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Kuwait: Finding Balance in a Maximalist Gulf Kristin Smith Diwan



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Executive Summary

Kuwait projects itself as a champion of participatory politics and Gulf and Arab unity as embodied in its Parliament and support for regional institutions such as the Gulf Cooperation Council. Yet today, Kuwait finds its participatory and deliberative politics out of step, as younger leadership in Qatar, the United Arab Emirates, and Saudi Arabia centralize power in pursuit of bold economic visions and greater influence abroad. Amid the dramatic changes sweeping the Gulf region – the contest for regional supremacy, generational transition, and economic transformation – Kuwait's incremental approach is being sorely tested. This paper examines Kuwait's search for balance among its social groups, political institutions, and regional powers, while asking if Kuwait's model is sustainable in a Gulf security and political environment characterized by maximalism.

Kuwaiti national narratives depict a consensual monarchy where merchants, both Sunni and Shia, came together to constrain the ruler and defend the sovereignty of the emirate. These accounts elide social cleavages and simplify geopolitics that are still relevant today. But they do inform a tradition of popular participation and a template for national cohesion in the face of foreign threat. Kuwait's political history, demographics, and geopolitical constraints likewise shape the social balancing and regional mediation Kuwait's rulers deploy to maximize their scope for independent action at home and abroad.

Under the current Emir Sabah al-Ahmed al-Sabah, relations between the ruling family-led executive and the elected Parliament have become more contentious. This has stymied decision making and stunted economic development relative to Kuwait's neighbors. As the political crisis escalated, in part due to the pressure applied by youth-led protest movements, the government adopted new measures to regain control: restricting political expression, hindering opposition elections, and limiting parliamentary inquiries. These new controls have enabled the government to pursue delayed megaprojects and undertake modest economic reforms, while also responding to public criticism with new public works.

Some of the political instability is attributable to heightened competition within the ruling Al Sabah family, anticipating the transition of power to a younger generation of royals. This leadership struggle, captured in the decadelong rivalry between former Prime Minister Nasser al-Mohammed al-Ahmed al-Sabah and former Deputy Prime Minister Ahmed al-Fahd al-Sabah, embroiled Kuwait's institutions, from the Parliament to the media to the courts. The recent appointment of the son of the emir, Nasser Sabah al-Ahmed al-Sabah, as defense minister and deputy prime minister has brought greater unity and a degree of clarity to the succession process.

Internationally, Kuwait is facing the challenge of two separate crises: the expansion of Iranian influence in the region and the division of the Gulf countries due to the Saudi- and Emirati-led boycott of Qatar. Both threaten to divide the Kuwaiti public and narrow Kuwait's autonomy. Kuwait has responded through mediation, both with Iran and Qatar, working closely with the institutions of the GCC. Yet it has failed thus far to make progress on either front, and now faces a U.S.-backed escalation against Iran. This suggests that Kuwait may be in the uncomfortable spot of seeking a position of relative neutrality in a zero-sum conflict.

As a small state on the Gulf littoral, Kuwait cannot ignore the contest for regional supremacy, nor can it play a leading role in it. It is therefore likely to continue to press for the survival of Gulf institutions, keeping lines of communication open to regional and international powers, while protecting its unity and sovereignty. The silver lining behind these regional crises may be the achievement of greater unity within Kuwait as evidenced by improved ruling family cooperation with the Parliament and opposition, and growing consensus behind future leadership.

Introduction

Kuwait is in many ways the quintessential Gulf country: rich in oil wealth and a pioneer in exploiting it for its citizenry. Kuwait was the first Gulf Arab country to create a sovereign wealth fund, the Kuwaiti Fund for Future Generations, and the first to send its talented citizens abroad to study. An innovator in developing an early and distinctive Gulf arts culture in music and theater, Kuwait also has been a leader in providing a forum for popular political participation through the region's first Parliament.

Yet today, Kuwait finds itself lagging behind liberalizing trends in the Gulf. It still boasts the region's most empowered Parliament, but it hasn't produced stable governance. It shares many of the same challenges as its neighbors: a difficult generational transition, mounting pressure to reform its rentier state, sociopolitical problems of sectarianism and extremism, and regional disorder. But its responses have not matched the more dramatic steps taken in the Gulf capitals of Riyadh, Abu Dhabi, and Doha, where ambitious young rulers have sought to centralize power at home, remake their economies, and assert greater influence abroad.

These actions by neighbors have tested Kuwait. The extensive investments in infrastructure and monumental economic and cultural projects in the United Arab Emirates and Qatar have raised the expectations of Kuwaiti citizens at home and tempted Kuwait's investors abroad, draining the country's potential. The competing political visions championed by neighboring countries through media, political alliances, and military interventions have at times exacerbated divisions within its population. And the increasingly muscular strategic alliance between the UAE and Saudi Arabia, supported by Bahrain, has narrowed Kuwaiti autonomy, as Abu Dhabi and Riyadh have pressured Kuwaiti leadership for actions in support of their policies. This will only become more challenging as the embargo on Qatar enters its second year and the policy of confronting Iran, championed by the United States, escalates.

This paper outlines the many domestic and international challenges Kuwait faces today, while seeking to delineate Kuwait's distinctive political tradition and approach to decision making. This tradition – fashioned in response to Kuwait's geopolitical constraints, social demographics, and political history – informs Kuwait's current behavior, with its unique power-sharing arrangement setting it apart from its neighbors. It helps to define Kuwait's approach of building consensus through social balancing and regional mediation, a strategy designed to maximize unity and maintain the scope for independent action, both for the ruling family at home and for the emirate within regional politics.

