An Investigation of the Relationship between Higher Education and the Labour Market in Kuwait

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A Thesis Submitted in Partial Fulfilment of the Requirement of the University of Abertay Dundee for the Degree of Doctor of Philosophy

March 2006

I certify that this is the true and accurate version of the thesis approved by the examiners

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ABSTRACT

There is a general perception in Kuwait that the education system has not contributed to the socio-economic development of the country as effectively as expected. This perception is generated by the apparent limitations in meeting the needs of the labour market and hence that of the economy. The State of Kuwait depends heavily on its hydrocarbon resources, mainly crude oil, and a large proportion of its economic activities are dependent on foreign labour. There is a need for the development of a national workforce to meet the increasing demand for an economy that is sustainable beyond the current dependence on oil revenues. The government has invested heavily in the education sector at all levels in order to meet this need, but so far, as this study will confirm, there has been a very limited progress.

This study examines the relationship between higher education and the labour market in Kuwait. In particular, it attempts to identify factors that might have contributed to the weak link between the higher education system and the labour market. Therefore, in order to understand the thinking of the different stakeholders involved in education and the labour market, the study relies on qualitative research methodology based on primary data collected through semi-structured interviews and secondary data from a review of various documents and government of publications. The discussion of the findings led to the suggestion of a set of recommendations for improving the higher education system and strengthening the relationship between higher education and the labour market in Kuwait.

DEDICATION

For my supportive father,

For my kind mother,

For my inspiring wife,

And

For My beloved Sons and daughter

I dedicate this work with gratitude and apologies

Acknowledgment

All praise and thanks be to ALLAH, the Merciful, and the Compassionate.

I would like first of all to acknowledge my sincere gratitude and indebtedness to my supervisor, Professor Mohamed Branine for his support and kind help, guidance, and invaluable assistance he provided me in my work, and for his bearing with me through the stages of this thesis. It was an honour to have him as my supervisor for this study.

I wish also to express my deepest appreciation to Dr. Nadeem Burney, from Kuwait Institute for Scientific Researches, for his support, positive suggestions and knowledge.

Thanks are extended to the members of staff at Research Degrees Office of the University of Abertay Dundee University for their kind and friendly assistance.

Appreciation and gratitude is also due to all the people I interviewed in the fieldwork for their support, cooperation and helpful interaction, and also for their time exerted for my interviewing process.

Special thanks and prayers are for my friend Abdullah Al-Rawdan who, unfortunately, is not alive to witness this occurrence. He was the first to meet me in UK in the beginning of my PhD study and offered me the most he could to support and encourage me.

Last, but not least, I owe a great debt of gratitude to my family: My parents, my wife and sons Mohamed, Abdul-Aziz, Azzam and my small daughter Aroob, who were patient and continued their confidence and pride in me.

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CHAPTER ONE

INTRODUCTION

1.1. Background and Rationale for the Study

The economic and social development of a country depends on its ability to develop effectively and utilise the innate capacities of its human resources. This is because it takes skilled and knowledgeable people to discover and exploit natural resources, to mobilise capital, to develop technology, and to produce goods and render services. Indeed, if a country is unable to develop its human resources, it cannot build anything, even if it has a modern political system, a sense of national unity, and a prosperous economy. In this context, education is one of the most important factors, which must receive attention by any country as part of its development. Being an investment in human capital, education enhances workers' productivity and skills, helps individuals to find better jobs and, hence, leads to higher incomes. Therefore one of the most important factors for education to make effective contributions to economic and social development is the relationship between education and the labour market. A number of studies have found a significant correlation between education, productivity and earnings, which shows a strong correlation between education and the labour market (see for example, Psarchopolos, 2000; Jones, 2001).

This research attempts to examine the relationship between education and the labour market in Kuwait, a country which is rich in hydrocarbon resources and whose economy depends heavily on oil revenues and the employment of foreign labour. It is argued that to sustain the development that Kuwait has achieved during the last five decades, it must diversify its economy and reduce dependence on oil. Realizing the

importance of education in helping the country to achieve its development objectives, the government has invested heavily in developing the educational infrastructure in the country. However, it seems that the output of the educational system has not yet met the needs of the economy for skilled and well-educated workforce. About 96% of Kuwaitis are employed by the governmental sector (Al-Wehaib, 2004) and most of them are doing jobs that they were not properly educated and trained for. Currently, the qualifications of many Kuwaiti employees do not correlate with the jobs they do. Furthermore, the expatriate labour force, known to be cheap, dominates the private sector. In the current situation, there is an imbalance between the supply of and the demand for the national workforce, creating and economic dilemma for the government. The state not only pays 43% of its annual budget as salaries to employees, but more than 19000 job seekers queue up for jobs every year either in the government or the private sector (Al-Wehaib, 2004). The Civil Service Commission expected this number to rise to 42000 by 2005 (CSC, 2004). There is also a political quandary represented by the pressures exercised by the National Assembly on the government to provide jobs for Kuwaiti citizens. This has triggered a number of political clashes and has very often created a state of conflict between the government and the National Assembly.

This research focuses on higher education because higher education policies are exceedingly important and linked to socio-economic development programmes. Also, higher education is close to the labour market, since the higher education bodies believe that the aim of education is to help a person to find a job. The research takes into consideration both vocational and academic education because the two are

equally important for any society and should receive due attention in the priorities of a national education policy, and hence is the rationale for this study.

1.2. The Research Problem

Although Kuwait is endowed with hydrocarbon resources that can subsidise every sector of the economy, the workforce in Kuwait suffers from serious limitations, in both quantitative and qualitative terms. The workforce has been neither efficiently developed nor adequately utilised. In this context, Al-Enezi (2000) and Al-Zumai (2000) have argued that Kuwait's educational policy has lagged behind in comparison with its level of cultural, technological and social developments. The problem has two dimensions. First, the supply of Kuwaitis to the labour market is limited both in quantitative and qualitative terms. Second, there are imbalances in the distribution of labour across various economic sectors and occupational divisions (Bozabr, 2002). Most of the workforce is concentrated in the relatively less productive sectors of the economy and engaged in white-collar professions in the governmental sector, which is service oriented, over-staffed and has low productivity. The imbalances in the distribution of the national workforce across different sectors and occupations reflect contradictions between the government's manpower development and education policies. Furthermore, the education system has not efficiently prepared the nationals to participate actively in the labour market. A serious phenomenon in Kuwait is that education has come to be viewed as an exercise in obtaining certificates and degrees. There seems to be little consideration for learning and quality of knowledge and skills. While Kuwait has experienced rapid economic development during the last four decades and more, the educational system has not changed and remains relatively underdeveloped. It is no longer valid or effective for a modern and self-reliant

economy that Kuwait has aspired to achieve. Therefore it can be seen that one of the main reasons for the current labour market problems is the inability of the higher education system to produce the workforce needed for a growing economy. Higher education has fallen short of achieving its stated objectives of preparing the desired type of workforce to contribute effectively in the national development process.

A review of studies of the links between the education system output and the labour market needs reveals that employers are relatively dissatisfied with the quality of higher education graduates (Ministry of Higher Education, 2002). One of the main factors affecting the quality of graduates of higher education is the absence of curricula that are expected to promote learning, attitudes and skills essential for scientific and industrial progress and to push the wheel of socio-economic development (Massialas 1998: 70; Alsharrah, 1998: 23). For example, the Kuwaiti labour market is expected to require more than 1000 engineers, 400 physicians, and 2000 nurses between 2001 and 2004 (Al-Wehaib. 2003) but in the academic year 2001/02 only 16 nurses graduated from the Kuwait University (Ministry of Planning, 2002). The cut-off point system demands more points for admission to the university than to technical or vocational institutes. The system therefore sustains the social view that it is only the less successful students, academically, who will pursue a technical/vocational course (Al-Wehaib. 2001). Since the medical, engineering, and science faculties have limited places available, the majority of students with higher grades have no choice but to accept admission to faculties with less stringent grade requirements such as Commerce or Art, which may not necessarily be the faculties of their choice. This further implies that students with lower grades that want to and could have attended faculties like Commerce and Art get rejected due to the lack of

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places as well. In the end, the majority of applicants end up studying subjects that are not necessarily their first choice nor are in demand. In other words, in most instances, there is very little relationship between the student's field of interests and his/her aptitudes and the faculty to which he or she is assigned (Al-Bustan, 2001). Approximately 75% of the annual graduates of higher education are in the fields of arts, education, religious studies, services and administrative sciences, which have limited demand in the private sector. In response to these inter-related problems this study had to be carried out.

1.3. Research Objectives

The main aim of this research is to examine critically the relation between higher education and the labour market in Kuwait. In this context, it seeks to clarify certain issues concerning this relation, such as the prevailing social values, attitudes and aspirations towards higher education and the labour market (private and public), public perceptions of higher education efficiency to produce the appropriate workforce. In particular, the specific objectives of the research are:

1. To explore the views and thoughts of labour market officials in both the public and private sectors on the standards and levels of Kuwaiti higher education graduates, and to determine the extent to which there is a balance or imbalance between the skills of the higher education graduates and the labour market needs.

2. To evaluate the perceptions of higher education officials and their satisfaction with the skills and knowledge offered in their institutions, and their understanding of the nature of the relation between their institutions and the labour market.

3. To understand the nature of communications between higher education officials and the labour market. This includes how the labour market deals with higher education regarding its human resources needs, and the tools used by higher education officials to plan for its admission policy.

4. To ascertain the decision-makers' understanding of the problems of the labour market and higher education in the country, and their plans and strategies to deal with current and future challenges.

1.4. Research Methodology

The research uses a qualitative approach in order to explore the perceptions of key participants in making decisions about education and those affected by it and the labour market in Kuwait. The qualitative approach is used because its methodology does not assume an objective 'truth' but seeks to understand interpretations (Vulliamy, 1990). The main research method used in the study is the interview, which is a two-way interaction between the researcher and the respondents. For the interviews, a semi-structured approach was adopted because it allows for a combination of consistency, flexibility, and enabling of obtaining data that could not be successfully obtained by any other approach (Borg, 1989). Those interviewed included employers (both public and private sector), higher education personnel and students of higher education, employees, and policymakers. The number of persons interviewed under each group is 4 employers (2 undersecretaries from the public sector and 2 CEOs from the private sector); 5 higher education personnel (3 deans from Kuwait

University and 2 deans from Public Authority for Applied Education and Training); 40 students, distributed equally between the two higher education institutions; 30 employees distributed equally between the public and private sectors; and 3 policymakers (the Minister of Education, the Head of Civil Service Commission, and the Head of Education Committee in Parliament). To ensure that the right persons were interviewed and the right questions were asked, the survey was pre-tested through a pilot study, as explained in the methodology chapter.

Based on preliminary responses obtained from the pilot study interviews, documentary evidence and the literature review, four key issues underlying the relationship between higher education and the labour market in Kuwait were identified. The identified issues were formulated as research questions and analyzed in the light of available evidence (i.e., documentary facts, literature review, and interview responses). The four research questions are as follow:

1. Does the output of higher education meet the needs of the labour market in Kuwait?

2. Do social relations in Kuwait negatively affect the training and hiring of national manpower?

3. How strong is the communication between higher education authorities and the sectors of the labour market?

4. Do the state officials and planners have a clear vision about the link between higher education and the labour market?

To answer these questions the data was collected and put together in clusters of issues related to the objectives of the research. The answers were analysed and discussed as presented in chapters 7 and 8.

1.5. The Scope of the Study

This research is an attempt to highlight the relation between the needs of the labour market and the output of the higher education system. Most of the studies, the researcher is aware of, that deal with the labour market and employment in Kuwait (Al-Bustan , 2001; Al-Ebraheem, 1996); and Essa, 1998) have focused on economic factors and have overlooked the importance of human behavioural and attitudinal factors that affect the education system and the labour market. This study is the first of its kind to attempt to provide an in-depth analysis of the relation between higher education and the labour market in Kuwait, focusing on attitudes and perceptions of people. The results of the study will not only benefit Kuwait but all other Gulf countries because of their similarity in social, economic and educational circumstances. Also, the findings of the study will add to the literature on higher education and the labour market in general and in the Arab countries in particular. Finally, the findings and recommendations of the study will contribute effectively in making strategies and enacting laws to deal with labour market problems in Kuwait.

1.6. The Structure of the Thesis

This thesis is divided into nine chapters. After this introduction chapter, **Chapter two** provides a description of the structure of the economy and the labour force in the State of Kuwait. It gives an overview of the emergence of the State of Kuwait, phases of its economic development and the role of oil as a major source of income. In this context, it covers problems which came with the establishment of the welfare state as a result of governmental spending, the problem of deficit and other economic shocks, which caused the Kuwaiti economy to slump, such as the securities market crisis, the slashed oil prices and the Iraqi invasion of the State of Kuwait. The chapter also discusses trends in population and labour force in the country, with special emphasis on two main population groups, (i.e., nationals and expatriates). The chapter is important for the study because it illustrates the development of the economy and the labour market. These are essential in order to assess the contribution of education to socioeconomic development.

Chapter three provides a review of the development and structure of the educational system in the State of Kuwait. It starts with a review of the educational system during the pre-independence era and the establishment of Al-Mubarakia and Al-Ahmadia schools. The review focuses on the post-independence era (after 1990) and the changes that have taken place during that period. In particular, the chapter discusses the development of the public education system, its structure (general education vs. higher education), the objectives of different levels of education, achievements, and issues of concern. Available statistical evidence is utilized to show the growth in the number of educational institutions, enrolment, teacher, and graduates in different stages of education. The chapter is important because it not only shows achievements

of the public education system, but also exposes some of the problems that it faces. This will allow the researcher to relate the findings of the study and to make better judgements on how to improve the relation between higher education and the labour market.

Chapter four provides a general review of the literature on the role of education in economic development. The chapter covers the theory of human capital that connects education and the development of human resources to economic and social development. In particular, the role of this theory in developing societies over the last half century is discussed. Emphasis is laid on the role of education and its effects on human behaviour and promoting skills to mesh with the labour market. In the first part of the chapter, the concept of human capital, the mechanisms of human development and the relevant theories were defined. Thereafter the differences between education, training, learning and development, and the differences between these concepts and the role of each one in education are explained. In the second part of the chapter, the relation between education and development, and the theories that deal with that relation are discussed. Also, the relation of education to economic growth and social mobility, and the benefits that a society may enjoy as a result of this interest in education are explained. The literature review provided in this chapter will help the researcher to put the findings of the study in a theoretical perspective and to relate them to similar findings for other countries.

Chapter five provides a literature review of the main types of higher education, (e.g., academic and vocational education) and their link to the labour market. It starts by drawing a distinction between the different types of education, and is followed by a

description of academic education, its aims, its relation to the labour market and the academic precepts about the role of academic education in different societies. This is followed by a description of vocational education, its aims and objectives, its relation to the labour market, and how it has affected the economies of some countries. The chapter also highlights the role of governments in providing vocational education. Finally, the weaknesses of vocational education, as reflected by the experiences of some countries, are discussed. The evidence presented in this chapter will strengthen the arguments and criticisms of the Kuwaiti educational system in the discussion chapter.

Chapter six presents the methodology on which the study was based. It starts by explaining the type of approach used for this research. The method advocated in the research is defined in order to avoid criticism and points of weakness usually attached to a specific study. Thereafter, the methods utilized in collecting data are explained. The cross sections and reasons underlying the selection of the targeted samples are elaborated and the means of utilizing the documents used are explained. Finally, the chapter discusses different stages of analysis, such as transcribing the interviews and the use of the transcendental realism approach, which involves data reduction, data display and drawing and verifying conclusions.

Chapter seven is dedicated to presentation of the findings from interviews. The chapter is divided into different sections with each section summarizing interviewees' responses to a relevant question. The first section deals with responses to the question regarding the level and skills of higher education graduates and their performance in the labour market. The second section deals with responses to the question relating to

the students' levels of education and the relation between what they studied and the requirements of the labour market. The third section of the chapter summarizes students' responses to the question concerning their aspirations and wishes of the higher education system. The fourth section presents the responses related to the question on the type of communication between labour market officials and officials of higher educational institutions. Section five deals with the opinions and thoughts of different stakeholders of the labour market. The last section deals with the future plans of decision makers related to education and the labour market. This chapter provides the main source of information for analyzing different issues concerning the relationship between higher education and labour market in Kuwait.

Chapter eight is to evaluate and discuss the results presented in Chapter seven. The discussion of the results is presented in the form of research questions. The first question is about the outputs of higher education and whether they meet the needs of the labour market. This question discusses the skills of graduates, their preparedness to join the labour market, the source of their skills, and the responsibility of higher education authorities to prepare graduates to join the labour market. The second question discusses the effects of social relations on training and hiring the national workforce. This question includes discussions on the wishes of parents and attitudes of children regarding joining the labour market, the best working place for higher education graduates, and the effect of Wasta (a kind of nepotism) in Kuwaiti labour market. The third question deals with the nature of communication between higher education and labour market officials. The question explores channels used by the private and public sectors to communicate with officials of higher education institutions, and the intentions of state officials to communicate with relevant

organizations while implementing their plans. The last question asks if the State officials have a clear vision or current plans to deal with labour market and education problems. The discussion provided in this chapter enables the researcher to make recommendations on how to improve the higher education system to meet the needs of the labour market in Kuwait.

Chapter nine provides a summary of the main findings of the research. It also includes a set of recommendations on how to improve the effectiveness of the public education system for the country's social and economic development. The recommendations include the reconsideration of the higher education curricula, the improvement of communication between institutions of higher education and the labour market officials, and the necessity for the decision makers to have a vision for the future of Kuwait's labour market in an economy beyond the oil era. Finally, the limitations of the study are explained and proposals for further research are made.

CHAPTER TWO

POPULATION AND LABOUR MARKET TRENDS IN KUWAIT

2.1. Introduction

To assess the contributions of the education system in meeting skill needs of the economy it is imperative to understand the structure and nature of the population and labour force. Therefore, this chapter provides an overview of Kuwait's population and labour market trends and their effects on the level of economic development over the years. It starts with a brief explanation of the economic structure, development strategy and growth in Kuwait, and then it describes the status of the population in terms of growth rates and population composition. The main part of the chapter is a section on the analysis of the current labour force, divided into two segments: Nationals (Kuwaitis) and foreigners (Expatriates). The level of education and the composition of the national and expatriate labour force are discussed.

2.2. Economic Structure, Development Strategy and Growth in Kuwait

This section describes the Kuwaiti economic structure from the first formation of the country, its historical development phases and the characteristics of the economy. It focuses on the economic strategy of the Kuwaiti government and the stages of economic growth.

2.2.1. Economic Structure

The size and structure of Kuwait's economy differs from that of other countries of the world in many respects. In terms of size, it is one of the smallest countries in the world, but it is rich in hydrocarbon resources (mainly oil) and has one of the highest per capita incomes in the world (Burny, 2003). The country has a relatively open economy that depends heavily on an expatriate labour force to maintain its industrial and physical infrastructure. In terms of social and economic development, it shares many characteristics with many developing countries. It owes its prosperity to the discovery of oil in 1938 and its subsequent exportation.

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The history of Kuwait's economic development consists of two distinct phases. The first phase is the pre-oil era, in which the country was a traditional tiny enclave with a subsistence economy characterized by a low per capita income, a negligible saving rate, and an almost zero rate of economic growth. The main economic activities consisted of fishing, dhow building, trading, and pearl diving. The second phase is the post-oil era, in which all economic activities centred on oil production and prosperity dawned in Kuwait. As a result, the socioeconomic and demographic structure of the country underwent spectacular changes.

Therefore, since the early 1950s, Kuwait has gone through four economic development stages. In the first stage (1950 - 1961), Kuwait developed its infrastructure and social services. In the second stage (1962 - 1973), a banking sector and some manufacturing industries were established and a modest degree of economic diversification was accomplished. The third stage (1974 – 1990) saw high increases in oil revenues that led to ambitious plans to develop the country's physical infrastructure and a non-oil industrial sector. This period witnessed heightened economic activities in order to secure revenues that were not reliant upon oil production. The fourth and current stage (1990-date) started following the liberation of Kuwait from Iraqi occupation and is characterized by the restructuring and rebuilding of national institutions (Khuoja, 1998).

Being rich in oil, Kuwait is a member of Organization of Petroleum Exporting Countries (OPEC). Its annual oil production is fixed under the OPEC output quota scheme, which at present is approximately 2 million barrels per day (Economist, 2005). Most of the country's annual crude oil output and its products are exported, and the necessary capital and consumer items, including food, clothing and durable goods are imported. In the year 2001 exports and imports of goods and services were 54.75% and 37.41% of the country's gross domestic product respectively (Burny, 2003). Over the last three decades, except the for the two years following liberation from Iraqi invasion, the country has experienced a surplus in its balance of payment, which has led to capital outflow, and consequently, a large proportion of the country's public and private capital is invested

abroad. Between 1997 and 2001, the surplus in the balance of payment averaged approximately KD 2.35 billion (Burny, 2003).

Another key characteristic of Kuwait's economy is the dominance of public ownership of economic activities. The size of the public sector in Kuwait, as measured by value-added generated in the public sector relative to the total value-added in the economy (gross domestic product, GDP), is not only large, but during the last 20-25 years has increased substantially. While traditionally, Kuwait had been a free market economy specializing mainly in trading activities, the discovery of oil and its subsequent exportation led to the public sector taking a leading role in the provision of social, municipal, and public services (Al-Najjar, 1996). To diversify the economic base of the country from a single exhaustible resource and help develop different industries in partnership with the private sector, the role of the public sector was extended to non-oil-based economic sectors. For example, in the 1980s, to protect the country from the economic and social turmoil arising from the development in the domestic share market, the State intervened to stabilize the market and purchased shares in local companies. The dominance of the State over economic activities, as measured by the share of the public sector in the total value-added of the economy, is estimated to be approximately 74% (AL-Ebraheem, 1996). Public ownership is dominant in social sectors such as education and health and in economic sectors such as oil, transport and communication, and electricity (Al-Rashed, 2002).

Kuwait's economy is also characterized by the absence of an effective tax/fiscal system. At present, except for import tariffs and taxes on incomes of foreign companies, there are no other types of direct or indirect taxes, such as income tax, wealth/property tax, sales tax, or excise tax (Ministry of Finance, 2005). During the last two decades and more, revenues from the export of oil and incomes from foreign assets have accounted for approximately 95% of the government's total revenues. Tax revenues account for approximately 1% of government revenues. With oil prices determined in the international market and oil production fixed under the OPEC quota scheme, Kuwait has little control over its revenues. This has given rise to wide fluctuations and uncertainty

about annual flow of revenues, which in turn has affected the pace of economic activity within the country and the availability of financial resources to meet expenditure obligations.

Over the years, while the dominance of the oil sector in the economy has reduced, oil still remains the main source of economic activity and, both directly and indirectly, it contributes significantly towards the country's economic development (see Table 2.1). In the year 1999, the contribution of the mining and quarrying (oil) sector in total value-added of the country was 58.8% compared to 87.6% in 1970 (Ministry of Planning, 2003). The diversification of the economy is characterized by the tripling of the share of the services sector (such as wholesale and retail trade, transport and communication, finance and insurance, and community and social services) in the total GDP. Furthermore, the shares of the agriculture and manufacturing sectors have increased while those of mining and quarrying have decreased by 2% in the period between 1995 and 1999. In the year 2003, the services sector accounted for approximately 17% of the GDP (Al-Shall, 2003). In terms of revenue generation, however, receipts from oil exports and investment income remain the dominant source of revenues for the government and account for 95% of the total revenues (Al-Shall, 2003).

Table 2.1. Sector Composition of Kuwait's Real Gross Domestic Product (%)

Sector	1970	1975	1980	1985	1989	1995	2000
Commodity Producing Sectors	89.40	81.04	68.73	56.74	64.72	67.24	65.77
Agriculture & Fishing	0.13	0.15	0.17	0.66	0.67	0.43	0.52
Mining & Quarrying	87.61	76.90	62.02	50.13	61.69	60.80	58.80
Manufacturing	1.27	3.18	3.70	5.01	4.08	3.74	3.93
Electricity, Gas & Water	-0.31	-0.78	-1.50	-3.20	-3.23	0.42	0.75
Construction	0.69	1.58	4.35	4.13	1.51	1.86	1.76
Service Producing Sectors	10.60	18.96	31.27	43.26	35.28	32.76	34.23
Wholesale & Retail Trade	2.08	4.59	9.11	9.14	7.12	4.58	4.96
Transport, & Communication	0.68	1.23	2.87	4.32	2.92	2.53	3.94
Finance, Insurance & Real Estate	3.39	5.21	7.57	12.12	9.31	8.32	8.64
Community & Social Services	4.45	7.93	11.72	17.68	15.93	17.33	16.69

Source: Ministry of Planning, Annual statistical Abstract, 2003, p. 16

2.2.2. Development Strategy and Policies

The philosophy underlying Kuwait's development strategy is influenced by the country's heavy dependence on its exhaustible resource, oil. This development strategy is based on the belief that oil is the common property of all members of the country and every citizen has an equal share in it. However, an equal balance between government legitimacy and both present and future generations' entitlements to the oil revenues of the country has to be maintained. As citizens have a share in the country's exhaustible oil resource, the government has adopted a welfare-oriented approach towards development, under which, and as a means of distributing the country's wealth, many of the social and economic services are provided either free of cost or at highly subsidized prices. Some of the main commodities and services that are subsidised include electricity, water, housing, medical care, and education (AL-Ebraheem, 2003). While this welfare-oriented approach to development has helped to improve the standard of living in the country, it has led to a number of problems, mainly growth in public expenditure, which has given rise to deficits in the government's budget (Burny, 2003). In order to diversify the economy (both in terms of total value-added to the economy and revenue receipts) and to address fiscal problems, the authorities have tried since the liberation in 1991 to move away from the welfare-oriented to a market-oriented approach.

2.2.3. Economic Growth

Over the years, the performance of Kuwait's economy, in terms of growth in real GDP, has varied widely and has been influenced by external factors. Some of the main factors that have affected Kuwait's economy during the last 34 years (i.e. since 1970) are developments in the international oil market, the Iran-Iraq war, the domestic stock market crisis and Iraqi invasion of August 1990. The most serious of these factors has been the Iraqi invasion, which damaged the industrial and physical infrastructure of the country, disrupted economic activities and resulted in the depletion of foreign assets that were liquidated for the construction of the economy. In view of the nature and timing of external factors, it has become customary to assess the economic development of the country in terms of the pre-invasion and post-liberation periods. Between 1970 and 1989, the annual GDP of the country shrank by an average rate of 0.26% per annum (see

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Table 2.2). The average annual growth rates for the various sub-periods reported in Table 2.2 indicate that, in the pre-invasion period, the GDP declined in the early 1970s and early 1980s. Such declines were attributed to the oil price shocks of 1973 and 1979, which led to reductions in oil production following OPEC's imposition of a ceiling on production quotas. The Iran-Iraq war and the collapse of the stock market (Souk Al-Manakh) also contributed to the decline in economic activity during the early 1980s. This is partially reflected by a decline in gross capital formation. Whereas annual nominal investment increased almost consistently in the 1970s and early 1980s, it declined from KD 1350.7 million to KD 878.5 million between 1984 and 1989 (AL-Kawaz, 2002). After the 1990 Iraqi invasion and occupation, the Kuwaiti Government-in-exile depended upon its $100 billion in overseas investments during the Iraqi occupation in order to help pay for the reconstruction of the country's economy and infrastructure. Kuwait has enjoyed a limited economic boom following Operation Iraqi Freedom as many companies working in Iraq have established offices in Kuwait and procured goods through Kuwaiti companies. The banking and construction sector, in particular, grew significantly over the 1990s. The sustained high oil price has also provided the Kuwaiti government with a substantial windfall in 2003 and 2004 (Imad, 2004).

Table 2.2. Average Annual Growth Rates: Real GDP and Sector Value-added (%)

Sector	Overall 1970-99	Pre-Invasion					Post-Liberation		
		1970-89	1970-74	1974-79	1979-83	1983-90	1993-99	1993-95	1995-99
Agriculture & Fishing	4.79	8.12	-4.04	1.82	11.14	20.84	14.34	37.62	4.23
Mining & Quarrying	-1.60	-2.80	-3.91	-0.39	-19.16	8.51	0.47	4.97	-1.71
Manufacturing	3.72	5.26	11.61	8.27	0.45	2.02	4.31	12.63	0.38
Electricity, Gas & Water	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
Construction	3.03	3.15	13.24	20.45	-0.99	-12.46	-0.45	3.13	-2.20
Wholesale & Retail Trade	2.79	5.63	5.62	16.77	-0.19	0.90	0.34	-1.17	1.10
Transport & Communication	6.00	6.91	5.89	12.12	16.32	-2.25	8.73	4.89	10.71
Finance & Real Estate	3.03	4.41	3.62	7.10	5.95	1.74	1.07	3.11	0.07
Community & Social Services	4.42	5.88	7.16	7.43	5.62	3.94	0.71	5.95	-1.82
GDP	-0.26	-1.04	-2.42	1.88	-11.44	4.99	1.03	4.94	-0.87

Source: Ministry of Planning, Annual statistical Abstract, 2003, p.33

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The sectoral growth rates presented in Table 2.2 show that over different sub-periods the GDP growth rate has followed a pattern similar to that of the mining and quarrying sector. This implies that, given its size and importance, whatever happens in the oil sector is reverberated throughout the economy. The mining and quarrying (oil) sector itself is influenced by developments in the international oil market. The decline in the value-added of the mining and quarrying sector has been the direct result of the formation of OPEC, and the subsequent ceiling on oil production and the fixation of oil price. In 1973, the price of crude oil was fixed at almost four times the existing level at that time. In the following years, the price of crude oil continued to increase gradually, and between 1978 and 1980, it was fixed at almost twice its level. To sustain these sharp increases in price, a ceiling on total OPEC crude oil production was imposed. It involved specific quotas for individual member states. In 1972, Kuwait's annual crude oil production was 1202 million barrels per annum. By 1982, this fell to 300 million barrels, but has gradually increased since then and, as per the OPEC quota, by 1999 it was 731 million barrels or 2 million barrels per day. Under the revised OPEC output ceiling, effective June 2004, Kuwait's annual oil production was around 762 million barrels or 2.087 million barrels per day (Ministry of Power, 2004).

Manufacturing, finance, insurance and real estate, and community/social services are the only sectors that have grown consistently over the years since 1970. Sectors such as construction, wholesale and retail trade, transport, storage and communications grew sharply during the 1970s but in the 1980s activity within each of them either declined or slowed down considerably. This decline is attributed to the slowing down of economic activities in the private sector due to the maturing of infrastructure projects initiated following the oil boom, slowing down in government expenditures, the Iraq-Iran war, and the Sauk Al-Manakh crisis where the stock market collapsed because of fake deals in the absence of the government monitoring.

2.3. Population
Kuwait has a small population of less than 2.5 million. To meet the manpower needs of infrastructure development and various economic sectors of the economy, the country relies on expatriate workers imported on a temporary basis from almost all countries of the world, but mainly from Asian countries. At present, nationals account for approximately 36.8% of the country's total population (Ministry of Planning, 2004).

Official information is lacking on the population of Kuwait before the first census, which was taken in 1957 (See table 2.3).

Table 2.3. Population of Kuwait in Census Years by Nationality and Sex

Year	Nationals			Expatriates			Total Population		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
1957	59,154	54,468	113,622	72,904	19,947	92,851	132,058	74,415	206,473
1961	84,461	77,448	161,909	116,246	43,466	159,712	200,707	120,914	321,621
1965	112,569	107,490	220,059	173,743	73,537	247,280	286,312	181,027	467,339
1970	175,513	171,883	347,396	224,368	146,898	391,266	419,881	318,781	738,662
1975	236,600	235,488	472,088	307,168	215,581	522,749	543,768	451,069	994,837
1980	191,492	195,203	386,695	585,147	386,110	971,257	776,639	581,313	1,357,952
1985	238,181	232,292	470,473	727,116	499,712	1,226,828	965,297	732,004	1,697,301
1995	326,301	327,315	653,616	587,101	334,853	921,954	913,402	662,168	1,575,570
2003	456,226	471,460	927,686	1,098,878	520,120	1,618,998	1,555,104	991,580	2,546,684

Source: Ministry of Planning, Features of population and labour, June 2004, Kuwait.

According to MEED (1979) there were between 10–12 thousand people living in the city of Kuwait in 1900. The size of the population increased almost eight-fold over a period of about twenty-five years, from an estimated 35 thousand in 1910 to some 75 thousand in 1937. While in 1946 the estimated population was about 140 thousand (Ministry of Planning, 1966), the 1957 census indicated a population of 206,468 and of 321,621 in 1961. The population at the end of 2003 was 2,546,684 (Ministry of Planning, 2004).

