

KUWAIT

الكويت



REBORN AND REBUILT

Massive Program Is Rapidly Restoring Normalcy, Creating New Economic Base

By John Duke Anthony

A year after its liberation from Iraqi occupation, Kuwaitis are recapturing their lives. They are rebuilding not only their schools and businesses. They are also rebuilding the country's economic infrastructure, its public sector institutions, and, not least, their identities and their relations with other countries.

Desert Storm and the Kuwaiti resistance may have succeeded in ending the aggression and in liberating the country, but part of the debris that will be difficult to remove for quite some time is the memory of a nightmare.

As outsiders have difficulty imagining the scope of the physical and psychological damage — personal, familial, national — that Kuwaitis and non-Kuwaitis alike experienced during the seven-month ordeal, references closer to home may be insightful. For example, nearly a year after liberation, the lowest number of Kuwaitis still held hostage by Iraq represents proportionally 354,000 Americans.

Still in Pain

If one takes the lowest number of Kuwaiti citizens killed during the occupation, this represents proportionally 826,000 Americans. This does not take into account the widows, widowers, children, and other surviving members of their immediate families. These figures speak for themselves: Kuwait is still in pain.

As they proceed with the challenge of rebuilding, Kuwaitis derive much strength from their knowledge of the past. Only with an awareness and knowledge of what Kuwait was can outsiders appreciate the extent of its destruction and the miracle of its rapid rebirth.

Before August 1990, Kuwait was an important player regionally and internationally, especially in financial and diplomatic affairs, both as an investor and as a provider of major development aid to poorer countries.

In the postwar period, however, numerous outsiders have been quick to offer Kuwait's leaders advice on how the country should be governed. Implicit in the offering is the advisers' not so subtle assessment that something is lacking in

the Kuwaiti system of government.

Virtually all Kuwaitis acknowledge that the need for constitutional and electoral reform is overdue. Numerous Kuwaitis, however, point to the extraordinary challenges to the country's national security throughout most of the past decade. They argue that to have tinkered with the fundamental laws of the land when the country's survival was at stake would have been to pursue a potentially dangerous course of action.

Diversity of Viewpoints

Government spokesmen and many foreign analysts point out as well that for most of the years prior to the Iraqi invasion, Kuwait could boast of a greater tolerance for a diversity of viewpoints than most other developing nations. They note that, dating from independence in 1961, the vibrancy of the country's financial institutions, its numerous consultative groups, the quadrennial elections for its parliament, the relative freedom of its press, and its status as having one of the highest standards of education in the world were not only objects of national pride; they were beacons to others.

Much of Kuwait's forward momentum was slowed, however, in the 1980s. The Iranian revolution and the ensuing eight-year Iran-Iraq war tore at the social and political fabric, not only of Kuwait but virtually all the other Gulf states and threatened their economic stability.

Yet the strains of those years pale in comparison to the blow that hit Kuwait on Aug. 2, 1990. In the wake of the rout of Iraq in early March 1991, much of Kuwait that had been a showpiece was left literally in pieces. In one sector after another, what prevailed was a showpiece of a different kind: namely, utter devastation and ruin.

Like a phoenix, however, Kuwait is up from the ashes; it is being reborn and rebuilt. One clear signal of the new era is the ease with which the government was recently able to borrow billions of dollars from abroad in order to smooth its cash-flow situation. All agree that it could have chosen instead to liquidate more of its still substantial external assets. However, numerous financial analysts and economic advisers argued that such a course of action would have risked destabilizing

international markets.

On balance, the decision to borrow internationally reflects neither a strategic nor fundamental change in Kuwait's commercial, economic development, or investment policies; rather, the rationale is short-term, tactical, and expedient. In any case, few countries are considered more creditworthy.

Other signs of recovery are manifest in Kuwait's banks, which reopened shortly after liberation. In addition, government procurement offices, merchants, and consumers are importing and buying. The shelves of the supermarkets and warehouses are stacked high with products.

The renowned commercial and economic acumen of Kuwait's public and private sectors has once again emerged and surged forward with a speed and vitality that seemed impossible.

Indeed, only a year ago, optimism was in short supply. Conventional wisdom, for example, posited that there were only five companies and two countries that were skilled in putting out oil fires. Hence, Kuwait would have little choice but to accept the "fact" that its oil wells would remain ablaze for two years or longer.

Ahead of Schedule

With a dozen countries and many more companies participating in the effort, the fire of the last well was extinguished early last November, more than a year and a half ahead of schedule. With the help of the U.S. Army Corps of Engineers and companies like AT&T, the country's drinking water, electricity, telephone, and other basic services, along with its transportation networks and systems, returned to normal much sooner than many had expected.

Kuwait University and the country's pre-collegiate schools have reopened, albeit with fewer teaching and support staff. The classrooms and laboratories also opened with far less equipment because the Iraqis had looted computers, library books, and furniture and carted them back to Basra or Baghdad.

Oil production, halted completely during the occupation, was restored in June. Current output is already about 600,000 barrels a day, and by the end of this year is scheduled to reach 1.5 million barrels.

The pressing need to settle accounts

J. D. AMAN /
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Rebuilding a country

between Kuwait and Iraq and, also, between the United Nations and Iraq, remains. In this endeavor, Kuwait continues to be backed by the five permanent members of the U.N. Security Council: the U.S., the U.K., France, Russia, and China.

Kuwait's re-emergence as a significant actor in world affairs could hardly be more timely. Last December, it assumed the mantle of the presidency of the Gulf Cooperation Council for 1992. In that capacity, it shoulders primary responsibility for fostering greater regional cooperation in eco-

nomie and defense matters among Bahrain, Oman, Qatar, Saudi Arabia, the United Arab Emirates and itself.

Simultaneously, all eyes nationally and internationally are focused on the prospects for Kuwait's future population and privatization policies, and on the country's parliamentary elections, scheduled for October. The process leading up to the elections and their outcome have the potential to be one of the most important cornerstones in the foundation of the new Kuwait.

These, and a range of related challenges in the new era, are laced with unknowns and imponderables. They will continue to engage a great many Kuwaitis as well as their friends, allies, and strategic partners for possibly years to come.

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