A Twenty-Five Year Era of Kuwait's Modern Advancement

Jumada Al-ula, 1406 A.H.
February, 1986 A.D.

Prepared by the
Information and Research
Department,
Kuwait News Agency (KUNA)

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IN THE NAME OF ALLAH.
The Most Merciful, The Most Compassionate

Introduction

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A Twenty-Five Year Era of Modern Advancement

By: Barges Hamoud Al-Barges

On February 25, 1986, Kuwait celebrates the silver-jubilee of its National Day, which this year has a special significance. Not only does this anniversary represent a wholeheartedly beloved occasion, but it also marks the elapse of twenty-five years of Kuwait's modern renaissance and consummate independence on the path of establishing the new Kuwaiti society as part and parcel of the Great Arab Homeland and its bright future.

The celebration of Kuwait's twenty-fifth anniversary shall not only be observed through decorations, and festivals in appreciation of Kuwait's local achievements and contributions at the Arab and human levels, but,it will be, furthermore, an appropriate chance to re-examine the extent of our contribution to the social,national, pan-Arab and human march. This occasion will urge us to assume an attitude of utmost determination to reassess what we have done, and what is yet to be done in favour of this dear part of our Arab homeland and, consequently, our Arab nation.

It was imperative, then, that we go back to the old days of Kuwait march, to review their events and developments through looking into historical facts and linking the near past with the present era and the prosperous future. This was done with the aim of depicting a realistic picture that would acquaint our present and coming generations with Kuwait's constructive march whether in the pre-independence stage, the dawn of Kuwait's modern and blessed revival, or during the stage of laying the grounds of the national entity of the State of Kuwait.

Observance of Kuawit's National Day on February 25 does not imply that Kuwaiti entity came into being on that particular

date twenty-five years ago, neither does the abrogation of the 1899 Agreement in 1961, mean that Kuwait was not an independent country before that date. The Kuwaiti entity was built long time before 1961 by the assiduous efforts and sacrifices of its people and faithful, wise leadership. The abrogation of the Protection Agreement on June 19, 1961, was not more than straightening things out in conformity with law. It was a recognition of Kuwait's independence and the rights of its people to defend themselves, run their own affairs by themselves, establish their community, extend support to the Arab nation and participate in the Arab liberation movement through backing all fraternal Arab countries in their struggle for freedom and independence.

This year's celebration of Kuwait's silver-jubilee anniversary has a special significance because it represents the beginning of a new stage of modern revival which placed Kuwait in its adequate position amongst the Arab, Islamic and international communities. It has a special regard as it constitutes the first step in the march of construction, progress and development along the past twenty-five years of Kuwait history.

Marking the occasion of Kuwait's silver jubilee, Kuwait News Agency's Information and Research Department has prepared this publication which we hope it will live up to our aspirations in addressing the domestic, Arab and world public opinions through objective and realistic handling of Kuwait's facets and landmarks of modern renaissance. This publication does not also fail to touch upon certain gaps in the march because, as we have stated earlier, we want this anniversary to be an occasion for contemplation, revision, and reconsideration of our role in the march so as to head for the future with confidence in God, in our nation, homeland, and in our right to enjoy full freedom and continue our efforts and activities in enhancing human civilization out of our tolerant creed and immortal principles.

Jumada Al-ula, 1406 A.H.
February, 1986 A.D.

Barges Hamoud Al-Barges
Chairman & Director General
Kuwait News Agency (KUNA)

Chapter One

KUWAIT : A HISTORICAL BACKGROUND

On February 25, 1986 Kuwait observes the silver jubilee of its independence after having advanced in great strides on the path of development, prosperity and progress, and after having occupied its proper position on the Arab, regional, and international levels. The elapse of twenty-five years since Kuwait attained independence constitutes an occasion for reconsideration and re-assessment of the Country's march during the past years to meditate the achievements and re-estimate the modes whereby such achievements have been realized, so as to continue this march with a new impetus in fulfillment of the aspired goals.

Despite the fact that a 25-year period is a short span in comparison with people's history, yet we believe that it is of great significance to review Kuwait's various facets of life and activities, and to highlight the bright and distinguished landmarks in the path of the Country and its people with an eye to derive the most important lessons of the past experience.

Kuwait's historical aspect leaps to the forefront upon reviewing the Country's march as it had its own particularities and distinct characteristics which, definitely, helped shape the previous 25-year march and left manifest imprints on the society's material and intellectual movement. In spite of the lack of information and the shortage in documents in respect with the history of the Arabian Peninsula during the past eras, including Kuwait, we can, however, mark out three basic stages in the history of Kuwait.

The old-history stage, is determined through the artifacts found by archaeologists in Failaka Island. Exploratory works yielded discovery in the island of ancient Greek temples and silver coins that date back to the old Greek, Persian, Indian, and Mesopotemian civilizations. Those archaeological findings revealed the existence of contact between Failaka, which is part of the Kuwaiti mainland, and the archaic civilizations in the aforesaid countries. They also indicated that the Island had been inhabited

Failaka Antiquities

by local and foreign population during that superannuated era of the human history. Some historical students state that as a result of its abundantly available potable water, Failaka Island hosted the sailors who used the Gulf waters for contacting other

Crossroad of Civilizations

countries and continents, thus creating a kind of mutual influence.

Sailors entering the Gulf landed in Failaka

The second stage begins after the advent of Islam, specially during the period termed by historians as the medieval ages of the Islamic history. Arab tribes, which embraced Islam, were in permanet movement, particularly those tribes searching for water sources in order to settle down and establish their own agricultural or pastoral societies, let alone other tribes which used to trade with the then existent countries in the region, not only with the Arabian Peninsula. Due to this continuous movement some Moslem tribes settled in some Kuwaiti areas, and historical sources go beyond that by maintaining that the battle of "That Essalasel" between the Moslem army led by Khalid Ibn Al-Walid and the Persians under the leadership of Hormuz took place at Kazma and Jahra. Famous for abundant and near water sources, Kazma and Jahra attracted would-be settlers in that period.

Moreover, Kazma played certain roles before and after the Islamic conquests which expanded to include each of Persia and Iraq.

The third stage represents the contemporary Kuwait which covers an area of 17,820 square km, and is situated on the north-western corner of the Arabian Gulf between latitudes 28 and 30 north and longitudes 46 and 48 east. According to 1985 census, Kuwait's population totalled 1,695,128.

Kuwait's modern history dates back to the beginning of the 18th century with the settlement of the Utubi who are considered the last subdivisions of Anaza tribe. Utubi setteld in an area that was under the authority of Bani Khalid who were renowned for their interest in peace, security and order which positively reflected on prosperity of their trade. Bani Khalid tribe dominated broad areas of the eastern coast of the Peninsula and was the most powerful tribe in that region in the course of the first decades of the 18th century. Therefore, most of the coasts extending between Qatar and Iraq's boundaries were under their dominance, including the fertile Hasa oases and the ports of Al-Qatif, Uqair and Kuwait which participated in the tribe's flourishing trade.

Historians are unanimous that the "Kut" was built by members of Bani Khalid tribe to be a summer resort to the head of the tribe, and to take advantage of its impenetrable location in protection of their prosperous trade. The "Kut", meaning "fortress", was later named "Kuwait" which expanded increasingly until it had become one of the important road and naval positions in the Arabian Peninsula at the end of the 18th century.

Bani Khalid, afterwards, embarked on constructing new cities on the Arabian Gulf. Although Bani Khalid did not own a powerful naval force as other tribes did at the time, yet they administered the eastern Arabia areas, which were under their authority, competently and peacefully, and managed to gain confidence of all dealers with the region.

Kuwaitis inherited Bani Khalid's principles, preserved their country as a haven for peace and security, eschewed involvement

in acts that hindered road and naval trade movement, and succeeded in accomplishing further prosperity until Kuwait had become one of the most significant harbours in the region at the time.

On the other hand, the absence of a local major power in the Gulf region contributed to Kuwait's flourishment which ensured free passage of trade movement and eradicated likely obstacles in the development of Kuwait. Local powers were either involved in their internal or regional problems.

Kuwait's location, as well, played a part in its early development as most of its coasts are proper for trade ships to cast anchor in. One of the Bombay government officials, Hardford Jones Brydges, in a report to the British government, said Kuwait port had a capacity for all ships of the British fleet. Kuwait's intermediary position on the desert trade route between the Gulf and Syria represented another factor in the Country's prosperity. Many foreign, active trade companies, particularly the British East India Company, preferred to take the naval route from India to Kuwait or Basra ports and from there they used to take the desert route to Aleppo or Latakia, then proceed to Europe whether by road or by sea. Afterwards they used to either follow the naval route from India to Suez and by road to Alexandria then to Europe for security reasons. Those companies selected the first route to ward off any form of assaults or acts of piracy because settled communities in Kuwait and the tribes scattered along the trade route used to ensure the safety of caravans in return for extremely modest material or financial presents, but were of great importance to the region's peoples at the time.

Historians differed over the specific date of the construction of Kuwait city. While some of them maintained that it had been built in 1611, others said that it had come into being in 1688, whereas other groups believed it had been built a few years before or after that date. However, they were all unanimous that the period between 1750-1752 constituted the beginning of Al-Sabah rule over Kuwait when their leader Sabah Bin Jaber was elected as a Sheikh for the Country, and was entrusted with the task of administering its affairs. Historians are also in accord that the

year 1758 marks the beginning of stability and strecthing out into new areas surrounding the city.

In the second half of the 18th century Kuwait's population decided to construct walls around the city to protect it against any likely aggression and in defence of their interests within the boundaries of the city in continuation of their inherited principles of

Wall Demolition for City Expansion

peace, stability and abhorrence of wars and bloodshed. Utub took pains in developing and expanding their city, up to 1762 when Sheikh Abdulla bin Sabah succeeded his father Sheikh Sabah bin Jaber. Stability further prevailed and government affairs started to be increasingly organized, which encouraged East India Company to choose Kuwait as a location for its premises. At the close of the 18th century Kuwait was one of the most

important commercial centres in the Gulf, with one of the most significant ports in the region. Between 1775-1779 Kuwait was a main station for caravans transporting commodities from Basra and India to Aleppo when British-Persian relations deteriorated.

Kuwait in the Nineteenth Century

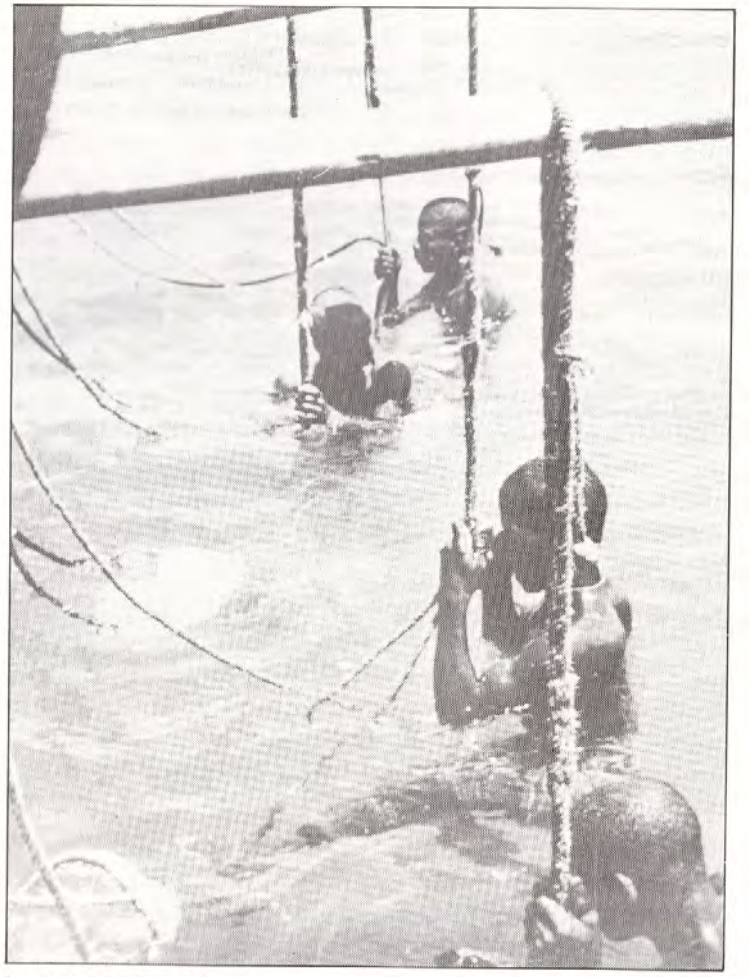
East India Company kept its office in Kuwait for about twenty-eight months, from April 30, 1793 until it moved back to Basra on August 27, 1795. However, the Company had tangible impact upon the trade movement inside the Country. Kuwait at the time became a centre for post delivery and reception to Aleppo and Europe and vice versa. Moreover, post officials were selected from Kuwait. A few years after the Company had moved its offices, British Journalist J. H. Stocqueler described Kuwait as being "in extent a mile long. . . and may contain about four thousand inhabitants". In addition, he warned the British government against the likelihood of occupation of the Port by its rival power at the time, Portugal, as the Port controls the mouth of the Arab River and for the power it enjoys in obstructing Turkish and Venitian trade with India in particular. According to Stocqueler, Kuwait did not preserve any armed force that could confront the Portuguese military force.

Abdullah the First's rule lasted between 1762-1813, and was succeeded by Jaber The First, who was the third ruler from Al-Sabah family, and governed the Country between 1815-1859. Although Sheikh Jaber The First maintained good relations with the British, yet he simultaneously extended military assistance to the Ottomans to suppress the civil strife in Basra. During his rule, East India Company moved its office to Kuwait between December 15, 1821 and April 19, 1822.

It was said that Kuwait during that period was capable of defending itself and repulsing any likely danger as it was able to enlist a force of 5000-7000 armed men, but could avoid any threats and armed conflicts because of its prudent and wise policy. Apart

from few attacks that it managed to conquer, Kuwait had preserved its independence and non-involvement in armed conflicts.

British travellor J. S. Buckingham emphasized this fact when he wrote that "Kuwait has always kept its independence even at the time when Hormuz, Muscat, Bahrain, and Al-Hasa were dominated by a foreign rule.



Pearl Diving in Old Kuwait

In 1868 Kuwait's inhabitants ranged between 15 to 20 thousands. The City greatly expanded even beyond its walls, of which only one gate remained. The number of its reputable and skilled sailors amounted to 4.000, who also took part in the trade of the region. As a result of the increase in population the Country was able, during the rule of Sheikh Abdulla The Second (1866-1892), to equip a military campaign composed of a naval fleet to assist the Ottoman expedition in 1817 to Al-Hasa and Qatif. The Ruler himself led the Kuwaiti fleet while the cavalry force was commanded by his brother Sheikh Mubarak Al-Sabah, who governed Kuwait in the period between 1896-1915. The two brothers remained in Al-Hasa during the expedition which took place between 1871-1873, and were joined later in 1872 by their brother Mohammed Bin Sabah.

Following Al-Hasa expedition Kuwait enjoyed a respectable political and military position which was welcomed by the Ottomans lest their influence in the region should be affected, and by the British who could not prevent Kuwait from participating in the expedition, whereas they managed to do so with parties which signed agreements and treaties with them.

Sheikh Mohammed Bin Sabah assumed power in 1892, following the death of his brother Sheikh Abdulla, amidst conspiracies designed by rival forces which were competing to impose their influence and domination upon Kuwait. Kuwait dispatched another campaign in 1893 headed by Sheikh Mubarak, the Ruler's brother, to help end riots erupting anew in Al-Hasa region. In spite of certain individual incidents which resulted in the death of Sheikh Mohammed Bin Sabah and his brother Sheikh Jarrah in 1896, and assumption of power by Sheikh Mubarak in June 1896, Kuwait enjoyed stability to a considerable extent. It even started a new era with its new ruler.

Kuwait under the Rule of Mubarak the Great

Mubarak Bin Sabah, or Mubarak the Great, is described as the founder of modern Kuwait because of his charismatic personality

which enabled him to competently and determinedly lead his Country amidst an atmosphere of turmoil and instability.

Following his rise to power, in 1896, with unanimous agreement of the ruling family and a public welcome, Mubarak had to confront moves launched by certain parties to have contacts with the British consul in Boushahr to impose protection upon Kuwait and intervention in its own affairs against the will of its people. He had also to encounter endeavours to make contacts with the Governor of Basra to urge the Ottomans for intervention in the home affairs, let alone the external preparations for military interference in Kuwait with the aim of appointing a particular ruler in the Country.

Sheikh Mubarak found himself obliged to act in a two-pronged military and political direction with the goal of protecting the Country and the willingness of its people and their independent decision in the choice of their ruler. His efforts materialized in his success to obtain support of Istanbul's Sublime Porte, and in December 1897, Sheikh Mubarak was appointed Kuwait's "district president", without any Ottoman intervention in his authorities or his Country.

Possessing an immense empire in India and working for its expansion at the expense of the Ottomans whose empire started to deteriorate, Britain entered into a series of treaties with a number of the sheikhdoms on the western coast of the Gulf, and actually dominated its waters because it was the major power at the time. Moreover, Britain was acting at a rapid pace to increase its influence in the Gulf following the emergence of a united Germany in 1870 and its concern with the region for obtaining areas of influence, and after Russian activities in the warm waters of the region.

Britain had utmost keenness among other rival powers to keep naval routes open, particularly as the Suez Canal began to receive ships from the East to the West, but under a French influence which excessively transcended that of Britain.

The British Parliament earlier recommended building a railway linking Alexandria, on the Mediterranean, with Kuwait on

the Arabian Gulf to facilitate transporting goods and commodities and, simultaneously, to help move British troops and armour to the Gulf in case the British interests were threatened. The project, however, did not materialize because of its high costs. Searching for a better outlet which, at the same time, guarantees their domination over the Gulf's ports and countries, the British authorities concluded a number of new agreements and treaties with the rulers of the region to ensure their disconnection with other foreign powers.

In December 1898, the Ottoman Government granted Russia the contract of building a railway starting at Tripoli (Lebanon) on the Mediterranean, via Homs and Baghdad and ending at Kuwait. The Ottomans also began contacting the Germans who, too, sought building Baghdad Railway, with indications showing the Turk's approval. British Secretary of the Foreign Office at the time seriously thought of signing an agreement with Sheikh Mubarak to ensure non-implementation of either project and guarantee Kuwait's rejection except after British approval.

When the agreement was submitted to Sheikh Mubarak, he demonstrated his capabilities as a talented negotiator and an experienced politician. Mubarak stipulated that Britain offer Kuwait a pledge to protect the Country if attacked by a foreign power in return for signature of the agreement. Colonel Meade, the British Resident in the Gulf said that it had been the first time that a ruler in the region demands such a pledge throughout the treaties and agreements signed by Britain with the other countries and Sheikhdoms. Mubarak's request was approved by Britain and the context of the undertaking was annexed with the text of the agreement which reads as follows:

AGREEMENT BY THE SHEIKH OF KUWAIT REGARDING THE NON-RECEPTION OF FOREIGN REPRESENTATIVES AND THE NON-CESSION OF TERRITORY TO FOREIGN POWERS OR SUBJECTS, 23RD JANUARY 1899.

The object of writing this lawful and honourable bond is that it is hereby converted and agreed between Lieutenant-Colonel Malcolm John Meade, I.S.C., Her Britannic Majesty's Political Resident, on behalf of the British Government on the one part, and Sheikh Mubarak-bin-Sheikh Subah, Sheikh of Kuwait, on the other part, that the said Sheikh Mubarak-bin-Sheikh Subah of his own free will and desire does hereby pledge and bind himself, his heirs and successors not to receive the Agent or Representative of any Power or Government at Kuweit, or at any other place within the limits of his territory, without the previous sanction of the British Government; and he further binds himself, his heirs and successors not to cede, sell, lease, mortgage, or give for occupation or for any other purpose any portion of his territory to the Government or subjects of any other Power without the previous consent of Her Majesty's Government for these purposes. This engagement also to extend to any portion of the territory of the said Sheikh Mubarak, which may now be in the possession of the subjects of any other Government.

In token of the conclusion of this lawful and honourable bond, Lieutenant-Colonel Malcolm John Meade. I.S.C., Her Britannic Majesty's Political Resident in the Persian Gulf, and Sheikh Mubarak-bin-Sheikh Subah, the former on behalf of the British Government and the latter on behalf of himself, his heirs and successors do each, in the presence of witness, affix their signatures on this, the tenth day of Ramazan 1316, corresponding with the twenty-third day of January 1899.

(Sd.) M. J. MEADE,
Political Resident in the
Persian Gulf.

MUBARAK-AL-SUBAH.

(L.S.)

Despite the agreement's impairment of Kuwait's sovereignty, it was, however, incomparable with the regional and international conflicts which escalated to a world war that took lives of millions of people and yielded a new division of influence areas between colonialist powers. The agreement aborted the Russian and German railway projects, helped Kuwait confront the surrounding threats and prevented the Ottomans from intervening in the Country in favour of Abdul Aziz Bin Rushaid.

In 1913, Turkey recognized Mubarak's treaties and agreements concluded with Britain, including an accord signed on October 27 of that year whereby Britain obtained oil exploration concession in the Country, with Kuwait maintaining its internal independence in return for British approval of building Baghdad-Basra-Kuwait railway by Germany. The project, however, did not see light due to the flare up of the World War in 1914.

In 1915, a treaty was concluded between Sheikh Mubarak and Prince Abdul Aziz bin Saud in which the latter recognized the status of Kuwait, its independence and boundaries. It was on November 27 of the aforesaid year that Sheikh Mubarak passed away after realizing tangible achievements, according to the historians, despite the many difficulties he had to face. Historians asserted as well that he was a man of prudence and experience in the military and political fields which enabled him to command the Country's ship towards the shores of safety, stability and unity. During his days,Kuwait entered the modern history and the people enjoyed health, post, telegraph and other services.

When his son, Sheikh Jaber Bin Mubarak, assumed power in succession of late Sheikh Mubarak the Great,trade with Syria and Turkey experienced prospertiy despite the siege imposed by the "Allies" upon the ports of the region to halt trafficking of foodstuffs to the Turks. After the death of Sheikh Jaber Bin Mubarak in 1917, Britain contacted his successor Sheikh Salem Bin Mubarak and informed him that it would not be able to protect Kuwait's safety against foreign threats as long as Kuwait kept taking side with the Ottomans. Moreover, they set up a control bureau to

monitor all facets of Kuwait's commercial activity, which resulted in lassitude in British-Kuwaiti relations.

As the second decade of the current century was coming to a close, the Jahra War flared up and was not brought to a halt except after Britain had threatened direct military intervention in implementation of the agreement of 1899. The two parties to the war entered into negotiations to settle differences, but Sheikh Salim Bin Mubarak died and was succeeded by Sheikh Ahmed Al-Jaber who concluded the agreement which restored peace to the region.

Sheikh Ahmed Al-Jaber, in 1922, signed the peace agreement which demarcated the boundaries between Iraq, Kuwait and Saudi Arabia. Afterwards, he succeeded in overcoming the economic and security dangers that swept the Country, but fortunately enough, Kuwait entered a new stage with the oil discovery and adoption of parliamentary democracy as a fundamental aspect in ruling and running the Country's affairs.

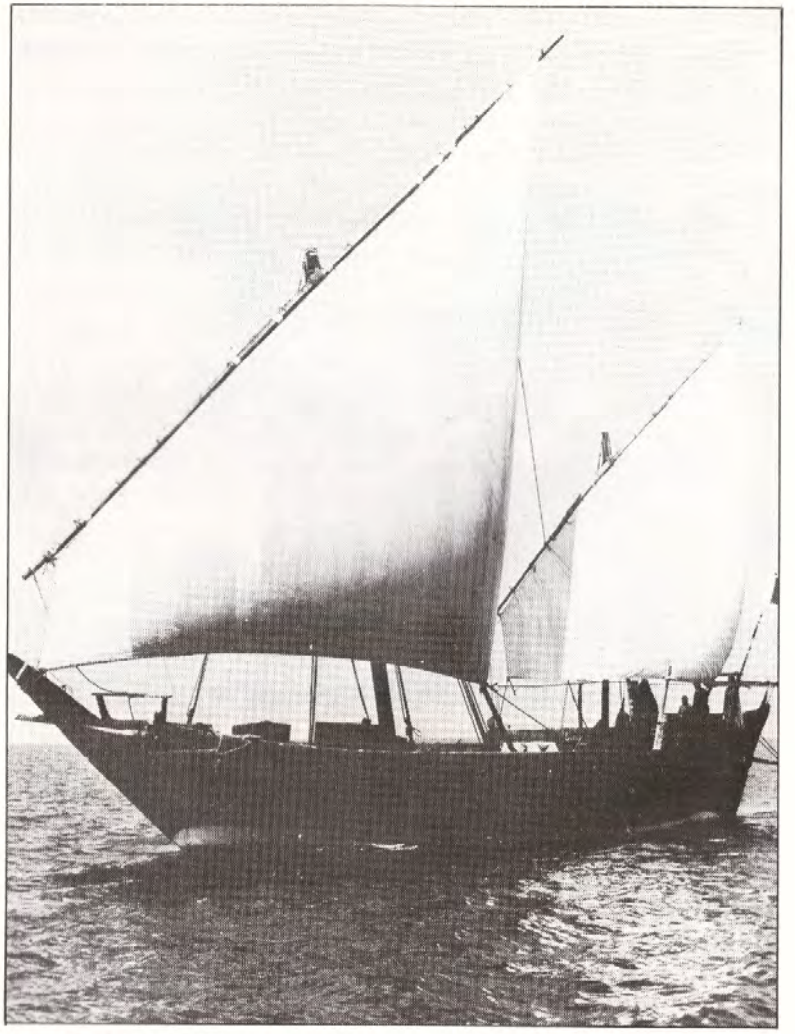
Oil was discovered in 1938 in commercial quantities after the Anglo-American company, Kuwait Oil Company Limited, had obtained the oil exploration concession during the reign of Sheikh Ahmed Al-Jaber which lasted between 1921-1950. Kuwait oil production, however, was delayed as a result of the Second World War. As the War came to an end, the Company resumed production of which the first shipment was exported in 1946. The number of oil wells dug in Kuwait up to 1918 amounted to 546.

With the assumption of power by Sheikh Abdulla Al-Salem Al-Sabah on February 25,1950, Kuwait went into a distinguished stage in its developing history. Kuwait began to reap the fruits of both the oil age and the prudent policies that prevailed this era, which represented a great political, economic and social leap, conferring upon Kuwait a distinct position alongside the civilized and developed world states.

During pre-oil era, Kuwaiti economy was based upon sea resources owing to the fact that Kuwait was neither an industrial nor an agricultural country, let alone the lack of sufficient, well-

trained labour force. Furthermore, Kuwait had no access to natural water resources or fertile soil necessary for agricultural production. The sea, thus, attracted Kuwaitis for trade purposes, pearl diving, and fishing for home consumption.

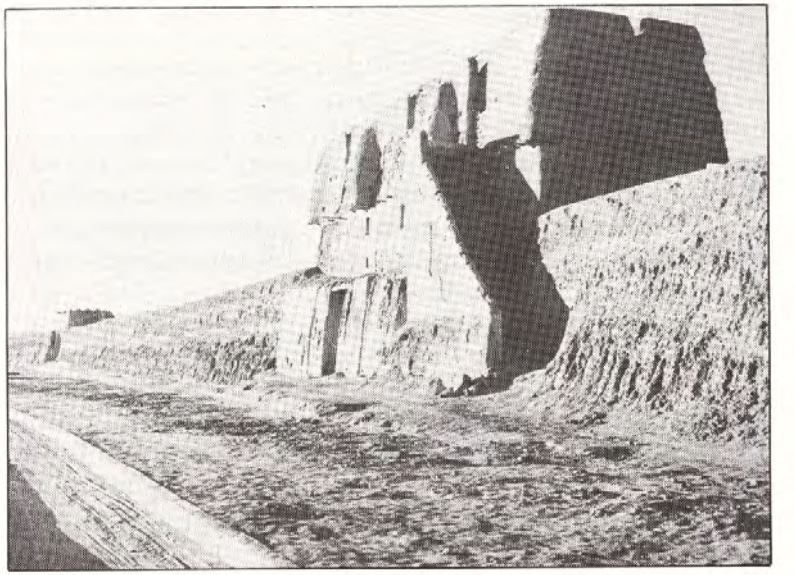
Searching for Pearls inside Shells



Kuwait's Traditional Ships Ploughing the World's Seas

It has been no secret, then, that Kuwaitis dealt with the sea as merchants, ship owners and sailors. All people on board the ships, captains and sailors alike, enjoyed the earned wealth as the wage-system was totally excluded. Participants were partners in the income according to the approved rules at the time.

With the advent of the oil era, naval trade began to deteriorate in Kuwait, and so did the pearl diving. Labour force embarked on searching for better job opportunities in the oil field which was safer and more profitable.



A Kuwaiti Wall before Demolition

Following the Second World War, and after oil production, Kuwait scored a tangible leap on the path of its political, economic and social development. This modern renaissance was not born in vacuum, but was a result of a long, continuous series of collective struggle which emanated from the one-family spirit that characterized the Kuwaiti society and enabled it to overcome all crises.

On June 1961, Sheikh Abdullah Al-Salem exchanged memorandums with the British Political Resident in the Arabian Gulf in conformity of which the 1899 agreement was terminated, and Kuwait attained complete independence. Following is the full text of the note dispatched by the British Political Resident to Sheikh Abdulla Al-Salem Al-Sabah:

Note from Her Majesty's Political Resident in the Persian Gulf to His Highness the Ruler of Kuwait.

No. 1, Kuwait June 19, 1961
Your Highness

I have the honour to refer to the discussions which have recently taken place between Your Highness and my Predecessor on behalf of Her Majesty's Government in the United Kingdom about the desirability of adapting the relationships of United Kingdom of Great Britain and Northern Ireland and the State of Kuwait to take account of the fact that Your Highness' Government has the sole responsibility for the conduct of Kuwait's internal and external affairs:

The following conclusions were reached in the course of these discussions:

(a) The Agreement of the 23rd of January, 1899 shall be terminated as being inconsistent with the sovereignty and independence of Kuwait;

(b) The relations between the two countries shall continue to be governed by a spirit of close friendship;

(c) When appropriate the two Governments shall consult together on matters which concern them both.

(d) Nothing in these conclusions shall affect the readiness of Her Majesty's Government to assist the Government of Kuwait if the latter requests such assistance.

If the foregoing correctly represents the conclusions reached between Your Highness and Sir George Middleton I have the honour to suggest, on the instructions of Her Majesty's Principal

Secretary of State for Foreign Affairs, that the present Note together with Your Highness' reply to that effect, shall be regarded as constituting an Agreement between the United Kingdom and Kuwait in this matter which shall continue in force until either Party gives the other at least three years' notice of their intention to terminate it, and that the Agreement of the 23rd of January 1899 shall be regarded as terminated on this day's date.

I have the honour to be with the highest consideration
Your Highness' obedient Servant.

W. H. Luce
(Her Majesty's Political Resident)

Following the abrogation of the January 23, 1899 Agreement on June 19, 1961, Kuwait assumed its formal position in the international arena as an independent state, internally and externally, fully enjoying its sovereignty. Since then the State has been exerting all possible efforts to establish a society on modern bases and in compliance with the concepts and principles of the second half of the twentieth century. Furthermore, the Kuwaiti leap at the economic, social and cultural levels, besides its distinguished political role, placed Kuwait in a forward position during a quarter of a century since the beginning of the march of independence.

Chapter Two

THE ECONOMY OF KUWAIT

- Oil and Natural Gas
- Industry
- Agriculture
- Banks and Finance
- Foreign Trade and Balance of Payments
- Balance Sheet

Between Kuwait's pre-oil and post-oil economies lies an extremely considerable distinction. Kuwait's pre-oil phase economy hinged fundamentally upon pearl diving, on the one hand, which was the source of cash necessary for importing the basic living requirements, and, on the other, counted on trading with the Gulf, Asian and African regions. Prior to 1946, Kuwait's economy was hardly sufficient, for the principal needs of the country yielded no significant surpluses that could be exploited in developing other sections.

Owing to fresh water scarcity and land infertility, the Country's natural environment aborted any endeavour to lay the grounds for an agricultural sector that would constitute a decisive element in the development process. Nor was the Country able to establish an industrial sector, thanks to the then inattainable capital, skilled labour and adequate climate.

With the advent of the post-oil economic phase as a result of oil exploration, oil revenues helped the Country accumulate substantial financial reserves, specially during the sixties and seventies of the current century. Oil revenues were of considerable effect in accomplishing a great number of economic achievements in Kuwait, including modern industries, particularly in oil and foodstuff domains and scientific modern agriculture, which supplied the home markets with large quantities of vegetables, eggs, meat, dairy products etc. . .

Infrastructure sectors made tangible progress that set the stage for a broad productive and commercial economic activity, with the Country constructing a network of roads, ports, transportation and a communication system.

Kuwaiti ecenomy is traditionally described as being based upon organized freedom in that the private capital is allowed free business, with the State enjoying the right to implement

enterprises unperformed by private capital and to be a partner in many projects.

Since the State is the only party controlling the oil sector, government interference was imperative from the very beginning because it shoulders the burden of developing the society, modernizing the economy, and fulfilling the individuals' well-being to make up for years of suffering in the pre-oil phase, and to take a short cut towards the establishment of a prosperous, up-to-date society.