2.3.1. Annual population Growth Rates

Kuwait's population increased rapidly with the expansion of the economy. The growth rates reported in Table 2.4 show that the total population of the country has increased sharply during the last four decades. The increase in the population has been due to high growth in the population of both the nationals as well as expatriates. Whereas growth in the native population is linked to natural factors, including high fertility rate, the growth in the population of expatriates is due to the immigration policy of the government. The sharpest increase (12.36 percent) in the population of expatriates occurred during the 1970s (Ministry of Planning, 2004) for reasons that will be explained later.

During the second half of the 1950s, Kuwait's population increased at an average rate of 13.94% per annum. However, it declined to approximately 6.2 percent per annum between 1995 and 2003. At the time of the Iraqi invasion in August 1990, Kuwait's population was estimated to be around 2.2 million. Because of the invasion, a large proportion of the expatriate population left the country, which is reflected in the negative growth during the 1990-1995 period. The growth rates reported in Table 2.4 show that, since the 1950s, the Kuwaiti population growth rate has declined. During the last two decades or so (since 1980), the population has increased by more than 4 percent per annum. In general, the female Kuwaiti population has increased at a higher rate compared with the male Kuwaiti population. Between 1995 and 2003, the female Kuwaiti population growth was approximately 4.7 percent per annum, compared to 4.3 percent for males (Ministry of Planning, 2004).

Table 2.4. Average Annual Population Growth Rates by Nationality and Sex (%)

Period	Nationals			Expatriates			Over-all		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
1957-61	9.31	9.20	9.26	12.37	21.50	14.52	11.03	12.90	11.72
1961-65	7.45	8.54	7.97	10.57	14.05	11.55	9.29	10.62	9.79
1965-70	9.29	9.84	9.56	7.05	14.84	9.61	7.95	11.98	9.58
1970-75	6.16	6.50	6.33	4.69	7.97	5.97	5.31	7.19	6.14
1975-80	-4.14	-3.68	-3.91	13.76	12.36	13.19	7.39	5.20	6.42
1980-85	4.46	3.54	4.00	4.44	5.29	4.78	4.45	4.72	4.56
1985-95	3.20	3.49	3.34	-2.12	-3.92	-2.82	-0.55	-1.00	-0.74
1995-03	4.28	4.67	4.47	8.15	5.66	7.29	6.88	5.18	6.19

Source: Ministry of Planning, Features of population and labour, June 2004

The growth rates reported in Table 2.4 show that since the 1950s the population of expatriates has been increasing at a much higher rate compared with the increase in Kuwaiti population. For instance, between 1995 and 2003, the expatriate population increased at an average annual rate of 7.3 percent per annum (Ministry of Planning, 2004). During the 1960s, 1970s, and early 1980s, the female expatriate population grew at a relatively higher rate compared with the male population because of the inflow of domestic workers during the same period.

2.3.2. Population Composition

While Kuwait's population has grown over the years, its composition is unique in terms of nationality, age and gender characteristics.

2.3.2.1. Nationality

Kuwait is probably a unique country in the world insofar as the majority of its inhabitants are non-nationals (expatriates). Traditionally, Kuwaitis used to form the majority of the country's population, but over the years that majority got eroded because of inflow of people from other countries. Table 2.5 shows the composition of Kuwait's population by nationality for the census years. In the year 1957, Kuwaitis accounted for around 56% of the population but this proportion declined gradually, and by 1985 it reached around 28%. Following the Iraqi invasion and subsequent occupation there was a large outflow of expatriate population and, as a consequence, since liberation the proportion of Kuwaitis in the total population has improved, and by 2003 Kuwaitis accounted for around 36.4 percent of the total population (Ministry of Planning, 2004). The influx of immigrants has been the result of heightened economic and infrastructural development activities following increased oil revenues. From around 44 percent in 1957, the proportion of expatriate population reached little over 72 percent by 1985. As a result of the outflow of population following the Iraqi invasion, the proportion of expatriate population declined significantly and in 1995 it was 58.5 percent. But, as a result of government's liberal immigration policy, the proportion of expatriate population has been increasing and in 2003 it was 63.6 percent (Ministry of Planning, 2004).

Table 2.5 Percentage Composition of Population by Nationality and Sex (%)

Census Years	Nationals			Expatriates			Over-all		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
1957	28.65	26.38	55.03	35.31	9.66	44.97	63.96	36.04	100.0
1961	26.26	24.08	50.34	36.14	13.51	49.66	62.40	37.60	100.0
1965	24.01	23.00	47.09	37.18	15.74	52.91	61.26	38.74	100.0
1970	23.76	23.27	47.04	33.07	19.89	52.96	56.84	43.16	100.0
1975	23.78	23.67	47.45	30.88	21.67	52.55	54.66	45.34	100.0
1980	14.10	14.37	28.48	43.09	28.43	71.52	57.19	42.81	100.0
1985	14.03	13.69	27.72	42.84	29.44	72.28	56.87	43.13	100.0
1995	20.71	20.77	41.48	37.26	21.25	58.52	57.97	42.03	100.0
2003	17.91	18.51	36.43	43.15	20.42	63.57	61.06	38.94	100.0

Source: Ministry of Planning, Features of population and labour, June 2004

2.3.2.2. Gender

As the population of Kuwait is significantly affected by immigration, the differences in sex ratios are a noticeable phenomenon, especially for the expatriates and in turn for the total population. At an overall level, males have accounted for 55 percent of the total population (see Table 2.6). The proportion of males is much higher among the expatriate population than the national population. This is because a large majority of expatriates live in the country single without their respective families. However, in the year 2003, males accounted for around 49 percent of the total Kuwaiti population, while the expatriate population was approximately 68 percent. The phenomenon of larger male population is clearly presented in Table 2.6, which shows the number of males for every 100 females. For instance, at the national level, in the year 2003, the number of males for every 100 females was 157. The main factor underlying this high number is the gender ratio among the expatriate population, which, in the year 2003 was 211, more than twice that for the nationals (97). The increase in the gender ratio for the expatriates is indicative of the fact that relatively more male foreign workers have been entering the country than the female workers.

Table 2.6. Gender Ratio by Nationality 1965-2003

Year	Nationals	Expatriates	Overall
1957	108.60	365.49	177.46
1961	109.06	267.44	165.99
1965	104.73	236.27	158.16
1970	102.11	166.28	131.68
1975	100.47	142.48	120.55
1980	98.10	151.55	133.60
1985	102.54	145.51	131.87
1995	99.69	175.33	137.94
2003	96.77	211.27	156.83

Source: Ministry of Planning, Ministry of Planning, Features of population and labour, June 2004.

2.3.2.3. Age

As in most developing countries, Kuwait has a relatively young population. By the end of 2003, about 42% of the nationals were under the age of 15. Over the years, as the proportion of expatriates (temporary workers) in the population has increased, the age

composition of the total population (nationals and expatriates) has changed and the percentage of population below 15 years of age has declined sharply from around 43% in 1970 to 26% in 2003 (Ministry of Planning, 2004). In the case of nationals, however, although the proportion of young persons has decreased, the decline has been relatively much slower (from 50% in 1970 to 42% in 2003) (Ministry of Planning, 2004). One of the main reasons for this slow decline in the proportion of young national population is the high natural population growth rate among the nationals.

At an overall level, working age population (i.e., between 15 and 60 years of age) accounts for around 72% of the total population. Among the nationals, this proportion is around 54%. Over the years, the proportion of working-age population has increased from 54% in 1970 to 72% in 2003 (Ministry of Planning, 2004). This is largely because of the inflow of expatriate workers and because, among the nationals, the proportion of working-age population has increased from 46% in 1970 to 54% in 2003 (Ministry of Planning, 2004).

One of the main implications of this relatively young population is the expected expenditure from government resources. This is particularly true for Kuwait where, as a part of economic development strategy, many of the social and economic services (including education, health, housing, electricity, water, and others) are provided to the nationals either free of charge or at a highly subsidized rate.

Table 2.7. Population Composition in Kuwait by Gender and Age Group (%)

Age Group/Gender	1965 Kuwaiti	1965 Total	1970 Kuwaiti	1970 Total	1975 Kuwaiti	1975 Total	1980 Kuwaiti	1980 Total	1985 Kuwaiti	1985 Total	1995 Kuwaiti	1995 Total	2003 Kuwaiti	2003 Total
0 - 4														
Male	19.9	14.2	19.4	16.4	19.7	16.7	17.9	13.9	17.7	12.8	16.9	9.5	16.0	8.0
Female	20.2	21.9	22.8	21.1	19.2	19.5	17.4	18.0	17.8	16.2	15.9	12.3	15.0	11.0
Total	20.1	17.2	19.5	18.5	19.5	18.0	17.7	15.7	17.8	14.3	16.4	10.7	15.0	9.0
5 - 9														
Male	17.1	10.5	17.4	13.3	17.0	14.3	16.4	12.0	15.5	11.1	15.3	9.2	15.3	7.0
Female	17.3	16.0	17.4	16.8	17.0	16.8	15.8	15.5	15.6	14.1	14.8	12.1	14.0	11.0
Total	17.2	12.7	17.4	14.8	17.0	15.4	16.1	13.5	15.6	12.4	15.0	10.4	14.0	9.0
10 - 14														
Male	11.9	7.2	13.5	9.1	13.2	10.2	14.5	9.8	13.6	9.1	13.1	7.8	13.1	7.0
Female	11.6	9.7	12.8	11.1	12.7	11.8	14.3	12.7	13.6	11.6	12.6	10.3	12.0	10.3
Total	11.8	8.1	13.2	9.8	12.9	10.9	14.4	11.0	13.6	10.2	12.9	8.8	12.9	8.0
15 - 19														
Male	8.5	8.1	9.5	7.8	9.9	8.3	11.5	8.3	11.4	7.5	11.0	6.1	11.0	6.1
Female	9.9	9.0	10.6	9.1	10.8	9.3	11.4	9.6	11.3	9.9	10.8	8.2	10.8	8.2
Total	9.2	8.4	10.0	8.3	10.4	8.7	11.5	8.8	11.4	8.6	10.9	7.0	10.9	7.0
20 - 24														
Male	7.7	13.2	7.8	10.0	8.6	8.9	8.6	9.3	9.3	8.0	9.4	7.6	9.4	7.0
Female	8.4	10.2	8.4	9.8	9.1	8.9	9.6	8.9	9.5	9.8	9.1	9.6	9.1	9.0
Total	8.1	12.0	8.1	10.0	8.9	8.9	9.1	9.2	9.4	8.7	9.3	8.5	9.3	8.0
25 - 29														
Male	8.0	14.4	6.8	11.3	6.6	9.1	6.4	11.0	7.1	11.9	7.9	13.7	7.9	12.0
Female	8.1	10.0	7.8	9.6	7.7	9.0	7.8	9.1	7.9	9.9	7.8	11.8	7.8	11.0
Total	8.0	12.7	7.3	10.5	7.2	9.1	7.1	10.2	7.5	11.0	7.8	12.9	7.8	12.0
30 - 59														
Male	22.1	29.8	21.4	29.7	21.2	30.1	22.2	34.5	22.8	38.5	22.2	43.7	24.0	51.0
Female	19.5	19.5	15.7	19.2	19.7	21.9	22.0	24.7	22.6	27.1	25.3	32.8	28.0	37.0
Total	20.8	25.8	20.1	25.3	20.3	26.4	22.0	30.3	22.6	33.6	23.8	39.1	26.0	45.0
60+														
Male	4.7	2.6	4.2	2.4	3.8	2.4	2.5	1.2	2.6	1.1	4.2	2.4	4.2	3.0
Female	5.0	3.8	4.5	3.3	3.8	2.8	1.7	1.5	1.7	1.4	3.7	2.8	3.7	2.8
Total	4.8	3.0	4.4	2.8	3.8	2.6	2.1	1.3	2.1	1.2	3.9	2.6	3.9	2.6

Sources: CSO (2001) and PACI (2004).

2.4. Labour Force

At the end of July 2004, Kuwait had a labour force of 1,551,342 people, of which 1,160,342 (approximately 75 percent) were male and 391,000 (or 25 percent) were female (Table 2.8). The Kuwaitis (nationals) accounted for about 290,746 (or 18.7 percent) and expatriates (immigrants) represented 1,260,596 (or 81.3 percent). The inflow of the expatriate workforce and the increase in the female labour force participation rate over the years have been the main factors underlying the sharp increase in the labour force. The relatively faster growth in the expatriate labour force has led to a decline in the share of nationals in the total labour force. One of the most notable features of the increase in Kuwait's labour market is the growth of the female labour force. Whereas the Kuwaiti female labour force increased from 384 in 1957 to 114,337 in 2004 (almost 300 times), the expatriate female labour force increased from 1,693 to 276,623 over the same period (approximately 163 times) (Ministry of Planning, 2004).

Table 2.8. Labour Force in Kuwait in Census Years by Nationality and Gender

Year	Nationals			Expatriates			Overall		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
1957	24,218	384	24,602	53,993	1,693	55,686	78,211	2077	80,288
1965	41,926	1,092	43,018	133,603	7,676	141,279	175,529	8,768	184,297
1970	63,314	2,055	65,369	162,286	14,541	176,827	225,600	16,596	242,196
1975	84,367	7,477	91,844	185,009	27,729	212,738	269,376	35,206	304,582
1980	93,588	14,172	107,760	334,644	49,105	383,749	428,232	63,277	491,509
1985	101,607	24,803	126,410	436,650	107,325	543,975	538,257	132,128	670,385
1995	105,580	42,743	148,323	468,016	147,114	615,130	573,596	189,857	763,453
2004	176,369	114,377	290,746	983,973	276,623	1,260,596	1,160,342	391,000	1,551,342

Source: Ministry of Planning, Features of population and labour, June 2004, Kuwait.

Table 2.9 presents labour force participation rates from 1957 to 2004. As is evident, at an aggregate level (i.e. including both Kuwaiti and expatriate population), the labour force participation rate in Kuwait has increased from 54.4 percent in 1957 to around 74 percent in 2004. Whereas the male participation rate has varied between 81 and 86 percent, the female labour force participation rate has increased sharply from 4.4 percent in 1957 to 35 percent in 2004. During the last five decades, the Kuwaiti labour force participation rate varied between 32.4 percent in 1957 to 43 percent 2004. In contrast, the expatriate labour force ranged from 67.5 percent in 1957 to 88.9 percent in 2004.

Among the expatriate males, the participation rate has been over 90 percent, which is reflective of the fact that most expatriate men are in the working-age group and are in the country on work permits. The labour force participation rate for expatriate females, though relatively low, has increased consistently from 14 percent in 1957 to 75.3 percent of the population in 2004.

Table 2.9. Labour Force Participation Rate in Kuwait by Nationality and Gender (%)

Census Years	Nationals			Expatriates			Over-all		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
1957	62.97	1.09	33.36	87.55	13.97	75.46	78.11	4.38	54.42
1965	64.75	1.77	34.00	94.26	17.77	76.39	85.01	8.35	59.17
1970	62.85	2.08	32.74	91.38	17.44	67.75	81.05	9.10	52.58
1975	71.18	6.22	38.49	91.99	24.29	67.48	84.27	15.03	54.99
1980	66.84	9.62	37.50	93.15	29.64	73.11	85.77	20.22	60.51
1985	59.50	13.81	36.08	91.67	43.71	75.36	83.18	31.08	62.52
1995	59.50	23.12	40.93	95.03	60.01	83.39	85.61	44.15	69.40
2004	46.17	38.92	43.02	93.62	75.30	88.87	80.97	59.13	74.08

Source: Ministry of Planning, Features of population and labour, June 2004

2.4.1. Characteristics of Kuwaiti Labour Force

In this section, the characteristics of the Kuwaiti labour force are described in terms of education, occupational composition and the level of economic activity. Rapid changes were found in educational status of the Kuwaiti population between 1965 and 2004. In the present scenario the Kuwaiti population has been transformed significantly and has become highly educated, as the number of illiterate people is negligible. The occupational composition of the Kuwaiti labour force has also changed significantly. There has been a major shift away from blue-collar jobs towards white-collar jobs. A large majority of the Kuwaiti labour force are working or engaged in the government sector. In addition to this, the level of economic activities has also changed tremendously. (i.e. the proportion of the Kuwaiti labour force that is involved in service sector has increased in recent years).

2.4.1.1. Level of education of Kuwaiti labour force

Changes in the educational level of the labour force in Kuwait are reported in Table 2.10. As is evident, there has been a significant improvement in the educational level of the Kuwaiti labour force. In 1965, around 52 percent of Kuwaiti labour force was illiterate, another 39 percent could only read and write and only 1 percent had a

university education (Ministry of Education, 2004). However, by 2004, only 1.4 percent of the Kuwaiti labour was illiterate, 37 percent had a high-school education, and 24 percent had a university education (Ministry of Education, 2004).

2.4.1.2. Occupational composition of Kuwaiti labour force

Table 2.11 presents the distribution of the labour force in Kuwait by occupation. During the last five decades, there has been a major transformation in the occupational composition of Kuwaiti labour. In 1957, approximately 49 percent of the Kuwaiti labour force were production workers, another 18 percent were service workers, and 15 percent were sales workers. However, by 2004 only 6 percent were production workers, around 32 percent were professional and technical workers, and over 50 percent had clerical jobs (Ministry of Planning, 2004). This represents a major shift away from blue-collar jobs towards white-collar jobs. In addition to the concentration in two occupations (i.e., technical and clerical), a large majority of the Kuwaiti labour force works in the government sector. About 93 percent of the Kuwaiti labour force works in the government sector and only about 6 percent in the non-government sector (Table 2.11).

2.4.1.3. Level of Economic Activity

Table 2.12 presents the distribution of the labour force in Kuwait by economic activity. Historically, the bulk of the labour force in Kuwait has been involved in service sector activities (which include public administration, education, health, community, and other social services). This concentration has increased further over the years. In 1957, around 52 percent of the Kuwaiti labour was engaged in service activities. By 2004, however, over 85 percent of the Kuwaitis were engaged in service activities (Ministry of Planning, 2004).

Table 2.10. Educational Status of Labour Force in Kuwait by Nationality and Gender

Educational status		1965			1970			1975			1980			1985			1995			2004		
	Gender	T	K	N.K	T	K	N.K	T	K	N.K	T	K	N.K	T	K	N.K	T	K	N.K	T	K	N.K
Illiterate	Male	45.01	51.65	42.92	38.87	45.40	36.32	34.08	38.21	32.29	29.00	28.41	29.16	23.31	17.02	24.77	20.22	0.95	24.46	6.79	1.66	7.72
	Female	38.45	48.90	36.96	31.66	23.99	32.75	31.55	10.09	37.24	23.24	5.45	28.34	20.30	2.44	24.43	29.16	0.36	37.39	4.34	0.98	5.72
	Overall	44.70	51.58	42.60	38.37	44.73	36.03	33.79	35.85	32.94	28.26	25.34	29.06	22.71	14.16	24.70	22.46	0.78	27.58	6.18	1.39	7.28
Read & write	Male	38.97	39.56	38.78	32.45	32.01	32.62	26.58	25.31	27.13	25.46	19.46	27.08	23.77	12.57	26.38	22.07	2.80	26.32	41.26	3.68	48.00
	Female	11.47	16.67	10.73	11.27	6.76	11.91	11.60	3.24	13.82	13.57	2.88	16.63	27.28	1.92	33.14	23.38	0.70	29.86	43.98	0.95	61.77
	Overall	37.66	38.98	37.26	31.00	31.22	30.92	24.83	23.45	25.40	23.94	17.24	25.76	24.46	10.48	27.71	22.40	2.19	27.17	41.95	2.61	51.02
Primary	Male	3.73	3.35	3.84	8.57	10.35	7.88	11.88	14.80	10.61	9.13	14.17	7.77	9.14	15.32	7.70	7.26	6.34	7.46	8.30	11.62	7.70
	Female	3.06	7.69	2.40	3.49	9.15	2.69	3.61	7.78	2.51	3.10	5.19	2.51	2.92	4.42	2.58	3.24	1.60	3.70	3.61	2.85	3.93
	Overall	3.69	3.46	3.76	8.23	10.31	7.45	10.91	14.21	9.56	8.36	12.97	7.10	7.91	13.19	6.69	6.25	4.96	6.56	7.12	8.17	6.87
Intermediate	Male	3.48	2.99	3.63	6.11	6.29	6.04	9.45	11.13	8.72	11.72	19.30	9.68	13.95	25.80	11.19	16.38	35.33	12.21	19.34	33.76	16.76
	Female	5.54	9.98	4.91	6.54	14.11	5.47	7.19	20.16	3.75	7.89	21.30	4.04	7.46	21.13	4.30	8.34	16.92	5.89	11.94	16.44	10.08
	Overall	3.58	3.17	3.70	6.14	6.54	5.99	9.18	11.89	8.07	11.23	19.57	8.96	12.67	24.89	9.83	14.37	29.97	10.69	17.48	26.95	15.29
Secondary & Below University	Male	5.34	1.17	6.65	8.54	4.06	10.28	10.80	7.44	12.26	14.67	12.99	15.12	8.22	13.17	7.07	21.02	34.72	18.00	17.13	33.99	14.10
	Female	26.96	11.63	29.14	30.46	33.82	29.98	30.38	44.83	26.55	32.21	45.17	28.49	63.28	18.72	73.57	20.09	43.33	13.44	21.18	41.56	12.76
	Overall	6.37	1.43	7.87	10.04	5.00	11.90	13.09	10.58	14.12	16.92	17.29	16.82	19.07	14.26	20.19	20.79	37.23	16.90	18.15	36.97	13.81
University	Male	3.40	1.08	4.13	5.30	1.82	6.66	7.21	3.10	8.98	10.01	5.67	11.18	10.83	6.30	11.89	13.04	19.85	11.54	7.17	15.27	5.72
	Female	14.35	5.04	15.67	16.44	12.12	17.05	15.66	13.89	16.13	19.99	20.02	19.99	16.17	26.06	13.88	15.73	37.09	9.63	14.93	37.18	5.73
	Overall	3.92	1.18	4.75	6.06	2.14	7.51	8.19	4.01	9.91	11.29	7.59	12.30	11.88	10.18	12.28	13.72	24.87	11.08	9.13	23.89	5.72

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Table 2.11. Distribution of Labour Force in Kuwait in Terms of Nationality, Gender, and Occupation (%)

Occupation	Gender	1957			1965			1970			1975			1980			1985			1995			2004		
		T	K	N.K	T	K	N.K	T	K	N.K	T	K	N.K	T	K	N.K	T	K	N.K	T	K	N.K	T	K	N.K
Professional &	Male	3.73	1.91	4.54	5.39	2.62	6.22	8.28	4.76	9.55	10.50	7.13	11.96	12.70	9.94	13.45	13.63	13.33	13.70	18.37	27.04	16.46	9.02	20.84	6.97
Technical	Female	43.57	8.85	51.45	43.10	23.51	45.65	45.47	48.66	45.02	40.65	55.63	36.68	39.70	51.98	36.18	27.97	52.13	22.36	21.74	52.49	12.96	20.71	48.52	9.88
	Overall	4.78	2.02	5.97	7.19	3.14	8.36	10.89	6.24	12.47	14.02	11.20	15.18	16.17	15.56	16.33	16.44	21.01	15.39	19.21	34.45	15.62	11.91	31.46	7.60
Administrative	Male	1.67	2.24	1.43	2.20	3.65	1.77	0.81	1.05	0.72	1.07	1.29	0.97	1.44	2.28	1.22	1.92	3.82	1.49	9.32	30.89	4.57	2.22	3.82	1.94
& Managerial	Female	0.00	0.00	0.00	2.21	3.55	2.03	0.06	0.15	0.05	0.12	0.29	0.08	0.21	0.50	0.12	0.30	0.91	0.16	2.08	6.99	0.68	0.59	0.88	0.47
	Overall	1.63	2.20	1.38	2.20	3.65	1.79	0.76	1.02	0.67	0.96	1.20	0.86	1.28	2.04	1.08	1.61	3.25	1.23	7.51	23.93	3.64	1.82	2.69	1.62
Clerical	Male	9.82	13.70	8.11	10.04	16.53	8.11	12.20	19.06	9.73	12.81	19.84	9.77	11.74	22.07	8.96	11.84	24.79	8.88	9.17	28.56	4.90	15.55	52.83	9.09
	Female	4.33	2.60	4.73	7.17	24.11	4.96	9.14	22.12	7.33	12.21	28.05	8.01	17.12	35.11	11.97	15.14	38.83	9.64	12.35	36.86	5.34	17.75	46.10	6.71
	Overall	9.67	13.52	8.01	9.90	16.72	7.93	11.98	19.17	9.53	12.74	20.53	9.54	12.43	23.81	9.34	12.49	27.57	9.03	9.97	30.98	5.01	16.09	50.25	8.57
Sale	Male	7.85	15.32	4.56	8.85	11.75	7.99	9.58	11.29	8.96	9.02	7.73	9.58	7.23	5.74	7.63	6.86	5.87	7.09	6.28	1.22	7.40	5.31	1.52	5.97
	Female	2.17	10.94	0.18	0.75	1.22	0.69	0.81	0.94	0.79	0.90	0.31	1.05	0.88	0.37	1.03	0.78	0.38	0.87	1.12	0.10	1.42	1.77	0.25	2.36
	Overall	7.70	15.25	4.42	8.46	11.49	7.59	8.96	10.94	8.29	8.07	7.11	8.47	6.41	5.02	6.79	5.67	4.78	5.88	4.99	0.90	5.96	4.44	1.03	5.19
Service	Male	10.86	16.70	8.30	24.15	34.79	20.99	23.36	39.26	17.64	23.72	39.92	16.70	20.95	40.20	15.76	21.99	39.24	18.05	26.10	7.42	30.22	21.47	12.47	23.03
	Female	49.93	77.60	43.65	42.67	44.17	42.47	40.17	25.15	42.26	45.32	15.09	53.34	41.44	11.13	50.13	55.38	7.07	66.60	61.74	3.32	78.43	56.78	3.19	77.66
	Overall	11.89	17.68	9.38	25.04	35.02	22.16	24.53	38.78	19.67	26.24	37.83	21.47	23.58	36.31	20.12	28.53	32.87	27.54	35.02	6.23	41.82	30.19	8.91	34.87
Production	Male	66.06	50.13	73.07	49.36	30.66	54.93	45.78	24.58	53.39	42.88	24.10	51.02	45.93	19.78	52.99	43.75	12.95	50.79	30.75	4.87	36.45	46.43	8.52	52.99
	Female	0.00	0.00	0.00	4.11	3.44	4.20	4.36	2.98	4.55	0.80	0.63	0.84	0.64	0.91	0.57	0.42	0.67	0.36	0.97	0.24	1.18	2.40	1.06	2.92
	Overall	64.33	49.33	70.83	47.21	29.99	52.17	42.88	23.85	49.37	37.97	22.13	44.49	40.12	17.26	46.34	35.26	10.52	40.93	23.30	3.52	27.96	35.56	5.66	42.14

Table 2.12. Distribution of Employed Labour Force by Economic Activity

Economic Activity	Gender	1957			1965			1970			1975			1980			1985			1995			2004		
		T	K	N.K	T	K	N.K	T	K	N.K	T	K	N.K	T	K	N.K	T	K	N.K	T	K	N.K	T	K	N.K
Agriculture	Male	1.26	2.15	0.80	1.16	1.45	1.07	1.86	1.39	2.03	2.84	4.98	1.91	2.15	4.33	1.56	2.35	2.74	2.26	2.73	0.20	3.29	2.26	0.04	2.65
	Female	0.00	0.00	0.00	0.10	0.70	0.03	0.05	0.20	0.03	0.06	0.18	0.03	0.13	0.38	0.06	0.09	0.27	0.05	0.03	0.03	0.03	0.03	0.02	0.03
	Overall	1.23	2.13	0.78	1.11	1.43	1.01	1.73	1.34	1.86	2.52	4.58	1.67	1.89	3.81	1.37	1.91	2.25	1.83	2.05	0.15	2.50	1.69	0.03	2.08
Mining & Quarrying	Male	6.35	4.33	7.37	3.85	3.41	3.99	2.96	2.82	3.01	1.79	2.22	1.61	1.53	2.64	1.23	1.26	2.49	0.98	2.59	6.74	1.68	0.54	2.26	0.23
	Female	5.10	0.00	6.26	4.80	1.20	5.28	4.35	2.38	4.62	0.40	0.16	0.46	0.35	0.24	0.39	0.26	0.18	0.27	0.51	0.84	0.42	0.20	0.38	0.12
	Overall	6.32	4.27	7.33	3.90	3.36	4.06	3.06	2.81	3.15	1.63	2.05	1.46	1.38	2.32	1.12	1.06	2.03	0.84	2.07	5.02	1.37	0.45	1.52	0.21
Manufacturing	Male	8.37	4.17	10.26	10.21	4.35	12.05	14.17	9.63	15.94	8.96	2.65	11.83	9.47	3.32	11.19	9.25	4.48	10.37	6.62	0.85	7.92	7.44	4.14	8.03
	Female	3.03	5.21	2.54	0.18	0.18	0.18	0.69	0.44	0.73	0.97	0.28	1.15	1.14	0.51	1.32	0.96	0.56	1.06	1.13	0.23	1.39	1.02	0.57	1.20
	Overall	8.23	4.18	10.02	9.74	4.24	11.41	13.25	9.35	14.69	8.03	2.46	10.44	8.39	2.95	9.92	7.62	3.71	8.53	5.25	0.67	6.36	5.82	2.73	6.53
Construction	Male	10.07	1.35	14.46	16.89	3.22	20.96	15.42	3.79	19.60	12.18	2.20	16.51	22.88	1.33	28.69	23.07	1.36	28.02	20.21	1.32	24.38	9.17	0.84	10.66
	Female	0.00	0.00	0.00	0.23	0.20	0.24	0.41	0.10	0.46	0.41	0.01	0.52	0.92	0.09	1.16	0.91	0.11	1.10	1.03	0.20	1.27	1.22	0.45	1.54
	Overall	9.82	1.33	14.03	16.09	3.15	19.83	14.37	3.67	18.02	10.81	2.02	14.42	20.06	1.17	25.20	18.73	1.11	22.76	15.41	0.99	18.82	7.17	0.69	8.66
Electricity, Gas & Water	Male	0.00	0.00	0.00	4.09	4.20	4.06	3.32	3.70	3.19	2.75	2.55	2.84	1.92	2.27	1.83	1.39	1.53	1.36	0.03	0.03	0.03	0.70	3.20	0.25
	Female	0.00	0.00	0.00	0.06	0.00	0.07	0.10	0.15	0.09	0.03	0.07	0.03	0.08	0.21	0.05	0.05	0.22	0.01	0.01	0.00	0.01	0.36	1.16	0.03
	Overall	0.00	0.00	0.00	3.90	4.10	3.84	3.09	3.58	2.93	2.44	2.34	2.48	1.69	2.00	1.60	1.13	1.27	1.09	0.02	0.02	0.02	0.61	2.40	0.20
Wholesale & Retail Trade	Male	9.78	14.67	7.31	13.41	13.06	13.51	14.89	12.60	15.71	14.67	7.90	17.60	13.40	5.03	15.66	13.60	5.99	15.34	20.16	3.60	23.81	18.89	1.93	21.92
	Female	2.84	11.46	0.89	1.87	1.40	1.93	3.47	1.83	3.69	2.58	0.41	3.15	3.02	0.46	3.76	2.66	0.47	3.16	3.41	0.51	4.24	4.21	1.08	5.50
	Overall	9.61	14.63	7.12	12.85	12.77	12.88	14.09	12.24	14.72	13.26	7.28	15.72	12.07	4.42	14.15	11.46	4.90	12.96	15.97	2.70	19.10	15.19	1.60	18.32
Transport & Communication	Male	4.27	5.41	3.70	5.83	6.67	5.58	5.51	4.09	6.02	5.75	5.40	5.90	6.79	8.01	6.47	6.58	6.88	6.51	4.24	4.27	4.23	3.71	3.13	3.81
	Female	0.00	0.00	0.00	0.89	0.10	1.00	0.86	0.25	0.94	1.51	3.59	0.96	2.39	4.71	1.72	1.67	3.48	1.25	0.93	1.32	0.82	0.80	1.05	0.77
	Overall	4.17	5.33	3.59	5.59	6.51	5.33	5.18	3.96	5.60	5.26	5.25	5.26	6.23	7.57	5.87	5.62	6.21	5.48	3.41	3.41	3.41	2.99	2.31	3.14
Finance & Insurance	Male	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.22	1.63	2.47	2.58	2.75	2.53	3.20	3.21	3.20	8.74	2.95	10.02	4.95	3.37	5.23
	Female	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.95	1.12	2.17	2.91	2.53	3.02	2.55	2.84	2.48	4.40	2.78	4.86	2.35	3.13	2.02
	Overall	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.19	1.58	2.43	2.62	2.72	2.59	3.07	3.13	3.06	7.65	2.90	8.78	4.29	3.27	4.53
Social Services	Male	50.39	51.32	49.91	43.77	62.74	38.12	41.00	60.61	33.95	48.64	70.31	39.26	39.14	70.16	30.78	39.21	71.21	31.90	34.53	80.02	24.51	52.36	81.10	47.20
	Female	88.49	82.29	89.90	90.92	94.52	90.45	89.91	94.41	89.29	92.07	94.17	91.51	89.03	90.86	88.50	90.83	91.87	90.59	88.53	94.07	86.94	89.77	92.15	88.78
	Overall	51.31	51.74	51.10	46.04	63.53	40.98	44.44	61.75	38.52	53.71	72.31	46.06	45.54	72.93	38.10	49.32	75.30	43.37	48.04	84.11	39.53	61.79	85.45	56.33

2.4.2. Expatriate Labour Force

The supply of expatriate labour to Kuwait increased sharply from 55,686 in 1957 to 1,260,596 in 2004, which has caused a large imbalance in the composition of the Kuwaiti and expatriate labour force (Alquabas, 2004). This situation has raised concern over the implications of the overwhelming dependence on expatriates in different aspects of society, which leads to a slowing down of national human resources, a drain on Kuwaiti resources, and unwarranted entitlement of various subsidies to expatriates (Al-ghaith, 1999). Therefore, following the liberation from the Iraqi occupation, the Kuwaiti authorities decided that expatriates in government departments should not exceed 35% of the total public sector employment. This policy has formed the basis of the reform and development strategy adopted by the government (Ramadan, 1996). The private sector, in contrast, tends to employ expatriates because they are seen to be cheap, patient and more productive (Al-Nafai, 1998).