But as norms change and alliances shift, is Kuwait's system of governance, mediation, and incrementalism up to the task of thriving in a competitive regional economy and changing Gulf security environment characterized by maximalism? This paper explores these key components – executive-parliamentary relations, ruling family succession, and geopolitical imperatives – examining how Kuwait's political culture and institutions are responding to the political realities the emirate now faces.

Diwan and Diwaniya: Kuwait's Distinct Political Culture

Kuwait's distinct political culture is derived from its origins as a merchant port, founded by tribes from the Nejd, but incorporating people from Iraq and Iran. The origin stories – how they selected their leadership, built the institutions of the country, and protected the emirate from invasion – help define Kuwaiti identity and shape Kuwait's values. While historians bring greater nuance and complicate some of these narratives, it is still important to contemplate them, as they capture essential traits that inform Kuwaiti political behavior.¹

Kuwait is unique within the Gulf for the proximity of the ruling family to the people, and the constraints that are placed on its rule. Kuwaitis like to stress that the ruling Al Sabah family is just one family among many, and while that hardly describes the actual power differential between ruler and citizen, it does speak to a certain lack of deference that is uncommon across the Gulf. Tradition holds that the Al Sabah family was selected by the tribes coming from the Nejd to serve as their political emissary, a telling that ties the family authority to the will of the governed.

This assertion of a share in public life, especially by elite merchant families, is part of Kuwait's history. A short-lived council created in 1921 demanded a say in the determination of political leadership, specifically that the Al Sabah family select a successor from among three contenders the council had approved.² In the 1930s, merchants successfully pushed for the creation of a municipal council and an education council, and in 1938 an elected legislative assembly. While this first Gulf experience in parliamentary governance was short-lived, it did set a tradition of popular participation and constraint on the ruling family that was formalized in the 1962 constitution and the first elections to the National Assembly in 1963.

The element of public political deliberation and civic activism is grounded not only in these formal institutions but also in informal ones. Across the Gulf, Kuwait is known for its diwaniya culture: the weekly gathering of men in dedicated salons connected to homes. These assemblies occupy a protected space between public and private that allows for extensive organization and consultation among families, business partners, and political societies and with the leadership, as well as foreign emissaries who visit these spaces.

Kuwait's early success at differentiating a clear ruling family tied by consultation to the public helped it to maintain a degree of autonomy in spite of its status as a British protectorate, and to produce a relatively prosperous pearling and trading community. In addition to the

¹ For a more academic view of the narratives that structure Kuwaiti politics see Mary Ann Tétrault, *Stories of Democracy: Politics and Society in Contemporary Kuwait* (Columbia: Columbia University Press, 2000).

² Jill Crystal, Oil and Politics in the Gulf (Cambridge: Cambridge University Press, 1990), 42.

founding tribes from the Nejd, the port attracted Persians and other Shia families from Bahrain and eastern Saudi Arabia, as well as traders from Iraq. As early as the 19th century, Kuwaitis supplemented their pearling with long distance trade, as elite merchant families opened offices in India, and began buying date farms in Iraq.³

The consolidation of the emirate and its population is captured in the traditional telling of the Battle of Jahra. This 1920 battle, in which the Kuwaitis defended the emirate against the incursion of Saudi-supported irregular forces known as the Ikhwan, marks a key moment of independence and social unity. It also speaks to a real fear of envelopment from powerful neighbors: a threat that was realized in the 1990 invasion and occupation of Kuwait by Iraq. This real threat to Kuwaiti sovereignty has played a pivotal role in inducing domestic

institutions to rally public support and in shaping a foreign policy of studied neutrality.⁴ The latter is aptly captured by Jill Crystal reflecting on the emirate's early strategic outlook: "Then, as today,

While the main narratives in these founding traditions speak of cooperation and unity, some renditions reveal the dividing lines in Kuwaiti society.

the backbone of Kuwait's military policy was a foreign policy of calculated neutrality, tilting towards but never wholly siding with whatever power seemed most useful, while keeping channels of communication open with all parties."⁵ With citizens hailing originally from all three regional powers – Iran, Iraq, and Saudi Arabia – this balancing, both internal and external, is well ingrained in the Kuwaiti psyche, and illustrated in Kuwait's foreign policy.

While the main narratives in these founding traditions speak of cooperation and unity, some renditions reveal the dividing lines in Kuwaiti society. When certain Kuwaitis speak of the Shia who largely stood with the emir against those fighting for a legislative assembly, or the merchants inside the city walls who defended Kuwait from the tribal invaders, it alludes to the sectarian or urban-tribal divisions that exist today, although animated by very different economic and political circumstances. Still, despite these rifts, Kuwait has forged a parliamentary system that includes all Kuwaitis – merchants and middle class, urban and tribal, Sunni and Shia – within its walls. The obligation to work with this empowered body, even at a time of domestic tensions and regional conflicts, can help explain Kuwait's incremental, and often glacial, political decision making.

Internal Balancing: Disciplining the Parliament

Kuwait's National Assembly represents both a political strength and weakness for the small emirate. To a degree unrealized elsewhere in the Gulf, it allows for genuine political participation, popular accountability, and mediation among competing groups in society. In its ideal form it stands as a Gulf model of consensus-based politics, apart from coercion, and a powerful means of building political legitimacy and expressing national unity. In practice,

³ Fahad Bishara offers a sophisticated analysis of trade practices in *A Sea of Debt: Law and Economic Life in the Western Indian Ocean, 1780-1950* (Cambridge: Cambridge University Press, 2017).

