcoming to foreigners. We have long traded with all parts of the world, learnt to communicate with the international community. I think that tourism will ultimately replace the income currently derived from oil and gas.

Fishing is potentially another industry for Oman. With the new port and dry docks in the east of Oman it will enable us to introduce bigger boats. Omani waters are teeming with fish.

What would you identify as the heritage and the culture identity specific to Oman?

We have tried to maintain our heritage and culture in balance with our modernization. The khanjar for example, used to be worn by most Gulf States; now they throw them away because it doesn't suit business discretion nor ease of movement, but to us it is part of our identity. We wear the khunjar, we wear the bisht, the dishdasha with the tassle at the throat. Many left Oman for years to undertake education and training but upon their return they still see our national

dress as an important part of their culture and identity. Apart from clothing we maintain many family traditions, wedding and mourning ceremonies and there are several festivals throughout the year. These all help to maintain our rich Omani heritage.

Could you elaborate on the establishment of the bank and how it will capitalize on the current market opportunities here?

It was supposed to be the first investment bank and has been an aim of mine since 1987. The idea was shelved for 10 years or so following advice both internally and externally. However, in about 1998 interested parties got together, including overseas groups, a study was carried out and interviews with local bank Boards took place. These went very well and I am in the process of finalizing arrangements with a strategic partner, a very big international bank. Of course, regulations are restrictive but there are many potential players involved including several international banks as well as Omani founders. We hope it works and I look forward to the opening at the end of the year.

The impact of the price of oil in Oman cannot be underestimated. Back in 1996 when the price had fallen to about \$12 a barrel, the country slowed down, government plans had to be shelved and everyone had to cut back. The growth of industry was severely affected and international competition restricted. Now that the price of oil is at \$100 plus a barrel we are seeing major investment and development and the Government is able to implement many infrastructure plans.

Could you comment on the role that education has played in the development of Oman?

We have more than half a million students in Oman with eight universities officially registered. Some of them are fully functioning and then there are temporary bases like the Nizwa one; we are building the new campus just a few miles from the temporary facilities. In addition to the universities, there are over 26 private colleges, some with international connections. The outcome will be that we have over 30,000 graduates, a huge challenge for Oman to accommodate as far as possible in the Government and private sectors. Also, we have now opened the way for Gulf citizens; they have equal rights to compete for jobs alongside Omanis. This is a benefit of belonging to the GCC. Standardisation of rules and regulations covering tax issues, import duties, trade protection and so on. To compete not only in the GCC but worldwide we need good, educated people.

We are moving into what's called e-government, electronic government. The introduction of computers in schools and the workplace has been rapid and is very challenging. Illiteracy remains high in the world and here in Oman we are trying to reduce it. Due to their social circumstances, in the past people had to leave school early and weren't able to finish their education. They will always need one-to-one help; they can't access and use the net. We also have to carefully study the right time for privatization of services as part of this move into the electronic age. We aim to privatize slowly as we want to balance who will

own these services eventually – electricity, water, telephone, postal service, municipalities, maybe transportation. Aviation has led the way with people having shares in the company.

His Majesty is very flexible. Once the Majlis A'shura Council is convinced and the State Council is convinced, they recommend and then he makes a decision.

Your Highness, do you think there will ever be a common currency in the Gulf?

His Majesty made the decision not to join the currency but he will support various regulations that do not have a negative impact on Omans trade. I suppose we are more like Britain in Europe, being cautious instead of moving into something that we don't know how it will end up. I think that the Gulf States are going ahead; it will be a very strong currency.

Maybe you could just elaborate on the initiatives higher education in regards to those which you like to achieve in the future, just briefly.

There is a Ministry for Higher Education and it is now concentrating on achieving quality and promoting technical links with international institutions. Higher education is looking at the requirements of the nation as a whole, including the Government. They are job focused; with the high number of graduates they have to be. Anybody who wishes to study subjects outside the established agenda may do so but that is their choice and at their own risk. The need to

highlight possible shortfalls in our future requirement for doctors or engineers can be programmed into the system.

The University of Nizwa is 92% female students. The Challenge for women in all the Gulf States is that it is very difficult for them to emigrate for a job; a single girl from a small family, with parents reliant on the income and company, the pressure to marry and so on. We hope that they may all be accommodated within the modern industries and tourism sector and this is partly why the balance of investment is now moving away from Muscat and to the east coast and interior, so that jobs and opportunities can be given to all those coming out of university. There is a lot of movement and change; you will have to come and see us every five years!

What will be the impact of the FTA with the US?

