

Our World

KUWAIT

More than just oil

EDITOR IN CHIEF: ALBERTO LEANDRO LLARYORA

The most forward looking state in the region, Kuwait is stepping up its efforts to diversify its economy, with a strong emphasis on education

When most Americans hear the name “Kuwait”, they immediately think of vast petroleum reserves, wealthy sheikhs and the country for which the United States and its allies went to war in 1990 to reverse the invasion by Iraqi troops.

All true, but the Western-oriented emirate at the top of the Arabian Gulf is so much more and the country is undergoing a deep self-assessment regarding its political structure, economy, development plans, wealth management, educational and health systems, and other concerns as it works to ensure its future in the 21st century and beyond.

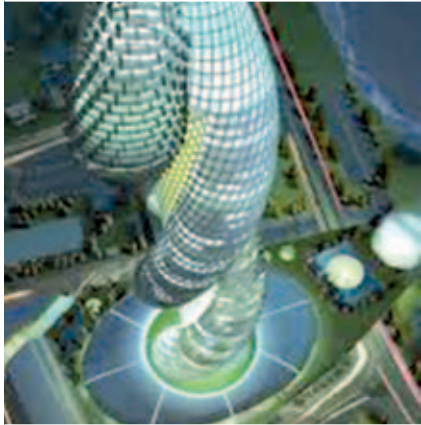
“Kuwait is a country with about 1 million citizens, 2 million expatriates and less than 9,000 square miles floating on 10% of the world’s proven oil reserves,” notes Faisal Ali Al-Mutawa, a leading businessman and founder of Bayan Investment.

“It is one of the world’s richest countries with a third of a trillion dollars in assets, producing about 3 million barrels of oil a day which translates into a daily income of \$300 million,” he adds.

These incredible riches pumped from beneath the desert sands and shipped out to a progressively energy-hungry world will certainly help with the country’s tasks at hand even as that wealth turns out to be a mixed blessing, and the challenges are many.

Kuwaiti citizens are demanding more say in the country’s affairs and there is a stalemate between the ruling royal family and parliament which are at loggerheads on many issues, including how to better manage the country’s immense wealth.

“Parliament thinks that we have a lot of oil wealth and that the best thing to do is give it to the people. But the government says that you cannot do that because it will fuel inflation,” says Dr. Adel A. Al-Wu-



Kuwait has a vibrant economy that is diversifying away from oil dependence, and has a Western-friendly culture, where education has long been a top priority

gayan, Secretary General of the Supreme Council for Planning and Development.

At the same time, political and business leaders recognize that Kuwait’s almost total reliance on oil and gas revenue is unsustainable, diversifying the economy away from petroleum products is vital, and that the na-

tion’s burgeoning number of young people need to feel they have a stake in their own futures.

Many are optimistic that the country can manage the necessary changes, with their belief based partly on Kuwait’s past history as the most forward looking of the Gulf countries.

“Kuwait is one of the first coun-

tries of the Gulf. We are pioneers in many different aspects, in economics, education and trade,” argues Muhammad M. Saleh, the General Manager of the Kuwait Industries Union.

“We had schools long before other Gulf countries. We have a lot of experience in doing business. We have heritage and his-

tory and experience,” he says. “But due to this we are living because of the past and now there is a struggle to re-launch ourselves to the next generation.”

This concern for the future of its people is evident in the Kuwaiti government’s attention to, and investment in, two important areas: education and health care.

Western-style schools and universities which equip students with the tools they need to succeed in an increasingly globalized world attract Kuwaiti students as well as the children of expatriates.

And these educational institutions – from pre-schools to universities, many of which are modeled on American systems and curricula – coexist successfully with the emirate’s Islamic, and sometimes deeply conservative, society.

Once their local education is complete, many students go on to further their studies in the United States. “Kuwaitis are open minded,” explains Mr. Saleh. “They like to study abroad as I did in Louisiana. We do appreciate the American way and culture.”

American expertise and experience is also playing an increasingly active role in Kuwait’s health care system with U.S. hospitals and health management companies setting up operations.

Of particular concern to authorities is the dramatic rise in diseases related to Western lifestyles which more and more Kuwaitis are embracing, and the inability of the country’s current health system to deal with this frightening development.

“We spend \$3.5 billion every year on health, yet health care is very poor,” says Bayan Investment’s Mr. Al-Mutawa.

Yet another challenge for Kuwait. But with its billions in petrodollars to ease the way, a new attempt at cooperation between the executive and parliament, a larger role for the private sector and other measures, Kuwait should continue to be an Arab success story.

Moving on to the next phase

The United States and Kuwait have maintained close business, diplomatic and education links over the years

Cordial, deep-rooted and mutually advantageous – however you describe relations between the U.S. and Kuwait, it is clear they are in excellent working order. And how could it be otherwise, given that the two countries have more interests in common than most people realize? The U.S. Ambassador to Kuwait, Matthew Tueller, is clear on that point.

“As diplomats and citizens we always feel very welcome here and not just since 1991, though that has given a particular energy to the relationship. There is a long history of U.S. engagement in security, economics, healthcare and the education sector.”

Mr. Tueller notes that the 1990-91 Iraqi invasion was not the first time the allies found themselves united in common cause. During the Iran-Iraq war, Washington had allowed

Kuwait to reflag its oil tankers and be escorted by American warships when mine warfare threatened to cut off Gulf oil exports. Before that had been years of trade and investment, when U.S. firms played a key part in developing the petroleum and energy sectors.

In the aftermath of the Iraqi invasion, a bilateral defense pact enshrines Washington’s pledge to assist Kuwait if its security and integrity should again come under threat. As Kuwait is amply capable of funding its defense hardware needs, the training and upgrading of Kuwaiti personnel has become a critical element in regional security architecture.

For its part, Washington can count on a secure temporary base should it be called upon to project its military power into the northern Gulf area.

“There really is a unique relationship between Kuwait and the U.S., and it has been good for both,” Ambassador Tueller states emphatically.

Also, many Kuwaitis go state-side for advanced medical treat-



Matthew Tueller, U.S. Ambassador to Kuwait

ment that their public health system is currently unable to offer them. “So in addition to the number of visas that we issue to Kuwaitis for study, tourism, or for business, there is a significant number that still go for medical care,” the Ambassador confirms. “Sometimes at the expense of the Kuwaiti government. Other times it’s Kuwaitis themselves who prefer to go to the best medical institutions in the United States.

“We have been seeing increasing interest on the part of the Kuwaiti government in advancing their own capability to the next stage by reaching out to U.S. health providers. In December, we witnessed the signing of an agreement whereby Johns Hopkins will provide both clinical and management consultancy services to four specialist hospitals in Kuwait, in a deal valued at nearly \$350 million.”

One thing you might not suspect the United States and Kuwait to have in common is an extremely high incidence of diabetes, with up to 25% of their respective populations estimated as pre-diabetic.

The U.S. experience with public health initiatives has been a useful lesson to Kuwaiti authorities in devising joint research projects and campaigns aimed at heightening awareness of the issue and of the changes in diet and exercise that could prevent it.

Another important source of goodwill, the ambassador adds, arises from the fact that so many Kuwaitis have taken the opportunity to go to the United States to study, and returned with a generally favorable and lasting impression of the country.

“A degree from a U.S. institution remains the gold standard,” Mr. Tueller points out. “Kuwaitis who have received an education in the U.S. are regarded as having skills, contacts and a professionalism that is of great value to this country. And it continues to this day.”

Being favorably disposed towards the United States has likewise helped Kuwait become a major customer for U.S. exports. Its goods and services are highly valued and recognized for their high quality, whether it is the family restaurants you see in malls, or automobiles on the street, according to the U.S. envoy.

“The areas in which Kuwait looks to push forward more aggressively are in terms of developing more infrastructure, whether in roads, hospitals, schools, electricity generation, or water treatment. We believe the U.S. companies that have played an important role in past development initiatives will also be successful bidders on contracts.

“I mention that because I think it is indicative of how Kuwait is somewhat unique here among the Gulf countries. It tends to be more outward looking, more tolerant, and more welcoming of foreigners. And that, I think, gives a particular strength to Kuwait and is a consistent theme that you find throughout its history.”

The Kuwait Development Plan

In February 2010, Kuwaiti lawmakers and the administration put aside their differences long enough to agree that the country was in sore need of an extreme infrastructure makeover

A comprehensive Development Plan was drawn up and approved, with \$120 billion earmarked to achieve that goal over the coming decade. What happened next?