The new employment policy of the Kuwaiti government is to enable fresh Kuwaiti graduates to join the government sector. Kuwaiti nationals have been allowed to occupy easy and comfortable jobs with relatively high salaries. Consequently, the number of Kuwaitis in the government sector has risen from 150,000 in 1998 to 184,000 in 2004 (CSC, 2005). However, the country is still heavily dependent on its expatriate labour force for its technological as well economic growth. Most of the expatriates tend to be young, in their early twenties and thirties. The available statistics show that 39 percent of the people entering Kuwait in 2003 were within the 24 to 34 years age group, while only 24 percent were in their 40s (PACI, 2003). Therefore, it is important to know the education level, occupation and economic activities of the expatriate labour force in Kuwait, as stated in the following sections.

2.4.2.1. Educational level of expatriates

There has been a significant rise in the level of education of expatriates. In 1957, around 43 percent was illiterate and another 37 percent could only read and write (see Table 2.10 above). At the same time, less than 5 percent of the expatriates had university degrees. While there was not much of an increase in the proportion of university graduates among expatriates, the proportion of intermediate and high school graduates increased significantly from 3.7 percent to 15.3 percent for intermediate and from 7.9

percent to 13.8 percent for secondary between 1957 and 2004 (Ministry of Planning, 2004). Despite the improvements made so far, most of the expatriate labour force remains lowly qualified.

2.4.2.2. Occupation of expatriate labour force

The expatriate labour force in Kuwait occupies mainly blue-collar jobs. In 1957, approximately 71 percent of expatriates were production workers and only 6 percent had professional or technical jobs (see Table 2.11 above). At the same time, only 8 percent had clerical jobs and 9.4 percent had service-related jobs. By 2004, while the proportion of production workers declined to 42 percent, that of the service related workers increased to 35 percent (see Table 2.11). At the same time, the proportion of professional and technical workers increased to 7.6 percent. By and large, expatriate labour force has been and continues to be concentrated in occupations that are characterized by low wages.

2.4.2.3. Economic Activity

The distribution of labour force by economic activity presented in Table 2.12 shows that the expatriate labour force is concentrated in social services jobs, which include public administration, education, health, and other social services. It was estimated that around 51 percent of expatriates worked social services in 1957. By 2004, however, the proportion increased to 56 percent. At the same time, in the year 2004, over 18 percent of expatriates were employed in the wholesale and retail trade jobs (see Table 2.12).

2.5. Conclusion

This chapter has reviewed Kuwait's economy (in terms of its structure, development strategy, and economic growth), population (in terms of growth rates and composition), and labour force (in terms of characteristics, growth and composition). It has shown that Kuwait has spent its oil revenues on the development of physical and industrial infrastructure, on the improvement of human capital resources, on the diversification of the economy, and on the betterment of the standard of living. Despite the efforts and commitments made so far, the economy continues to suffer from a number of problems. The rapid expansion in economic activity, following developments in the oil market, led to high demands for labour opportunities, which the native population has not been able to fulfil. This led to an inflow of foreigners who have been attracted by work

opportunities and good income (compared to their countries). The government's "social welfare" system has led to the expansion of government services that created job opportunities. In an effort to narrow the persistent deficit in its annual budget, the Kuwaiti government attempts to gradually transform its economy from a welfare-oriented to a market-oriented sustainable system. The biggest challenge it faces, therefore, is the productive employment of its national human resources. This entails not only ensuring demand for Kuwaiti labour in the national economy (particularly in the private sector), but also imparting necessary skills to an increasingly large pool of new entrants to the labour market and re-training the existing workforce to meet the new job requirements

Kuwait has an increasingly young population, thus causing high dependency rates and the indigenous labour force to grow more slowly than the indigenous population. As a result, Kuwait depends upon the immigrant labour force. Expatriates exceed the Kuwaiti labour force in most sectors. When comparing the distribution of Kuwaitis and expatriate labour forces, it can be seen that Kuwaitis are predominant in only the public sector and significantly in government occupations. In contrast, expatriates are predominant in production and construction jobs. A large majority of Kuwaitis tend to work in the government sector, mostly in clerical jobs that could actually be performed by employees with a secondary education. In this context, an education system that is responsive to the educational needs of society and the economy is of critical importance in Kuwait. This will be discussed in the next chapter.

CHAPTER THREE

DEVELOPMENT AND STRUCTURE OF EDUCATION SYSTEM IN KUWAIT

3.1. Introduction

This chapter provides a description of the development and structure of the education system in Kuwait since independence. It also explains how the various aims and the structure of education have changed over the years. It also describes the Kuwaiti government's efforts towards the development and improvement of the education system at all levels. Finally the chapter focuses on the structure and operation of the higher education system because of its importance and relevance to this study of the relation between higher education and the labour market.

3.2. Historical Development of General Education in Kuwait

3.2.1. Pre-independence

Religious groups, locally known as Al-Motawais, started the first general education school in Kuwait in about 1887. The Al-Motawais, who taught in the Kuttabs (Islamic schools), were paid to teach out of private funds, and the whole system existed on fees collected from the pupils. The main objective was the teaching of reading, writing, arithmetic, and, of course, religion (Ministry of Education, 1998: 24). Whilst religion has always provided an important motive for developing an educational system, there was also an economic objective, particularly to develop the ability to conduct business transactions with other Arab countries, India and East Africa. Therefore, the increase in Kuwait's trade relations with other countries led to a further development in education (Kashif, 1985). By the early 20th century the country became ready for the

foundation of the first organised public school with a planned curriculum. By 1912 the first school for boys had been established and was named "Al-Mubarakiyah" after the ruler Sheikh Mubarak Al-Sabah. The school was subsidised by merchants. A council of three well-known and prosperous merchants undertook the financial and administrative management of the school. Similar to "Al-Mubarakiyah", a second school for boys was established, called "Al-Ahmadiyah" after the then ruler Sheikh Ahmed Al-Jaber. The new school also had a financial council composed of merchants, and the curriculum differed from the previous school only by the inclusion of the additional subjects of English Language and bookkeeping (Kashif, 1985: 14-15).

Due to the depression in the world economy and the pearl-market in particular, both schools faced serious financial problems during the period 1931-1936 and almost had to be closed. In order to solve the financial problem, the merchants voluntarily decided to raise the government customs duties on their imports from 4.5% to 5%, allocating the additional half percent towards subsidising education. Consequently, in accordance with a decree issued by the ruler on 15th of October 1935, an Advisory Council for Education was founded. It was composed of six elected members, headed by Sheikh Abdullah Al-Jaber, who had then become the advisor to the Amir of Kuwait. Later in the same year, the Department of Education was established and it assumed administrative and financial responsibility for the existing schools. The objectives behind assigning the responsibilities of education to the government are described by Kashif (1985: 18) as follows:

1. To develop a system of education compatible with that of the more advanced Arab countries;

2. To establish a budget for education that was not dependent on the economic well-being of individuals;

3. To start as many schools as possible for boys and girls at various levels of education, so that the 'Kutabs' would be replaced by more modern schools.

4. To recruit Arab teachers to meet the country's demand for qualified staff.

The first traditional 'Kuttab' to teach girls reading, writing and arithmetic was founded in 1926, and after having received the Amir's permission, the first organised state's school for girls was established in 1937/38. While boys enjoyed free education in government schools, girls had to pay a monthly fee for their education in the private school 'Kuttab' until 1940. The curriculum at the girls' school did not differ much from that of the boys' elementary school, with the exception of the teaching of basic nursing skills, first aid, hygiene, sewing and knitting in line with the dominant gender rules of the surrounding society (Al-Essa, 1981). From 1936/37, an additional grade was added every year bringing elementary schooling to a total of six years. By 1942/43, the stages of education were complete and pupils could finish their secondary education (Kashif, 1985).

The new schools attracted growing numbers of pupils from the 'Kuttabs', and the government had to open more schools. Efforts to improve education in the country increased and teachers were recruited from different Arab countries. By 1954 there were a total of 49 schools, 28 of them for boys and 21 for girls. The number of pupils increased from 620 boys and 140 girls in 1937/38 to 10100 boys and 4200 girls in

1954/55. The teaching staff also increased over the same period from 26 men and 5 women in 1937/38 to 630 men and 291 women in 1954/55 (Al-Essa, 1981: 34).

3.2.2. Post-independence

Important changes in the history of Kuwait after 1956 (such as increase in oil production, inflow of labour from other countries, and the increase of population) led to an increased number of children needing to be educated and a consequent increase in the number of schools. At independence in 1961, Kuwait became a member of the Arab League. In the same year, the Council of Education became the Ministry of Education (MOE). In order to strengthen the foundations of education in the country, education became compulsory in 1965 for all Kuwaitis between the ages of six and fourteen.

Since its independence, one of the key elements of Kuwait's economic development strategy has been the growth of national human resources. In this context, the progress of the education sector has been central to the country's economic objectives. To meet the educational needs of the population, education has been treated as a priority objective. Although the private sector has been encouraged, the government has taken a leading role in the provision of education. While both the private and the public sectors provide educational services, the public education system has been the most prominent.

The educational services provided by the public education system are divided into three main categories: formal education, non-formal education and higher education. Formal education, which is administered by the Ministry of Education (MOE), consists mainly of general education (GE), comprising kindergarten (2 years), primary

(4 years), intermediate (4 years) and secondary (4 years) levels. In addition, formal education includes what is called qualitative education and technical education. Qualitative education provides specific types of schooling, such as religious education and education for disabled and mentally retarded individuals. Technical education consists primarily of the music institute. Non-formal education is aimed at providing individuals throughout the country, regardless of their age and gender, with various educational, cultural, religious and scientific knowledge through non-formal educational means such as adult education centres, the provision of free library access, educational programmes on Radio and TV, public conferences and lectures, and other cultural and religious festivals and national events.

Higher education in Kuwait, which is administered by the Ministry of Higher Education (MOHE), is a combination of junior colleges that run different programmes of various durations ranging from one to four years and a general degree university (grades 13–20). The Public Authority for Applied Education and Training (PAAET) administers junior college courses, which provide applied and technical education. The Kuwait University (KU) is the only public institution in the country that administers general degree programmes, and offers a wide range of specializations in natural and social sciences, and humanities.

Private schools in Kuwait, which come under the supervision of the MOE, cover all levels of general education, but are based on different national educational systems (e.g., British, American, French, Arab, Pakistani, Indian and Iranian) and follow different curriculum that are neither uniform across private schools nor similar to those in public schools. The different systems followed by the private schools are in

response to the composition of the expatriate population. An overwhelmingly large proportion (93%) of the national students attend public schools, whereas approximately 72% of the expatriate students go to private schools (Ministry of Education, 2004).

Since 1969/70, the public education system has expanded substantially. The total number of schools and classrooms in the public general education system has almost tripled (see Table 3.1). The sharpest increase has been in secondary schools, followed by kindergarten schools. Private educational facilities have also grown. During the period from 1969 to 2000 the number of private schools and classrooms has more than quadrupled (see Table 3.1). The relatively higher growth in private educational facilities indicates that, over the years, the relative size of the public education system has declined and that of the private sector has increased. Currently, the public education system accounts for about 70%, 80% and 68% of the total students, teachers, and classrooms, respectively, in the general education system. The largest proportion of teachers is at the intermediate and secondary levels (30% each), followed by primary (29%) and kindergarten (11%) (see Table 3.1). As for higher education, over the years, both KU and PAAET have expanded substantially. In the case of KU, between 1969/70 and 2003/04, the number of teachers in the university increased from 158 to 1082. At the same time, since its establishment in 1983/84, the number of teachers in PAAET has increased from 585 to 1331 (see Table 3.1).

Table 3.1. Development of Educational Facilities in Kuwait (Numbers)

Level	Public						Private						Total					
	1969/70	1979/80	1989/90	1994/95	1999/00	2003/04	1969/70	1979/80	1989/90	1994/95	1999/00	2003/04	1969/70	1979/80	1989/90	1994/95	1999/00	2003/04
Kindergarten																		
Schools	43	60	120	138	149	155												
Classrooms	422	654	1,264	1,290	1,466	1,494						706						
Teachers	677	1,228	2,304	2,388	3,012	3,661	243	341	635	539	541	1,014	920	1,569	2,939	2,927	3,553	4,675
Students	12,842	16,814	36,723	38,088	44,152	42,375	5,693	10,514	16,652	10,928	15,514	20,349	18,535	27,328	53,375	49,016	59,666	62,724
Primary																		
Schools	84	168	197	174	182	193												
Classrooms	1,734	3,791	3,747	2,977	3,257	3,624					1,421	1,553					4,678	5,177
Teachers	2,789	6,733	7,102	6,779	7,817	9,013	672	989	3,208	2,242	2,359	2,581	3,461	7,722	10,310	9,021	10,176	11,594
Students	54,418	122,238	118,778	90,455	96,587	106,317	15,865	23,388	70,782	42,809	43,595	47,639	70,283	145,626	189,560	133,264	140,182	153,956
Intermediate																		
Schools	64	128	180	156	164	166												
Classrooms	1,387	2,987	3,700	2,729	3,039	3,174					1,271	1,299					4,310	4,473
Teachers	2,689	7,146	9,188	7,174	8,706	9,767	159	910	1,988	1,826	2,052	2,581	2,848	8,056	11,176	9,000	10,758	12,348
Students	43,037	92,571	120,300	85,014	94,058	95,894	2,367	17,522	38,316	32,721	38,846	38,848	45,404	110,093	158,616	117,735	132,904	134,742
Secondary																		
Schools	13	66	136	108	118	120												
Classrooms	438	1,612	2,869	1,351	1,149	1,410					939	1,073					2,088	2,483
Teachers	1,176	5,262	9,393	7,711	8,810	10,094	36	727	1,016	1,469	1,898	2,185	1,212	5,989	10,409	9,180	10,708	12,279
Students	13,423	47,276	97,917	61,108	73,763	78,954	309	9,897	14,047	18,483	27,041	31,087	13,732	57,173	111,964	79,591	100,804	110,041
General Education																		
Schools	204	422	633	576	613	634	79	59	337	258	336		283	481	970	834	949	634
Classrooms	3,981	9,044	11,580	8,347	8,911	9,702	909	1,904	4,135	3,427	4,172	4,631	4,890	10,948	15,715	11,774	13,083	14,333
Teachers	7,331	20,369	27,987	24,052	28,345	32,535	1,110	2,967	6,847	6,076	6,850	8,361	8,441	23,336	34,834	30,128	35,195	40,896
Students	123,720	278,899	373,718	274,665	308,560	323,540	24,234	61,321	139,797	104,941	124,996	137,923	147,954	340,220	513,515	379,606	433,556	461,463
PAAET																		
Teachers	0	0	888	1,156	1,268	1,037	0	0	0	0	0	0	0	0	888	1,156	1,268	1,037
Students	0	0	12,198	17,864	25,836	27,702	0	0	0	0	0	0	0	0	12,198	17,864	25,836	27,702
Kuwait University																		
Teachers	158	584	912	835	1,017	1,082	0	0	0	0	0	0	158	584	912	835	1,017	1,082
Students	1,697	8,451	12,148	14,027	16,764	18,042	0	0	0	0	0	0	1,697	8,451	12,148	14,027	16,764	18,042

Source: Public Authority For Civil Information (PACI), 2005, P. 147

3.3 The Public Formal General Educational System

In response to the need for expansion and bearing in mind the future economic, social and cultural development of Kuwait, the services of experts from Kuwait and other Arab countries were utilised to study the 'best' educational methods and plans to promote and direct the development of education. Based on the recommendations of the experts, in 1956/57, Kuwait adopted a 4/4/4 educational ladder system, which is four years in primary school followed by four years in intermediate school and four years in secondary school.

3.3.1. The Kindergarten (Nursery) Stage

The kindergarten or nursery education is a transitional stage between life at home and regular school life. The first nursery to be established in Kuwait was founded in 1954. By 2003/04 the number of public kindergartens had increased to 155 enrolling 42,375 children of both sexes, looked after by 3,661 female teachers (Table 3.1). Girls and boys from the age of four are accepted in kindergarten and remain there for two years before entering primary school.

3.3.2. The Primary Stage

This stage represents the first systematic education that was adopted in Kuwait in 1912. The main objectives of this stage in the government's educational strategy (Ministry of Education, 1998) are:

1. To help the pupil to develop his/her mental ability by providing him/her with items of simple but valuable knowledge.

2. To help him/her to develop spiritual and moral growth through appropriate religious and ethical instructions.

3. To develop the child psychologically and promote his/her aesthetic feelings.

4. To develop the child socially and implant the sense of responsibility and co-operation in him/her.

5. To develop the child physically and make him/her understand and practice correct rules of hygiene.

6. To develop in the child a strong national and pan-Arab feeling.

The primary stage is the starting point in establishing the principle of equal opportunity for everyone. Children at this stage pass through one of the most formative experiences of their lives. Moreover, primary education lays the basis of any kind of education during the subsequent stages. Whereas in 1936/37 there were only two primary schools in Kuwait, catering for 600 boys, by 2003/04 there were 193 public primary schools with a total enrolment of 106,317 pupils and 9,013 teachers (Table 3.1).

3.3.3 The Intermediate Stage

This stage is actually an extension of the primary stage. According to the Ministry of Education (1998) the objectives of this stage are as follows:

1. To provide the pupils with basic national culture through Arabic and foreign languages and through the study of the history and geography of the Arab countries. In addition, to study the principles of science.

2. To try to discover pupils' talents and aptitudes as a guide for higher education.

3. To give children ample opportunities for developing morally, socially and physically through various kinds of social, physical and cultural activities.

In 1956/57 there were only five intermediate schools for both boys and girls in addition to intermediate classes in primary schools. The total number of pupils then was 3,554 (2,559 boys and 995 girls) taught by 287 teachers of both sexes. By 2003/04, there were 166 public intermediate schools (80 for boys and 86 for girls) attended by a total of 95,894 pupils taught by 9,767 teachers (Table 3.1).

3.3.4 The Secondary Stage

Secondary classes did exist in 1937 but secondary education in Kuwait only began on a regular basis in 1942. Two forms of secondary education emerged: academic and technical. The first two years of the academic secondary school provide a general education. At the beginning of the third year pupils follow either a literary or a scientific discipline. All pupils are supposed to be oriented, prior to choosing either of the two courses, in order to ensure a reasonable balance between the numbers of pupils registered in each course and the requirements of the country for secondary school graduates. In 1956-57, Kuwait had only two secondary schools; one for boys and the other for girls. There were 796 pupils (666 boys and 130 girls) taught by 78 teachers. By 2003/04, the number of secondary schools increased to 120 (61 for boys and 59 for girls) with 10,094 teachers and 78,954 enrolled pupils (Table 3.1).

In addition to the ordinary academic schools, the secondary stage also includes technical schools. Over the years, the following technical schools were established:

1. The Technical College, inaugurated at the beginning of the academic year 1954/55, and aimed at training Kuwaiti technicians and skilled workers in mechanics, welding, metal-working and carpentry.

2. A Technical Secondary School for Girls, established in 1956. The Ministry of Education with the Ministry of Social Affairs helped prepare the educational and technical programmes of this school in tailoring, needlework and maintenance.

3. A Secondary Commercial School established in the academic year 1963/64. Two different courses were provided – a four-year course offering intermediate education, and a two-year course for government and private employees.

4. Teacher Training Institutes: Two teacher-training colleges, one for boys and the other for girls, were established in 1962/63 to help to prepare teachers for the kindergarten and primary education stages.

5. The Religious Institute was established in 1947 to prepare students for further education in Islamic jurisprudence and Arabic literature. The Institute provided education at all three stages, primary, intermediate and secondary (four years at each stage). Since its establishment, the Institute has been subject to several development plans, the most important of which was the cancellation of the primary stage at the beginning of the seventies. The curriculum of the Institute were designed to offer both a general education and a knowledge of special subjects, in particular the Koran, Islamic traditions, Arabic language, literature, and history, and Islamic jurisprudence. In 1969 there were a total of 240 students in the Institute, taught by 36 teachers (Ministry of Education, 1970). In 2002 the number of students enrolled in the intermediate and secondary stages

was 2,113 of which 836 were girls. The number of teaching staff was 341 of which 96 were female (Ministry of Planning, 2002).

The Technical College, the Secondary School of Commerce for Boys, the Technical Secondary School for Girls, Teacher Training Institute for both boys and girls were all closed by 1975. The ministries were not able to run these colleges because of the diversion of their objectives, and because of the increasing need of these colleges for specific and specialised staff having the necessary abilities and teaching experience. They have been, therefore, replaced by the technical collages of the Public Authority for Applied Education and Training (PAAET), which will be discussed later in this chapter.

3.4 The Private Education

Education in Kuwait has been essentially a government responsibility. The government provided free education, which included free text and notebooks, uniforms, meals, transport and other school necessities for every child resident in Kuwait. Private schools, however, were encouraged to play their role, especially in educating expatriates' children, under the supervision of the Ministry of Education. Private schools began in Kuwait with the economic expansion of the country following the flow of oil revenues in the late 1940s and early 1950s, and the in-flow of expatriate labour as a result. It became necessary for the private sector to come to the aid of government. In the face of the growing expatriate population and the limited number of government schools, the government has imposed restrictions on the admission of expatriates' children to state schools. To attend government schools,

priority is given to children of Kuwaiti citizens, Gulf States, and Arab expatriates in that order (Al-Essa, 1981:60).

The Kuwaiti government found it imperative to expand education for expatriates' children by encouraging the private sector to open more schools. In 1963, there were 18 private schools attended by about 5,500 boys and girls and taught by about 240 teachers of both sexes. Both pupils and teachers were predominantly male. By the academic year 2003/04 there were 354 private schools with 8,361 teachers and 137,923 enrolled pupils (Table 3.1). Most pupils attending private schools are children of expatriate workers, whose parents incur considerable expense in securing their offspring's education. Since 1975 the Arab private schools' pupils have been enjoying a number of privileges such as exemption from half of the tuition fees, free books and free transportation services (Ministry of Education, Decree 736/1975).

3.5. The Adult Literacy Programme

Adult education in Kuwait has been strictly limited to its simplest aspect - that of eliminating illiteracy and providing educational opportunities for adults. In terms of methods and curriculum, this does not differ from the formal type of education. The government promoted adult education when the authorities realised that illiteracy was one of the greatest obstacles in the way of national development and progress. Hence, in 1950, it started a campaign for the elimination of illiteracy in the country. Courses of this kind began in 1958 when two centres for men were opened. In the same year, the government started a new full-scale programme for the education of adults to go beyond the level of literacy to the intermediate and secondary levels for all those capable of further studies. It should be mentioned that the responsibility for adult

education and eliminating illiteracy was shifted from the Ministry of Social Affairs to the Ministry of Education in 1966/67. During that year there were 33 centres, attended by 13,872 students of both sexes. In 1969/70 there were 36 centres for men (teaching about 9,800 students) and 25 for women (teaching about 3,650). By 2001/02, the number of centres increased to 71 of which 34 were for men and 37 for women. Because of improvement in the literacy level in the country, the total enrolment in the programme declined to 10,551 in 2002 (see Table 3.2).

Table 3.2. Adult Educational Centres by Gender and Nationality

Year & Gender		Centres	Classrooms	Participants			Teachers		
				Kuwaiti	Non-Kuwaiti	Total	Kuwaiti	Non-Kuwaiti	Total
2001-2002	M	30	138	3,777	1,122	4,899	18	559	577
	F	36	213	3,290	2,362	5,652	12	598	610
	T	66	351	7,067	3,484	10,551	30	1,157	1,187

Source: General Statistics Office, "Annual Statistics Abstract", Ministry of Planning, Kuwait, 2003

Various problems have made people, particularly women, reluctant to take full advantage of informal education programmes. Such problems include ignorance about the programme's time, place and objectives, inaccessibility of venue in remote areas, and a lack of incentives and motives to participate. One of the critical problems has been the lack of co-ordination between the non-formal education scheme on the one hand, and government departments such as health, social affairs, education (academic, technical and vocational) and employment on the other (Kashif, 1985: 159). Despite the efforts and resources devoted to it, the informal education programme continues to face many problems. This is primarily because it is handled as a part-time

responsibility of the Ministry of Education, which is mainly concerned with formal

education (Al-Ebraheem, 2000).

Table 3.4. Educational Status of the Kuwaiti Population and its' Distribution by Gender for Census Years (10 Years and Over)

Educational Status	Gender	1965 Number	1965 %	1970 Number	1970 %	1975 Number	1975 %	1980 Number	1980 %	1985 Number	1985 %	1995 Number	1995 %	2004 Number	2004 %
Illiterate	Male	20,387	33.04	17,488	24.38	21,384	21.35	19,371	15.39	17,163	10.80	11,458	5.20	7,048	2.34
	Female	48,374	72.15	37,489	53.43	48,148	47.91	50,000	38.35	38,687	25.00	34,245	15.15	35,374	11.09
	Overall	68,761	53.40	54,977	38.75	69,532	34.65	69,371	27.07	55,850	17.81	45,703	10.24	42,422	6.84
Read & Write	Male	27,590	44.71	19,974	27.85	20,503	20.47	21,140	16.80	18,276	11.50	13,436	6.10	25,291	8.38
	Female	11,458	17.09	9,819	13.99	9,885	9.84	15,489	11.88	16,249	10.50	15,969	7.06	26,208	8.22
	Overall	39,048	30.33	29,793	21.00	30,388	15.14	36,629	14.30	34,525	11.01	29,405	6.59	51,499	8.30
Primary	Male	7,350	11.91	18,746	26.14	29,512	29.47	35,190	27.96	41,796	26.30	49,500	22.49	80,603	26.72
	Female	4,853	7.24	13,966	19.90	22,083	21.97	26,570	20.38	35,901	23.20	46,022	20.36	69,091	21.66
	Overall	12,203	9.48	32,712	23.05	51,596	25.71	61,760	24.10	77,697	24.77	95,522	21.41	149,694	24.12
Intermediate	Male	4,447	7.21	9,998	13.94	17,293	17.27	28,504	22.65	43,226	27.20	72,377	32.88	108,767	36.06
	Female	1,769	2.64	6,457	9.20	12,850	12.79	21,777	16.70	32,961	21.30	60,028	26.56	89,154	27.95
	Overall	6,216	4.83	16,455	11.60	30,143	15.02	50,281	19.62	76,187	24.29	132,405	29.68	197,921	31.89
Secondary & Below University	Male	1,581	2.56	4,499	6.27	8,856	8.84	16,447	13.07	27,970	17.60	51,445	23.37	54,900	18.20
	Female	551	0.82	2,176	3.10	6,373	6.34	13,325	10.22	23,522	15.20	50,180	22.20	55,399	17.37
	Overall	2,132	1.66	6,676	4.70	15,229	7.59	29,772	11.62	51,492	16.42	101,625	22.78	110,299	17.77
University	Male	356	0.58	1,014	1.41	2,601	2.60	5,200	4.13	10,489	6.60	21,921	9.96	25,050	8.30
	Female	38	0.06	260	0.37	1,165	1.16	3,205	2.46	7,428	4.80	19,591	8.67	43,736	13.71
	Overall	394	0.31	1,274	0.90	3,766	1.88	8,405	3.28	17,917	5.71	41,512	9.30	68,786	11.08
Grand Total	Male			71,720	100.00	100,150	100.00	125,852	100.00	158,920	100.00	220,137	100.00	301,659	100.00
	Female			70,167	100.00	100,504	100.00	130,366	100.00	154,748	100.00	226,035	100.00	318,962	100.00
	Overall			141,887	100.00	200,654	100.00	256,218	100.00	313,668	100.00	446,172	100.00	620,621	100.00

Source: Public Authority of Civil Information (PACI), 2005, P.83

3.7. Higher Education in Kuwait

The responsibility for the provision of higher education in Kuwait is being shared by two main institutions; Kuwait University (KU) and the Public Authority of Applied Education and Training (PAAET); under the supervision and control of the Ministry of Higher Education.

3.7.1. Kuwait University

In 1965/66, the government established Kuwait University (KU) with two faculties, namely, Faculty of Science and Faculty of Arts. It included a separate university college for women. Initially, the university had a teaching staff of 31, mostly professors, which reflected the serious nature of the foundation and setting up of the university (Hammad, 1987). The initial student intake was 418 of both sexes. Only 86 of them were enrolled in the Faculty of Science. Since then, 10 new faculties have been added: Shariaa, education, allied health, medicine and pharmacy, engineering, commerce, law, social sciences, dentistry and administrative sciences. At present, there are 30 different programmes (departments) being covered by all the faculties (Kuwait University, 2004). In general, the university offers four-year degree programmes in different areas and prepares students for a bachelor's degree in different subjects. Some departments in various faculties also offered Masters Degrees and special diplomas. The university follows a semester-based unit system, which has been adopted since the academic year 1972/73 (Kuwait University, 1997). Until recently KU was the only institution for post-secondary education in the country. During the last 2-3 years, the government has issued licenses for opening three private universities to offer general degree programmes (Ministry of Higher Education, 2001).

Student admission to institutions of higher education in Kuwait is determined by the results of the Secondary School Certificate Examination. The Certificate of Completion, which is given to each student who successfully passes (with a minimum mark of 50%) the secondary education examination of the Ministry of Education, is the only requirement for admission in KU. There are no tuition fees for student. Free accommodation and a monthly allowance are also given to all Kuwaiti and Arab students, especially those coming from the Gulf region.

Kuwait University has seen a rapid expansion in enrolment as a result of the open admission policy followed by the government. Compared to 418 students in 1966/67, the total number of students enrolled in the university reached 18,042 in 2003/04 (see Table 3.1). Kuwait University has a fixed admission quota for Kuwaiti and non-Kuwaiti students. Currently, the admission quota is 90% for Kuwaitis and 10% for non-Kuwaitis. That means the majority of Kuwait University students are Kuwaiti nationals.

The rapid increase in secondary school graduates seeking admission to the university, lack of other alternatives to post-secondary education, and the wish of Kuwaiti families to see their children pursue higher education, have forced the government to regulate admissions by evolving an allocation process and establishing a grade system for admission to a particular school (major) or college, and a quota system for each faculty. Enrolment in faculties depends on the students' grades. Students with higher grades have more choices than those with lower grades to enrol in colleges they prefer. Medicine, engineering and sciences have the most stringent requirements,

while others tend to be more accessible. As a result of this policy, several problems have appeared in the higher education system. For example the strategy of the cut-off point system is not based on labour market demands for skills and qualifications but on the availability of places in each faculty. Al-Enezi (2000) has criticized the system on the basis that the university, under pressure from the parliament, accepts more students to avoid political clashes. On the other hand, faculties with greater number of staff accept more students and, as a result, have larger numbers of graduates. On the other hand, faculties with fewer staff produce fewer graduates. Since the faculties of Medicine and Sciences are facing the problem of shortages in qualified staff, they tend to admit a smaller number of students and as a consequence fail to satisfy the demand of the labour market.