By virtue of oil, Kuwait economy acquired huge financial resources, especially during the seventies. In view of the linkage between Kuwait economy and the external world, the latest years witnessed negative effects due to the setback in European, Japanese and American imports from the Arab oil exporting countries, including Kuwait. This issue, in addition to local economic facts, raised the need for pondering the current economic situation and laying the basis for its future development which was assigned to ad hoc committees which, for their part, forwarded their reports to the concerned authorities.

In diagnosing the economic situation, the report submitted by the Committee of Activating Kuwait Economy stated that performance rates in the seventies had been characterized by effective accerleration in certain activities without having the substantial grounds for continuity.

The policy of expansion in building and developing the Country's basic structures and various sectors during the above-mentioned decades resulted in an increase in per capita share of government expenditure from KD 368 in fiscal 1969/1970 to KD 1650 in 1978/1979.

An economic bulletin published by Kuwait Institute for Scientific Research's economic department underlined the importance of rationalizing the present course of Kuwait economy by means of adopting a number of integrated economic,

social and population policies targeting reduction of structural imbalance and increase of growth rates of economic sectors after conducting intensive and profound studies that can be implemented as a unified, congruous set.

All-out planning has become more than necessary for a continuous follow-up and performance measurement of the Kuwait economy, and for accomplishing balance between forces of demand and supply at the home market and to give further impetus to non-oil sectors so as to eschew reliance upon the depletable oil as a major source of wealth and income.

In addition, planning is of an indispensable importance in developing human resources, with particular attention to the national human element to continuously augment Kuwaitis' contribution to the aggregate labour force, rationalization of exploiting financial resources, directing private expenditure in service of commom good, and using private capital and savings in plans and projects of economic and social development.

Kuwait economy, like that of any other country, is in need of reassessment and review every now and then to ensure its effective performance and to overcome restraints that hinder its growth. There might be some handicaps obstructing the Kuwaiti economic path, but that poses no perils since recognizing the problem constitutes the first half of the solution.

Kuwait economic development is inevitably forthcoming for it has been receiving continuous attentiveness both at the official and public levels. Such problems, however, should not blur or undermine the quantitative and qualitative multi-faceted development which will be demonstrated in the pages yet to follow.

Attention paid to Kuwait's oil potentialities dates back to the early years of the second decade of the twentieth century when the first geological survey had been carried out by the British Royal Navy in 1913, which indicated that it was inaccessible to confirm Kuwait's oil potentials, though results were not disappointing. The navy team that undertook the survey recommended that exploratory drilling operations be started in the Burgan Plain. Several geological surveys were later conducted in 1917, 1924, 1926, 1932 and 1934.

This period witnessed acute rivalry and bitter conflicts between international petroleum companies to win over oil exploration concessions in Kuwait. The two competing companies at the time, Anglo-Persian Oil Company (APOC) and the Gulf Oil Company (Gulf), managed to reach an agreement in 1933 whereby they set up a joint company owned equally by the two parties with the purpose of attaining the concession and management of Kuwait's oil. The agreement stipulated, furthermore, that production of Kuwait oil will be determined by mutual accord between the two partners, on the basis of their interests, regardless that of Kuwait. On the basis of that agreement, Kuwait Oil Company Limited was established in London in February, 1934, with a declared capital of 50.000 Sterling Pounds. The British Government stipulated that the Company, or any other company to which the concession may be transferred, remains a "British Company", with Britain holding not less than 50% of the Company's capital coupled with an equal ratio as far as votes were concerned. Furthermore, the British government provided that contacts of the Company's representative in Kuwait with the Kuwaiti authorities be conducted through the British Political Resident in Kuwait, and that Britain enjoys the right to obtain the needed quantities of the Company's crude and refined oil in case of internal emergency or war.

After the agreement between the British and the American companies had been concluded, the companies engaged in talks with Sheikh Ahmad Al Jaber Al-Sabah (1921-1950), Kuwait's

tenth ruler, through their representatives. The talks yielded fruitful results and Kuwait Oil Company Limited was granted a concession of oil exploration and extraction in Kuwait on December 3rd., 1939. By virtue of the concession, the Company was entitled to explore and extract crude oil in the entire Kuwaiti territories and territorial waters up to six knots inside deep water for 75 years, to which 17 extra years were added in 1951. For fourteen years in succession KOC was the sole and uncontested crude explorer and extractor. The scope of the concession KOC had been granted covered Kuwait's entire territories and Islands.

Situated on the Southern part of the Country, between Kuwait and Saudi Arabia, the Neutral Zone was not included in the KOC concession for it had been owned by the two countries in compliance with the agreement emanating from Uqair Conference on December 2nd., 1923. As the end of the second World War (1939-1945) was in the offing, Kuwait opened doors for bids for an oil exploration concession in its own portion of the Neutral Zone. Consequently, Sheikh Ahmad Al-Jaber Al Sabah's palace was thronged with oil men and their British, French, Dutch, and American representatives in tough competition to gain the offer.

American Independent Oil Company (Aminoil) outbid competitors and earned on July, 28th of 1948 a sixty-year-term concession whereby it was authorized to explore and extract oil and natural gas in addition to the right of refining, transporting, selling and free disposal of any petroleum products within the scope of the concession. In 1949 another agreement had been concluded whereby Kubbar, Garoh, and Um Al-Maradem Islands, and their surrounding territorial waters along three knots were covered by the concession.

Aminoil continued operations in the areas specified under terms of concession with Getty Oil (Saudi Government) as a participant until procedures of transferring the Company's share to Kuwait's Government had been finalized in 1978.

By the fifties of the current century, Japan made its way into the realm of oil exploration in the Arabian Gulf region, when a Japanese-owned company attained, in 1957, a concession from Saudi Arabia to explore for oil in the sea-covered territories in front of the Neutral Zone between Saudi Arabia and Kuwait. Seeking to acquire full concession of the whole Neutral Zone by obtaining right of exploiting and exploring for oil in the sea-covered territories of Kuwait's half of the Neutral Zone, the Japanese Company was granted a concession in this respect on July 5, 1958, in an agreement signed by Kuwait's eleventh ruler Sheikh Abdulla Al-Salem Al-Sabah (1950-1965). Under terms of the agreement, the Japanese-owned Arabian Oil Company Limited, secured an absolute right for oil exploration, extraction, and storage in the area of concession.

In a word, the oil of the Zone was put under the company's disposal. On January 15, 1961, Kuwait Shell for Petroleum Investment Limited Company attained a new oil concession from Sheikh Abdulla Al-Salem Al-Sabah. The company, in conformity with the concession, was granted the right to explore and extract oil within the area of concession, and to partially or entirely refine, transport or sell oil in the State of Kuwait. Notwithstanding the fact that concession was a forty five-year term, the Company's activities had been brought to a halt in 1964, pending settlement of international boundaries, and in 1979 the concession had been terminated.

After the decision adopted by Kuwait Oil Company in 1962 to relinquish approximately 50% of its area of concession in Kuwait, the Government granted Kuwait-Spanish Petroleum Company in 1967 a fifteen-year-concession in parts of area. The company, however, went into liquidation in 1978.

The following table shows development of crude production in Kuwait and the Neutral Zone since inception of oil exportation in 1946 up to 1984.

Sheikh Ahmed Al-Jaber Inaugurates Kuwait's First Oil Well.

TABLE NO. 1

Crude Oil Production in Kuwait (in Million US. Barrels) And Revenues Received by the Government (in Thousand Kuwaiti Dinar)

YEAR	PRODUCTION	REVENUES
1946	5.9	75
1947	16.2	530
1948	46.5	3.219
1949	89.9	2.756
1950	125.7	4.103
1951	204.9	6.434
1952	273.4	19.573
1953	313.6	60.161
1954	349.8	69.302
1955	403.8	100.498
1956	405.5	104.321
1957	424.8	110.161
1958	522.4	128.467

YEAR	PRODUCTION	REVENUES
1959	525.9	159.817
1960	619.2	158.606
1961	633.3	167.51
1962	714.6	173.000
1963	765.2	190.574
1964	842.2	206.207
1965	861.4	225.326
1966	907.4	231.675
1967	312.4	272.942
1968	956.5	242.988
1969	1011.7	280.440
1970	1090.6	321.123
1971	1.166.360	500.882
1972	1.201.596	531.554
1973	1.102.465	587.897
1974	929.342	2586.515
1975	760.729	1703.374
1976	785.195	2132.947
1977	718.138	2575.3
1978	777.090	3036.1
1979	911.208	6968.3
1980	607.268	4443.2
1981	411.174	3091.6
1982	300.211	2665.6
1983	384.10	2462.4
1984	824.4	2397.6

One of Brurgan Field's Oil Wells

Possession of Oil Resources

One of the fundamental goals of the Government was to bring the Country's oil wealth under full control of the State. The Government took advantage of all international developments in oil industry to materialize the aspired-for goal. It was within this context that the Participation Agreement had been reached on January 29, 1974 and approved by Law No. 9 for 1974 and, agreeably, the Government obtained 60% of the concession rights, operations and oil utilities possessed previously by BP (Kuwait Limited and Kuwait Gulf Co.).

In maintaining the Government's free hand to achieve its policies, the seventh article of the aforesaid agreement stipulated that relations between the Government and the two companies concerned shall be reconsidered prior to 1979. As the stages were adequately set for realization of the Government's major target,

Kuwait urged the two companies to review relations with the aim of ensuring the State's full control over all wealth. The two companies expressed positive response to the Government's request and negotiations between the two parties ended up with an agreement approved by the Council of Ministers on December 1st, 1975 and signed, upon a Cabinet assignment, by the Minister of Oil on behalf of the Government. The concluded Agreement was, consequently, forwarded to the National Assembly in conformity with article no. 152 of the Constitution.

The first article of the Agreement stipulated that as of March 5, 1975 the Government obtain all remnant interests of both companies, including the right of concession, operations and utilities in Kuwait as far as oil was concerned in addition to oil refining and gas liquefaction equipment as well as the oil assets at the time.

The national hope was thus achieved through abrogation of the concession granted to both companies in December 23rd. 1934, and the cancellation of other agreements, particularly the Participation Agreement signed in 1974. As the Revenues Expenditure Agreement for 1966 and oil Participation Agreement for 1974 had been ratified by an ad hoc law, the same procedure was pursued in their abrogation.

The second article of the Agreement determined that remunerations be paid by the Government to both companies in return for all of their remaining oil right and interests in Kuwait which had been estimated at $50.500.000 plus an interest rate to be agreed upon during the period between March 5, 1975 until date of payment.

The third article stated that both companies commit to full transfer of their own KOC shares against the companies' acquisition of the nominal value of those shares. Consequently, representation of the two companies in the KOC Board of Directors was estimated and the Board formation had become an absolute Government responsibility. Also terminated was the

representation of the two companies in the joint administrative committee which, in accordance with the Participation Agreement, was empowered to take the basic decisions of the higher administration.

In the fourth article the two parties agreed upon arrangement of providing the two companies with Kuwait oil on commercial bases, chartering Kuwait oil tankers, and fuelling Kuwait-oil laden ships. Thus, the above article ensured flow of Kuwait oil to the world markets and emphasized that the aforesaid contractual arrangements were merely based on commercial bases and were reached upon consent of the Government in due time, in which international development in the realm of oil trade and industry had to be taken into consideration.

The fifth article said the Agreement is a complete and ultimate settlement of each party's outstanding demands up to March 4, 1975, excluding the two ultimately settled in conformity with the rulings of Kuwait Income Tax Decree.

Finally, the sixth article stipulated that the Government had been put into force in March 5, 1975 after it had been ratified in accordance with the Constitution. Law No. 10 for 1976, was issued in this respect on March 16, 1976, promulgating approval of the aforementioned Agreement and was endorsed by the Ruler of Kuwait late Sheikh Sabah Al-Salem Al-Sabah (1965-1977). Since then, Kuwait has been following an oil strategy aimed at realizing the best interests of the Country.

Kuwait's perseverant efforts to entirely nationalize the oil sector were aimed at achieving the State's full control over producing, pricing and operational policies of oil extraction and the consequent operations. This step was an imperative procedure in the decision-making process concerning the determination of crude producton rates as well as ratios and patterns of oil sector growth in favour of the Country's development policies, main interests and the ideal exploration of oil wealth.

With the enactment of Decree Law No. 6 for 1980 on January 21st of the same year, Kuwait Petroleum Corporation (KPC) was brought into light with an independent legal personality under the supervision of the Oil Minister. Kuwait would be in possession of the legal premises of the Corporation which was entrusted with rights for establishing subsidiaries and bureaus, as well as appointing agents inside and outside the Country.

The Decree Law determined the objectives of the KPC as carrying out all works generally relating to oil and hydro-carbonic materials' industries, with particular emphasis upon the following venues:-

- Transporting, distributing and marketing of crude and liquefied gas and trading in all other oil derivatives.
- Practising hydrocarbonic chemical industries, including petrochemical industry, storing its products as well as transporting, disseminating, marketing, and trading in such industry.
- Practising services pertaining to the above mentioned operations, including designation, constructions maintenance and operation of factories, installations and the necessary equipment and management of such operations.
- Preparing studies and researches, and extending investment expertise in all the aforesaid fields.
- Boosting national expertise in technical, economic, and organizational aspects in the same fields.
- Conducting all works and activities leading to, or help in, materialization of the Corporation's objectives.

The law, furthermore, provided for transfer to the Corporation of all State shares in Kuwait Oil Company, Kuwait National Petroleum Company, Petrochemical Industries Company, Kuwait Oil-Tankers Company in addition to the State's share in the capital of Arab Oil Company Limited-Japan (60%), the concession of producing oil and gas in the sea-covered

territories of the Neutral Zone, Natural Gas Comprehensive Exploration Project, Liquefied-gas Tankers, and contracts or tankers under construction. This method of work division has been adopted with the purpose of warding off interlace amongst national companies.

In light of the fifth article of the law, the Corporation was empowered to establish limited companies, either as an owner or a partner, and enjoyed the right to purchase existing companies whether inside the Country or abroad. Hence, the Corporation established the Kuwait International Petroleum Investment Company (KIPIC) with a capital of KD 100.000.000, in 1980, as a limited company with the aim of competing for oil refining, manufacturing, transporting and storing as well as project management of other parties.

The Kuwait Foreign Petroleum Exportation Company, (KUFPEC) was founded in April, 1981 as a closed, limited company with a capital amounting to KD 100.000.000, and was entrusted with implementation of oil and natural gas exploration and drilling operations as well as developing explored oil-wells outside Kuwait. By virtue of the law, the Corporation's capital was put at KD one billion, and later increased to KD 2.5 billion in 1982.

In realization of its stated objectives, the Corporation had deligently worked to strengthen its main office apparatus to cover the marketing activity,which includes crude oil, liquefied gas, and refined products in addition to management, planning and financial affairs.

It is worth mentioning herein that the Corporation purchases crude oil and natural gas from the Oil Ministry at an official price and the Corporation, for its part, pays the value of purchased materials within a span of a month. However, the Government pays the costs of exploration and extraction of crude to the Corporation. Since activities within the framework of the Corporation have been divided amongst its subsidiaries, Kuwait Oil Company undertakes exploration and production operations,

while Kuwait national Petroleum Company is assigned with refining, gas manufacturing and local marketing of the whole oil products.

Kuwait Oil Tankers carries out crude, liquefied gas and oil products shipment operations while the Petro-chemical Industries Company is in charge of manufacturing and marketing fertilizers and petrochemical products.

Oil Tankers loaded with Oil Shipment at Shu'aiba Port

In June 1980, the Corporation, in participation with three American, Canadian and Swedish companies, established the International Company for Energy Development on an equal shareholding basis to explore for crude and natural gas, particularly in the thirld world countries. The Corporation, in December 1981, took possession of the American Santa Fe Company, which had been established back in 1946. Santa Fe was involved in oil industry through four major companies, Santa Fe Minerals, Santa Fe Drilling, Santa Fe Sea Installations and C.F. Brown which handles designation and engineering operations, refineries, petrochemical industries and electrical stations.

In view of the Corporation, the step was considered as one of the greatest and most successful deals carried out by an OPEC member country in the course of international expansion and realizaion of favourable investment opportunities. Santa Fe's capabilities and various sectors of activities would be employed in service of the Corporation's internal and external operations. Furthermore, bringing Santa Fe to the possession of the Corporation means acquisition of world expertise and proficiency enjoyed by Santa Fe, and making use of its developed managerial systems.

On February 1st, 1983, the Corporation had signed an agreement in London whereby it took possession of complementary utilities of production owned by Gulf Oil Company in the Benelux Group (Netherlands, Belgium, Luxembourg). The deal included a refinery with a daily capacity of 75.000 barrels, another for lubricating oils in Rotterdam, Netherlands, as well as its marketing and dissemination network which comprises 750 gas stations in Belgium, Netherlands, and Luxembourg in addition to nine store-houses for products. Thus, Kuwait entered, through the Corporation, the realm of direct marketing for consumers beyond its own boundaries.

Under another agreement signed on March 4, 1983, the Corporation acquired further utilities owned by Gulf Oil covering a Denmark-based refinery with a daily capacity of 85.000 barrels, two installations for amalgamation of lubricating oils in addition to 825 gas stations in Denmark and Sweden.

Costs of acquisition of Gulf Oil property in the Benelux Group and Scandinavian countries were estimated at about $300 to 400 millions, a sum of which had been paid in cash and the rest in crude oil. Such deals function as advantageous means in the investment of Kuwait crude by reason of the fact that those refineries are designed in particular for handling crudes of similar characteristics to that of Kuwait.

In August, 1983, the Corporation founded the London-based Kuwait International Petroleum (KPI), assigned with several

tasks, the most important of which is coordinating of production complementary operations carried out by the Corporation's network of property in Belgium, Luxembourg, the Netherlands, Denmark and Sweden in cooperation with the Corporation's marketing bodies. In January 1984, the Corporation brought to its possession Gulf Oil assets in Italy, including 1500 gas stations and 75% of shares of a refinery near Milan.

This brings the total number of gas stations run by the Corporation in Europe to 3,010, in addition to two refineries in the Netherlands and Denmark with a capacity of 75.000 and 50.000B/D respectively. In August 1984, the Corporation signed a joint cooperation agreement with the Swedish Volvo Company whereby Kuwaiti gasoline would be sold to Volvo owners at low prices. Also the agreement covers joint commercial and technical development operations.

By December 1984, the Corporation became the first international oil company that produces unleaded gas for drivers in five European countries: Denmark, Sweden, Netherlands, Belgium, and Luxembourg, the quality of which meets the standard requirements of environment protection against pollution.

In September 1985, the Corporation took over 53 gas stations from the French Oil Company's branch in Belgium. Keen on knowing views of specialists over its achievements, the Corporation urged an evaluation of its activities by calling for setting-up of a committee comprised of Kuwaiti professors at the University of Kuwait to conduct an allout assessment of the Corporation in comparison with similar OPEC and International bodies. The Committee will submit proposals and extend new thoughts aimed at ameliorating the Corporation's proficiency and accelerating its development.

Kuwait's Oil Policy

Kuwait's oil policy at the local, Gulf, Arab and international levels could be summed up as follows:

Locally, actual national control over oil wealth has been a

major goal of the State which led to full nationalization of the oil sector.

Seeking best exploitation of this depletable vital source of energy, in securing of the future of the coming generations, the Minister of oil issued, on December 31, 1976, a decision on forming the Oil Preservation Council to be assigned with implementation and follow up of the country's policy in this respect.

Kuwait pursues a firm policy aiming at the diversification of its one-source income by increasing the locally added value to its petroleum activities. Therefore, expansion of the current capacities of refining operations, fertilizers and petrochemical industries, tranportation and fulfillment of coordination and integration amongst such activities have been receiving assiduous efforts on the part of the State.

The State also spares no effort in improving performance of technical and administrative cadres necessary for the oil sector, out of her conviction in the importance of the human element in maintaining the State's sovereignty over its natural resources. Statistics show that the total labour force in the oil sector numbered 14,640 employees in June 1984, with Kuwaitis constituting 36%.

The State also provides home markets with crude, natural gas and oil derivatives. Back in 1982, the Government decided to raise oil derivatives' prices to local consumers in preservation of the Country's oil wealth and protecting it from thriftless consumption.

Kuwait's policy at the Gulf level emanates from that adopted by the Gulf Cooperation Council (GCC) of which Kuwait is an active member. Considerable consubstantiality between the economic structures of the GCC states provided favourable opportunities to realize economic integration, and left its prints on development strategies during the current period. The GCC member states' adopted strategies are motivated which, for their

part, ensure further factors of integration founded on equivalence, common interests and reciprocal cooperation in the achievement of the hoped-for goals.

A feasibility study is currently under preparation envisaging a joint GCC gas pipeline, a joint pipeline project to carry oil to Arab Sea terminals, and a project for establishing a strategic oil and oil products reservoir which can be sufficient to the GCC states for 45 days in case of emergency. Being considered also by the Council's member states is another feasibility study for establishing a joint GCC project for production of basic oils.

Kuwait, at the Arab and international levels, has reasons to believe in jointly coordinated oil policies and the necessity of cooperation with other oil exporting countries. Hence, Kuwait had played a tangible role in this field, and emerged as a founding member of the Organization of Arab Petroleum Exporting countries (OAPEC) in 1968.

Within the framework of OPEC, Kuwait's policy has been based upon reconciling and coordinating the stands of member states with regard to the major oil issues of common characteristics, particularly those pertaining to pricing, production, preservation of oil wealth, rights and interests of the member states to which Kuwait always extended support in confrontation of pressures excercised by international oil consortium and consumer countries.

A great deal of efforts had been exerted by Kuwait to crystallize joint OPEC policies in respect of straightening out of prices, protection of their purchasing power, stability of oil markets and ensuring oil supplies to consumer countries on constant and stable grounds.

Kuwait, furthermore, voiced support to OPEC efforts over boosting international economic cooperation by means of launching an overall North-South dialogue in quest for an agreement to correct and ameliorate the international economic ties by

establishing a new economic system hinging on egalitarianism and equal opportunities.

Kuwait participates as well in the companies that have emanated from the OAPEC, which are Arab Maritime Company for Oil Transport, the Arab Company for Ship-building and Repair, the Arab Company for Petroleum Services, Engineering Designs and Consultations Company and the Arab Oil Institute.

Coordination of efforts to extend aid to developing countries has been one of Kuwait's fundamental goals, hence it took the initiative by the establishment, in 1961, of Kuwait Fund for Arab Economic Development (KFAED) in conformity with the Decree Law No. 35 for 1961. The Fund's Law and Charter, in its first phase, provided that the purpose of the Fund is to extend loans to Arab fraternal countries to assist them implement their own development programmes.

The second phase of the Fund began in 1974 when the Fund's law and charter were amended without abrogation of the executive decisions issued in its implementation which were not incongruous with the law. By virtue of the new amendment, the Fund's scope of activity was expanded to cover developing countries. Article 2 of the charter provided that, "the purpose of the Fund is to assist Arab and other developing states in developing their economies and providing them with loans necessary for implementation of their own development programmes".

The Fund's policy is characterized by maximum flexibility in dealing with its loan recipients in that interests rates are quite appropriate in comparison with the international financial markets or any other financing organizations. Loan recipients are granted sufficient periods of grace during which the debtor is exempt from payment until the financed project is fully implemented. The Fund also provides loan recipients with an average of a 15-year-term for payment of the loan's installments.

Since its inception, the Fund has pursued a political and an ideological neutrality in its dealings with recipient countries,

excluding those who adopt hostile attitudes towards Arab causes and aspirations. The total value of loans extended by the Fund since its establishment until September 4, 1985, amounted to KD 313.212.000, with loans numbering 292, exploited in economic and social development projects in 64 countries.

The Fund's technical aid in the past years up to 1984, amounted to KD 18.16 millions in the aggregate, disseminated among 34 countries and 7 institutions. The Organization of Economic Cooperation and Development placed Kuwait on top of aid-extending countries for 1984, using as standard the ratio of official aid to the gross national product, of which Kuwait had offered 3.8%.

Kuwait's concern, as well as that of OPEC member states, with assisting developing nations, in general, and development of energy sector in particular, materialized in establishing the Private Opec Fund in 1976, with Kuwait participating in 9.1% of its capital. The OPEC Fund has become a joint financial institution extending assistance to the developing countries in addition to aid offered by national funds and other regional institutions.

In 1980, the OPEC Fund's financial resources were increased to reach four billion dollars, and its founding agreements had undergone an amendment; agreeably the Fund had been altered from a joint international account into an International Cooperation Agency enjoying an independent legal personality. Since then, the OPEC Fund had been titled "OPEC Fund for International Development"(OFID). As of the date of its establishment up to the midst of 1984, OFID extended assistance amounting to $1.882.610, which had been advantageous to 81 countries.

Since 1946, when Kuwait emerged as a petroleum exporting country, oil revenues constituted the main source of the national income, which, needless to say, has been used on a large scale for public expenditure and in financing public welfare projects implemented by the Government and providing educational, health, housing, water and electricity services to its nationals

either free of charge or against symbolic sums much less than the actual costs.

Another portion of Kuwait's income is employed in finacing external governmental operations, basically exemplified in sending nationals for medical treatment abroad, extending finacial assistence to "brotherly and friendly" countries in addition to Kuwait's finacial commitments towards international organizations, conferences and institutions.

Through its public expenditure policy, the State chanelled the course of Kuwait's economy towards social welfare and high standards of living for the individual by virtue of its increasingly growing oil revenues, particularly following rocketing oil prices in 1973 and the State's full control over the oil sector in 1975. However, this prosperous period was succeeded by a world-wide economic recession during the last few years which resulted in low world oil demand and, consequently, curtailing oil revenues.

At the regional level the situation had not been any better due to the Iraq-Iran war; hence, the impact of such multi-sided incidents on Kuwait's economy in general was inevitable, particularly with respect to public finance policies.

A report recently released by Kuwait Central Bank for the period between 1980-1984 demonstrated that Kuwait's public finance was characterized in the 1970s by two major aspects: The first of these was the abundance of oil revenues which did not urge resort to alternative sources in order to convert expenditure's various aspects which had been accelerating in the course of years. The second aspect was that growth rates of oil revenues were higher than those of expenditure which resulted in financial surpluses that had been used in maintaining financial reserves, especially with the deteriorating oil prices.

The fiscal year 1979/1980 represented an important turning point as regards the development of the resources of the budget of which investment revenues were not a constituent factor. Notwithstanding certain fluctuations during the past fiscal years, the aforesaid year reflected the increasingly escalating oil

revenues which had amounted to KD 5940.5 million. Those revenues, however, went down to KD 4434.2 in fiscal 1981-82 and KD 2764.1 in 1982.83.

The State budget, which used to register surpluses during the previous years, started to witness deficits reaching KD 258 million in fiscal year 1982-83, KD 673 million in 1983-84, KD 704.1 million in 1984-85, and KD 657.1 million in 1985-86.

Kuwait, however, accomplished a great deal of progress in the oil industry in accordance with the State's policy which had been based upon the principle of best exploitation of oil reservoir and preservation of crude under ground as long as possible.

Kuwait's reserves of crude oil, including the Neutral Zone, amounted to 67 billion barrels by January 1, 1984, according to certain estimates. The latest oil exploraton operations and results, recently disclosed, indicated the existence of mammoth amounts of crude that would largely augment the country's reserves. As for Kuwait's reserves of natural gas, it was estimated in the beginning of 1985, as having reached 36.6 trillion cubic including that of the Neutral Zone.

Oil refining operations have been the most effective method of exploiting crude in the Country as the Government has been keen on exporting the largest portion of oil products in the form of refined and manufactured materials, a task which has been assigned to Kuwait National Petroleum Company since 1960.

Kuwait currently possesses three oil refineries operating at Al Ahmadi, Mina Abdulla and Shuaiba with an aggregate capacity of approximately 600.000 B/D, representing 11% of the total OPEC refining capacity.

Explicitly noticeable in 1980 and 1981 was the declining capacity of Kuwait's crude refineries thanks to low demand on oil and oil products; but with the relatively flourishing demand on Kuwaiti refined products as of 1982, local refineries' operational capacity ranged from 70% to 80% between 1982-1984.

Al-Ahmadi Port: One of Three Oil-Export Ports

Crude manufacturing, and the sales of refined products have been positively reflected on Kuwait's economy, specially in the increase in oil exports' revenues where the price of a barrel of refined oil was $2.3 higher than that of crude in 1983. Furthermore, oil manufacturing and refining has helped ward off pernicious repercussions of deteriorating oil demand or prices, an experience which Kuwait passed through in 1982.

It is noteworthy, however, that under the OPEC determined maximum production quota (900.000 B/D in October 1984) oil manufacturing with the purpose of increasing refined products will be most often at the expense of crude exports as it is difficult to augment both crude and refined exports simultaneously. Statistics released by the Ministry of Oil demonstrate that Kuwait's output of refined products in 1979 was estimated at 16.5% of the total crude production, and the percentage shot up to 45% in 1983. In 1985, Kuwait's three oil refineries' capacity has been estimated at 520.000 B/D.

Development of Oil Sector

Initiated in 1980, the development plan of this sector aspired for proliferating the refining capacity up to 65% of the Country's total crude production by the end of 1986 (about 650.000 B/D) through comprehensive expansion and modernization of the Ahmadi and Mina-Abdulla refineries at a total value of KD 1320 millions. The expansion and modernization projects are also aimed at multiplying Kuwait's oil competitive capacity at the international petroleum markets which have been witnessing a considerably sharp rivalry.

This step, furthermore, helps in providing the local consumers and the Country's important installations with quantitatively sufficient and qualitatively guaranteed liquid energy products. The highly-developed projects also contribute to the broadening of the industrial base of the Country and make available adequate opportunities for Kuwaiti youths to acquire technical experience. Hence, these projects represent a long-term investment that would foster development programmes both in its human and economic aspects.

Control Room at Al-Ahmedi Oil Refinery

In view of the modernization process, Al-Ahmadi refinery's capacity is slated to reach 270,000 B/D in August 1986, whereas that of Mina Abdulla will be operating with a refining capacity estimated at 200.000 B/D by the close of 1987.

Al-Ahmadi refinery's project involves modernization of 14 existent units installation of new 14 units in addition to an ad hoc unit for handling the (crude iosine) extracted from the Neutral Zone at a capacity amounting to 18.000 B/D. The project is being implemented by Japan Gasoline Esatblishment in conformity with two contracts signed in October 1980, and December 1981.

Mina Abdulla's refinery modernization project is being supervised by the Kuwait Petroleum Corporation (KPC) - owned Santa Fe in accordance with a contract signed in April 1982. The project is aimed at improving the quality of products, producing petroleum coal from an especially installed unit for coaling with a capacity of 60.000 B/D, based on the thermal cracking theory whereby more than 80% of heavy oil residues after distillation operations be converted into distilled materials such as naphtha, kerosence and diesel products, with sediments as petroleum coal. The project involves also the formation of a man-made island for exporting refined products, which can receive tankers with 140 thousand-tonnes loading capacity.

The manufacturing department, in cooperation with the KNPC's personnel department, prepares and implements comprehensive training courses in addition to other specialized programmes to clear the deck for a majority of national, competent, well-suited cadres who will undertake the management and operation of the project upon completion.

Natural gas in Kuwait is produced in company with crude production; therefore, gas output average changed forward in conformity with the changes in crude production.

Data released by the Ministry of Oil indicate that natural gas production reached a peak in 1979, with an output of 460.4 billion

cubic feet, 72.6% of which had been locally consumed. However, in 1983 gas output was estimated at about 191.9 billion cubic feet, but with 89% of the quantity used for home consumption.

Increase in oil use has been one of the momentous developments in the sphere of energy in Kuwait as has been displayed by the above-mentioned ratios. Kuwait, thus, is in the forefront of many oil producing countries with respect to low quantities of wasted gas.

Kuwait's natural gas is used as fuel for petroleum companies, for operations, and oil-well injection with the aim of output increase. It is used as well in fertilizers for industry, water distillation and electricity, generating (197 million empirical gallons of distilled water in 1984 and 5086 megawatt in the same year) in addition to gas liquefaction operations to produce petroleum gas both for local and foreign markets. In 1983, natural gas usage was as follows: State utilities 55.8%, oil companies' operations 24%, oil-well injection operations 1%, and gas liquefaction plant used 19.2%.

By means of an agreement concluded between Kuwait and Iraq in November 1985, the latter will provide the former with 400 million cubic feet of Iraqi oil associated gas daily within two stages. The first stage, which is to be completed after six months, will be followed by piping 200 million cubic feet of gas from Rumeilah oil field in the Southern part of Iraq to Shu'aiba area, south of Kuwait. The second stage is to be finalized within a short period following completion of the first.

Figures released by Kuwait Petroleum Corporation indicated that despite its three lines, with a capacity of 570 million cubic feet each, the gas liquefaction plant is presently operational at one-fourth of its capacity owing to low production of associated gas as a result of the setback in Kuwait oil production created by the international market.

Iraqi sources described the agreement as an enhancement of cooperation between the two fraternal countries, Kuwait and Iraq, and is in the interest of the two countries and peoples.

