

# **Early development of PR evolution in the Kingdom of Saudi Arabia between 1933 and 1980 - The role of Saudi Aramco**

## **Abstract:**

**Purpose:** This paper documents the inception and early developments of public relations (PR) in the Kingdom of Saudi Arabia (KSA) between 1933 and 1980. The study focuses on the pivotal role of the American oil company, Aramco, and the influence of Western perspectives on the shaping of PR in the KSA.

**Design/Methodology/Approach:** The study adopts Bentele's Fact-and-Event-Oriented Type (FEOT) approach, analyzing historical documents pertaining to Aramco's practices and archives. A descriptive qualitative methodology was implemented to appreciate and understand the historical development of PR in the KSA within its distinct cultural, religious, and social context.

**Findings:** The findings illustrate that Aramco's PR practices, rooted in Western theories, were not directly applicable in the KSA. Although PR practice was relevant to American employees, it proved ineffective with the Saudi workforce. This led to a series of strikes and disturbances between Aramco and its employees, frequently requiring the intervention of the Saudi government for resolution. Aramco's communication efforts did not fully appreciate Saudi and Islamic culture nor the needs of Saudi society. Adaptation and alignment with these socio-cultural dimensions allowed Aramco to reconstruct its PR practices and foster positive relationships with its employees and the Saudi government.

**Originality:** This study is among the first to document the history of PR practices and development in Saudi Arabia, using the Aramco case to understand the early evolution of PR in the KSA.

**Keywords:** History of PR, Middle East PR, Saudi Arabia, KSA, Aramco

## **1. Introduction:**

This paper explores the reality of public relations (PR) practice in Saudi Arabia, tracing its early development from the arrival of the American oil company Aramco in 1933 until 1980.

Many researchers concur that, from a modern Western perspective, PR entered Saudi Arabia with the advent of American oil companies in the Gulf states (Watson, 2014; Freitag & Stokes, 2009). Although previous literature has briefly and cursorily addressed the history of Saudi PR practice, limiting its description to protocol activities such as hospitality, receptions, farewells, and celebrations (Alanazi, 1996; Al-Enad, 1990), it has only covered the post-1980 period, thus neglecting the preceding era. Furthermore, it has not adhered to an established methodology for tracing PR history to ascertain its foundations.

Consequently, this study seeks to fill the research gap by providing a thorough examination of early Saudi PR practices. It employs an authentic historical methodology to document PR history, accounting for Saudi Arabia's specific cultural and social context. Many specialists believe that the essence of PR cannot be understood without considering social, historical, and economic conditions (Bentele, 2015). Watson (2015) states that the influence of Islam and tribal ties in the Arab world formed the basis of local PR, despite the emergence of a parallel model of promotional activity in the American style in the late twentieth century.

The specific socio-cultural and religious context of KSA presents distinct features and characteristics that can influence PR practice. Saudi culture is among the most prominent that places great emphasis on practices related to organizational reputation and image (Al-Mahraj, 2017). In the Middle Eastern context, particularly KSA, rhetoric was historically employed during conflicts to restore the honour of ruling families (Al-Qahtani, 2019).

Poetry and inscriptions also functioned as communication tools to promote the values and achievements of leaders and to provide endorsements for image construction and identity (Jamil & Nada, 2016).

## **2. Study Importance:**

For many years, US historiography has dominated the field of PR globally, driven by the early and widespread circulation of American literature. This led to the establishment and diffusion of a singular, progressive interpretation of PR as a strategic management function. It promoted a normative and ideal framework (the Four Models), which became known as the dominant paradigm that accordingly shaped and influenced global PR (L'Etang, 2015). Furthermore, the Institute of PR contributed to the imposition of American hegemony over the understanding of PR history and the evolution of its practice (L'Etang, 2004). For several years, PR history writing focused solely on the United States, where American PR professors regularly contributed publications (Bentele, 2015).

L'Etang suggests that the dominance of the American cultural experience may have caused more detriment than previously thought, not only because its publishing monopoly reduced the visibility of histories from other nations, but also restricted theoretical concepts. Consequently, the limitation to following interpretations based on the Four Models, with little space to accommodate other cultures and contexts, restricts the field of PR, much as the "4Ps" or "7Ps" restrict the field of marketing (L'Etang, 2008). L'Etang states, "Because public relations does not happen in a vacuum, nor is it confined to the commercial sphere, anyone researching or writing about PR history will soon find themselves immersed in wide-ranging readings to understand the context in which PR originated or took place" (L'Etang, 2008, p. 326).

Toledano asserts that the substantial dominance of American interpretations of PR history is "over-simplistic and rather ill-advised" (L'Etang, 2008, p. 328), given that the histories of most other nations exploring this aspect of their past remain unknown. This is attributed to the fact that the majority of universities in the EU, African, and Middle Eastern countries use PR textbooks written by American academics and directed at American students. Given this, it is not surprising that most students in those countries associate the history of PR with American historical origins (Toledano, 2005), even though "many other countries, and their PR, have developed quite differently" from the American evolution of PR (Toledano, 2005, p. 464).

L'Etang (2004) emphasized that diverse historical contexts are capable of producing different historical meanings and interpretations, and that the historical context of the United States was unique and influenced by American isolationism. L'Etang (2008) presented twelve frameworks (models) through which the development of British public relations practice could be understood, offering rich, alternative perspectives to the American frameworks.

Focusing on the case of Saudi Arabia, previous literature addressing the history of PR in the country lacked in-depth documentation of Saudi PR practice. The majority of previous studies did not describe the evolution of Saudi PR practice for the period 1933–1980, but rather indicated that "Public relations in KSA, according to the modern perspective, began with the entry of American oil companies, primarily Aramco" (Alanazi, 1996; Al-Enad, 1990; Al-Hawaj, 2015).