Nothing, aside from stepped-up political turmoil and a very small number of projects that advanced to an early stage of the implementation process – but not enough of them to make a difference. Enabling legislation was never passed, contracts were never signed, phase-one objectives are clearly not going to be met by the original 2014 deadline. But Kuwaiti officials want the world to know they haven't given up.

“Too big to fail” may serve as a shorthand explanation why far more is riding on the success of the Kuwait Development Plan than just the schools, hospitals, bridges, rail and metro links, and business hubs at risk of not being built. A dead end would be bad news indeed for the banks that were to have supplied the financing for those projects and for the macroeconomic indicators likely to flatline if the plan is left to shrivel from sheer neglect.

Moreover, says U.S. Ambassador Matthew Tueller, “it is clear that the parliament and the authorities have recognized the need for a massive push to catch up with population growth. Because of decisions the government has made or failed to make over a period of five to 10 years, public services did not keep pace with demand.”

On-the-ground demographic realities indicate the demand is not going to ease. Schools and hospitals – the latter in need of a major technology upgrade and facilities for training medical



An artist's rendition of the \$132 billion Silk City, which will host what will be the world's tallest structure: the 250-story Burj Mubarak Al Kabeer skyscraper

personnel – are, along with the highways, bridges and housing units at the heart of infrastructure to-do lists, key components of the plan, but by no means are they the whole story.

And there is one factor that adds an additional level of urgency to the problem that was pointed out by Dr. Adel A. Al-Wugayan, Secretary General of the Supreme Council for Planning and Development. “The whole issue at the heart of the plan, is that we are trying to diversify our sources of income. We cannot depend on oil for all that much longer.”

Kuwait, he adds, is looking at ways of taking advantage of its strategic location to redefine the country as a major logistical, commercial and trading hub supported by a robust financial center. Boubyan Island, at the headwaters of the Arabian Gulf, would make a natural port of entry for imports destined to be shipped through Turkey to the landlocked republics of Central Asia, for example.

A METRO AND LIGHT RAIL NETWORK, A 15-MILE OCEANSIDE CAUSEWAY AND A HUGE AIRPORT EXPANSION ARE JUST A FEW OF THE INFRASTRUCTURE PROJECTS IN THE PIPELINE

“Of course you could say that Dubai is doing this and Qatar is doing this, and Saudi Arabia could be doing it, too, but if you look east, Singapore is the logistical hub for Eastern Asia. Only it turns out the Chinese are doing the same thing and Hong Kong is an emerging giant in containerized transshipment. Busan in South Korea is another major port, and then there is Japan. They are all within a 1,500-mile radius but doing very well as a group. We could make the same thing happen here.”

Yes, but that is going to cost

THE KUWAITI AUTHORITIES HAVE CHOSEN AS LINCHPIN OF THEIR INFRASTRUCTURE DEVELOPMENT POLICY THE SO-CALLED PPP MODEL OF PRIVATE-PUBLIC PARTNERSHIPS

money and the Kuwait Development Plan is not exactly modest in the scope of its ambitions. Silk City (Madinat Al Hareer) is an entire metropolis to be built from the ground up on the opposite rim of Kuwait City harbor originally set for completion in 2023.

Spread over 62,000 acres, Silk City is structured around 30 communities clustered into a Finance City, Leisure City, Ecological City and an Education and Culture City. Eventually it will be home to three quarters of a million people who will have an Olympic stadium at

their disposal and what will be the tallest structure on earth, the 250-story Burj Mubarak Al Kabeer skyscraper.

Silk City's \$132 billion price tag dwarfs the \$1.5 billion that is needed to transform the Shadadiyah University Campus, located west of Kuwait City, into a one-stop educational mega-complex covering nearly 5 million square meters in three campuses with full housing, medical and sport facilities for up to 40,000 students.

Add to the list a 15-mile oceanside causeway, a metro and light rail network extending beyond the capital to virtually the entire country, a container port on currently uninhabited Boubyan Island, a mammoth airport expansion – to cite a handful of the 300+ targeted projects – and it is clear that major money is involved. But lining up direct foreign investment is not a priority, says Dr. Al-Wugayan.

“We are not really in need of capital. The economy is not

growing at a pace that could absorb more and more investment. We have over \$200 billion invested outside the country and if that is repatriated, what is going to happen? There will be runaway inflation and people will stop coming here to work. So we are more interested in technology transfer and expertise and quality of service.”

That Kuwait knows what it wants and wants what it needs is confirmed by Ambassador Tueller. “Tenders here are not awarded on a silver platter. You have to be very competitive,” he says. “U.S. companies come over thinking here is a wealthy country with a good relationship with the United States. But they should be prepared to look very hard at what Kuwait wants, what its needs are, and to be very competitive on the price side.”

In that respect, the Kuwaiti authorities have chosen as linchpin of their policy the so-called PPP model of private-public partnerships, in which bidders are expected to assume a 40% or 50% stake in the financing, design, and maintenance of the big ticket infrastructure works in which they participate. A Partnerships Technical Bureau has been given full responsibility for implementing the program.

Early in 2013, the first contracts for the provision of rolling stock and control system architecture for the Kuwait Metropolitan Rapid Transit System are set to be adjudicated, and some 60 companies have pre-qualified for the first stage of a project that will bring reliable public transport to the outskirts of the capital, swollen by the country's population spike and acutely underserved.

Selected companies will commit to participate in a long-term PPP arrangement in which the project benefits from the good business practices and efficiencies of the private sector while the government retains supervisory control and decision making authority as part of its mandate to guarantee the public interest.

High oil standards

With oil as its main economic lubricant, Kuwait focuses on maintaining good partner relations and safety and environmental standards

Thanks to new advances in extraction technologies, the government-owned Kuwait Gulf Oil Company (KGOC), a division of Kuwait Petroleum, is planning for a significant boost in its oil and natural gas output.

Non-associated gas production is set to rise to 400 million cubic feet per day at the end of 2020 and climb to 500 million by the end of the following decade, while oil output should reach 350 million barrels per day in 2015 and stay at that level, more or less, until 2030.

Yet to achieve these goals, equipment isn't the only thing in need of periodic revision and upgrades, says KGOC's Chairman and Managing Director, Hashim Mustafa Al-Rifaai. “We need better ways of dealing with

our joint partnership. The framework we have for the current agreement is 60 years old, and we both agree it is high time to revise it again with modern norms, better expectations, clarity and transparency.”

Mr. Al-Rifaai is quick to add that this should not be taken as an indicator of divergent viewpoints with KGOC's partner, the U.S. firm Chevron.

“Working with a partner and not having a single operator is like having two bosses,” he says, but admits that it is easier going when the partners are in complete and emphatic agreement on key issues such as workplace safety and environmental safeguards.

“Those two things are really primary for us. Safety is

an absolute must. If it is not safe, you stop work. Safety includes environmental safety as well as protecting the communities that your work impacts on. We spend a lot of money on reducing our carbon footprint, and on conservation; and we are probably the country's largest net contributor to social welfare organizations caring for the disabled or incapacitated.”

The KGOC chief says that his long-term goal is to leave behind a company that is recognized if not worldwide, at least within the region, as being a role model for how to work with a partner.

“I want to leave an organization that is based on meritocracy,” he says, “I think that has been the major endeavor during my tenure.”

The political learning process continues

Kuwaitis frequently boast that their country leads the region in democratic credentials and at first glance, at least, they are right

Kuwait was the first Gulf Arab nation to have an elected parliament, or National Assembly, and women have the vote and enjoy full political rights, including the chance to run for parliament.

And debate on the issues of the day in the legislature and in the Kuwaiti press, considered to be the freest in the region, is often heated.

However, parliament is weak with its role, limited largely to grilling cabinet members and holding up decisions handed down by the government.

In addition, and most importantly, the National Assembly, whose 50 members run for office as independents because political parties are forbidden, does not have the power to initiate legislation.

This has led to stagnation in the political process and calls by politicians and the Kuwaiti people for constitutional changes aimed at trimming the role of the ruling family in running affairs of state, lifting the ban on political parties and taking steps towards a directly-elected government.

Late last year, early legislative elections were called after an earlier round of voting was declared invalid. But turnout was a scant 40%, the lowest in Kuwaiti history, due to a boycott called by the opposition.