⁴ Michael Herb, "The Origins of Kuwait's National Assembly," LSE Kuwait Programme Paper Series, No. 39, March 2016, provides a compelling argument that the creation of Kuwait's parliamentary system was due to the threat of absorption by Iraq.

⁵ Jill Crystal, Oil and Politics in the Gulf (Cambridge: Cambridge University Press, 1990), 21.

however, the Kuwait parliamentary model is hindered by structural and political factors that debilitate decision making, disadvantage Kuwait within the competitive Gulf market, and expose Kuwait's vulnerabilities in a demanding strategic environment. This makes the management of the ruling family-led government's relations with the Parliament all the more important as Kuwait tries to diversify its economy and maintain its independence from regional powers.

Some of the obstacles to effective coordination between the legislative and executive branches are rooted in Kuwait's constitutional order. The constitution places the emir as sovereign above the political fray, appointing a Cabinet traditionally headed by the Al Sabah family, but with significant powers of legislation and oversight held by an elected Parliament. Yet there are differences between Kuwait's order and a genuine constitutional monarchy that work to maintain the primacy of the ruling Al Sabah family. The elected political factions do not select the ministers, who further stand as ex-officio members of parliament, providing the government with a key voting bloc. Elected members of parliament are thus unable to set proactively government policy, having only the power to call the ministers to account through parliamentary grillings, and to dismiss them if the members of parliament can summon the majority in a vote of no confidence – a vote from which ex-officio members are excluded.⁶

This reliance on the "negative" power of voting out ministers has led to persistent conflict between the legislative and executive branches, and chronic instability. Members of parliament see the questioning of ministers as the best way to push for changes or sue

for influence. The government often responds by dissolving the whole Cabinet to protect key ministers, especially royals, sometimes accompanied by calls

Social transformations in the post-liberation era have increased the difficulty of managing political change.

for new parliamentary elections. The latter measure has been used so often that, since the reinstatement of the Parliament in 1991 following Kuwait's liberation from Iraqi occupation, only two Parliaments have served their full four-year terms. Parliamentarians view these frequent dissolutions as a tactic to discipline members and exhaust Kuwaitis' patience with politics.

Social transformations in the post-liberation era have increased the difficulty of managing political change. New political groups less amenable to the co-optation strategies of the government have come to the fore. And for the past dozen years, youth-led protest movements have mobilized to pressure the Kuwaiti leadership and politicians in the National Assembly. While at times ceding ground to the popular demands of the opposition, the ruling family led-government has also resorted to more repressive tactics to contain popular mobilization and limit the powers of parliamentarians.

In its earliest days, the National Assembly was led by Kuwait's traditional merchant families. Fairly quickly, however, the Parliament came to reflect the various political trends sweeping through the Arab world and Gulf region. In the 1960s, Arab nationalism became a force. And in the post-liberation era, Islamist movements – both Sunni and Shia – have maintained a

⁶ Kristin Smith Diwan, "<u>Kuwait's Constitutional Showdown</u>," *Foreign Policy*, November 17, 2011. Note that political parties are banned in Kuwait, but distinct political societies do work to set their candidates for elections, and parliamentarians organize into loose voting blocs.

strong position. The ruling family-led executive has countered these waves of opposition by giving citizenship to tribes and cultivating their loyalty by providing government services. A well-ingrained political strategy developed of playing groups off one another – liberal blocs against the Islamists, urban Kuwaitis against tribes – all competing to be the loyal opposition with access to government posts and the economic benefits that entails.

These tactics have grown less effective over time as the once reliable tribes have become more politically conscious and populist. The ability of these tribal populists to forge parliamentary blocs with other constituencies ushered in the more confrontational period of the mid-2000s when elections were held three times from 2006-09. Finally, the 2009 election decimated the organized Islamist blocs and returned a Parliament with more independents, giving the royal prime minister, Nasser al-Mohammed al-Ahmed al-Sabah, the strength to stand for a vote of no confidence, and to win it.

This period of relative stability ended in scandal. In September 2011, Kuwait's public prosecutor opened an investigation into politically suspicious bank transactions that were leaked to the media. Allegations emerged that 16 members of parliament (nearly a third of the National

Assembly) had received about \$350 million in bribes to vote in support of the government.⁷ This came in the midst of youth-led rebellions across the Arab world and fed an already vibrant youth mobilization in the country. The pressure

A new cybersecurity law was passed to gain greater control over social media, which is used more intensively in Kuwait than almost anywhere else in the world, often to share news and opinions.

of the street on the Parliament forced the hand of the emir, who accepted the resignation of the prime minister in an unprecedented example of popular action overturning a standing government in a Gulf monarchy.

The ruling family-led government resorted to a number of tactics and rule changes to strengthen its hand and survive this political crisis. In October 2012, the emir announced a change in the electoral law, citing the threat to national unity.⁸ Previously, Kuwaitis were able to vote for four candidates within their districts; this facilitated the construction of campaign coalitions supported by an elaborate informal scheme to trade votes. By reducing the number of votes Kuwaitis hold from four to one, the emir disrupted this complex system of alliance building, endangering the opposition's ability to create a viable coalition. As a consequence, the opposition boycotted the next two elections to protest the rule change. This returned Parliaments friendly to the government and eased passage of further measures targeting both the popular mobilization outside of Parliament and oppositional political forces within it.