One of the major problems of higher education in the Gulf region is the shortage of qualified faculty staff (Badawi, 2002). As a result of the rapid increase in university enrolment, the number of teaching staff increased dramatically from 31 members in 1966/1967, the first academic year of the university, to 1,082 in 2003/04. Since the university cannot yet train its own teaching staff, it recruits foreign staff or nationals trained abroad. The problem of finding qualified staff for professional schools is even more acute (Badawi, 2002). Qualified candidates for faculty appointments are few, while the demands for their services are increasing in both the public and private sectors. Kuwait University has developed substantially over the last four decades and the number of colleges and students has increased. This caused the university to recruit expatriate staff to work on limited term contracts, which affected university's ability to understand and forecast the needs of the academic staff (Al Sharrah, 1998). The lack of trained nationals has led many countries in the region to depend on

foreign academic staff, which resulted in a competition among the universities of the region for the limited supply of qualified foreign lecturers and professors.

In order to counteract the problems of staff shortages, the University of Kuwait sponsors Kuwaiti graduates to obtain a doctorate degree by studying abroad. This policy has led to an increase in the number of Kuwaitis among the university staff but it not enough to meet the increasing demand. In the academic year 2002, for example, there were 680 Kuwaitis teaching staff among a total of 1052 (Table 3.3). The number of Kuwaiti instructors in the Faculty of Science is 81, whereas the number of expatriate instructors is 100. In the Faculty of Medicine, for example, there are 43 Kuwaitis and 95 expatriates, and one Kuwaiti in the Assisting Medical College and 16 expatriates. Shortages in academic staff are felt more in the scientific and professional disciplines than in the humanities. For example, in 2002, the number of Kuwaiti instructors in the Faculty of Arts was 154 whereas the number of expatriates was 16. In the Faculty of Education there are 62 Kuwaitis and 20 expatriates (Ministry of Planning, 2003).

Moreover, the public and private sectors are attracting larger numbers of degree holders especially at the doctoral level by paying them high salaries, resulting in a further depletion of the limited number of well-trained faculty members (Al-Bustan, 2001).

Table 3.3 Kuwait University Staff by Nationality and Gender in 2002

		Professor	Asst. Professor	Lecturer	Total
Total	Kuwaiti	87	178	415	680
	Non-Kuwaiti	155	156	61	372
	Total	242	334	476	1,052

Source: General Statistics Office, "Annual Statistics Abstract", Ministry of Planning, Kuwait, 2003

3.7.2 The Public Authority for Applied Education and Training (PAAET)

The development of technical and vocational education on one hand, and of training on the other, continued until the state felt the necessity to establish an independent authority to supervise its output and plan its programmes. As a result, the Public Authority for Applied Education and Training (PAAET) was established in December 1982, which brought various technical colleges operating at that time under one administrative setup (PAAET, 1999). Its activities include applied education colleges and technical training institutes. The applied education colleges offer programmes in basic education, business studies, health sciences and technological studies. The technical training institutes provide training in telecommunication and air navigation, electricity and water, industry, parallel education, nursing and special (tailored) courses in selected professions. Depending on the programmes, the minimum educational requirement for admission to one of the colleges, institutes or training centres under PAAET is either high school (i.e.12 years of schooling) or intermediate (i.e. eight years of schooling).

PAAET is responsible for providing and developing the national labour force to meet the demand for the skills required for the development of the country. It has, since its establishment, defined its objectives as long-term (five-year plan) and short-term. These objectives are encapsulated in three strategic points (PAAET, 2000: 19) as follows:

1. To provide in agreement with its mandate a skilled technical labour force;

2. To continue to increase its capacity in order to accomplish its responsibilities;

3. To increase the effectiveness of its systems and staff in order to raise the standard of their efficiency in achieving the main purpose of its mandate.

3.7.2.1. Activities and Functions

The activities and functions of PAAET can be classified into three main categories as follows:

1. The offering of applied education and training programmes, with differing inputs, outputs and duration according to the requirements of each specialisation. Such training is divided into two distinct programmes:

- Applied education programmes offered by the four colleges of PAAET and are supervised by the applied education sector, and

- The various and diversified training programmes offered by PAAET training institutes and training centres are supervised by the training sector.

2. The administration (coordination), finance and support of operations of its colleges, institutes and training centres throughout the country.

3- PAAET also participates in many ancillary activities that are aimed at providing an appropriate academic environment, raising the efficiency of educational and training operations, and strengthening the link between the labour market and institutions related to the main activities of PAAET. These include applied research activities and vocational development programmes for the teaching and training staff (PAAET, 2002:12).

There are four colleges under the control of PAAET, each of which has a number of schools offering post-secondary vocational and technical education. These are the College of Basic Education; the College of Health Sciences; the College of Commercial Studies; and the College of Technological Studies. More detailed information about these colleges will be discussed in Chapter four of this study.

There are also four training centres and institutes under the control of the PAAET. These centres are: the Telecommunications and Navigation Institute; Electricity and Water Institute; Nursing Institute; and the Industrial Training Institute. They provide courses at three different levels according to the educational qualifications of the students. The three levels are those of technician, assistant technician and skilled worker. Each course varies in duration but usually lasts between 1-2 years. Admission to the technician course usually requires a secondary school certificate, mainly from a science discipline. The assistant technicians' course requires the intermediate school certificate, and for the skilled workers course, students are accepted with below the intermediate level of education (PAAET, 2002).

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7.3.2.2 Problems of Vocational & Technical Education

In Kuwait there are several problems affecting the development and the efficient functioning of the technical education and training courses. Some of the main problems can be summarised as follows (Wadi, 2002: 34):

- A high dropout rate amongst trainees and withdrawal from studying, which is attributed to low achievement in the general secondary certificate.

- Inadequate incentives and motives for students to enrol and trainees to complete their studies. Generally, students do not show much interest in vocational education. They opt for secondary courses that lead to university education. Given that the Government of Kuwait offers priority employment opportunities to university graduates, from the perspective of an individual the choice of university education seems to be logical and rational.

- The influence of social and traditional customs on the ability and willingness of trainees to enrol and complete their studies. A study carried out by Al-Enezi (2000: 149) showed that 66% of the secondary schools' students, and 85.5% of employees believe that the unwillingness to study and take up a job in the technical and vocational fields is because of the inferior social attitude towards those who are taking vocational qualifications.

- The quality of the training institutes and schools is below the required standard, due to inefficiency of the training of personnel, the low standard of training techniques, and the lack of sufficient personnel needed for training, especially when training needs specialised instructors (Burney et al. (2002).

- The non-employability of the skills leant by the graduates in their career prospects. It is noticeable that many trainees do not work in the field of their specialisation after they graduate. This is indicative of a loss in the utilisation of facilities available for training (Al-Enezi, 2000: 133). Many trainees, especially the skilled workers and assistant technicians, find that they are unable to compete with the expatriate labour after the completion of their courses. This is particularly true in the private sector, because expatriates tend to have more skills and experience, and are willing to accept lower salaries. After being forced out of the field of their specialisation, the trainees are attracted to the only alternative, namely, the public sector where they are able to secure easy employment. Despite the fact that not all the trainees employed in the public sector get jobs that are relevant to their field of specialisation, many of them are happy to ignore this fact in order to have a white-collar job that is considered more suitable for their social backgrounds (Al-Enezi, 2000).

3.8. Higher Education: Issues of concern

Over the years, the number of students pursuing higher education (KU and PAAET) has increased significantly but the performance of both institutions, in terms of number and quality of graduates, has been far from satisfactory. Burney et al. (2002) has shown that both KU and PAAET suffer from low completion rates and a high non-teaching vs. teaching staff ratio. For instance, the average completion rates for KU and PAAET are below 30%. Non-teaching staff account for more than 70% of employees. Over-staffing by non-academic staff is the outcome of the administrative structure and official procedures that are typical of government bureaucracy (Al-

Bustan, 1998). The administrations of the two institutions have tried hard to establish appropriate work structures that would free individual faculties from time-consuming administrative functions (Massialas, 1998), but being public sector organizations and part of the Ministry of Higher Education these efforts have not been very successful (Al-Haj, 2003).

In addition to the over-staffing and low completion rates, KU "is falling short of achieving its stated objectives of preparing the desired type of manpower to help in the national development process" (Alsharrah, 1998: 23). One of the main factors affecting the quality of graduates of KU is the absence of curricula that are expected to promote learning, attitudes and skills essential for scientific and industrial progress and to push forward the wheels of development (Massialas 1998: 70). Approximately 75% of the annual graduates of KU are in the fields of arts, education, religious studies and administrative sciences, which have limited demand in the private sector. A review of studies of the links between the education system output and labour market needs reveals that employers are relatively dissatisfied with the quality of secondary and tertiary graduates (Kuwait University, 2002). This issue will be discussed in more details in this study.

3.9. Conclusion

This chapter has examined the development of education system in Kuwait. In terms of facilities, while the system has grown over the years, the system, particularly the public education system, suffers from a number of problems. In particular, it is not catering for the social situation and the needs of the Kuwaiti economy. Kuwait faces a separation between the output of the educational system and the requirement of the labour market, the economic development process and future requirements. It is,

therefore, necessary to understand the relation between development, education and labour market requirements in general and in Kuwait in particular. Hence, the next chapter will address the relationship between education, development and human capital in conceptual analysis.

CHAPTER FOUR

DEVELOPMENT, EDUCATION AND HUMAN CAPITAL: A CONCEPTUAL ANALYSIS

4.1 Introduction

This chapter focuses on the theoretical arguments that link education and training to human capital development. A distinction is also drawn between education, training, and learning, and their contribution to economic growth. The human capital theory and the relationship between education and development are discussed. This chapter discusses also the relation between education and development from a historical, economic and social aspect, and concludes with the main reasons for the failure of education systems in developing countries like Kuwait.

4.2. Human Resources Development

Human resources development has been defined as *"the development of the skills, knowledge and abilities of the individuals who can contribute to the economic and social development of a country. The process is not to be limited to the working population, but rather extended to include other individuals (actual or prospective) in the economic and social development process"* (Barro, 2000: 16).

As it refers to prospective individuals, this definition implies the principle of future planning. Sen (1999) argued that the strategy of human resources development is an investment in education and training to improve the skills, knowledge and behaviour of the labour force. He considers human resources strategy as one of the important elements of any economic and social development strategy.

The aim of human resources development is to link economic and social development to the plans and programmes of the labour force. Higher productivity standards can only be achieved through setting and implementing adequate education and training programmes (Sen, 1999). Therefore, human resources development can be seen as a comprehensive process that enables people to acquire, maintain and improve their skills in addition to acquiring knowledge and abilities that would enable them to participate in economic and social development (Torrington et al, 2002). It is evident that education and training are the two essential factors in the process of human resources development. Thus, there is a need to understand and explain separately the concepts and meanings related to education, training and development (Luoma, 2000).

The human resources development policies, strategies and practices of an organisation are driven by the business and human resources needs of the enterprise (Torrington et al., 2002). It has been argued that without investment in human resources development the community will be trapped in a low wage and a low skills economy (Ranbird, 1994). Organisations, which do consider human resources development, usually see it as a key to implementing business strategy in a reactive way. Human resources development contributes to improved productivity in the economy, reduces skills miss-matches in the labour market and promotes a country's international competitiveness (Krueger, 2001).

4.2.1. Education

Education is usually a pre-experience activity, which leads to academic or vocational qualifications prior to one's employment career. Not all education courses are pre-

experience because some are undertaken during one's career development. Education can be gained through full-time or part-time, indoor or outdoor learning.

According to Reid and Barrington (1997: 53) education is *"the activities that aim to develop the knowledge, skills, moral values and understanding required in all aspects of life rather than knowledge and skills relating to only a limited field of activity"*. Education is the most important and the most essential and integral tool for the socio-economic development of nations. Hence, it is imperative to study the nexus of education and development. They are both counterpart and dependent on each other. The two types of education, academic and vocational, are discussed in more details in Chapter five. In the reminder of this chapter the emphasis will be made on training, learning, development and human capital theory in order to develop a conceptual framework for the study.

4.2.2. Training

Training can be defined as the formal and systematic modification of behaviour through learning, which occurs as a result of education, instruction, development, and planned experience (Stewart, 1999). The fundamental aim of training is to help the organisation to achieve its purpose by adding value to its key resources- the people it employs. Training means investing in people to enable them to perform better and to empower them to make the best use of their natural abilities.

According to Kneller (1999: 215), training is a *"planned process to modify attitude, knowledge or skilled behaviour through learning experience to achieve effective performance in an activity or a range of activities. Its purpose, in work situations, is*

to develop the abilities of the individuals and to satisfy the current and future needs of the organization".

Armstrong (2001) argued that many organizations depend on training in order to:

- Develop the skills and competencies of employees and improve their performance;

- Help people to grow within the organisation in order that, as far as possible, its future needs for human resources can be met from within; and

- Reduce the learning time for the employee starting in new job or appointment, transfer or promotion, and ensure that they become fully compliant as quickly and economically as possible.

According to Stewart et al (1995), training can be divided into three categories as follows:

- Knowledge:

o Technical – specific to the job, without which the job could not be done.

o Context – relates to elements to do with employment.

o Background – relates to elements such as organization, history and relationship with stakeholders.

- Skills:

o Intellectual – sometimes referred to as "mental" skills, such as judgment and creativity.

o Physical - also known as "manual" such as sensory activity and co-ordination.

o Interpersonal – also known as "social" such as verbal communication and leadership.

- Attitudes:

The concept of attitudes is highly complex and controversial. However, in simple terms, and in the context of work, attitudes held by individuals can be good/bad, positive/negative, or desirable/undesirable. The distinction will depend on the nature and requirements of the job (Stewart et al, 1995).

4.2.3. Learning

Learning has a broad definition. It very often related to "what we did when we went to school" (Twigg, 1998: 22). In reality, most people are continuously going "to school". Learning occurs all the time. A generally accepted definition of learning, therefore, is "any relatively permanent change in behaviour that occurs as a result of experience" (Cuban, 1997: 219). Ironically, it can be said that changes in behaviour indicate that learning has taken place and that learning is a change of behaviour.

Argyris (1993, 166) makes the point that *"learning is not simply having a new insight or a new idea. Learning occurs when we take effective action, when we detect and correct, how do you know when you know something, when you can produce what it is you claim to know"*. Individuals learn for themselves and learn for other people. They learn as members of teams and by interaction with their managers, co-workers and people outside the organisation. For effective learning to take place at the individual level it is essential to foster an environment where individuals are encouraged to take risk and experiment where mistakes are tolerated, but where means exist for the involved to learn from their mistakes (Birchall and Lyons, 1995). Learning can come under the following:

- *Motivation or a sense for purpose:* People learn best when they see a worthwhile end product to the process.

- *Relevance to personal interest and choice:* Learning will be motivated best if the learner sees it as relevant.

- *Learning by doing:* Understanding is essential to effective performance and only doing can promote real understanding.

- *Freedom to make mistakes in safety:* Learning must ensure that individuals know that it is safe and permitted to fail, but trainers or mentors have to help them learn from their mistakes.

- *Feedback:* Learners need feedback on how they are doing but this is best provided by giving learners the means to evaluate their own progress, and

- *Freedom for learners to evaluate their own time at their own pace:* Learning will be more effective if trainees can manage it themselves in accordance with their own preferences to how it should progress (Argyris, 1993).

4.2.4. Development

According to Harrison (1997: 7), *"developing people as part of an overall human resources strategy means the skilful provision and organization of learning experiences – primarily but not exclusively in the workplace, in order that business goals and organizational growth can be achieved. Such development must be aligned with the organization's vision and longer term goals in order that, through enhancing the skills, knowledge, learning and innovative capability of people at every level, the organization as well as the individual can prosper"*.

Moreover, Barro (2000) described development as *"the social process directed towards creating changes within the economic and social structure that is able to create self-sustained productive capabilities and it would lead to regular increases in the actual average income of the individual. It aims at securing the individual's basic needs and his/her right in participating and securing his/her safety and stability in the long term"* (Barro, 2000, p. 71).

From the definitions and the brief discussion provided above, it can be concluded that the four concepts of human resources development (education, training, learning, and development) concentrate on knowledge, skills and understanding. Both development and training come under learning, which is an inevitable outcome of education, and educational activities develop knowledge and skills. There are also some differences between these concepts. Learning and education concentrate on values and behaviour and aim at long-term changes while training and development, on the other hand, concentrate on organizational needs and the needs of the work place. The latter are relatively short term, and are designed to meet specific needs, and aim to provide skills and improve abilities. As education involves learning, and training involves development, this research focuses on education and training as a means of human resources development in Kuwait.

It is universally accepted that education and training are human rights, as they lead to the development of abilities and skills of human resources (Sen, 1999). The International Labour Organisation (ILO) recommended that skill, development (through training) and providing lifelong learning for all (through education) are massive undertakings in any country (ILO, 1995). The formidable task ahead points to

the need for pursuing and speeding up reforms of education and training throughout the world. It is also argued that education and training make people employable, help them to gain access to decent work and escape poverty and marginalization by providing them with skills and knowledge that improve the quality of their performance. Education and training improve the productivity and incomes of workers, their mobility in the labour market, and widen their choice of career opportunities (Grubb et al., 2001). According to Husen (1994), an individual who gets education and training benefits will increase his/her chances of employment and increased lifetime earnings. The decision to educate oneself is seen as a rational behaviour where an individual compares the costs and benefits of education (Sen, 1999). At the national level, growth and social development of countries are invariably associated with large and sustained investments in education and training. Countries with the highest income are those where labour is most educated (Pritehett, 1996).

4.3. Human Capital Theory

The theory of human capital first appeared in 1960 when the American economist, Theodore Shultz, presented his theory before the American Economists Association (Shultz, 1961). This theory was based on examples of restructuring the Federal Republic of Germany and the role played by human resources in Japan after the World War II. It has contributed to the theoretical conviction that productivity of human resources is based on investment in education. Education, by itself, according to Rao (1996), is a productive investment, which leads to individuals' economic success and creates more opportunities. Thus, it is argued that the concept of human

capital refers to skills, talents, abilities and individual knowledge that develop an individual's contribution to the production of goods and services (Thorrow, 1990).

Investment in human capital means postponing current consumption in order to achieve higher returns in the future. What encourages accumulation of the human capital is the possibility to achieve higher income. Investment in the human capital involves systematic education and training, and other informal forms that increase the human capital (Cohen, 1979). There is, as a result, a financial return that justifies investment in human capital whether by the individuals, the employers or the community in general (Psarchapolos, 1996). The investment by an individual in his/her education, according to Becker (2002), is the result of rational decisions (by the individual's parents) based on estimates of current and expected values of income from alternative resources in the future. Individuals invest in their own human capital and thus they abstain from current consumption and invest a sum of money, most probably paid by the government, hoping for future returns in the form of increased income, better job potentials, higher social status or other gains (Wachtel, 1994). Normally individuals follow rational decisions when thinking of investment alternatives. This means that individuals will remain investors as long as the return on their investment exceeds expected expenditure.

In many countries, the government is the biggest investor in human capital through its investment in education at all levels from nursery to higher and vocational education as well as various training programmes. A survey study carried out by Lauglo (1998) on training programmes organized by the governments of some developing countries showed that investment by the public sector in training yields great benefits to the

participants by improving their employment rates. Companies and governments invest in the human capital through education and training. The cost of education and training varies according to the type of education and training, but the cost may involve the materials used in the production process, the salaries of trainers and the wasted production time of the trainee (if working at some institution) (Becker, 2002). According to Brown (1998), returns on companies' investment in human capital are realized in two forms: First, investment in human capital increases the marginal product of the employee. Second, the material capital of the employer becomes more productive because the gap between investment in the human and physical capital is narrowed.

One of the major challenges that the human capital theory faces is perhaps the segmentation of the labour market. According to Leontaridi (1988), the theory rests on rational educational and economic behaviour regarding the supply and demand in the labour market in accordance with the present and future needs of human resources for economic activities. The consequences of market incompleteness are significant enough to eliminate any profits generated through education. This implies that if the markets were complete, the distribution of income would also be equitable because wages would be linked to productivity. In addition, productivity, which is assumed to be related to education, may be more related to the job itself rather than to education. According to Silvester (1989) the features of a production system, production preferences and discrepancies in the total effectiveness between industries facilitate the understanding of income structure. Also, technology may determine productivity, as indicated by Carnoy (1993) when he said that *"those whose income and status*

depend on maintaining control over the production process are only concerned with technological changes that maintain their control over production" (Carnoy, 1993: 7).

Education and training by themselves cannot solve the labour market and human resources problems. Rather, they must be coherent and form an integrated part of comprehensive economic, social, and political programmes that promote economic and employment growth. The development policy must be targeted to *"the creation of a macro-economic climate that is conducive to enterprise and job creation, policies for economic growth and technological change that maximize employment creation, and labour market and training policies that facilitate the insertion or reinsertion into productive work"* (Aidan, 1992 :16).

Therefore, it can be concluded from the above discussion that human capital theory is based on the understanding that education and training are investments in people in order to improve labour productivity and consequently organizational performance.

4.4. The Relationship between Education and Development

The nature of the relationship between education and development can be traced through an understanding of the historical development of schools as political, social and economic institutions. In ancient civilizations, the school appeared as a political institution or a means serve political objectives (Cohen, 1992). For instance, the most ancient schools that appeared in ancient Egypt were established near the pharaoh's palaces and were attended by the children of kings and princes and those close to them (Cohen, 1992). The schools were considered as specialized institutes for teaching, where teachers using certain means to reach specific goals undertook the

education process. The traces of this approach can still be found in several educational systems, which confirm the political nature of the motive behind the emergence of schools and the interest in their governance and organization.

Moreover, the evolution of schools as social and economic institutions can be viewed from a social and economic change perspective. It is argued that changes in education are the results of social changes (Durkheim, 1998) whereas economic changes are influenced by educational changes. Yet, according to MacClailand (1981), the relationship between education and the economy, and education and development in particular, became the focus of debate after the success of the industrial revolution in England. In the 18th century, education was believed to lower production. In 1723, an opinion emerged to oppose the expansion of education on the ground that *"attending school instead of going to work means waste of time and that increasing the period of education means increasing the term of the children's easy life and increasing their difficulties in the labour market when they grow up"* (MacClailand, 1981: 47). Hence, schools were not regarded as an element of economic development. It was believed that the knowledge and skills needed for work in factories were those acquired by the labourer from the factory itself.

Following the industrial revolution, growth of industries and their increasing demands, including those for educational systems, the development of philosophies, ideas and studies regarding the relationship between education and development changed. In his famous book "Wealth of Nations", first published in around 1750, Adam Smith stressed the importance of education and viewed it as one of the country's neglected factors of development (Smith, 1973). With the increase of

industrialisation and the growth in technology, education has become more and more important in all societies. (Michael, 1997) highlighted the importance of education by equating public expenditure on education as government investment. Michael argued that the most effective and most yielding capital is the human capital (Michael, 1997). According to Bowman et al. (1998) public expenditure on education is an investment and an essential requirement to improve production and achieve development in the society. Hence, economists view expenditure on education as an investment, not consumption (Lewis, 2000). Consequently, the focus has been on additional educational planning in order to achieve economic as well as social benefits. According to Bowman et al. (1989), investment in the field of education represents a revolution in economic thinking that led the World Bank to turn its attention from supporting certain fields such as engineering and technology to more investment in elementary and basic education for the socio-economic development of nations.

In addressing the relationship between education and development, Berryman (1997) argued that the role played by education in realizing social and economic development can be examined from two broad aspects: Firstly, in modifying behavioural patterns and attitudes to match social developmental goals. Second, in preparing the trained human resources required to build economic and social projects and equipping them with the knowledge, skills and values that can qualify them to live successfully through the age of technology. The levels of income and living standards of less developed countries have been negatively affected because they have been unable to acquire the knowledge and skills needed for scientific and technological developments. It is argued that the factors behind their inability to acquire technological and economic development are related to the failure of their

educational systems. According to Atef (2002: 23), some of the most important reasons for the failure of education systems in less developed countries are:

Education and Behaviour Adjustment: Economic activities take place in the context of social, economic and political systems. Therefore, the developmental process is affected by the prevailing traditions, cultures, beliefs, values and attitudes. In this respect, Newman (2001) argued that several behavioural and intellectual patterns with negative effects on the developmental movement have affected the citizens of developing countries, especially Arab countries, through conventional education. In spite of the efforts of those in charge of education in the Arab countries to renovate and update education systems, the effects on the behavioural patterns are still limited. One of the most important behavioural features that impede targeted development in the region is neglecting the value and importance of skilled and manual work. Office jobs are seen as the most prestigious, while manual work is looked at with disrespect. In a study of Central and North African societies, Al-Manofi (1998) also found that, in general, young people, even those who had technical qualifications, tended to prefer office work to manual or vocational jobs.

The Structure of the Labour Force: In reviewing the labour force structure in developed countries, Douglas (1997) pointed out that the composition of the labour force takes the shape of a rhombus whose strength lies in its middle base. The lower base gets smaller as a result of the shortage of ordinary and moderately skilled labour force, while its top broadens due to the increase in highly qualified individuals. In the case of less developed countries, however, illiteracy is widespread. This situation is

viewed as an indication of the failure of authorities in less developed countries to give education its due attention, especially at an elementary level (El-Erian et al, 1998).

Balance between labour force skill levels: Scientific advancement, technological revolutions and rapid development in production methods induce continuous changes in levels and quality of education. At the same time, such developments may help in monitoring and managing work and organisations (Moosa, 2002). Conventional educational practices, however, increase labour's inability to meet the requirements of socio-economic development. Most of what is taught in Arabic schools, for example, is not based on the principle of grasping or understanding the meaning. The approach measures the level of memorization and ignores the behavioural elements such as values, preferences, tendencies and skills. Arabic schools do not contribute towards creating a clever personality that can readily use logic and sound scientific analysis (Afifi, 2001).

Modifying the behaviour patterns and change in attitudes to meet with development goals and restructuring the objectives of trained human capital can explain the relationship between education and development. The conventional education systems prevailing in developing countries like Kuwait has seriously affected the social, economic and political system.

4.5. Conclusion

Human resources development is investment in education and training to build up skills, knowledge and attitudes. Developing people through education and training is a part of an overall human resources strategy. The strategies and other practices of

organisations must be driven by the business and human resources needs. Without investment in human resources the country will be trapped in low income and low skilled manpower, and consequently an under-developed economy. Education and training make people employable, give them access to decent work, enable them to escape from poverty and provide skills and knowledge to raise output of the labour force.

Thus, education contributes positively to the growth of national wealth. Expenditure on education is an investment because what is paid for education today is recouped tomorrow. Education is an important factor in realising development. It plays a major role in modifying the behavioural patterns to mach social development, and to prepare human resources to build their projects and equip them with skills and knowledge to survive and compete in the developing labour markets.

Human capital theory refers to skills, talents, abilities and knowledge that develop the individual contribution to production of goods and services. Governments are the largest investors in human capital, which includes all educational levels. The challenges facing the human capital theory are that it does not consider the relation between productivity and wages, and that productivity relates to jobs rather than to education. Also, education itself cannot solve all the labour market problems without other factors such as social and economic factors and policies adopted by the government.

Education might fail in some societies because of the behaviour of people towards education and training. In some less developed countries there is less attention given

to the improvement of all stages of education and the lack of awareness of the importance of continuous investment in people. In most case, as in Arab countries, conventional and conservative education systems have hindered prospects for economic growth and social change.

After the above general but brief conceptual analysis of the relevant concepts to this study, the next chapter will focus on the main theme of the research by reviewing some of the relevant literature on the relationships between higher education as a context in which education takes place and the labour market where the outcomes of education and training are contested.

CHAPTER FIVE

HIGHER EDUCATION AND THE LABOUR MARKET: A

THEORETICAL REVIEW

5.1. Introduction.

This chapter attempts to review some of the relevant literature on higher education

and the labour market, and on the relationship between them. The two distinct types

of higher education (academic and vocational) are discussed. The importance of each

type of them to today's competitive business environment, and the experiences gained

in some countries are also explained. In this study, vocational education is being

treated as complementary to academic education because of its contribution to the

labour market by providing skilled workforce.

5.2 Higher Education

It is generally assumed that higher education is that education which prepares students

to become responsible for and active contributors to the socio-economic development

of societies and who will be able to apply, develop, discover and disseminate science,

technology and the arts so as to improve the quality of life and enrich national

cultures (Cantu, 2000). With technological changes and greater competition in the

labour market, improved standards of higher education are needed to meet the skill

requirements of the future. Many future occupations will require higher education

preparation. To compete in the future labour markets, employees will be required to

be technically skilled and well trained to do the jobs assigned to them, to be computer

literate and socially competent, and to be able to perform a wider variety of tasks

(Halliday, 1999). It is not only important for students to simply join institutions of higher education to be able to find jobs, they have to remain also competitive for better jobs as the educational requirements of the labour market evolve significantly over time (Richardson et al., 1995). Those students who select their careers carefully, acquire an appropriate education and market their abilities adeptly, make the smoothest transition from study to work, and help to facilitate economic growth. For individuals, higher levels of educational attainments will result in more benefits in terms of income and future career prospects (Richardson et al., 1995).

The future demand for those with higher education qualifications will be shaped by the changing structure of the national economy and the labour market, which in turn will be responding to changes in the world economy and the associated competitive challenges (Belfield et al., 1997). These forces will find their response in the choices made by individuals about participation in higher education and in employer demand for lifelong learning opportunities on behalf of their employees. In this respect, Blundell (1997) claims that *"the direction is universal participation: 100 per cent participation with fair and equal opportunities to study; in some form of tertiary education; at some stage in the life cycle and not necessarily end on to secondary education; in a wide variety of structures, forms and types of delivery; undertaken on equal terms either part-time or full-time; publicly subsidised but with shared client contributions; closely involving partners in the community; serving multiple purposes – educational, social, cultural and economic"* (Blundell, 1997: 22).

It has been also argued that in the long term, countries will increase their investment in higher education to sustain their economies (Fergany, 2001). There is some emerging economic evidence to support this argument. First, those countries, which

are the first to develop new research and technology capabilities, gain a long-term advantage over their competitors. Second, that *"education is positively associated with income growth and higher education seems to be the most relevant educational variable in most developed countries"* (Fergany, 2001).

The structural changes occurring in the economy and rapid transition towards a knowledge based economy will put pressure on educational authorities to expand access to higher levels of education, and at the same time more and more people who have low educational levels will have greater difficulty in the labour market (Young, 1997). In addition, the jobs that needed relatively little formal education in the past are fewer today, and this is also likely to be the case in the future. The main factor in the relationship between higher education and the labour market is the quality and quantity of higher education graduates and the employability of those entering the labour market. While the labour market needs higher education, students also need a better understanding of the future employers objectives and needs (Semijin, 2004). Therefore it can be concluded that higher education is strongly related to the labour market in all societies but it should be noted that higher education can be academic or vocational and it is this distinction which have raised the debate on whether academic or just vocational or both are important for the future labour market demands. The following sections explain both types in terms of aims, definitions, kinds and shortcomings.

5.2.1. Academic Education

Academic education is normally related to theoretical learning and is very often administered by governments according to specific standards concerning duration,

curricula and contents. It is largely formal as experiments and out-door activities are very limited. Academic education introduces students to basic concepts and methods in established fields of knowledge, and ends with graduation and the award of a qualification. The main aim of academic education is to *"develop an admiration of literature and the arts, and understanding of the natural world, and knowledge of our own and other societies and cultures"* (Favennec, 1996: 668). Academic education, according to Lee (1997), is of a general nature and organised into traditional subjects that are covered from primary to university level education. However, the proportion of self-learning to supplement the compulsory lectures is normally expected to be significant (Satsz, 1997).

Moreover, according to Lewy (1991: 181), academic education is *"more associated with academic teaching, and is therefore less likely to be responsive to economic or employment pressures"*. It is argued therefore that 'academic' education can be linked to the labour market because of the need for academic qualification to do an increasing number of jobs as a result of continuous industrialisation and technological advancements (Grubb, 1999). As stated by Bock (1998: 87), *"reasons for the growing relevance of academic qualifications can be found in technological developments, work and organisation structures, as well as the constantly increasing relevance of service sector. These trends foster a shift to new concepts of production of goods and services, resulting in a growing of complexity of installations and machines, a growth of dispositional tasks, a decrease of manual work, an increase of analytical and logical work requirements, a growing need of independence at work, an increasing ability to work with and in teams and an increasing relevance of communication abilities"*.