In the vote, the country's Shi'a minority won more than a third of the seats for the first time, Islamist candidates suffered major losses, and three women were elected.

The situation has alarmed many Kuwaitis, with Muhammad M. Saleh, the General Manager of the Kuwait Industries Union, pointing out



IN THE MOST RECENT PARLIAMENTARY ELECTIONS, VOTER TURNOUT WAS THE LOWEST IN KUWAITI HISTORY, AT 40%, DUE TO A BOYCOTT CALLED BY THE OPPOSITION

FOR SOME, THE COUNTRY'S TROUBLED POLITICAL PROCESS IS MERELY A SIGN OF GROWING PAINS IN WHAT THEY CONSIDER A NASCENT DEMOCRACY

that the political bickering is doing the country no good.

“There is political confrontation between the government and the parliament and it is affecting the whole country. The government is responsible for changing laws so that the country can move on but it is spending its time clashing instead and the rest of the country is paying the price,” he claims.

Despite the turmoil, some influential Kuwaitis see the

country's troubled political process as mere growing pains in what they argue is still a nascent democracy.

“It is traditional to have a young democracy pass through the maturation stage,” says Dr. Adel A. Al-Wugayan, Secretary General of the Supreme Council for Planning and Development.

In their progress towards democracy, the United States, Britain and France all had setbacks, he points out, until they learned from experience and channeled their efforts towards improving the democratic process.

“We are right now a very young democracy in the Arab world. I do not see a more liberal press, more democratic vitality and public participation than in Kuwait,” Dr. Al-Wugayan adds.

Although there have been anti-government protests in the street and strikes by government employees, political analysts emphasize that Kuwait is stable and has avoided the excesses and violence of the Arab Spring which has swept through much of the rest of the region.

“We are optimistic,” says Mr. Saleh. “This could be a new page opening after the election.”



Pillar of socio-economic growth

The government has targeted education as a key sector in bringing Kuwait back to its former glory as the region’s “shining star” of social and economic development

“Higher education is not local; it is international.” This statement by Dr. Farida M. Ali, Deputy Secretary General of the Private Universities Council (PUC), truly sums up the direction in which education, especially at the tertiary level, is heading in Kuwait.

One very evident way in which this is manifested is in the PUC’s requisite that any new institution of higher education seeking a license must be affiliated with a reputable international institution.

“We do not license any institution to start homemade programs from scratch,” says Dr. Ali. “We take no chances on experimentation. All of the licensed institutions in Kuwait are affiliated with institutions either in the United States, Britain, Australia or Holland.”

For the Ministry of Higher Education (MoHE) improving the quality of higher education is a top priority for two main reasons. Firstly, in Kuwait 90% of the jobs are in the public sector, where the pay scale is based on diplomas.

Dr. Ali explains: “Although we are a wealthy country, if you work for the government, your income is related to your level of education. The way the system is structured makes education very important. More and more, Bachelors degrees are becoming something that everyone has.”

Secondly, the MoHE and the PUC would like to see the private sector take on a larger role in driving the economy forward, and to do so, graduates need a stronger and more globalized educational background.

Dr. Khalid M. Al-Saad, Undersecretary at the MoHE, criticizes the way Kuwaiti oil has generated wealth but not jobs, perse. “There is a big difference between jobs and wealth. In



“KUWAITIS WERE PIONEERS IN THE GULF FOR STUDYING ABROAD AND COMING BACK AND FOR TRADING WITH OTHER COUNTRIES.”

DR. KHALID M. AL-SAAD, Undersecretary at the Ministry of Higher Education

1987, we did a macro-economic study in all sectors with a group of professors from Harvard and MIT. The main recommendation of that study was to transform oil into human resource development because we think this is where the future of the country lies.

“If you look at why Kuwait was the shining star of the 1960-1970s it was because of the human resources – Kuwaiti and non-Kuwaiti – that we had at that time. Kuwaitis were pioneers in the Gulf for studying abroad and coming back and for trading with other countries,” he says.

This golden era of education ended in the 1980s when the country witnessed a sharp downturn, provoked by the Souk Al Manakh stock market crash. The government began

enforcing “Kuwaitization”, replacing ex-pats with Kuwaitis, regardless of merit, and those foreigners who did stay on began seeing their salaries become a fraction of those of their Kuwaiti counterparts.

The Kuwaitization policy also applied to the education sector, which despite enjoying an extremely high expenditure and nearly 100% enrolment rates, deteriorated and began training students for a future in the non-competitive and non-innovative public sector.

This is slowly turning around, and the MoHE established the PUC not only to license new institutions but also to maintain the quality in higher education. One of its goals is to transform the sector into one that caters increasingly more to the needs of the private sector.

The MoHE has a merit scholarship program – at both the undergraduate and as of very recently at the graduate level – that incentivize students to excel. “With the merit program there are more financial incentives for scholarship students to be enrolled in American Ivy League schools, and to compete to score at least a 3.0 GPA,” explains Dr. Al-Saad.

“Through our scholarship program we encourage our students to enroll in top universities and compete. Once they have that motivation, then they would find the private sector more self-fulfilling, more challenging, and more rewarding than the public sector. Also, we’re concentrating on areas needed for the private sector and for transforming the country into a commercial and financial center for IT, finance and medical sciences.”

ASK for a U.S. education

The American School of Kuwait in Hawalli is a special center of learning

For nearly four decades, a quality education based on the United States curriculum has been available in Kuwait, thanks to the American School of Kuwait (ASK).

Originally established in the early 1960s by expats seeking a school to which they themselves could relate, ASK continues to provide students – both foreign and Kuwaiti, alike – with an education similar to one found in any school in the U.S.

For example, extra-curricular activities, such as sports, jazz band, debate team, theater, and model United Nations, complete the ASK student’s well-rounded education that fosters critical thinking, integrity and intellectual curiosity. Here, however, notable differences can be seen in obligatory courses like Religion (for Muslims) and Special Religion and Arabic as a Foreign Language (for non-Muslims).

The Middle



Wael A. Abdul Ghafoor, Owner of the American School of Kuwait

“THE U.S. GOVERNMENT EITHER OWNS A SCHOOL OR ASSOCIATES WITH A SCHOOL IN EVERY COUNTRY AROUND THE WORLD, AND HERE THEY ARE ASSOCIATED WITH ASK.”

States Association of College and Secondary Schools accredited ASK in 1971 and the school enjoys recognition and support from the U.S. Embassy.

“The U.S. Government either owns a school or associates with a school in every country around the world, and here they are associated with ASK,” explains Wael A. Abdul Ghafoor, owner.

ASK has more than 1,800 students in its Child Development Center (kindergarten), elementary, middle and high schools. And as would be expected in an American-styled school, nearly all (95%) teachers are from the U.S. Indeed, ASK recruits specially from North America, although it also sends representatives to recruitment fairs in Australia, New Zealand, Dubai and England.

The school is one of Kuwait’s most prestigious, with children of some of the country’s most successful business and political leaders enrolled, and its graduates choose to continue their American curriculum education through college. According to Mr. Ghafoor, 90% of ASK graduates go on to study at American universities and colleges, while “the other 10% have started to go to Kuwait because we have an American university here in Kuwait and there are other American universities in neighboring countries like Lebanon and the Emirates.”

Mr. Ghafoor, a former student at ASK, took charge of the school after his father – who stepped up in 1972 to prevent the school’s closing – passed it down to him in 1994. He is also a co-founder of the American University of Kuwait.

The pride of Kuwait

Of Kuwait’s nine colleges and universities, Kuwait University (KU) is the country’s oldest, largest and sole public institution of higher learning

A university degree is considered necessary among Kuwaitis, as public sector employees – who make up 90% of the total population – are required to hold a one. Kuwait University provides the nation with quality education and supplies the workforce with graduates who hold degrees recognized in the region for their underlying excellence.

“A lot of people in Kuwait are graduates of the university. You would also find several of our alumni in the other areas of the Gulf. Others are even in the U.S. In fact, some of the professors in certain American universities are graduates of KU,” says Professor Abdullatif Al-Bader, President of Kuwait University.

Established in 1966, just five years after the country’s independence from Great Britain, KU’s student body comprises more than 32,000 students distributed among the school’s 16 colleges of Law, Arts, Science, Medicine, Engineering and Petroleum, Allied Health Science, Education, Sharia and Islamic Studies, Business Administration, Pharmacy, Dentistry, Social Sciences, Women, Graduate Studies, Architecture, and Computer Science and Engineering.