Offering insight into this crucial period for the country's PR development, this study seeks to explore the significant changes in PR practices caused by the entry of American practices and their impact on the PR landscape in KSA, and by extension, the Middle East. The period 1933–1980 marked the initial stages of the American Aramco administration's dealings with the Saudi

government and its interactions with Saudi employees and society, while acknowledging political, cultural, social, and religious elements influencing the specific period.

To investigate deeper and offer knowledge for the existing gap, the following research questions are suggested:

**RQ1:** What was the reality of public relations for Aramco in Saudi Arabia from its founding (1933) until it was taken over by the Saudi government (1980)?

**RQ2:** Which key factors affected the development of public relations in Aramco?

**RQ3:** How did cultural aspects influence the developments of public relations in Aramco?

### **3. Literature Review:**

#### **3.1. 1933 to 1946 - Aramco's PR aspirations:**

Aramco, the first American company to operate in Saudi Arabia, inaugurated its Public Relations Department in 1933 to cultivate the organization's reputation and image locally (Alanazi, 1996). Initially, the department focused on intercultural training, introducing American personnel to Saudi and Arab culture and promoting mutual respect among Saudi and American employees (Alkadi, 2007). Aramco also established the Arab Research Division under the Government Relations Department to liaise with the Saudi government and comprehend local customs, traditions, geography, and culture (Al-Ahmari, 2013).

Barger (2004) notes a subsequent request for greater attention to Saudi employee affairs, necessitating specialized social, educational, and economic training programs to facilitate young Saudis' professional ascent within the company.

Aramco maintained a favorable relationship with the Saudi government despite differing viewpoints. Dialogue and discussion were the primary methods for resolving disputes, fostering new agreements, and averting conflict. Since the initial 1933 agreement, Aramco generally adhered to all stipulated provisions, including non-interference in the State's internal affairs or religious matters (Nawwab et al, 1980).

Established in 1933, Aramco aimed to supply skilled workers for oil detection and exploration. Consequently, the company opened schools and trained Saudis in driving trucks and operating heavy equipment, playing a crucial role in reducing high illiteracy rates in Saudi society.

Training, starting in 1933, focused on drilling, machine craftsmanship, and clerical tasks. However, on July 8, 1939, an oil well explosion caused severe burns and fatalities. This incident stemmed from Aramco's limited exploration experience and lack of industry preparedness, possibly indicating low confidence in the investment's feasibility. The Saudi government unfavorably contrasted Aramco's readiness with the better-prepared Bahraini oil companies. The crisis significantly impacted Aramco's operations and future oil spill preparedness (Barger, 2004).

By 1940, 22 Saudi employees had been adequately trained in Dhahran, and 26 others in Bahrain. The Kingdom of Saudi Arabia, under King Abdulaziz's rule since 1902, resisted Westernization due to its primitive societal structure and strong religious authority. Nevertheless, the arrival of foreign entities like Aramco concerned local communities and clerics, who viewed the Western business model as a negative influence on local values and the cultural system (Al-Badah, 2010).

Aramco's cultural insensitivity triggered a crisis with the Saudi government, resulting in unfavorable reports concerning a school managed by the Saudi Ministry of Education. The school schedule failed to accommodate prayer times, despite government observers emphasizing the necessity for students to learn religion, Arabic, and perform timely prayers (Al-Ahmari, 2021).

A major crisis with the Saudi government ensued after Aramco launched educational programs and schools teaching English and sharing knowledge with employees and their children (Al-Ahmari, 2021). King Abdulaziz appointed Education Controller Hamad Al-Jasser, whose report cited the company's failure to develop systematic plans for Saudi education, noting the lack of prayer rooms, Arabic language instruction, and Islamic religion courses, alongside students exhibiting behaviors inconsistent with Saudi customs.

King Abdulaziz mandated amending agreements between the Saudi government and Aramco to incorporate Arabic language and Islamic religion courses, Arab teacher participation, and government oversight. Aramco responded by developing curricula, providing financial support to students, and disputing the report's accuracy. The education crisis persisted until 1948, marked by ongoing debate regarding Aramco's educational role, American teachers, and the impact on students' behavior and values (Al-Ahmari, 2021).

Aramco faced discrimination accusations: American employees received superior treatment, wages, and amenities, while Saudi workers endured lower wages and poor accommodation (tents). Residential complexes were segregated by nationality/race, creating distinct American, Italian, Indian, and Saudi neighborhoods (Al-Ahmari, 2009).

American consul Walter W. Birge criticized Aramco for neglecting to verify Saudi workers' demands and severe hardships, escalating tension and complaints.

The 1945 Saudi workers' strike followed unaddressed complaints about the company's preferential treatment of foreign employees. The Saudi government formed a committee to investigate, but Aramco rejected its proposals (Al-Ahmari, 2009).

In 1945, inadequate food rations and mistreatment by company guards initiated the Saudi workers' strike. The strike broadened in July 1945, including 137 well-drilling workers. Aramco, through its Public Relations Department and senior officials, sought mediation from Prince Khaled Al-Sudairi, the region's prince, who summoned the workers and submitted their demands (Al-Ahmari, 2009). Aramco's delay in meeting demands led to a wider strike of approximately 9,000 workers in August 1945. Aramco subsequently announced a 20% salary increase for all workers, but this didn't resolve the situation. The Saudi government promised to fulfill their demands, resulting in a committee being formed to study the Saudi workers' conditions (Al-Saif, 2007).

Aramco established an educational school for Saudi workers, focusing on basic arithmetic, measuring lengths, and English language skills (Al-Ahmari, 2021). The curriculum, however, overly prioritized English—necessary for professional work and communication—lacking broader knowledge or a clear vision/mission. Despite this basic education, Aramco neglected Saudi worker complaints, leading to labor strikes, significant financial losses, and tension with the Saudi government.