In general, academic qualifications seem to offer better employment opportunities to graduates. However, for this to be true, academic institutions must provide the type of education that matches the demands of the labour market. In other words, academic education can be also "vocational" in the skills and dispositions it offers. For example, Rouhelo and Ruoholinna (1999) argued that during the industrial revolution academic education was designed to produce a factory-ready disciplined workforce. Currently, however, university academic education is desired because it is perceived to lead to high status occupations. Academic educational institutions, on the other hand, face criticism for providing curricula that lack participatory forms of learning and opportunities for students to connect learning to "real world" events (Grubb et al., 1999). The problem seems to be in the aims and the types for which academic education is established in different countries, as explained in the next sections.

5.2.1.1 Aims of Academic Education

The main aim of academic education is the acquisition of those traits of character, such as thoroughness, accuracy, perseverance, intellectual humility, and intellectual courage that make students conscientious in the pursuit of true knowledge (Bock, 1998). The philosopher John Dewey (1994) thought that the aim of academic education was the inculcation of certain traits in students, among them open-mindedness, single-mindedness, sincerity, breadth of outlook, thoroughness, and responsibility. Dewey insisted that these academic or intellectual virtues "are moral traits" (Dewey, 1994). That means academic education is in itself a kind of moral education and the essential objective of academic education is therefore to educate the individual to be a rational and humane person. The person who will use rational

procedures in daily life, who will be motivated to continue self study in a world of accelerating change, who knows and understands how to use accepted scientific and intellectual processes, and who will appreciate and enjoy the best cultural values and activities of societies (Kohlberg, 1998). Hence, the main characteristics of an academic education programme can be attained through study in a wide variety of methods and academic disciplines, and do in some aspects include what is commonly described as liberal education (Cohn, 1995). For these reasons, academic education is seen to be general and is not aimed just at meeting the needs of the labour market. However it can be argued that the aim of education depends on the type of education one has to fellow because some types of academic education are specifically related to a specific labour market, as explained below.

5.2.1.2. Types of Academic Education

Some educational programmes, such as medicine, prepare students for a specific profession or a limited set of jobs and occupations, while others, such as management, prepare them for a broad range of occupations (Wolf, 2000). Other programmes, such as psychology or sociology, take positions in between, resulting in differences in the priority for different types of competence. Moreover, priorities may vary when considering competences that are most important for entering the labour market versus those that are important for functioning later in the career. It seems inevitable that choices have to be made about what priorities prevail and why. Heijke and Meng, (2003) argued that such choices are more easily made when supported by empirical data about the effects of different educational achievements of students on their labour market outcomes.

5.2.1.3 Shortcomings of Academic Education

Obtaining academic education, especially higher and further education, is not always believed worthwhile. Quite often, there are people who feel that the costs of such an effort will outweigh the benefits, either because they already have the ability to generate high income or they can engage in stimulating work without having to obtain an additional degree, or the cost of registration is higher than the expected benefits of the education or the attractiveness of future employment. It has been argued that the sacrifice in terms of free time is greater than the benefits a student could hope to receive upon graduation (Belfield et al, 1997). It could be that a potential student finds that his/her probability of completing the course of study is limited. Therefore, the opportunity to actually secure an income or a more enjoyable work is not within their reach. The decision to undertake academic education is evaluated by potential students, some of them opt to continue their studies and some of them do not.

5.2.2 Vocational Education

The United Nations Educational, Scientific and Cultural Organisation (UNESCO) described vocational education as: *"All forms and levels of the educational process involving, in addition to general knowledge, the study of technologies and related sciences, the acquisition of practical skills, know-how, attitudes and understanding relating to occupations in the various sectors of economic and social life"* (UNISCO, 1999: 19).

Vocational education is designed to lead participants to acquire the practical skills, know-how, and understanding necessary for employment in a particular occupation or trade or class of occupations or trades. Providers of vocational education attempt to integrate both education and human resource development (Gonczi, 1997). Therefore, it can be argued that vocational education has the potential to bridge "education" and "training," providing a route from short-term programmes back into the mainstream of education.

5.2.2.1. Aims of Vocational Education

According to Hyland (1999), vocational education is normally employment oriented towards a practical occupation and contains subjects that are driven by commerce and industry in the private, public and informal sectors of the economy. The main aims of vocational education can be summarised as follows:

- To link education with productivity.

- To make students more employment worthy with the ultimate aim of making them capable of self-employment if they need to be, and

- To provide students with essential occupational background and familiarising them with tools, materials, process and technological knowledge relevant to certain occupations (Hyland, 1999).

According to Husen (1994) education in secondary schools is sometimes vocational, as in Jordan and Botswana where students are trained for production. For example, vocational classes are taught in bakery work through partnerships between business firms and training institutes. This is because students need to have transferable skills after graduation to help them secure better jobs. In reality, however, even vocational

education is often a mixture of vocational and academic. A study by Robert (1997: 93) found that in some countries like Bangladesh, the Ministry of Education had, for example, introduced vocational education in the secondary school curriculum because of its large population (half of it was under 20 years of age), a lack of natural resources, and problems of unemployment and under-employment. In Bangladesh, where the curriculum contents of polytechnic and training colleges have been updated, social and cultural aspects have been reinforced in pre-vocational training, and a greater emphasis is placed on written and oral communication skills, including English language (Robert. 1997). Also, in Germany, apprenticeship training is a dual type of vocational education, which includes theoretical (academic) learning at school and practical (vocational) learning at the enterprise (Husen, 1994).

Vocational education can be provided as a component of general education or part of future training and continuing education. According to Misri (1994), researchers and education decision-makers should take into consideration two main factors when exploring the aims of vocational education, especially when such education is a means of preparing individuals for occupational fields. First, the aims should comply with the overall goals and objectives of education. Second, emphasis should be put on helping individuals to realise their potentials and prepare them for socially useful work in their societies. Vocational education can be treated as a remedy for the poor link between education and the labour market. The primary role of education is supposed to have an effect on the labour market and to prepare students for better employment, but education policy- makers have no clear plans to improve the quality of their education systems (King and Martin, 2002: 6).

The country that has a unique experience in vocational education and in deploying human resources in ways that support economic policy is Singapore (Minnis, 2000: 50). Singaporean education planners use the term "developmental state model" to describe a mode of skill formation in which the state's political and economic goals are used as a basis for defining the national skills needed. Training policy is then directed at ensuring that the needed human resources are in place to achieve these goals. On the contrary, in the Sultanate of Brunei, which is an oil-based economy, many people are not willing to accept vocational training due to the high per capita incomes, guaranteed government jobs, and the availability of already unskilled and semi-skilled immigrant labour (Minnis, 2000). The case of Brunei is similar to that of Kuwait, as this study will explain later.

5.2.2.2. The Main Types of Vocational Education

There are many types of vocational educational programmes, depending on the aim of each programme and the role of the stakeholders. For example, the ISESCO (1997: 20-30) divided vocational education into three major types according to the level of state involvement.

1. The role of the government is at best marginal in the qualification process. This type of vocational education is known as market-bound training or the "market model". Vocational training is not related to general education and there is no independent vocational training, which sets the minimum vocational requirements for the majority of young people. This type of vocational education has a direct link to the labour market. A citizen takes the initiative to prepare and structure his/her vocational education and training. On the other side, companies and local authorities

and other training institutes are given the opportunity to organize the job-oriented training without any government interference.

2. The state assumes responsibility for planning the vocational education and training, organizing and supervising it. This type is called "bureaucratic type" or educational model. The characteristics of this school-based vocational training emanates from the fact that the graded system of vocational schools is strongly linked to general education. The link between academic and vocational training is associated with the link between the scholastic qualification and vocational rehabilitation. This results in a double-barrelled qualification, which leads either to joining the university or acquiring qualifications of a skilled worker. In France, for example, the Chamber of Commerce manages vocational schools, which are supported by the government, and is committed to addressing the governmental standards (ISESCO, 2000).

3. In this type of vocational education, the state provides a rather general and comprehensive framework for vocational training for private companies and other private training institutions. This system is known as the "dual system". It is called "dual" because education is carried out at two sites, companies and general vocational training institutions. Both types of education are integrated to achieve a mutual goal, which is providing fully qualified trainees. The main responsibility for this type of vocational education falls on the employers. In principle, companies finance the training but governments, as in Germany, make a significant contribution to the cost of dual apprenticeship training (Wheelahan, 2000).

5.2.2.3 Shortcomings of Vocational Education

The role of vocational education has generated a heated debate because of the emergence of globalisation and the challenges facing societies (unemployment, modernisation, competitiveness, and the struggle against poverty and exclusion) (Minnis, 2000:251). Many countries have problems with vocational education. In Turkey, for example, vocational education is characterised by a centralised, top-down bureaucracy, which inhibits innovative initiatives (Simsek, 2000: 328). Vocational education, within general education, is under the strict control of the central organisation of the government. A study by Simsek, (2000) found that the decision makers and officials had very limited understanding of vocational and technical education and they were not attentive to its problems. Information flow is in the form of orders, instructions, and/or new procedures and policies, which are usually uni-directional from the centre administration of the government to schools and colleges. Many employers were unhappy with the quality of graduates and the subject taught but they were unable to communicate with the right people in the vocational education sector because of the bureaucratic nature of the Ministry of Education (Simsek, 2000).

Many less developed countries, like Jordan and Botswana, have adopted vocational education as one of their strategic choices for development. These countries designed the curriculum of secondary schools to include vocational and practical subjects but, as Lee (1998: 45) reported, they did not meet the intended objectives because of high unit costs and low efficiency, absence of clarity in aims and objectives, shortages of qualified teachers of vocational subjects, and the low status of vocational subjects as viewed by the students and the community (Lee, 1998: 45). Moreover, vocational

education is seen in developing countries as a dead-end education with limited career prospects, in comparison with university education In this respect, Aleshenok et al. (1995: 441), wrote: *"In some developing countries, vocational education is a purely job-oriented activity and its graduates are not allowed to pursue higher education"*.

One of the main criticisms of vocational education is that it tends to be monopolised by public sector institutions and is based on an expansionist approach to human resources planning that is poorly related to effective demands for skills training. As Bennell (1996: 469) argued, vocational education is biased towards particular sectors (central governments and manufacturing) and groups (youth and especially school leavers, urban dwellers, and males destined for relatively highly paid employment in high and middle-level occupations), and types of training (long, expensive pre-employment training using traditional and increasingly outdated training methods). The public sectors in developing countries, that dominate vocational education, are usually poorly planned, badly managed and under resourced, resulting in low quality education coupled with often-limited skill initialisation among trainees once in employment (Young, 1993).

It has been also argued that vocational education institutions in developing countries have been unable to catch up with the fast technological advances and changes in the labour market. Whereas in developed countries like Germany, "for nearly 29 years, half of the young people have received training in the production occupations, even though the employment structure changed fundamentally at the same time" (Bock and Timmerman (1998: 82). A vocational course might last three years by which time the market might be saturated or the occupation disappeared.

Theoretically, vocational education appears to be ideally suited for solving skills shortages' problems of the developing countries, particularly in the context of the need for qualified and trained manpower for the different sectors of the economy. However, the lack of clear vision and the way vocational training programmes are organized and implemented have made it difficult to fully realize the potential benefits of the training provided. Vocational training programmes need to be properly designed by involving different stakeholders, such as industry specialists and experts, to ensure that the needs of the society and the economy are met.

5.3. The Labour market

Like all other markets, the labour market has buyers (employers) and sellers (employees). It is even described in terms of internal and external markets (Lane, 1999):

- The internal labour market is made of the stocks and flows of the people within an organisation, who can be promoted, trained or re-deployed to meet future organisational needs.

- The external labour market represents the local, regional, national and international markets from which different sorts of people can be recruited.

In practice organizations tend to mix the two markets together to meet their needs for labour and respond to the forces of supply and demand just like any free market economy. The demand for labour comes from public, private and voluntary sectors. The supply of labour, on the other hand, is provided nationally by institutions of

higher and further education (academic and vocational) and internationally through labour immigration and expatriation.

5.3.1. Academic Education and the Labour Market

Generally speaking, the establishment of academic education is not concerned with the labour market. It is concerned with people. Its content is drawn from individual and social psychology, cultural value systems and national policy (Tabbon et al., 1997). For academic graduates, their education plays an important role in what they learn before entering the labour market. Educational institutions are given the big responsibility to prepare students to work in the labour market. In this type of education, emphasis is made on the crucial role of the so-called 'specific' competence development during education (specific knowledge and skills) that is relevant to the type of jobs the educational programme prepares them for (Boshuizen, 2004). However, the types and curricula of academic education have a broad range of diversification. Some of them are job specific and others have a broad range of purpose.

Some educational programmes prepare graduates for a specific profession, or a limited set of jobs and occupations. Medicine is an example. Other programmes provide a broad range of knowledge and skills for a variety of occupations. Although academic education does not prepare graduates specifically for the labour market it provides students with the choice of career from an early stage. The person who wants to work as an accountant will choose to study accountancy and the one who wants to become a lawyer will choose to study law, and so on. These choices are more easily made as a matter of individual preference and there are very limited studies on what

make people study certain disciplines not others. There may be some apparent social and economic factors but more research is needed. There is also a limited research on whether what students learn at the university/college is what employers need. This study will address this gap in research and attempts to study the link between academic education and the labour market.

5.3.2. Vocational Education and the Labour Market

It is generally assumed that vocational education is directly related to the labour market because most institutions of vocational education are designed with the labour market in mind. Students are normally trained to learn the skills that are needed in the labour market. This is a common practice in developed and in some less developed countries. In Kenya, for example, there is a close co-operation between vocational educational institutions and economic enterprises (UNEVOC, 2001). The government co-operates with industrial firms, which use training committees to determine training needs. The vocational education institutions use market available data to design and develop curricula for training programmes for artisans, craftsmen and technicians, and general skill improvement courses for indentured learners and supervisors. Through the curriculum development panels at the Kenya Institute of Education (KIE), industry personnel are often called upon to contribute to the development and review of curricula for Training and Vocational Education (TVE) to ensure quality and relevance of the courses (UNEVOC, 2001).

Nigeria has also established a good link between vocational education and industry. According to the UNEVOC (2001), the Nigerians believed that the co-operation between vocational institutes and industrial enterprises would:

- *"lead to assistance of educational institutions to turn out higher quality graduates to the benefit of the labour market.*

- *better equip vocational education graduates with relevant skills.*

- *help influence curriculum design and improvement; and*

- *render support services, such as maintenance and provision."* (UNEVOC. 2001: 6)

The above co-operation was made a reality by attaching vocational education students to enterprises for practical experience and by providing equipment and machinery to enterprises for training purposes. The interaction between teachers and students offers the process of monitoring and evaluation for the benefit of students. Further, the process can be viewed by both parties of the relevance of curricula drawn up for vocational students in the light of challenges facing the labour market (UNIVOC, 2001).

The above discussion made clear the relationship between vocational education and labour market. The effective, pre-decided perfect vocational education of students leads to industrial development. There is however the need to understand the extent to which the relationship can be strengthened in developing countries and to find out the reasons for poor level of vocational education in some developing countries like Kuwait.

5.4. Conclusion

Higher education revolves round two basic types of education: academic and vocational, each of which has its own advantages and suitability to the economic and

social environment of societies. Academic education focuses on the dissemination of learning and transmission of knowledge. In this type of education, decision-makers are not interested in the actual needs of the labour market. However, there are successful experiences, which made it essential to link the actual needs of the labour market and the output of the academic education. In vocational education, it is found that it is designed to address certain requirements of the labour market. Such requirements are usually fit for secondary school leavers and pre-university students. The government of many countries believe that vocational education is an important medium leading to development in the area of industry and technology.

The important question that must receive due attention in this respect is: How decision-makers decide on the type of education most suitable for their labour market and so on, the method by which they define their needs and the nature of the labour market for the coming years? These are expected to prepare the labour market to be the niche for socio-economic development A clear vision of the business environment helps provide graduates with the sort of generic skills required in the labour market.

After reviewing relevant literature on higher education and the labour market, the next chapter will be devoted to the explanation of the methodology used in this study.

CHAPER SIX

RESEARCH METHODOLOGY

6.1. Introduction

The purpose of this chapter is to explain and justify the research methodology that have been used in this study and to explore the research questions that were raised earlier in chapter one. It starts with a discussion of the nature of the research methodology used in order to set the scene and to locate this study in its perspective. Therefore the research methods, the population, the research design, the research tools and the procedures used in collecting and analyzing data for this study are all explained.

6.2 The Nature of the Research Methodology

This research uses qualitative methodology to examine the gap between the output of higher education and the requirements of the labour market in Kuwait. According to Vulliamy (1990:11) qualitative research methodology displays a set of key characteristics as follows:

- Emphasizes on meaning and tries to get familiarized with the mores and cultures of people being studied. Researchers in qualitative research often prefer participant observations rather than experiments under artificial

conditions, informal and less standardized interviews rather than standardized and structured questionnaires.

- Qualitative research seeks to generate theories and findings through the data and feedback they acquire instead of confirming or not confirming pre-set hypotheses. There are two implications for this; first, it implies a greater degree of responsiveness and flexibility concerning the researcher's design and data collection over the duration of a research project. Second, it implies that the process of analysis occurs simultaneously with the process of data collection.

- Qualitative research shows the nature of relations, causes and consequences among things that affect human beings and their behaviour. It does not take facts without linking them to the real world and wider totality around them. It is therefore often better at answering 'why' questions than quantitative research. Qualitative research is stronger on validity, on getting at what really happens in a situation, though it is weaker than quantitative research on reliability and generalisation (Vulliamy, 1990 :11).

In the light of the above key characteristics of qualitative research, this thesis seeks to find the tendencies and thoughts that would help in discovering solutions or remedies for the present situation with respect to the relation between higher education and the labour market in Kuwait. In this case, qualitative research is very helpful. The researcher wishes to explore perceptions and opinions about what certain groups in a society believe and regard as valid. It is for these reasons that qualitative research is believed to be more appropriate in this case.

Cohen et al. (1994) noted that researchers in the social sciences have adopted two types of approach: positivist or objectivist and anti-positive or subjectivist. They noted that investigators adopting an objective (or positivist) approach to the social world treat it like the world of natural phenomena as being hard, real and external to the individual and therefore measurable. These researchers tend to choose from the range of traditional options such as surveys and experiments. Those that favour the more subjectivist (or anti-positivist) approach view the social world as being of much softer, personal, subjective and man-created kind and will tend to select from a comparable range of recent and emerging techniques, participant observations and personal constructs.

Positivism is a system of philosophy that excludes everything from its consideration except natural phenomena and their interrelationships. The aim is to describe the social world by quantifying it. One of the major principles of logical positivism is the verifiability principle, which states that something is meaningful if and only if it can be observed objectively by the human senses (Borg, 1989:17). In the positivist approach, the researcher's values, interpretation, feelings and musings have no place; the researcher must be as 'objective' as possible (Sarantakos, 1997). However, the positivist approach has been criticised as follows:

- Such studies do not take into consideration the social values of the community because they are value-free and depend on the academic validity only.

- Positivistic sciences concentrate mainly on observable phenomenon. "It focuses exclusively on behaviour and excludes all internal phenomena being

outside the province of scientific inquiry" (Borg, 1989: 20). This therefore

excludes intentions, feelings, perceptions, attitudes and cognition of people.

- Generalising conclusions to all environments and all times. There is a
  tendency to look for "laws" of human behaviour in the same way that there
  are laws in the natural sciences, and it is too difficult to achieve such a goal
  in social science.

This positivist approach could be relevant when conducting studies on scientific

subjects and natural phenomena equipment but it is difficult to apply to social and

educational studies that are related to behaviour, reaction and change due to place and

time. Therefore, in the light of the above criticisms, an interest has emerged in the

qualitative research techniques, which sees human actions and institutions as "social

constructions created by people rather than as a product of external forces which

mould individuals in ways which can be predicted following canons of positivist

social science enquiry" (Punch, 1999: 8).

This study seeks to locate the attitudes of the concerned bodies towards gaps and

disequilibria between the output of higher education and the requirements of the

labour market. Furthermore, the study seeks to explore the impact of the prevalent

social and economic conditions on the educational system in general and higher

education in particular. Therefore the nature of this research can be described as

exploratory. Exploratory research is "usually undertaken when there is not enough

information available about the research subject" (Sarantakos, 1997: 7). According to

Punch (1999), exploration is a process that is useful for developing an accurate picture

of the research object. In certain cases, exploratory research is undertaken in order to

provide a basis for further study, while in other cases it is undertaken to gain information on the issue itself. Several research methods are associated with the explanatory qualitative approach, including the case study, which forms the basis of this research. The use of different methods in research is referred to as triangulation. Triangulation provides objectivity through multiple ways and methods of data collection as explained below.

6.3. Triangulation in Qualitative Research

According to Denzin (1997: 318) triangulation is "the application and combination of several research methodologies in the study of the same phenomenon". As the world is socially constructed and is constantly changing, no single research method will ever capture all the changing features of the social world under study (Denzin, 1997: 318). Triangulation is also defined by Cohen (1988: 294) as *"the use of two or more methods of data collection in the study of some aspects of human behaviour. It is a technique of research that in principle is subscribed by many, but in practice is used by only a minority. Utilising more than one method in research contributes greatly to balance in interpreting scientific and social phenomena embedded in the community being studied. One method can be used to check on the validity of another"* (Cohen, 1988: 294).

In this research triangulation is provided through the use of samples from different occupational groups relevant to issues of education and the labour market, such as employees, students in higher education, employers in the public and private sector,

educational personnel and policy makers. Also documentation is used as another technique of data collection to give a clear picture of the present situation in the Kuwaiti labour market and education system. The process of triangulation in social research is not limited to using one technique, for example a questionnaire or an interview or a case study, but rather there could be a triangulation by combining multiple observers, theories, methods, and data sources (Keeves, 1997).

A combination of interviews, documentation and observation techniques were used in this research. This combination had the advantage of the methods complementing each other and establishing the authenticity of the research findings by triangulation. It also allows for the examination of a wide range of historical, attitudinal and behavioural issues through the use of different methods. Thus, the findings are likely to be more "convincing and accurate" (Yin, 1994).

6.4. Interviews

Interviews are the main research method used for the collection of primary data in this study because they provide the best means of finding the perceptions of key respondents, or stakeholders, that are relevant to the issues being investigated. An interview is characterised by Miller and Crabtree (1999: 135) as including "the presence of the unscripted input, the steerage, and the personality, background and motivations of the interviewer". The interview in educational research is a two-way interaction that emphasises the fact that a relationship has to be established even for the simplest interchange to take place. Interviews are divided into three types: the informal, the structured and the semi-structured. In the informal or unstructured

interview, the interviewer, according to Miles and Huberman (1994), does not follow questions as in a detailed interview but works to a general plan, asking appropriate questions with a view to leading respondents towards giving information required by the study. In structured interviews, the interviewer asks each respondent exactly the same questions, which have been carefully constructed. In semi-structured interviews, the interviewer has a list of question, including open-ended questions, in order to elicit certain dates or to investigate certain opinions or feelings but is free to deviate from these questions when matters of interest arise (Keeves, 1997).

In this study, semi-structured interviews have been used because "they allow for combination of consistency and flexibility enabling the collection of data that could not be successfully obtained by any other approach" (Borg, 1989: 597). The main objective of semi-structured interviews in this study was to understand the thinking of the interviewees, their perceptions, attitudes and values. They were also expected to reveal factors that had not previously been researched in relation to the labour market in Kuwait. The respondents gave direct and valid answers because they had not been hold responsible for the current problems. Semi-structured interviews have enabled the researcher to expand the answers given to explore important issues in more details. It was also possible to repeat the question for greater clarity (Borg, 1989). The single most important skill in mastering the art of interviewing is the ability to ask questions, which "depend on the researcher's ability to make interviewee talk more" (Walford, 2001: 40).

In order to facilitate and ensure understanding, the interview questions were written in English and then they were interpreted to Arabic in order to be understood by the

interviewees. After finishing the interviews the responses were transcribed and then translated into English. The translation was carried out by a certified translator and then checked by the researcher for accuracy of the meaning and relevance of some words to the relevant literature.

6.4.1. The Interviewing Process

It is important to set the interviewee's mind at ease and to assure him/her that all information provided would remain confidential. The words of the researcher or the official communications of the agency to which the researcher belongs can provide such assurance to an interviewee. For this study, the interviews took place in the summer of 2004 during which most people were free and had more time to spare. The researcher had used his extensive relations in the labour market and education sector in Kuwait to contact interviewees. The respondents from employers, labour market officials and higher education decision-makers were contacted by telephone to request their participation in the study and to make appointments for the interviews. Regarding the participation of students, the researcher contacted their professors and agreed to interview the students after the end of their lectures. When contacted for interviews, the respondents were given explanation of the purpose and objective of the research, the type of questions to be asked, the importance of the study, and the importance of their contribution to the research. Three officials could only be interviewed by phone while others were notified of the interview via their secretariat.

At the start of each interview an introduction was given about the nature of the study, the university where the researcher had been studying, and the aim of the research and the importance of the interview for the successful completion of this study. It was explained clearly that the research concerned the link between education and the labour market. It is known that getting a job in Kuwait has generally become a source of worry and concern to many Kuwaitis. This approach of giving the background of the research on a topic that is of direct importance to the general population stimulated interviewees to give more information, taking into account that there was no request for statistical data, which are already available. More details about the contact of the interviews will be given later in this chapter.

6.4.2. Population and Sample of the Study

Sampling is an important issue to be considered when doing social research, since it is usually impractical to study everything or everyone in the whole population. The size of the sample depends largely on the purpose of the research and on what can be achieved within the available time and resources. Case study research is no exception. Although the selection of a case might be straightforward, sampling is required within the case because it is impossible to study everything about everyone in it (Punch, 1999). According to Strauss and Corbin (1998), there are no rules for sample size in qualitative research. Punch (1999) stresses that probability sampling is rarely used in qualitative research. Instead, purpose sampling is often used, which selects subjects in a deliberate way, with some purpose or focus in mind (Miles and Huberman, 1994).

Whatever sampling strategy is applied, Punch (1999) asserts a clear principle that concerns the overall validity of the research design and stresses the fitting in of the sample with other components of the study by saying that: "There must be an internal consistency and a coherent logic, across the study's components, including its sampling. The sampling plan and sampling parameters (settings, actors, events, processes) should align with the purposes and the research questions of the study" (Punch, 1999:194).

For the purpose of this study the main stakeholders in the relationship between the output of higher education and the requirements of the labour market are employers (both public and private sector), officials of higher education institutions, students, employees, and policy-makers. Representatives of each stakeholder were interviewed. Table 6.1 below, shows the population, the samples and the numbers of interviewees included in the study. The researcher selected deliberately the key informants with access to important sources of knowledge and reliable information. Through his practical experience in the labour market, the researcher had several meetings with groups and individuals to recognise the most appropriate respondents. Some respondents were not interested or they were under the pressure of prejudicism or they were hard to interview at that time. The researcher used his contacts to make sure that the respondents who agreed to participate in the study were the right people or the right informers. When it was possible to get information from more than one person in one place, the opportunity was taken but sometimes it was noticed that the information provided by one is the same as that provided by the other and it would have been a waste of time and effort to interview more people than necessary at any one place. Table 6.1 below shows the population and the sample of interviews.

Table 6.1. Population and Sample of Interviewees

Sectors	Population	Sample
Employers	• 17 Ministries & 21 Governmental Agencies • 94 Listed Companies in Stock Market	2 Under-secretaries 2 CEO
Higher Education Personnel	Deans of Kuwait University Deans of PAAET	3 Deans 2 Deans
Students of Higher Education	Final year undergraduate students in Kuwait University Final year undergraduate Students in PAAET	20 Students 20 Students
Employees	First Year Employees (holding Bachelor and Diploma degrees) in Government and Private Sectors	15 Employees from Private & 15 Employees from Government
Policymakers	• Minister of education • Head of CSC • Head of the Education Committee in Parliament	• Minister of Education • Head of CSC • Head of the Education Committee in Parliament

6.4.2.1. Governmental Agencies

There are 17 ministries and 21 governmental agencies in Kuwait. The persons interviewed were two ministry under-secretaries and an agency director. The main reasons for choosing this level are as follow:

1. A ministry under-secretary falls between the minister and the assistant under-secretary. The minister is not expected to know all the details related to plans and daily activities of the ministry. He/She is a person of a strategy and vision, and his/her job is mainly political. Whereas the authority and access to information of assistant under-secretaries is restricted to their respective domains. Having assistant under-secretaries in the population might have led to a situation where an assistant under-secretary for technical matters may have been part of the sample when an assistant under-secretary for employment and manpower planning was more relevant. Therefore, an under-secretary or a person of equal rank was considered to be more appropriate for obtaining the necessary information.

2. A ministry under-secretary may request any information that could be helpful to him/her in responding to the interview questions.

3. A ministry under-secretary is the person in charge of approving the annual plans covering the programmes related to the workforce of the ministry.

4. In ministries, an under-secretary (or the head of an authority bearing the same rank) heads a committee of personnel affairs, which is in charge of studying and approving the annual reports measuring the performance of

those working in the ministry or the authority in question (see Appendix 1

for interview questions to government officials).

6.4.2.2. Private Companies

During the time of this study there were 94 companies listed on the Kuwaiti stock

exchange. For the purpose of this research only the companies that had been listed for

more than 15-years and the companies that had more than 100 employees were

selected. The reason for choosing companies that had been for at least 15 years is that

the financial and job stability they provide, allows them to offer high calibre jobs in

the market. As regards the companies that had more than 100 employees, it was

observed that such companies had a stable personnel management system with well-

established policies on recruitment and selection, training and development, reward

and punishment, and performance management. They had also established financial,

production and marketing strategies. Emphasis was placed on the employers' attitudes

towards the standards of graduates and how to improve them, on their co-ordination

with higher education authorities, on the skills needed by graduates, and on their

efforts to develop their staff (see Appendix 1 for interview questions to employers).

6.4.2.3. Higher Education Personnel

There are nine colleges in Kuwait University (KU) and four colleges in the Public

Authority for Applied Education and Training (PAAET). Five education officials

(Deans) were interviewed; three from KU and two from the PAAET. The deans were

selected for the interviews because the role of a dean, in addition to being a policy

planner, a plan executor and in charge of accomplishing the objectives of the college, is also teaching and coming in direct contact with the students. As a result, the dean is acquainted with the problems and performances of the students as well as those of the college as a public sector institution and a provider of education that is needed for the labour market. The interviews with the deans covered the nature of teaching, the standards of graduates, the effectiveness of the education system and their views about the nature of the relation between education and the labour market (see Appendix 1 for interview questions to the deans).

6.4.2.4. Students in their Final year of Higher Education

A list of final year students was obtained from the Admission and Registration Departments at KU and PAAET. Forty students were interviewed in groups of twenty from KU and twenty from the PAAET. The students were interviewed to determine whether they were ready to enter the labour market and if they had had any contact with any employer. They were also asked if they liked their studies and their opinion about the subjects they were studying (see Appendix 1 for interview questions to final year students).

6.4.2.5. First Year Employees

For those employed in the public sector, the Civil Services Commission (CSC), which is the government body responsible for the recruitment records of the public sector employees, was contacted to obtain the list of the names of people who got jobs in 2002 in the governmental sector. As for those employed in the private sector, the

Manpower and Governmental Restructuring Program (MGRP), which serves as a liaison between the government and the private sector regarding jobs for nationals, was contacted to obtain the names of individuals who had been employed by the private sector during the year 2002. Fifteen employees from the public and fifteen from the private sector were selected for interviews. The selected employees were interviewed in groups in order to understand why they had chosen to work in a particular sector. They were also asked about their opinions of their jobs and about the relation between their studies, their jobs and the behaviour of their superiors (see Appendix 1 for interview questions to employees).

6.4.2.6. The Policy-Makers

The policy and decision-makers who had been concerned with the labour market and education were interviewed. Those interviewed were the Minister of Education and Higher Education, the Chairman of the Civil Service Commission, and the Chairperson of the Educational Committee at the National Assembly. In these interviews emphasis was made on the general policies of the state regarding issues of the labour market, education and the type of legislation to implement in the future to link education with the labour market, and the obstacles which may stand in their way in order to achieve planned objectives. The attitudes of these officials towards the problems of the labour market, education and the national labour force were evaluated in order to determine if those problems had been a priority on their agendas, or if they had been given preference over other issues and to what extent those issues concerned them and their colleagues, including ministers and members of parliament (see Appendix 1 for interview questions to policy-makers).

The Final year students and employees were interviewed in groups as mentioned earlier. Group interviews are widely used as a popular method of data collection in applied social research (Ferry, 1994). Group interviews have considerable potential to rise consciousness and empower participants (Johnson, 1996). The researcher has used group interviews because this technique allows for increasing of data collected from several people, the checks and balances on extreme views introduced, the focus on the most important topics without duplication or repetition of information, the encouragement of reluctant people who may have valuable data, and the inexpensive and time sparing of group interviewing.