A new cybersecurity law was passed to gain greater control over social media, which is used more intensively in Kuwait than almost anywhere else in the world, often to share news and opinions. This was accompanied by more vigorous prosecution of political crimes such as violation of the lèse-majesté laws protecting the inviolability of the emir. A mass trial for nearly 70 parliamentarians and youth activists who occupied the National Assembly in protest in 2011 is still awaiting a verdict. Within the Parliament, internal rules were passed, weakening

^{7 &}quot;Crisis Grips Kuwait amidst Corruption Scandal," AFP, September 8, 2011.

⁸ Ahmed Hagagy, "Kuwait Ruler Orders Electoral System Changes," Reuters, October 19, 2012.

the parliamentary immunity enjoyed by members and tightening requirements to bring forth parliamentary inquiries. In 2016, the Parliament passed a new amendment to the electoral law barring people convicted of insulting religion or the emir from running for office – a move affecting a number of leading opposition politicians.⁹

The erosion of their parliamentary leverage and civil liberties drove the opposition to end its boycott and return to elections in 2016. By this time, widespread regional instability had lessened the popular appetite for dramatic political change. The boycott era signaled a relative return of the old merchant families to the Parliament, strengthening business-friendly policies. And while doing relatively well in the 2016 elections, the opposition lost a number of its most vociferous voices through arrests and banishments due to rule changes. Meanwhile, a key component of the opposition, the Muslim Brotherhood-linked Islamic Constitutional Movement, correctly read the regional mood of crackdown against the organization and increased its cooperation with the government.

Despite these setbacks to the political opposition, the economic impact of Kuwait's Parliament is still evident. One case in which this is clear is Kuwait's handling of a value-added tax, which a Gulf Cooperation Council agreement requires be adopted by the end of 2018. While Saudi Arabia and the UAE have implemented a value-added tax as required, Kuwait's Parliament has

forced a delay in the implementation until at least 2019, with one parliamentary committee arguing to wait until 2021. The government pushed though subsidy reforms when fiscal pressures were

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highest in 2015, but at a much slower rate than other Gulf states. Electricity and water price hikes were only implemented on businesses and foreigners. Indeed, the populist Parliament has often worked to push any austerity measure onto Kuwait's foreign worker population, increasing their health care fees and rationing public services by limiting their time to visit hospitals and even their use of public roads. With oil prices climbing and Kuwait's fiscal budget in a better position than most other Gulf states, the urgency for reform has diminished.

The government has been finding ways to work around the Parliament to get large projects completed. Following the youth-led protests of 2011-13, the Emiri Diwan began initiating a number of projects to court youth. The diwan completed the renovation of a downtown public recreational space, Al Shaheed Park, as well as two large cultural institutions: the Sheikh Jaber Al-Ahmad Cultural Centre performing arts space and the Sheikh Abdullah Al Salem Cultural Centre museum and art space. These large-scale projects are effectively taking place off budget and out of the purview of the National Assembly, leading some members of parliament to question their constitutionality. But they have indeed proved popular with the Kuwaiti population.

The current Parliament also has continued to grill ministers, despite a personal appeal from the emir at the opening session in October 2017 to be cognizant of the difficult regional situation – civil wars, sectarian conflict, and Gulf divisions – and to work for unity. Unique in the Gulf, Kuwait still has societal groups and political blocs such as the Muslim Brotherhood

^{9 &}quot;New Election Law Becomes Effective," Kuwait Times, June 30, 2016.

targeted by its Gulf neighbors in regional campaigns, raising the political risks for the emirate. Nonetheless, the opposition persisted in questioning the royal minister of information, Mohammed Abdullah al-Sabah, the very first day of the parliamentary session, prompting the resignation of the prime minister and automatic dissolution of the Cabinet.¹⁰

Under the new Cabinet, the government has been able to defeat all no-confidence measures including those filed against the social affairs and labor minister and oil minister in May, dampening talk of early elections. Still, Kuwaiti political societies have been preparing their strategies for snap elections, including tribal groups holding their informal – and illegal – tribal primaries to preselect their candidates. An opposition source explained that all groups want to avoid being caught off guard as they were in 2016 when the emir issued a surprise call for early elections. As well, all groups suspect that the ruling family will make a leadership change, and want to be sure that they have a seat in the Parliament when this happens.

They have good reason for wanting to have maximum representation at the time of a death or resignation in royal leadership. Unique among Gulf monarchies, Kuwait's Parliament has a constitutional role in royal succession. The incoming emir's choice of crown prince must be approved by a majority vote held in a special session of the National Assembly. If this approval is denied, the Parliament is empowered to select the successor, again by majority vote, from among three alternatives submitted by the emir, a prerogative echoing those initial demands made by the council in 1921.

It is easy to understand how such parliamentary approval could have been perceived by the constitutional framers as a means to deepen ruling legitimacy and display national unity. Yet the complications are clear in today's Kuwait, where royal competition for the mantle of next generation leadership is fierce and oppositional currents make the Parliament something much more than a rubber stamp for executive decisions. Indeed, in the perennial instability of the Parliament over the past decade there has been a fair degree of royal family meddling designed to gain the upper hand over rivals and recruit supporters for leadership votes to come.

