

An *IFC Reports* Interview with

H.H. The Prime Minister of Kuwait, Sheikh Nasser Al-Mohammed Al-Ahmed Al-Jaber Al-Sabah

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For our special report on Kuwait



IFC REPORTS: Since Kuwait's discovery of Oil back in 1938 its tenacious and entrepreneurial citizens led the way in modernisation and global integration in the region. On June 19th 1961 Kuwait became an independent sovereign state and in 2011 also celebrates 30 years since the formation of the GCC, as well as 20 years since the liberation from Iraq, where the United States of America played a pivotal role. Please tell us about the importance of these events and what it means to Kuwait?

H. H. The Prime Minister: The significance of celebrating Kuwait's national occasions is that they represent the journey of struggle of the people of Kuwait for over several decades in order to build their modern State, by which they maintained its independence and sovereignty through difficult living circumstances and various international challenges, until this small country was able to confront all challenges and difficulties and overcome them with the resolve and determination of its people.

IFC REPORTS: Can we please have your comments on the US as a strong ally with common goals of "peace, stability, and prosperity" as articulated by U.S. Secretary of State Hillary Clinton during 2010.

H. H. The Prime Minister: The people of Kuwait have not forgotten the great historical role played by the United States and the friendly American people during its ordeal when the Iraqi forces invaded the State of Kuwait in 1990, and the significant assistance provided by the United States in supporting Kuwait, by rallying the largest international alliance known in history to force the invading forces to withdraw from Kuwait and liberate it from the occupying forces and assist in its reconstruction. The United States is a very important strategic ally to the State of Kuwait, and there is permanent coordination between both countries to support peace, security and prosperity worldwide.

IFC REPORTS: What is your view on the growing importance of the GCC (Gulf Cooperation Council) and its need for further economic cooperation with the United States, Europe and China?

H. H. The Prime Minister: The Cooperation Council for the Arab States of the Gulf forms a strong organization in the Middle East Region from the economic and political perspective, particularly that the six member states enjoy ample security which enables them to support economic systems and prompt a sizeable leap in sustainable development. The Gulf Cooperation Council attains an adequate status on the global level through its openness to various countries and strong key economic groups worldwide; it also seeks to cooperate with different countries around the world.

IFC REPORTS: 2010 was an exciting year for Kuwait's evolution, with many stimulating laws and strategies coming to fruition after years of deliberation. Most notably the first development plan since 1986 was unanimously passed, approving an approximate \$125 billion dollars worth of projects to be conducted with the aim of enhancing and redefining the country, following the vision of His Highness the Amir Sheikh Sabah Al-Ahmad Al-Jaber Al-Sabah. What are your strategies and aspiration to be achieved through the Development Plan?

H. H. The Prime Minister: The Government plan tackles numerous objectives that cover all fields of development from phase objectives in the economic field, the growth of investments, tackling the ramifications of the global financial crisis, diversifying the production base and developing the infrastructure leading to the objectives related to human development mainly; developing education, scientific research, health issues, social development, public administration and housing.

The Plan attaches importance to various sectors and factions of society especially youths, women, intellectuals, art, culture and others. The Plan also attached great importance to develop citizen's incomes by establishing five shareholder companies at the total cost of 780 million KD, this, in the context of the Government pursuit to establish a number of large shareholder companies, and emphasizing the achievement of an effective partnership between the public and private sectors. The Government has prepared all the necessary requirements for this plan including follow up and rectification indications to ensure proper implementation and active supervision.

IFC REPORTS: What do you hope to realize from the Privatization Law and what benefits will this bring for Kuwaiti citizens?

H. H. The Prime Minister: The Government constantly seeks to raise the economic standard of the Kuwaiti citizen, and in this context, the Government decided to establish a number of shareholder companies to provide extra revenues for citizens from the profits of these companies. Privatization in this framework aims at increasing the income of Kuwaiti citizens and boosting their economic resources through purchasing shares in these companies. The Government is also keen to activate the role of the private sector in the development process especially given that the Kuwaiti private sector is highly efficient and has proved its strength at home and abroad.

IFC REPORTS: What is your opinion on the growing importance of FDI (Foreign Direct Investment), not necessarily for monetary purposes but for technical creativity and the resulting transfer of knowledge?

H. H. The Prime Minister: The Government attaches great importance to realizing the vision of H.H. the Amir by transforming Kuwait into a regional and international financial and commercial hub. This step requires opening up to the world from East to West, attracting foreign investment, learning from the experiences of different countries, exchanging expertise especially in the fields of technical and technological development and specifically from developed countries. Civilizations are a result of the convergence of notions and experiences, whereby countries cannot live in isolation from the world and the development and progress it is experiencing.

IFC REPORTS: 2011 has started turbulently for the Middle East and North African region with many political uprisings causing unrest and toppling governments. What are your comments on the increasing level of democracy and freedom in Kuwait?

H. H. The Prime Minister: Kuwaiti democracy has led the way in the region; it came from the conviction of the Kuwaiti people and their keenness the inherent principle of Shura, fifty years later, this phase has reached developed stages which makes us proud, though we should recognize at the same time that there are some negative aspects that have flawed the democratic process which is natural and does not diminish the size of the accomplishments and gains that have been realized by virtue of democracy. To avoid these shortcomings we must practice further democracy, we have total conviction of this opinion and ardently uphold it. Citizens can see this in our approach and decisions and we believe the ceiling of democracy has reached developed stages.

IFC REPORTS: Kuwait is commonly referred to as the most democratic Gulf nation, which coupled with the strong development plan and a continually improving investment environment, all place Kuwait in good stead to become a regional financial and commercial hub. There is also growing bilateral relations with the United States of America; which at present is Kuwait's largest importer, averaging \$2.8 billion dollars worth of goods in recent years. What importance do you place on American-Kuwaiti relations, given 29% of Foreign Direct Investment in Kuwait comes from the United States of America?

H. H. The Prime Minister: The United States is an important partner to the State of Kuwait, and it is always keen to enhance relations of close and distinguished cooperation between both countries in various fields and developing them in accordance of the two friendly peoples of America and Kuwait.

We feel proud of these steadily growing relations, and perhaps it is crucial to note that the leadership of both countries is committed to enhancing these relations and widening the horizons of cooperation, not only in the economic field but also in all political, cultural and artistic and other fields.

We point to the important role that the private sector in both countries plays to bolster cooperation through mutual investments in Kuwait and the United States, and we are acting to encourage both sides to attain our objectives in enhancing American-Kuwaiti relations.

IFC REPORTS: Your Excellency it has been an absolute pleasure, thank you very much.