6.5. The Pilot Study

A pilot study is a small-scale replica and rehearsal of the main study (Yin, 1994). The aim of such a study is to discover possible weaknesses, inadequacies, ambiguities and problems in all aspects of the research so that they can be corrected before the actual data collection process commences. This can be achieved through the testing of the research methods and their suitability. In addition, a pilot study assists researchers in familiarizing themselves with the environment in which the research is to take place (Oppenheim, 1998). It was thought that a pilot study was needed for this research to refine the data collection plan with respect to both the content of data and the procedures to be followed.

The mechanism of conducting the pilot study centred on approaching one person from each category and then directed the questions. It is noteworthy to mention here that the pilot study did not include decision-makers because there was only one person

from each category. There was only one minister of education and higher education, one chairman for the Civil Service Commission, and one chairman for the Educational Affairs Commission at the National Assembly. Nevertheless, opinions expressed by interviewees from other categories were utilized to formulate questions of the interviews with the decision makers.

The pilot study helped this research in a number of ways. First, it helped to approach the officials easily. Some of the officials were busy and it was almost impossible to interview them during the fieldwork period. Others were on leave or unwilling to be interviewed for unknown reasons. As a result, some of the interviews had to be re-scheduled and officials were replaced. The pilot study was also helpful in the sense that it established convictions in the topic of this research through introducing new concepts and visions related to the labour market and the educational domains. Furthermore, it enabled the researcher to re-phrase the questions of the interviews in a better way.

6.6. Practical Issues in Carrying out the Research

When the participants were contacted to make appointments they very often asked about the number of questions and the duration of the interview. They claimed to have no time due to their busy occupations. Most of them wanted the duration of the interview to be no more than 45 minutes. There was no choice but to agree with such demands. However, once the interviews started, it was found that in many cases the duration exceeded the time limit to the extent that some interviews went on for more than two hours. Some of the interviewees gave detailed answers and dealt with issues

that were outside the scope of the research. This was allowed for two reasons. First, there was the consideration of not missing the chance of getting a piece of information that could be helpful later on. Second, considering that reciprocity is required in conducting interviews, it was felt necessary to give the impression to the interviewees that their words and remarks were important and relevant to the issues being studied.

In an interview with a dean of one college, it was felt that the interviewee had wide experience in conducting interviews. In addition, he was conversant with the subject of the interview, he used the interview to raise a number of issues about the nature of the labour market, requested details about what the researcher will find out from doing this research, and what is new about the subject. In the light of this spate of questions, it was considered necessary to give accurate answers to avoid looking ignorant of the subject being dealt with. In the end, it was possible to direct all the questions and get clear-cut answers.

6.7. Documentation

Documents were used in order to gather background information. According to Grossley (1997: 114), "documents have certain important advantages: they are convenient to use, often free or available at a small cost, can be collected during a shorter period of time than interviews, questionnaires or data based on observation, and can be analysed when institutions such as ministries and schools are closed". Documents, Grossley (1997) maintains, can be a useful support to other research methods, and with due acknowledgement of the need for triangulation, a valuable research method in their right. In dealing with documentary data, there should be great caution because a misreading could cause the results to deviate, thereby ensuing

faulty analyses and judgments. Obtaining the right documents and trying to find them is an important factor in field research.

In Kuwait, the Ministry of Planning is one of the major institutions responsible for issuing annual reports and statistics that cover various sectors of the economy. There are also other ministries and governmental departments that issue such reports on their respective activities (such as Ministry of Education, Ministry of Social Affairs and Labour, Ministry of Commerce and Industries, Public Authority for Civil Information, Kuwait University, and Public Authority for Applied Education and Training). Such reports were prepared under the supervision of specialists and they were often refereed to verify the data included therein. Furthermore, there are the reports and research issued by Non-Profit Organizations and UN agencies located in Kuwait such as International Labour Office (ILO), the Arab Planning Institute (API) and the Arab States Organisation. There are also conferences and seminars held seasonally which produce academic studies and research papers such as the Economic Society conference, the Labour Market conference, PAAET annual conference and other several conferences.

Nevertheless, there are problems concerning some of these publications, which were encountered while working on this research. For instance, the number of graduates as reported in PAAET publications was found to differ from that reported in the Annual Statistical Abstract issued by the Ministry of Planning by around 2%. It has to be acknowledged that such problems could exist in other publications. The researcher

has used the up to date data from the Ministry of Planning, which is the official source of statistics and the information about all sectors of the country.

Documents, whatever their nature (statistics or words, official or unofficial, public or private), cannot be taken at face value. They are artificial and partial accounts, which need to be critically assessed for research purposes (Miles, 1997). Documentary analysis proceeds by extracting from each document those elements which are considered to be important or relevant and grouping the findings together or setting them alongside others that are believed to be related. There were no problem in obtaining data and documents from any relevant authority. As for the newspapers in Kuwait, it was considered that they were not suitable sources of information, because these are undocumented and unreliable. Due to space limitation, a newspaper often avoids giving full information properly. Therefore, it was found more helpful to check and obtain the necessary information from the relevant organizations.

Most of the documents used in this study were in Arabic. To avoid misunderstanding regarding the contents of the documents used, the services of a legal translation office, duly certified from the Ministry of Education, were utilized. However, only the parts that had to be published in this study were translated because of the cost of getting the entire document translated. The same procedure was used when designing the questions for the interviews, where initially the questions were written in Arabic and then were translated into English. After approval, they were again translated into Arabic for the interview to be carried out.

6.8. Validity and Reliability

The validity and reliability measures refer to the audit of the research. The attainment of these measures is one of the basic principles of research management. "A valid research finding is one in which there is isomorphism between reality that exists in the world and the description of that reality" (Keeves, 1997: 822). Validity is concerned with "the integrity of the conclusions that are generated from a piece of research" (Bryman and Carmer, 1997). Reliability is concerned with the issue of whether the results of a study are repeatable (Miles and Huberman, 1994). According to Keeves (1997: 775) "reliability is how accurately the observed sample represents the wider universe of responses from which it is drawn. Some of the main steps that were taken to ensure the validity of the interviews were;

- Reliance on the theoretical information acquired during the preliminary stages of the research and exploring the current situation in the labour market and education sector, the main research questions were defined.

- The researcher reviewed the research questions with work colleagues in Kuwait and the supervisory team at the University of Abertay Dundee until it was agreed that the approach undertaken was the most appropriate.

- Initially the questions were written in English, but were later re-written in Arabic in order to be clearly understood by the respondents. The questions were submitted to Dr. Mohammad Adnan, advisor in Arab Planning Institute, a specialist in labour market economics, labour and education. Dr Adnan reviewed the format of the interview questions and provided useful feedback.

- The questions were re-formulated in the light of the suggestions made by the supervisor and Dr. Mohammad Adnan jointly agreed to the changes.

- The pilot study was conducted. Interviews were made with targeted samples and changes were made accordingly.

- The interviews were conducted. It should be mentioned that the responses were recorded in writing because most interviewees rejected the idea of using a tape recorder in this process.

- The results of the interviews were discussed with a group of labour market specialists who was attending a conference on manpower planning held in Kuwait in March 2004. The researcher presented the preliminary findings of the study in a paper. This step was taken to disseminate the results of the study and to get some feedback for the participants. The feedback was very useful for completing the data collection and discussing the findings.

- The results of the interviews were divided into four parts, each revolving around one hypothesis of the research. Thereafter, a set of uniformed questions was compiled without considering the interviewees so that such questions could reflect the attitudes and viewpoints of the interviewees towards each of the research hypotheses.

6.9. Ethics of Research

Recently, ethical aspects have begun to take a higher priority in research. This concern reflects the great growth of behavioural research and its impact on our lives (Borg, 1989: 84). Because of the importance of stating all aspects of the research that could affect the interviewees' responses and decisions, all the data and information (e.g., objectives and queries, the method of research and the body in charge of the research) were prepared and approved by the University's Ethics Committee before they were communicated to the respondents. During the collection of data, there was

no intention to mislead the participants in any way. When a person agreed to be interviewed, it was important to ensure that the interviewee was clearer about the objectives of the study and the importance of their participation to the success of the study. Moreover, every attempt and effort has been made to be partial in the process of collecting data and to stick to my promise of confidentiality. Interviewees were informed that the information given by them will be utilized in academic research only and that their names will remain confidential.

6.10. Data analysis

In qualitative research, analysts are faced with a large set of qualitative data and have very little guidance for protection against self-deduction, let alone the presentation of unreliable or invalid conclusions to a scientific or policy-making audience. "How can we be sure that our earthy, undeniable, serendipitous finding is not, in fact, wrong?" (Miles and Huberman 1994: 591). This statement clearly signifies the complexity of the process of qualitative data analysis. According to Morse (1994) a "chronic" problem of qualitative research is that it is accomplished chiefly with words, not numbers. Words are "fatter" than numbers and usually have multiple meanings.

It is very important to realize that there are various ways of looking at and analysing social events and therefore multiple perspectives and practices in qualitative data analysis. Hence, as Coffey and Atkinson (1996) pointed out, there is no single methodological framework to analyse qualitative data. Therefore the present study is interested in strategies that focus on case studies. A case study, according to Bentz and Shapiro (1998), is a process of working around hypothesis and trying to find the extent to which a hypothesis corresponds to the identified fact. The technique that is

most suitable to this research is referred to as the Explanation-Building approach. In this technique, explanation is based on a series of iterations. Initially, a question or a hypothesis is formulated about the subject. Then, the outcomes are compared with the hypothesis or the question to verify any existing discrepancies. If discrepancies are recorded, the question or hypothesis is reviewed and revised according to the outcomes. This process is repeated as many times as needed.

For interviews, the data analysis normally commences when the data collection process has been completed. This is because the information only makes sense when interviews are transcribed. In general, the task of analysing interviews involves two closely related processes: managing the collected data and analysing them to extract important information from them. The main step in managing the collected data is transcribing. Transcribing is the process of converting verbal words into readable format. This technique is used in this study by transcribing every interview after the completion of each session. Next, the transcripts are checked, edited and prepared for analysis. After the transcription process the analysis of the data starts.

The present research adopted a common approach developed by Miles and Huberman (1994) and called "transcendental realism". This approach has three components:

Data Reduction: Data reduction occurs continually throughout the process of reading the transcribed data. The main objective of this process is to reduce the amount of collected data without stripping the data from their context. For the purpose of this research, data was reduced through editing and categorizing into the following

groups: graduates standards, socio-economic relations, communication, and future plans. These groups resemble the main questions of the research.

Data Display: Data display helps in organizing, compressing and assembling information gained from the large qualitative data. Displays were used at all stages of data analysis, since they enabled proper organization and summarization of the information and show the stages that the analysis has reached. In this research, a number of tables are used to help in investigating any existing relations or patterns in the above groups.

Drawing and Verifying Conclusions: This step is one of the most significant in the research. Miles and Huberman (1994) proposed tactics that can be used to generate meanings, testing and confirming findings. The tactics that were implemented in this research are clustering and noting relationships between the finding, theory and the other experiences. Clustering means that processes, events, opinions and sites that have similar characteristics are sorted and grouped together. Relationships between variables can be identified through matrix displays or other similar manners. In this research, the data and information gathered from interviews and documents were categorised and grouped into several categories under each question. After these were noted, relationships between variables were identified through comparisons and deriving relations and variations.

The data gathered from the fieldwork, through a combination of interviews and documentation, were reduced to yield the most important and relevant information.

Then the reduced data were displayed through organising and summarising. This data analysis process was followed by a clustering of the main subjects together. These subjects are graduate skills, levels and techniques of higher education, wishes and plans of Kuwait higher education students, and the nature of communication between stakeholders, and the future plans of decision makers. The relationships were described and discussed in order to draw conclusions and recommendations.

6.10. Conclusion

The qualitative research methodology emphasises developing an understanding of the mores and cultures of people, and generating theories and findings, instead of confirming hypotheses. This research seeks to discover the attitudes of the respondents about the groups that exist between the labour market and higher education in Kuwait.

Samples from different occupational groups were studied and interviewed. The interviews were held with the main stakeholders in the relationship between higher education and the labour market. They were ministries, government agencies, private companies, higher education institutions (KU, PAAET), students in higher education, employees (private, government), and policy makers (Minister of Education, Head of CSC, Head of education committee in N.A.).

Triangulation involving interviews, documentations and theory was employed to study the problem. A semi-structured interview technique was adopted. This kind of interview allowed the researcher to elicit certain dates and events, investigate certain

opinions and feelings, and deviate from the questions when matters of interest arise. The objective of the research and the purpose of the interviews were explained to the interviewee to facilitate better interaction and cooperation. In this research, the approach adapted in the pilot study was interviewing one of the groups included in the research. The interviews were then reviewed and the meanings, messages and symbols were detected. After that the interview questions for each group were redesigned before undertaking the actual field work.

Major steps were developed to ensure the validity and reliability of this research. These were based on a number of steps reliant on validity theory, development of the interviews questions with the advisor and other experts, pilot study, re-review of the questions, discussion of the results of the questions with specialists in the labour market and academics, and grouping the data into categories relevant to this research.

"Transcendental realism" approach was adopted to analyse the data collected in this research. This approach is suitable because of the nature of this study and the quantity of information gathered which contains unneeded data. The technique involves the reduction of data and then displaying it in an organised way. The next chapter provides a description of the data collected from interviews.

CHAPTER SEVEN

ANALYSIS AND PRESENTATION OF THE FINDINGS

7.1 Introduction

This chapter presents the data collected through interviews with government and private sector employers, final year students of KU and PAAET, employees of the government and private sectors (graduates of KU and PAAET), officials of higher education (deans of KU and PAAET), and policy-makers concerned with Kuwait's labour market. This chapter is divided into two parts. The first part covers the graduates' standards, skills and performance in the labour market, the relevance of the levels and methods of education to the labour market, the students' and employees' wishes and plans, the nature of communication between stakeholders, opinions and relations of stakeholders, and the policy-makers' future plans. The second part is dedicated to a general question put to all respondents about their attitude to the changes in education and higher education in order to prepare graduates for the labour market.

7.2. Graduates' Standards, Skills and Performance in the Labour Market

In order to gather information on graduates' standards, skills and performance in the labour market, three questions were asked:

1. The question that was asked to public and private sector employers as well as to government officials (Under-Secretaries of Ministries) was: ***How would you evaluate the standards of graduates joining jobs under your supervision? What does higher education provide them with?***

All government officials agreed that the standards were low and deteriorating. For example, one respondent said: *"The standard is going down continuously since the liberation of the State of Kuwait from the Iraqi invasion".*

Another Under-Secretary commented that, *"Some graduate employees often have strange standards".* To prove his point, the Under Secretary showed an application submitted by a law graduate who could not even write Arabic properly, not to mention the poor style of expressing himself.

Moreover, another Under-Secretary maintained that, *"Education was of no avail to my employees and graduates need much knowledge and learning related to manners, conduct and showing respect on the job. The latter are not provided by formal education".*

The Under-Secretaries were of the opinion that the higher education system had failed to provide graduates with the necessary skills, knowledge and learning required by their jobs. They explained that on the job courses had to be prepared for training their employees and they depended on this on job training to improve their employees' knowledge and skills, and to promote their overall capabilities.

The private sector Human Resources Managers believed that the graduates employed by them had little knowledge and skills to do their jobs effectively. For example, one manager said, *"the standards of recent graduates, mainly diploma holders are still below what is required because their education had not originally tailored to the requirements of business, technology and industry in Kuwait"*.

Another private sector Manager also stated that; *"Educational institutions in Kuwait prepare graduates to work with the government not with the private sector which requires certain characteristics in a graduate"*.

Another Human Resource Manager in a successful private sector company explained that: *"80% of the graduates are below 'good'. I think that graduates are over-dependent on what they read in textbooks and their skills do not comply with the requirements of their work"*.

Another private sector employer stressed that: *"regardless of the standards of the graduates they may be employed in the government sector because of Wasta (nepotism) and relationships"*. He added that: *"wasta" affects the newly graduated employees negatively because they believe that no one can bring them the slightest harm as long as "wasta" is there to protect them. This, no doubt, causes an employee to abuse his/her position"*. He also said: *"We do not give any priority to a specific nationality but we require good qualifications and good knowledge of the job from the applicants, and that is the major difference between the private sector and the public sector in Kuwait"*.

2. The other question in this respect was asked to educational officials (deans) as follows: ***Do you think that your graduates are ready to enter the labour market? Why or why not?***

In response, the Kuwait University deans argued that their university did not produce graduates for specific jobs, rather graduates that have the necessary knowledge and broadmindedness that enable them to make their way into the labour market. For example, one dean said:

"I believe that we are requested to teach the theory that give our students the necessary background to understand the world of work. Our students will not be ready to take up a job immediately after their graduation. Graduates need some training and familiarisation with their new jobs. Graduates are not qualified to take up a specific employment, rather they need to get acquainted with the nature of the new job and the way it is carried out".

A PAAET dean, however, argued that his college was *"designed to produce graduates for limited places and the nature of education provided by them contains a reasonable amount of practical training, which helps graduates in executing specific activities during their education. This is helpful in taking up a job after leaving the college".*

He also explained that there were problems related to the poor standards of graduates because: *"Secondary school leavers with low percentage mark will find it difficult to interact with others who have better academic backgrounds".*

This Dean also said that despite the efforts that had been made in order to "*solve this problem through raising the admission percentage mark requirement, but due to political pressures, the college admitted a large numbers with low percentage (60% for scientific section and 65% for Arts section)*".

Moreover, the other Dean of a college said: "*There are some groups of students who were admitted in specialized courses where they did not have any interest. The courses take five semesters to complete. Some students may drop out and do not complete their studies or they graduate with very poor grades. Hence, we cannot expect from these types of students to perform well in their jobs. There is a gap between interest in completion of the specialized course and job effectiveness and performance.*

3. The third question in this respect was put to the employers as follows:

In your opinion, what would improve the work prospects and performance of an employee?

All employers (public and private) agreed that more importance should be given to specialized training. However, the main difference between the government and the private sector employers was that the government employers laid more emphasis on "*reward and punishment, discipline and implementing the respective by-laws*". On the other hand, the private sector employers laid more emphasis on "*establishing self-confidence, loyalty to their place of work, seriousness in performing a duty, and paying attention to the students during their education and informing them about the labour market*".

7.3. The Relevance of the Levels and Methods of Education to the Labour Market

The respondents were asked about the nature of skills and knowledge provided by the higher education institutions and the needs of the labour market for such skills and knowledge, the type of communication between education authorities and the labour market providers in preparing higher education students for their future careers. The questions that were asked and their answers are presented below.

1. The question that was put to the employers about the level of skills of their employees is: ***How did the graduates gain skills for their jobs (from education or work experience)? Was the process adequate?***

All respondents from the government and private sector employers thought that their employees had acquired work related skills from doing their jobs and not from learning in higher education institutions. For example, one Under Secretary stated that:

"A study, whether it is academic, technical or applied, does not provide the student with a merit because such a study is basically theoretical and has nothing to do with actual practice in the labour market".

A private sector manager mentioned that:

"Education is theoretical and stagnant, and it depends on memorizing and testing, not on thinking and creativity".

Another manager said:

"There are employees with qualifications below GCE who take up important jobs which require higher skills and abilities. Newly graduated engineers cannot fill up such jobs. It is possible to dispense with qualifications but it is impossible to dispense with experience and expertise in doing jobs".

Moreover another government Under Secretary commented that: *"a certificate is important to some extent but it is not enough. There should be training; otherwise a certificate will be fruitless".* In this context, the Under-secretaries believed that the advantage of a certificate in the public sector is an employee is entitled to a better job.

2. The employers were also asked: ***Which departments, do you think are able to help in improving the level of students' education?***

The government Under-secretaries said that the government agencies in charge of training should assist in this improvement and they should provide the students with the required skills and get them acquainted with the nature and importance of the work. Whereas the private sector managers believed that there were several agencies. For example, the oil sector, the investment sector and the real estate sector had to assist in providing training to the students and raising their standards to acquire efficiency in managing these sectors. The private sector managers expressed their willingness to work with other government and private sector institutions to prepare curricula, teach and train, and help the academic staff at PAAET. For example, a private sector manager said:

"It is possible to reserve places to appoint students in the government and private sector organizations before graduation so that students can develop their abilities during their education in order to acquire the required experience before joining the labour market".

3. The question that was asked of the higher education officials in this respect is: ***To what extent do you feel that it is the duty of the College/ University to prepare students for the work place? What are the other aims of education, and what are the most important of them?***

One university college dean responded by saying: *"The labour market does not interfere with a college in identifying programmes and specialisations. A college has its cultural objectives and seeks to provide knowledge and learning, and to prepare students by the common sense so that their ability for growth and self education is developed".*

Another dean agreed with this one to a great extent as he explained: *"The needs of the labour market are not made clear to the college or the university. This causes a college to lay emphasis on providing students with general skills and superficial information. Later, the work place moulds these abilities".*

The dean also said: *"The prime responsibility of a university is to create a labour market needs as well as moulding of the market. However, in the present*

circumstances, the university does not contribute to this basic concept. Conceptually, the need of the labour market leads to the educational process at the university".

He also confirmed the other dean's views by saying that: "*My College provides a set of information and a set of skills after which the labour market re-qualifies the graduates in a way that realises their interests*".

With respect to the major aims of education, University deans indicated general things. For example one dean said: "*serving the society*". Another one mentioned: "*facing the challenges*", and so on.

The deans at PAAET believed that the objectives and aims of their colleges had been to prepare graduates so that they can cope with the requirements of the labour market. For example, a PAAET dean said: "*There are committees inside colleges, in conjunction with the employers in the private sector, whose function is to select specialisations, develop curricula and create new departments to address the needs of society from among the graduates*".

The deans of PAAET argued that the major objective of their colleges was to "*address the needs of the labour market from among the technical and vocational labour*" and "*to have their graduates join the labour market directly and efficiently*", in addition to "*developing the workforce already existent in the labour market through vocational training courses*".

4. In respect to the relevance of levels and methods of higher education to the labour market, employees (graduates) in both the public and private sectors were asked the question: *What is the relation between what you have studied and what you are doing now?*

Most of the respondents did not see any relation between their studies and the work they had been doing. More than 50% of the private sector employees thought that such a relation existed but was not strong or direct. One employee stated that: *"I am performing some of my study in my job now"*. Another one mentioned: *" not as much as I expected"*.

6. When the employees were asked the question; *how could you have been better prepared?* their replies were, for example, as follows:

- *"Stressing specialisation and practical subjects, not theoretical ones"*.

- *"Proper consideration should be given to the labour market"*.

- *"Removing the theoretical studies department"*.

- *"Clarifying the importance of some specializations in higher education"*.

- *"Recruiting highly efficient and sincere instructors"*.

- *"Laying emphasis on the latest scientific achievements, which contribute to progress"*.

- *"Benefiting from the latest technological advances"*.

- *"Preparing students starting from the secondary stage to choose the proper educational pathways that lead to the labour market"*.

7. Still in respect to the relevance of levels and methods of education to the labour market, the Deans were asked: *What do you think education systems should do in order to meet the needs of the labour market?*

There were several and varied answers which centred on the following:

- Supporting the private sector organizations to submit accurate description of skills and knowledge required by them.

- Big budgets. One Dean said, *"Our main problem is insufficient budgets"*, and the other said: *"We do not receive budgets we request"*.

- Efficient and well selected teachers. For example, one dean said: *"Highly skilled professors need high salaries, and the university is not willing to do so"*

- Equipment for measuring the gap between the education output and labour market.

- Co-operation with the labour market and exchange of information between the education sector and the labour market.

8. Moreover, the answers to the question: *What do you think are the characteristics of employees in the public and private sectors?* are as described below according to each respondent:

Employers

Public sector: the government officials stressed on *"personal skills"* without going into details. One Under Secretary said that *"Skills are required in both private and*

public sectors", without explaining the type of skills required. In general, it was thought that they were not allowed to assess the abilities of candidates because *"candidates are approved by the Civil Service Commission and the certificate is the most important factor regardless of the personal skills and abilities"*.

Private sector: One CEO emphasized: *"Creativity in work, which is needed more in private sector compared to the public. The private sector wants the employee to recoup the money paid for him/her "*. Another CEO called attention to *"Effective dealing with technology"*. He added: *"seriousness and loyalty to the work place"*.

Higher Education Officials

Public sector: The Deans mentioned *"discipline"*, *"observance of regulations"* and *"some usual skills in performing their duties without any supervision"*, *"public relations"* and *"computer skills"* in working in the public (governmental) sector.

Private sector: The Deans mentioned *"the use of English language"*, *"computer skills"*, *"specialisation"*, *"self-dependence"*, *"interest in developing oneself"*, *"productivity"*, *"sacrifice"*, *"long working hours"*, *"analysis and deduction"* as the needed skills in working in the private sector.

Last Year Students of PAAET

Government: *"Lack of understanding"* and *"hypocrisy"*

Private: *"English"*, *"good conduct"*, *"interpersonal relations"*, *"skills"*.

Last Year Students of Kuwait University:

Public sector: "*wasta and getting acquainted with the boss*", "*limiting the job to signing-in the morning and signing-out by the end of the working day*", and "*hypocrisy*".

Private sector: "*Enthusiasm*", "*perseverance, preparedness for development and accepting new concepts*", "*challenge*", "*risk*", "*competition*", "*acquiring experience and working as full timers*".

Government Employees:

Public sector: "*wasta*", "*simple skills*", "*daily routine work*", "*ingratiating with a boss (hypocrisy)*" and "*obedience*".

Private sector: "*Practical experience*", "*language*", "*computer*", "*tactfulness*", "*self-control*", "*smile*", "*handsomeness*", "*communicability*", "*technical knowledge*" and "*personality*".

Non-government (Private sector) Employees:

Public sector: "*Punctuality*", "*lack of skills*", "*academic certificate without a skill*", "*wasta*", and "*interpersonal relations*".

Private sector: "*Sincerity*", "*effort*", "*knowledge*", "*personal skills*", "*punctuality*", "*technical skills*", "*maintaining company's assets*", and "*pleasant personality*".

In response to the above question, *The Minister of Education* laid emphasis on the "*specialization in which an employees is involved*" and gave due importance to "*computer and modern technology and to getting acquainted with new developments*". He also indicated the "*relation between an employee and his/her employer*" without

giving consideration to social factors. He also favoured "*establishing social relations on the part of those who join the private or the government sector*".

The Chairman of CSC emphasized the specific aptitude for each job and made no differentiation between the needs of public (governmental) and private sectors. Similar to the Minister of Education, the Chairman of CSC talked about the importance of "*mastery of English*", "*computer literacy*", "*effective communication*", "*reporting*", "*interpersonal relations*", "*psychological aptitude*" and "*self-development*".

As far as **The Chairman of the Educational Affairs Committee at the National Assemble,** was concerned, he stated that: "*The needs of private sector are different from those of the government sector, as the former requires more professional administrative skills*". There was nothing new in what he said.

7.4. The Wishes and Plans of Final Year Students

In respect to final year students' wishes and plans they were asked specific questions as follows:

1. Where do you want to work after graduation and why? The replies varied and were as follows:

One of the PAAET students said: "*I would like to work in the private sector or the oil sector (companies owned by the government but have the advantages over the private sector in terms of salaries, working hours and experience and expertise to be acquired). I believe that financial benefits in these agencies are high*".

Another PAAET student said: *"Because I am a diploma holder, and I want to pursue my university studies, I believe that the private sector is an obstacle to my plans to continue my further university study. They will not allow me to have vacations or leaves to study and they will not give grants or sponsor me for further study".*

Students who wished to join the government sector justified their preference with the goal to *"pursue studies"*. A University student claimed that: *"I prefer a government job because it is more secure, has higher social prestige and it is not possible to find a job easily in the private sector".*

2. Where does your family want you to go? What do you think? And Why?

The students' replies to this question were very interesting because almost all of them said that their parents usually intervened and exercised pressures on them to get high percentages in the GCE, then admission to the university or win a scholarship to study abroad. For example, a student at PAAET said: *"the parents become more interested in getting their sons to complete their studies and get a job".* Another student said: *"Parents are often interested in having their sons and daughters get a government job".* A diploma student said: *"I respond to the advice of my parents and exert sincere effort to implement their wishes because I believe that parents know better the interests of their children due to their experience".*

Kuwait University students gave almost a similar answer that parents often intervened in matters relating to the future of their children and showed a keen interest in seeing

their children get a government job. However, some students did not give much importance to the choices and wishes of their parents. For example, one student replied: *"We are now in a position which enables us to know what is better for us and we are more familiar with the labour market"*.

3. Where do you think is the appropriate place for you to work? Why? How are you going to join it?

In response to this question, all PAAET students said that they would choose a job under the government umbrella. One student justified his reply by saying: *"I expect such a job to be related to my specialization"*. In this respect, another student said: *"I will apply to government departments where I expect to get the job, in addition to resorting to the use of Wasta"*. Another PAAET student said: " *a government job is very attractive because of less obligations and fair salaries"*. His colleague added: *"this —the government job- is the best for graduates. There is no other alternative"*

The university students, however, were in agreement that the government sector is their first priority after graduation. To substantiate this, they cited an array of reasons such as:

"having no place except in the government",

"social prestige"

"good salary" and

"guaranteed career future"

7.5. The Nature of Communication between the Stakeholders

Two separate questions in relation to communication were asked. One was put to the employers: *What kind of communication exists between you and higher education (regarding graduates)? How;* and the other to education officials: *What kind of communication do you have with the labour market?*

The government officials replied that every year they answer the requests of KU and PAAET regarding the government's (public sector) needs for human resources. One Under Secretary said: *"We receive letters from the higher education institutions, then we pass them to different departments to write their needs, after that we send the needs to KU and PAAET with a covering letter"*. Another Undersecretary said: *"we are doing an annual routine of forms fulfilment and returning them back to higher education institutions "*. Regarding the selection and recruitment in the government sector, an Under Secretary said: *"In government, the candidates for jobs are recommended for the Ministries and government agencies to select whom they want and reject the others. The selection tests are very simple and rarely when candidates are rejected or fail in tests"*.

According to another Under-Secretary, *"It is hard to reject a Kuwaiti graduate while there is a place for him/her in the government structure"*. It is known that the Civil Services Commission (CSC) is the body responsible for receiving the requests from job candidates and recommends them to the ministries. The CSC was established in 1967 to be responsible for government employees selection evaluation, development

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and retirement. CSC resembles the human recourses department for all government ministries and institutions. Every government employee has a file with the CSC to follow up his/her progress in government job through his/her service.

In the case of the private sector, the contacts are made through direct communication. A CEO of a private company said: *"I do not wait for graduates to apply for this company. We send our human resources department officials to higher education institutions to announce the vacancies in our company"*. Another technique used by private sector organizations is *"advertisements in newspapers"*, said another CEO.

The university officials said that their communication with the labour market had been done through the academic consultation offices belonging to the colleges. This is achieved, according to a university dean, *"through conducting courses and practical studies provided by some agencies, and occasional lectures and marketing seminars conducted by businessmen for the marketing of graduates of colleges"*.

A PAAET dean mentioned that the only contact they had was *" the training sessions for PAAET students in labour market institutions (private and public)"*.

One of the deans also said: *"There are some officials of the labour market who are nominated by PAAET's board, in addition to making announcements for vacancies. Some organizations, for example oil companies, take part in preparing the curricula and some specializations"*.

In response to a question asked to decision markers: *With whom do you co-operate to accomplish your national labour plans? How? and When?*, The Minister of Education replied by saying: *"I favour institutional arrangements and I will be cooperating with the relevant departments"*, without indicating any. He did not refer to the means by which such cooperation could be made either. Regarding the time of implementation, the Minister mentioned that *"there would be priorities"* without indicating how or which priorities.

The chairman of the Civil Services Commission (CSC) said: *"I would cooperate with government departments and institutions according to specific mechanisms"* without indicating any bodies or mechanisms, and without setting a date for such cooperation. Similarly, the chairman of the Educational Affairs Committee at the National Assembly also said: *"I would act through the National Assembly and its legislative status to issue the required legislation, which concerns education and the labour market"*, without going into detail thereabout.

7.6. Stakeholders Perceptions of the Labour Market

Each of the stakeholders was asked to describe the labour market and to say what they expect from it. At the beginning of interviews, the final year students were asked the question: *Describe the labour market as you see it and what do you expect from it?*

The replies were as follows:

The PAAET students indicated the two sectors, private and the government sector. The university students failed to give any specific answer. About half of them

mentioned the private sector and the other half mentioned government sector. The responses of those students who had an idea about the two sectors were as follows:

"The government sector is better because the amount of work is less and job opportunities in this sector are ample".

"In the government sector, a graduate do not work in his/her specialization. Besides, government jobs give security but development is limited".