A strong focus on research has long been a hallmark of KU, especially in fields relevant to Kuwait’s economy, such as engineering, petroleum, mining and medicine. The university has at students’ and faculty’s disposal an arsenal of exceptional resources, e-systems and state-of-the-art technologies.

KU recently signed a Research Support Agreement with AstraZeneca, the global biopharmaceutical company,



“THE QUALITY OF THE KUWAITI STUDENTS WHO ARE EDUCATED IN THE UNIVERSITY CAN ONLY BE IMPROVED BY GIVING THE INSTITUTION A MORE GLOBAL DIMENSION.”

PROFESSOR ABDULLATIF AL-BADER, President of Kuwait University

to initiate the Gulf COAST Registry Project, a joint partnership venture in the sphere of cardiovascular research. A visiting delegation from the Center of Arab Genomics Studies in the UAE has also shown interest in collaborating with KU, in the realm of genomics, biomedical and health research.

Meanwhile, KU continues to strengthen local capacity in the oil and gas sector with the January 2012 signing of a sponsorship agreement to establish a new professional chair with Shell. Dubbed “Shell Natural Gas Chair”, it will focus on the development of an advanced research, teaching and knowledge-sharing program

for the efficient and safe management of the country’s natural gas fields.

At the signing ceremony, Professor Abdullatif Al-Bader said, “I anticipate a new generation of Kuwaiti engineers, nurtured in a scientific environment, developing specialized skills in the field of natural gas, and assuming key roles in developing and advancing the local gas industry, which is a vital energy resource for the state of Kuwait. With ‘Shell Natural Gas Chair’, we take our first step in this direction.”

This partnership, which follows on the heels of KU’s creation of a Postdoctoral Fellowship and a Research Chair – which both open new employment channels in fac-

ulty research – is also representative of the move towards greater internationalization that the university’s president would like to see among its student population.

“The quality of the Kuwaiti students who are educated in the university can only be improved by giving the institution a more global dimension,” he says.

“We are shooting for more than just knowledge. We want to give our students a more holistic view of the world, such that when somebody from another background says something, they would understand where that person is coming from.”

He believes that by revitalizing KU’s graduate programs,

the school could not only raise graduate student enrolment (it currently stands at just 1,100 as opposed to the 32,800 undergraduate students) but also attract more top students from around the world and offer them scholarships.

“We want to have students from different cultures to introduce different perspectives and ideas to our local students. Our professors can also benefit from getting the top students from all over the world. It means that when they do research, they are being assisted by the best that the world could offer, with a true interest in the field. This means that we get motivated, hard-working individuals who can produce substantial results. It is a mutually beneficial relationship,” says Professor Al-Bader.

“To offer these top international students scholarships and grants is a sure way to get a return on investment. This means we get people of quality assisting the professors in teaching the younger students. When these students finish and go back home, they become our ambassadors for life,” he adds.

KU currently has graduate university exchange agreements with 54 universities throughout the U.S. and Canada, including Arizona State University, Purdue University, Monterey Institute of International Studies, University of Oregon, Texas A&M, and the George Washington University schools of Business and Engineering & Applied Sciences.

A landmark American school

Privately-owned Universal American School follows the U.S. curriculum from nursery all the way through high school, with a wide array of extracurricular activities

In the past, many Kuwaiti parents concerned with their children's education opted to send their children to boarding schools abroad. Today, the panorama is quite different, with the quality of education on the rise and more and more private schools introducing Western curricula.

The Universal American School (UAS) is a private nursery and K-12 school, that was originally founded in 1976 by the parents of Noura Al Ghanim, the current owner and director of UAS, "because they wanted to contribute to the community and do something very effective for the country. In that sense there is nothing better than educating people."

Come the invasion, the school was forced to close and the Iraqi forces occupied the school grounds for seven months. In May 1991, Mrs. Al Ghanim returned with her husband and recruitment consultant to start over again.

"The infrastructure of the building itself was not destroyed but everything inside was a mess and everything had been looted. There was nothing left but a few books, which were being used as cooking fuel," she recalls.

By September they had managed to get the UAS up and running again with some 200 students. In 2003, the government awarded the schools with two acres of land in Hawalli, a suburb of Kuwait City, and it was there that a \$14 million, 54,000 square-foot building was erected that today hosts some 1,750 students.

The UAS' impressively distinctive blue block building has two underground floors, a ground floor and rises five stories. Its state-of-the-art facilities include three swimming pools, a 400-seat auditorium, an indoor gymnasium and sports hall, three band rooms, a 25,000-volume strong library, four science



From nursery to grade 12, some 1,750 students now attend the co-educational UAS

labs, a well-equipped health center with a full-time doctor and two nurses, computer labs, and wireless Internet access throughout the premises.

Mrs. Al Ghanim says the U.S. curriculum is used because it "proved itself in building the personality, tools, and skills of a child. It better suits Middle Eastern children where there is a lot of potential, which needs more personality development along with academic building."

She also praises the way the American curriculum gives strength to the relationship between student and teacher, as well as between parents and school.

Accredited by the Council of International Schools and the New England Association of Schools and Colleges, the UAS offers 12 Advanced Placement (AP) courses and a wide range of extracurricular activities, including drama, fine arts, music, journalism, model UN, and computer club,

as well as sports such as track and field, basketball, soccer, badminton, volleyball.

According to the school's owner, nearly 80% of the school's faculty hails from America and the UAS has a U.S.-based consultant who recruits and promotes the school year-round. "We also carry out local recruiting here and attract teachers from all around the world through advertisement and word-of-mouth. In order to get the best teacher or best administrator possible, recruitment must take place year-round," she adds.

Moreover, staff who move to Kuwait generally do not regret it. "When the majority of the faculty who come to work in Kuwait leave the country, a big number of them find it difficult to live somewhere else. The quality of life here is completely different than any country in the region. It's incomparable," boasts Mrs. Al Ghanim.

Practice makes perfect at ACK

Australian College of Kuwait (ACK) offers industry-relevant, competency-based training in a unique 2+2 degree program based on the Australian vocational curriculum

Opened in 2004, the Australian College of Kuwait (ACK) is the country's first vocational college that provides Kuwaiti students with an alternative to a traditional university education.

Students who do not leave secondary school with the GPA needed to enter university can attend ACK for a foundation year in which they work on improving their English, math and study skills, says Abdullah Al-Sharhan, ACK Chairman. Once they pass, they can go on to join a two-year diploma program and from there, they can continue their education to receive a Bachelor's degree in the college's own 2+2 program, unique in Kuwait.

"ACK was predicated on giving students a second chance, and to create a fresh opportunity for them. That was to be achieved by improving their learning skills and giving them a little bit of theory and a lot of practice," says Mr. Al-Sharhan. "We open the door for academic progress to those who are capable and desire to continue."

He adds that competency-based training provides students not only with skills and knowledge, but the



right attitude as well. "We are also offering degree programs that build on the competency-based diploma courses. These degrees, although vocational in approach, develop critical thinking and problem solving capabilities in students using curriculum-based university courses."

The college was established in conjunction with Australian universities – as Mr. Al-Sharhan considers the Australian vocational curriculum to be the best in the world – and holds active partnerships with the University of Tasmania, Tasmanian Polytechnic, and the Central Institute of Technology in Western Australia, among others.

"International cooperation has always been a basic ingredient of our operations," explains the chairman.

ACK, which focuses on business and engineering, works closely with the private sector and industry so as to keep a finger on the pulse of current trends and needs.

"If you do not work together with industry, you won't know what they want," says Mr. Al-Sharhan. "I would like to see the college producing the human capital that the country needs, hence our collaboration with industry."

Backing up this desire are the college's purpose-built campus in West Mishref and its state-of-the-art facilities – including a ground-based Boeing 737-200 aircraft, aviation test benches, a 57-foot boat, and a state-of-the-art marine simulator – which allow ACK to provide unique training opportunities in Kuwait.

AIS' curriculum is driven by inquiry

The American International School of Kuwait (AIS) is an International Baccalaureate authorized school that is preparing future global citizens

Inquiry, trial and error, risk-taking, critical thought – these are words American International School of Kuwait's management use to describe the school's curriculum and learning style.

An International Baccalaureate Organization World School, AIS is a private, independent co-ed day school where students from age three all the way through grade 12 go and learn to learn.