I think it's a very good agreement. It's very recent so we will have to wait a bit of time to see. Before joining the WTO we had good trade but the US is of course very far away from us and sometimes they look at us as being very small. Our tendency to keep quiet, not making any noise or fuss when US policy in the region creates turbulence helps to maintain good relations between us. The Oman-US relationship is a special one; we don't like media involvement and it allows us to help one another – quietly. All dealings are directly with His Majesty, a good connection, a direct link. A lot of Omanis go to the US for education and training; we are a small nation, but we try our best whatever we can offer. We have very moderate resources compared to Saudi Arabia, Qatar, the United Arab

Emirates, Iran and so on but with this small amount we try to pace whatever we do. I think that the ties with the US will continue to strengthen.

Oman Camel Federation - Could you explain to our readers the root of this tradition and its current developments?

Yes, I had quite good fun being the Chairman of the Horse and Camel Federation. It's part of our tradition, the camels are very close to our people. More than 35% of the nation is made up of Bedouin tribes and the Omani camel is well known for its racing, being very good looking and so on. The camels in the south of the country are not for racing but for their milk, meat and for the transportation of frankincense, used in the perfume trade. For racing the best camels come from the coast and the Sharqiah region. The Federation has tried to organize things professionally, which of course the Bedouin didn't like because they are free spirited people, moving all over the desert, sleeping wherever they like. They don't like to be pinned down. It was very difficult to introduce them to regulations but having convinced them that they will gain in the longrun, that their camels will be of a proven bloodline, we have introduced tagging. We can scan every camel and check its unique number under the skin. We have created a passport for each camel, so that when they change hands, the previous owner is registered, there is a record of the wins and when the sale takes place, the Federation passport together with picture duly stamped is produced and the owner gets a good price.

The official racing season starts around 1st September and goes until the end of March. His Majesty has his own camels, about 200 or so with trainers and the locals have the Federation looking after them. People from the UAE also come over to race. Of course, we make sure we win so that they buy from us. We have done a lot of organizing of meetings, upgraded the prizes for race winners and personally, I have had a couple of good years! I sponsor a race in February each year which is more like a small festival with folk dancing, men with swords and rifles performing traditional dances and women take part singing. I have a farm near Adam, the last major town before crossing the desert to get to the south of the country. The racetrack is in front of my farm, so once a year, instead of making people travel all the way just to see some races, we create a small festival with entertainment and then I give them lunch and everybody goes home afterwards. I invite my foreign friends as they seem to enjoy a day out in the desert.

His Majesty is of course the best horse rider in the country. From 1970 onwards, he introduced horses to professional competition and he hosts a race every January. He has a race track in Seeb and the Federation also registers horses and their owners. It is, however, very difficult to travel with horses anywhere other than Dubai or elsewhere in the Gulf. There are horses all over Oman, used both for riding and ceremonial. We hold some races but we don't have grass tracks, just sand. But in general, the Omanis find the camel more interesting as a winner can be used for breeding. I forgot to mention that most of the racing camels are female; the males do not race well. They are more like a recovery

vehicle, teaching the females when they are young how to run around the track running behind them. Later, when a rider is introduced is the time that unsuitable racers are identified. This usually happens before they are two years old; there are about seven categories in racing and each year a camel is promoted to the next category, which may also be a longer distance. They start at two or three miles going up to seven miles but we have now introduced what we call an endurance race which is over 12 miles. This 12 mile race has no fixed category; anyone may enter a camel. So one sees both old camels and old riders running! The benefit is that the winners (camels) will be selected for breeding, which produces a sizeable income for some. A female race winner can sell for anything between half and a million rials. Imagine a Bedouin having RO 1 million in his pocket!

Your Highness, just to finish up, where would you like to see Oman in 10 years time?

Very difficult to predict. If we continue the way we're going now, with the Golden Jubilee in 2020, I think I will see Oman as a major player internationally. Of course, Africa has been developing as well. Oman has many things going for it but one of the key points is its stability. Secondly, our geographical location makes us a perfect international base and thirdly, our relations with others. Omanis travel everywhere and no one complains of us making or causing trouble. We have an excellent national record for our behaviour and we have thousands of students in the Far East, US and in Europe. We are very lucky and

we have realized that being a peaceful nation and promoting a quiet lifestyle pays off. This can lead to becoming a victim of others who try to corrupt, conducting business badly by cheating, laundering money all because they think you are naive. We have flexible trade and commerce rules; it is no longer necessary to have an Omani sponsor. Most of our tourist sites are run by foreign companies and the more we encourage aviation links, the better we will become at trade, enabling us to sell our fish and dates and so on. We sell fish to Korea and Japan; we produce more than 350,000 tons of high quality dates a year. In the interior of Oman we don't have the salty sea air nor the humidity unlike the coastal producers.

The potential for tourism, deep-sea fishing, telecommunications, for Oman is great.