In 1945, Saudi workers demanded higher wages, better living conditions, healthcare access, and equitable treatment. Aramco agreed to salary raises but could not immediately improve housing due to ongoing refinery construction. The company denied discrimination and proposed a seven-hour workday during Ramadan without wage deduction. This failed to prevent a four-day comprehensive strike, which ultimately led to the establishment of the

Labor Office (now the Ministry of Human Resources and Social Development) to regulate work relations between employees and companies (Al-Ahmari, 2009; Al-Subaie, 2006).

Post-1945, Aramco produced awareness films, such as *The Fly* and *The Explorers*, to promote public health, water conservation education for farmers, and immunization. The first film, *Water*, featured Saudi actors and was filmed in public markets.

### **3.2. 1946 to 1953 - Re-configuration period:**

King Abdulaziz sought an amendment to the concession agreement with Aramco after 15 years. In 1948, the Saudi government and US representative convened in Jeddah to express dissatisfaction with Aramco's treatment of Saudi workers.

Since 1949, Saudi officials have monitored American companies' benefits across Saudi Arabia, the Gulf States, and the Arab world. This advocacy led to enhanced communication between oil executives and foreign countries, prompting conferences and seminars to discuss petroleum affairs and the rights of oil-producing nations versus foreign companies. In 1949, Aramco accrued significant profits due to heightened oil demand (Al-Saif, 2007; Muhammad, 2009).

Barger, Aramco's American CEO, anticipated a significant divergence between American Aramco's interests and the desires of the Saudi government and local communities. Barger believed Aramco needed swift action to understand these demands.

Consequently, the Arab Research Department was established in 1946, becoming crucial for Aramco to comprehend the region, its people, and their needs. The department's work spanned two phases: 1946–1953 and 1953–1963.

The first phase focused on collecting information about the region, the Kingdom, and its inhabitants, but faced financial constraints due to limited revenue and priority given to infrastructure development. The second phase (1953–1963) was more prominent, benefiting from larger budgets, increased personnel, and project support (Al-Ahmari, 2013). The Division employed American and Saudi staff, including recently graduated American students, to study Arab and Gulf cultures and customs (Al-Ahmari, 2022).

Aramco's primary relationship was with the Saudi government; its relationship with the local community was secondary. However, Saudi labor became essential after the company achieved commercial export capacity. The initial contact between American engineers and local employees stemmed from the need for exploration and security. By 1945, thousands of Saudis joined the company, primarily young individuals from the desert who perceived a lack of education as the main barrier to advancement. Aramco represented a reliable future for Saudi workers, particularly in the Kingdom's eastern region, following the decline of the pearl trade due to competition from the artificial pearl industry (Nawwab et al, 1980; Al-Ahmari, 2022).

School administration faced challenges, including government teachers complaining about insufficient buses, which disrupted transportation schedules. Government education observers felt Aramco schools' English teaching methods caused student fatigue. American teachers dedicating half their time to English instruction further strained the relationship. Between 1940 and 1949, Aramco received negative publicity from fanatical clerics who believed mixing Saudi employees and their children would compromise morals and local values. Sheikh Tawfiq Al-Idrissi removed some curricula from Aramco facilities. In 1948, Aramco School Director James Ashford reported that government teachers sometimes

feared the influence of Christian teachers on Muslim students. Aramco viewed this as unjust discrimination, having invested millions in educational services (Al-Ahmari, 2021).

In 1948, Aramco faced a crisis upon the discovery that the company was exploiting minors (under 15) as laborers disguised as trainee students, contravening the Saudi government's decision that employment was restricted to those 18 and over. The government demanded the termination of all student employment unless they could legally prove they were over 15. Aramco's Government Relations Department, which monitored relevant government decisions and news, informed the company of these mandates (Al-Ahmari, 2021).

In mid-1949, Aramco initiated an on-the-job training program for Saudi employees, enhancing productivity and oil industry skills (Nawwab et al, 1980; Al-Ahmari, 2022). Consequently, 40% of Saudi employees were adequately trained by 1950.

Aramco is committed to understanding the Saudi government's goals, assigning the Arab Research Division to translate all Saudi laws, regulations, and news. This commitment aims to prevent incorrect actions or violations (Nawwab et al. 1980).

Since 1951, Aramco has offered interest-free real estate loans to married and unmarried Saudi employees for property near their workplace. Beneficiaries were exempted from repaying 20% of the total value. This initiative has aided over 10,000 employees, positively impacting the local real estate market and economy, with 40% of funds allocated to local labor contracts and 60% spent on building materials (Barger, 2004).

Furthermore, the Saudi government and Aramco entered a profit-sharing agreement, but Aramco appeared to engage in fraudulent activities by offering discounts to American oil companies. The Saudi government insisted on canceling these discounts and sought

retrospective payment of the unpaid amounts. Additionally, Aramco had inflated the market value, violating the agreement.

### **3.3. 1953 to 1963 - Aramco between learning and experimenting:**

In 1953, Aramco sought Saudi government intervention to resolve ongoing issues. School Director Mr. James Ashford affirmed that Saudi students demonstrated learning aptitude comparable to American children. He deemed an educational school essential for enhancing internal communication and Aramco's productivity (Al-Ahmari, 2021). In the same year, Aramco committed to developing educational curricula aligned with the Kingdom's strategic goals.

The Saudi government revised agreements with American oil companies to maximize economic and political gains. The updated concessions mandated companies to engage in profit-sharing, tax payment, hiring and training Saudi nationals, and providing healthcare benefits. While Aramco's healthcare services improved after 1953, they did not prioritize the local community's health. Aramco did, however, utilize media and short films to raise health awareness (Al-Enezi et al., 2023; Al-Ahmari, 2009).

Mid-1953 saw a fifth strike, triggered by Aramco's failure to meet Saudi employees' demands for better wages, housing, education, healthcare, vocational training, and transport. In response, the Saudi government created a dedicated department for employee affairs and amended Aramco agreements, institutionalizing employee rights. The 21-day strike disrupted Aramco's operations and exacerbated the strained bilateral relationship until governmental resolution (Al-Ahmari, 2009).