Owner and Director of AIS Samera K. Al Rayes says that the school aims to create "good world citizens" who "not only think about the financial success of their country or business but also about bigger issues of how to make rural villages in Africa prosperous or ensure that our environment is still good for future generations."

She adds that AIS "is not an easy school; this is a challenging place that brings out the best in all constituents, parents, teachers and students."

Indeed, as an IB school, AIS students are tested and measured internationally, and the school itself is held to account by the Pennsylvania-based Middle States

Association of Colleges and Schools.

The results are evident in AIS graduates' acceptance to more than 80 North American universities last year alone.

Parents also play an important role at AIS, which regularly holds *dewaniya*, or open house, where parents are invited to visit and bring up issues that affect the school in general. "These are set up regularly and informally. We chat with parents over tea, we listen to their vision and they listen to ours," says Mrs. Al Rayes.

Although English is the primary language of instruction, all students are required to study Arabic or Arabic as a Foreign Language. Around half of AIS students hail from abroad; presently there are 43 different nationalities represented.

With such a varied student profile, it is only natural that the school be focused on nurturing what Mrs. Al Rayes calls "unique and self-reliant world citizens."

She adds that: "As the world shrinks with the 'global village' effect that is taking



Samera K. Al Rayes, Director and Owner of AIS

place, we expect our students to expand so they can fit in Kuwait, Tokyo, New York, Madrid – anywhere in the world – and learn to accept other ways of knowledge."

Now in its 12th year, AIS is introducing iPads to all its students. According to one AIS board member, the decision to modernize teaching in this way was because: "Looking at how the market is developing, technology is moving into the wireless and the visualization of information. The iPad fits that perfectly so we decided to become an iPad school."



Making a difference

A small building in the Rawda area of Kuwait brings hope to parents of children with autism. At the Kuwait Center for Autism, 100 children receive special care and assistance to develop their potential, and to help them to understand the world in which we live

The Kuwait Center for Autism was established some 12 years ago, but the events which led to its founding began a decade earlier. The founder, Dr. Samira Al-Saad, had accompanied her husband on a posting to the USA from Kuwait. She brought her daughter Fatma with her, as she was autistic. During her time in the States, Fatima was fortunate to gain a place in a leading school for children with autism, the highly regarded Higashi School in Boston, which was run by Japanese professionals.

Dr. Samira is a lady with boundless energy and enthusiasm who had decided to use her time in the USA to undertake further study.

She did not hesitate and threw herself into this new challenge. By 1995, a building in Rawda had been converted into premises for a special

school, the Kuwait Center for Autistic Children. Starting with 10 trainee teachers and five pupils, the school now has 50 and 100 pupils.

Work with autistic children demands a special type of person with a true vocation, patience, understanding and stamina. Dr. Samira set about training her new recruits and changing their perception and understanding of children with special needs.

She sought out staff with commitment who could cope with the work involved. She also continued to train teachers for the school in Saudi Arabia.

Today the center is more than just a school. A bi-monthly newsletter-style magazine in Arabic, it details stories about pupils, conferences, workshops and links with autism organizations internationally.

Named *Silent Scream*, the magazine is a voice for those whose cries cannot be heard or understood. For parents there are articles written by experts on how they can help their autistic children or how they can help their other children to cope with having a sibling with these difficulties. The publication also gives details about programs and visits by international experts who come to Kuwait to run workshops for parents and teachers.

Dr. Samira is the founder of the Gulf Autism Union, established in 2002, which brings GCC autism professionals and institutions together. Autism awareness is growing and to assist in the process Dr. Samira regularly gives lectures at the Education College, so as to give trainee teachers an insight.



People travel from all over the Gulf region for evaluation and advice from the Kuwait Center for Autism

The school is now full but also operates a diagnostic service with special experts brought into Kuwait on a regular basis. Families come from all over the Gulf region and in some cases other countries to have their children evaluated and to seek advice.

A new phase has begun with the construction of a purpose built school with much greater capacity and facilities. Due for completion soon, the

new school will be a first for the Gulf region. Vastly bigger than the current premises, the school will be able to expand its numbers and to provide state-of-the-art equipment for the students as well as a large swimming pool.

It will also have office space for a research team. Currently the center is working with Harvard University on a research project and has been sending DNA samples in this connection.

International Autism Congress 2014

With the prior experience of two International Conferences on Autism and Attention Deficit Disorders and one International Symposium, the Kuwait Center for Autism will be hosting the World Autism Organization's International Autism Congress 2014 in Kuwait, for which it has received strong support from the Kuwaiti government.

The wellbeing of a nation

According to the World Health Organization, 347 million people worldwide have diabetes. In the Gulf area, the incidence of this chronic disease is high and growing

Five of the six Gulf countries are included in the list of the world's top 10 countries for diabetes incidence and prevalence. And sadly, it is Kuwait that leads the statistical race at third place globally, ahead of Qatar at sixth place, Saudi Arabia at seventh place, and Bahrain and UAE at eighth and 10th places respectively.

More than 21% of Kuwaitis suffer from the chronic disease. On the bright side, Kuwait is also the location of one of the world's leading diabetes institutes, thanks to the vision of the late Emir who identified diabetes as one of the country's most pressing issues in the early 2000s.

The Dasman Diabetes Institute, or DDI, was officially inaugurated in 2006 as a center for the diagnosis, treatment and research of diabetes and to offer other general healthcare services as well.

DDI's Director General, Dr. Kazem Behbehani, is a world-renowned expert specialized in preventable infectious diseases, diseases of an ageing population, and pandemics. He attributes the rise in incidence of diabetes to an increasingly sedentary population.

"Before we used to play outside, but now children play on computer games, iPhones and iPads and go to the mall and eat fast food," he explains.

It is precisely this change in lifestyle that has triggered Type 2 diabetes among Kuwaitis at an alarming rate, especially among children.

To counter this trend, the DDI's facilities include a swim-



More than 6,000 people joined the third annual Beat Diabetes Walkathon in Kuwait, organized under the patronage of the Dasman Diabetes Institute and Ministry of Health

ming pool and "keep fit lifestyle area" to encourage patients to get exercise. The institute also focuses on offering health education to the general population and training to health professionals and teachers.

"For prevention, we tackle a lifestyle change," says Dr. Faisal Al Refaei, Medical Director of Clinical Services at DDI. "We tackle exercise. We educate the public and patients on the im-

portance of exercise as part of the management of diabetes. So in a sense the focus is diabetes but we look around the disease itself before and after."

In October 2011, the American Heart Association (AHA) accredited DDI's Clinical Skills Center – which trains healthcare providers and the public with the latest techniques and methods used by the AHA – as a certified AHA Training Center.

In 2011, DDI launched a groundbreaking new children's health initiative called "Kuwait Healthy Life Program" in cooperation with the Forsyth Institute in Boston.

In this project, saliva samples and the physical measurements (height, weight and blood pressure) of some 10,000 Kuwaiti children between the ages of 9 and 11 were evaluated in 2011 and will be compared to samples

and measurements taken this year. The differences should determine which factors place children at risk for developing disease and ultimately help develop more effective ways to keep healthy children healthy.

This collaboration with the Forsyth Institute is just one of many partnerships and research collaborations DDI holds with international institutions.

"We work with about 20 uni-

versities. Each institution outside has a niche where they are the best in that area. Discoveries are made every day in thousands of places. The world has changed over the past 10 years with new discoveries and technologies. The world is connected. That is the basis of what we are applying here. We learn from them and they may learn from us," says Dr. Kazem.

Harvard University, the University of Cambridge, the University of Oxford, and the University of Colorado are examples of the caliber of partnerships that DDI enjoys.

Research is certainly one of DDI's strengths, and at its

IN 2011, DDI LAUNCHED KUWAIT HEALTHY LIFE PROGRAM, A NEW CHILDREN'S HEALTH INITIATIVE IN COLLABORATION WITH THE FORSYTH INSTITUTE

genome center researchers look at genes in relation to susceptibility to different diseases. They also study which drugs are suitable for some people and not for others, according to Dr. Kazem.

While Kuwait and the region's diabetes problem is predicted to worsen over the next few years, DDI's education programs and research should definitely curb the prevalence of chronic diseases in the coming generations.