Kuwait inaugurated the gas liquefaction plant in 1979 to take advantage of the petroleum liquefied gas and natural gasoline resulting from the natural gas which has been dispensed with through burning. A maximum output of liquefied gas was registered in 1979, with quantities reaching 46.4 million barrels, then production started to gradually deteriorate in the following years.

In 1983, liquefied gas production was only 23.6 million barrels, considerably less than the factory's capacity which led some times to incapability of meeting the demands of the local factories and energy stations. Hence, Kuwait adopted measures aimed at proliferating the factory's output by concentration on producing oil from gas-rich oil wells.

The State is presently implementing the South Gas Project which includes installation of pipeline network for gathering the currently burnt gas at the Neutral Zone's Wafra and Khafji oil-fields, and linking it with the Country's major gas liquefaction network. By 1984, more than 85% of the project's sea construction had been completed.

Production of chemical fertilizers, salt and chlorine is assigned to Petrochemical Industries Company (PIC), established in 1963, in view of promoting and diversifying the sources of national income.

A subsidiary of Kuwait Petroleum Corporation, the (PIC) includes four factories of liquid ammonia with a total capacity of 3000 metric tons per day in addition to three urea fertilizers with an aggregate daily capacity of 24000 metric tons, whereas the ammonia factory's capacity is estimated at 550 metric tons a day.

Having completed the fourth ammonia line project in August 1984, PIC became the largest complex for producing nitrogenic fertilizers in the Middle-East. Available data pointed out that the company had produced 380.988 metric tons of ammonia, 485.886 tons of urea and 4.650 tons of sulphuric acid in 1983.

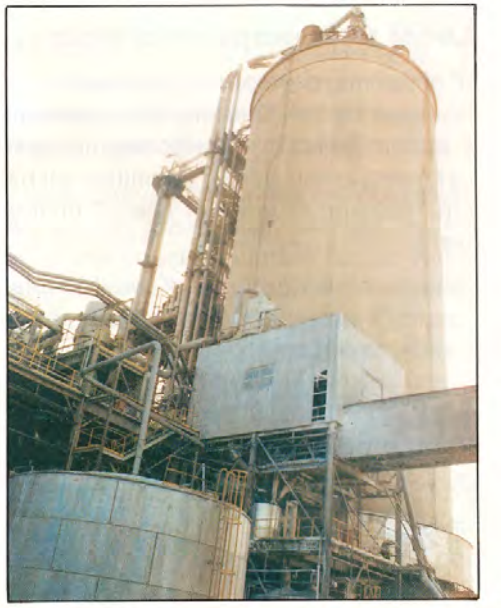
Salt and Chlorine Plant

The first ammonia shipment was exported to Saudi Arabia on June 10, 1968, and the first shipment of urea fertilizers was sold to Somalia on April 30, 1967, and the first of ammonium sulphate fertilizers went to Iraq, on August 2, 1966. The first portion of the locally-consumed concentrated sulphuric acid was purchased by Kuwait's Ministry of Electricity and Water on May 29, 1968. Up to 1984, the (PIC) exported its products to more than 50 countries with tangible shipment proficiency, following the introduction of the moving belt installed by the Company for automatic carrying

and loading of packed up and unfilled fertilizers from the Company's factories to ships casting anchor at the port of Shu'aiba.

During 1983, the Company's output of salt amounted to 18,997 tons and 7,758 of chlorine. To meet the Country's demand, the Company signed two contracts of licensing and engineering works for the establishment of a salt and chlorine unit with a preliminary daily capacity of 150 tons and 75 tons respectively.

The project is expected to be operated during the first half of 1986. In October 1984, the Company's salt and chlorine unit started production of "Purex", sodium hipochlorine solution automatically filled in half-litre, one litre and one US Gallon containers in cooperation with American Purex Company for local consumption and exportation to neighbouring countries to be used as a cleanser, a disinfectant, a stain remover, and an antiseptic.



PIC s Urea Tower

PIC possesses shares in Kuwait-based and Arab companies with the aim of investing Arab funds in fraternal or friendly countries and expanding the productive base.

Despite the fact that a number of its tankers sustained damge as a result of the Iraq-Iran war, Kuwait Oil Tankers Company has been carrying Kuwaiti oil and gas normally and regularly by its 23-tanker fleet. KOTC's tankers carried 80% of Kuwait's petroleum gas and liquefied gas, 37% of its refined products and 18% of crude, according to June 1984 statistics.

KOTC was established in 1969, and is presently one of KPC subsidiaries. KOTC's naval agency branch provides supply and spare parts to a number of tankers casting anchor at Kuwaiti ports for carrying crude oil and petroleum products. About 1171 oil tankers received such service until the middle of 1984.

Local Consumption of Energy

Social and economic developments as well as constructional expansion witnessed by the Country in the seventies and early eighties were accompanied by an increasing upsurge in local consumption of energy, rising from 31 million oil barrels in 1970, to 55 millioin in 1980 and to more or less 57 million in 1983 and 1984 respectively.

Average energy consumption in Kuwait is relatively high in view of the Country's present population, which could be attributed to high per capita income, population growth, the relatively low prices of local petroleum products and consumption of considerable quantities of natural gas with the aim of increasing consumption over production averages.

Available data indicate that local consumption of refined products amounted to 83.000 barrels a day with an average of 17% increase during the last ten years. The maximum of local consumption average was 21% between 1979-1983.

Comparatively low prices of refined products in local

markets, specially before the price increase in April 1982, is considered one of the major factors causing high home consumption rates in addition to decrease in production of accompanying natural gas which was used in feeding electric power stations. It was for this reason that the Government replaced natural gas by substantial quantities of oil fuel in 1982 and 1983 in feeding those stations.

Not only does the KNPC operate the refineries and liquefied gas factory, but it also undertakes providing the local market with its requirements from refined products and liquefied gas by virtue of 66 distribution stations and main caches disseminated throughout the Country, according to 1984 statistics.

Before rising prices of oil derivatives, government subsidies allocated for the refined products and the locally-consumed liquefied petroleum gas amounted to KD 182.5 millions in 1981. The Government's decision to raise prices of local-market products, as of April 1982, was aimed at reducing subsidy funds allocated for such products, seeking consumption ratioinalization, energy preservation and fulfillment of satisfactory linkage between oil derivatives prices of local consumption and those of exportation.

Increase in oil derivatives' prices did not result in revocation of Government subsidiy for those materials, but led, however, to the reduction of the subsidy-allotted funds. According to data collected by the Ministry of Finance, drop in subsidies for refined products and locally-consumed liquefied gas in 1982 and 1983 was estimated at KD 63 million and KD 60.4 million respectively.

Local Oil Exports

Since the endorsement of the 1976 decision pertaining to nationalization of Kuwait Oil Company, Kuwait has been able to pursue a productive pricing and marketing policy in implementation of its oil strategy with regard to determination of production rates and rationalization of exportation with marketing responsibilities assigned to national companies.

Kuwait's crude exports, according to statistics, amounted in

1976 to 1.8 million barrels a day, 347.000 barrels of refined products daily and about 1.2 million metric tons of liquefied gas. The succeeding years, however, were characterized by fluctuations in exports, reaching 611.5 million barrels in 1980, estimated at KD 4961 million, with crude constituting 78% of those exports, refined products 18% and liquefied gas 4%. The 1983 exports amounted to 355.1 million barrels worth KD 2932 million, 56% of which was crude, 40% of refined products and 4% of liquefied gas.

The 1984 report released by the Central Bank of Kuwait indicated that exports of crude oil and refined products were estimated at 372 million barrels and 16m/b of liquefied gas. The fall in Kuwait's oil exports during the early eighties could be related to the setback in world oil demand, which went down from a total of 56 million barrels a day in 1979 to 60 million in 1983.
With the hike in the non-OPEC members' oil production, estimated at 4 million barrels a day, averaging 12% during the selfsame period, OPEC oil demand fell from 31 million barrels a day in 1979 down to 18 million in 1983. The negative results of such developments are still affecting Kuwait's oil exports on account of the oil consumer countries' continuous implementation of measures pertaining to energy preservation, lessening of dependence upon oil, and development of alternatives.

Kuwait's crude and products exportation prices witnessed a gradual upsurge reaching a maximum of U.S. 35.5 dollars per barrel in 1981, but a setback was later registered when world oil demand dropped, bringing the price of an oil barrel in early 1982 to U.S. 32.3 dollars. In conformity with the OPEC decision adopted in March 1983, and in response to the market situation, Kuwaiti crude price fell to U.S. 27.3 dollars per barrel.

KPC, consequently, made a price adjustment of sales of its petroleum products in compliance with the decision. Average prices of Kuwait crude oil in the period between 1980 to 1984 were $ 29.8, $35.1, $32.3, $27.8, and $27.3 per day respectively, while the average price of refined products in 1983 was $34.7 and $29.5 in 1984. Kuwaiti oil liquefied gas is sold at prices associated with those of crude. As of August 7, 1984, exports of liquefied gas reached approximately $206 per ton from propane and Butaine alike.

INDUSTRY

Economists pay special attention to the industrial sector due to the particular importance and vitality it occupies amongst the rest of economic sectors, an importance which emanates from the fact that its produced commodities are widely used by modern man in various spheres. Despite Kuwait's tangible keenness on developing her economic utilities to ward off dependence upon mono-side economy, environmental and natural limitations have always encountered the national aspiration in rendering industry a key sector in local economy. Kuwait industrial production, in spite of the above mentioned obstacles, has registered an increase in the recent years in compliance with the available potentialities, which the state has been assiduously endeavouring to promote.

One of the primary concerns of Kuwait government in the early sixties of the current century was the establishment of public-sector, the sharing in the joint-sector industries, and encouragement of private-sector projects, which altogether played a major role in laying the grounds for a number of convertible industries.

Industrial sector in the Country lies under control of several authorities. The Ministry of Oil and Industry draws up the foundations of the industrialization strategy, organises the industrial activities, protects the national industry, allocates industrial lots, supervises specifications and unified standards, and markets the national industrial exports in foreign markets through the industry development committee.

The Public Administration of Shu'aiba Area was established in 1964 to accommodate infrastructure for home industries. Shu'aiba is considered one of the most vital industrial areas in the Country and the largest in size, to which the definition of an

industrial city is applicable for it contains all pillars of the industrial complex. The Expanded Shu'aiba Industrial Area includes the 11-million-square meter Eastern Area (Shu'aiba Industrial Area) and the 13-million square metres Western Area (Mina Abdulla's Western Industrial Area, which brings the whole area to 24 million square metres.

Another local body in charge of the Country's industrial sector is the Industrial Bank of Kuwait. The Bank was founded in 1973 with a capital of ten million Kuwaiti Dinars, which later went up to twice as much. The Government extended two loans to the Bank which were worth KD 200 millions at a low-interest rate ranging between 2% to 3% in enhancement of the Bank's activities. In achievement of its objectives, the Bank's activities cover a wide spectrum.

The Bank undertakes procedures of encouraging industrial development, establishing industrial projects and sharing the ownership of new projects, and in this respect it provides medium-and long-term loans at a rate not exceeding 5% per annum. It also offers loans for the expansion and modernization of existing industries at an annual 6% interest rate. By the end of 1984, the Industrial Bank financed, in loans and contributions, 319 projects with funds amounting to KD 256.65 millions.

Although the goals of the industrial sector are part of the general aims of Kuwait's comprehensive, economic and social development plan, its fundamental objective centers on the consolidation of infrastructure, diversification of production and its social pre-requisites as well as the promotion of new industries. Released statistics point out that non-oil industry revenues rose from KD 213.6 millions in the fiscal 1979/1980 to KD 269 million in 1984/1985 averaging 4.7% of growth rates per annum.

The non-oil industries' current contribution to the development of the national economy, however, still constitutes a small portion. It only represented an average of 3.5% in the Gross

Battery Plant

National Product during the period between 1979/1980 - 1984/1985. While the industrial product value in fiscal 1979/1980 was KD 356.9 millions, it shot up to KD 518.8 millions in 1984/1985, realizing an averge of 7.7% of growth rates per annum.

Manufactured mineral products value took the lead in the industrial production, achieving about 27% in fiscal 1984/1985, and was succeeded by foodstuffs and beverages industries which roughly contributed 18%, and the petrochemical products, rubber, plastic and fabricated metals industries ranked third.

Between the years 1979/1980 to 1983/1984 industrial commodities exports registered an increase of KD 93 millions in spite of the remarkable decrease in the total sales of such products in the home market. The contribution of the non-oil industrial commodities went up from 1.8% in 1979/1980 to 5.2% in 1983/1984,, while the non-oil industry sector investments during the same period amounted to KD 266.2 million covering 109 projects.

Thirteen industrial limited companies are spread in the four corners of the Country which are: National Industries, Mineral

Chemical Cleansers Industry

pipes, Kuwait Cement, Kuwait Fisheries, Cooling Industries and Storehouses, Automobile Industry and Trade, Ship building and Repair, Kuwaiti United Poultry, Gulf Cables, Millamine Industries, Kuwait Tyres, Medical Industries and Kuwait Petroleum Investment. At the end of 1984 the nominal capital of these companies reached KD 276.253.425 of which the Government's share is 53.12 percent.

The data released by the Minsitry of Planning in 1984 indicated that Kuwait Flour Mills Company, on the one hand, had produced 6,611 tonnes of bread, 2,027 tonnes of biscuits, 3,020 tonnes of macaroni, 38,860 tonnes of bran and 22,239 tonnes of flour, whereas the Petrochemical Industries Company, on the other hand, produced more or less 22,239 tonnes of food salt.

Kuwait National Industries Company yielded 30,204 tonnes of asbestos, 93,288 cubic feet of ready-made amalgamated

cement, 2,627 tonnes of concrete, 299,000 tonnes of concrete pipes, 12,944 of standard batteries, 1,475 tonnes of chemical cleansers, 10,252 tonnes of grease and oil, 344 tonnes of acids, 16,498 of fodder and 4,757 tonnes of plastic pipes.

However, a number of problems and impediments still curb further progress in Kuwait's industrial sector which can be summed up in the following:

- Tangible scarcity in well-trained national labour force and in technically and administratively qualified cadres.

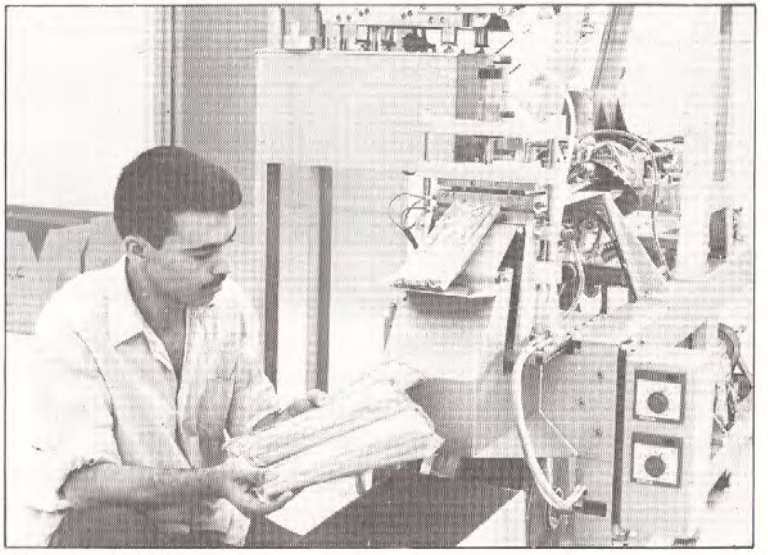
Biscuits Industry

- Limited absorption capacity of the home market which curtails the possibility of taking advantage of the industrial product surpluses once local demand is fully met.
- Absence of an executive apparatus with necessary material and human potentials to study, carry out and follow up industrial enterprises; let alone the unexistence of organiza-

tional institutions to be assigned with the task of providing the indispensable industrial services, including statements' gathering and analysis, promulgation of industrial statistics as well as data pertaining to industrial investment opportunities, and preparation of studies envisaging the economic efficiency of such projects.

- Substantial shortage in natural resources, excluding oil and natural gas, in addition to problems relating to transfer of technology and pollution's environmental repercussions.

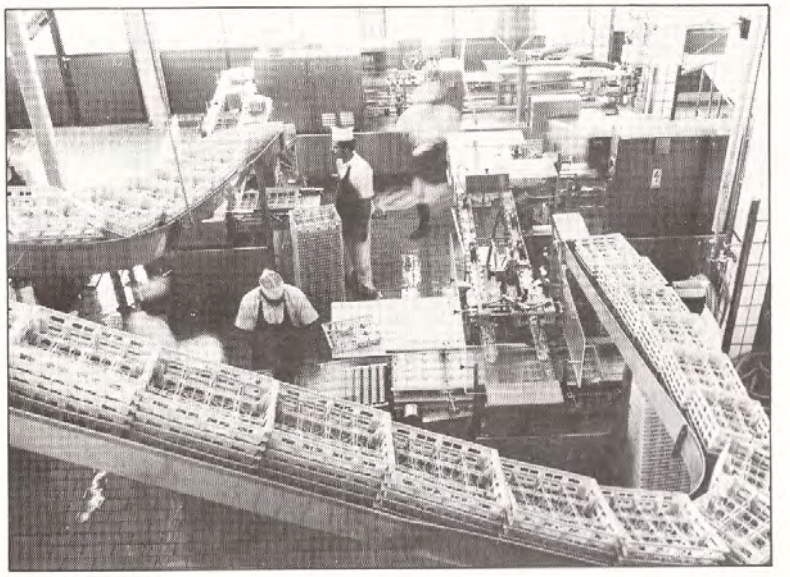
Kuwait's five-year plan is aimed at proliferating the returns of the industrial production from KD 518.8 millions, registered in fiscal year 1984/1985, up to KD 1,003 millions in 1989/1990 at the 1984 prices, achieving an annual average growth rate of 14 per cent. Within the framework of the aforesaid plan mineral products are expected to rank first among the aggregate production in 1989/1990 with a contribution to total production value estimated at 29 percent, and is to be followed by fabricated non-mineral and foodstuff industries which are to contribute approximately 14% of production value each.



Macaroni Industry

Organized by Kuwait Foundation for the Advancement of Science, the Kuwait based symposium held in December 1983, recommended the establishment of a general authority for industry to pay regard to all aspects of industry and industrialization including Kuwait's oil industry. The proposed authority shall have to draw up an industrial plan within the context of a general one in order to develop the national economy and to study the marketing opportunities in the home or neighbouring-state markets in conformity with the Unified Economic Agreement of the Gulf Cooperation Council. This, however, entails coordination with the parallel authorities in the Gulf states with an eye to boost local product exports and ensure their flow in the regional, Arab and International markets.

The symposium urged that Kuwait should select technology and industries that are commensurate with the Country's own circumstances in order to lay the basis of a long-lived, constantly developing industrial infrastructure and, simultaneously, function as a major training centre for national technical and labour force.



Dairy Industry

AGRICULTURE

Kuwait's geographical location and inadequate natural environment curb expansion in agricultural activities on economic bases. Limited arable land, rare water resources and desert climate which is inappropriate for growing a great number of plants, constitute the major problems that hinder the development of the Country's agricultural sector. Repercussions of such natural realities have been reflected on the ratio of the agricultural sector's contribution to the Gross National Product which has not exceeded 1% of the non-oil sectors' total product since oil discovery in Kuwait.

Primary concern with the Country's agricultural sector dates back to 1953, with the establishment of Agricultural Experiments Station. Provided with technical expertise, the Station was assigned with conducting agricultural experiments, deducing the appropriate results in the agricultural and animal sectors, and increasing the public awareness in those fields.

In 1969 a non-soil agricultural unit was established in the Country in cooperation with the UN Food and Agriculture Organization (FAO) which offered valuable information about this type of farming which turned out to be a technically efficient method.

The unit was at the time the first of its kind in the Middle East.

Three years later, and in coopertaion with the FAO and the United Nations Development Programme, a centre for protected vegetables production was brought into light, which achieved tangible progress in research fields and introduced new systems for economic use of desalinated water.

In a bid to activate the agricultural sector, The Public Authority for Agricultural and Fisheries Affairs was set up to look after the agricultural, animal and fisheries sector which was supervised by the Agriculture Administratiion, founded in 1968.

Despite the State's support to the agricultural sector and the serious efforts exerted by some private-sector businessmen, the big burden, however, should be shouldered by the private sector whose activities in this sphere is still below the aspired - for contribution.

Cucumber Grown in Kuwait

With the beginning of Kuwait oil marketing, considerable numbers of agronomists have been abandoning the agricultural sector in search for better job opportunities in other fields. Since the late fifties up till now only 2% of the Country's total labour force were involved in the agricultural sector, a fact that can explain the reasons of the low percentage of cultivated land in comparison with the Country's arable areas and lands which can be exploited in developing animal or poultry wealth.

While periodical agricultural surveys reveal that Kuwait's cultivable area amounts to 184,000 donums, only 21,000 are actually exploited, or 11.4% of arable and pastoral land. Available figures show that vegetable products reached about 58,000 tonnes in 1984/1985, whereas in 1979/1980 they had been estimated at 37,800 tonnes, with an average annual growth exceeding 10 per

cent. Trefoil production, which always constituted the most important fodder crop, went up from 34,100 tonnes to 65,000 tonnes during the above mentioned periods respectively.

Production of fruit went up, in the same period, from 1,200 tonnes to 3,000 tonnes, which represented 52% of local consumption. Aggregate area allocated for afforestation projects covered 125,000 donums of which 87 thousands (i.e. 70%) had been cultivated until the middle of 1984.

The number of locally-bred cows went up from 13,800 in 1979/80 to 20,300 in 1983/84 while sheep and goats increased from 63,000 heads to 298,000 during the same period, which indicates that the annual growth rate in the animal resources is estimated at 43 per cent. As a result, meat production shot up from 4,400 tonnes in 1979/1980 to about 8,000 in 1984/85, which represented 13 per cent of the total home consumption. Fresh milk production proliferated from 50,000 tonnes to 81,000 during the aforesaid period.

Cattle Breeding in Kuwait

Poultry production in Kuwait experienced substantial alterations when the individual activities in this field retreated in favour of specialized companies like Kuwait Poultry United Company (1974) and Mubarakiya for Poultry (1977), which currently represent a basic source for local consumption. Kuwait's white meat production, consequently, increased from 14,000 tonnes in 1979/1980 to 19,000 in millions to 211 million during the same period, meeting more than 50 per cent of the local market demands.

Despite the tough natural environment which ostructs the augmentation of the agricultural sector, and in spite of the positive developments which the sector has undergone, agronomists are widely with the opinion that there are great potentials that have not yet been exploited in an ideal manner. They also believe that maximization of benefit from this sector would lead to an agricultural revival that would yield further contributions to the national income and meet home market requirements of some foodstuffs.

Modern Irrigation Techniques

Between 1979 - 1984 quantities of annually sold fish at the home market amounted to an average of 4,000 tonnes, whereas survey studies point out that fishing areas within Kuwait's territorial waters are capable of providing the Country with an average of 20,000 tonnes per annum without endangering fish reserves which are estimated at about 50,000 tonnes a year.

Approximately 90% of the home market's needs of fresh fish is produced by the unorganized (professional) sector which includes 1,120 fishing ships operated by 3,250 workers and fishermen. Represented by Kuwait Fisheries United Company, which was established in February 1972 at a capital of KD 10 million then went up to KD 25 millions at the end of 1984, organized fishing sector's activities are basically devoted to shrimp fishing and exportation. The Company owns 23 ships operated by 500 workers.

BANKS AND FINANCE

Since the establishment of Kuwait Central Bank in June 1968, in compliance with the Law No. 32 for the year 1968, and since commencement of its official activities in April 1969, Kuwait banking and financial sector has been witnessing fundamental qualitative transformations whether in terms of augmenting the institutional base or regarding diversification of specialties, development of transactions, improvement of performance and the increase of the sector's participation in the national economy as a whole.

When the Central Bank began its activities, there were four commercial national banks, one branch of a foreign commercial bank, a specialized government bank and two investment companies. By the end of 1969, Kuwait had 38 bank branches. At present, there are seven commercial banks in the Country which are: National Bank of Kuwait, Commercial Bank of Kuwait, Gulf Bank, Al-Ahli Bank of Kuwait, Bank of Kuwait & the Middle East, Burgan Bank, a branch of Bahrain and Kuwait Bank which is equally owned by Kuwait and Bahrain, and Kuwait Finance House. Kuwait, in addition, has three specialized banks: Credit & Savings Bank, Real-Estate Bank and the Industrial Bank.

Kuwait Central Bank

Commercial banks in Kuwait had 135 branches at the end of 1984, covering most of the Country's residential areas, whereas the specialized banks had five branches, in addition to ten branches for the Finance House until the end of the same year. Activities of a number of Kuwait commercial banks extended to the world financial markets by opening, until 1984, seven branches in London, New York and Singapore to become in direct contact with those markets. There were also five national insurance and reinsurance companies as well as 28 investment companies at the close of 1984.

Kuwait Central Bank's 16th report stated that the consolidated balance sheets of the commercial banks witnessed 0.6% decline in the fiscal year 1984/85 compared to a rise of 1.9% in the previous year. This retreat is mostly attributable to continous decrease in inter-bank deposits at the local money market, and for the second year in succession at a rate of 23.9% against 30.7 per cent. Inter-bank deposits issued in foreign currencies also experienced a decrease, reaching half their ratio in the previous year (51.4%) and so was the case with the inter-bank deposits issued in Kuwaiti Dinar which registered a decline of 6.3 per cent.

The setback in the commercial banks' consolidated balance sheet can also be ascribed to low total foreign operations (foreign assets and liabilities) which were estimated at 9.7% in comparison with an increase of 20.6% in the previous year.

However, the net foreign assets at the commercial banks rose by 39.5% against a fall in the past year estimated at 18.9 percent. The rise in the net foreign assets basically resulted from the decreasing foreign liabilities to the local banks at a ratio of 20.4% against reduced foreign assets estimated at 2.3 per cent.

On the other hand, growth rate of demands in respect with the private sector slowed 2.5% in the fiscal year 1984/85, compared with 7.9% in the previous year, which is ascribable to the relative fall in some local economic sectors. It is noteworthy that those demands involve accumulation of interests and unpaid installments.

Banks Complex — Real Estate, Industrial and Kuwait and the Middle East

Regarding the liabilities, residents assets (government and private sector) scored a remarkable growth of 9.7% against a drop of 0.9% in the year before. Commercial banks' capitals and reserves witnessed stability in growth rates during fiscal years 1984/85 and 1983/84, ranging between 16% and 16.1% respectively.

Activities of the specialized banks operating in Kuwait in the past years, experienced important developments commensurate with the domestic economy in general and in the banking system in particular. These banks (the Real Estate Bank, the Industrial Bank and the Credit and Savings Bank) extend services complementary to the activities of commercial banks in that they give medium and long-term financing to the housing, industrial, agricultural and real estate sectors. In addition, specialized banks contribute to the development and promotion of the domestic capital and money markets and help create market tools such as bonds and certificates of deposits.

The aggregate balance sheet of the specialized banks in the fiscal 1984/1985 continued substantial growth rates at 5.6%

against 7.7% in the previous year. Growth was concentrated in domestic loans which accelerated by 6.8% in 1984/85 against an increase estimated at 8.1% in the year before.

Domestic investment in shares and bonds in 1984 slowed slightly by 10.7% in comparison with 11.8% recorded in the previous year. Continuity of relative decline in the activities of the industrial and real-estate sectors motivated transfer of portion of those banks' total resources to foreign investment which raised the foreign assets in the specialized banks by 7.2 per cent.

On the resources side, the specialized banks' self-resources (capital & reserve) increased by 12.1% compared to 12.9% in the year before, thereby raising their relative weight within the total resources to 48.9% against 46.1%. Foreign liabilities, however, remarkably dropped to 36.5% in comparison with an increase peaking at 101.8% in the year before

The aggregate balance sheet of investment companies increased to KD 1825 million against KD 925 million, that is by 91.6 per cent. Kuwaiti investment companies play a complementary role to that of the commercial and specialized banks through the opening of new outlets for long-term investment of national financial surpluses in portfolios, financial consultancy, economic feasibility studies, management of projects and capital participation. Furthermore, these investment companies have contributed towards development of the financial market through management of issues, subscription to domestic certificates of deposits and development of the KD - dominated bond market.

Kuwait money market operations witnessed tangible growth during the first half of the eighties. Concerning the interbank market, where deposits and negotiable CD's are exchanged the transactions in 1984 rose to KD 1915 million, i.e. by 62% over their level in 1980 (KD 1184 million).

The first five years of the current decade experienced tangible growth in negotiable KD - dominated CDs, both in the primary market (certificate issues) and in the secondary market. The issue base more than doubled, from KD 51 million in 1980 to KD 107

million in 1984, with the local banks negotiating 48.3% of the total issues and the local investment and financial companies negotiating 51.7% per cent.

One of the important developments in Kuwait money market was the Government's issuance of Trust Fund bonds maturing between six months and six years in denominations ranging from KD 25 to 500 thousands.

The Central Bank directly intervened in the market by acting as a lender and borrower so as to accomplish a number of vital objectives, including the maintenance of domestic interest rate structure within acceptable levels, whether for interbank deposits or for bank loans and deposits. The CB also was driving at achieving support of local banks' liquidity in KD and in foreign currencies and the maintenance of the stability of the KD exchange rate in order to curb speculation on the KD against the US dollar. During 1984, the balance of the CB's operations in the money market totalled around KD 257 million, of which 73.2% was in the form of deposits and loans to banks.

FOREIGN TRADE AND BALANCE OF PAYMENTS

Foreign trade plays a great role in Kuwait natioinal income which is clearly reflected in the high percentage it represents in Kuwait economy that amounts to 83%. This ratio indicates the Country's narrow economic base and small domestic production. Kuwait economy is closely connected with the world economy in the fields of commerce and finance, as Kuwait exports to the world its crude and oil products, which are absolutely its most important resources, and from the world Kuwait imports all its needs and commodities, and in the world it invests its funds and surpluses.

It's no wonder then that foreign trade in Kuwait enjoys a special position as the State pays due concern to this sector and spares no effort in facilitating and coordinating trade exchange with the world countries in preservation of Kuwait's natioinal interests. Therefore, the Government has always voiced constant keenness on developing and promoting economic and technical ties with the world countries, specially fraternal Arab as well as friendly states with the aim of increasing trade exchange volume and in realization of reciprocal interest.

Kuwait's Ministry of Commerce directs particular attention to annual participation in a number of international exhibitions as they represent good opportunities for acquaintance with the conomic constructions and industrial activities of each participant country and help consolidate commercial relations between different countries.

A number of commercial and economic agreements have been concluded between Kuwait and various countries to facilitate importing and exporting agricultural, animal, and industrial products, and encourage the establishment of economic and commercial cooperation, capital movement and investment and transfer of receipts and profits yielded by the investment activities.

Economic and trade policy in Kuwait enjoys a wide margin of freedom and flexibility concerning the choice of methods which are capable of materializing its economic goals. It also assists the State in her endeavours to accomplish equilibrium in the levels of economic efficiency and determination of economic fluctuations to ensure stability and effective use of all available human and material resources.

In consistency with its free-trade system, Kuwait's customs duty imposed upon the bulk of imported commodities do not exceed 4%, while some other goods, vegetables, fruit, precious metals are duty-free.

Trade in Kuwait scored tangible development both in terms of imports and exports. It recorded annual increase in the value of imports trade which is viewed optimistically as a meticulous indicator to social development and economic growth in the Country. It also demonstrates the broad and rapid expansion in public and private enterprises and in the state-implemented social and health programmes, and, in addition, casts light on the rise in the standards of living for an increasing number of citizens.

During the period between 1969 - 1979, Kuwait trade balance was characterized by subsequent annual financial surpluses that ranged between KD 319.3 million in 1969 and KD3606.1million in 1979, with an average annual surplus of KD 1,466.4 million in the same period.

Excluding the year 1971, the period between 1969 - 1973 witnessed relatively moderate surplus rates averaging 21%, whereas in 1974 the surplus more than doubled (227%) due to the increase in the value of total exports as a result of the hike in oil prices at the beginning of 1974, when the oil prices almost quadrupled (365%, against prices of the previous year. The surpluses, however, started to decline gradually in 1975, 1976 and 1977 by 29%, 30% and 26% respectively owing to the rise of imports and drop in oil exports caused by low production in that period. Yet surpluses accelerated anew in 1978 by 14% because of the tangible declaration of 9% in imports and at a level lower than the slight rise in exports (3%).

In 1979, surpluses multiplied by 125% as a result of oil prices.

Relative weight of Kuwait's imports from the United States declined from 15% to 13% between 1969 and 1978, but went up in 1979 to 15 percent. It also declined from 36% to 33.5% with the EEC states during the above-mentioned period and dropped to 32% in 1979, while relative weight of Kuwait's imports from Japan between 1969 - 1978 increased from 16.4% to about 19.6%, but went down to 18% in 1979.

Kuwait's foreign trade, however, declined from KD 7,141 million in 1980 to KD 5,915 million in 1984 (17.2%), a drop which was represented explicitly in the decrease of exports' total revenues during the aforesaid period which amounted to KD 1,760 million (33%). During 1980 - 1982 the trade balance surplus recorded three successive drops as a result of the low returns of oil exports, but in 1983 it shot up to KD 1,159 million and KD 1,319 million respectively at an annual increase of 50% and 14% owing to the prosperity in oil exports and the fall in imports value in comparison with its record levels registered in 1982.