In the case of the private sector, most students said that an employee is well paid and there is a possibility of developing oneself. They also felt that an employee exhaust his/her capacities on behalf of the company. A student said: *"the private sector gives better salaries".* Another one mentioned that, *"the company appreciates the efforts of its employees".* A third student said: *"the employee in the private sector can develop his/her technical and behavioural abilities more than in government".*

The students (Kuwait University and PAAET) were also asked: **What are the advantages and disadvantages of working in the public (government) or in the private sector?**

Concerning the advantages of the public (government) sector, Kuwait University students replies were as follows: a student concentrated on " *the good social relations the employee can have through the public sector job"* . Another student added to the previous point: " *a government job allows the employee to use his/her position to serve people and have good reputation in the community".* A third student said: *"a government job gives good financial allowances and this is a good motive to join the*

sector". One more reply from another student stressed the job security by saying that, *"it almost impossible to terminate the employee in government sector"*.

Regarding the opinions of Kuwait University students on the disadvantages of government jobs, one student said: *"I know that I will take more than one year waiting for the government job"*. Another student added: *"there is a big discrepancy between the specialization taught in the university and the nature of jobs in the government sector"*. A third student said: *"there are not enough incentives in a government job"*. Another student said: *"the work in the government sector is known to be monotonic and boring"*. A further reply from one student was: *"there is the mediation (wasta) which is widely found in the government institutions"*.

The advantages of the private sector in the views of Kuwait University students were as follows: One student said: *" working in the private sector there is a big chance for new graduates to develop their skills and technical abilities and to become more specialised and ready to improve and progress their participation in the company"*. Another student motioned the income as the most imperative factor by saying: *" the private sector gives significant salaries and incentives"*. Another reply from another student stressed career prospects. She said: *"the private sector prepares me to take up and start my own business in the future"*.

The disadvantages of the private sector as seen by Kuwait University students are: One student mentioned the working hours. She said: *" the working hours in the private sector are more than that in the government"*. She added: *" This is one of the factors preventing young graduates from joining the private sector"*. Another student

said that, "*there is a threat of redundancy anytime. Working in the private sector is not secure*". Another student said: "*the private sector is highly reactive to economic fluctuations and if any problem happens to Kuwaiti market the workers in this sector will be negatively affected*".

The answers of PAAET students on the previous question are as follows:

Concerning the advantages of the public sector, a students said: "*the working hours are limited and there is not much work obligations*". Another student said: "*working in the public sector allows the employee to form good relations with people. This relation opens the door for mutual relations and services between people*". Another student said: "*government employees are not asked to work long hours and there is not a high workload*".

The disadvantages of the public sector from the views of PAAET students are: One student said: "*the (Wasta) is dominant in this sector and not everyone can have his/her rights fairly*". Another student claimed that, "*the government officials do not give importance to the nature of certificates and all graduates are treated the same without any consideration to the grade or the specialization*".

The advantages of the private sector as seen by PAAET students are as follows: One student said: "*the private sector gives the worker high morale and self confidence*". Another student said: "*good salaries and benefits*". He added: "*working in the private sector is the first step for me to build my private business in the coming few years*".

The disadvantages of the private sector as seen by PAAET students are: One student said: " *the worker in this sector is threatened by joblessness anytime because of the reformation policies in private companies"*. Another student said: *"the private sector exhausts employees' capacity and the return is not worth it"*.

The policy-makers were asked: **How do you evaluate the nature of the labour market?**

The Minister of Education replied:

"The labour market is about to undergo great changes after the lapse of 40 years which have been generally held as the period of abundance due to oil revenues. The government sector is the greatest employer as 94% of the Kuwaiti manpower is employed by it. The government embarked on its appointments in the various government departments in the light of the social perspectives regardless of the developmental plan requirements. This created a surplus in the national manpower supply together with reduced job opportunities. For example, the state used jobs as a channel for distributing the wealth. Such a policy is no longer acceptable. On the other hand, the private sector is keen to choose its manpower carefully in terms of specialization, skill and appropriate salary. Moreover, the working conditions of the private sector are hard and tough if compared with those of the governmental sector, and this is why graduates prefer to work in the government departments".

The Minister added, *"the government presented to the Council of Ministers special legislation in favour of giving allowances to employees in the private sector. This is meant to bridge the gap in the salaries between employees in the two sectors and to*

change some prevalent social perceptions and traditions related to the actual social value of work".

The special legislation mentioned above was that the government would give incentives for the Kuwaitis working in the private sector. These incentives vary from 140 Kuwaiti Dinars to 278 Kuwaiti Dinars according to qualifications (Appendix 2).

The chairman of the Civil Service Commission (CSC) said: *"It would be difficult to assess the labour market because it is associated with work and reaction to the government labour market".* He added: *"The rules and regulations were issued in favour of providing financial support to employees of the private sector and to the central registration system for joining the government sector".*

Whereas the Chairman of the Educational Affairs Committee at the National Assembly replied:

"Kuwaiti labour market has not been standardized in order to build the national manpower. The government was opening the door to bring expatriate labour form around the world without care to Kuwaiti young people and preparing them for the labour market". He further added; *"Kuwaiti graduates are not properly placed as per their expertise and hence, they are not expected to perform efficiently or effectively. This status leads to their abundance from jobs especially in the private sector.*

The decision-makers were also asked on how they view the nature of the labour market problems with the following question: **Tell me about your understanding of**

the labour market problems. Which are the most serious and why? Specifically, what are the problems in relation to education?

The Minister of Education said: *"The private sector depends mainly on profit-seeking capital. Therefore, it searches for the cheap, skilled and specialized labour, which gives more productivity for less cost. It is not ready to concede to the social values because the private sector means profit".* He explained that there was a preference for the expatriate labour because of the following reasons:

- *"Cheap labour*

- *Availability of experience and expertise.*

- *More working hours.*

- *Working in handicrafts.*

- *Understanding the technology of the material imported to the local market.*

- *Knowing English better than citizens.*

- *The unavailability of educational output at the intermediate, vocational and commercial levels, except in limited numbers.*

- *The excessive Kuwaitis of theoretical education output ".*

The Chairman of Civil Service Commission pointed out that the national labour force pushes the government sector to appoint expatriates. He said that the private sector has reduced appointing the Kuwaitis for the same reasons mentioned above in respect of the government sector. Therefore, there has been a search for less costly and more efficient labour, i.e. the expatriate labour force. He also argued that the problems of the labour market are embodied in the following:

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- *"Citizens are keen to take government jobs.*

- *The large gap in the salaries in the two sectors.*

- *The discrepancy between the actual educational output and the requirements of the labour market.*

- *Relying on oil as the sole source of income.*

- *The low percentage of national work force in the private sector".*

Whereas, the reply of the Chairman of the Educational Affairs Committee at the National Assembly was as follows:

"There are two sectors: government and private. The government sector accounts for more than 90% of the labour force, which is mostly disguised unemployment. There are swarms of employees and the increasing numbers thereof lead to over dependence on parents and government support, and apathy. Meanwhile, the private sector, on the other hand, looks unable to assimilate the national efficiencies. They think Kuwaitis are still unable to take responsibilities and perform work effectively".

7.7. Future Plans

Concerning the future plans of decision-makers, the following question was asked: **What are your future plans in response to the current labour market problems?** Their replies were as follows:

The Minister of Education said: *"I am looking forward to diversifying the educational output, updating its programmes and utilizing technology and modern sciences. Besides, there are self-education techniques and long life learning education".*

He added: *"In this context. The Ministry of Education organized a conference to update the education system and to submit a plan shared by the private sector and civil society institutions. I expect a qualitative shift in education to make its output cope with the labour market development. I am planning for diversification in secondary education so that vocational schools are built for crafts, industries, commerce and so forth. The higher education level, I am in the process of closing some departments whose graduates are increasing in number and have no opportunities to join the labour market, mainly the government sector that is no longer capable of recruiting them"*.

The Chairman of the CSC replied to the same question by saying: *"My plan would be as follows: Restructure the work force in the labour market. Consolidate the national work force employed by the private sector in terms of allowances and incentives"* (without mentioning any)

Whereas the Chairman of the Educational Affairs Committee in the N.A. said: *"The government should stop the process of selecting teachers, tests, development and administrative control and to create a favourable atmosphere to make teaching an attractive job for the Kuwaitis"*.

7.8. Future Improvements in the Education System

The following question was asked to all interviewees: **How could the education system be changed to better prepare graduates for the labour market?**

The replies were as follows:

Decision-Makers and Employers:

The Minister of Education said: *"The change should come from within the educational institutions through checking with the relevant departments, and benefit from other countries' experiences".*

The Minister added, *"A wide spectrum of public classes should be involved in this process. In this respect, conferences, seminars and non-governmental committees play a prominent role. The labour market and human resources are important issues and we have to deal with them professionally. Conferences and seminars will widen the vision of all parties dealing with human capital and introduce practical experiences and solutions ".*

The Chairman of the CSC stated: *"Improving education comes through preparing an individual mentally, practically, psychologically, behaviourally and socially. Thereafter comes specialisation and academic knowledge required by a society, followed by on-going training and rehabilitating education's dropouts".*

The Chairman of the Educational Affairs Committee in the National Assembly replied: *"The education system needs a review in terms of the methodology, curricula and educational tools being used. I see education as an ongoing and mobile venture and human capital should be invested".*

Higher Education Officials (Deans):

The deans emphasised the need for improvements and advancements in higher education delivery and the strategic planning for human resources development. They

also emphasised the need for financial spending on education. For example one of the deans of Kuwait University was very concerned about *"staff development, review of teaching methods and investments in the university infrastructure"* as a pre-requisite for the delivery of courses that would be useful to the labour market.

Another K.U. dean argued that there was a need for *"a clear vision of the entire future of Kuwait, laying emphasis on developmental issues, broad scale planning and involving government and private institutions"*.

Whereas one of the PAAET deans stressed on the need for improving the *"quality of the subjects introduced to students at different levels and their suitability to the labour market"*. He added: *"Higher education has to follow the international advancements in all aspects and use the best to benefit from them. Education has to be dynamic in order to adapt to teachings and advancements in international levels. Decision-makers at the national level need to have a clear vision of the prospects of the Kuwaiti labour market and try to find solutions to the problems of Kuwaiti labour"*.

The other PAAET dean thought that, *"more spending on education in general, upgrading educational management, equality of opportunities for individuals with high efficiencies, and setting an educational strategy that addresses the requirements of the labour market, will facilitate the shifting process among the educational channels and future studies on the requirements of society"*.

Final Year Students:

The final year students of KU: In reply to the above question, one K.U. student stated: *"There should be a radical change of curricula for better skills and knowledge. Teachers need to be developed to be able to introduce the appropriate and suitable knowledge and skills. New universities need to be opened in Kuwait to compete with KU and PAAET to introduce better services. Kuwait also has to benefit from others' experiences in their education successes and to select the best teacher and instructors from around the world ".*

Another student took the subject from another angle when she said there was a need for *"changing the public attitude towards private business, barring students from joining easy departments, laying emphasis on practical and technical studies not theoretical studies because the labour market requires technical specialities".*

She added: *" the education decision-makers have to have clear human recourses objectives so that all potentials are directed towards implementing them, interest in creativity in children at the primary school".*

Final Year Students at PAAET: When asked the above question, a final year student at PAAET replied: *"The change should involve all stages of education with emphasis on the needs of the labour market, and coordination between government and education departments in the labour market".*

Another student recommended *"giving priority to understanding over memorizing, boosting student-teacher relations, emphasizing practical subjects over theoretical ones, and opening more universities".*

Another student wanted the government to *"give more opportunities to the private sector to provide teaching in colleges and to give the opportunity to the diploma students to pursue their studies and get their Bachelor Degrees from universities"*.

Employees (Graduates):

Public Sector Employees: When the above question was asked to public sector (government) employees, one of them said: *"The change should reach education as a whole"*, while another employee stressed the need for *"field researches to identify the problems of graduates in the labour market, stressing the practical sides in teaching, setting curricula which are pertinent to the actual needs of the country, increasing field training during education, boosting coordination between educational departments and other departments to activate field training, good preparation of teachers and designing curricula that go with the duration of education"*.

Further, another employee also said: *"Giving students the opportunity to discuss and express attitudes, interest in building a personality, opening new horizons in front of the students to think of their future, ongoing guidance during the period of education to help a student determine his/her objectives, interest in family and family ties and directing students during the secondary stage in the light of their potentialities"*.

Private Sector Employees: When asked the above question about how to improve the higher education system to meet the needs of the labour market to the private sector employees, one of them replied: *"Education must concentrate on raising the standard*

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of curricula in order to build a good personality". Whereas another one claimed that, *"education must create interest and seriousness, laying emphasis on the role of the family, ingraining work values and respect starting from the primary education".*

A third employee stressed on *"selecting the best teachers, loyalty to one's own country, imparting information at school or college on a tentative, not absolute basis which is liable to change and that there could be an opposing attitude, emphasising understanding, not memorising, building up the body and mind simultaneously and involving students in planning and assessing curricula".*

7.9. Conclusion

Through the questions directed to the different stakeholders (government and private sector employers, employees in the government and private sector organizations, final year students at Kuwait University and at PAAET, higher education officials, and policy-makers) it was found that there are a number of important issues with respect to higher education and the labour market in Kuwait. The main issues that have emerged from the study and that will be discussed in the next chapter are:

1. The quality of higher education graduates in Kuwait is low and has been deteriorating over time.

2. Higher education in Kuwait has failed to provide students with the necessary skills and knowledge needed for the Kuwaiti labour market.

3. The graduates of the higher education institutions in Kuwait are not ready to take jobs immediately upon completion of their studies.

4. There is hardly any relation between what students study during their education and what they are required to do in the work place.

5. Most of the graduates of higher education institutions prefer to work in the government sector where the pay is higher, the jobs are secure, and working conditions are easier, then there is the private sector.

6. There is no coordination between education authorities and the labour market providers. There is a need for better communication between the two parties.

7. Social status, family background and the use of *wasta* play important roles in higher education and in the labour market in Kuwait.

8. Students of higher education institutions and employees seem to have better views about how to improve the education system in order to meet the demand of the labour market than the decision-makers and higher education officials.

The next chapter will cluster the above findings in relation to the research questions presented in chapter one, and then discuss them in relation to the literature reviewed earlier and in relation to the socio-economic and political context of Kuwait.

CHAPTER EIGHT

EVALUATION AND DISCUSSION OF THE FINDINGS

8.1. Introduction

This chapter presents a detailed evaluation and discussion of the responses obtained from the interviews and the documentary data reported in the previous chapters. The findings are clustered according to the specific issues raised during the interviews in relation to the research questions put forward in chapter one of this thesis. The research questions were as follows:

1. Does the output of higher education meet the needs of the labour market in Kuwait?

2. Do social relations in Kuwait negatively affect the training and hiring of national employees?

3. How strong is the communication between higher education authorities and the labour market?

4. Do the State officials and planners have a clear vision about the higher education system and the labour market in Kuwait?

Each question is answered below from the research findings. The issues that answer each question are placed together and discussed in relation to the literature reviewed in earlier chapters.

8.2. Question 1: Does the output of higher education meet the needs of the labour market in Kuwait?

This question was formulated in the light of the following observations that are based on a review of the government's employment policies, higher education objectives, available literature, and historical trends reflected in the data on the labour market in Kuwait, which were discussed in chapters2 and 3. It was established that:

1. The graduates were interested in joining the government sector, which was already over-staffed.

2. Higher education objectives were not clear and seemed to be detached from the needs of the development process and the labour market needs.

3. The bureaucracy in higher education institutions had made the education system more stagnant and non-responsive to economic growth and the changing needs of the country.

In the context of the above propositions, the main issues that have emerged from the analysis of the data collected can be clustered in terms of:

- Skill quality of graduates
- Preparedness of graduates to join the labour market;
- Sources of graduates' skills; and
- Responsibilities of educational authorities.

The issues are discussed below.

8.2.1. Skill Quality of Graduates

As discussed in the last chapter, the responses of the government and private sector officials with respect to the skill quality of graduates shows that higher education graduates employed in the government sector are of low standard. Government officials and employers confirmed that the standard is continuously deteriorating. The graduates lack skills that could enhance their performance because the education they received did not prepare them with such skills needed by the labour market. The performance of the diploma holders from PAAET is generally weak and does not comply with the requirements of the work because private sector employers think that their study had not been tailored to the requirements of business, technology and industry in Kuwait. However, the university graduates employed in the private sector have been of better standards especially in the areas of finance, accountancy and management.

The deteriorating standards of higher education in Kuwait contradict the objectives for which the higher education system was established. In the current situation, where the government assumes full responsibility for education, the general objectives of education do not seem to have served the requirements of the labour market but the higher education institutions (i.e., KU and PAAET) continue to produce new graduates each year. Most of the graduates, however, end up working in the government sector where the workload is minimal, salaries are higher compared to the private sector, job security is guaranteed, no specific skills required, and promotion does not seem to be linked to individual's productivity or organizational performance. At the same time, the private

sector is reluctant to hire the national graduates of PAAET and KU (to some extent) because of their poor skill compatibility, low quality knowledge, negative attitude to work, and, above all, higher expectations in terms of salary. In Kuwait, the government's spending on education has exceeded 7% of the state's budget (Al-Ebraheem, 1999). Despite the increasing high investments in education the skills quality of graduates is below expectations. A number of factors are believed to have contributed to this situation, including the admission policy of KU and PAAET, curricula and teaching methodology, lack of objective assessment criteria, and lack of interest among students to take their studies seriously. The aim of an education system is to develop the knowledge, skills, moral values and understanding required in all aspects of life rather than knowledge and skills relating to only a limited field of activity (Reid and Barrington, 1997). However, there is no evidence from the findings of this study that in Kuwait the education system is achieving these educational aims.

It should be noted that the issue of low quality of graduates in Kuwait is not a new problem. It has existed for many years. For instance, a study by Massialah (1993) found that KU, just like any other Arab university, suffered from obsolete curricula, insistence on theoretical education, and a departure from the needs of the labour market. Moreover, Dr. Ali Al-Zumai, a former Minister of Planning, said in a recent interview that despite the increasing interest in education over the last fifty years, the development of administrative services, and the increase in the number of schools, the performance of the educational institutions have deteriorated due to the absence of development and revision in the curricula over the years.

It should be also pointed out that the state of Kuwait has been experiencing an overall development in all economic, social and administrative domains. Nevertheless, the skill qualities of the graduates have been deteriorating. The main reasons for the deteriorating quality of graduates can be related to many factors, such as secondary school leavers who are qualified to join higher education are admitted to the university on the basis of their percentage score, they are not given the opportunity to study what they would like to practice in their future careers, and they are certain that the government jobs that they are likely to take up on graduation do not require much mental or physical effort. Thus there exists a state of indifference and apathy by students towards knowledge and learning.

8.2.2. Preparedness of Graduates to Join the Labour Market

As reported in the previous chapter, Kuwait University deans maintain that the students must be provided with general knowledge rather than the skills that are specifically related to the labour market. They strongly argued that KU should provide knowledge and students are not expected to be ready to take up work immediately after their graduation. They said that graduates would not be qualified to take up specific jobs, rather they had to get acquainted with the nature of their new jobs and the way they carry them out. In contrast, PAAET deans maintained that their students should be trained for specific jobs by providing them with a combination of practical skills and theoretical knowledge. Nevertheless, they also argued that the students joining PAAET had been of low quality. They believed that PAAET graduates had not been interested in the jobs they had been trained for because they were groups of students who were admitted to specialisations they did not like. Seeking to attain a certificate in a study period not

exceeding five semesters, made students endure and stay in the course, even though they were taking up a specialisation they did not like. This led to graduates with no interest in work and with no career prospects.

The deans of KU believed that academic learning was not meant to prepare a student for a specific job neither was it accountable for or governed by the requirements of the labour market. This view has been supported by a number of scholars. For example, Favennec (1996) argued that academic education develops an appreciation of literature and the arts, an understanding of the natural world, and knowledge of our own and other societies and cultures. However, this may be acceptable when the labour market is able to absorb most of the graduates regardless of their academic qualifications. In Kuwait, the labour market, as explained earlier in chapters 2&3, suffers from structural problems such as an overwhelmingly large proportion of the nationals working in the public sector while expatriates dominate the private sector. The latest statistics show that the total number of KU graduates has reached almost 41,000, but only 3,000 work in the private sector, while the rest are employed in the public sector (Ministry of Planning, 2003).

One of the main reasons for the slow absorption of KU graduates in the private sector are the restrictions on KU to design its academic programmes and module curricula, and to benefit from developments in scope, content and methods of academic learning because of many governmental bureaucratic procedures that are imposed on them. By contrast, as explained earlier, in many developed and developing countries such as

Germany, Malaysia and Nigeria, the government has encouraged the freedom of educational institutions in the development and design of their academic programmes in relation to the social and economic needs of the country. It is imperative therefore that KU should be able to freely revise and develop its academic programmes, curricula and teaching methods so as to bring its standards closer to the needs of the labour market, particularly to make up for quantitative and qualitative shortage of knowledge and skills needed by the private sector.

As in the case of academic learning offered by KU, the technical education offered by PAAET does not seem to be serving the needs of the country. The objectives set by PAAET at the time of its establishment in 1982 are of a general nature embodied in providing the labour force with technical skills to serve society, enhancing their abilities to realize the objectives, and augment the efficiency of the system and personnel to optimally maximize their abilities (for details, see Chapter 3). These objectives are not consistent with the aims of technical education mentioned by Minnis (2000), which are: linking education with productivity; making graduates more employable; and providing the students with the practical background, familiarizing them with tools, abilities and technology related to the jobs in the labour market.

In addition to their general nature, the objectives of PAAET have remained unchanged since its establishment. Since then, however, there have been significant structural changes in the Kuwaiti labour market. For instance, as discussed in Chapter 2, the Kuwaiti labour force has become more educated (the proportion of the labour force with

a high school certificate has grown substantially), the female labour participation rate has increased significantly, and the male labour force participation rate has remained more or less unchanged. Such changes need to be reflected in the objectives and specializations offered by technical educational institutes. The deans at PAAET mentioned that students admitted to PAAET are normally low standard secondary school leavers who failed to get a place in the KU. Hence their PAAET education is not expected to find them good jobs. This negative attitude to vocational education is a fact and a problem confronted by the PAAET since its establishment. It is also a problem confronted by technical educational agencies worldwide (Misri, 1994). The officials of PAAET know that their graduates wish to take up a job different from the areas in which they get the training. This is due to the lack of skills and qualifications, which help them to do the work effectively. There is also the problem of non-Kuwaiti manpower, which has more skills and experience and receives lower wages, as discussed in Chapter 2 of this thesis.

The PAAET deans raised one of the most significant problems of the Kuwaiti labour market, which is the lack of skills of the new entrants to the labour market. This goes along with Hamad's (1995) findings that Kuwaiti graduates (without mentioning any specific level) had low skills and did not respond to the needs of the country's economic development. The government, however, continues to create jobs for new graduates because there is no problem in paying their salaries. As a result, students depend on the notion that the government will provide jobs and, hence, care less about the standards and quality of their education.

8.2.3. Sources of Graduates' Skills

As reported in the previous chapter, the responses of the labour market officials regarding sources of skills, show that one of the main issues is whether the graduates acquire skills through study or through on the job training. The government officials believe that a public sector employee should acquire skills through doing their work because, in their view, attaining a degree is not enough to provide experience, ability and skill. They also laid emphasis on the need for training on and of the job. However, the private sector employers said that the type of education graduates received was not helpful and that experience and training on the job were more important. They argued that there were employees with qualifications below GCE who took important jobs, which required higher skills and abilities. They explained that newly graduated engineers could not fill such jobs today. They also maintained that it was possible to dispense with qualifications but it was impossible to dispense with experience and expertise in doing a job.

One of the main factors for KU and PAAET graduates not having the necessary skills that match the job requirements in the public and private sectors is clearly related to poor education planning. According to Misri (1994), the European countries established their educational systems, especially technical education, in the light of their developmental requirements but developing countries established their educational systems in response to numerous political and social factors. The International Labour Office (ILO) declared that skill development (through training) and providing lifelong learning for all (through education) were massive undertakings in any country (ILO, 2001) but because of political and social considerations, educational planning in developing countries became detached

from the various developmental requirements. In Kuwait, education, as maintained by educational officials, was not planned to cope with the labour market. In view of the problems being experienced in the labour market, it appears that educational planners in the State of Kuwait made a strategic mistake by not linking the educational system to the development needs of the country. The presence of more than 1.2 million expatriate workers in the Kuwaiti labour market (PACI, 2004) should provide the motivation for higher education officials to show interest in providing skills and abilities to the Kuwaitis in order to prepare them to take up the work directly and successfully and to be able to compete with expatriates rather than depend on them. Many employment departments, especially in the private sector, seem to except their newly recruited employees to be able to work immediately and effectively but most graduates are not equipped with the necessary skills to do so.

Gaining work experience by doing the job is not enough for the Kuwaiti graduates especially in the government sector, which suffers from a lack of productivity and low levels of professionalism. Graduates require, as Armstrong (2001) stated, encouragement to take risks and learn from experience. This happens in a place where the targets and objectives are well formulated and the system of work is apparent. Unfortunately, this is not the situation to be found in Kuwait's government institutions.

Private sector employers did not mention that they offer training to their employees because they normally recruit expatriates that are already trained. In Western countries, private sector employers use advanced techniques to improve the standards of their

employees such as learning by doing, motivation to do the worthwhile product, and giving feedback (Birchall and Lyons, 1995). This approach allows newly joined employees to improve their standards. The problem in the Kuwaiti private sector is the experienced non-Kuwaiti employees who sometimes, deliberately, prefer not to teach Kuwaiti employees or transfer their knowledge to them because they think Kuwaitis will take over the work from them. In a survey made by MGRP newsletter (March, 2005) on Kuwaiti employees in the private sector, it was found that Kuwaiti employees were unhappy with the way they had been treated by non-Kuwaitis working with them. Kuwaiti employees said that non-Kuwaitis did not offer any assistance or help them to practice their jobs properly because these might threaten their existence in the company.

8.2.4. Responsibilities of Educational Authorities

As reported in the previous chapter, the deans of K.U. believed that it was not the role of the university to qualify the students for the needs of the labour market. They argued that the university had its educational objectives and seek to provide knowledge and learning, and to prepare students for growth and self-development. This means that the role of the university is to provide the general knowledge that makes graduates the educated members of society but not the experts who have the specific skills required by the labour market. They also claimed that the labour market (or employers) had not been involved with the university in identifying programmes and specialisations. Although some graduates were prepared to work directly in certain specialisations, such as medicine and engineering, the university had not been aware of the exact needs of the labour market. The deans were also of the opinion that organizations had been responsible for training

and developing the graduates according to their employment needs and they did not depend entirely on the knowledge gained from the university.

However, KU deans agreed that education (including Kuwait University) should not be completely detached from the needs of the labour market. There are some colleges that are viewed as vocational because they qualify graduates for certain professions such as medicine, engineering and the paramedical sciences. The fact that the government provides jobs to graduates for each specialization at the university suggests that in a way university level education in Kuwait is also vocational education. This implies that the government, through its policies, has made an academic education into a vocational one. In this context, Bock (1998) argued that the growth of relevance of academic education can be found in technological developments, work and organisation structures, as well as in the constantly increasing relevance of service sector. This is typical to the case of Kuwait, as KU officials still think that they are not responsible for the needs of the labour market. The two factors that are likely to have contributed to the views of the university officials are: (1) knowledge of theories that insist on a segregation between academic education and the direct needs of the labour market; and (2) KU is a government institution which suffers from a bureaucratic system and procedures that do not allow timely adoption of developments in teaching tools and methodology.

In contrast, the deans of PAAET believed that their programmes had been consistent with the needs of the labour market and that their specializations met the labour market requirements, especially those of the government sector. They argued that there had been

committees, in which public and private employers are members, inside their colleges. The role of the committees is to select specialisations, develop curricula and create new departments to address the needs of society. The deans of PAAET believed that their responsibility was to address the needs of the labour market from among technical and vocational labour, and developing the skills of the already existing labour.

Therefore, it seems that the education strategy that is adopted by the Kuwaiti government has been able to produce an education system to meets the social and economic development needs of the country, especially the university education, which appears to have been completely detached from the labour market. There is a need for an education strategy, that Brymann and Carmer (1997) described, which will be able to modify behavioural patterns and attitudes of students and to prepare them for the building of a strong economy. The educational institutions of Kuwait, including higher institutions, need to be modernised but they still need to concentrate on the prevailing traditions, cultures, beliefs and values of Kuwaiti people. This will not happen unless there is a clear vision and action plan made by the government. As Newman (2001) and AL-Manofi (1998) had pointed out, although many efforts have been made in order to improve the education systems of Arab countries, the changes are still very limited.

As per the responses of the PAAET deans, most of the specializations offered by PAAET are vocational and aim to prepare a graduate to take up a specific job, which goes with what the student has studied. The replies that what the deans of PAAET have said is consistent with the literature on vocational education, especially the UNESCO's (1999:

21) description that vocational education involves "*all forms and levels of the educational process involving, in addition to general knowledge, the study of technologies and related sciences, the acquisition of practical skills, know-how, attitudes and understanding relating to occupations in the various sectors of economic and social life*".

In this respect it is noticed, however, that the graduates of technical and vocational colleges of PAAET take up work in the public sector where their specializations are not needed. The graduates often take up white-collar jobs, which go with their social status (Al-Enezi, 2000). This issue (social status) is discussed later in this chapter.

8.2.5. Summary of Issues Related to Question 1

The above discussion highlights the point that the higher education system in Kuwait has not served the needs of the country's labour market. The quality of graduates is low and has been deteriorating. The graduates do not have the necessary skills to fulfil the job requirements in the public and the private sectors. As a result, even after successfully completing their studies, the graduates are not ready to enter the labour market. The main factors that contribute to the low quality of graduates and the lack of job compatibility are the quality of students pursuing higher education and the underlying philosophy prevalent in the system of higher education in Kuwait. In the case of KU, the officials believe that the main objective of the university is to provide academic knowledge and not to train the students for specific jobs. In other words, the university education does not have to be responsive to the needs of the labour market. In the case of PAAET, while the system is

designed to be responsive to the needs of the labour market, the quality of students joining the institution and their belief in finding a job in the public sector irrespective of their specialization make them take little interest in their studies and learning skills. As long as such tendencies continue, the output of the higher education system in Kuwait will not be able to meet the needs of the Kuwaiti labour market, and, hence, will not serve the development needs of the country.

For the higher education system to serve the needs of the economy and to be representative to the requirements of the labour market, it is imperative that the overall efficiency of both KU and PAAET is improved. In other words, both institutions must produce graduates with skills that are required by the growing economy of Kuwait, particularly in the private sector. This would mean introducing fundamental changes in the educational system at both KU and PAAET. While it is true that the purpose of a university education is providing academic knowledge, KU should be responsive to the need of the Kuwaiti labour market and the economy. The different areas of specialization offered by the university should be modified and restructured to improve the skills of its graduates and, hence, their absorption in the private sector. In the case of vocational education, to address the issue of the quality of graduates, the most effective solution seems to be the changing of the admission policy of PAAET. Any new admission criteria should set some standards by giving proper considerations to key requirements, such as scores required for different specializations, interest and aptitude of the student in a particular specialization, and prior practical training and/or experience in the specialization of interest. To enhance the compatibility of the skills acquired by graduates

with the job required in the labour market, the government should revise its employment policy and employ only those graduates that have the necessary specialization and skills.

8.3. Question 2: Do social relations in Kuwait negatively affect the education and employment?

This research question was formulated because in Kuwait connections and family links are vital for success in commercial and business affairs, including securing good jobs, doing business, and getting things done in different government and private offices. This kind of practice affects the performance of the public and private sector organizations. There have been also other factors that affected the general behaviour and preferences of Kuwaiti citizens and that have implications for the education system and labour market in the country. Such factors are:

1. The flow of oil money has led to a new type of relationship between the government and Kuwaiti citizens, where the state is responsible for providing economic and social services to the citizens free of charge, but the citizens have minimal responsibility towards the government;

2. The appearance of new occupational groups such as management, insurance and investment, which the Kuwaiti citizens prefer despite the availability of jobs in other occupations (e.g., technical and manual);

3. The interference of Kuwaiti parents in the future careers of their children; and

4. The importance of social factors in the planning of educational policy.

The analysis of the findings of this study in relation to the above factors can be discussed under three points:

- The wishes of parents and attitudes of their children;

- Best working places for higher education graduates; and

- The extent of "*Wasta*" and its effect on education and the labour market

8.3.1. The wishes of parents and attitudes of their children

The replies of the students, as reported in the previous chapter, show that Kuwaiti parents believe that their children should complete their studies and hope that they get a government job. In general, PAAET students accept that their parents are more familiar with the labour market and are interested in safeguarding their children's future. They accept the advice of their parents and make sincere effort to follow them. KU students, however, feel that they are more familiar with the labour market and know what is better for them and, therefore, they will not follow their parents' wishes.