In 1954, King Saud bin Abdulaziz requested nutritionally rich meals, which Aramco provided. However, the intervention was short-lived due to inadequate facilities and lack of

utensils, leading to worker complaints about food quality and decreased interest in eating. Aramco's housing settlements near business centers were haphazardly constructed and unimproved, limiting their appeal (Al-Subaie, 2006; Al-Ahmari, 2022).

In 1957, Aramco launched the Middle East's first Arabic-language television station, initially broadcasting one hour daily, five days a week, before expanding coverage to include residents of Bahrain, Qatar, Abu Dhabi, and Dubai. Aramco TV emphasized entertainment and educational content, with 34% of its programming being instructional (Al-Ahmari, 2022; Al-Hawaj, 2015).

In 1952, the Saudi government appointed two representatives to the Aramco Board of Directors to participate in control and monitoring alongside the American administration. This move facilitated discussions on resolving differences, notably the high marketing value of Aramco oil. Ultimately, the American administration approved Aramco reducing the marketing budget value to one cent per barrel and canceling other discounts Aramco had provided to American companies without consulting the Saudi government in 1956. The oversight continued: in 1962, the Saudi government reviewed the profit-sharing agreement and finalized an agreement for Aramco to share profits equally with the Tapline Company. This development led to the Saudi government transferring oil distribution and marketing responsibilities to Petromin Company (a 100% Saudi oil company) in 1964 (Al-Subaie, 2006).

#### **3.4. 1964 to 1980 - The last US administration's novel at Aramco:**

The period 1964–1969 saw a strong movement toward the nationalization of foreign oil companies in Arab and Gulf countries. Nationalization signifies the complete transfer of ownership and assets to the government, enabling it to supervise and manage all production,

marketing, and sales operations. This movement was partly fueled by Egypt's loss in the war with Israel. Further demonstrating this trend, Algeria achieved 51% ownership of American oil companies in 1971. In December 1971, Libya nationalized the assets of British oil companies, and Iraq followed suit in June 1972 (Muhammad, 2009).

Saudi students returning from abroad were instrumental in pressuring the reconsideration of agreements with the American administration of Aramco. The influential Saudi Minister of Energy, Mr. Abdullah Al-Tariqi, was among these advocates, whose support for Saudi Arabia's rights to oil resources and the welfare of Saudi workers catalyzed significant changes to the Aramco agreements. This reform movement also culminated in the establishment of the OPEC organization (Al-Saif, 2007).

Saudi Arabia initiated a revision of its 60-year oil exploration agreements with Aramco following concerns raised by Saudi officials, including Professor Abdullah Al-Tariqi, that current terms favored American companies over the Kingdom. They advocated for foreign oil companies to prioritize procurement from local factories, importing only if local products were unavailable. Financial statements submitted by the oil companies at the fiscal year-end highlighted substantial import expenditures (Al-Enezi et al, 2023).

The lack of benefit to the local market prompted a push for foreign companies to procure locally, aiming to strengthen domestic industry and make companies more responsive to local needs. This reliance on local products was expected to spur expansion, create job opportunities for Saudis, provide essential oil industry experience, reduce capital outflow, and positively impact the national economic situation (Muhammad, 2009).

In 1972, negotiations began between the Saudi government and Aramco to implement a plan for Saudi ownership of the company. King Faisal introduced a key complexity,

conditioning oil industry nationalization on the empowerment of Arabs to manage the company's operations. Sheikh Ahmed Zaki Yamani, the Saudi Oil Minister, played a pivotal role, representing the state and emphasizing the need to secure the highest national gains without rushing the nationalization process (Al-Saif, 2007).

Negotiations concluded in 1980 with a final agreement for the Saudi government to own Aramco, which was renamed Saudi Aramco. The American company received approximately \$6 billion in compensation and maintained its American registration for legal and political protection in the US. Saudi Aramco became a government-owned company, albeit with administrative supervision initially exercised by Aramco. This agreement allowed the Saudi government to acquire the company's shares while preserving a favorable relationship with American oil companies and the Kingdom (Muhammad, 2009).

Specifically, negotiations for Saudi participation in the Aramco concession began in 1970, leading to Saudi Arabia holding 40% of the company's shares by 1974. Ownership was fully transferred to the Saudi government by 1980, retroactively effective from 1976. The organizational structure of Aramco was fully integrated as a Saudi national facility in 1983 (Al-Saif, 2007).

This significant movement yielded historical results in favor of the Kingdom of Saudi Arabia, which eventually gained full ownership and management of Aramco through its Saudi workforce

#### **4. Research methodology:**

This study employs a qualitative historical design using a descriptive approach, adopting Bentele's Fact-and Event-Oriented Type (FEOT) for documenting public relations history. In summary, the FEOT approach involves describing and interpreting facts in chronological

order, focusing on specific individuals and events, while avoiding the use of existing theories or models for examination or testing (Bentele, 2010a). This type of descriptive historical research frequently aims to re-establish the past (Tosh, 2009; Watson, 2013).

The Fact-and Event-Oriented Type is a critical methodology for achieving historical understanding of historiography (Raaz and Wehmeier, 2011). Watson emphasizes that this approach is commonly utilized in PR history studies within Middle Eastern and African countries such as Egypt, Israel, and Turkey (Watson, 2015).

Tosh (2009) categorizes historical PR studies into three types: narrative, analytical, and critical. Many researchers in the field write PR history by narrating their story based on archival or other sources without necessarily linking or discussing them based on existing theories (Wehmeier, 2015).

This methodology aims to achieve the primary objective of establishing a foundational reference for understanding the history and development of PR practice in KSA over several decades. It represents an appropriate approach for historical studies focused on documenting the evolution of national PR, which are typically descriptive and examine how PR developed within a specific country (Bentele, 2013).