Taking commercial banking by storm

Established in 1960, Gulf Bank of Kuwait has certainly seen its share of ups and downs in the past five years, yet has remained true to its focus on local and retail commercial banking

It is this steadfastness that differentiates Gulf Bank from the competition and has made it the fourth largest lender by market value. “We do not aspire to be an asset manager, a broker, an Islamic bank or an insurance company,” says Michel Accad, Chief General Manager and CEO of Gulf Bank. “We aspire to be a commercial and retail bank and to dominate locally; so we don’t have aspirations overseas either. That has allowed us to offer our commercial and retail clients a level of service that I think is pretty unique. “There are no banks in Kuwait or the entire Middle East – and I would assume that there are very few banks internationally – that can offer a customer a loan the same day they make the application. “When I say the same day it doesn’t mean the loan is approved the same day; it means that you get the funds in your account the same day. It doesn’t mean that your credit card is approved the same day; you actually get your card the same day. If you’re approved for a car loan, you get your car keys the same day you apply.” Unsurprisingly, customer reactions have been overwhelming. Mr. Accad was brought in as CEO in mid-2009 as the bank was climbing out of a \$1 billion loss caused by clients defaulting on euro-linked derivative contracts, used for speculative trading or hedging.

“It was a failure of the governance structure and a failure of the risk management, and of course a failure of the audit and controls to detect the problem,” he explains. With Mr. Accad at the helm, the bank devised a four-tiered, two-year strategic plan. “The first pillar was to build a ‘fortress’ balance sheet... and having a governance structure and risk management that would make us essentially impregnable,” he says. “The second was to ring fence the legacy problems from the new opportunities.” By this, he means that rather than having the same



office managing both, Gulf Bank separated the good accounts from the bad ones, thus allowing some units to focus on bringing in new business and others, to work on recoveries. “The third pillar was about refocusing on our core competency and exiting all peripheral activities that actually had cost us all these huge losses,” says Mr. Accad. Proprietary trading and non-client based activities, for example, were dropped, sold off or left to lapse. “The fourth pillar was something that we called differentiating ourselves from the competition through service excellence,” he continues.

It took Gulf Bank one year to put the IT infrastructure in place and to remap all its processes, but the end result was the “We Promise” campaign of delivering same-day loans. “We can now say that on those four key pillars we have really delivered on practically every objective that we had set for ourselves,” claims the CEO. Furthermore, the bank’s results demonstrate that these efforts have paid off. In 2011, Gulf Bank posted a net profit of KD30.6 million (\$108.4 million), up from KD19.1 million the previous year.

“WE DO NOT ASPIRE TO BE AN ASSET MANAGER, A BROKER, AN ISLAMIC BANK OR AN INSURANCE COMPANY. WE ASPIRE TO BE A COMMERCIAL AND RETAIL BANK AND TO DOMINATE LOCALLY.”

MICHEL ACCAD,
Chief General Manager and
CEO of Gulf Bank

Perhaps most promising is the fact that Gulf Bank was the only bank in the region for whom Standard and Poor’s raised their credit rating (from BBB- to BBB) and outlook (from stable to positive). Recent bank awards include “Best Bank in the Retail Sector” from *Arabian Business* magazine in 2011, “2012 Best Foreign Exchange Bank Provider” in Kuwait by *Global Finance*, “International Excellence in Retail Financial Services” award from *The Asian Banker*, “Best Retail Customer Service” from *The Banker* Middle East, and “Quality Recognition Award” from Citibank.

Excellence through privatization

The Kuwait Stock Exchange has improved surveillance systems and the latest technology by NASDAQ OMX, and has been streamlined thanks to strict requirements by the Capital Markets Authority. Now, KSE is ready to go public

Last year marked the 50th anniversary of the Kuwait Stock Exchange and was a year filled with novelties and innovations for the bourse. In the first half of 2012, the KSE rolled out its new NASDAQ OMX powered trading platform with proven X-stream technology that supports trading of cash equities and forwards. The next phase of this move will include additional derivative products and bonds. The stock exchange has also ramped up its surveillance system, by enlisting NASDAQ OMX index calculation technology and a SMARTS powered surveillance solution.

The recently formed Capital Market Authority also stepped up its efforts last year to put the KSE into tip-top shape by way of various austere measures, thus ensuring listed firms are in full compliance with Kuwait’s new tightened regulatory

THE PRIVATIZATION OF THE KSE IS PART OF KUWAIT’S VISION TO DIVERSIFY AWAY FROM OIL AND BOOST ITS FINANCIAL SECTOR

regime. Measures include the suspension of trading for firms who do not publish their quarterly and annual financial results in a timely fashion. Moreover, the CMA’s threat was not empty; in mid-May the regulator suspended several companies from trading as they hadn’t declared their financial results for Q1 within 45 days.



Market capitalization at the KSE stood at \$103.9 billion in 2012

The outcome of the CMA’s stricter regime has been a leaner exchange with greater transparency and accountability. It has also paved the way for the privatization of the KSE, something that has been discussed for a number of years but is now finally taking shape. Last summer, the bourse enlisted the services of HSBC to oversee the transformation, which should be complete sometime early this year. The decision to make the KSE itself public – something that 91% of respondents in a November 2012 survey believe will have a positive impact on the bourse – is part of Kuwait’s vision to diversify away from oil and boost its financial sector. Expectations, considered by some overly ambitious, are for the financial services sector to contribute 25% of the gross domestic product by the year 2022.

Faleh Abdullah Al-Roqobah, President of the KSE, agrees that Kuwait has been highly dependent on oil and must now diversify. “Since 2004, the oil price has helped us quite a lot. But I think that the country is thirsty for development in areas such as healthcare and economic diversification. I hope that we will finally be in

the ideal situation for the private and state companies to move forward in Kuwait,” he says, adding: “I think that development goes hand in hand with the stock markets.” Kuwait’s stock market is one of the largest in the Gulf region, after Saudi Arabia and Qatar. KSE’s market capitalization grew from \$100.9 billion in 2011 to \$103.9 billion the following year, growth that comes as happy news, especially considering the events of 2008, when the global financial crisis caused the KSE to implode. Over the course of just six months, the bourse had lost more than 40% and was forced to close by court order. Since then, the KSE has slowly recovered investor confidence (2012 was the first time in four years that the KSE Price Index grew), and no doubt the CMA’s sobering measures have helped. For Mr. Al-Roqobah, Kuwait’s economy is strong enough to continue attracting investment, especially from abroad. “Kuwait was and will always be a target, a good opportunity for foreign investors because it is safe. The revenue is clear and the surplus keeps coming. So, what more do investors need?” he says.



The pioneer in Takaful insurance

In 2000, First Takaful Insurance Company was established as the first of its kind in Kuwait. Market penetration remains low for the insurance sector in general, but First Takaful is raising the bar for quality and service

Due to an extremely generous welfare and social security system, Kuwait currently has the lowest insurance penetration rate in the whole of the GCC region. Nevertheless, there are various insurance companies operating in the country, offering Kuwaitis obligatory products such as vehicle insurance, as well as recommended policies, including homeowner’s insurance and medical travel assistance. First Takaful Insurance Co. (FTIC) was founded 13 years ago by various Islamic financial groups interested in a Shariah-compliant insurance firm. Chairman Khalil Ibrahim M. Al-Shami says that it has not been easy capturing customers, owing largely to a lack of awareness of insurance in general, and more specifically, of takaful insurance, which is similar to mutual insurance. “The people here do not have an insurance mentality. When it comes to insurance they only think about premiums and the cost of the policy. They don’t

think about whether it is Sharia compliant or not. That’s why it hasn’t been growing for the past 11 years. Most of the takaful insurance companies are working like normal commercial insurance companies,” he laments. Consequently, FTIC has moved into neighboring countries to capture more clients. “We are limited to a small market in Kuwait and we cannot do that much business, so we went to Saudi Arabia and set up a company which is now listed on the stock exchange and is doing well. We went to Turkey and we established another company there, which is also doing well,” says Mr. Al-Shami. The insurance sector in Kuwait is stagnant, he highlights, because the country still has “a 1960s way of thinking.” Mr. Al-Shami is encouraging the Ministry of Commerce to regulate the sector adequately in order to improve loss ratios and eliminate the existing problems. Licensing, he says, is too easy a process – an applicant can receive a license before having even completed a feasibility study. As a result, there are at least 10 takaful insurance companies in operation in Kuwait. Despite all this, FTIC’s chairman is an insurance specialist and professional who believes in providing his employees with proper training – not only to expand knowledge and raise

the quality of service in the industry, but also to benefit the entire private sector. “We’re trying to emphasize human resource development. If you train Kuwaitis, they can go and do business in other companies in the country,” he says. “You will find that most people working in the insurance sector were trained by me. I gave them full support.” Standard & Poor’s doesn’t share Mr. Al-Shami’s pessimism for the sector. In a statement released in spring 2012, S&P said: “We believe the medium-term growth outlook for Kuwaiti insurance is stronger than that in some of the other Gulf markets.” The rating agency’s credit analyst, Ali Karakuyu, said that they even predict that, over the long term, the Kuwaiti insurance market will grow faster than the European and North American markets. S&P does concur, however, that there has been overcrowding – particularly in takaful insurance – which has led in part, to lower average premium rates in the retail business. Takaful observes the rules and regulations of Islamic law, in so far as that it is a non-profit, co-operative system where clients are reimbursed from common funds into which they have made regular contributions.