Royal Competition and Succession

Another factor has contributed to Kuwait's unstable politics, especially since the current emir, Sabah al-Ahmed al-Sabah, came to power in 2006: the intensified rivalry over future succession. In Kuwait, the 1962 constitution restricts the right to rule to the descendants of the emirate's founder, Mubarak al-Sabah. In practice, this has been confined to the descendants of two of Mubarak's sons, Salem and Jaber. With few exceptions, these two ruling lines alternated, establishing an informal balance of power. However, in the last succession in 2006, this power-sharing arrangement was violated when the long-standing crown prince, Saad al-Abdullah al-Salem al-Sabah, was passed over due to health reasons. Emir Sabah al-Ahmed, the longstanding foreign minister from the Jaber line, prevailed. He named his brother, Nawaf al-Ahmed al-Sabah, as his heir, and his nephew, Nasser al-Mohammed al-Ahmed al-Sabah, as prime minister, completing the sidelining of the Salem line.

¹⁰ Scott Weiner, "Kuwait Just Dissolved Its Cabinet. Here's Why," The Washington Post, November 2, 2017.

Rather than settle leadership disputes, this merely shifted the competition for future rule to the younger generation of royals within the Jaber line. Due to the advanced age of both the emir and crown prince – and the enormous stakes of being cut out of the circle of power as ruling lines are culled – the leadership competition among the next generation has been intense.

There are three leading candidates from this younger generation vying to become emir: the former prime minister and nephew to the emir, Nasser al-Mohammed; another nephew to the emir and former deputy prime minister and minister of planning, Ahmed al-Fahd al-Sabah; and the emir's son, the current minister of defense, Nasser Sabah al-Ahmed al-Sabah. The first two have been engaged in a remarkably public battle for power, which has left both politically damaged. The recent emergence of the emir's eldest son to a public position of leadership within the Cabinet has thus elevated him to be the leading candidate to succeed his father. Nonetheless, the political constituencies the other two candidates cultivated since their time in office continue to give them relevance within the Kuwaiti political system.

The decadelong contest between Nasser al-Mohammed and Ahmed al-Fahd¹¹ is worth contemplating for the damage it effected not only on the two participants but on the institution of the royal family itself. It illustrates the complicated dynamics that have emerged in Kuwait as political rivals have sought to mobilize support from society to buttress their candidacy. Both of these royals recruited the support of important social groups: Nasser al-Mohammed among parliamentarians, especially from the Shia community and business elites; and the more populist Ahmed al-Fahd, the son of a war hero killed in the 1990 Iraqi invasion, among tribal groups and youth, which he engaged through his family's long association with international sports.

Their factional competition overwhelmed the informal norms meant to contain disagreements within the ruling family, as each sought to damage the other through leaks and allegations of corruption and foreign associations.¹² National and even international institutions were drawn into their contest, including the Parliament, the media, the courts, and international sports organizations. In the end, Prime Minister Nasser al-Mohammed lost his post due to the corruption scandal over leaked documents implicating him in payoffs to parliamentarians. In 2013, Ahmed al-Fahd became embroiled in an elaborate scheme involving tapes leaked through Twitter purporting to show Nasser al-Mohammed and Speaker of the House Jassim al-Kharafi plotting against the emir. Once courts ruled the tapes counterfeited, he was forced by the family to issue a public apology. He currently lives abroad and continues to play a role in international sports, heading the Association of National Olympic Committees, despite falling under suspicion in a U.S. sports bribery and corruption investigation.¹³

¹¹ For a scholarly account of this royal factionalism see Rivka Azoulay and Claire Beaugrand, "Limits of Political Clientelism: Elites' Struggles in Kuwait Fragmenting Politics," *Arabian Humanities* 4 (2015).

¹² Kristian Coates Ulrichsen, "Pushing the Limits: The Changing Rules of Kuwait's Politics," World Politics Review, March 17, 2016; Kristin Smith Diwan "Kuwait's Royals are Taking Their Feuds Public," The Washington Post, May 8, 2014.

¹³ Tariq Panja, "<u>Powerful Sheikh Linked to Sports Corruption Case Resurfaces in Prague</u>," *The New Yark Times*, November 3, 2017.

With the two leading contenders for next generation leadership weakened from their internal combat, the recent appointment of the emir's eldest son as first deputy prime minister and minister of defense has drawn immediate interest. Nasser Sabah worked inside the royal court as minister of Emiri Diwan Affairs from 2006 through 2017. He has a reputation as a reformer, built in part on his days owning a political magazine, al-Zaman, before his father became emir. In 1998 he was associated with a group of young princes who distributed a petition decrying the state of the ruling family and calling for fundamental reforms within the leadership and the country. This petition, entitled "Sir, Serve Them and Trust," has since been republished and used by advocates of political reform to encourage the minister of defense to take up his own recommendations.¹⁴

Once his father became emir, however, Nasser Sabah withdrew within the royal court, eschewing any public role, and avoiding Kuwait's rough and tumble politics in favor of his business ventures. This included a number of visits to China, which nourished his interest in encouraging greater trade and investment with that emerging power. His family has played a role in civic affairs: His wife Hussa Sabah al-Salem al-Sabah has championed arts from her post as head of Kuwait's Dar al Athar al-Islamiyyah, and his daughter, Dana Nasser Sabah al-Ahmed al-Sabah, founded the American University of Kuwait.