Given the lack of historical studies describing PR practice in Saudi Arabia, this specific research methodology was used to explore PR practice in Aramco from its entry into the Kingdom. Data collection involved monitoring all previous literature, including scientific articles, studies, research, and published material. Additionally, it examines documents published internally by Aramco and the Al-Qafila magazine.

L'Etang (2008) contends that tracing the history of PR through archival research is "never an easy task," and is a challenging endeavor. Researchers often face difficulties accessing

archived materials, and may discover that significant portions have been destroyed or are unavailable. L'Etang suggests that researchers should ideally implement triangulation in their archival historical research (L'Etang, 2008). However, this study cannot utilize triangulation due to the lack of other sources or the inability to conduct interviews with individuals who lived through the 1933 to 1980 period.

This methodology aligns with that used by Bentele (2010b) in a study of German PR history and Theofilou & Watson (2014) in a study of the history of PR in Greece from 1950 to 1980.

L'Etang (2014) emphasizes that the process of gathering historical data and facts for writing PR history involves the historian's interpretation. This presents a significant challenge: how do researchers disclose their own backgrounds, and how do these relationships influence the history they document? However, Bentele (2015) argues that this concern may be less problematic or "less reflexive" if the primary aim of the study is simply to collect and describe data and facts.

## **5. Study sample and data collection**

The first stage of this study involved a comprehensive search of previous literature related to the history of PR in the KSA, conducted in both English and Arabic. The search yielded 8 studies published in English and 16 studies published in Arabic. Furthermore, 3 printed and 2 e-books containing chapters on Saudi PR history were identified. Additionally, the content of the Aramco archive from 1933 to 1980 was analyzed, which included 780 pages detailing Aramco's practices since its entry into the Kingdom, alongside a review of 36 issues of the Aramco magazine (*Al-Qafila*), see table (I).

Although these documents were not exclusively focused on discussing the industry's history and PR practices at Aramco, they provided useful historical information. Concurrently, the researchers found no archived documents in reliable PR associations, such as the IPRA Association, upon which many researchers in PR history have relied for archival data analysis, such as the studies by Theofilou & Watson (2014), Watson (2014a), and Watson (2014b).

## **6. Findings:**

The findings are aligned with the established research questions (RQs) and are clustered into three main areas. The first area documents the reality of public relations practices, encompassing all related activities in any form. The second area provides insight into the practices employed during the specific period by connecting them to the prevailing circumstances. Finally, the third area identifies negative events (crises or issues) and positive occurrences, assessing how these factors may have influenced Aramco's PR practices.

**RQ1: What was the reality of public relations for Aramco in Saudi Arabia from its founding (1933) until it was taken over by the Saudi government (1980)?**

**1. The public relations practices at Aramco from 1933 to 1980 have received more credit than deserved.**

The public relations (PR) practices at Aramco between 1933 and 1980 appear to have received excessive credit if we compare our results with those of previous studies such as Alanazi (1996), Al-Enad (1990) and Watson (2014c).

The current findings suggest that Aramco's PR was suboptimal, particularly from 1939 to 1953, evidenced by numerous, recurring crises. These issues stemmed from a misunderstanding of Saudi culture, inadequate internal and external communication, and a failure to demonstrate expected social responsibility. This perspective challenges the existing notion that Aramco's PR practices and modern Western vision significantly advanced PR development in Saudi Arabia

(Freitag and Stokes, 2009, p.168). While Aramco undeniably introduced PR to the KSA, there was clear room for a more adaptive approach, especially regarding social and culture integration. This observation aligns with Ibn Awf (2018), who also found the PR practice in KSA to be suboptimal.

## **2. Lack of an adequate understanding of the local culture in Saudi society**

Al-Ahmari's 2021 study revealed that Aramco faced substantial challenges in schools it managed, particularly regarding Saudi teachers and government oversight. A primary cause was Aramco's insufficient understanding of Saudi culture. This led parents and government officials to believe Aramco prioritized English instruction solely to serve corporate goals, rather than focusing on local community development. Furthermore, the heavily English-focused, Western educational content was perceived as potentially eroding local identity and Saudi culture. Consequently, some parents hesitated to enroll their children, prompting government intervention to mandate curriculum modifications.

Although Aramco's American management likely did not intend to alter local culture, undermine Islamic values, or erase Saudi cultural identity, it failed to convince the Saudi populace and government that its actual goal was to train and develop young Saudis to work alongside American staff. No PR initiatives were identified during that period that effectively communicated this objective or addressed the raised cultural concerns.

## **3. Aramco's efforts to improve its understanding of Saudi society**

The initial uncertainty of 1933 was superseded by 1938 with a significant desire for further investment, given the oil abundance in the Kingdom. This created challenges, including a shortage of skilled Saudi workers and government pressure to hire locals over training foreigners. Aramco struggled to meet these requirements due to its lack of cultural

understanding. This made it difficult to appropriately manage Saudi employees, whose workplace needs differed (e.g., mandatory breaks for prayer, provision of worship facilities). Additionally, the limited education of many young Saudis hindered effective communication and collaboration with American staff.

To mitigate this, Aramco established the Arab Research Division. Its mission was to translate internal publications about the Kingdom into Arabic, translate all Saudi regulations into English, and conduct field studies to understand the local community. The benefits of these efforts became evident only after 1953, when Aramco had developed greater familiarity with Saudi society and sufficient capacity to address the aspirations of both society and the government. This familiarity fostered a more balanced relationship and reduced the scope of conflicts among Aramco, the Saudi government, and Saudi society.

#### **4. Internal and external communication for Aramco**

Aramco's internal communication from 1933 to 1953 was a troubled transition period, lacking tangible efforts to manage its internal audience (Saudi workers, teachers, and government observers). This failure contributed directly to the Saudi workers' strikes. Aramco consistently overlooked or minimized employee grievances, despite continuous requests. For instance, Aramco management submitted reports on Saudi teachers' performance directly to government regulatory bodies, bypassing the teachers' direct supervisors. This process embarrassed the teachers, who felt management was actively seeking their faults.