Sadu House preserves tradition

From functional pieces to art form, Kuwait’s Bedouin woven items have risen to fame as a handicraft that embodies an essential part of the nation’s character

Numerous museums in Kuwait showcase the country’s history, its archeological findings, its art and even artifacts and information on the Gulf War. However, there is one unique museum that stands out for its portrayal of the beauty and tradition encompassed in Kuwait’s Bedouin handicrafts, namely Sadu weaving.

Aptly called Sadu House, it was originally established in 1978 as a private initiative by a group of Kuwaitis headed by Sheikha Altaf Al-Sabah, keen to preserve the traditional weaving, considered an intrinsic part of the nation’s cultural identity. By 1984 there were 300 Bedouin women registered in the Al Sadu Project.

Sheikha Altaf, who used to work as an anthropology professor at Kuwait University, recalls that her students had very little contact with their own country’s history. “Every time I said, ‘Let’s go to the Kuwait Museum,’ they said, ‘We don’t know where the Kuwait Museum is.’ There should be more of an understanding. I believe you must have a better understanding of where you come from, of how this country started,” she says.

Originally she had pushed for an ethnographic museum; however, this idea never came to fruition. When the idea to open up a museum of tradi-



The Sadu House is a delightful museum showing the art of Bedouin handicrafts, and a gift shop with all manner of woven items for purchase

tional weavings came up, Sheikha Altaf immediately saw how she could use this as a way to preserve crafts and material culture.

“So I worked and I gave a lot of myself because I am passionate about the idea of identity and reinforcing identity through material culture,” she says.

The Gulf War nearly brought about the end of the Al Sadu Project, as many of

the weavers either lost interest or were busy trying to piece their lives back together. Not ready to give up so easily and frustrated by the way rapid modernization was doing away with some historic monuments, including many old houses, Sheikha Altaf sought help from some friends at UNESCO who suggested she consult an Indian woman, nicknamed the Philosopher of Crafts. Already having worked

in Africa, Iran and India on preserving traditional handicrafts, this craft guru collaborated with Sheikha Altaf.

“She said the best way forward for any craft is to not treat it as a charity but to treat it as a competitive item. It has to be competitive and it has to be functional or else it will die,” says the sheikha.

A quick glance around the museum’s gift shop shows just how the project, which be-

came the Al Sadu Weaving Co-operative Society in 1991, has turned the traditional Bedouin tent dividers and saddle bags into decorative and functional items more relevant in today’s world: handbags, wallets, rugs, table runners, and scarves, just to name a few.

Whereas nowadays the weavers themselves are the shareholders and receive proceeds from gift shop sales, in

the past, weaving merely formed part of everyday life.

Sheikha Altaf explains: “These ladies didn’t weave for economic gain, even in the desert. They had to weave because it was part of their domestic job. They had to clean, they had to take care of the house, they had to bring up the children, they had to cook and they had to weave. So, they weren’t professional craftswomen or master weavers. In their household, weaving was just part of their function.”

What makes their work so intriguing, however, is the flare they added. Rather than sticking to the natural black, white and brown colors of the wool, the Bedouins went an extra step.

“They had this genius in them, this inherent beauty, and they started beautifying, putting on adornments and colors. And then these very basic functional items in time became art pieces,” enthuses Sheikha Altaf.

Visitors to the Sadu House can take a walk through time and see the process of fleece spinning, dying and weaving that the nomadic Bedouin tribes used in the desert setting, as well as the urban-style weaving of the bisht, or man’s cloak, and the delicate metal work and embroidery that were used to adorn men’s clothing.

EVMG, an outlet for visual storytelling

Eagle Vision Media Group is a multimedia company that encourages and backs local talent, of which there is no shortage in Kuwait

“People ask me if I’m creating a business or a hobby or a passion...no, I am creating an industry!” For many Kuwaitis, the country’s oil and massive government sector are all they need to continue living comfortably. Yet for others, this isn’t enough and it is entrepreneurs like Sheikha Al-Zain Al-Sabah who are pursuing innovation, quality and competition in the private sector.

Her endeavor Eagle Vision Media Group is – so far, at least – a one-of-a-kind venture that is opening up a whole new arena and outlet for local talent. Aside from being a fully integrated production company specialized in media projects for film and television, EVMG is a kind of incubator for visual art – or visual storytelling, as Sheikha Al-Zain calls it – borne from Kuwaiti genius. And despite its small size, Kuwait is big on talent.

“A lot of talent is based in Kuwait. So much as far as writers, directors and producers, actors and actresses are Kuwaiti. When you go to Dubai or Qatar and you see these facilities, you see like 70% of the talent and some 20% of technicians are Kuwaiti. So now we are giving them a facility to cater to their needs here in Kuwait, in Sabhan, so they don’t have to leave the country,” explains Sheikha Al-Zain, Chairwoman and Managing Director of EVMG.

With so much talent on hand, she says, EVMG is easily able to aim high and produce world-class products. Apart from a strong film department, EVMG also focuses on television, which is its “bread and butter”, developing original concepts.

Sheikha Al-Zain is proud of her company’s nurturing of Kuwaiti ideas and avoidance of “the Telemundo-style dramas you see in Kuwaiti and Gulf TV. We don’t do the Turkish episodes dubbed – we stay very far away from that,” she says, adding: “We usually take concepts developed by Kuwaiti kids, bring them in and magnify them in production and design, etc.”

EVMG is in the process of building a large multimedia facility that will serve as headquarters for both EVMG and ADASA (Artists Demanding a

Storytelling Association), another entity spearheaded by Sheikha Al-Zain. In Arabic, *adasa* means lens or focus, and the association “allows for any sort of visual storyteller to come into the fund and be supported from education all the way through incubation, project development and actual production. It takes a talented individual from one to 10,” she explains.

The new multimedia campus will also provide local and regional TV networks space to rent.

“It is comprised of two large sound stages, the largest in the Middle East,” comments Sheikha Al-Zain. “We brought in an American company to do

“WHEN YOU GO TO DUBAI OR QATAR AND YOU SEE THESE FACILITIES, YOU SEE LIKE 70% OF THE TALENT AND SOME 20% OF TECHNICIANS ARE KUWAITI.”

SHEIKHA AL-ZAIN AL-SABAH, Chairwoman and Managing Director of Eagle Vision Media Group

“I wanted to know what was happening,” she recalls. “I started becoming more aware of what media can do and how powerful it is. I decided that media was my calling. I came back home and finished high school and went to Boston University where I got my Bachelor’s in journalism and then I went to New York and worked at ABC with the late Peter Jennings.”

“I was literally inside the trenches surrounded by hard news, and so often news is very depressing. After doing that for a few years you decide you either love it or hate it. I found myself hating it actually, covering so much depression everyday. So from there I started writing scripts just to keep my mind in the fantasy world. I found that I liked to write and tell stories based on true events.”

Sheikha Al-Zain was accepted to USC, one of the best film schools in the world. After graduating, she set up a production company with some USC colleagues in Los Angeles, but being in a city of filmmakers, they felt they weren’t having as much of an affect as they would have liked.

“So we moved back to Kuwait and we opened EVMG because there was a lack of production companies that dealt with quality media products in Kuwait,” she says.

Her hope is that EVMG, which is a non-profit company, will have a domino affect on different companies, sectors and industries in Kuwait, and inspire others to compete.

Sheikha Al-Zain’s interest in storytelling and film bore fruit with her co-production role in the 2009 award-winning film *Amreeka*, an official selection at the Sundance Film Festival, winner of the FIPRESCI Prize at Cannes Film Festival, and winner of Best Arabic Film and Best Arabic Screenplay at the Cairo Film Festival.