Nasser Sabah's appointment as minister of defense is being perceived, then, as his belated bid for broader leadership. His portfolio has not been limited to security, as he has also been appointed head of the General Secretariat of the Supreme Council for Planning and Development and the Civil Service Commission, two positions from which he seeks to

reinvigorate Kuwait's Vision 2035 initiative. Both positions require taking on Kuwait's deeply entrenched civil service: 90 percent of Kuwaitis enjoy public employment or employment

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in state-owned enterprises and will fiercely defend this entitlement through parliamentary representatives.¹⁵ To overcome this inertia, Nasser Sabah appears to be establishing parallel ministerial structures with more flexible rules, especially within the Ministry of Commerce and Industry, where agencies can offer posts with higher pay and more flexibility on termination.

Nasser Sabah has also sought to match the ambition of his regional peers with a megaproject of his own. Silk City is an ambitious plan to build a new city integrated with Kuwait's northern Boubyan island, forming a new port and economic zone.¹⁶ As the name indicates, Nasser Sabah is eager to tie the project with China's Silk Road initiative and draw in Chinese and Asian investment to develop a multiuse port and entertainment district. This would provide

^{14 &}quot;To the <u>Royal Court Minister Sheikh Nasser al-Sabah: 'Sir, Serve Them and Trust</u>,...article written in 1998," *al-Sabr*, June 24, 2011.

¹⁵ Attiya Ahmad, *Everyday Conversions: Islam, Domestic Work, and South Asian Migrant Women in Kuwait* (Durham: Duke University Press, 2017).

¹⁶ Robert Mogielnicki, "<u>Competing Megaprojects in Kuwait and Saudi Arabia</u>," *Arab Gulf States Institute in Washington*, April 5, 2018.

Kuwait with a strategic perch from which to expand commerce and ties with Iraq and Iran. The project embodies Kuwait's strategic focus: to strengthen Kuwaiti sovereignty over its northern territories and exercise leadership in the northern Gulf.

This return to large-scale development would reinforce Nasser Sabah's ties with Kuwait's powerful business families, a constituency also close to his father. Nonetheless, activists from within Kuwait's oppositional tribal and Islamist movements report that Nasser Sabah is consulting with them as well, indicating a broad outreach effort.¹⁷ These are relationships that he would need to pass the complicated port project through the Parliament, not to mention to win majority support were he to seek the leadership of the country.

Primogeniture is not the norm within Kuwait's ruling family. But the path may have been eased by recent actions in both Qatar and Saudi Arabia, where fathers have sought to pass power to their sons. These examples raise the question of whether Kuwait's ruling family will seek to alter the line of succession, either by the removal of Nawaf as crown prince, or the resignation of the emir in deference to his son. Of the two, the former seems more likely, as Nawaf is viewed as a weak, if amiable, leader. For this reason, some observers expect Nasser Sabah to be appointed prime minister and the ruling family to attempt to recombine the position of prime minister with that of crown prince, which is how power was configured before the political rise of Emir Sabah al-Ahmed. This would also better insulate the prime minister from parliamentary interrogations, as the constitution protects the emir and crown prince from direct challenge. It is also quite possible, however, that the succession will proceed as currently configured; if so, the selection of crown prince will still be critical for the governance of Kuwait as Nawaf is not expected to be deeply engaged in day-to-day governance.

A smooth leadership transition is critical for the standing of the country at a time when the political demands on Kuwait from both regional and global powers are intensifying. It is noteworthy, then, that Nasser Sabah undertook visits to both Riyadh and Abu Dhabi shortly after his appointment as defense minister and deputy prime minister. These visits were perceived as an indication of a degree of support from this rising power alliance for his future leadership. His political profile is probably more acceptable to the Saudis and Emiratis than the alternatives of Nasser al-Mohamed and Ahmed al-Fahd, who are associated with movements perceived to be too close to Iran and Qatar respectively. Yet, for the moment, Sabah al-Ahmed remains in charge and is reported to be very involved in all the key decisions affecting the country. His long service in the foreign ministry gives him stature as an elder statesman and a deep well of over 40 years of diplomatic experience to draw upon. Still, as can be seen by the recent experience of Kuwait's neighbors, age and experience no longer have the currency they once had within Gulf monarchies, and a change toward younger leadership can quite significantly alter the ambitions and direction of a country.

Regional Balancing: Defending the Gulf Cooperation Council

The post-Arab Spring landscape of collapsed states and civil wars in Syria, Yemen, and for a time, Iraq, has resulted in two shifts of enormous consequence to the Gulf Arab states: the expansion of Iran as a significant player in each of these battleground states and the collapse of a united Gulf front, as differences in strategic outlook and future vision for the region have opened a rift between Qatar and the quartet of countries led by Saudi Arabia and the UAE. Both of these developments concern Kuwait. A confrontation between Iran and the Gulf Arab states could leave Kuwait exposed to direct attack or subterfuge. And the collapse in Gulf Arab unity denies the collective security Kuwait relies upon to counter that threat, while opening up internal rifts in Kuwaiti society.

Kuwait's response has been consistent with its longstanding strategic approach – keep communication open with all sides and attempt to mediate, while defending the Gulf Cooperation Council, an organization it helped to found. However, as the Qatar crisis enters its second year with no resolution in sight, and the United States joins the UAE and Saudi Arabia in adopting a more combative posture toward Iran, Kuwait's room to maneuver is narrowing. The adverse strategic environment will impact its ability to manage internal political relations through the Parliament, its plans for economic expansion, and perhaps even the course of its succession.