This conduct confirms Aramco's failure to utilize structured institutional communication or organizational communication methods to manage internal relations. This lapse stemmed from a lack of understanding regarding the value of dialogue within Saudi culture and information exchange between staff and senior management. Consequently, Aramco often relied on

consulting the Government Relations Department and requesting Saudi government intervention to resolve internal organizational disputes.

Conversely, Aramco maintained a robust external relationship with the Saudi government despite periodic disagreements. Their primary dispute resolution mechanism was dialogue and negotiation, typically leading to mutually satisfactory agreements. Data confirms Aramco's diligence in understanding government objectives, evidenced by the research division's efforts to translate all Saudi laws, regulations, and news. Furthermore, they compiled a comprehensive list of important Saudi government and societal figures, including their contact details.

### **RQ2: Which key factors affected the development of public relations in Aramco?**

Since Aramco began operations in Saudi Arabia in 1933, there was a paucity of English-language information regarding Saudi culture, society, politics, and religion. This was a considerable challenge for Aramco, which subsequently made significant efforts to gather comprehensive data on the region, including tribal boundaries, the depth of Islamic faith, customs, traditions, and local aspirations.

However, from 1939 to 1949, Aramco's Public Relations (PR) department failed to grasp Saudi culture, resulting in conflicts among Saudi government teachers, school administrators, and language instructors. Aramco's American administration urgently needed PR programs to articulate the importance of Saudi culture and its relationship with the Islamic religion within the educational framework.

Aramco's focus on English instruction was perceived as a threat to local culture and Islam. Some Saudi figures feared this would lead to disengagement from local values and the adoption of conflicting Western values. While Aramco's core goal was not what observers believed, the absence of a convincing PR campaign reinforced this public perception.

Aramco needed to implement PR programs to both understand and educate Saudi society (including government observers) about the company's goals and objectives. This needed to address cultural discrepancies between Saudi and American cultures and promote modern teaching methodologies.

From 1933 to 1953, Aramco's primary focus was profit maximization. Its community programs were of mediocre quality, and it did not effectively prioritize maximizing local benefit. This approach perpetuated ongoing crises with Saudi employees and the Saudi Arabian government.

While commercial organizations must logically focus on maximizing profits, it's also essential to maximize public benefit for the society in which they operate. Foreign companies are often viewed with suspicion, seen as being driven by greed and avarice, or seeking solely to deplete national resources, particularly non-renewable resources like fossil fuels.

Effective PR programs, including social responsibility initiatives, are necessary to balance corporate goals with local community aspirations. Although such programs might reduce Aramco's profits, the failure to undertake these social and public relations efforts could lead to public dissatisfaction, resulting in negative consequences and potentially greater financial losses for the company's interests.

Despite Aramco's positive intent behind community projects, such as establishing schools and educating children, a deep trust deficit with Saudi society led to concerns that these efforts were driven by ulterior motives, such as advancing its corporate agenda or securing cheap labor. Worries also persisted that Aramco-designed curricula might negatively influence the local culture of students.

Therefore, this educational initiative needed accompanying proactive PR programs to foster effective communication, cultivate a positive image, and mitigate negativity arising from misunderstandings.

Aramco recognized this issue early on, but its initial efforts were modest. After 1953, however, a significant shift occurred in Aramco's approach, with a greater investment of effort and capital into understanding Saudi society's requirements, desires, and culture. While this interest arrived belatedly (20 years after entry), it profoundly impacted its PR practices. The public perception of Aramco changed after 1953; it became viewed as the main catalyst for media, education, health, and housing development in the Kingdom.

The exact reasons for Aramco's positive shift are difficult to ascertain. Researchers assume that political pressure from the Saudi government, coupled with regional geopolitical circumstances (like the nationalization trends in neighboring Arab countries) may have played a role. While these assumptions appear plausible, they remain unconfirmed as they fall outside the scope and limitations of this study. Nevertheless, the noticeable evolution in Aramco's PR practices demonstrates its awareness of the importance of strengthening relationships with both Saudi society and the Saudi government to ensure continuity of operations and minimize conflict.

### **RQ3: How did cultural aspects influence the developments of public relations in Aramco?**

From 1933 to 1980, Aramco navigated numerous crises of varying scale, including Saudi worker strikes, cultural misunderstandings, and pricing disputes with the Saudi government. As literature documents, these challenges prompted the evolution of Aramco's PR practices. Each crisis served as a learning experience, though essential changes were often delayed. By 1953, significant adjustments were implemented, largely in response to the recurring worker strikes.

In 1953, Aramco made substantial strides in public relations (PR). It allocated large budgets to the Arab Research Division and established a Saudi employee labor union. Aramco launched media and community initiatives, including a cinema, a television station, awareness and educational films, and the monthly Al-Qafila magazine. Furthermore, it offered housing loans to employees for rapid home ownership and appointed Arab teachers to instruct Saudi students in English, which improved learning outcomes despite the availability of American teachers. Concurrently, the Saudi government began discussions to amend agreements with American oil companies to enhance national gains and citizen welfare.

Based on the data, the evolution of public relations practices at Aramco can be summarized in four main stages, see table(II):

- **1933–1939:** Focus on strengthening the relationship with the Saudi Government and prioritizing American employees.
- **1939–1953:** Aimed to enhance relations with other American oil companies to attract investment and maximize Saudi oil profits.
- **1953–1970:** Marked by significant PR development, implementing PR and social responsibility programs focused on Saudi employees and society.
- **1970–1980:** PR practices further improved through a deeper understanding of Saudi society, leading to the development of enhanced Corporate Social Responsibility (CSR) and PR programs.

## **7. Conclusion:**

It is acknowledged that Aramco was the first company to implement Public Relations practices in the commercial sector of the KSA (Al-Enad, 1990; Alanazi, 1996; Watson, 2014c). However, this does not imply that these practices were effective from their inception in 1933.