As of 1975, Kuwait's balance of payment has undergone a tangible amelioration as it has been prepared in a more appropriate manner. Up to that date, the balance of payments used to be prepared on fiscal-year basis that ends on March 31st, while the oil sector was dealt with as an unresident or external activity, let alone that many articles were no more than assessments which involved tangible margin of error.

Since 1975 the balance of payment has been prepared on the basis of Christian years and is greatly congruous with the instructions listed in the handbook of the International Monetary Fund, and the oil sector has been dealt with as a domestic activity.

Moreover, a great deal of improvements have been introduced regarding items' assessment methods through the annual statements dispatched by the most important local companies and corporations as well as Government bodies which perform considerable external activities.

In the period between 1977 - 1979 Kuwait's balance of payments scored an annual surplus that doubled 13 times, from KD 217 million to KD 3,084 million, i.e. 39% per annum. However, the pattern of alteration in the total surplus of the balance of payments was characterized by fluctuation from one year to another during the aforesaid period. It is noteworthy that the surplus witnessed two outstanding increases in 1974/75 and 1979 when the surplus quadrupled in comparison with the year before. While the first increases went in congruity with the multiplying prices of Kuwait's crude in 1974/75, the second increase in 1979 occurred as a result of a 50% rise in oil prices and a 20% rise in the exported oil quantities against the previous year.

Total surpluses of the balance of payments generally emanates from the increase in receipts - in foreign currencies - basically gained from oil exports and foreign investments, over payments which result from importing various commodities and services, capital and current transfers (formal and private), capitals account (including commercial banks), formal transfers, in addition to the margin of omission and error.

Kuwait's total surplus of the balance of payment constitutes only a portion of Kuwait's surpluses from the current account which is tangibly used in net capital flow and formal transfers abroad. This reflects one of the facets of activity exercised by the private sector in the Arab states by Kuwait Fund For Arab Economic Development and certain domestic investment, semi-formal companies (Kuwait Company for Investment, and Kuwait Foreign Trade, Contracting and Investment Company).

It is worth mentioning that the ratio of the balance of payments' total surplus compared to the surplus has generally risen after the substantial increase in these two surpluses which resulted from the adjustment of oil prices in 1973/74. While the aforementioned ratio averaged 48% between 1971/72 - 1974/75 it rocketed to 60% during the period between 1974 - 1979.

With the beginning of the eighties, Kuwaiti economy experienced many domestic and foreign developments which resulted in a drop in the surpluses of each of the trade balance, services and current account balance as well as the total surpluses of the balance of payments. Primary data released by the Central Bank about the balance of second year in succession, in the surpluses of trade balance (11%), commodities and services balance (4%) and the total current account (11%). CB statements also demonstrate a remarkable change in the direction of Government investment account flows toward external investment, estimated at KD 1980 million compared with 1983.

KUWAIT BALANCE SHEET

The State's general balance sheet is one of the basic pillars of Kuwait's political and financial system, and represents the Government's political approach and efficient management of the general administrative, economic and social plans. It furthermore, concerns every citizen as it directly touches upon his/her life because it involves production, consumption, services and the various economic and social situations. it was by virtue of the balance sheet that Kuwaiti nationals had been granted an immense purchase power that developed in the course of years in accordance with the growth of the national income from oil revenues.

Public expenditures in Kuwait flow from the treasury to economic containers in conformity with the requirements of the society on the basis of the nature of its economic, social and political repercussions. The total payments of salaries and wages are of the important articles in the balance sheet since the State's financil authorities pay great attention to the Government's policy towards wages as a means to re-distribute the Country's resources and raise the people's standard of living.

This policy yielded important economic, social and political results which materialzed in giving impetus to economic growth and stability to the Country's political and social situations. Hence expenditure in Kuwait is righteously held as the fundamental motive for economic activity and the basic means for accomplishing the State's economic and social objectives.

Not only is public expenditure directed towards developing resources, but is also concerned with restoring balance to the home market and protecting the Country and the citizens from the negative effects of financial inflation by facilitating their living situations, provision of foodstuffs and shouldering the price differences of the basic foods.

General returns, on the other hand, are of great importance with regard to the State's balance sheet as they cover the volume

of public expenditure and yield surplus funds which are annually added to the State's reserve.

In its assessment of public expenditures the Government adhered to two principles: Reduction of expenses within the limits of the actual needs to ward off extravagance, and consideration of the State's increasing services which entail a rise in expenditure without creating an imbalance in the levels of such services or ignoring the continual price increases of many commodities and services.

Those expenses have been dealt with on the bases of curbing unnecessary consumptive expenditure linking the current expenditure growth with the growth in the national income, and concentrating on the principle which urges gradual expansion in the vital services of the people to further improve their cultural social and health standards. This principle has become one of the bases of human life and a means to achieve social justice, particularly in Kuwait which pays equal attention to development of human and economic resources.

The first circular relating to the Country's balance sheet dates to 1956 when the Finance Administration stated the rules that had to be adhered to upon preparation of the balance sheet. On July 11, 1956, late Sheikh Abdulla Al-Salem Al-Sabah issued a directive to the Finance Director involving the contents of the above-mentioned circular.

The Amiri Decree No 1 was issued in 1957 pertaining to the Country's balance sheet and the responsibilities of concerned departments. The Decree was the first legislative tool in this respect whose first article stipulated that each department, without any exception, shall have its own budget that shall be well-prepared and accurate as much as possible.

On February 9, 1960, the Amiri Decree No. 1 for 1960, was promulgated, fully illustrating the basic principles of budget preparation and the concerned parties in each stage of preparation. The Decree Law introduced an amendment relating to the fiscal year, making it start at the beginning of April rather

than January, an amendment which was entailed by Kuwait's own circumstances. Common methods of budget preparation begin with assessment of expenses then the evaluation of the necessary returns that had to be made available to cover the estimated expenses. In Kuwait, however, the process takes an opposite direction due to the fact that the State's major revenues come from oil companies, thus the starting point begins with the assessment of these revenues, in light of which expenses are estimated.

Since estimation of such revenues could not be made except during December of each year, it was held as more adequate that assessment of revenues in the balance sheet be delayed to the same month, and to be succeeded by an estimation of Government institutions' expenses. Measures to enact a law on the general balance sheet used to be taken during the next three months, i.e. January, February and March. Thus, the fiscal year used to start with the beginning of April and expire by the end of March of each year. This adjustment enabled the Government bodies to prepare lists of their expenses during the months of October, November and December in a more adequate manner than before, according to the explanatory memorandum of the law issued on February 9, 1960.

Actual application, specially with parliamentary control, revealed the necessity of adjusting the beginning of the fiscal year because issuance of the balance sheet used to be delayed until July of each year. Law No. 4 for 1976, issued on January 24, 1976, stipulated that the fiscal year shall begin on July 1 and expire at the end of June.

In July 1978 the Law No. 31 for 1978 was issued, and stated the rules that should govern the preparation of the budget and supervision of its implementation. The first article of the Law maintained that each budget should include all estimated revenues and expenses in the fiscal year. Article 14 asserted that the minister of finance should forward the draft budget, with the statement attached, to the cabinet for approval. The draft budget should be referred to the legislative authority at least two months before the end of the current fiscal year, and the minister of

finance is to inform the concerned authorities of the budget law after enactment to be put into force.

Article 16 emphasized that if the budget law was not issued before the beginning of the fiscal year, the previous budget shall remain effective until promulgation of the new one upon a circular to be issued by the minister of finance. Had some chapters of the new budget been endorsed by the legislative authority, they shall be considered effective.

All the State's balance sheets, since the beginning of oil production were comprised of oil revenues which included crude oil and gas sales, income tax from oil companies and concession fees. In fiscal 1953/54 those receipts constituted about 97% of the total national income, but in 1957/58 the ratio went down to 7%. In the sixties they witnessed an increase while in fiscal year 1985/86 those returns represented 89.9% of the total revenues.

Kuwait's revenues always exceeded expenses. In 1962/63 the revenues amounted to KD 189.8 million while the expenses were only KD 165.2 million, and in 1969/70 revenues came to a total of KD 306.5 million with the expenses amounting to KD 285.5 million. Hence, Kuwait has been gaining financial surpluses which have been used as reserves that increased until its continuous assets began to yield tangible returns, particularly with the decline in oil receipts. However the State's balance sheet started to suffer deficit as of fiscal year 1982/83 amounting to KD 657.1 million in 1985/86.

Aware of its responsibilities and faithful to her pledges to secure a better life for its people, the Government undertook to ensure a prosperous future for its coming generations. It was within this context that the Amiri Decree Law No. 106 for 1976 was issued on reserves of the coming generations and was put into force on July 1, 1976. The Law provided for:

1- Annual deduction, as of fiscal year 1976/1977, of a 10% of the State's general revenues.

2- Opening of a special account as substitute reserves for oil resources under the name of reserves of the coming generations in which those funds are to be put, and include 50% of the State's general reserve funds which amount to KD 5345.8 million as a basis for the account.

3- The Ministry of Finance shall invest those funds and the receipts of investment are to be added to the account. The Ministry did use the funds in long-term, profitable and relatively guaranteed investments.

   Investments take place in forms of shares, bonds and deposits in the American, European and Japanese markets in addition to real estate investment which yield appropriate returns and domestic investments through local companies.

   Implementation of this Law was indeed an eminent economic event and a historic step towards planning and practical implementation in favour of the Country and the present and future of its people.

Kuwait's Central Bank figures show that the total balance of reserve funds amounted by the end of June 1984 to KD 23.1 billion (KD 11.8 billion for public reserves and KD 11.3 billion for the coming generations). Moreover, Law No. 109 for 1976 stipulated that profit gained from investing the State public reserves be added to the account of the coming generation reserves. In 1982 the Government crowned those efforts by issuig Law No. 47 for 1982, which called for establishment of The Public Authority for Investment. The second article of the Law stated that the Authority is entrusted, in the name of Kuwait Government and for her account, with the management of investing the State's reserves and other funds assigned by the Minister of Finance to be managed by the Authority.

Chapter Three

Manifestations of Social Progress in Kuwait

- Administration
- Education
- Housing
- Electricity and Water

1 - Administration

Modern government pattern in Kuwait, historians say, dates back to the beginning of the third decade of the twentieth century when Sheikh Ahmed Al-Jaber voiced positive response to a public desire urging establishment of a Shura (consultative) Council. A 12-member council was agreeably set up, with equal representation of Sharq and Qibla areas, in a step viewed as the first endeavour for democratic rule in the region in which people's representatives become involved in the multi-sided decision-making process.

Kuwait's commercial openness to the world and her people's unintermittent travels for trade purposes with the Arab peninsula and Indian coast as well as East Africa, provided Kuwaitis with an opportunity to be in direct and continuous contact with the latest developments in some of those areas, let alone Kuwaits' aspirations to establish a developed and civilized State of their own.

The thirties experienced a cultural revival represented in replacing Katatib (Koran teaching schools) by schools of educational programmes with teachers from fraternal Arab countries. Diplomatic missions were also dispatched abroad, and organizational bodies of government began to emerge, specially Kuwait Municipality, which saw light on May 12, 1930, to undertake the mission of modernizing the Country and extending necessary services to the public.

During the thirties, the Municipality was a kind of a ruling body whose authorities had undergone further developments until it became the first experiment in self-rule which later appeared in other neighbouring countries and some third world states.

The first municipal law called for a 12-member Municipal Council, to be elected by the Country's notables, merchants and

students, with a president from Al-Sabah family appointed by the ruler. The municipality then functioned as a monitorng body of professions, crafts, pearl diving, labour affairs, trade, health and road services.

Old Headquarters of Municipality (1930)

In spite of the modernizatioin of the government apparatus, following the independence and the emergence of the State's institutions, and the adoption of the democratic constitutional form of government which is based on segregation of authorities, the Municipal Council remained a vital State body. Run by few people upon inception, the Municipality comprised in 1980, a total of 14,171 employees and professionals.

Other services sectors received considerable impetus after discovery and commercial production of oil whose revenues were employed in spreading the social welfare among the citizens who were ever partners in shouldering the burdens of the pre-oil stage in Kuwait, and who always made donations, according to their capabilities, for schools, hospitals and road projects.

Development of Government Administration

Administrative government development in Kuwait began with the establishment of the Legislative Council in 1938, and was further promoted with the formation of a Supreme Executive Committee on July 19, 1954, which was assigned with drawing up an internal reformation policy, directly responsible before Sheikh Abdullah Al-Salem Al-Sabah, the then Amir of Kuwait. The Committee, which was comprised of Sheikh Jaber Al Ali, Sheikh Sabah Al-Ahmed, Sheikh Khalid Al-Abdullah Al-Salem, Ahmed Abdul Latif and Abdul Latif Al-Nisef,resolved to found twenty-one administrations and authorities that shall undertake managing, developing and organizing the Country's utilities.

The Committee discussed the employment scale issue to organize State personnel affairs and adjust the adopted employment system with an eye to create some sort of employment stability. By the dawn of 1955, the Committee had prepared the employment and retirement systems which were ratified by the late Amir Sheikh Abdullah Al-Salem Al-Sabah. The Supreme Comittee paid attention as well to the organization of the State's financial body, and decided to assign an economic expert with the task of supervising accountance and budget affairs of the government administrations. Another expert was commissioned to organize the State's Property Department in compliance with modern techniques.

Employment scale's organization had great impact on the Country's employees as it substantially helped increase the per capita income and improve the standard of living, which undoubtedly contributed a great deal to social change and prosperity.

No sooner than the Civil Public Employment Law had been promulgated in 1960, that the Executive Committee's cadre policy was abrogated. The Decree No. 10 for 1960 called for the establishment of the Civil Service Commission as an independent body connected with the Council of Ministers. The Commission proposes bills and regulations relating to public employment, and is consulted about suggested projects pertaining to such issues

before endorsement, in addition to implementation and explanation of employment laws and regulations. It also draws up rules on salaries and wages, and determines the number and grades of posts in light of the needs of public institutions.

Due to the State's augmentation of public services, the Amiri Decree No. 2 for the year 1962 was issued with the aim of organizing ministries in conformity with the new era. The new ministerial formation included fourteen ministries, and the third article of the Decree allowed appointment of an undersecretary and one or more assistant undersecretaries for each ministry, with their assignments determined by the minister. A number of new portfolios appeared in the twelve ministerial formations such as the ministries of housing, planning as well as the Ministry of State for Legal and Administrative Affairs, etc.

The Decree Law No. 15, which was promulgated on April 4, 1979, called for the establishment of the Civil Service Council to be authorized to draw up general policies relating to the administrative organization and development of government bodies, employment systems and other civil service venues.

The Council is also entrusted with proposing general policies towards wages and salaries in a way capable of ensuring coordination between governmental bodies, public establishments and companies in which the State owns more than 50% of their capital. Furthermore, the Council shall propose the foundation of public bodies and institutions, and shall be consulted once such projects are to be implemented.

Kuwait's long experiment in government administration throughout a quarter of a century necessitated reconsideration of the administrative systems emanating from the civil employment law and its annexed ammendments in accordance with the modern concept of general administration. Hence, the 1979 Civil Service Law was promulgated to draw up the regulations that can terminate the administrative problems, particularly the inflation in the State's employment apparatus. In 1983 government employees totalled 159.364, constituting 9.5% of Kuwait's aggre-

gate population, while in most countries of the world this ratio does not exceed three percent.

Official sources at the Civil Service Commission disclosed that a total of 29.000 people tendered resignations from their governmental posts during 1982 and 1983, with Kuwaitis constituting 50%, while the remaining ratio included a host of other nationalities. A study conducted by concerned authorities revealed that the majority of resignations came from highly qualified and productive people out of their desire to join the private sector. Consequently, there has been a remarkable increase in non-Kuwaiti employees in addition to a setback in the public sector's performance quality as a result of the unavailability of plans determining the actual need from labour force and the absence of periodical training courses at all levels in modernization of the traditional administrative methods.

Accordingly, a decree was issued on October 14, 1984, providing for setting up a Supreme Committee headed by the Prime Minister, and membered by concerned ministers for developing and modernizing Kuwait's administrative apparatus through scrutinizing policies, plans and means necessary for the accomplishment of this end. The Decree determined also that the committee shall undertake:

1- Assessment of the State's administrative apparatus performance and proposing adequate methods to improve and modernize it, with due concern to be paid to the means of evaluation and training courses.

2- Amelioration of adopted work policies to ensure simplified administrative procedures and rapid achievement.

3- Determination of both the administrative apparatus' needs of employees in light of development programmes, and the social and economic policies decided by the Council of Ministers.

The Committee shall also draw up performance rates for posts available at the various administrative bodies.

4- Reconsideration of the existing monitoring methods and reports prepared by the Civil Service Commission, Audit Bureau and the Civil Service Council.

5- Development of national labour force in the different administrative bodies in conformity with their needs.

The Committee held its first meeting on November 5, 1984, and after approval of the Council of Ministers, it decided to set up three sub-committees to follow up performance rates, means and methods of work and training affairs. Those sub-committees were also in charge of conducting ad hoc studies for administrative development and raising of productive performance rates in the State's employment apparatus.

The Civil Service Council examined a number of topics proposed by the Supreme Committee for administrative development and modernization in Kuwait to meet the requirements of the State's administration apparatus during the forthcoming period in various fields and in accordance with the five-year (1985/86 - 1989/90) plan.

A committee including experts from the Civil Service Commission, Kuwait University and the Ministries of Education and Defence was formed to draw up the rules and foundations congruous with the five-year plan's actual needs.

Not only has the State been keen on developing the administrative system, but it has been paying due concern to the future of its Kuwaiti employees and their families; hence, the Amiri Decree No. 61 for the year 1976, was declared on the establishment of the Public Institution for Social Security and Social Insurance law and its amendments.

These measures are first and foremost carried out to guarantee an honourable life for Kuwaiti employees in cases of retirement, death, industrial accidents and disability by paying them due remuneration or retirement allowance in accordance with law against monthly discounts from their salaries. The Decree also guaranteed treatment of victims of industrial accidents at the expense of the Institution whether inside or outside the Country.

2 - Educational Services

Prior to 1936 Kuwait did not have access to the current multi-stage educational system. Forefathers and parents ran up against sizeable toil and distress when they were students at the Katatib to learn the Holy Koran, Islamic teachings and the simple rudiments of arithmetics against some fees paid by students' parents on religious occasions to the Mullas (the Katatib teachers).

It is noteworthy that schools at the time used to be named after their Mullas; thus Kuwait's famous private schools were those owned by Mulla Zakarya Al-Ansari, Abdullah Abdul Latif Al-Othman, in addition to Mulla Rashid.

Expansion in commercial and economic activities in Kuwait entailed the availability of more qualified people in mathematics which, by turn, necessitated the establishment of a school that pays due concern to education, an idea which went in harmony with aspirations of the Country's notables. It was during a festival held on the anniversary of prophet Mohammed's birthday that a call for constructing a school from donations had been promulgated.

On December 22, 1911, Kuwait's first formal school, Al Mubarakiyah, came into light at a cost of 16,000 Rupees with a plot of land donated by a well-off citizen. Sheikh Yousif Bin Issa was appointed school principal and a special committee for running the school's financial affairs was formed. The school was joined by a total of 245 pupils upon inauguration.

Another school named "Al Ahmadiya School for National Youth" was established in 1921, with the donations extended by a number of charitable people, topped by Sheikh Ahmed Al-Jaber Al-Sabah. Al Ahmadiya hosted a sizeable number of Arab teaching staff who arrived in Kuwait especially for this task.

School curricluae had undergone considerable amelioration as a number of modern subjects were introduced in congruity with the Country's increasing commercial activities, including English which was of great importance to travel and trade affairs with other countries. Several English schools later emerged for the same end.

With the growing number of students, the two schools' capacity failed to absorb all candidates. This motivated some concerned citizens to call for allocating half percent of customs receipts for education budget. The proposal was carried by Sheikh Abdulla Al-Jaber to Kuwait's ruler Sheikh Ahmed Al-Jaber who expressed support to the idea and urged coordination with the Country's big merchants who, for their part, agreed to the plan so long it served the common interest. The proposal yielded 63,000 Rupees which were placed at the disposal of the Education Council, presided by Sheikh Abdullah Al-Jaber Al-Sabah as of October 18, 1936. At the outset, the Council consisted of twelve members, with Sheikh Yousif Bin Issa as diretor and Abdul Malik Al-Saleh as a secretary and treasurer.

The Council was assigned with drawing up educational curriculae and plans and shouldering the responsibility of the previously-mentioned financial committee. It was by virtue of the Council's activity that the first educational mission came to Kuwait from Palestine in 1936 with the aim of developing the educational curriculae. By scholastic year 1938/1939 Kuwaiti students came to a total of 1,220, receiving education at eight schools distributed countrywide.

Promulgation of Eduction Law constitutes a turning point in transferring the educational responsibility from the private to the public sector, which was a decisive factor in protecting the educational process from economic crises and in ensuring its development and organization to cope with the educational levels in the rest of the Arab countries. Unlike the private sector, the public

sector was a competent party in providing and guaranteeing imported teaching staff.

The Education Council, from the very beginning, adopted nationalist and Pan-Arab attitudes which materialized in the categorical rejection of Britain's attempt to appoint, through its commissioner in the Country, a British educational supervisor. The Council was decisive in announcing that Kuwait shall not allow any party to intervene in its own affairs, underlining that the well-qualified Kuwaiti citizens, supported by Arab specialists, are competent enough to shoulder the educational sector's responsibilities.

The Council, furthermore, did not confiscate woman's right to have access to education; hence, a contract was signed with two female teachers from Palestine for scholastic year 1937/1938, thus opening new horizons for women whose previous education was merely confined to religious teachings. It was such a courageous decision that it put an end to the prevailing inferior social view of woman education.

The Council inaugurated the first school for girls in the aforesaid year after having rented a house to tentatively function as a school. Other houses were later rented for this purpose as the number of female students was substantially increasing. The Council, however, incorporated the countrywide scattered schools into zones: Eastern, Quibla and Central schools. To meet the remarkably proliferating number of girl students, the Education Council established Al-Zahra School in 1946, Murquab in 1949, Al-Salhiya in 1950 and Khaldiya in 1952, thus covering all Kuwait's new areas.

The first student mission, which included the first batch of graduates from Mubarakiya and Al-Ahmadiya schools, left Kuwait in 1924 for Iraq where they joined Al-Azamiya College in Baghdad, and in 1939 a second mission was dispatched to the Iraqi Capital where they entered the Rural Teacher's College for a four-year course of study that qualified them for practising teaching as a profession.

Four Kuwaiti students were sent in 1939 to Cairo to pursue their secondary education, and in 1943 a seventeen student batch proceeded to the Egyptian capital, which was followed, two years later, by a mission consisting of forty students. Cairo received also the first female student mission in 1955, where they joined Egypt's higher institutes after having finished their secondary eduaction in Kuwait.

After 1946 student missions covered almost all spheres of knowledge such as technical, commercial, industrial, religious and eductional fields which entailed increase in the Education Administration's budget. This was attainable as it coincided with the rise in the national income from oil returns.

While the education budget during the thirties of the current century did not exceed 80.000 rupees (*), the forties and fifties witnessed remarkable development in this regard, as the table below shows:

School Year	Budget by Rupees
1942/1943	415.054
1946/1947	1.117.076
1947/1948	1.904.506
1948/1949	3.437.385
1949/1950	4.770.209
1950/1951	9.462.092
1951/1952	24.126.389
1952/1953	32.000.000
1953/1954	37.000.000
1954/1955	51.000.000
1955/1956	70.000.000

(*) Currency unit used in Kuwait at the time was the Indian Rupee and was equivalent to 75 fils.

Kuwait at the time paid due concern to provide eductional facilities to the sons of Arabs involved in work abroad, particularly in Karachi and India. The Education Administration opened in November 1963 an Arab school in Pakistan which comprised, in 1955, a total of 92 male and female students from various Arab countries. In 1952 another school was opened in Bombay for teaching Arabic and religion in response to demands by Kuwaiti citizens.

Out of Kuwaiti citizens' desire to provide their children with access to learn their mother tongue and religion, another school was opened in Bombay for this purpose as India was an attractive trade centre for Kuwaitis who, sometimes, had to stay there for relatively long periods of time.

In September 1953, Kuwait's Shuwaikh Secondary School for Boys, the largest in the Middle East, opened doors for students. Constructed on an area of 635 acres at a cost of five million sterling pounds, the school could easily absorb the students of Mubarakiya Secondary School. Murquab Secondary School for Girls was inaugurated in September 1954, and adopted the Egyptian curriculae with some adjustments so that they go in harmony with Kuwait environment.

Opened at the same period, the Industrial College included a number of specialized training courses to bridge the gap in the Country's needs of technicians, carpenters, mechanicians, electricians etc. To encourage Kuwaiti students join the College, the State decided to grant them monthly financial rewards at an annual increase in addition to 5% of their products' profits.

The following table sheds light on Kuwait educational development in respect with the number of students and teachers between 1960 and 1985.

	YEAR	
	1960	1985
Number of Public Schools	113	540
Number of Students (male and female)	40302	385104
Number of Teachers (male and female)	2011	27520

Released figures show that in 1960 there was a teacher for each 20 students, but in 1985 each 14 students had one teacher, which is indicative of another qualitative educational development in Kuwait.

An intermediate School for Boys

State budget for fiscal year 1985/1986 included a total of KD 270.500.000 for education.

Eduction in Kuwait is compulsory for all Kuwaiti children, male and female alike, starting from the elementary stage up to the end of the intermediate one. The law on Compulsory Education, which was enacted on March 27, 1965, comprised a number of penalties against students' sponsors who violate the provisions of the law.

The Ministry of Education pays special attention to elementary and intermediate stages during which students derive their most important information and knowledge which enable them to proceed in their future life.

It is for this reason that the Ministry works deligently to develop school curriculae, stimulates student's scientific and artistic creative capabilities, and encourages cooperative student action through joint projects and sight-seeing trips. Intermediate-stage students' syllabus consists of practical technical studies, which, in turn, include painting, arts, electronic, electric and commercial courses.

An Intermediate School for Girls

Secondary-school students, who are prepared to postsecondary, academic life, receive periodically revised and developed courses that basically target developing their mental and creative abilities as well as their cultural background.

High-school graduates who cannot have access to Kuwait University for not being able to meet academic requirements can find alternatives at the many technical, commercial and applied sciences institutes, established with an eye to provide the society with technically-qualified cadres.

Out of the State's keenness to enhance students' national allegiance, the Ministry of Education introduced in 1977/1978 miliary education to male students' syllabus as a major course for the third secondary class students while female students have to cover courses in nursing and first aid.

As of 1978/1979 the Minsitry of Education began to apply the semester system to acquaint students with research methods and scientific thinking and to get them into the habit of self-dependence in search for necessary references and in pursuit of the latest achievements in the world of science.

In 1982, a law was promulgated on the establishment of the Public Authority for Applied Education and Training, with its ninth article stipulating that applied education sector involves Education Institutes for Male and Female Teachers, Business Institutes, Kuwait Institute for Applied Technology and Kuwait Institute for Health Sciences. The training sector includes Telecommunications Training Institute, Electricity and Water Training Institute, Aviation Institue and Fire-fighting Training School.

The Public Authority for Applied Education is entrusted with drawing up plans and programmes in this respect and setting up training schemes in compliance with the Country's actual needs from technically-qualified labour force in implementation of the State's development plans. Students, enrolled in the aforesaid institutes and training centres from both sexes totalled to 10,127

in the school year 1985/1986, an increase of 1,311 students in comparison with the year before, was noted.

The Ministry of Information supervises the High Institute for Dramatic Arts as well as the High Institute for Music to provide Kuwait's artistic movement with qualified elements in theatrical and musical activities.

Due concern is also paid by the Ministry of Education to private education schools for sons and daughters of Arab and foreign communities. Supervised by Private Education Department, those schools receive direct and indirect technical, administrative and financial assistance from the Ministry of Education. The Ministry pays private schools KD 50 for each student in the secondary stage, KD 42, for intermediate-stage students, and KD 37 for each student in the elementary stage.

The number of students registered at Arab and foreign private schools in Kuwait in 1984/1985 was estimated at 92,489, with 35,492 students at the foreign schools and 56,997 at the Arab schools. Amongst Kuwait's 80 private schools, 55 are Arab schools and 25 foreign ones, not to mention some schools' branches spread all over.

Kuwait , which believes that illiteracy after all is a national question, has been paying special regard to eradication of this problem since 1958. An Amiri Decree was issued in this respect in 1981, urging all male and female illiterates to join illiteracy obliteration centres, and asserting that the rulings applies to all Kuwaiti uneducated men between 14 - 40 years of age who are employed by the Government bodies, public institutions and joint-sector companies. Women were not excluded from the Law which stipulated that Kuwaiti illiterate women between 14 - 35 years old who are employed by the public sector shall join the female centres of illiteracy eradication.

Issued on April 19, 1966 High Education Organization Law determined the primary rules of academic education in the various faculties and sections, and entrusted the concerned

academic councils with drawing up study plans and admission requirements.

When Kuwait University opened doors for students in November 1966, the number of students at the University's three faculties was 418, of whom 358 were Kuwaitis.

The First Batch of Graduates from the Kuwait University Faculty of Medicine

Within 19 years the number of faculties increased from 3 to 9, including arts, science, commerce, education, engineering, law, medicine, sharia and pre-medics. Between 1969 - 1980, a total of 12,301 students graduated from Kuwait University with the number of female graduates amounting to 7,483.

The number of university students is presently estimated at 13,021, among whom are 7,244 female student and 5,777 males. Kuwait University has offered scholarships for 178 students to persue their education abroad.

University administration, in addition, opened a number of centres with a view to develop people's scientific and cultural capabilities without stipulating admission provisions, such as Society Service Centre, Language Teaching Centre, Computer Centre, and Assessment and Measurement Centre.

The Education Ministry takes part in Festivals on Kuwait's National Day

3 - Health Services

Kuwait maintained the citizens' right to comprehensive medical care whether in terms of preventive or actual treatment to protect them against diseases and epidemics that might curb their contribution to the progress of their homeland.

Unfamiliar with medicine in its modern, overall concept until 1910, Kuwaitis practised popular medicine. As a result of their exhaustible efforts exerted to earn living, Kuwaitis were often vulnerable to various types of weakening maladies. Despite the fact that such diseases did not curtail their normal, assiduous work, particularly during travel and diving seasons, yet they affected their productive potentials as they used to treat such diseases with traditional medical methods. Ophthalmia (inflammation of the eyes), for instance, used to be treated with antimony (kohl), intricate incurable diseases with cautery, and camel urine was used by some Bedouins (nomads) as an eye lotion and wound antiseptic. Herbs were also prescribed for treatment of several diseases, but if a patient did not recover, they

believed that he had been haunted by jins and that entails arrangement of a special party aimed at ridding the patient of spirit of the devils.

The Islamic Pharmacy, owned by Haj Abdullatif Al- Duhaim, was the first pharmacy in Kuwait which offered citizens with creditable services. By the dawn of 1931, when Kuwait was swept by smallpox, the government prevailed on the then Municipality Director Sulaiman Khalid Al-Adsani to take the necessary precautions. Unhealthy people were prevented from entering the Country, a firm grip was imposed on the city's entrances and preventive measures were put into effect to protect the unplagued citizens.

However, the disease claimed lives of approximately 7.000 people, most of whom were children, because the American Mission Hospital failed to obliterate the disease owing to its limited potentials.

The Mission established its own hospital in Kuwait after it had obtained approval of the then Amir Sheikh Mubarak in 1911 and it was actually the first hospital in Kuwait, which was built at a cost of US 6.000 dollars. Unfamiliar with the Kuwaiti traditions, the Mission members thought the hospital would be servicing both sexes, thus they had to construct another hospital in 1912 and Dr. Eleanor Calverly, better known as "Khatoun Halimah" amongst the Kuwaitis was assigned the task of treating Kuwaiti women. She succeeded in overcoming all handicaps and barriers of fear that were encompassing the Kuwaiti women as far as modern medicine was concerned.

The mission's men medical unit treated the Kuwaitis who had been injured during Al-Jahra and Al-Rigai battles, and helped fighting some diseases and epidemics despite its modest capabilities.