Kuwait's more pragmatic policy toward Iran is conditioned by both vulnerabilities and opportunities that flow from geopolitics and demographics. Kuwait is a frontline state along the Gulf and has a diverse population of at least 30 percent Shia, including very prominent business families with origins in Iran.¹⁸ Kuwait's relatively open political system and wealth have made it an important center for transnational Islamic activism and philanthropy, among both Sunni and Shia communities, which has aroused concern in Western countries, and subjected Kuwait to close scrutiny for ties to terror financing. The potential for these ties to become vectors of radicalization and even sabotage is amplified in times of polarization and conflict.

Kuwait's vulnerabilities in confronting Iran were clear in the period following the 1979 Iranian Revolution as Kuwait backed Iraq in its war with Iran. Kuwait was subjected to two major terrorist attacks traced back to Iran: the bombing of the French and U.S. embassies in Kuwait City in 1983 and an assassination attempt on Emir Jaber al-Ahmed al-Sabah in 1985. As the escalating hostilities in the Gulf threatened Kuwait's vital oil transport and Iran seized territory close to Kuwait's islands, the emirate was forced to seek direct U.S. protection, resulting in the 1987 decision to reflag Kuwait tankers under American stars and stripes.

In the past decade the greater political challenge to the government and security threat to the country has come from Sunni political movements and radicalism. The fatal attack on a Shia mosque in Kuwait in 2015 by a Saudi member of the Islamic State in Iraq and the Levant aided by Kuwaitis tragically illustrated the dangers of regional sectarian polarization.

¹⁸ Lindsey Stephenson, "Ahistorical Kuwaiti Sectarianism," Foreign Policy, April 29, 2011.

In these circumstances the Kuwaiti government has been reviving its historically close relationship with the Shia, working through new political intermediaries. Under the premiership of Nasser al-Mohammed, Shia political societies were successfully shaped into a coherent bloc and bulwark of support for the Al Sabah family.¹⁹ This places Kuwait in rather the opposite situation of Bahrain, where Shia political societies became viewed as a threat to power.

Kuwait was likewise quick to respond to the opening represented by the election of Iranian President Hassan Rouhani in 2013. Kuwaiti outreach to Rouhani culminated in the official visit of Emir Sabah al-Ahmed to Iran in June 2014, accompanied by several economic ministers. While those ties have been tested in the past few years, they have not been broken. That includes in January 2016 when Kuwait came under enormous pressure from its neighbors to cut off relations to Tehran after Saudi diplomatic sites were attacked following the execution of the Saudi Shia cleric Nimr al-Nimr. While Kuwait did not suspend relations with Iran, it did recall its ambassador from Tehran in protest of the actions – and in deference to Saudi Arabia.

For the most part, Kuwaiti diplomacy has been active in searching out opportunities to mediate between the Gulf and Iran. While Kuwait joined the Saudi-led coalition's intervention in Yemen, in 2016 it hosted talks between representatives of the rebellious Houthis and Yemeni government. Then, in January 2017, Kuwait launched an initiative on behalf of the

GCC to lower regional tension with Iran. Kuwait's Foreign Minister Sabah al-Khalid al-Hamad al-Sabah traveled to Tehran to deliver a letter directly to Rouhani seeking to establish a basis for dialogue with Gulf partners. While the initiative

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was received positively in Tehran, eliciting follow-up visits by Rouhani to Kuwait and Oman, the initiative was received poorly in other parts of the Gulf. Kuwait also dissented from the position of the quartet welcoming President Donald J. Trump's decision to withdraw from the Joint Comprehensive Plan of Action, or nuclear deal, with Iran, arguing instead that it had contributed to security and stability in the region. "The existence of this agreement is better than no agreement," stated Kuwait's Deputy Foreign Minister Khalid al-Jarallah.²⁰

Despite Kuwaiti goodwill and outreach toward Iran, it still must take seriously Iranian plans to pre-position itself for serious conflict with the Gulf Arab countries, perhaps in response to strikes coordinated with the United States or Israel. In August 2015, Kuwaiti security uncovered an enormous store of munitions hidden on a farm in Kuwait's northern region of Abdali.²¹ Twenty-five Kuwaitis working with one Iranian were later charged with spying on their country and receiving training from the Islamic Revolutionary Guard Corps, as well as Lebanese Hizballah. After a large number of the men fled after the final sentencing in August 2017, the Kuwaiti government expelled 15 Iranian diplomats and submitted a formal letter of protest to the Lebanese government.

¹⁹ Rivka Azoulay, "The Politics of Shi'i Merchants in Kuwait," in *Business Politics in the Middle East*, eds. Steffen Hertog, Giacomo Luciani, and Marc Valeri (London: Hurst, 2013).

^{20 &}quot;World Reacts to US Withdrawal from Iran Nuclear Deal," Anadolu Agency, May 9, 2018.

²¹ For a full consideration of this affair and Kuwaiti-Iranian relations see Kristian Coates Ulrichsen, "<u>Walking the</u> <u>Tightrope: Kuwaiti-Iranian Relations in the Aftermath of the Abdali Affair</u>," *International Policy Digest*, August 10, 2017.

The intra-Gulf standoff that has isolated Qatar, while appearing less consequential than the potential for conflict with Iran, is nonetheless a grave turn of events for Kuwait. The Kuwaiti government, which has had its own challenges with Qatar post-2011, worked with other Gulf countries to reach the original understanding signed by Qatar in 2014. However, Kuwait did not sign on to the new confrontational approach chosen by the quartet countries in June 2017, and has positioned itself as the lead mediator attempting to end the crisis.