Data indicate that PR efforts were largely ineffective and their influence has been overstated, especially during the period from 1933 to 1953. That condition can be characterized as a trial, error, and learn period, where practices later evolved gradually in accordance with the circumstances facing Aramco. This offers an alternative perspective to most previous studies (Alanazi, 1996; Al-Enad, 1990; Al-Hawaj, 2015), which suggested that modern PR practices (according to the Western-American perspective) had been operative since the entry of American oil companies. Such studies often ignore the period between 1933 and 1953, which Aramco needed to better understand Saudi society and improve its practice.

The evolution of Aramco's PR practices was fundamentally linked to its profound comprehension of the Saudi social and Islamic cultural context. This understanding was facilitated by its internal efforts to translate key Saudi and Islamic cultural documents into English a task that began early but whose results began to manifest from 1953 onward, after it was seriously considered.

Several internal and external factors contributed to pushing Aramco to enhance its PR practices. Among the most prominent internal factors was the necessity to address a series of labor crises related to mistreatment, lower wages, and inadequate services provided to Saudi employees compared to their American counterparts. This situation instigated widespread strikes (1945 and 1953) demanding higher wages and equitable treatment.

Furthermore, educational and cultural conflict arose because Aramco's educational programs emphasized English while marginalising the instruction of Islam and Arabic. This stance provoked the government and religious authorities, necessitating royal mandates to revise the curricula and place them under government oversight.

Other issues included operational incidents, like the 1939 oil well explosion caused by a lack of expertise, alongside regulatory non-compliance, such as the employment of minors (under 15 years old) and disagreements regarding the market valuation of the company's oil.

The most significant external factors included the post-World War II oil industry expansion, the increasing global dependence on oil as a primary economic resource, and the Saudi economic recovery.

A key development was the rise of highly educated Saudi professionals (such as Ali Al-Naimi and Abdullah al-Tariqi) into senior leadership roles. These individuals, driven by a profound sense of nationalism, actively sought to alter the government's perspective and advocated for a review of the oil exploration and extraction agreements with Aramco, aiming for equitable agreements for the interests of the Saudis.

Consequently, the Saudi government engaged in intensive negotiations with Aramco, leading to significant and continuous amendments to the existing agreements. Aramco became officially obligated to enhance its community role and pursue balanced gains that would benefit the company, the government, and Saudi society.

Based on these facts, it is evident that PR practices at Aramco during its early years (1933–1953) did not align with the modern Western PR practices common in the United States at the time. Instead, these practices evolved in response to various internal and external factors that influenced their development, as detailed in the study's findings. However, a conclusive

statement that the evolution of PR practices at Aramco was solely driven by the reasons and factors identified in this research cannot be made, as additional, unexamined factors may have also positively influenced the improvement and advancement of these practices.

## **8. Limitations:**

The limitations of this study stem from its reliance on the Fact-and Event-Oriented Type (FEOT) methodology. This approach does not test any existing theory or model; instead, it offers observations and descriptions of the nature of PR practice in Saudi Arabia during an early time period. Consequently, the approach is susceptible to criticism for being subjective. Despite this, the methodology is commonly utilized in documenting and writing PR history (Bentele, 2013; Bentele, 2015).

The possibility of applying triangulation is precluded by the study's time frame (1933 to 1980). L'Etang (2008, p. 326) noted that she was "fortunate" to be able to triangulate her own study on British PR history. While triangulation is a method for enhancing the credibility of historical studies, it is rarely feasible or applicable in historical research (L'Etang, 2008).

To mitigate potential bias, the researchers conducted a review of the historical diaries and letters of Thomas C. Barger (2004), who worked at Aramco for 32 years (1937 to 1969) alongside the American administration. They also examined Arabic studies that addressed, even briefly, the history of PR in KSA and Aramco's pivotal role in its development. The most prominent of these studies—conducted by Al-Ahmari (2008) and Watson (2014c)—were frequently cited in conjunction with the Aramco archives.

## **9. Recommendation:**

This study addresses the significant research gap concerning the history of PR in Saudi Arabia, using Aramco as a case study to illustrate the inception and early practice of PR in the country.

Although this was achieved to a satisfactory extent, an opportunity for future research remains to explore PR practices within government sectors, rather than focusing solely on private entities like Aramco.

#### **10. Acknowledgment:**

The authors extend their appreciation to the Deanship of Scientific Research at Imam Mohammad Ibn Saud Islamic University (IMSIU) for funding and supporting this work through the Graduate Students Research Support Program (IMSIU-GSRSP).

#### **11. References:**

Al-Ahmari, A.R. (2021), Al-Jabal School in Dhahran: The Nucleus of Formal Education in Aramco and the Beginnings of Cultural Friction, Vol. 534, Arab Magazine, The National Library of Saudi Arabia, 1442/5529.

Al-Ahmari, A.R. bin A. (2008), "the role of the Arabian American oil company, Aramco, in the development of the eastern region of the kingdom of Saudi Arabia 1363/1384 - 1944 – 1964", the circuit, vol. 34 no. 3, pp. 171-191.

Al-Ahmari, A.R. bin A. (2009), "The Conditions of Saudi Workers in Aramco and Their Demands 1364 AH / 1945", Journal of the Saudi Historical Society, Vol. 9 No. 19, pp. 177-231.

Al-Ahmari, A.R. bin A. (2022), Aramco's Relationship with the Desert Community in Its Areas of Operations: Aramco Guides and Narrators from 1933-1964 AD, Arab Magazine, Riyadh.

Al-Ahmari, A.R.A. (2013), "The Emergence of the Work of the Research Division at the Arabian American Oil Company (Aramco) - First Section: 1956-1964", *Journal of Annals of Arts and Social Sciences - Kuwait*, Vol. 34 No. 383, pp. 7-192.

Alanazi, A. (1996), "Public Relations in the Middle East: The Case of Saudi Arabia", in *International Public Relations*, Routledge.