During the thirties, a number of Kuwaiti celebrities examined the idea of establishing a national hospital, but after a meeting which included Yousif Bin Al-Qanai, Mish'aan Al-Khudhair and Hamad Al-Fahd Al-Khaled the idea did not materialize due to the

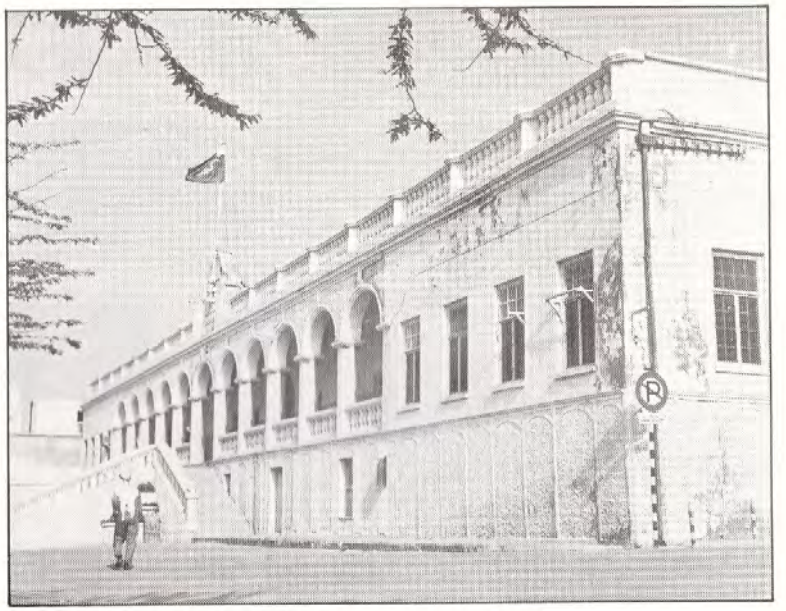
deteriorating economic situation at the time. Kuwait took a leading initiative in 1942 when it assigned an Arab physician with the task of preparing a report on the health situation in Kuwait, who recommended the establishment of a number of hospitals and clinics as well as the necessity of contracting medically qualified people for this purpose.

American Mission Hospital

In implementation of these recommendations the officials increased the budget of the Health Administration from the customs tax returns to 1.5% and set up a quadruple committee to supervise health affairs in Kuwait from Ahmed Al-Mishari, Nisef Yousif Al-Nisef, Abdul Hamid Al-Sane'a and Abdullah Zaid Al-Khalid. By the end of July 1944, the first law on health affairs in Kuwait was promulgated, including 14 articles to organize the Health Administration's affairs and employees.

Sheikh Ahmed Al-Jaber Al-Sabah opened, on October 18, 1949, The Amiri Hospital which constituted the beginning of Kuwait's revival in the health services field, a step which coincided

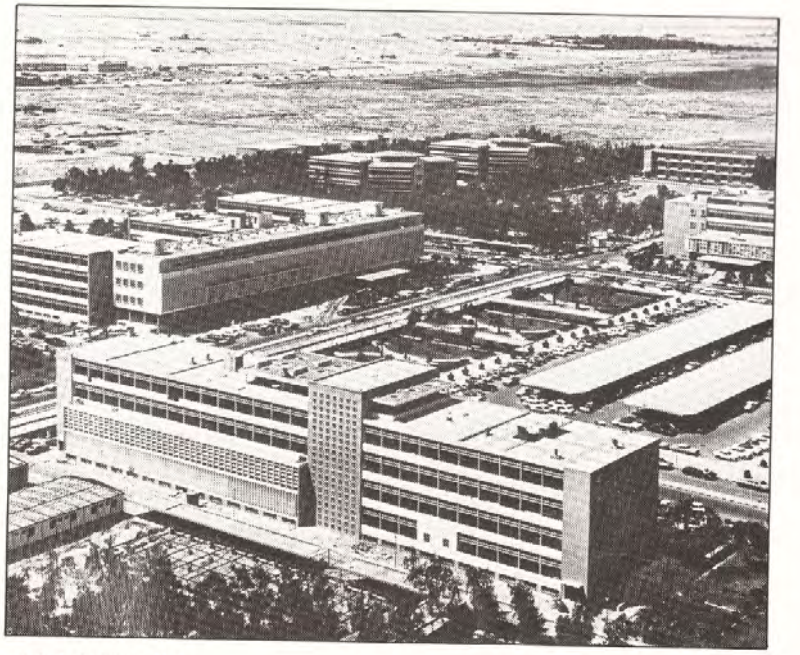
with the availability of necessary funds as a result of the increasing oil receipts.



Old Building of The Amiri Hospital

Hospitals and clinics were afterwards constructed all over Kuwaiti cities and suburbs, specially with the advent of great numbers of Arab citizens to Kuwait, particularly the Palestinians, as a result of the 1948 aggression, to whom, Kuwait had to offer health services on equal footing with her citizens in compliance with her human and nationalist commitments. In 1950, the department of preventive medicine, radiology and Laboratories were established in addition to ophthalmology section at the Amiri hospital which were followed by quarantine, veterinary medicine unit and school health section.

Maternity and Sabah Hospitals as well as the Blood Bank were inaugurated in 1961 and were provided with the most sophisticated medical equipment, both for treatment and diagnosis.



Al-Sabah Hospital

Kuwait, which adopted the health registration system, constructed a clinic in each area so that the citizens enjoy easy access to medical services, with those clinics preserving medical files for each family to facilitate pursuit of the patient's health situation and any possible hereditary diseases.

In 1961 Kuwait had one medical doctor for each 1000 people, which reflected the substantial medical achievements in comparison with the past years when it had one physician for each 100.000 people in 1936 and one for each 25.000 in 1949.

Each 120 people had a single bed in 1961, while in 1949, one bed was allotted for each 1000 people. The number of patients who were admitted to hospitals in 1960, were estimated at 25,294, constituting 8% of the total population.

The following table demonstrates development in health services in Kuwait between 1949 - 1961.

Health Institutions	1948	1953	1957	1961
Hospitals	2	2	5	8
Sanatoriums	-	2	2	4
Poly-Clinics	2	5	17	28
Dentistry Clinics	-	4	9	19
Mother Care Centres	-	-	4	7
School Health Specialists Clinics	-	-	-	7
Veterinary Centres	-	1	3	5
Number of Hospital Beds	110	611	1322	2158
Environment Health Centres	-	1	3	7

The Ministry of Public Health was established in 1962 to meet the increasing and divergent medical needs. It comprised a considerable number of well-qualified medical cadres and sought assistance of consultants in the various medical spheres upon the establishment of the State's health service facilities.

The Ministry's efforts exerted in developing health services were manifested in the number of hospitals which had increased from 8 in 1961 to 15 in 1984 as well as the proliferation in the Country's poly-clinics which went up from 32 to 45 during the same period. The establishment of these health institutions went side by side with the preparation of technical and medical cadres.

In 1983, a total of ten million people received treatment in Kuwait by 362 medical doctors at 56 different centres, with 900 work hours per day. Child care centres offered, during the same year, services to approximately 2.5 million people, while mother

Mubarak Al-Kabir Hospital

care centres serviced more or less 300.000 pregnant women and extended 192.000 consultations in cases of gynaecology. The number of physicians working in the Country's public health institutions was estimated at 2872 in 1983, averaging one doctor for each 572 people in comparison with 1961 statistics, which showed that there had been a single physician for about each 1000 people. Beds also increased from 2158 in 1961 to 6952 in 1983, with an average of one bed for each 237 people.

The Ministry of Public Health embarked on a health survey project in March 1984 with a view to obtain fresh and comprehensive data about the health situation of citizens, and to acquaint itself with the types of prevalent diseases. In implementation of these objectives a total of 12.000 family were selected at random so as to study their therapeutical behaviour in conjunction with the demographic, economic, and social variables as well as their health habits in relation with such variables. The results will cast light on patterns of health services employed, medical care cost, food habits and behaviour among children below 12 years of age in addition to other data.

Once the Ministry gets over with the implementtion of the new health registration system, which has become an imperative need to cope with the rapid pace of health services development, it will link the hospitals and poly-clinics with a computerized network of information.

New Building of The Amiri Hospital

The system hinges on three foundations: The patient's health file, number and card, which enable a physician to obtain appropriate background of his patient's health history through computer which will contain the patient's sole, life-long number. The health card includes the patient's basic personal data, and permits holder to make use of health services at his area's medical centre, and, simultaneously, represents the person's chronological health record.

The Central Blood Bank depended upon both local blood donations and importation, but, as a result of the augmentation of its activity, the Bank went into a new stage of self-sufficiency from local donations in 1968. While the Bank received 5,077 blood

sacks from donations by citizens in 1965, such donations rocketed to 25,841 sacks in 1984. The Bank did not fail to extend assistance to some Arab countries during wars and emergency circumstances.

Kuwait's Medicine Plant, which was established in 1966 to secure the Country's requirements of medications, produced 31 types of medicaments and tablets in 1984, with quantities reaching 55 million production units in comparison with 500.000 units in the first years of production. The Plant currently covers all the Country's needs of the kinds of medications produced by the factory and 13% of the Ministry's requirements of medicine in general.

Non-profit health societies in Kuwait, founded with an eye to give an impetus to development of health services actively participated alongside the public sector in quickening and broadening the pace of people's health awareness through seminars, lectures and bulletins, and particularly, through their relentless campaigning against dangers of smoking. They also sought defence and preservation of the noble objectives of the various medical professions. In augmentation of their scale of activities, Kuwait's non-profit medical societies, joined Arab and international unions and associations with the aim of extending human services to diseased and disabled people and children, as well as the victims of natural catastrophes caused by earthquakes, floods, and waves of drought.

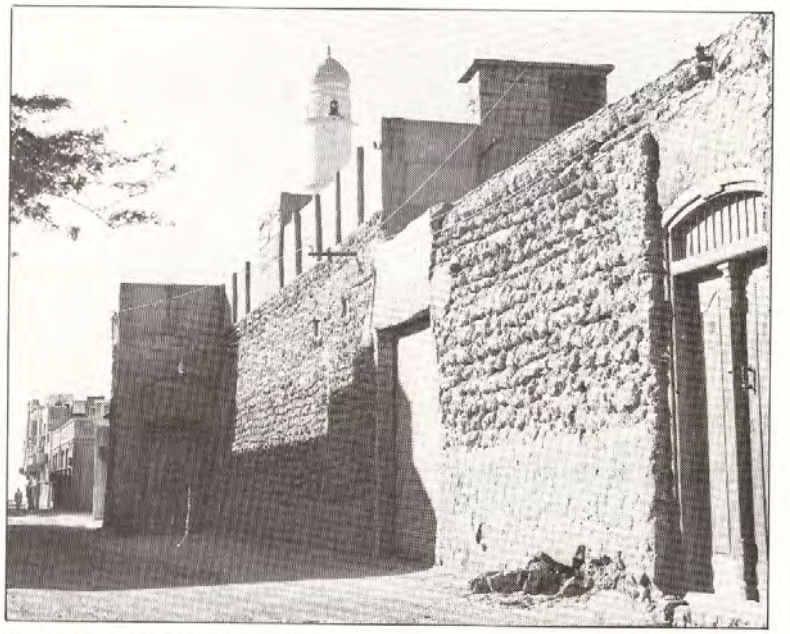
Kuwait health societies' role at times of war in rescuing injured people and offering necessary assistance to refugees is another landmark in their human march, let alone their substantial participation in the annual forums and conferences at the local, regional, Arab and international levels.

4 - Housing Services

Housing is one of the major issues faced by Kuwaiti society due to the fact that it directly touches upon the lives of broad sectors of citizens, specially the young generation and the newly-formed families

The Government, in fact, vowed to handle the housing problem some years before the independence, and following establishment of the Construction Council in 1954, the Government commenced to scrutinize providing citizens with housing facilities.

Two thousand multi-designed housing units had been constructed in five residential areas and were distributed by the Construction Council and the Municipality Administration at the time when housing utilities were exceeding the number of applicants. The State Property Department, in 1956, took



Traditional Houses in Kuwait

responsibility for the distribution of the government's housing units among citizens of limited income, then the Housing Committee, which comprised a number of governmental directors, was set up with the purpose of assisting the State Property Department in its mission.

In light of studies and researches conducted by Social Affairs and Work Ministry the government houses were distributed among three groups of citizens:

1- Those nominated by the Committee members from the limited-income people, provided that the nomination be approved by the rest of the members.

2- People who are temporarily granted houses until construction of their land plots or purchase of substitute houses instead of the demolished ones.

3- Citizens who cede their right to obtain land plots.

In addition to previously constructed houses, a total of 1056 houses were later built and disseminated in this manner:

(a)- Distribution of 22 houses among tentative residents after the State's appropriation of their houses, and until construction of their land plots.

(b)- Distribution of 63 houses amongst needy families.

(c)- Distribution of 766 houses among the entitled citizens of limited income.

Following Kuwait's national independence, and in an endeavour to face the housing problem seriously, an Amiri Decree was issued in 1962, entrusting the Ministry of Social Affairs with the responsibility of handling the housing issue.

Participating in solving the problem, the Municipality allocated residential lots for Kuwaiti families whose houses had been appropriated for the public interest.

The Credits and Saving Bank was brought into being to grant realty loans for citizens who would rather purchase constructed houses, and for those who have State-allocated or privately-owned land plots and for people intending to expand or rehabilitate their houses.

The Bank extends loans to limited-income people who intend to construct additional storeys or annexes to their houses.

Responsibility for implementing the government houses was assigned to both the Ministry of Public Works and the Credits and Saving Bank, thus the Ministry implemented a total of 10,370

Kuwaiti Modern Buildings and Constructional Planning

houses in 1974 against 5,472 houses by the Bank. Despite the fact that the housing issue was supervised by a number of Public bodies, yet they shouldered a heavy burden because a great deal of Kuwaiti families began to prefer independent residential units, a desire which had been gaining proportion as a result of citizens' increasing education and health awareness.

Accumulating housing applications entailed the establishment of an ad hoc institution to handle the problem. It was for this purpose that the Amiri Decree No. 15 for the year 1974, called for the establishment of a Housing Public Authority with a legal status to exert all possible efforts to provide housing utilities for the needy families of limited income

The Authority was free from red tape and other restraints of bureaucracy so as to be able to carry out its mission efficiently. To

ensure utmost coordination with the Ministry of Housing, which came into light in conformity with an Amiri Decree in 1975, some articles of the Authority's founding law had been amended, specially the one stipulating that the Authority be affiliated with the Ministry of Housing.

The Housing Public Authority gave priority to planning and zoning to guarantee proper landscaping, on the one hand, and to make sure that citizens are equally accomodated, on the other.

A total of KD 706 millions were allocated for the Authority in the first Five-year housing plan, which enabled the Authority to implement a number of housing units, including 9,696 Arab-style houses. The Authority undertook the implementation of residential units for medium-income citizens following the issuance of the Council of Minister's resolution, in January 1978, which brought to a halt granting of land plots and loan programmes. This entailed that the Authority undertake implementing 8000 houses in addition to its responsibility for housing utilities of limited income citizens.

The following table shows the number of land plots allocated by Kuwait Municipality since the beginning of extending housing services up to the promulgtion of the above-mentioned Cabinet resolution:-

Zone No		Plot's Area in Square Metres 500	750	1000	less than 1500	total	Distribution Date
1	Dasma	327	85	47	1	46	14.11.1954
2	East Magwa'a	8	5	11	-	24	24.11.1954
3	Shuwaikh	-	-	258	1	259	20.12.1954
4	South Shuwaikh	-	-	32	-	32	19.9.1960
5	Kifan	445	122	97	-	664	5.3.1955
6	Faiha	389	98	93	-	580	5.3.1955
7	Duiya	126	172	89	-	580	9.6.1956
8	Qadisya	296	208	179	2	685	20.5.1958
9	Al-Sha'ab	161	63	35	-	259	29.4.1959
10	Khaldya	-	203	485	-	688	17.6.1961
11	Idailya	-	264	509	-	773	6.3.1963
12	Jahra	-	209	298	-	507	5.3.1964
13	Abu Hlaifa	-	17	84	-	101	5.3.1964
14	Fahaheel	-	116	116	-	232	5.3.1964
15	RUmaithya	-	188	985	-	1173	19.3.1964
16	Fintas	-	21	83	-	104	5.3.1964
17	Sulaibikhat	-	128	99	-	227	19.3.1964
18	Rawdha	-	398	268	-	666	1.6.1965
19	Omariya	-	50	26	-	76	3.7.1966
20	Failaka	-	210	12	-	222	3.7.1966
21	Abdulla Al-Salem	-	535	641	-	1176	26.6.1967
22	Mansouriya	-	200	177	-	377	9.3.1965
23	Nizha	-	418	297	-	715	26.6.1967
24	Khitan	-	114	80	-	194	31.3.1968
25	Sabahiya	-	307	218	-	525	30.8.1967
26	Rabiya	-	56	185	-	241	27.12.1970
27	Mishrif	-	1481	240	-	1721	28.4.1976
28	Ardhiya	-	392	28	-	420	11.5.1976
29	Hadiya	-	703	29	-	732	12.5.1976
30	Bayan	-	1141	64	-	1205	26.9.1977

The Authority started its second housing plan (1981-1985) with an ambitious step that aimed at establishing 36.000 residential units, and vowed that it would spare no effort to quicken the pace of accomplishment and development in the accompanying services and utilities.

Despite several restraints pertaining to labour force, raw material, and planning, the Authority implemented a total of 25282 housing units by 1984, from the projects of the first and second plans the costs of which were estimated at KD 1181 millions.

The following table casts light on the units implemented in various areas by the Authority up to 1984.

PROJECT	LIMITED INCOME	MEDIUM INCOME	ARAB-STYLE HOUSES
Bayan	1396	444	-
Failaka	163	-	-
Khitan	-	369	-
Mishref	-	26	-
Hadiya	-	271	-
Ardhiya	-	612	-
Firdaws	3317	-	-
Sabah Al-Salem	2399	814	-
West Mangaf	296	-	-
East Ahmedi	806	-	-
Sabahiya	857	-	-
Omariya	71	-	-
Jahra	1776	-	-
Jahra "A"	-	-	2161
Jahra "B"	-	-	1989
Salibiya	-	-	5546
A-Thahr Project	1969	-	-
Total	13050	2536	9696
Aggregate	25282	-	-

In addition, the Authority implemented 58 mosques, 15 kindergartens, 59 schools of various stages, six suburb centres and six poly-clinics.

His Highness the Amir has been personally keen on following up the housing problem, which resulted from accumulation of applications, through the Consultative Body at His Highness' bureau, which conducted an intensive 18-month study of the issue.

The study was forwarded to His Highness the Amir who, by turn, referred it to His Highness the Crown Prince and Prime Minister who ordered setting up a ministerial committee to review the study.

Consequently, an Amiri Decree was issued in March 1982, calling for the establishment of the Housing Supreme Council which comprised nine highly qualified and competent members.

The Council was assigned the following duties:

1- Determination of the housing objectives and linking them with the State's housing policy.

2- Drawing up of clear cut, long-term housing policy in light of population growth.

3- Suggestion of plans, systems and laws necessary for putting the housing policy objectives into effect.

4- Follow-up of implementation of housing policy and plans.

5- Preparation of studies and researches relating to housing.

The Council, furthermore, had adopted a number of recommendations to handle the Country's residential situation which were referred to the National Assembly by the Government. In light of the recommendation, the Government and the National Assembly agreed upon the unification of houses' designs and modernization of housing applications to materialize precise requirements of the citizens with respect to housing utilities. They also consented to creating several options which enable

citizens to acquire government housing units through real-estate loans, land plots, loans, residential apartments, unified-pattern houses and land plots without loans.

Despite the State's keenness on providing its nationals with the appropriate housing facilities, Kuwaitis still turn away from residential apartments, which adds further predicaments to the housing problem. With the continuous population growth and the increase in the number of applicants for housing services, horizontal construction can never last long, which entails further cooperation between the people and the government regarding vertical expansion in residential services. It is noteworthy that proposed government apartments are more or less equal in area to land plots, in addition to the availability of all housing utilities in those apartments.

Affluent Residential Complexes

5- Electricity and Water Services

Kuwait's first experience with electricity dates back to the thirties of the current century, although some people believe it goes back earlier when Sheikh Mubarak Al-Sabah purchased an electric generator from India for the Sief Palace.

However, generation and use of electric current in the Country officially goes back to 1934, upon the foundation of the Civil Electricity Company which started work by using 300 direct current volts. In 1949 the electric network's pressure was adjusted to reach 380 alternating current volts, after the installation of two diesel generators with 250 kilowatt each. As the responsibility for electric services had been assigned to the Electricity Department in 1952, the first steam station was established in Shuwaikh, where the first steam generator was operated at an aggregate capacity of 750 Kilowatt. Seven steam generators as well as five gas turbines, whose total capacity was estimated at 324 megawatt, were later added.

In view to the expanding numbers of industrial, commercial and residential areas in the Country, and due to the increasing electricity consumption average, North Shuaiba Station was established in which the first steam turbine was operated at the dawn of 1965, with a productive capacity amounting to 70 megawatt.

Later on, the number of steam generators went up to constitute five steam generating units at a productive capacity of 350 megawatt. In 1970 the first electrical generator was operational at South Shuaiba area to which five more were added until their compound productive capacity reached a total of 804 megawatt.

Eastern and Western Doha Stations were later established, with the former consisting of seven generators at a capacity of 150 megawatt each in six gas units with 18 megawatt each, bringing the station's compound capacity at 1158 megawatt. Western Doha station contains eight electric generators with 300

megawatt each. Operated in 1984, the station's compound capacity currently amounts to 2400 megawatt.

The total electric power production in 1984 amounted to 141196 Kilowatt hour against 120 Kilowatt hours in 1955, while the maximum electrical load was estimated at 2975 megawatt in 1984 against 15 megawatt in 1955, according to 1985 data released by the Ministry of Electricity and Water.

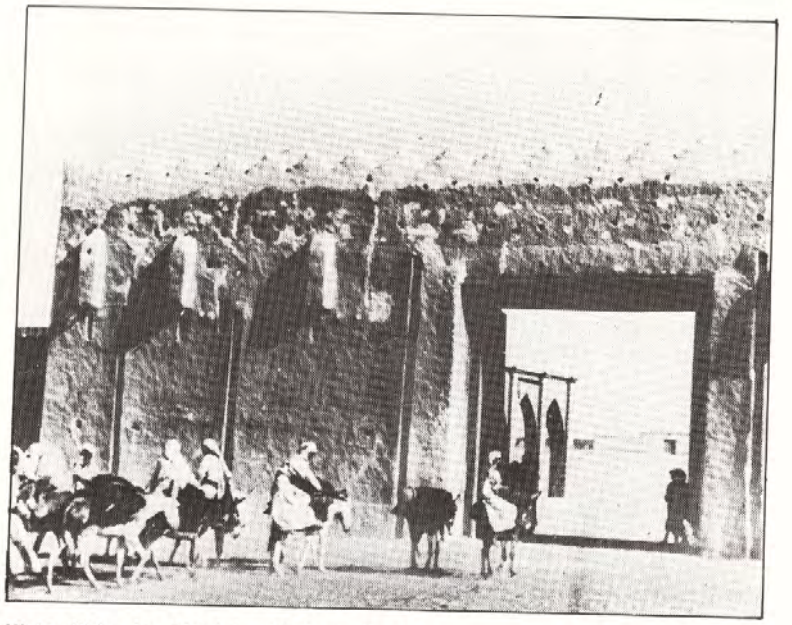
Works are currently underway for the implementation of a number of electrical projects topped by the Southern Zour Power Plant which is to be consistent of eight units, the generating capacity of each is estimated at 2400 megawatt.

The first unit is scheduled to go into operation during 1986, while the remaining units will be operational after three or four months in succession which means that the whole plant will be in full swing in 1988.

Inauguration of Sprinkling-System Doha Electricity Station

As far as water is conerned, Kuwaitis traditionally used to basically depend on rainfall in addition to some water wells near the city. Wells depletion, rainfall scarcity and population growth motivated the Kuwaiti people to transport water from Shatt-Al-Arab (river in South East Iraq formed by the Tigris and Euphrates rivers) by sailships, particularly after having established the Kuwait Water Company in 1939 which comprised 35 ships. The Company, in cooperation with the Municipal Council, organized the transport and distribution operations.

The first project at Shuwaikh Station was constructed in 1952 by the Water Department at a cost of 1,927,000 sterling pounds, with a production capacity amounting to 1.5 million gallons of potable water per day. The project was expanded to include ten distillation units at a productive capacity of 32 million empirical gallons a day.



Water Skins for Obtaining Water in the Past

In 1966 work had begun to install three distillation units at North Shuaiba Station, the capacity of each was estimated at one million empirical gallons daily. The Station as later augmented to comprise seven productive units, which brought its aggregate capacity to 14 million empirical gallons a day.

The first distillation unit at South Shuaiba Station was put into operation by the end of 1971, at a daily productive capacity of five million empirical gallons. After expansion, the Station consisted of seven distillation units with a total daily productive capacity amounting to 14 million empirical gallons. At the end of 1971 another station was operational at South Shuaiba with its six huge distillation units producing about 30 million empirical gallons per day.

Shu'aiba Water Desalination Station

Western Doha Plant consists of seven distillation units at a total productive capacity of 42 million empirical gallons daily, whereas the Eastern Doha Plant includes 16 distillation units with a total capacity amounting to 96 million gallons.

In addition to the aforementioned sea-water distillation

operations, which scored unparalleled success by virtue of human will victory over the natural environment acrimony, exploratory endeavours revealed the existence of many artesian wells at Rawditain, Um Al-Aish and Sulaibiya, with the water wells at the first two areas producing approximately 1.5 million empirical gallons a day in ordinary circumstances. This quantity, should the need arise, could be multiplied to 3.5 million gallons daily for 10 to 15 days in succession, at a maximum of three times per year.

Kuwait's total production of potable water in 1984, according to figures released by the Ministry of Electricity and Water, was estimated at 35,306 million empirical gallons in comparison with 391 millions in 1954.

Shuwaikh's Water Purification Plant

Low-salt water also exists at Sulaibiya and Shagaya areas with productive capacity of ground water estimated at 75 million empirical gallons per year. However, this type of water is locally used at a limited scale for specific purposes, although Kuwait began making use of low-salt water back in 1953.

In 1960 pipe networks for low-salt water supplies had been installed with an aim to limit fresh water consumption which averaged 94.3 million empirical gallons in 1984. Available statistics demonstrate that Kuwait's total production of low-salt water in 1984 was estimated at 17,958 empirical gallons against 291 million in 1951.

The per capita share of electric power was 86,77 kilowatt hour in 1984, compared to 1007 kilowatt hour in 1957. High average of water and electricity consumption in Kuwait is in fact one of the most serious problems faced by officials of this sector since energy has become as necessary as food and water, let alone its role in providing man with its major and minor needs.

Kuwait's desert weather, which entails usage of air conditioners, in addition to the growing exacerbation in consumption habits in the Kuwaiti society as well as cheap energy prices, played, all together, a fundamental part in Aggravating the problem of power depletion.

Water and electrical power plants consume about 100,000 barrels of oil daily which constitutes 10 percent of the oil production average. This quantity is expected to go up to 300,000 barrels daily in the year 2000 should consumption growth average amount to 7% annually, let alone the costs of construction and maintenance of water and electricity plants and the accompanying networks.

Power depletion problem is exacerbating due to the increasingly widening gap between the government total revenues and expenditures which results from government subsidy for power services and the high rates of per capita consumption. The Ministry of Electricity and Water's budget for the fiscal year 1984-1985 included KD 330 millions for energy consumption expenses, KD 405 millions allocated for constructional costs, and KD 64 millions for maintenance, operations, and management expenditures, while the estimated aggregate returns from electricity and water services are KD 51 millions only.

In confrontation of this problem, the ministries, public institutions, and charitable societies organized a series of intensive instructive programmes with an eye to rationalize consumption of electrical energy, and issued abiding directives to supervisors and contractors of constructions and buildings to use insulators to save energy consumption.

The problem was also discussed at the Arabian-Gulf level. Kuwait's Ministry of Electricity and Water cooperates and coordinates with the equivalent ministries of the Gulf Cooperation Council States to work out the most efficient means for overcoming this problems. A committee for electrical consumption rationalization was set up with an aim to increase public awareness in this respect, unify consumption tariff and to encourage the use of insulators, particularly those manufactured by national plants.

Chapter Four

DEMOCRACY IN KUWAIT: A THREE-STAGE MARCH

Since time immemorial and throughout human history man has been entangled in permanent conflict in search for free expression by means of which he can determine his life style and future.

Along this history of struggle which experienced conspicuous success at certain periods and painful failures at others, man has been aware that his participation in running his own affairs is the essence of democracy. Defined by Greek philosophers, democracy stood for people's rule by themselves for themselves, their choice of government system, and their involvement in administering their country whether directly or indirectly.

As perceived by Greek thinkers, the real core of democracy lies in granting every sane, honest and mature individual the rights enjoyed by his fellow citizens, particularly their right to take part in running their country's public affairs. Many concepts have emerged in expression of the various aspects of democracy.

Parliamentary democracy is based upon an elected parliament by citizens, and undertakes the task of legislation as well as controlling and holding executive authorities to account on behalf of the public, regardless of the existence of parties represented in the parliament as is the case with Western democracies, or non-representation of parties as in the case of the states which do not adopt a partisan system.

Popular democracy is another form which came into light on the heels of the Second World War in the socialist-bloc countries and granted the lower social classes and their allies the right to run the country, denying such a right to so-called hostile classes. Consequently, political, executive and legislative activities in those countries were led by communist and labour parties.

Socialist democracy was born in West European countries and hinged on multi-party system. Parliament members then, represented such parties under an economic system linking

between the private business and the public sector in quest for alleviating the crises of the capitalist system and avoiding the firm grip of the oriented socialist economy and its political foundation. Central democracy is another type which has been used by the communist and labour parties, which means that party members have the right to discuss all issues within the framework of the party and , simultaneously, abide by decisions taken by the leading bodies of the country.

Directed democracy preserves parliamentary parties but the state authorities are granted a broad margin of interference in the democratic orientation of the various institutions and in the citizens and parties exercise of their democratic rights to ensure ascendance of specific individuals or parties lest the so-called people's enemies, whether leftists or rightists, should win the elections.

In other cases the concept of democracy acquired economic contents. It has been argued that freedom of nomination, election, speech, organization and publication are meaningless if they do not guarantee the citizen's rights for education, medical care, social welfare and labour according to one's own capabilities, in addition to other rights that can safeguard him against diseases, disability and senectitude. Those rights, the argument goes on, ensure the citizen's free expression choice and multi-sided social participation without being threatened of deprivation of his job, freedom and honourable life. But in some other cases democracy retained its political aspects accompanied by the various types of freedom of expression, away from any economic dimensions.

Democracy in Kuwait

Away from assessment of the aforesaid arguments, we can hereby state that popular democratic achievements remain basically associated with the people's educational level, their political, cultural, economic and social progress, and their consciousness of the surrounding local and international circumstances, let alone their ability to benefit from other people's experiences in a non-mechanical way and their flexibility in embracing the new

life-styles without abandoning the bright side of their own heritage.

The democratic trend in Kuwait has contributed to the improvement of the people's standard of living and secured more accommodating human conditions for the Kuwaiti citizen to help him overcome the acrimonious natural and environmental circumstances. Furthermore, it has been associated with the fulfillment of national independence and non-subjugation to any foreign influence centres and non-involvement in the conflict between the old British colonialism and the US neo-colonialism which was exemplified in the struggle between the two countries' oil companies and monopolies after the Second World War when initial exploratory activities confirmed the existence of abundant oil quantities in the region.

New Premises of the National Assembly: A Fortress of Democracy

Hence, Kuwait's democratic march is divided into three stages; the first of which ends with the accomplishment of independence, election of the first National Assembly and convention of four legislative terms, and ends on August 29, 1976. The third stage, however, started on August 24, 1980 and is still in progress firmly and enthusiastically.

The First Stage of the Democratic March

Due to the Country's limited arable lands, scarcity of water and harsh climate, Kuwaitis turned to the sea in securing their living daily requirements. Their basic nutrition value was derived from fish, and their main source of income was obtained from pearling, let alone the fact that the sea was Kuwait's outlet to the world of trade, and it was for this reason that they had to construct well-prepared ports and had built ships for diving, fishing and commercial purposes. On a visit to the Country in 1816, the British traveller James Buckingham spoke of Kuwait as a great seaport in the north-western corner of the Gulf. The people of Kuwait, he reported, are in the main merchants who are brave and freedom-loving. He also wrote interesting details about their ships travelling from the Gulf to India and Africa carrying goods from one place to unload them in another.

The Danish Traveller Carsten Niebuhr put the number of Kuwaiti ships in the middle of the 19th century at 800, whereas Lorimer estimated the ships in 1907 at 461, with sailors on board of each vessel ranging from 40-150. Divers and other sailors used to obtain loans from merchants, locally called "Tawawish", ship captains "Nukhadas" or from the well-to-do personalities both for family and travel expenditures until they return with their pearl.

Money-lending dealings used to be carried out under unfair conditions. Divers were not free to sell off their pearl to whoever merchants they liked, and lenders used to buy yields at prices lower than those at the market as one of the lending conditions empowered lenders to determine the price of purchase upon divers' return from travel. In cases of successive scanty seasons money creditors used to confiscate houses of solvent debits in return for accumulating debts, and in many situations debts were inherited by sons after their fathers' death; thus sons were coerced to work until fathers' debts were fully paid back.

In his book titled "The Sons of Sindbad", with an introduction to its Arabic version written by Sheikh Sabah Al-Ahmad Al-Jaber, Kuwait's Deputy Premier and Foreign Minister, Allen Flippers stated:

The economic structure of pearl diving and trade was based on credit system. The diver used to be indebted to the Nukhada and this to the merchant financing his travels, and this merchant used to be indebted to a wealthier merchant and so on.