An advisor for foreign affairs within the royal court, Ambassador Mohammad Abdullah Abulhasan, described the multilayered approach Kuwait has taken to strengthen Gulf unity during the crisis. ²² At the leadership level, Kuwait has undertaken patient mediation and shuttle diplomacy, in addition to inviting all Gulf leaders to the formal GCC summit hosted by Kuwait in December 2017. At the people-to-people level, Kuwait hosted the Arabian Gulf Cup soccer tournament that same month, taking over the hosting rights from Qatar after Saudi Arabia, the UAE, and Bahrain withdrew their participation. In addition, in January, the speaker of the Kuwaiti Parliament, Marzouq al-Ghanim, invited all GCC parliamentary leaders to the 11th meeting of the heads of Gulf legislative councils. The goal, according to Abulhasan,

is to keep the GCC active: "I accept that it has an illness, but not to die. And no amputation of an arm or leg or head."

Kuwait's reaction to the Gulf crisis is indicative of its broader approach of working very intentionally with both The bypassing of the GCC by Gulf powers Saudi Arabia and the UAE in favor of their own strategic bilateral relationship removes the institutional leverage Kuwait has cultivated and leaves Kuwait more isolated.

regional and international institutions in building its policies, a strategy designed to amplify Kuwait's stature and impact. The Kuwaitis are also personally invested in the survival of the GCC due to the personal role played by the emir in its creation, and his over 40 years as a senior diplomatic voice within the Gulf. The bypassing of the GCC by Gulf powers Saudi Arabia and the UAE in favor of their own strategic bilateral relationship removes the institutional leverage Kuwait has cultivated and leaves Kuwait more isolated. Kuwait's unease at its exclusion from UAE-Saudi decision making is palpable, both in the Qatar crisis, as well as in other arenas. A recent decision by Saudi Arabia and Russia, backed by the Emiratis, to ease up on OPEC production cuts²³ without first engaging their Kuwaiti partner prompted an uncharacteristic protest from Kuwait. The challenge of maintaining sovereignty and stability as Iran and the emerging Saudi-Emirati alliance compete for the future direction of the region looks to be a formidable foreign policy challenge for Kuwait for years to come.

Conclusion

After a dozen years of heightened domestic political discord and economic underperformance, Kuwait appears to be searching for – and finding – a new degree of cohesion. This comes with some concrete achievements in infrastructure and new energy and commitment behind ambitious plans for future megaprojects. But it also has come at a cost to Kuwait's free

²² Author interview, Mohamed Abulhasan, royal court advisor, Emiri Diwan, January 30, 2018.

²³ Summer Said and Benoit Faucon, "<u>OPEC's Alliance With Russia Shows Signs of Fracturing</u>," *The Wall Street Journal*, May 30, 2018.

political expression and parliamentary contestation. These actions to both satisfy and control the public have been undertaken as Kuwait's leaders face a challenging regional environment, which may indeed be driving this impetus toward national unity.

As a small state on the Gulf littoral with a diverse and vocal population traumatized only a generation ago by invasion, Kuwait does its best to avoid regional confrontations. The current moment of Gulf divisions and confrontation with Iran is a very difficult one for Kuwait to manage. Kuwait's response has held true to its traditional approach: a foreign policy of calculated neutrality and active mediation. To date, however, Kuwaiti mediation on behalf of the Gulf countries with both the Iranian and Qatari leadership has yielded no concrete success.

Kuwait has just emerged from a decade of intense popular mobilization and parliamentary conflict during which the leadership developed new tools for disciplining political dissent and parliamentary action. The leadership will rely upon those as it navigates perilous regional politics, where regional currents threaten to polarize and mobilize Kuwait's varied political currents. Yet Kuwait and its leadership draw strength from the political legitimacy and national expression constituted by its Parliament. The fact that opposition Sunni Islamist factions have returned to the Parliament and Shia factions have unified in support of the government speaks to their understanding of the gravity of the moment for Kuwait.

Similarly, the very public battle for the leadership of the next generation of the Al Sabah family also appears to be diminishing, at least from the intense levels on view over the previous decade. The rivalry between the former Prime Minister Nasser al-Mohammed and former Deputy Prime Minister Ahmed al-Fahd exacerbated existing social and political divisions. By contrast, there seems to be a growing consensus behind the new minister of defense and son of the emir, Nasser Sabah, or at least a public willingness to give him an opportunity to lead. Nonetheless, given the current leadership structure, the transition would be very difficult for the Al Sabah family to manage both internally and within the Parliament in the best of times. Attempts by foreign powers to influence the outcome or to take advantage of weakness at the top are not inconceivable, although the Emiratis and Saudis appear to be positively disposed to Nasser Sabah's candidacy.

Economically, Kuwait continues to lag behind its peers in terms of diversification and attracting foreign investment. Kuwait's relative wealth and populist Parliament will continue to protect citizens' entitlements and make reform of Kuwait's bureaucracy punishingly difficult. There appears to be renewed commitment to advance the construction of a port and new Silk City in Kuwait's islands in the north. However, the obstacles to structuring a vehicle attractive to investors within a region replete with competing projects are steep, and the regional tensions will not help Kuwait's attempt to initiate a new venture meant to expand trade and cooperation with Iran and Iraq.

The turn toward a zero-sum approach to the region's conflicts is a negative development for a country that thrives best on trade and cooperation. Yet Kuwait is not situated to challenge the contest for regional supremacy being fought by Iran and a new Saudi-Emirati alliance. The

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best it can do is keep lines of communication open to regional and international powers while protecting its unity and sovereignty. Whether its progress can survive the difficult landscape of competition among regional powers remains to be seen.

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