52 degrees, home of Kuwait’s best design

Self proclaimed as the original melting pot for the limitless imagination and creativity of the Kuwaiti entrepreneur, hundreds of Kuwaitis rejoiced at the grand opening of 52 Degrees on January 26, 2011

Two years after its grand opening, 52 Degrees is still going strong with the addition of Phase II and thousands of local and international followers, who all seem to share the same love and appreciation for the original and innovative creations of young Kuwaiti designers and entrepreneurs.

The Al Tilal Complex, home of 52 Degrees, was designed by architect Ahmed Al Baghli and is located on Pepsi Cola Street in Shuwaikh, Kuwait. The venue provides locals and visitors alike with access to the latest fashion and accessories, art, home décor, food, and entertainment products produced exclusively in Kuwait.

Before the grand opening in 2011, Manager Abdullah Al Mudhaf declared that one of its main goals would be to promote healthy business growth among young entrepreneurs, and cultivate it so that they would be able to meet with international requirements when more branches were opened locally and globally. Effectively, in addition to space, the organization also provides its entrepreneurs with extensive services such as branding, sales staff, packaging, marketing, media coverage, sales analysis, financial reporting, and business education courses.

Design inspiration

In accordance with its commitment to originality and innovation, exclusive collections from Kuwaiti designers like Amna Muquddam, Diana Al-Rujaib, Nora Al-Hathran and Reham Al-Baloushi, all featured at Cibeles Madrid Fashion Week in 2010, can be found at the store at Al Tilal. The company hopes to see these, as well as other young Kuwaiti designers, emerging soon on to other iconic fashion scenes including New York and Paris.

Inspired by classic Arabic style, designers at The People’s Factory, Kan Zaman, Baraka, and Maze turn out furniture and home décor novelties that have unrivaled chic and a contemporary vibe. The pieces add a touch of class and style to any home for any age, in a quirky welcome



52 Degrees features locally designed apparel, furniture, home furnishings and food

mat for a college dorm or a swanky living room set for a penthouse.

Proud to Be Kuwaiti

Many of the designers who form part of the community formerly cooperated with Proud to Be Kuwaiti. P2BK is a non-profit organization that coordinates and facilitates annual events for young designers and entrepreneurs to showcase their creations, and find potential investors. Its first event was held in 2008 and repeats every spring.

Many identify P2BK as a precursor to 52 Degrees, and while some designers still take part in P2BK events, they have found a permanent home and a wealth of benefits under the new domain. Management maintains that the complex at Al Tilal is not a “temporary window display,” but a jumping off point from which hard work and serious strategy will launch the Kuwaiti fashion industry onto the international market.

Many say that services offered by the store come as a blessing to struggling designers, who are grateful to avoid many of the startup costs that generally threaten young businesses.

Great quality and taste

While some Kuwaitis recognize that many locally manufactured products are in fact poorly made, the Quality Service department at 52 Degrees takes the topic very seriously.

Everything sold there meets rigorous service and production standards. Returning customers know that everything from their desert at the Choowy Goowy café to their new jacket from Deer & Dear is well made.

The outstanding quality is reflected in tweets and blogs highlighting both the edible and non-edible, and the store has enjoyed positive reviews in trendy Kuwaiti publications such as *Bazar* and *Khaleej* magazines.

The store regularly hosts themed events that showcase the best of Kuwaiti talent and culture. Among the most popular are the Blue District nights, which take place every Tuesday. The store morphs into a nightclub filled with live music, blue lights, drinks and food, all inspired by the color blue.

An embodiment of Kuwaiti culture at its best, they also offer regular etiquette courses, lectures, and expositions including Graishna Mbachir, a Ramadan exhibition where several fashion and interior designers featured women’s kaftans, children’s Ramadan clothing, jewelry, perfumes, home accessories, and food in honor of Ramadan.

As 52 Degrees and its designers continue to seek inventive new ways to infiltrate the international marketplace, it is only a matter of time before their labels are sought worldwide.

Expanding to new frontiers

Voted Kuwait’s Best Business Hotel, Crowne Plaza Kuwait is home to the country’s largest ballroom, its first Aquatonic pool, and a raft of different dining possibilities. Now, the hotel is further enlarging its conference facilities and nearly tripling the number of guestrooms and suites

With a \$125 billion development plan in the works, a solid oil industry, a renewed emphasis on tourism, and a strong democratic tradition, Kuwait is a natural magnet for foreign investment and business and is on its way to restoring its reputation as the “Pearl of the Gulf.”

Serving the accommodation and conference needs of a large number of these businesspeople – and not to mention the growing number of tourists – is Crowne Plaza Kuwait, now in the process of augmenting its size.

“Crowne Plaza expansion is aligned with the elements of the Development Plan,” says Ramy Haykal, General Manager. “We are expanding so that it will become the biggest hotel and convention center in Kuwait.”

Already ranked as the country’s Best Business Hotel in 2011 by the *Business Traveler Middle East* magazine and ArabianBusiness.com, as well as by Trip Advisor, Crowne Plaza Kuwait is undergoing a three-phase expansion that will further cement its popularity among travelers and locals alike.

In the pipeline are six new multi-purpose convention halls and a 200-seat auditorium, which will grow existing meeting and banquet facilities from 32,300 to 86,100 sq.ft. Also, 220 more guestrooms and suites (in addition to the present 300) and 140 extended-stay suites are to be added.

In summer 2012, the hotel completed the first part of Phase 2: the opening of Kuwait’s largest five-star ballroom.

The stunning Al Baraka Grand Ballroom boasts 25-foot high ceilings, 17,200 sq.ft. of space divisible into four sections, a programmable state-of-the-art lighting system and a private VIP entrance and separate VIP lounge area. Events hosted in Al Baraka are catered by Fauchon, one of France’s



Above right: Crowne Plaza’s exquisite Spa Aquatonic. Center: the hotel’s Shabestan Iranian Restaurant, which serves authentic Persian cuisine

leading caterers of contemporary French cuisine.

One need not attend a special event, however, to enjoy Fauchon’s delights; the Fauchon Boutique and Salon de Thé offers Parisian breakfasts, afternoon tea, and a delightful offering of pastries, teas and coffees.

The hotel’s seven restaurants offer a wide range of fare, from Japanese, Lebanese, Iranian and Italian to steak, seafood, and international cuisine. Outside, guests can enjoy the newly refurbished hotel pool and



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RAMY HAYKAL,
General Manager of Crowne
Plaza Kuwait

its bar, which offers a wonderful choice of light meals, snacks and beverages.

Another novelty at Crowne Plaza Kuwait is its Spa Aquatonic, an award-winning 38,000 sq.ft. spa offering pampering health and beauty treatments and the Middle East’s first-ever Aquatonic Pool in an ambience of candlelight, soothing aromas, and sheer tranquility.

From its guestrooms and conference centers to its dining options and leisure facilities, Mr. Haykal says, “The amenities that Crowne Plaza Kuwait

offers are unlike any other hotel in the country.”

“Crowne Plaza Kuwait is both an icon and a legacy,” he adds. “The hotel is now considered a destination in itself, offering both leisure and business travelers an unmatched experience in Kuwait.”

Established in 1982, the hotel is part of the Intercontinental Hotels Group (IHG), one of the largest hotel chains in the world, from which it has won the Quality Excellence award in 2009 and 2010, based on its high standards in product quality, hotel operations and customer satisfaction.

The hotel is conveniently and centrally located, with easy access to everything travelers may need. “It all boils down to location, location, location,” says Mr. Haykal, explaining why Crowne Plaza Kuwait is ideal for incoming travelers.

“It is highly accessible from all major highways, the airport, shopping malls and business districts. Not to mention the safety and security the hotel offers to our esteemed guests, in addition to the variety of international cuisines, the health club with its stunning outdoor pool and finally our pride – the impressive Spa Aquatonic.”

Additional services the Crowne Plaza Kuwait offers guests are a complimentary 24-hour airport shuttle service, a complimentary bus shuttle to Kuwait City and The Avenues Mall, ample parking spaces, 24-hour room service, a 24-hour Business Center, visa assistance, and a National car rental desk. Free WiFi is also available in all public areas and guestrooms.

The hotel’s 300 rooms and suites are equipped with DVD players and a selection of DVDs, Bose music systems, voice mail, minibars, satellite TV, data ports on the telephones, and tea and coffee making facilities.