The Country lacked any banking system and a well-off man used to gain considerable profits, Flippers reported, adding that in certain cases the Nukhada used to stipulate that pearl be bought at lower prices than those at the market. Relations aboard ships were never governed by any form of democracy. The Nukhada was the ruler and the judge at the same time and his words were absolute orders. He was the one to determine the transgression, the due penalty and form of execution.

Kuwaitis, in their dependence upon diving and trade at the time, used to lead an acrimonious life in terms of types of work, prevailing relations, distribution of produce, in addition to sea adventurous life which time and again swallowed up divers during their search for pearl. In a word, lending remained the major aspect of pearl diving for a long period in Kuwait.

With the advent of the first decades of the twentieth century winds of change began to sweep the region and Kuwait, of course, was not an exception. Artificial pearl industry in Japan dealt fatal blow to natural pearl trade as the former is more accessible, cheaper and can be easily formed in various shapes. Hence, natural pearl trade experienced a deadly stagnation in the thirties, which motivated a considerable portion of the Country's fleet to depend on transporting commodities among the region's harbours in order to make up for the setback in revenues.

The second variable was the flare up of national struggle in the Arab region after the First World War which coincided with the world peoples' strife at the time. Palestine witnessed several revolts against the beginnings of the Zionist invasion which had escalated under the British "mandate". In Egypt the 1919 revolution broke out in demand of independence and constitution, and in Iraq a revolution sparked off in 1920 against the British occupation authorities, not to mention other Arab revolts during the third and fourth decades of the current century.

The third variable was oil discovery in the Gulf region in commercial quantities and the beginning of a new phase of conflict between Britain, with its large interests in the area, and the United States as a new power seeking a share in the region's wealth.

Britain, which discovered considerable amounts of oil in Iran in 1908, had begun expansion towards the Gulf emirates where it had managed to conclude a number of treaties, and agreeably, the leaders of the region were prevented from granting oil exploration concessions in the area except for Britain.

However, American oil companies managed to appear in the region along with the British companies. Thus, oil was discovered in most Gulf countries and emirates, opening new horizons for financial and commercial prospects capable of mitigating or terminating the tragedy of stagnation in the natural-pearl markets. Amidst those variables, a number of Kuwaitis were involved in work at the ports of the region, travelling from one country to another. It was almost impossible for those men not to be influenced by the nationalist struggle, particularly in Iraq which launched a bitter strife against the British presence and monopolies under the leadership of the Iraqi nationalist movement. Of great influence also was the Iraqi and Egyptian nationalist movements' struggle for a real parliamentary life based on people's participation in the decision-making process at the political, economic and social levels.

Hence, the Kuwait Consultative (Shoura) Council was set up in 1921, and was chaired by Hamad Al-Saqer and membered by each of Sheikh Yousif Bin Issa Al-Qanai, Ahmad Al-Fahd Al Khalid, Abdul Rahman Khalaf Al-Naqib, Ahmed Saleh Al-Humaidhi, Sheikh Abdul Aziz Al-Rushaid, Khalifa Shahin Al Ghanim, Marzouq Al-Dawoud Al-Bader, Misha'an Al-Khudair Al-Khalid, Shamlan bin Ali bin Seif, Ibrahim bin Mudhaf, and Hilal Fajhan Al-Mitairi. Apart from this short-lived council which could not achieve any noticeable fulfillments, Kuwait later passed through a real democratic practice during the third decade of the 20th century, starting with setting-up of the Municipal Council in

1934 and the Education Council in 1939, which were crowned by the formation of the Legislative Council in June 29, 1936, presided over by Sheikh Abdulla Al-Salem Al-Sabah with the following as members:

Abdulla Hamad Al-Saqer
Mohammed Shahin Al-Ghanim
Sheikh Yousif bin Issa Al-Qanai
Sayyed Ali Al-Sayyed Sulaiman
Misha'an Khudair Al Khalid
Abdullatif Mohammed Thunayyan Al-Ghanim
Sulaiman Khalid Al-Adasani
Yousif Marzouq Al-Marzouq
Saleh Othman Al-Rashid
Yousif Saleh Al-Humaidhi
Mohammed Dawoud Al-Marzouq
Sultan Ibrahim Al-Kulaib
Mshari Al-Hassan Al-Bader
Khaled Abdul Latif Al-Hamad

Although the Legislative Council was dissolved on December 27, 1938, and was succeeded by another body which was dissolved as well in March 1939, yet it had yielded a host of legislations that had been of considerable significance as far as that period was concerned.

At that time it was imperative that legislations and laws be enacted to give impetus to pearl fishing, and to provide a wider margin of freedom in trade movement and transport of commodities, while, at the same time, to safeguard the Country from agreements whereby foreigners were entitled to deplete its oil wealth, which was unveiled in the second half of the third decade but extracted and exported as late as 1946.

Listed below are a few of the major decisions adopted by the Legislative Council:

1- Abrogation of tax imposed on diving ships which was equivalent to the share of the Nukhada.

2- Reduction of tax imposed on pearl merchants and commer-

cial ships.

3- Enactment of laws on diving, regulating the relations between the concerned parties, and resort to these laws should any dispute arise between those parties, particularly after the diving issue had imposed itself on the legislature at the time.

Accordingly, a committee comprising Rashid bin Ahmed Al-Roumi, Abdulla Nasser Bourisli, Ahmed bin Rashid, Saud Al-Mudhaf and Ali Al-Barwan formulated the law which was the second Kuwaiti printed law after that of the Municipality. The law included 51 articles.

The Legislative Council allowed itself several powers which had been considered real landmarks in the march of the Country's legislative authorities. The Council was the legislature of laws, financial, security, judicial, educational, health and constructional activities, as well as the reference to local and foreign agreements and treaties.

The basic authorities of the legislative Council were signed by late Sheikh Ahmed Al-Jaber Al-Sabah on July 2, 1983, and were as follows:

In the Name of Allah,
The Most Compassionate, the Most Gracious

We The Ruler of Kuwait, in compliance with the draft law passed by the Legislative Council, we have ratified the bill on the Council's authorities and hereby we order it be put into force.

Article 1:

The nation, represented by its body of elected duputies, is the source of authority.

Article 2:

The legislative Council shall enact laws in the following fields:

a- The Budget Law for organization of all revenues and expenditures of the Country, and directing them in a just manner,

except the private properties of Al-Sabah, in which the Council does not have the right to intervene.

b- The Judicial Law: includes Legal and Arab rulings. The Council prepares a Judicial system able to ensure realization of justice among people.

c- Public Security Law, which means preservation of security inside and outside the Country up to its farthest boundaries.

d- Education Law, which is aimed at realizing an educational system similar to that attained by developing nations.

e- Health Law, which drives at enacting a law to protect the Country and its people from the perils of all kinds of diseases.

f- Construction Law, which includes constructing and rehabilitating of roads outside the city, building of prisons, digging wells and every other construction that could contribute to the internal and external structure of the Country.

g- Emergency Law, which means enactment of a law in cases of emergency, to empower the authority to execute all rulings necessary for preserving the Country's security.

h- Any other law in the interest of the Country.

Article 3:

All local and foreign treaties, concessions and agreements shall be referred to the nation's Legislative Council, and any new issue within this framework shall not be held legal unless it is approved and controlled by the Council.

Article 4:

Now that the Country is still not having a court of appeal, the Council shall be assigned the tasks of the aforesaid court until an independent body for this purpose is set up.

Artile 5:

Chairman of the nation's Legislative Council represents the Country's executive authority.

Witten on Friday, 11th of Jumad Al-ULA in the Hijiri year 1357, coinciding July 2, 1938.

The Ruler of Kuwait.
Ahmed Al-Jaber Al-Sabah

The first stage in Kuwait's march towards democracy came to a close by the dissolution of the Legislative Council which managed to introduce a great deal of reforms in naval and land customs, and contributed to the organization of the Country's commercial activities topped by its decisions on cash money charges on commodities and drawing up a new transit system exempting ships not anchoring at Kuwait's port from charges, in addition to a land-tax system reducing weight fares. The Council, furthermore, exerted substantial efforts in developing the naval customs building and forming of a coast guard force to protect the Country's sea border and combat traffickers.

The educational department witnessed a remarkable impetus as a result of the arrival of many Arab teachers, dispatch of educational missions to the Arab countries, and allocation of half of the revenues attained by the transportation and unloading authority in service of the educational and intellectual movement in the Country.

In spite of the fact that the Legislative Council did not last long, other sectors underwent similar developments represented in adoption of decisions that abrogated foreign monopoly of certain aspects of the Country's activities which might be insignificant in light of the current standards, but were of considerable vitality at the time.

Suffice it to say that the Council had drawn up the Country's draft constitution but did not come into light as a result of the dissolution of the Council.

The Second Stage of the Democratic March

Irrespective of whatever opinions that might emerge in assessment of the first phase of Kuwait's democratic march, which came to an end after the dissolution of the Legislative Council, it was for sure a unique, distinct, and a pioneering experiment in the Gulf region due to its accompanying material and intellectual alterations which motivated the Kuwaiti citizen to embrace the independence stage firmly and confidently. It was during that period when the Kuwaitis exercised their electoral right in the administrative and municipal councils' elections.

Through the Legislative Council's members, the Kuwaiti citizen proved that he had been capable of performing legislative assignments, drawing up the basic regulations of the parliamentary embryo which he had sown its seeds, and the nucleus of the Country's constitution which was promulgated in 1962. The Council, in addition, accomplished the required balance between the various authorities by means of adopting the principle of "segregation of authorities" whereby each of the judicature, the parliament and the executive authority were assigned separate functions.

Between the task expiry of the Second Shoura Council in March 1939 and the Country's attainment of full independence, a comprehensive organization of the State's executive and administrative apparatus was accomplished.

Consequently, this period witnessed the formation of governmental administrations which by 1959, they covered administrations of police and public security, public works and municipality, public health, finance and State property, water, gas, publications and social affairs, customs and sea port, Awqaf and orphans, telegram and telephone, courts and education etc. . . . . until the ministerial system was adopted in 1962.

During the aforesaid period, Kuwait set up the Supreme Administrative Council, which was comprised of chiefs of government administrations and represented the highest consultative body in the Country. It was assigned with reviewing laws and

regulations before issuance as well as monitoring the government's administrations and councils.

Soon after Kuwait's declaration of independence, specifically on August 26, 1961, the Amiri Decree No. 12 was issued calling for general elections to form a Constituent Assembly assigned with preparation for drafting the constitution. The Decree embodied the Amiri desire to "establish a system of government on firm and clear-cut bases to set the stage for issuance of the constitution which is to derive its rulings from the Country's circumstances, and is to be founded on democratic principles and is aimed at achieving public welfare and prosperity." The decree included three articles, the first of which nominates the members of the Organization Body, the second stipulates the formation of a joint council from amongst the members of the Organization Body and members of the supreme council which undertakes drawing up of a bill for electing members of the constituent Assembly which will be assigned with preparation of the constitution, and the third article determines the date for the elections.

The number of legislators during the Country's first democratic stage, which comprised the Consultative (Shoura) Council and the Legislative Council, totalled 25 men, 12 of whom belonged to the former and 15 Legislators belonged to the latter, given the fact that Sheikh Yousif Issa Al-Qanai and Mish'aan Al-Khudhair enjoyed membership of the two bodies.

The Second stage experienced a considerable increase in the number of people contributing to the Country's democratic march, with the Organization Body comprising the following eleven personalities:

Hamad Al-Saleh Al-Humaidhi
Hamad Al-Mishari
Hamoud Al-Zaid Al-Khalid
Khalid Sulaiman Al-Adasani
Abdul Hamid Al-Sane

The Constituent Assembly - 1961

Abdul Aziz Hamad Al-Saquer
Mish'an Al-Khudhair
Mohammed Yousif Al-Nisef
Nisef Yousif Al-Nisef
Yousif Ibrahim Al-Ghanim
Yousif Al-Fleij

The Organisation Body, on September 6, 1961 succeeded in the enactment of the Elections Law of the Constituent Assembly members No. 25 for 1961. The Law stipulated that the Council shall continue to exercise its assignments for a single year as of the date of promulgation of elections results. It also issued the Law No. 1 for 1962 which contained the basic regulations of government during the transitional period. The Law, which was viewed as an interim constitution, comprised 38 articles covering the type of government, public rights and freedoms, organization of authorities, the Council's tasks, formation, membership provisions and its internal regulations.

The elections were held on December 30, 1961 and the following personalities won membership of the Constituent Assembly:

Ahmed Khalid Al-Fouzan
Ahmed Al-Khatib
Hamoud Al-Zaid Al-Khalid
Khalifa Talal Al-Jari
Saud Abdul Aziz Al-Abdul Razzaq
Sulaiman Ahmed Al-Haddad
Abbas Habib Munawir
Abdul Razzaq Sultan Aman
Abdul Aziz Hamad Al-Saquer
Abdulla Fahd Al-Shimmari
Abdul Latif Mohammed Al-Ghanim
Ali Thunayan Saleh Al Othayna
Mubarak Abdul Aziz Al-Hassawi
Hamad Rafi Hussein Ma'arafi
Mohammed Rasmi Nasser Al-Sideiran
Mansour Mousa Al-Mazidi
Mohammed Yousif Al-Nisef
Nayef Hamad Jassim Al-Dabbous
Ya'aqoup Yosif Al-Homaidhi
Yousif Khalid Al-Mitairi

During its 32 sessions, the Constituent Assembly passed a number of laws most important of which were: Public Assistance Law, Cooperative Societies Law, Clubs and Non-Profit Societies Law, Municipality Organization Law, and the National Assembly Election Law.

The most eminent achievement of the Assembly, however, was the drawing up of the Country's permanent constitution of November 11, 1962, which was in itself an indicator to the vital role played by its members in constructing the Country's lofty citadel of democracy. The Constitution comprised 183 articles relating to the state, government system, the basic pillars of Kuwait society, public rights and duties, the various authorities and tentative rulings. The constitution maintained that the system of government in Kuwait is based on democracy, and sovereignty rests with the nation as it is the source of all authority. The constitution determined that the National Assembly shall be made up of 50 members elected by direct secret ballot, and stipulated that Laws shall not be enacted unless they are passed by the National Assembly and ratified by His Highness the Amir. In addition, the constitution specified the relations between the authorities that shall not be transcended.

Late Sheikh Abdullah Al-Salem Receives the Constitution

Promulgated on November 12, the Elections Law divided the Country into ten electoral constituencies, each shall be represented in the National Assembly by five members. By the power of the Law every Kuwaiti male citizen of 21 calendar years of age enjoys election franchise except those who have acquired Kuwait natioinality less than ten years upon the elections day. Nationals who have been convicted of a criminal act or have perpetrated crimes against honour or honesty shall be disfranchised in conformity with the Law.

The Law, furthermore, defined the election procedures, provisions of candidacy for National Assembly membership and stated a number of binding measures with an eye to organize the elections and ensure their success and seriousness.

The Election Law drew up penalties for election violations such as adding extra names to electors' roll and excluding electors contrary to regulations, disseminating unsigned written statements, voting while knowing that one's name is legally unlisted in the roll, international opening for another party, repeated use of voting enfranchise, preventing elector from voting whether by resort to force or threatening of using it, or whether one gave, offered, or pledged to give himself or on behalf of another profit in return for an elector to vote in a certain diretion in addition to other articles that firmly govern the electoral process and guarantee free voting of the electorate.

The National Assembly Election Law has undergone several amendments, amongst which are those adopted in 1963, 1966, 1970, 1980, 1983, which are still into force up to this moment.

The First National Assembly

The first parliamentary elections took place on January 29, 1963 and Kuwait's first National Assembly members were the following:-

Ibrahim Ali Khraibit
Ahmed Khalid Al-Fouzan
Ahmed Zeid Al-Sarhan
Dr. Ahmed Al-Khatib

Bandar Sa'ad Al-Lafi
Jassem Abdul Aziz Al-Qa'tami
Hizam Faleh Almei
Hassan Jouhar Hayat
Hamad Khalifa Al-Hamidah
Hamad Abdul Mohsin Al-Mishari
Hamad Mubarak Al-Ayar
Hmoud Al-Zeid Al-Khalid
Hmoud Yousif Al-Nisef
Khalid Ahmed Al-Mudhaf
Khalid Saleh Al-Ghunaim
Khalid Al-Mas'oud Al-Fheid
Khalid Nazal Al-Muasseb
Khalifa Talal Al-Jari
Khalid Ibrahim Ak-Mzayan
Rashid Saleh Al-Tawhid
Rashid Abdullah Al-Farhan
Zeid Al-Kathemi
Salem Ghanim Al-Hariss
Sami Abdula Aziz Al Minayes
Saud Abdul Aziz Al-Haddad
Sulaiman Khalid Al-Mutawa
Sayed Ahmed Al-Mosawi
Abbas Habib Munawir
Abdul Baqi Abdullah Al-Nouri
Abdul Razaq Khalid Al-Zeid
Abdul Aziz Hamad Al-Saquer
Abdul Aziz Ali Al-Khalid
Abdullah Fahd Al-Lafi
Ai Ibrahim Al-Mawash
Ali Thunayan Al-Othayna
Ali Saleh Al-Fadhala
Ali Ghanim Al-Dabbous
Falah Mubarak Al-Hajraf
Mubarak Abdullah Al-Dabbous
Mohammed Ahmed AL-Rushaid
Mohammed Ahmed Al-Rushaid

Mohammad Hussein Qabazard
Mohammed Hamad Al-Barrak
Mohammed Wasmi Al-Sideiran
Mirdhi Abdullah Al Othayna
Mid'hi Nazal Al-Mu'asseb
Nayef Hamad Al-Dabbous
Yaqoub Yousif Al-Homeidhi
Yousif Khalid Al-Mikhlid
Yousif Hashim Al-Rifai

The Assembly completed its legislative term, the first in Kuwait's history, when its sessions extended between January 29, 1963, until January 3, 1967, during which the Assembly realized many substantial accomplishments such as:

- Promulgation of the Assembly's internal regulations which was put into effect as of May 9, 1963.
- Passing scores of bills, topped by Emirate's inheritance Law, Meetings Law, Processions Law and Public Gatherings Law.
- Joining the International Parliamentary Union on August 20, 1964 and setting-up of the Kuwait Parliamentary Division.

During the first legislative term the first confrontation between the Government and the Parliament occurred when 31 deputies voiced opposition to certain cabinet members in the government of 1965 on the grounds of the constitution's 131st. article which stipulates:

> A cabinet member, during his tenure, is not allowed to occupy any other public post or practice, even indirectly, any free business or industrial, commercial or financial works, nor is he allowed to contribute to any obligations made by the Government or public institutions. A minister shall not be a member of any company or board, and during tenure, he shall not purchase or lease any of the State's properties, not even at auction, nor is he allowed to hire or sell or barter any of his properties with the State.

Inauguration of the First National Assembly

This situation resulted in the resignation of the Government at the time and was followed by a cabinet reshuffle. A few months later speaker of the National Assembly Abdul Azia Al-Saquer tendered his resignation and was replaced by Saud Al-Abdul Razaq.

The Second Assembly

Elections for the Second Assembly membership took place on January 25, 1967, with 21 members of the First Assembly preserving seats in addition to 29 newcomers. Sub-elections were held to replace a number of resigning members during the second parliament. The new 29 deputies of the Second Assembly were the following:-

Ibrahim Taher Al-Mutawa
Ahmed Al-Abdul Latif Al-Abdulla Jalil

Ahmed Nayef Mohammed Al-Khalifi
Jassem Ahmed Al-Ustath
Jam'an Mohammed Al-Huraiti
Khalid Abdul Latif Al-Musallam
Khalid Mohammed Al-Tahous
Khalaf Hudaiban Al-Utaibi
Rashid Ibrahim Ismail
Rashid Seif Rashed Al-Hujailan
Rashid Awad Al-Juweisri
Sulaiman Yousif Al-Doweikh
Saleh Abdul Wahab Al-Roumi
Abdul Aziz Fahd Al-Misaeed
Issa Abdullah Bahman
Faleh Hmoud Al-Azmi
Ghanim Mubarak Al-Amiri
Lafi Fahd Al-Lafi
Mubarak Abdul Aziz Al-Hassawi
Mifleh Farhan Al-Azmi
Mansour Mousa Al-Mazidi
Nasser Al-Sanhan Al-Usaimi
Nasser Ali Al-Muhaili
Yousef Abdul Aziz Al-Wazzan
Abdul Aziz Ibrahim Al-Fleij
Abdul Aziz Abdullah Al-Sarawi
Abdul Karim Hilal Al-Jihaidli
Abdullatif Abdul Mohsen Al-Kathemi
Abdullah Ali Dashti

Deputy Ahmed Zeid Al-Sarhan was elected Speaker of the Second Assembly.

Despite the difficult circumstances under which the Second Assembly had to function, as a result of the Arab-Israeli war and the occupation of the entire Palestinian territories and parts of Egypt's and Syria's territories, the Assembly did not lag behind in respect of its national and pan-Arab obligations in addition to its role at the international level. Locally, the Assembly passed bills on public assistance, house expropriation, state security court and organization of birth and mortality rates.

The Assembly approved, at the pan-Arab level, the agreement calling for the establishment of the Organization of Arab Petroleum Exporting Countries and agreed upon financial support to be extended to Arab Countries which sustained harms from the Israeli aggression and to the Palestinian commando movement. The Kuwat Parliamentary Division contributed to the campaign that was launched in exposing the reality of the Israeli aggression to the public and parliamentary circles. Also approved by the Assembly were several treaties with foreign countries.

Apart from the aforesaid achievements, the "Revenues Expenditure Agreement" concluded on May 11, 1967 between Kuwait and some oil companies working in the country remains one of the leading accomplishments by the Second Assembly. The Agreement stated that crude oil revenues be considered a part of expenditures rather than being a down-payment after the amendment of Income Tax Decree No. 3 for 1955, reducing Sales commission and maintaining the Government's right to receive due receipts in form of crude at the declared price of the delivering company, in addition to other articles which furnish better provisions, justice and keenness on preservation of Kuwait interest.

With the holding of the concluding session of the Second legislative term on December 30, 1970, the Second National Assembly brought to an end a four-year term.

The Third Assembly

Elections for the Third National Assembly were held on January 23, 1971. Thirty deputies of the previous assembly maintained their seats while the other 20 members were new candidates as shown in the list below:

Ahmed Al-Sayed Abed Al-Mosawi
Ahmed Yousif Abdullah Al-Nafisi
Bader Dahi Al-Ajeel
Bader Abdullah Al-Jassem
Jassim Ismail Juma' Al-Yassin
Khalid Ajran Issa Jaber

Khalid Mishari Al-Rawdhan
Salem Khaled Al-Marzouq
Sa'ad Falah Tami
Sultan Salman Sultan
Abdullah Hamad Al-Hashemi
Abdullah Mohammed Al-Nibari
Ali Abdullah Ahmed Al-Habashi
Ali Mohammed Thunayan Al-Ghanim
Ghannam Ali Hamdan Al-Jamhour
Mohammed Deifallah Al-Gahas
Mohammed Abdul Mohsen Al-Usaimi
Masoud Sa'ad Al-Hamlan
Nasser Mohammed Nasser Al-Sayer
Yousif Saleh Al-Roumi

The deputies elected Khalid Saleh Al-Ghunaim as the speaker of the Third National Assembly.

The National Assembly opened its third Legislative term on February 10,1972, and the closing session was held on January 18, 1975. The Third Assembly passed a number of outstanding bills, including amendment of wages for employees and workers in addition to the amendment of their social allowance. Payrolls of army men, policemen and national guards were also amended, let alone the laws of press and publishing, court of cassation, subsidies to necessary commodities and materials as well as a bill on allocating KD. 420 million within an ad hoc seven-year budget in promotion of the Country's defences and in consolidation of its military performance.

The Assembly passed, furthermore, bills relating to the Arab arena such as financial support to Syria and Iraq and approving of funds allocated to make up for Lebanese and Syrian citizens on whom the Israeli aggression inflicted losses. It also approved the establishment of the Arab Shipment Company, the Arab Company for Oil Transport and the Inter-Arab Investment Guarantee Corporation.

The Fourth Assembly

On January 27, 1975, elections for the Fourth Assembly took place in which 29 members of the previous assembly retained membership and the following 21 deputies were new candidates:

Ahmed Abdul Aziz Al-Sa'adoun
Ismail Ali Dashti
Bader Nasser Al-Jabri
Jasser Khalid Al-Jasser
Jassem Hamad Al-Saquer
Jassem Mohammed Al-Kharafi
Jassem Mohammed Al-Qattan
Habib Hassan Hayat
Hussein Mohammed Jawad Ma'arafi
Hussein Makki Al Jum'a
Khalid Khalaf
Salem Abdulla Al-Hammad
Dr. Abdul Rahman Abdullah Al-Awadhi
Abdul Razzaq Abdul Hamid Al-Sana'
Abdullah Yaquoub Al-Wazzan
Faisal Bandar Al-Doweish
Mohammed Habib Bader
Miraikhan Sa'ad Saquer
Naser Al-Hamad
Hadi Hayef Al-Howeilah
Yousif Mijyem Al-Shallal

Khalid Saleh Al-Ghunaim was again elected speaker of the assembly.

During the period between the inauguration of the Assembly's fourth legislative term on February 11, 1975 up to August 29, 1976, the date of dissolving the assembly, a number of bills were passed, including endorsement of the Islamic bank for Development Agreement, State possession of the private sector-owned shares in Kuwait National Petroleum Company, amendment of the Public Authority law, increasing the capital of the Credit and Savings Bank to KD 120 millions, in addition to other bills pertaining to the enhancement of Kuwait's relations at the Arab, Islamic and international levels.

Kuwait's democratic march in the second stage scored two outstanding landmarks: the first was the emergence of Kuwait's leading role in supporting her sisterly Arab countries that sustained losses as a result of the 1967 war to help foster their steadfastness as well as that of the Palestinian resistance movement, enabling them to realize the first Arab victory over the Israeli enemy in the 1973 war, irrespective of the assessments of the war concerning its political and military results after the ceasefire. The second major achievement was Kuwait's full control over its entire oil resources after the State had acquired in 1975 foreign companies' shares in addition to local oil manufacturing operations which were of great importance in respect for the Government's economic and financial potentialities and the accomplishment of a great deal of constructional, economic and social projects.

The number of nationals who were involved in the legislative process in the second stage of the democratic march totalled 120, noting that some legislators had been elected more than once, apart from those who participated in the Organization Body and the Constituent Assembly.

The Third Stage of the Democratic March

The non-parliamentary period between August 29, 1976 dissolution of the National Assembly, and August 24, 1980, when an Amiri Directive called for the resumption of parliamentary life within a period not exceeding February 1981, was in no way a period of inertia or acquiescence. Undeniable achievements saw light during the said period including a hike in oil production and unprecedented high prices, which, consequently, proliferated Kuwait's financial return, given the fact that oil resources had been under control of national authorities. Despite the suspension of parliament and the democratic march, two major pillars of Kuwait society, the achievement curve kept shooting upward in various sectors. Modern residential houses, schools, hospitals, poly-clinics, roads, public parks, and entertainment centres were spread throughout the whole Country.

Commercial activity experienced tangible prosperity and the per capita income of citizens and expatriates alike went up. Also witnessed was the increase in the number of residents during that same period.

Kuwait remained as well faithful to its Arab and international commitment out of her distinguished attitudes and principles which materialized in her abidance by human values and national causes and rejection of any degradation of nations' rights or any direct or indirect aggression against any people.

Although the non-parliamentary period did not exceed four years, the State's competent authorities issued a total of 386 Decree Laws. To ensure the legal status of those Laws, the Ministry of Sate for legal and Administrative affairs was brought into being when His Highness the Amir ratified a decree in this respect on September 6, 1976, and in March 4, 1981, the Ministry was incorporated into the Ministry of justice with a new title, the Ministry of justce and legal and Administrative Affairs.

Parliament suspension did not last long and the democratic march resumed its role in legislation, supervision and control over the ongoing achievements when the parliamentary elections were held for membership of the Fifth legislative term on February 23, 1981.

Observers, the mass media, and world political analysts were unanimous in their views that Kuwait's democratic path is unique and is indicative of the State's coherence and strength in confrontation of all handicaps and in achievement of growth and progress in spite of the region's instability resulting from the Iran-Iraq war and superpower rivalry to create areas of influence in the region.

Other observers asserted that a state's prestige is not measured by its geographical area, but by the healthy democratic atmosphere it can create for its citizens, an aspect in which Kuwait takes the lead. It is the sole country in the region which has an elected parliament, and whose candidates and electorate during their election campaigns discuss the nation's major issues, including education, housing and other facilities in addition to the

investment activity, planning, industrialization, as well as the pan-Arab causes such as the question of Palestine, Palestinian Resistance and front-line countries' support, establishment of joint Arab market and Arab food security etc.

The Fifth National Assembly

Members of the Fifth Legislative Term of the National Assembly were:

Mohammed Yousif Al-Adsani (Speaker)
Ahmed Abdul Aziz Al Sa'adoun
Ahmed Fahd Al-Tukhaim
Bader Abdullah Al-Al-Mudhaf
Jasser Khalid Al-Jasser
Jassem Hamad Al-Saquer
Jassem Mohammed Al-Kharafi
Jassem Mohammed Al-Oun
Hizam Faleh Al-Mei
Hamoud Hamad Al-Roumi
Khalid Jumai'an Salem
Khalid Sultan Bin Issa
Khalid Al-Ajran
Khalid Al-Nazzal Al-Mu'asseb
Dr. Khalid Al-Wasmi
Khalaf Dumaithir Al-Anzi
Khalifa Tatat Al-Jari
Rashid Seif Al-Hijilan
Salem Abdullah Al-Hammad
Saleh Yousif Al-Fadhalah
Sayyah Saleh Abu Shabah
Ayed Alwash Al Khmishi
Abdul Razzaq Abdul Hamid Al-Sana'
Abdul Karim Hilal Al-Jihaidli
Abdul Mohsin Yousif Jamal
Adnan Sayed Abdul Samad
Issa majed Al-Shahin
Issa Al-Mazidi

Fayez Hamed Al-Bigheili
Falah Mubarak Al-Hajraf
Faisal bandar Al-Doweish
Faisal Jassem Al-Qudhaibi
Mubarak Faleh Ra'i Al-Fahma
Mubarak Abdullah Al-Dabbous
Mohammed Ahmed Al-Rushaid
Mohammed Habib Bader
Mohammed Hamad Al-Barrak
Mohammed Sulaiman
Mohammed Deif Allah Al-Fahss
Mirdi Abdullah Al-Uthayna
Mireikhan Sa'ad Saquer
Mishari Jassem Al Anjari
Mutlaq mohammed Al-Shilaimi
Mutlaq Miziyed Al-Saud
Hmoud nasser Al-Jabri
(Succeeding late member Nasser Sanhat Al-Usaimi)
Dr. Nasser Sarkhouh
Nayef Abdullah Abu Ramyeh
Hadi Hayef Al-Howeilah
Hadhil salem Al-Jalawi
Yousif Abdullah Al-Shahin

More than 80% of the electorate exercised their voting right in the Fifth National Assembly elections and 446 persons applied for candidacy, reflecting the citizen's due esteem regarding the Parliament and a democratic life.

During its early terms the Assembly passed a total of 619 Decree Laws. Represented by the Parliamentary Division, the Assembly took part in the Philippines' Inter-Parliamentary Union session in 1981, the Union's Autumn Session in Cuba in September of the same year, the Spring session in Lagos in April, 1982, and in the Union's 70th Conference held in South Korea in October 1983, in addition to its 71st conference in Geneva in 1984.

The Assembly actively participated in the Arab Parliamentary Union's 11th meeting held in Damascus in August 1981, the 12th

meeting held in January and February of 1982 as well as the meeting of the Sa'naa-based Arab Parliamentary Union's Council in January 1984.

The National Assembly contributed also to the Arab-European Parliamentary dialogue held in Baghdad in 1983, as well as the Tunis-based Arab-African dialogue in march 1984, in addition to the Arab Symposium on Development and Population in Tunis in May 1984.

It, furthermore, hosted a number of Arab and international parliamentary delegations, and the Assembly, on its parts, paid a number of visits by its members to Arab and friendly countries which underlined the effective role of Kuwait's democratic experiment in determining the path of the Country and emphasized that the State's democratic structure is one of the basic corner stones of the society.

Undeniable also were the Assembly's calls and attitudes towards the various pan-Arab causes. It vehemently condemned the Israeli demolition of the Iraqi nuclear reactor, the continuous Israeli aggressions against South Lebanon, Israeli invasion of the Arab sisterly Sate of Lebanon,and voiced relentless calls for Arab leaders to unify ranks and solve the Arab disputes in order to effectively confront the enemy's aggressions threatening the roots of the Arab nation and its expansionist strategy at the expense of the Arab lands and rights.

The Assembly's pro-government stances during the explosion incidents against a number of embassies and foreign interests in the Country in December 1983, as well as during the skyjacking of a Kuwaiti airliner in December 1984, considerably paved the way for the authorities to handle the incidents with a high sense of local, Arab and world responsibility, away from any passionate or tense reactions.

The Sixth Natioinal Assembly

"Kuwait appeared as if it were an ancient Hellenic Society", wrote an observer about the Country during the elections cam-

Open Count of Votes in the 1985 - Parliamentary Elections

paign for membership of the Sixth National Assembly. As electioneering discussions and debates used to be conducted in an entirely free and democratic atmosphere in that ancient society, so was the case in Kuwait which experienced intensified and free discussions by candidates and activists not only during the elections campaigns but even several months before the Fifth Assembly came to an end.