Al-Badah, A. bin A. (2010), *The Westernization Movement in Saudi Arabia: The Westernization of Women as a Model*, Arab Center for Human Studies, Cairo.

Al-Enad, A.R. (1990), "Public Relations Role in Developing Countries", *Public Relations Quarterly*, Vol. 1 No. 35, pp. 24-26.

Al-Enezi, N., Al-Masri, F. and Omar, S. (2023), "Oil Exploration Concessions in the Kingdom of Saudi Arabia (1923-1950 AD)", *Scientific Journal of the College of Arts*, Vol. 1 No. 52, pp. 976-996.

Al-Hawaj, H. bint M. (2015), "Aramco Visual Media in the Eastern Province of the Kingdom of Saudi Arabia 1366-1389? 1947 - 1969: Historical Study", *Journal of the Saudi Historical Society*, Vol. 15 No. 31, pp. 175-137.

Alkadi, B. (2007), *The Effect of Terrorism on Public Relations Practice at Saudi Arabian Ministries*, unpublished MA Dissertation, University of Westminster, United Kingdom.

Al-Qahtani, H. (2019), "The Saudi Discourse Towards Iran: a Study of the United Nations General Assembly Speeches", *Journal of the Faculty of Arts. Cairo*, Vol. 79 No. 4, pp. 1-30.

Al-Saif, M. bin A. (2007), *Abdullah Al-Tariqi: Oil Rocks and Political Sands*, Riad El-rayyes Books, Beirut, Lebanon.

Al-Subaie, A. bin N. (2006), "King Saud Bin Abdulaziz's Positions Towards Aramco", *The Circuit*, Vol. 32 No. 4, pp. 107-136.

Arthur, R. (1993), *Advertising and the Media in the Gulf*, Galadari Printing & Publishing, Dubai.

Al-Mahraj, Yazeed. (2017). *The profession of public relations in Saudi Arabia: a socio-cultural perspective*. PhD thesis. Queen Margaret University.

Barger, T. C. (2004), *Out in the Blue: Letters from Arabia 1937-1940*, First Arabic Edition, Selwa Pr.

Bentele, G. (2010b), "PR-Historiography, a functional-integrative strata model and periods of German PR history", in *Proceedings of the first international history of public relations conference*, Bournemouth University, UK, pp. 8-9.

Bentele, G. (2013), "Public Relations Historiography: Perspectives of a Functional-Integrative Stratification Model", in Sriramesh, K., Zerfass, A. and Kim, J-N. (eds) *Current Trends and Emerging Topics in Public Relations and Communication Management*, Routledge, New York.

Bentele, G. (2015), "Problems of public relations historiography and perspectives of a functional-integrative stratification model", in *Perspectives on public relations historiography and historical theorization: Other voices*, Palgrave Macmillan UK, London, pp. 20-47.

Bentele, G. and Mühlberg, S. (2010a), "Can there be a co-existence of propaganda and public relations?", in the *proceedings of the first international history of public relations conference*, p. 7.

Freitag, A. and Stokes, A. (2009), *Global Public Relations*, Routledge, Abingdon.

Ibn Awf, H.A. (2018), "The Impact of Using Communication Technology in Public Relations management: a Case Study of Saudi Aramco", *Middle East Public Relations Research Journal*, Vol. 1 No. 21, pp. 53-77.

Jamil, M. and Nada, M. (2016), "The Emergence of Saudi Poetry", *Annals of Ain Shams*, Vol. 1 No. 44, pp. 579–584.

L'Etang, J. (2004), *Public relations in Britain: A history of professional practice in the twentieth century*, Lawrence Erlbaum Associates, Mahwah, NJ.

L'Etang, J. (2008), "Writing PR history: Issues, methods and politics", *Journal of Communication Management*, Vol. 12 No. 4, pp. 319-335.

L'Etang, J. (2014), "Public Relations and Historical Sociology: Historiography as Reflexive Critique", *Public Relations Review*, Vol. 40, pp. 654–660.

L'Etang, J. (2015), "Where is public relations historiography? Philosophy of history, historiography and public relations", in *Perspectives on public relations historiography and historical theorization: Other voices*, Palgrave Macmillan UK, London, pp. 69-84.

Muhammad, S.A. (2009), "Complete Saudi Control over Aramco", *The Arabian Gulf*, Vol. 1 No. 37, pp. 60–78.

Nawwab, I.I., Speers, P.C., Hoye, P.F. and Arabian American Oil Company. (1980), *Aramco and Its World : Arabia and the Middle East*, Aramco, Dhahran, Saudi Arabia.

Raaz, O. and Wehmeier, S. (2011), "Histories of Public Relations: Comparing the Historiography of British, German and US Public Relations", *Journal of Communication Management*, Vol. 15 No. 3, pp. 256–275.

Theofilou, A. and Watson, T. (2014), "The History of Public Relations in Greece from 1950 to 1980: Professionalization of the art", *Public Relations Review*, Vol. 40 No. 4, pp. 700–706.

Toledano, M. (2005), "Challenging accounts: Public relations and a tale of two revolutions", *Public Relations Review*, Vol. 31 No. 4, pp. 463-470.

Watson, T. (2014a), "IPRA Code of Athens—The First International Code of Public Relations ethics: Its Development and Implementation since 1965", *Public Relations Review*, Vol. 40 No. 4, pp. 707–714.

Watson, T. (2014b), "The Rise and Fall of IPRA in Australia: 1959 to 2000", *Asia Pacific Public Relations Journal*.

Watson, T. (2014c), *Middle Eastern and African Perspectives on the Development of Public Relations: Other Voices*, Palgrave Macmillan.

Watson, T. (2015). *Perspectives on public relations historiography and historical theorization: other voices*, Springer.

Wehmeier, S. (2015), "Historiography (and theory) of public relations history", in *Perspectives on public relations historiography and historical theorization: Other voices*, Palgrave Macmillan UK, London, pp. 85-114.