Electoral camps were put up, "Diwanyas" turned into beehives, placards with candidates' platform pledges were spread all over the Country which motivated foreign observers to comment, "Kuwait is not only envied for its oil resources, but also for its vivid parliament". They also emphasized that the National Assembly shares in setting the stage for Kuwait's policy and decision-making processes and directs the path of the society by virtue of its authorities.

Commenting on Kuwait parliamentary elections, the Gulf media described this democratic experiment as an embodiment of the Arab cherished aspirations in which human and national freedom and progress are incorporated. At a time when many

third-world countries failed to break off the handcuffs of backwardness, Kuwait managed to do so step by step, removing one barrier after the other. That was attainable through the effective role of the social bodies organized freedom and the determination of priorities in overcoming the emergent challenges on the grounds of public participation by all citizens.

Other observers, in description of the latest elections, said, "it is a whole integrated, complex and civilized process. Creative discussions between the various trends and ideologies may have caused some tension, but the whole experiment was of considerable benefit in crystallizing some people's consciousness and creating awareness of many other citizens".

Arab media hailed the insistence of Kuwait authorities to hold the elections amidst regional developments of direct impact on the County, adding that Kuwait's democratic experiment is gaining increasing admiration as it has always been the protective shield that guarded the society against any external pressures.

Twenty two deputies of the previous Assembly and the following 28 deputies won membership of the Sixth Legislative Term:

Dr. Ahmad Abdullah Al-Robi
Dr. Ahmad Mohammad Al-Khatib
Ahmad Nassar Mutlag Al-Shraian
Ahmed Yaqub Yousif Baqir Al-Abdullah
Barrak Nasser Falah Al-Nun Abu Ihghatah
Jasser Khalid Al-Jasser
Jassim Abdul Aziz Abdul Wahab Al-Qatami
Hamad Abdullah Al-Jouan
Khamis Talaq Iqab
Duaij Khalifa Talal Al-Jiri
Rashid Awad Al-Jwaisri
Sami Ahmad Al-Munayis
Sa'ad Falah Tami Fuhaid Al-Ijmi
Abbas Hussein Shaban Al-Khodari
Abdul Rahman Khalid Saleh Al-Ghunaim
Abdul Aziz Abdullatif Mohammad Al-Motawa
Abdullah Fahed Abdul Aziz Al-Nafeesi

Abdullah Yousif Abdul Rahman Al-Roumi
Ali Abdullah Khalaf Al-Said
Faisal Abdul Hamid Al-Sani
Mubarak Hamad Hadi Al-Zuwayir
Mubarak Faleh Ali Al-Duwailah
Mohammad Mufarrij Asi Mufarrij Al-Mussailum
Munaizil Jasser Fajri Al-Inizi
Nasser Abdullah Mashari Abdullah Al-Roudan
Nasser Fahed Mohammad Al-Banai
Yaqub Mohammad Ali Hassan Hayati
Yousif Khalid Al-Makhled Al-Mutairi

Hence, the number of Kuwaiti legislators in the third democratic stage totalled seventy eight, apart from a deputy who had passed away following a one-year participation. The National Assembly concluded its first session of the sixth legislative term by a closing meeting on July 17, 1985. During the first session, the Assembly's various committees examined hundreds of topics, prepared a great deal of reports thereof, and reviewed hundreds of complaints.

Yet the most prominent achievements of the Assembly during the aforesaid session, were passing bills on substituting the "Rupee" with the "Dinar", organizing importation and sales of medicines, raising the social allowance of Kuwaiti children, in addition to the bills on bombing crimes and abrogation of Law no. 17 for 1981, relating to independent administrations. Kuwaiti Parliamentary delegations participated as well in the 73rd conference of the Inter-Parliamentary Union in Togo, March 1985, let alone the reciprocal visits by Kuwaiti and non-Kuwaiti Parliamentary delegations.

Unlike the precedent 1981 Parliament, the Sixth National Assembly Term coincided with a decline in oil exports bringing the international market prices to a fall which, by turn, resulted in a setback in the Country's financial revenues. Such being the case, adoption of a new economic policy became imperative so as to diversify and augment the Country's productive base, rationalize home expenditures and foreign assistance, and to reorganize

H.H. The Amir on His Way to Open the Second Session of the Sixth Legislative Term

imported labour with plans for substituting them, as much as possible, with national labour force. Therefore, a five-year plan (1985/1986 - 1989/1990) had been drawn up by the Government and upon finalization it was referred to the National Assembly members for scrutiny, amendment and approval or passing it as it was.

Out of its keenness on giving an impetus to the national economy, the Assembly took active part in meeting the budgets of the demands of public bodies and corporations as well as the State's balance sheet, in addition to the Government's programme, launching effective moves in rationalization of local expenditures and external aid. Due regard was also paid by the

H.H. The Crown Prince and Premier Addresses the National Assembly

Sixth Assembly to ameliorate the performance of the administrative apparatus, reformation of the educational system, development of various types of services to keep up with the future aspirations and to furnish the Country with highly qualified and competent citizens with an eye to straighten out the population structure created during the oil-bounce phase.

Unforgettable also are the Assembly's consistent pan-Arab stances, whether those pertaining to the Arab-Israeli conflict, the relentless Zionist threats directed at the Arab countries and to the Palestinian resistance movement, or those relevant to the Iraq-Iran war and other positions that went in harmony with the expectations of the Arab nation.

Kuwait's National Assembly rightly adopted honourable nationalist attitudes when a malicious attack targeted His Highness the Amir, and later when a number of citizens and residents passed away in the murderous bombing of local public cafes.

The public reaction towards these incidents proved once again that Kuwait's democracy was the fortified fence capable of protecting the national soil and furnishing the Kuwaiti people with endless horizons of constant progress and prosperity.

In his address to the nation on February 13,1978, following the end of the mourning period of late Sheikh Sabah Al-Salem Al-Sabah, His Highness the Amir depicted a vivid concept of democracy when he said:

> Our people lived on this land in the course of centuries. Ever since, we have been linked with ties of kinship, compassion, coopertion and solidarity. God attuned our hearts to each others and Shoura (Democracy) was the major aspect of government. Our successive generations were keen on holding to it, since democracy is deeply rooted in the Kuwaiti Society since time immemorial. True democracy does not mean formal parliamentry framework but involves the real concept and the actual practice of democracy. We shall remain keen on deepening our genuine democracy by public participation which emanates from our heritage and traditions. We shall exert our efforts to develop and maturate democratic practice in response to the needs of our new society, and within the framework of our values, morals and teachings of our True Religion.

Government, Deputies and People Follow-up Kuwait's Great March of Democracy

Chapter Five

KUWAIT'S CULTURAL ASPECT

- Printing and Publication
- Press Movement
- The National Council for Culture, Arts and Letters
- Literary and Artistic Movement

Culture, as a comprehensive scientific concept, means the various patterns of behaviour which man acquires through social learning; hence, the culture of any human community is its social, political, technological and economic life styles in addition to its literature, beliefs, aesthetic values and the way it deals with natural environment.

The common concept of culture, however, involves the intellectual activities in the fields of literature, arts, drama, fiction, sculpture, painting, poetry, literary prose, photography and the rest of the humanities. Thus, a cultured person is so considered in accordance with the extent of knowledge which he acquires in such fields of epistemology and human studies.

Discourse about the cultural aspect of any people is usually divergent and boundless on account of the several sciences involved in the concept of culture, and because of the various historical stages in which culture has been shaped and reshaped and the inseparable interrelatedness between those stages.

In addition, available manuscripts, records and archaeological information failed to wholly cover the human history, leaving behind unrecorded phases. Such historical gaps are attributable either to a nation's lack of adequate methods for recording its own culture or to researchers' inability to follow into the footsteps of this culture. Any human gathering that becomes aware of its existence should have had, inevitably, its own distinguished culture. and left behind indicative artifacts, irrespective of quantity and regardless of whether they still exist or have perished as a result of human natural forces.

As a part and parcel of the Arab Peninsula people since time immemorial, Kuwaitis have been partners in the shaping of the cultural heritage of the region throughout its various historical stages.

It was not until the emergence of the modern state with its distinct geogrphical, economic, political and social characteristics that Kuwait had acquired its own cultural character since, in the past, Kuwait's demographic structure was closely linked and interrelated with that of the Arab Peninsula.

It is of substantial importance, however, to draw attention to a fixed reality that formulation of a nation's cultural character does not come into being all of a sudden, but through gradual and constant accumulations during the successive historical periods which contribute to the augmentation and divergence of the cultural heritage.

Therefore, Kuwait's cultural character is inseparable from that of the Arab Peninsula, but it commenced to maintain distinguished aspects with the beginning of the twentieth century when Kuwait adopted an open Arab policy, sent student missions to the Arab countries, and invited other missions for employment.

Hence, it is of no surprise that educational renaissance, intellectual and cultural revival, economic prosperity and the 60-year-old democratic practice have gone side by side until they yielded the present situation.

To be more specific, acquaintance with Kuwait's cultural aspects is accessible through having a bird's eye view of printing, publication and journalistic activities in addition to the eminent role carried out by the National Council for Culture, Arts, and letters, regardless of the fact that the Country's cultural movement goes much beyond that.

Printing and Publication Movement

When "Kuwait Magazine", the first in the Country, came into light in 1928, owner and editor Abdul Aziz Al-Rushaid had it printed abroad because there was no such a printing facility in Kuwait at the time. Two years later the magazine came to a halt because of the expense costs and exhaustive efforts or, perhaps, because of Rushaid's travel to Indonesia. The issue, however, imposed itself upon those engaged in the educational, cultural

and intellectual movement at that time, prompting the Education Administration to import the first printing machine in 1947.

A few years later a Kuwaiti businessman purchased another printing machine with higher capacity and efficiency as the old one was incapable of meeting the Administration's needs as a result of the increasing printing material.

"Kazma", Kuwait's first locally-printed magazine, was published in 1948, and by 1950 Kuwait had four printers, that were able to meet the entire local demand. "Kuwait Magazine", which resumed publication later, reported in September 1950 that "Kuwait printers were able to cover all the publications of the Education Administration, including student notebooks. It was a good initiative that the Administration met its own requirements locally, without having to import from external parties."

The first locally-printed literary work was a novella written by Farhan Rashid Al-Farhan entitled "Miseries of a Friend", according to the Bi'athah (Mission) Magazine issued by Kuwait House in Cairo, initially under the supervision of Abdul Aziz Hussein, then under editor-in-chief Abdullah Zakarya Al-Ansari.

The Supreme Executive Committee took a decision on December 13, 1954, calling for the establishment of "Printing and Publication Administration" to undertake the task of supervising the official gazette "Kuwait Alyoum" (Kuwait Today) after being provided with modern printing facilities.

On October 15, 1956 the Kuwait Government Press was opened, and during the first year it met the needs of the various government publications, amounting to 11,469,261 copies of different material in addition to myriads of textbooks, and printing of the weekly Official Gazette.

The new press effectively contributed in preparation of Kuwaiti technical cadres for printing operations. For this purpose, the press dispatched 22 trainees to Egypt, and organized a local course involving 56 students, 26 of whom completed their

studies in the first year, bringing to 50% the ratio of the national technical cadres in only one year following operation.

Afterwards, the printing and publication business flourished in the Country, where books in various fields, magazines, periodicals and daily newspapers came into being, with printing and publishing houses acquiring high quality machines that coped with the local demand as well as the needs of some fraternal countries in terms of quantity and quality.

Currently under preparation is a new Ministry-of-Information press that will be furnished with the most modern equipment and apparatus to cope with the present outstanding activities in spheres of printing and publication.

The Ministry of Information: An Eminent Role in Cultural Life

The Minister of Information has set up an ad hoc committee chaired by government press director and membered by financial and engineering affairs directors, in addition to the government press deputy director for determining the most efficient steps in accomplishing the new press.

Press Movement in Kuwait

Not only is the press a part and parcel of the Country's cultural movement, but is also one of the most important media for dissemination of culture, both in its scientific and common dimensions. The press involved itself with studies, articles and interviews which influenced the Country's cultural direction and shaped the cultural background of youngsters and adults alike.

In view to the technical development realized by Kuwait press and the available highly sophisticated equipment, printed material has been presented in such an extremely attarctive way that made the reading public anxious to follow up local papers and magazines seeking utmost benefit from economic, social, political and scientific information tackled by the local press. We do not go too far when we state that on certain occasions readers rushed infervor to the press houses to buy the dailies just upon printing as was the case during the latest parliamentary elections and the malicious bombing incidents.

The history of journalism in Kuwait, as we mentioned earlier, dates back to 1928, when Abdul Aziz Al-Rushaid issued the 80-page "Kuwait Magazine". The editor and proprietor, greatly influenced by the well-known Egyptian reformer Mohammed Abdou, rendered the Magazine a forum for spreading thoughts of development and modernization not only among the Kuwaiti people but also among the Arab nation at large, and sought contributions from Arab writers like Sheikh Rashid Ridha, Emir Shakib Arsalan, Sheikh Abdul Aziz Al-Tha'alibi and Abdul Quader Al-Maghribi.

Following Rushaid's departure to Indonesia the magazine came to a stop, but he issued a new magazine there named "Kuwait and Iraq" in connection with Yunis Bahri from Iraq. The second Magazine ceased when Rushaid passed away in 1937.

Supervised by the previous Minister of State for Cabinet Affairs Abdul Aziz Hussein, Kuwait House in Cairo issued Al-

Bi'athah (The Mission) Magazine, and before it went out of print in 1954 Abdullah Zakarya Al-Ansari was its chief editor. The Magazine was mainly concerned with literary, social and political issues, which at the time began to experience substantial attention and prosperity.

The short-lived "Kazma Magazine" owned by Abdul Hamid Al-Sane'a saw light in November 1948, but was stopped after nine months as a result of printing an article calling for further attention to educators. However, it is noteworthy that Kazma was the first locally-printed Magazine after Kuwait had purchased its first press.

December 11 of 1954, witnessed the emergence of the first issue of the official gazette Kuwait Al-Youm "Kuwait Today" by the Printing and Publication Administration. The weekly contained all communiques, statements, bids, decrees, laws and all matters relating to the Public with an official capacity. Since November 30, 1956 the Gazette has been appearing on Sundays. In its first supplement edition on December 14, 1959 the official Gazette included the Law on Natiionality, Passports and Foreign Residence Permits. The three-month old "AL-FAJR" weekly newspaper, appeared in 1955 then "AL SHA'AB" weekly was issued on November 5, 1957 until June 19, 1959.

Modern history of journalism in Kuwait coincided with the issuance of the then weekly newspaper AL-RAI AL-AAM on April 16, 1961, which was later converted into a daily newspaper with Abdul Aziz Fahd Al Masa'eed as its editor-in-chief.

Al-Rai Al-Aam, currently, issues two weekly magazines: "AL-NAHDHA" and "SA'AD". The latter addresses Kuwaiti and Arab children.

In March 1962 Abdul Aziz Fahd Al-Flaij published the political dily "AKHBAR AL-KHALIJ" but after a while it folded up.

"AL-SEYASSAH" daily newspaper saw light in 1965 with Ahmed Abdul Aziz Al-Jarallah as chief editor. Al-Seyassah House for Printing Press and Publication issues, in addition to the "ARAB TIMES", a daily newspaper published in English and Urdu, and

monthly English language magazine called "ARAB OIL", known earlier as "Europe and Oil."

Daily newspaper "AL-ANBAA", currently chaired by Faisal Al-Marzouk, appeared on January 5, 1976. English language daily "KUWAIT TIMES" came into being on February 19, 1961. Its current editor-in-chief is Yousif Al-Alayan, Chairman of Kuwait Journalists Society. "AL-QABAS"emerged on February 22, 1972, with Mohammed Jassem Al-Saquer as its present Chief Editor.

AL-WATAN daily newspaper, whose present chief editor is Jassem Al-Mutawa, was issued by Al-Hadaf House for Press, Printing and Publication in January 1974. Al-Watan used to appear six days a week whereas, on Thursday, the House issued AL-HADAF weekly newspaper instead; but, later, Al-Seyassah purchased Al-Hadaf and Al-Watan began to appear seven days a week regularly.

On July 9, 1984 Al-Jamahir, a local Arabic newspaper specialized in sports issues and activities, came into being, and in May 1985, daily Al-Qabas commenced to issue an international edition with the purpose of conveying the objective national and pan-Arab news and analyses for Arab people abroad.

Each Kuwaiti local newspaper generally prints daily a minimum of 35.000 copies and a maximum of 80.000 with an average of 24 pages. Kuwaiti press is widely read in a great number of Arab and foreign countries.

A considerable number of magazines and periodicals are regularly issued in the Country by informational bodies or by commercial, industrial and financial companies and corporations in addition to organs of societies, eductional, sports, legal and student unions.

Sponsored by the Ministry of Informtion, "AL-ARABI" is one of the most prominent Kuwaiti magazines which, since the appearance of its first issue in December 1958, has been addressing the Arab public opinion all over the Arab World with an eye to gaining support to the "purely Arab idea", combatting ignorance and diseases by increasing the Arab reading public's

awareness in the various areas of knowledge. "Al-Arabi", throughout its 27 years of age, has functioned as a mouthpiece for individual and collective freedoms and vehemently exposed all forms of colonialism in conformity with its strategy based upon promulgation of human culture and awareness.

As a magazine for all Arab citizens, Al-Arabi has been firmly in support of pan-Arab aspirations, deriving the bulk of its basic material from the Arab situation in service of the national causes. The renowned monthly attracts writers from the four corners of the Arab Homeland, and is anxiously awaited each month by its reading public in their respective countries.

Placing the Arab youngsters in the focus of its attention, Al-Arabi took initiative in prepring an experimental issue of a new proposed magazine, especially designed for the Arab younger generation named "The Arab Youngster", whose regular appearance will coincide with Kuwait National Day festivals.

The pilot issue has actually been presented to a host of writers, men of letters, artists, newsmen, educators and psychologists for assessement so as to ensure that the new publication would live up to the level of the hoped-for objectives represented in creating efficient and positive Arab generations.

Kuwait has the right to take pride in being the location of 87 daily, weekly, monthly and quarterly periodicals in politics, sociology, economics, finance, education, etc. which not only attracted Arab readers, but also readers of other foreign languages. Many of those publications have been considered mouthpiece of Arab nationals and pan-Arab expectations and interests.

The National Council for Culture, Arts, and Letters

It was on July 17, 1973 that the Amiri Decree on establishing the Council was issued to undertake cultural planning and all other matters relating to arts, letters and culture in addition to developing the intellectual activities within a framework of free, adequate atmosphere necessary for literary and artistic creativeness. The Council was also assigned with the task of promulgating culture, protecting, studying and documenting the national cultural heritage, as well as promoting the human aspects of the Arab and international relations through cultural exchange.

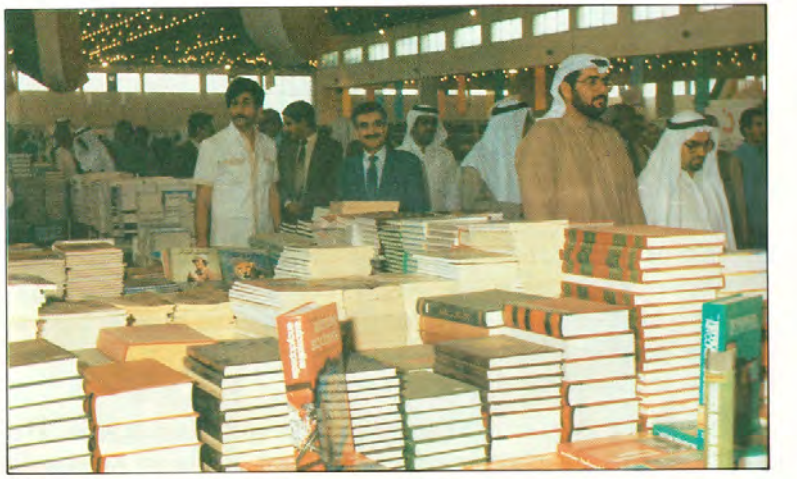
The National Council for Culture, Arts and Letters actually commenced activities as of the convention of its first session in January 1974, by examining means of accomplishing the goals determined by the Amiri Decree. The Council has realized a tangible success in implementation of its task since its inception up to the latest session in October 1985. Sponsored by the Council, 96 books of the monthly series Alam Al-Marifa "The world of Knowledge" have so far been published with an average of 30.000 to 50.000 copies each. The series provides readers with deep insights in the fields of science, technology, economics, humanities, literary studies, linguistics, arts and religion, etc.

Seeking follow-up of the latest developments in the various epistemological spheres, the Council was keen on translating and publishing scientific and well-researched studies in its periodical "Al-Thaqafah Al-Alamiyah" (The World Culture) of which 18 issues have so far come into light with an averge of 8.000 to 10.000 copies each. Furthermore, the Council has published a number of heritage masterpieces that do not find their way to bookstores by commercial publishing houses. The Council is on the verge of finalizing preparation of the central library, which will contain about 330.000 copies of Arabic and foreign books, translations, manuscripts, and periodicals. Responsibility for this mother Library was shifted to the Council as of 1980

Books for All

Public Libraries in Kuwait registered in 1984 a borrowing increase of 29% in comparison with that of the previous year, with borrowings amounting to 113.544 books. The Minister of State for Cabinet Affairs Rashid Abdul Aziz Al-Rashid maintained that the Council had prepared a national index that links Kuwait's libraries with a unified information network. The Council provided the Country's children with an access to about 42.878 books which contributed, among other activities, to promulgation of children's culture.

Establishment of a national library was placed in the five-year plan 1985/1986 - 1989/1990, and KD 3.5 millions were allotted for this purpose. With the accomplishment of this project, the Council will be playing a leading role in spreading culture among the people. With this achievement the difference between Kuwait's first library in 1922 and the new one becomes quite unequivocal.



11th Arab Book Exhibition (November, 1985)

Literary and Artistic Movement

Notwithstanding the fact that the Kuwaiti people had their own literary and artistic works over their various historical phases, poetry appears to be their oldest product in modern Kuwait. It is no wonder then that the early works of Kuwaiti poetry have not been recorded since the process of preserving literary works is linked with the educational, printing and publishing movement in the country.

Historians of literature attribute general literary revival in Kuwait to the arrival of Abdul Jalil Al-Tabatbai to the Country in 1843, who encouraged Kuwaiti talented young poets. Credit goes also to Kuwait's first journalist Abdul Aziz Al-Rushaid who set the stage for an intellectual movement, and sponsored the first magazine which was concerned with publishing literary products of young and promising Kuwaiti writers and poets.

Kuwait later knew other names who enriched its literary and intellectual life, amongst whom where Ahmed Abdul Jalil Al-Tabatb'i, Khalid Abdullah Al-Adsani and the poet Abdullah Al-

Faraj. They were succeeded by a great number of poets, prose writers, essayists, novelists, and dramatists who had substantial impact on Kuwait's literary movement and whose works currently occupy a respectable place in the Arab library.

Apart from literary publications, Kuwait witnesses unintermittent literary and artistic symposiums on a large scale in the Country's societies, cultural and literary clubs, university, and the rest of non-profit associations. Those activities represent wide-open doors through which broad public sectors get aquainted with the divergent local activities and have access to invaluable opportunities of cultural exchange which encourage further creativeness.

Book, painting, sculpture and photography exhibitions are continual cultural phenomena on the art scene in Kuwait to acquaint the public with the newest books and artistic works of Kuwaiti, Arab and foreign writers and artists.

Kuwait theatrical activity, needless to say, has genuinely tackled the problems and aspirations of the Kuwaiti citizens in particular and the Arab nationals in general. It was this genuinness that qualified a number of Kuwaiti dramatic works to obtain a number of rewards in Arab theatrical contests. Eyes can in no way be averted from the achievements of child theatre in Kuwait and its role in shaping children's awareness and consolidating their pan-Arab allegiance.

Kuwait Radio and Television also played an undeniable role in the promulgation of culture among listeners and viewers through boundless cultural programmes and local, Arab and foreign serials.

Cinema industry in Kuwait, however, does not occupy an important position in comparison with the previously discussed media on the account of Arab and foreign competition, shortage in production companies, scarcity in technical potentialities in addition to problems relating to distribution. Despite these obstacles, Kuwaiti movies "Bas Ya Bahar", "Al-Samt", "Urs Al-Zain", "Al-Quarar", "Al-Fakh" were considered prominent

Children's Theatre in Kuwait

landmarks in the march of the Arab cinema industry for they had been able to introduce Kuwait and her people, in addition to other Arab issues, honestly and effectively over different historical stages. Many movie industrialists and critics highly praised the above-mentioned films, and were seriously welcomed by the public.

Of tangible importance also are The High Institute for Dramatic Arts, Music Institutes, Kuwait Television Folklore Troupe as well as many public artistic groups.

Although Kuwait's cultural age is still relatively young, it has been spectacularly divergent, rich and boundless. After 25 years of independence, Kuwait has acquired a prominent cultural position which qualifies her to stand professionally among fraternal Arab States.

Chapter Six

KUWAIT'S RELATIONS AT VARIOUS LEVELS

1 - The Arabian-Gulf Level

2 - The Arab Level

3 - The Islamic Level

4 - The International Level

KUWAIT AT THE GULF LEVEL

Despite the fact that Kuwait emerged as an independent, constitutional entity twenty-five years ago as a result of her abrogation of January 23, 1899-Agreement, it built bridges of contacts with the Gulf, Arab, Islamic and other world countries before and after abrogation of the accord.

Those contacts, in the course of years took place in the framework of Kuwait's national interests and in conformity with its potentialities.

The broadlines which govern Kuwait's various relations with other countries emanate from firm convictions which have been determined by the State's home policy based on public participation in the decision-making process. Hence, Kuwait local and foreign policies have ever been consistent and harmonious, untarnished by any kind of contradiction or imbalance.

Kuwait's foreign policy broadlines could be summed up in the following principles:

1- Right of all nations to live in their homelands and on their territorial soil, and to establish their own life-styles, economic, social and political system according to their people's free will, away from any foreign threats or interventions.

2- Full equality between states and peoples, a principle which has been approved by all international charters and norms, irrespective of the population number on the State's area.

3- Right of all nations and peoples to enjoy their own resources and economic, intellectual and technological accomplishments, as well as the necessity of exchange of expertise to overcome the difficulties faced by the whole world in general and the underdeveloped and developing nations in particular.

4- Rejection of all forms of colonialism and racial discrimination as they loot other people's wealth and confiscate their natural right to human equality regardless of colour, faith, and race.

5- Right of all nations and people to defend their countries and properties, and to protect them against all forms of aggression or threat to use force and resort to arms for settling disputes between peoples, nations and governments.

6- Support of all regional and international organizations which are assigned with maintaining peace and protecting the world's security and stability against all threats of armed conflicts at a time when a world war means full and overall global destruction.

Kuwait, out of the aforesaid principles, established distinguished relations with the Gulf, Arab, Islamic and other world countries and gained world-wide respect and esteem.

The General Board for the South and Arabian Gulf

As Kuwaiti people have always been an integral part of the Arab people of the Arabian Peninsula, Kuwait's relations at the Gulf level emanated from pan-Arab grounds even before attaining her full independence.

Kuwait has always been keen on assessing the people of the region, out of its genuine Arab allegiances, even in the early years of oil commercial exportation when revenues were remarkably modest.

In 1953, Kuwait established The General Board for the South and Arabian Gulf which was entrusted with extending modern cultural, health and social services to the Arabian Gulf countries, known at the time as Oman Coast Emirates, in addition to North and South Yemens, Oman and Bahrain.

Kuwait, which had profound conviction in the unity of the Arab Homeland, equally believed that Arab solidarity should materialize both in the life's ups and downs.

The Board and Omani Coastal Emirates

Up to the school year 1971/1972 the Board managed to construct 45 schools in the Omani Coastal Emirates, with 33 of them fully sponsored by Kuwait, in addition to joint sponsorship of three other schools with other parties. It also established two institutes for preparation of male and female teachers as well as an institute for commercial studies. During that same year, Kuwait Bureau in Dubai supervised over 923 teachers in the Emirates fully sponsored by Kuwait.

Kuwait dispatched in 1962 a medical mission to the area to extend health services to its people and later embarked on constructing hospitals and contracting physicians, hospital attendants, nurses, administrative staff and employees.

By the time the Board brought its services in the area to a half in 1972, following the emergence of the state of the United Arab Emirates, Kuwait had constructed four hospitals and five poly-clinics in the Six Emirates.

The Board, at the cultural and informational levels, established a television station in Dubai, and was officially inaugurated on September 7, 1969. The station, which was working under the name of Kuwait TV from Dubai,was officially handed over to the concerned authorities in the United Arab Emirates in December 1972.

In 1963 the Board opened two bureaus in Sana'a and Aden, the capitals of North and South Yemens respectively, to supervise Kuwait's proposed projects in the two fraternal countries.

The Board and Yemen Arab Republic

The first phase of Kuwaiti projects in the Yemen Arab Republic began in 1963, during which eight elementary and preparatory schools for boys and girls were constructed in Sana'a, Ta'az and Hudaida in addition to one hospital and four poly-clinics.

The second phase came to an end in 1970 with the establishment of ten elementary and preparatory schools, a teacher-training college which later became part of Sana'a University, as well as five poly-clinics and one hospital.

The Board, during the third stage, constructed three joint preparatory-secondary schools for girls in Sana'a, Ta'az and Hadaida from which a large number of girl graduates later occupied prominent positions in the fraternal country.

The Board's fourth-phase plan included establishment of ten schools for different educational stages, a hospital in Hudaida, all-out rehabilitation of Sana'a hospital, and ten residential blocs for physicians and nurses. Those projects were not implemented in conformity with schedules because of military problems in the Northern Yemeni areas, but the 250-bed Hudaida hospital was opened in October 1974.

The fifth stage witnessed construction of eight schools for various stages, Sana'a University administration complex, the Ta'az-based College for Arabic and Islamic studies, university laboratories, a poly-clinic, furniture storehouses and medical stores at Kuwait's hospital in Sana'a, as well as construction of additional classes at the University and Ta'az Secondary School for Girls.

The budget allocated for the sixth phase included financing of 14 schools and other university premises, a civil aviation authority and Kuwait's general hospital in Sana'a in addition to a pharmacy.

Between the seventh and the twelfth stages the Board established the central Laboratory, blood bank, five multi-stage schools, three hostels for residential blocs for university and college teachers, a public library, a poly clinic and a number of auditoriums and festival halls at police, business and law faculties. The Board's budget for fiscal year 1983/1984 included the establishment of a chemistry section at the faculty of science.

In implementation of a pledge by His Highness the Amir Sheikh Jaber Al-Ahmed, the Board has resolved to establish the

faculty of medicine and health science, which is expected to be one of the Board's greatest projects.

Furthermore, the Board provided Kuwait-sponsored schools and university with a teaching staff at its own expense as of 1971/1972. In the school year 1983/1984 the number of those teachers came to a total of 116. University professors numbered 130 in the same year, let alone 50 tutors with B.A. and M.A. degrees and 71 administrators and technicians, which brings the number of Kuwait-Supported university personnel in Yemen to a total of 251 working at various faculties.

Upon a recent agreement, Sana'a University, which has stepped beyond the foundation stage, will from now on undertake contracting the necessary teachers, administrators and technicians while the Yemeni government is pick up the tab for salaries of Yemeni teachers, so that the Authority can be devoted for non-Yemeni professors and on modern labs, equipment, references and periodicals.

The Board and the People's Democratic Republic of Yemen

Between the first stage of support extended to Democratic Yemen in 1970 up to fiscal years 1982/83 and 1983/84, the Board's services consisted of establishing 32 elementary, preparatory and secondary schools, two kindergartens, a number of student hostels, additional classes in several schools and colleges, and a public library in Aden in 1975/76. Since 1972/73 Kuwait has been providing Aden with scores of teachers who are still working in their line of duty.

In compliance with its budget, the Board set up four minor hospitals in 1973, two poly-clinics in 1974/75, psychiatric and psychological disorders sanitorium, a hospital at Ya'ar in Abin Governorate in 1982/83, apart from a number of technical institutions that graduate cadres who would shoulder the responsibility implementing Aden's development plans.

Currently, the Board is constructing 600 residential flats in

Aden Governorate, the costs of which, are not included in the budget estimates, by consent of His Highness the Amir. The Board's 1984/1985 budget included establishment of a 200-bed general hospital in Lahaj Governorate.

Responding to a request by the Yemeni government, the Board carried out a comprehensive rehabilitation and air-conditioning of Aden's Republican Hospital, psychiatry (mental disease) hospital, Mukalla's general hospital and the premises of the Yemeni Council of Ministers.

A number of schools were furnished by the Board and hospitals and clinics were supplied with medical equipment and medicines before being handed over to Aden's Ministry of Health. Several administrative development centres were also equipped by the Board.

As of 1976 the Board has been providing Aden with a number of medical doctors, and the 1983/84 budget allocated funds for Kuwait's medical mission in Aden which comprised 26 physicians and pharmacists, whose number is expected to have exceeded the previously mentioned figure to cope with the Board's objectives.

The Board and the State of Bahrain

The Board, which had opened its bureau in Bahrain's Capital, Manama, in May 1973, managed to provide the fraternal Gulf country with 36 elementary, preparatory, secondary, religious and technical schools, two colleges, 10 health centres and a maternity hospital with a residential complex for physicians and nursing staff.

An Institute for male and female teachers' training was also constructed by the Board in addition to its completion of Bahrain TV Station and necessary workshops. The Board undertook responsibility for furnishing and equipping all the aforementioned projects once they had been finished.

The Board and the Sultanate of Oman

The Board, in 1977, constructed a six-kilometre road in Oman and a large administrative centre that comprised an elementary school, a poly-clinic, a mosque, a post-office. It also established a secondary school, nine residential blocs for female teachers, students and administrators all were provided with adequate furniture and necessary equipment.

An internal road network, parking lots and sports fields were established by the Board and were handed over to the Omani authorities.

Other Forms of Cooperation

Kuwait concluded a number of commercial, educational, cultural economic agreements with the Arab Gulf States, which entailed formation of several joint committees to ensure coordination between the peoples of the area, before the birth of the Gulf Cooperation Council (GCC).

Of the most eminent bilateral or multi-sided agreements signed between Kuwait and Arab Gulf States are:

- Kuwait-UAE agreement on bilateral economic cooperation, signed on June 30, 1973.
- Kuwait-Saudi economic cooperation agreement concluded on March 23, 1975.
- The Agreement on founding the International Arab Gulf Bank on December 14, 1975.
- The agreement on the establishment of the Arab Shipping Company on January 19, 1976.
- The agreement on the establishment of a joint programme and Broadcast Production Institution, which Kuwait endorsed on December 25, 1976.
- The agreement on establishing the Gulf Organization for Industrial Investment, endorsed by Kuwait on October 25, 1975.

Kuwait, furthermore, spared no effort, at the highest levels, to reconcile the post inter-Arab Gulf states disputes. Kuwait's good offices were crowned by settling the conflict between Oman and the Democratic Yemen and between the latter and the Yemen Arab Republic. Those efforts resulted in exchange of diplomatic relations between Oman and the Democratic Yemen while the two Yemens are presently discussing a unity draft plan.

Kuwait and the Gulf Cooperation Council (GCC)

Kuwait has consistently been determined on promoting its fraternal ties with all the Arab countries in the Arabian Peninsula on the basis of non-interference in each others internal affairs and out of her deep conviction in the common interest of the region and its peoples.

Due attention was also paid by Kuwait to the necessity of bridging the gap between the region's countries in all fields so that the region would not be classified into a developed north and underdeveloped South. Hence, Kuwait played an undeniable role in the Gulf countries' current development and modernization, particularly the non-oil states, and it was by virtue of Kuwait assistance that some countries in the region had not been classified as poor or under poverty line, but rather enjoyed good standards of living.

Kuwait's relations, however, with the other five Gulf countries experienced a qualitative leap in 1981 when the foreign ministers of the United Arab Emirates, Bahrain, Saudi Arabia, Oman Sultanate, and Qatar as well as Kuwait deputy premier and foreign minister Sheikh Sabah Al Ahmad met in Riyadh on February 4 of that year, to discuss a Kuwaiti memorandum on further cooperation between these countries at the political, economic and military levels.

Presided over by Sheikh Sabah Al Ahmed, the six-state conference resulted in an agreement on the organizational structure of the Gulf Cooperation Council. Promulgated by Saudi Foreign Minister Prince Saud Al-Faisal, the declaration statement said the esatblishment of the GCC had been achieved "in conformity with the nationalist goals of the Arab nation and within

Gulf Cooperation Council leaders

the framework of the Arab League's Charter which urged regional cooperation aimed at promoting Arab relations, maintaining the members' allegiance to the league and enhancing its role in realizing the objectives and principles of the Charter in service of the Arab and Islamic causes".

Kuwait Deputy Premier and Foreign Minister Sheikh Sabah Al-Ahmed was articulate enough to declare, upon the announcement of the Council, that the new body was not a military pact between the Arab Gulf States, but was a formula for consolidating ties of cooperation between the six countries.

The goals of the Council were determined by its statute as follows:

1- Realization of coordination, integration and cooperation among member states in all fields until achievement of unity.

2- Deepening and consolidating relations and realizing a multi-faceted cooperation between the people of the region in all walks of life.

3- Adoption of similar systems in different fields, including:

- economic affairs,
- commercial, customs and transport affairs,
- educational and cultural affairs,
- social and health affairs,
- information and tourism affairs,
- legislative affairs.

4- Enhancement of scientific and technical progress in the industrial, mineral and agricultural spheres in addition to water and animal resources as well as the establishment of scientific research centers and joint projects and encouragement of the private sector for the interest of the region's people.

We are not running the risk in saying that the Council has been advancing in great strides, specially after the convening of six summit conferences of the Supreme Council and holding of scores of meetings by the Ministerial bodies. It was no surprise, then, that the latest conference of the GCC heads of State held in Oman in November 1985, had been labelled as the "takeoff Summit".

Despite the fact that the GCC image is quite clear for all peoples and countries, yet statements and addresses given by the Council's leaders further illustrate the features of this Arab Gulf body. Sheikh Zayed Bin Sultan Al Nahayan, during the first summit session held in the UAE on May 25-26, asserted, in his capacity as session president, that the GCC member states reject any foreign protection, and would in no way extend any military bases or facilities to any country, emphasising that the Gulf States are capable of self protection and are responsible for their own security.

Sheikh Zayed also underlined that the emergence of the GCC cannot be considered an isolation from the Arab league, but is by all means lending efficient support to the Arab nation as a whole:

One of the GCC Summit Conferences

In the course of cooperation and integration, the GCC states adopted a number of resolutions and concluded several agreements topped by:

1- The unified economic agreement which was approved by the ministers of finance on June 8, 1981.

2- The establishment of the Arab Investment Bank as a joint-stock Bahraini company on April 16, 1982 to become the third bank in Bahrain established in participation of the six member states.

3- The establishment of the Gulf Investment Corporation at an initial capital of US 300.000.000 dollars, and was signed on November 11, 1982.

4- The establishment of the Arab Gulf Authority for Standard Specifications and Measurements in the GCC countries, whose board of directors was set up on July 18, 1984.

Those and other accords as well as resolutions and joint projects adopted by Gulf ministers, undersecretaries, experts and joint committees in the various fields of defence, security,

finance, planning, culture, industry, oil, health, housing etc., all shed light on the assiduous efforts and activities exerted in rendering the GCC a remarkable success.

Following remarkable accomplishments, the Gulf Cooperation Council has become a substantial reality and has managed to fill the "vacuum of power" in the region which was alleged by some countries as a pretext to justify intervention in the region's affairs.

The GCC is currently entrusted with the task of defending the region and speaking for its people in all forums, particularly at the international level, whether in the United Nations or in the dialogue with the European Economic Community (ECC) where the six states adopt one position and conduct collective negotiations as a single party.

GCC members are seeking the establishment of balanced relations with the Western and Eastern blocs on the basis of sovereignty, equality and independence. Within this context Oman and the Emirates have recently exchanged diplomatic representation with the Soviet Union, while Saudi-Soviet contacts constitute further landmarks on the path of a balanced Gulf policy.

It is this independent, non-aligned, balanced policy which has refuted all allegations that the Council will side with one bloc at the expense of the other. There has been a semi consensus that the GCC is a regional organization, emanating from the value of Arab League, UN and humanity at large.

Kuwait's role in bringing the GCC into being is a fact that has been acknowledged by officials in the GCC states.

2 - KUWAIT AT THE ARAB LEVEL

Emanating from the Country's established realities, Kuwait's constitution, promulgated in 1962, stipulated in its first article that "Kuwait is an Arab independent country with full sovereignty, and Kuwaiti people are part of the Arab nation". The second article stated that "Arabic is the State's official language". Thus, Kuwait has determined her complete and comprehensive relationship with the Arab nation in terms of land, language, people and culture.

Kuwait's broad popular and official relations with her fraternal Arab states, represented in commercial and educational exchange as well as administrative and technical cooperation, particularly with Palestine, Egypt, Iraq and Syria, dates back much earlier to the Country's independence in 1962. Since the second decade of the current century, the reading public in Kuwait used to anxiously await Arab publications in those countries to quench a thirst for contemporary culture and new ideas. It is worth mentioning also that the first Kuwaiti cultural work was printed in some Arab countries.

Hence, Kuwait has ever been in permanent interaction with the Arab causes, and the Kuwaiti people extended all possible assistance to sisterly Arab States. Support was offered to the Palestinian people struggle in 1936 against the hostile zionist plots in spite of the world economic depression at the time of Kuwait's extremely limited resources during the pre-oil period.

Kuwaiti people, in conformity with their capabilities, contributed to the national and democratic liberation movement along the Great Arab homeland against colonialist powers and totalitarian forces. A number of Kuwaiti celebrities raised flags of reformation and freedom and founded cultural clubs and democratic councils that emphasized the Arab unity against all powers of aggression and persecution. Considerable support was also expressed by Kuwaitis, alongside the Arab masses, to

Egypt's nationalist leadership that came to power following the July 1952 revolution.

They, furthermore, voiced principled backing for the revolution against the foreign conspiracies, particularly during the tri-partite aggression against Egypt in 1956, which vitally contributed to the leadership's steadfastness in face of the aggressors.

On their part, Arab nationalist movements, leaders and people played a tangible role in supporting Kuwaiti independence and liberation movement which enabled the Country to control its national resources away from any foreign dominance. Similar Kuwaiti official and popular support was also extended to the 1954 Arab national revolution in Algeria and to Iraq's revolution in 1958, which represented a possible role in their victory.

Kuwait's ties with Arab countries were further promoted following independence and admission to the Arab Leage as a full fledged member on July 20, 1961. With that, Kuwait became committed to the League's Charter and the Joint Arab Defence Agreement. It also signed on June 6, 1964 the Arab Economic Unity Agreement with Egypt, Syria, Iraq and Jordan with an aim to establishing economic unity between the signatory states through abrogation of all commercial restraints and setting up a unified Arab customs barrier before foreign product. In addition, Kuwait signed with the aforesaid Arab countries the Joint Arab Market Agreement which was scheduled to be implemented on January 1st, 1965.

Kuwait was also keen on having access to the various Arab unions and organizations in implementation and embodiment of her pan-Arab policy. Hence, it joined the Arab Broadcasting Stations Union, the Organization of Arab Petroleum Exporting Countries (OAPEC), Arab Postal Union, Arab League Educational, Cultural and Scientific Organization (ALECSO), the Arab Centre for Studies on Arid Areas, the Arab Organization for Social Defence against Crime. It also gained membership in the Arab Organization for Agricultural Development, Arab

Corporation for Investment Guarantee, Civil Aviation Council of the Arab States, Arab Labour Charter and Arab Labour Organization, Arab Corporation for Space Communications, Arab Bank for Economic Development in Africa, Arab Organization for Specifications and Measurements, Arab Telecommunications Union, Arab Academy for Marine Transport, Arab Monetary Fund, and the Arab Economic Unity Council, etc.

Public and private institutions in kuwait always gave priority of employment to Arab labour force, experts and highly qualified people to face the shortage in local labour force and technical cadres.

Mutual visits have been exchanged, and a great deal of bilateral agreements have been concluded between Kuwait and the Arab Countries with the purpose of deepening fraternal ties and enhancing Arab cooperation at all levels and in all fields.

The Kuwait Fund for Arab Economic Development since its inception on December 31, 1961, has been an outstanding landmark in the history of Kuwait-Arab relations. Founded with the goal of providing Arab sisterly states with loans for implementation of development programmes, the Fund had scored substantial success in executing many projects which targeted infrastructural development in the Arab countries.

Kuwait's role at the Arab level further crystallized with the convention of Arab Summit Conferences as of 1964. Political leadership has been strikingly keen on effective participation in all Arab Summit Conferences, with Kuwait delegations headed by successive heads of state Sheikh Abdulla Al-Salem Al-Sabah, Sabah Al-salem Al- Sabah and His Highness the Amir Sheikh Jaber Al-Ahmed. Due regard was expressed by Kuwait to all summit resolutions, Arab unity of ranks, and joint action for effective confrontation of all perils threatening the Arab nation and its aspirations.

Permenant Kuwaiti Participation in Arab Summits

Kuwait also fully honoured all its financial commitments determined by Arab summits to encounter the Israeli military aggressions and to foil its plans to alter the water-course of the River Jordan.

In conformity with a Second-Summit resolution in 1964, Kuwait advanced two million sterling pounds to help establish the Palestine Liberation Army, while the fourth Arab Summit in Khartoum after the 1967 war resolved that Kuwait pays 55 million sterling pound out of a total of 135 millions in compensation for Arab countries harmed by the Israeli aggression.

At the same summit conference, Kuwait proposed the establishment of the Arab Fund for Economic and Social Development (AFESD) which was unanimously backed and approved. AFESD agreement stipulated that the Fund which Kuwait owned a little less than one third of its KD 100 million initial

Late Sheikh Abdullah Al-Salem Al-Sabah Heading Kuwait's Delegation to Alexandria Arab Summit

capital, is set up with the aim of "providing sound basis for Arab economy to enable member countries meet the requirements of economic and social development."

Kuwait, in 1976, endorsed the agreement on founding the Arab Monetary Fund at an estimated capital of 250 million Arab Accounting Dinars(*). The Fund sought adjustment of the imbalance of payments of member states, stability of Arab currencies exchange rates, Arab monetary cooperation, consultation in respect of foreign investment policies, and paving the way for unified Arab currency and coordinated policy in facing world monetary problems.

Kuwait's support to the Arab fraternal countries transcended political, financial and economic aid to direct military

* Arab Accounting Dinar equals three units of special drawing rights as determined by the International Monetary Fund (IMF).

participation. On May 28, 1967 late Amir Sheikh Sabah Al-Salem Al-Sabah issued an Amiri Decree, appointing Brigadier Saleh Mohammed Al-Sabah, the then deputy chief of staff, a leader for Yarmouk Brigade to join Arab armies in defence of the Arab homeland against any aggression.

The late Amir, on that same day, proceeded to the Sixth Brigade's camp to see Kuwaiti soldiers off before departure to Egypt for military participation, where he gave a speech in which he said:

> "In your departure from Kuwait to the United Arab Republic (Egypt) to participate, alongside your brothers, in defending our Great Arab homeland, repelling aggression and restoring our usurped soil, you will be flying Kuwait's flag high. I am sure that this sacred emblem which stands for our beloved country, is in honest hands that are keen on keeping the flag fluttering on lofty heights under all circumstances, decorated with wreaths of glorious victory, pride, and grandeur. I wish I could be able to proceed with you as a soldier taking his part alongside his brothers to share with them dangers and destiny at all times. It is this critical situation which we are passing through that makes fulfillment of this dear wish inaccessible.
>
> Be confident that the honourable Arab Kuwaiti people who have ever been proud of their heritage, ambitious to reach the apex of glory, will be backing you mightly, eager to hear about your achievements, and will all bless you in all your doings."

Kuwait troops arrived in Cairo on May 30, 1967 amidst an atmosphere of great pan-Arab enthusiasm as has been expressed by the telegram cabled by the late Egyptian leader Gamal Abdul Nasser to the late Amir of Kuwait Sheikh Sabah Al-Salem Al-Sabah in which Nasser said "The unity of arms as embodied in those men who are taking up position in the same trench with the Egyptians, a sacred symbol for the unity of Arab destiny in its most supreme and honourable form".

Executive and popular bodies also took part in extending support to the Arab states. Kuwait Council of Ministers, during an ordinary session held on June 4, 1967 presided over by the then Crown Prince and Prime Minister Sheikh Jaber Al-Ahmed, the present Amir of Kuwait, decided that each ministry and government institution set up a committee for optional contributions by government employees in support of the Arab armies against the Zionist enemy. The Prime Minister and Cabinet members demanded that they start donation campaigns by contributing a one-month salary in compliance with the pan-Arab commitment.

The Council of Ministers, furthermore, resolved on June 6, to clamp an oil embargo on the United States and the United Kingdom for their support to the Zionist entity, and decided, in addition, that the oil ban be also applicable to other countries that adopt similar stances. Implementation of the decision was put into effect under immediate supervision of the Minister of Finance and Oil at the time.

On June 11, the Country witnessed an immense demonstration staged by Kuwaiti citizens in rejection of the resignation tendered by the late President of Egypt Gamal Abdul Nasser and in refusal of surrender to defeat. In his address, Sheikh Sabah saluted the demonstrators for the zealous expression of the nationalist spirit and appealed: "let the officials take the necessary measures and adopt the appropriate policies."

The Kuwaiti delegation which, following the 1967 Israeli aggression, proceeded to the United Nations under chairmanship of Sheikh Sabah Al-Jaber, deputy premier and foreign minister, exerted strong efforts in mobilizing public opinion against the Israeli aggression and occupation of Arab territories.

In his address to the UN General Assembly on July 25, 1967, Sheikh Sabah announced "Kuwait's full preparedness to use all her capabilities and potentialities to ensure the Arab rights and principles, and to shoulder whatever possible sacrifices to fully attain this goal.

He also requested an immediate, complete and unconditional withdrawal of Israeli troops from occupied Arab lands, with particular stress on Jerusalem. Sheikh Sabah underlined that the international community should prevent the aggressor from reaping the fruits of its aggression and protect the UN charter, international law and world stability and security.

The National Assembly, on its part, lived up to the level of the events and voiced solidarity with the government and popular stands in support of Arab confrontation countries.

Relentless efforts were undertaken by Popular Committees for fund-raising, and mobilizing masses politically and morally. An effective role was also played by the National Union of Kuwait Students and Kuwait University Council.

The Ministry of Public Health, the Kuwait Red Crescent Society and the Blood Bank granted every assistance in alleviating harms sustained by Arab confrontation countries through dispatching large quantities of medicines, blood plasma and other needed items.

Kuwait military troops remained in Egypt and fought side by side with their Egyptian brothers and other Arab troops in the war of attrition and the 1973 war against the zionist enemy. A number of Kuwaiti soldiers were martyred in the southern front in the ranks of duty and pan-Arab solidarity principles. On October 15, 1973, Kuwait formed "Al-Jahra Force", which five days later, joined the Syrian troops in the 84-day war of attrition against the Israeli entity. While Kuwaiti troops returned home from Egypt on October 10, 1973, Al-Jahra Force came back from Syria on September 25, 1974. Undeniable also was Kuwaits' air force role which spared no effort in transporting supplies and troops from Kuwait to the Arab frontlines. Kuwait has been faithful to her nationalist role at the political, economic, and military levels, and continues to be so should the need arise.

H.H. The Amir Affirms to PLO Leader Kuwait's Relentless Support to the Palestinian Question

Concerning the question of Palestine, the central Arab cause, Kuwait's attitude can be summed up as follows:

- The Palestinian people have the right to self determination, return to homeland and establishment of an independent state on their national soil.
- The Palestine Liberaton Organization is the sole and legitimate representative of the Palestinian people.
- The question of Palestine is the core of the Middle-East crisis.
- The necessity for immediate, unconditional Israeli withdrawal from all the Palestinian and Arab territories, including Jerusalem.
- Any settlement or endeavour for reaching settlement that

disregards the aforementioned principles, will be doomed to failure, as was the case with boundless efforts in this respect.

Kuwait, hence, held her doors wide open for myriads of Palestinians who had been forced out of their homeland as a result of the 1967 Israeli aggression and subsequent zionist acts of terrorism. While the Palestinians in Kuwait lead an honourable life and have access to job opportunities, Kuwait has been extending all forms of support to the PLO and explicitly promulgated its approval to whatever the Palestinian people believe as adequate to its cause in its various aspects.

On September 2, 1983, Sheikh Sabah Al-Ahmed addressed the Geneva-based International Conference on the Palestinian Question saying:

> Those countries which have not yet recognized the PLO as a legitimate representative of the Palestinian people should do so, and follow suit of other states. And those states which assiduously endeavour to keep the PLO away from any negotiation process over the Palestinian issue, should cease to do so, not only because this is incongruous with the view adopted by the absolute majority of the international community, but also because it endangers the issue of international peace, which those countries are supposed to safeguard as they are permanent members of the Security Council.
>
> The United States, which has been obstructing the Security Council from undertaking its responsibilities in compliance with the Charter by using veto right against any draft resolution aimed at penalizing Israel for its continuous violations of international laws, should also stop doing so. He noted that use of veto right in this respect was not targeting protection of world peace. On the contrary, the US employed veto right, to place further predicaments in the path of peace. This was not only a disrepute to the U.S.A. in particular, but widely harmed the international reputation of the Security Council and, consequently, to the International Organization as a whole.

States and regional organizations that have economic relations with Israel should reconsider such ties and agreements in light of the official declarations and Israeli measures which deal with the occupied Palestinian and Arab lands as part and parcel of Israel.

Side by side with those individual steps that have to be taken by the Western countries, other steps should be considered collectively to restore justice and to restore good reputation to the World Body.

The international community should view the UN resolutions on the Palestine Question as a whole, not to stress some decisions and ignore the rest as some countries do.

It should also regard the Arab Peace Plan approved in the 12th Arab summit conference in Fez, Morocco, on September 9, 1982, as materialization of the essence of the UN resolutions aimed, in their entirety, at achieving a comprehensive settlement to the Question of Palestine.

H.H. The Amir Sheikh Jaber Al-Ahmed at the Fez Summit in Morocco

The World Organization should consider the resolutions adopted by the Palestinian National Council in its meeting held in Algeria which emphasize abidance by the UN

principles, charter and decisions, which clearly spell out the Palestinian people's inalienable rights, as a constructive contribution to the establishment of a just and comprehensive peace in the Middle-East.

The International Community should also view recommendations adopted by the Committee on the Palestinian people's exercising their inalienable rights which have been approved by the UN General Asembly during its 31st session, and subsequent sessions, as a valid basis that enables the Palestinian people to exercise their inalienable rights in Palestine.

The Security Council, in conclusion, should take the initiative in adopting deterrent measures against Israel in conformity with the UN Charter to force her respond to its resolutions by withdrawal from the occupied Palestinian and Arab territories".

Deputy Premier and Foreign Minister Sheikh Sabah Al-Ahmed Addresses the International Community

3 - KUWAIT AT THE ISLAMIC LEVEL

Kuwait's relations with the Islamic world existed and grew before the emergence of Kuwait as an independent state. Sympathy and solidarity with the issues of the Muslim world, which are in turn related with the Arab causes, emanate from the fact that Kuwaiti people are Muslims and from Kuwait's Constitution which, in its second article, provieds that "Islam is the State's religion and the Islamic Shari'a (jurisprudence) is a basic source of legislation". Those feelings of sympathy fostered Kuwait's relation with the Muslim countries and peoples in the four corners of the earth.

On the other hand, Kuwait has been hosting Muslim pilgrims' caravans heading for Makkah and Medina in Saudi Arabia to perform the fifth pillar of Islam, pilgrimage or (Haj). The seasons were always accompanied by prosperity in trade exchange and transit between Kuwait and some Islamic countries in the region, the Indian sub-continent and South-East Asia. By virtue of the

The State's Mosque: A new Minaret in Kuwait Sky

above-mentioned principles and continuous contacts with the Muslim world, Kuwait extended assistance to world Muslims through construction of mosques, schools, poly-clinics and printing thousands of copies of the Holy Koran.

Philanthropists in Kuwait carried out such human constitutions even before the emergence of The Ministry of Awkaf and Islamic Affairs (Ministry entrusted with government supervision of estates in mortmain), which undertook afterwards the task of extending assistance to Islamic communities in cooperation with generous givers. Kuwait, in addition, hosted a great number of Islamic conferences and attracted countless delegations of Moslem scholars who visit the Country with the aim of consolidating human ties with the Country's celebrities through discussions, symposiums and exchange of views over the problems of the Islamic world.

In reaction to the Zionist crime of setting Jerusalem's Al-Aqsa Mosque ablaze on August 21, 1969, Kuwait was amongst the first countries that supported the convention of an Islamic summit conference in Rabat, Morocco. The meeting, which was held between September 22-25 of the same year, was the First Islamic Summit Conference in which leaders of Muslim countries agreed on a statement over the nature of ties that bind the Moslem countries. The statement reads as follows:

"Moslem heads of state and their representatives,

- believing that their common creed is a powerful element in bringing their peoples closer and in promoting understanding between them,
- determined to maintain the Islamic spiritual, moral, social and economic values which constitute an essential impetus to human progress,
- expressing their deeply-rooted conviction in the Islamic teachings which laid the grounds of full equality in rights between all peoples,
- asserting their adherence to the UN Charter and man's basic

rights whose principles and objectives represented a solid basis for fruitful cooperation between all peoples,

- voicing expression on consolidating fraternal and spiritual ties that link their peoples and preserving their freedom and common heritage based on principles of justice, tolerance and rejection of racial discrimination,
- emphasizing the necessity of spreading welfare, realizing progress and supporting human freedom the world over, and,
- resolved to unify their efforts in preservation of international peace and security, hereby declare:
- that their governments will conduct consultations aimed at enhancing cooperation and reciprocal assistance in the economic, scientific, cultural, and spiritual venues, inspired by eternal Islamic teachings.
- and that they shall commit to settling any problems that might erupt between the Muslim countries through peaceful means to assure their contribution to the promotion of international peace and security in conformity with the UN objectives and principles.

Kuwait, afterwards, took part in the subsequent Islamic meetings. It attended the First Islamic Foreign Ministers Conference held in Jedda, Saudi Arabia, between 23-25 of March 1970. The Conference resolved to establish a permanent secretariat for the Islamic Conference to function as a liaison body between the Islamic states, and to follow up resolutions adopted by the Islamic conferences. Jedda was selected as a temporary headquarters for the Permanent Secretariat until liberation of Jerusalem.

In addition, Kuwait participated in the Foreign Ministers' Second Conference held in Karachi between December 26 - 28, 1970, as well as the third conference held on February 23 - March

2, 1972, in which the Islamic Conference Charter was considered effective following delivery of the endorsement documents to the General Secretariat.

Kuwait attended the Second Islamic Summit Conference which was held in Lahore, Pakistan, between 22-24 February, and also participated in the Third Summit which was opened in the Makkah-based Al-Haram Mosque but held its sessions in Al-Taif during the period between January 24-27. The latter summit discussed the Palestine question, Arabdom of Jerusalem and its future, the Iraq-Iran war, economic cooperation between the Islamic countries and the proposal on setting up the Islamic Justice Court which was submitted by His Highness the Amir of Kuwait Sheikh Jaber Al-Ahmed Al-Sabah.

H.H. The Amir Presiding over Kuwaiti Delegation to Islamic Summit Conference at Ta'if.

Kuwait is scheduled to host in January, 1987, the Fourth Islamic Summit Conference in continuation of the cooperation and solidarity march between Muslim peoples and states which currently coordinate their efforts within the framework of the Islamic Conference Organization (ICO). The ICO charter stipulates that the objectives of the Conference are:

1- enhancement of Islamic solidarity between member states.

2- Consolidation of cooperation between member states in the economic, social, cultural, and scientific spheres and in other vital fields, as well as consolidation between member states in the international organizations,

3- obligation of racial discrimination and liquidation of colonialism in all its forms,

4- adoption of necessary measures to support international peace and security, based upon justice.

5- coordination of action in preservation and liberation of the safety of the holy shrines, supporting the struggle of the Palestinian people and assisting them to restore their rights and liberate their homeland,

6- supporting all Islamic people's struggle in preservation of their dignity, independence and national rights,

7- creating the atmosphere for deepening cooperation and understanding between the member states and other countries.

The ICO consists of the following bodies:
(a) the conference of kings, heads of state and government (b) foreign ministers conference, (c) the general secretariat and its affiliated institutions.

4 - KUWAIT AT THE INTERNATIONAL LEVEL

It is worth mentioning that Kuwait's relations with the world friendly countries, even before independence, have been characterized with political equilibrium, adherence to non-alignment policy, and dealing with other peoples and states on equal footing in favour of common interests and mutual cooperation. It was natural, then, that Kuwait in the post-independence era, promote its ties with the non-alignment movement and set up bodies of cooperation with the third-world countries.

Kuwait, in the person of late Amir Sheikh Abdullah Al-Salem Al-Sabah, participated in the second summit conference of the non-alignment movement which was held in Cairo, Egypt,between October 5 - 10, 1964. Since then, Kuwait has been keen on taking part in all the movement's activities and conferences.

The seventh conference of the non-aligned movement in which Kuwait participated, was held in India between the period March 7 - 11, 1983 and was attended by 97 member states,in addition to 19 states and organizations in their capacity as observers and delegations representing 25 states and international organizations.

In her relations with the western and eastern blocs Kuwait also abode by its non-aligned policy in the political, economic, and cultural fields. Furthermore, Kuwaiti diplomacy, economy and the National Assembly's Parliamentary Division exerted successful contacts and activities to assist the Movement's members stick to a balanced policy in conformity with the non-aligned strategy. Kuwait's efforts exerted in this respect were aimed at enabling the Movement's peoples and countries to eschew falling under dominance or influence of super powers, and to ward off any indulgence in international conflicts at the expense of the interests, freedom and resources of the third-world peoples.

Kuwait's attitude towards any aggression launched against any third-world country emanates from, and is inspired by its above-stated principles. Commenting on the American invasion of Grenada Island in October, 1983, Kuwait Deputy Premier and Foreign Minister Sheikh Sabah Al-Ahmed Al-Jaber said:

> My Country does not see any legal basis for what the United States and some Caribbean countries have done in their armed invasion of Grenada, which contradicts the context and spirit of the UN charter.

The Kuwait official considered the invasion a serious phenomenon, and voiced regret over the bloody conflict in the Island which Sheikh Sabah branded as "a merely internal affair that concerns no parties but the people of Grenada who enjoy the right, as other peoples do, to decide on their socio-political regime away from foreign interference".

Alongside the rest of the third-world countries, Kuwait spares no effort in the adoption of modern technical methods with the purpose of achieving social progress and development. It also insists that if the North cannot live without importing raw materials from the South, the former should provide the latter with necessary requirements that help the South follow suit as the constitution of world division into a badly-off South and a wealthy North constitutes an imbalance that will inevitably endanger the world's security.

Kuwait, however, shares with a number of South states the opinion that Southerners themselves should first unite their ranks through fruitful dialogue and joint plans in light of which they can negotiate with the Northern states. In a word, Kuwait believes that resources of the South are indispensable for running the North's machinery, which, consequently, entails that the South should have access to profit from the Northern accomplishments to fulfil justice, equally and balance in international relations.

KUWAIT'S RELATIONS WITH OTHER WORLD COUNTRIES

Although historical circumstances created strong ties between the third-world countries, including Kuwait, and the Western states, yet national interest lies in cooperation with all blocs and countries irrespective of their socio-economic systems. Hence, Kuwait established commensurate relations with the Soviet Union and the socialist countries and concluded with them a number of economic, cultural and scientific agreements. In return, Kuwait gained respect of the socialist bloc states, particularly the two sides fully adhered to equal relations regardless of the state's area and population. Simultaneously, this balanced strategy secured options for Kuwait in obtaining its economic and security demands, and helped her diversify its arms sources to ward off any exortion attempt by any party.

Kuwait's relations with the western camp are governed by the nature of attitudes adopted by the western countries in respect of the Arab issues. Kuwait hails any positive stands taken by western countries in this respect, as was the case when the European Economic Community (EEC) states announced in the Venice Declaration in 1980, but when they fall back on those positions and take aggressive stands towards the Arabs, Kuwait declares its rejection, condemnation, and repulsion of such stances. Kuwait never failed to promulgate her stands both at the international forums and in the meetings with officials of those states whether in the Country or abroad, and permanently underlined her condemnation to any party that extends financial and military support or political protection by using veto right to safeguard the Israeli enemy.

Substantial moves were launched by Kuwait in the international arena in denouncing and exposing the Israeli invasion of Lebanon in 1982, and the current occupation of the southern part of the country. Furthermore, Kuwait declared her backing to the Lebanese National Resistance Movement and expressed appreciation for its stands and means of liberating Lebanon's soil. News of the Movement had wide play in Kuwait's mass media to rally support for the national struggle of the Lebanese people.

The Country, through its representatives to the United Nations and other world bodies, firmly stood against all forms of aggression, colonialism, apartheid and racial discrimination. It also upheld the struggle of the national liberation movements in South-Africa and Namibia and called for immediate demolition of nuclear and atomic weaponry and urged a halt in producing all types of comprehensive destruction arms. Kuwait also stood against resort to threats of using force in the international relations and shored up calls for establishing arms-free regions to ensure the safety and security of small peoples and third-world countries, non-militarization and non-stockpiling of arms in space.

Those broadlines of Kuwait's policy have been carefully and skillfully drawn up and promulgated by the State's top officials and foreign affairs diplomats, whereby Kuwait earned great stability and sympathy. Although the Country hosts more than a hundred nationalities on its soil, they are all convinced that their interest and common good are integrated with the State's stability and security.

Appreciation of Kuwait's foreign policy surfaced during the bombing incidents which targeted some institutions, when the bulk of the international community voiced broad sympathy and backing to the Country and her policy which has ever been aimed at fulfilling the Arab and third-world aspirations.

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