It can be also concluded from the replies of the students that their parents direct them to study certain subjects because Kuwaiti families play an important role in directing their children to the type of education that they feel is better. Getting a government job is a major concern for the family members. The attitudes held by Kuwaiti families have been prompted by the declared government policy and the guarantees made to a Kuwaiti citizen. This is inculcated in Article 41 of the Kuwaiti constitution (Appendix 3) that states that the government is committed to provide employment for the Kuwaiti citizens. Ever since the 1950s, this social contract between the government and the citizens has

been applicable (Al-Ibrahim, 1996). The government has never dispensed of any of its employees or proposed any amendment aimed at imposing penalties or punishments on unpunctual employees or those with low performance. In addition to the aforementioned, according to Sayigh (1985), the government created additional unnecessary jobs to cater for more employees in the light of the increasing oil revenues. By giving the citizens a sense of job security, the government, through its policies, has undermined the development of a competitive environment in the system that is critical for the acquisition of knowledge, enhancing quality of manpower, and developing human capital resources. As noted by Grubb et al. (1998) and Psarchropoulos (1996), the development of human capital is important for creating changes in the economic and social structure, producing self-sustained productive capabilities and increasing the income of the individual.

There is no doubt that the Kuwaiti families want their children to pursue higher education studies and get a higher degree. This has led them to exercise pressure on educational authorities, through the use of the National Assembly members, ministers, and other influential persons, to admit more students without any considerations to the capacity or needs of the labour market. In the election time, the candidates for elections visit the Kuwaiti people in their homes and work places, and ask them for their votes, the voters tell them about their concerns and wishes. One of the most important wishes is the education and the future of their sons and daughters. They want their sons and daughters to join KU or PAAET and to find a good job in government or oil sector. When people elect parliament members, those members exert pressure on the government to change regulations to accept Kuwaiti young people in KU and PAAET regardless of the ability

of these education institutes to serve the coming students, or the ability of students themselves to proceed in their studies and graduate. Such attitudes have created a state of disorder in the process of higher education admissions and forced the authorities to put restrictions on admissions due to the inability to cater for huge numbers of applicants. For instance, at KU, the minimum percentage marks for admission in medicine, engineering, and administrative sciences is 90%, 85%, and 80%, respectively. In addition, KU conducts placement tests and interviews for admission. Although the restrictions and conditions exerted by the higher education authorities, many Kuwaiti families still wish to enrol their children in Kuwait University even when they know that their children are not willing to study at the University. These wishes of the Kuwaiti families have directly affected the output of higher education and its relation to the labour market. As a result of this parental pressure, many students end up studying subjects that they do not necessarily like. This has therefore led to students either not completing their studies or not having interest in jobs that correspond to their areas of specialization. In this context, it should be pointed out that dropout percentages for KU and PAAET have been 40% and 52%, respectively (Ministry of Education, 2003). All this has led to waste of efforts, resources, and low productivity.

8.3.2. The best working places for higher education graduates.

Most of the respondents (final year students) were of the opinion that the public sector is their best employer and that, as a government job is their first choice. It should be noticed, however, that PAAET students believe that their interest in getting a government job is because a government job is close to their specialization. KU students, on the other

hand, attributed this to the "*social status*" and "*prestige*" that a government job confers upon them. Government jobs are not only just secure and less demanding their salaries are also higher compared to those in the private sector. According to Badria and Chishti (2000) it was estimated that, on average, salaries in the government sector were 25-30% higher than those in the private sector. This situation is still prevalent in Kuwaiti government sector and is not expected to disappear in the near future. As there are excessive quantities of oil and the prices are high, Kuwaiti citizens will still get access to highly paid government jobs.

A government job is preferred because it is the easiest in terms of availability and nature. This phenomenon is also present in other countries similar to Kuwait, such as the Sultanate of Brunei and the Kingdom of Saudi Arabia (Minnis, 2000) because they are rich due to revenues from oil resources. In these countries, government jobs provide higher salaries and fewer demands on one's working time than in the more cost-conscious private sector organizations. This state of affairs has been dominant in Kuwait since the establishment of the government and administrative systems in the 1960s (Al-Kashef (1995).

Moreover, it is observed that the government sector in Kuwait is very bureaucratic, but the private sector is rational and technical in nature. As per the 2002 statistical bulletin issued by the Ministry of Planning, the percentage of technical labour in the government fell below 25% of the total number of administrative staff (Ministry of Planning, 2002). In contrast the expatriate labour in the private sector employed in the technical, scientific

and production jobs numbered more than 600,000 compared to less than 80,000 holding administrative jobs, directors and sales people. One of the most distinctive aspects of the Kuwaiti labour market is that Kuwaitis hold administrative jobs in the government sector and expatriates manage technical jobs in the private sector. The relatively low proportion of nationals holding technical jobs has affected the national economy and social relations. It is admitted that the economically productive jobs in Kuwait are in the hands of expatriates (Al-Enezi, 2000) because Kuwaitis do not accept production jobs under the guise that the nature of their society rejects that type of 'demanding and dirty' vocational jobs. They depend on the high salaries they draw from the government for doing very little work in 'desk-based' jobs.

Kuwaitis look down to the technical, manual and handicraft jobs. They prefer to join more prestigious and administrative jobs. As a result of all Kuwaitis wanting to do the same type of jobs, many young people (graduates) compete with each other for the limited jobs that are available in government and use "*Wasta*" to get managerial and administrative jobs in public sector oil companies. This is because the salaries in the oil sector are double than those in the government sector. The oil sector provides better medical treatment, higher annual increments and better job security than other government sectors. Another important point is that oil jobs are not always handicraft and (dirty) even the names of the job indicates that, the oil companies use the contactors to accomplish most of the technical and practical jobs and all those working in the contracting companies are non-Kuwaitis. The role of Kuwaiti employees is to supervise and to guide not to produce and operate machines, etc. The statistics of Kuwait Oil

Company (KOC) indicate that the official number of Kuwaiti employees is 5227 and the number of contractors' employees is around 11000 (KOC, 2004).

Moreover, the students did not mention the importance or relevance of their degrees, skills or knowledge. This indicates that students do not depend on what they had actually studied to get the jobs they like because they view their education as a means to get a qualification which gets them a job not as mean of learning and educating themselves for the future employment. Kuwaiti students do not believe in the principle of equality of opportunity or putting the right person in the right place. They do not trust their academic learning and they think that the knowledge and skills learned in the university are not enough to execute jobs in the private sector effectively.

Therefore, it seems that social prestige remains a major motive for higher education in Kuwait. This is quite contradictory to what human development and human capital scientists assume in respect of education leading to employment. For example, studies by Becker (2000), Mincer (1994) and Psarchapolos (1996) agreed that whatever is spent on education must be recovered through the labour market in the form of productivity and income. The human capital theory, as explained earlier, also maintains that an educated society must have a productive workforce (Bowman et al, 1989). In Kuwait, as seen from the replies of the higher education students, education exists and the society is educated too, yet productivity is not commensurate with what was spent on education in terms of money, effort and time by the government and the citizens.

8.3.3.The extent of *Wasta* and its effect on education and the labour market

Wasta (mediation or nepotism) is common in most Arab countries and Kuwait is not an exception. The practice has existed for many years and goes back to the tribal system. Most of the Kuwaitis were illiterate and did not have clear idea about the regulations and system applied by the government at that time. Public figures such as the heads of tribes, merchants and parliament members used their power and relations to help their members, friends and relatives to get what they wanted. Since then, the role of *Wasta* has taken another dimension. The use of *Wasta* has become a social phenomenon because of its use in every aspect of life. It was used to serve those who deserve the service or positions but today it is used to serve those who do not deserve the service or positions. It has moved from being a support mechanism to becoming a kind of bribery and black mail. For example, the people using "*Wasta*" today are parliament members for re-election or merchants for the favour of their business or politicians for their parties or tribes leaders for their relatives and populace.

Government officials confirmed the existence of *Wasta* and said that it makes an employee feel secure against any punishment or accountability. An Under-Secretary statedthat *"no one can bring the Kuwaiti employees the slightest harm as long as "Wasta" is there to protect them from any likely harm. This, no doubt, causes an employee to abuse his/her job".* *Wasta* is also a means for an employee to abuse his/her job. The private sector officials denied the existence of *Wasta* in their enterprises. They argued that in their organizations the emphasis is made on the type of qualifications and abilities, and the extent to which a graduate is able to do the job. They do not give any

priority to a specific nationality, but rather require qualifications and the capabilities of the graduate to perform in the work place. That is one of the major differences between the private sector and the public sector in Kuwait.

From the replies of government officials it is clear that *Wasta* does exist and it exercises a negative effect on productivity and work in general. The difference lies in the way different organizations accept or reject it. In the government sector, *Wasta* is held as a fact that cannot be evaded or ignored. The practice of "*Wasta*" causes services to deteriorate and productivity to decline. Chrishti and Khalaf (2000) have shown that because of *Wasta*, return on education is very low for government employees in Kuwait. The effect of the use of "*Wasta*" is to put people in places they do not deserve or able to fulfil these places. The consequence is that the governmental services and administration will not develop and no one can expect future improvements in the place affected by *Wasta*. Normally the one using *Wasta* is that who has fewer qualifications. The government officials prefer not to clash with their friends, relatives, seniors, members of parliament, leaders, famous leader people and so on. Therefore, they tend to accept their requests because they think if they do not do so their positions and status within the family and society will be affected.

In private sector, the practice of *Wasta* is not as clear as it is in the public sector. There is *Wasta*, but in a limited scale and in a way which does not interfere with the interest and development of the business. The owners of private companies, for example, do not accept any applicant unless they know his/her family or wait until someone they know

recommends the applicant. In some cases when the private sector needs specific changes in the commercial law or some services introduced by the government they contact parliament members. In this case the private sector will accept *Wasta* from parliament members to intervene on their behalves. The *Wasta* in private sector is not expected to affect its efficiency or effectiveness and development because thes sector is secured and defended by its people more than the government sector.

The behaviour of the private sector employers seems to be logical to some extent because an employer, who is naturally interested in generating profit, is not prepared to risk his/her business for social relations. Here an important issue arises which is related to the role of the private sector in dealing with national manpower in the labour market. Officials in this sector deal with the national manpower in terms of profit and loss. Moreover, the government gives services to the private sector. For example, public land was sold at a price far below its market value to private investors, in addition to providing the infrastructure and tax exemptions (Chamber of Commerce and Industry, 2002). The government also provides necessary services such as health, education and other social services to expatriates working in the private sector (Ministry of Social Affairs, 2001). Thus, there seems to be *Wasta* from which the labour market does not benefit because while the private sector receives the support of the government sector, it does not in return give priority to national manpower and prefers to recruit more expatriates than locals for their business.

8.3.4. Summary of Issues Related to Question 2

The above discussion shows that the higher education system in Kuwait had not been able to play its due role in the development of the country due to interference of the parents in deciding what their children choose to study in KU and PAAET, and the use of family connections (*Wasta*) in securing government jobs. Because many students end up studying subjects that are not of interest to them, both KU and PAAET, have high dropout percentages and the two institutions are not able to produce graduates that are needed by growing and industrialising economy. Thus, the efficiency of the education system remains below expectations. The overall efficiency of the higher education system can be improved substantially if it is allowed to operate on the basis of labour market needs (i.e, without family interference and *Wasta*).

The higher education system has not been able to meet the needs of the economy because of the social status and prestige attached to government jobs in the society. As a result of this prestige, a large number of graduates from KU and PAAET seek government jobs, irrespective of their specializations. To ensure that the higher education system is responsive to the needs of the economy, particularly the private sector, the authorities need to remove the bias in favour of government jobs and encourage the private sector to employ more locals than expatriates, especially the private sector employers that get financial (tax exemptions, etc.) and administrative support from the government.

8.4. Question 3: How strong is the communication between higher education authorities and labour market sectors?

For the education system in any country to meet the requirements of the labour market and, hence, the economy, it is imperative that educational institutions and the labour market officials communicate with each other within an organized and formal framework (Moosa, 2002). As discussed in the previous chapters, this has been true for countries where the contribution of educational institutions to economic growth and development is well established. In Kuwait, however, this study has confirmed that the education sector has not been able to contribute effectively to the country's socio-economic development. This is because the output of the educational institutions does not meet the requirements of the labour market. It is therefore argued that this situation is partly the result of a lack of communication between educational institutions and the labour market officials. This argument is based on the apparent:

1. lack of consistency in the educational plans and programmes;

2. inability of a graduate to foresee the type of work and salary in the labour market;

3. increase in the expatriate manpower, particularly the low qualified; and

4. decline in the higher education graduation rates.

In this context, the analysis of the data has revealed two important issues. These are:

1. The nature of communication between the labour market and higher education authorities; and

2. The approaches of state officials in implementing their plans, as discussed below:

8.4.1.The nature of communication between the labour market and higher education authorities

The replies of the public and private sector employers reflect the nature and type of communication between the labour market and higher education authorities, as explained below:

Government Officials

Each year, the government officials (or the employers of the public sector) receive a request from higher education authorities asking for the requirements of the government for human resources in the coming year. The government officials complete the forms and return them to KU and PAAET. This procedure is repeated annually as a routine and bureaucratic obligation in order to make sure that government jobs are made available to higher education graduates. The role of education authorities is to make sure that the required quotas are met regardless of the quality and the standards of graduates.

Private Officials

In the private sector, the communication with higher education is carried out differently. The private sector companies advertise their vacancies in the colleges of higher education requesting specific graduates. Sometimes they send their representatives (recruitment managers) to the KU and PAAET to present their companies to potential employees and to meet those students interested in working for them. Another technique used by private sector companies is the media advertisements in newspapers and specialised magazines.

These two contrasting recruitment procedures, explained above, show that there is very little real communication between the labour market and the higher education authorities. The government employers are not aware of the type and quality of graduates being produced because they only ask for what they need each year and they get them. Whereas the private sector employers may know the type and quality of graduates from their direct contact with the applicants but higher educations institutions do not know the needs of the private sector employers. There is a need for open and direct communication between all parties involved. Education, according to Rao (1996), is a *"productive investment"*, which leads to better skills, talents, abilities, and knowledge that lead to economic success and create jobs and investment opportunities in the labour market. The countries that have a good communication process and a strong link between their education system and the labour market are said to be the most successful (Rao, 1996). Malaysia, for example, has set a strategic plan based on education, mainly vocational education, which relates to the labour market. The education system and vocational training programmes are designed in the light of the labour market requirements. Also, in China, Sangxong (1998) found that students were oriented early on the importance of education and its relation to the labour market. They worked out a system of educational-training programmes to qualify for a set of jobs available in the labour market or to be made available later. Students were left to choose whatever they like and feel fit for their abilities in terms of educational and training programmes. In parallel with this strategy, there was a huge development and creativity in the type of training so that it meets the technological development and societal requirements.

In Kuwait, the findings of this study have shown that there is no clear strategy for cooperation and coordination between the those who supply labour and those who demand it. Therefore, a stalemate is created, as mentioned by Al-Zumai, (2000), which resulted in weak educational outputs and weak communication with the parents benefiting from educational output. Admissions to KU are not pinned on the requirements of the labour market, but rather on the capacity of the different faculties within the university (see Chapter 2). In the case of PAAET, it has its own problems, starting from the low quality of students enrolled to the change of curricula during study and setting jobs, which are incongruous with the specializations students are asked to study. Just like in any other Arab country, education in Kuwait is influenced by politics, and as a result, the educational system is very often diverted from its initial objectives (Makdesi, 2000). For instance, both KU and PAAET are forced to admit more students than their capacity, even at the expense of lowering the admission requirements, because of pressure from members of the National Assembly, ministers, and other influential persons in society.

To ensure that the higher education system meets the needs of the private sector of the economy, the latter has been asking the educational authorities to prepare trainees and students in skills that are in demand in the economy. The officials of the private sector have shown their interest through advertising with the higher education authorities to attract graduates and choose the best from among them. It is noticed that the private sector is interested in organizing the curricula related to its requirements. In addition, a

group of private sector managers participate in teaching and training in PAAET, mainly in the vocational colleges. On the other hand, it is found that the government sector is content with the routine work embodied in completing the forms on an annual basis and returning them to the higher education authority. The private sector has been a forerunner in defining its future needs and acting to achieve this end because its general objectives are well defined. Each organization has its own objectives and strategies related to its existence in the labour market. The activities indicated by the private sector employers were not through agreements with the educational authorities because such authorities suffer from ineffective communication.

8.4.2.The approaches of the state officials in implementing their plans

As reported in the last chapter, the State officials prefer following institutional channels to communicate with the different stakeholders in the labour market (i.e., public and private sector employers and educational authorities) to achieve their objectives in coordinating and cooperating between the labour market and educational authorities. They expressed their willingness to cooperate with the public and private organizations only through the established institutional channels and specific official mechanisms. As members of the state apparatus they had reservations in giving details about future plans for the bodies they preside over. Although the government declares an integrated plan for every five years it was not clear why the state official preferred to disguise details about their programmes and plans. It was not easy to get any clear information about their

future plans although it is well known that government agencies must agree their plans and the means for implementing them before they are submitted the National Assembly for approval. Normally, the state official documents, plans and programmes are not restricted and are not confidential documents because they are made accessible to the members of the public the government libraries.

The unwillingness of the Minister of Education and the Chairman of the Civil Service Commission to provide details could be because they did not want to disclose information that was different from what was included in the government work programme and possibly they were not aware of the content of the latter. As any discrepancy could lead to questioning by the members of the National Assembly and would expose the government to a difficult situation, the officials preferred to talk in general terms, without going into detail. The other explanation for the vague responses of the State officials could be that they had no clear vision or definite agendas for the future cooperation between the education and the labour market authorities.

The fear State Officials from being questioned by the members of the National Assembly is very legitimate as it can result in the dissolution of the government. As reported by Aseery (2003), in his book "*Political Life in Kuwait*", the average life of a government in Kuwait is 19 months after which it is dissolved due to clashes with the National Assembly or questioning of ministers by the MPs (grilling). A period of 19 months does not encourage a minister to put down plans, find a communication mechanism, implement it, and yield results. The safest way is to adopt and follow the already existing

procedures with minor changes. This situation does not encourage a minister to get acquainted with the policies or communications carried out previously with other bodies. He leaves these issues to the undersecretaries and other top officials without going into the details. Therefore, the end result of all this is that the education system is left at the mercy of the bureaucrats who are least interested in introducing changes in a system.

In Kuwait, as in Turkey (Simsek & Yildirim, 2000), the communication process was poor between the government authorities. Employment and labour market-related policies were implemented at one official's request without taking into account the views of other officials and whether or not the policies were suitable. It is interesting that when interviewing the Chairman of the Educational Affairs Committee in Kuwait's National Assembly he referred to some of the mechanisms granted by the constitution (Appendix 3), such as the right to question cabinet members. In fact, any other member of the assembly can utilize his or her constitutional right in proposing legislation for reforming the education system and the labour market. The role of the National Assembly is to make legislations and to monitor the performance of the government. It is the body that is in charge of enacting laws and following up their implementation in collaboration with the government authorities. However, one of the main factors, which prevent the members of the National Assembly from fulfilling their legislative and regulatory obligations, is that they face a set of obstacles, which could hinder their parliamentary career and negatively affect their performances. The members of the National Assembly have responsibilities towards their electorates who helped them win the elections. The members spend most of their time listening to the problems and viewpoints of their

electorates and also help them through processing their cases with government agencies. Moreover, the members do not try to impose legislations and laws, which could be incompatible with the government officials' wishes.

8.4.3. Summary of Issues Related to Question 3

The above question has addressed the process of communication channels between the higher educational institutions and the officials of the public and private sectors. The issues raised by this question are very important because they point to the need to improve the current situation. The discussion shows that not only there are no effective communication channels between the educational authorities and the labour market officials, but also there is no clear strategy for cooperation and coordination between them. This has resulted in the weak contribution of the educational system to the needs of the labour market and, hence, economic development of the country. Whereas the private sector has shown interest and made efforts to establish communication channels with the educational institutions, the public sector has shown complete indifference towards this endeavour.

8.5. Question 4: Do the state officials and planners have a vision about the future of higher education and the labour market in Kuwait?

This question was asked because there is a general perception that the main reason the country has not been able to find an appropriate set of solutions for its continuing labour market problems is that the planners and policy-makers in the country neither have a

clear vision regarding future goals nor a proper understanding about linkages between higher education and the labour market. This perception is based on the fact that, despite all the problems of the labour market, many government rules, regulations, procedures and policies regarding the employment of nationals and their salary structure remain unchanged. While the government continues to employ the nationals, the number of expatriates in both the public and the private sectors continues to grow.

In the context of the current question, the issues that are identified on the basis of reviews of the state of the labour market and higher education system (its goals, objectives, and performance), and interviews with state officials (presented in the previous chapters) are:

- The evaluation of current status of the labour market;

- Officials' and decision-makers' understanding of the problems of the labour market; and

- Future plans of the state officials and decision-makers to deal with the problems of the labour market.

These issues are discussed below.

8.5.1. The Evaluation of Current Status of the Labour Market

Directly or indirectly, the source of many of the problems of the labour market in Kuwait can be found in government policies and lack of a vision for the productive absorption of national manpower in the economy. The lack of vision on the part of the government is manifested in the differences in the emphasis in the responses of different state officials.

Each state official presented a different assessment and his own vision, rather than a single common view representing the government's vision. For instance, as reported in the previous chapter, according to the Minister of Education, the current labour market problems are the result of a lack of action on the part of the government during the last fifty years. The deterioration in the quality of education, the influence of social factors rather than requirements of development plans on the recruitment of nationals in various government departments, and the use of government jobs as a channel for distributing the country's oil wealth among the citizens are all the outcomes of short-sighted government policies. The situation has been further aggravated, as reported by Al-Enezi (2000), by the preference of the nationals to work in the public sector and their presumption that it is the responsibility of the government to provide them with jobs.

While the Minister of Education did provide an assessment of the labour market, other officials were not clear in their responses. For instance, the Chairman of the Civil Service Commission found it difficult to provide an evaluation of the labour market. He simply talked about legislation that extended financial support to employees in the private sector, the central registration system for those intending to join the government sector, and the appointment of those actually needed by the government, which will help improve the labour market. On the other hand, the Chairman of the Educational Committee of the National Assembly criticized the government for not guiding students in the right direction, which resulted in graduates not working in their areas of specialization.

Apart from education, there is a number of other factors that affect the labour market in Kuwait. All these factors such as the influence of local and international agencies, the social and cultural values, the expatriate manpower, and technological changes have left an indelible mark on the Kuwaiti labour market and on its performance. The National Assembly should have looked into all these factors and coordinated between different government agencies dealing with the labour market, and then introduced appropriate laws and regulations. The situation in Kuwait is consistent with what Simsek and Yaldimin (2000) said about the experience of Turkey, and in many of the developing countries that failed to provide solutions for their labour market problems despite considerable expenditures.

8.5.2. Officials' and Decision-makers' Understanding of the Problems of the Labour Market

The Minister of Education indicated that the impediments confronted by the labour market had been embodied in the desire of the private sector to depend mainly on profit-seeking capital. It searches for the cheap, skilled and specialized labour, which gives more productivity for less cost. The private sector is not ready to concede to the social values because its main objective is to maximize profit. For this purpose, the private sector selects well-qualified graduates, which meet its objectives without attending to social norms and political games. The private sector prefers expatriate labour because it is cheap, readily available, experienced, familiar with technology, and proficient in English.

The chairman of the Civil Service Commission believes the urgent problem is the scarcity of qualified national labour. which pushes the private sector to seek expatriate labour as well as the fact that expatriates work harder, perform better and are much cheaper than the nationals. The problems of the labour market, in the view of the chairman of the CSC, are the Kuwaitis preference for government jobs, the gap in salaries between the two sectors, relying on oil as the sole source of income, and the low percentage of Kuwaitis in the private sector. On the other hand, the chairman of the National Assembly's Educational Committee believes that disguised unemployment and over-employment in the government sector has led to apathy and indifference. In his opinion, the private sector seems unwilling to absorb the overflow in the national manpower. There is also the fact, as pointed out by Al-Rashidi (1994), that the types of jobs in the private sector do not appeal to the Kuwaitis. This is actually one of the problems of the labour market that is related to higher education.

As reported in the previous chapter, all the interviews admitted that the standard Kuwaiti graduates had been too poor to cope with the requirements of the private sector. Kuwaiti graduates are not technically, psychologically and socially qualified to do the job that expatriates are doing in the private sector. As pointed out by the chairman of the Civil Service Commission, the expatriates are employed not only because they are better than Kuwaitis but because they are prepared to work and develop according to the requirements of the work and the instructions of their employers. In the opinion of the chairman of the National Assembly's Educational Affairs Committee, the government

sector employees are not prepared to improve their performance and increase their productivity as long as work does not require putting in more effort. Such attitudes lead to the deterioration in the type and quality of services offered by the government sector, and affects the efficacy of training. This problem in the Kuwaiti labour market can be solved by introducing competition within the system.

The main problem in the current Kuwaiti labour market is that it suffers from imbalance in the labour force and there is no competition between the private and public sector for labour because each sector has its own type of workforce and uses its own reward system. The government sector is governed by laws and regulations, and provides a system of rewards that does not differentiate between the quality and skill levels of employees. However, the private sector is dominated by the expatriate labour, which receives low salaries, and the obscurity of the laws and regulations which govern the relation between the employee and the employer (private labour law). Furthermore, the majority of the expatriate manpower does not have high qualifications (the number of workers with intermediate stage level and below is around 600,000) (Ministry of Planning, 2004). The majority of the national manpower in the private sector is managers, engaged in investment or license holders. The two groups are different in terms of education levels, status and professions. Therefore one is not comparing like with like in order to stimulate the labour market through competitive mechanisms. Competition can be effective when the resources are scarce and are differently priced. In Kuwait there is plenty of cheap foreign labour and plenty of expensive national labour.

8.5.3. Future Plans of the State Officials and Decision-makers to Deal with the Problems of the Labour Market

As reported in the previous chapter, in the context of future plans to deal with the problems of the labour market, the respondents gave their own responses based on their experiences and specializations. For instance, the Minister of Education expressed the view that he would diversify educational outputs, update educational programmes and utilize modern technology. In particular, he emphasized on the diversification of the secondary education so that vocational schools are built for crafts and industries. At the level of higher education, he talked about closing some of the departments whose graduates have little chance of finding jobs, particularly in the government sector, which is no longer capable of recruiting them. On the other hand the chairman of the Civil Service Commission talked about restructuring the labour force in the labour market, particularly encouraging the national manpower to join the private sector. The chairman of the National Assembly's Educational Committee, however, talked about creating a favourable atmosphere to make teaching a more attractive job to the Kuwaitis.

From the above discussion it is clear that while the Minister of Education dealt with a number of issues related to diversification of the output of the public education system, the chairman of the Civil Service Commission emphasized on the importance of motivating nationals to join the private sector. As for the chairman of the National Assembly's Educational Committee, he seemed to be satisfied with his present legislative

and supervisory role, and he did not refer to any initiatives or plans at the government level to which the National Assembly can pursue. This situation reflects a lack of a common understanding and a lack of joint solutions to a difficult problem facing the country. The review of experiences of other countries such as Malaysia, China and Uganda, discussed in Chapter 5, show that labour market problems were dealt with through integrated planning at the state level between all those concerned. There was coordination of efforts between educational bodies, the labour market and government and private institutions, which culminated in a nation-wide plan for linking education to the labour market demands. For Kuwait, the situation is different as can be seen from the replies of the government officials and decision makers. The Minister of Education and the Chairman of the Civil Service Commission have their different visions and each one wants to implement them his own way. This is likely to cause a clash between the two institutions and to create more problems than solutions to the current labour market conditions.

8.5.4. Summary of Issues Related to Question 4

The above discussion is an attempt to ascertain if the state officials in the country have a clear plan and vision to tackle the problems of higher education and the labour market in Kuwait. The analysis showed that different government officials and decision-makers viewed the issue from their own perspectives and had different solutions to the problem. Not only was a proper understanding of a difficult problem seem not to exist, but also the knowledge about any future plans was found to be vague and limited. This situation leads

one to conclude that the government does not have a clear and comprehensive vision on how to remove the imbalances prevalent in the country's education system and the labour market.

8.6. Conclusion

Although the history of Kuwait shows that the education system was established to meet the current economic and labour market needs of the country, the situation now is very different. There is a consensus among the different stakeholders that the quality of higher education graduates in Kuwait has deteriorated and is unable to meet the changing needs of the labour market. This study has found that a number of factors have contributed to this problem. One of the main factors is that education in Kuwait has no clear objectives and that the syllabus in not consistent with the social and economic needs of the society. In addition, the Kuwaiti educational institutions suffer from excessive bureaucracy and are under immense political pressures, which have adversely affected their outcomes. It has been also found that the Kuwaiti graduates stay away from competitive working conditions that prevail in the private sector, which is an indication of the low quality of graduates. Education officials admit that their graduates are not ready to join the private labour market. In contrast, the government sector, where productivity and job quality is relatively low, is open for all graduates. Kuwaiti graduates prefer jobs in the government sector where a high salary and job security is guaranteed. The lack of interest among

Kuwaiti graduates in joining the private sector has led to the dominance of expatriates in that sector.

It has been also concluded that the courses taught in the higher education institutions did not serve the needs of the labour market. This is mainly because the educational authorities believed that their role was not to serve the labour market but to produce generally educated people. For instance, they did not care about communicating with public and private sector employers in order to properly understand the needs of the labour market. The process of communication between Kuwait University and public sector authorities (employers) was limited to mailing and receiving a request form each year. This approach is far from a real assessment of human resources planning at the national level. There is no clear strategy between the educational authorities and market officials to deal with the problems of education and the labour market. In fact, there is no interaction between the two stakeholders. The problem of a lack of communication is not only between educational and labour officials, it is at all levels and in the different sectors of the economy. For example, at the national level, the decision makers who are responsible for education and the labour market do not have clear understanding about the labour market and its relation with the education system. They do not have clear vision and specific action plans that can be implemented and evaluated.

Another factor that has contributed to the low quality of graduates is that students rarely study subjects that interest them. In this context, it was observed that Kuwaiti families play an important role in defining the future of their children. The role of the students in

defining their career prospects is influenced by the parents' choice. As a result of family interference, students end-up studying a speciality in which they have little interest. Later on, those students work in areas for which they are not prepared. In addition to family interference, another factor that contributes to the lack of interest in the subject is the admission policy of KU and PAAET, whereby due to limited spaces students who secure high marks in secondary school examination get admission to medicine and engineering, but those with relatively low marks have a very limited choice of subject.

This study has also highlighted that one of the main factors that contribute to the lack of any relationship between what a student studies in KU and/or PAAET and labour market needs is the existence of *Wasta* (connections) in the Kuwaiti society. Students depend on *Wasta* to secure jobs in government organizations. The over-reliance on the use of *Wasta* has contributed to the deterioration of the quality of the graduates and their indifference towards benefiting from their higher education. This situation has had negative effects on the quality of services provided by the government sector because of the poor quality of graduates who get access through *Wasta* to work in the public sector. The use of *Wasta* also has negative effects on the role of the legislative authority (the National Assembly), where the efforts of the members have been very often to mediate for their voters in government organizations and come closer to the government at the expense of planning and legislating for the future development of the people and community.

The discussion of the above findings is expected to make a significant contribution to the understanding of the relationship between higher education and the labour market in Kuwait, as explained in the next chapter.

CHAPTER NINE
SUMMARY AND CONCLUSION

9.1. Summary

Before the discovery of oil, education in Kuwait, similar to the economy of the country, was relatively under-developed. The government of Kuwait is deeply indebted to the oil, which enabled it to spend generously on education and its development, and this was reflected in an increasing interest in expanding the education sector. The government of Kuwait has been committed to such initiatives, thinking that education would be instrumental in developing the social and economic life of its citizens. Nevertheless, the current study has shown that despite continuous investments in education the expected outcomes have not been materialised.

In Kuwait there are several types of education, ranging from academic to vocational, but this study has shown that there is no integration or coordination between them. It seems, therefore, that developing the needed manpower has not depended on a well-coordinated education system. There are significant differences between the university of Kuwait (KU) education and that of the Public Authority for Applied Education and Training (PAAET) but both of them suffers from bureaucracy and the influence of social factors and political bodies.

The dramatic pace of social change and financial abundance led some Kuwaitis to look down on productive work and compete for high positions in government, in addition to boasting over getting high qualifications with no due attention to the actual needs of the labour market. As a result, some Kuwaiti citizens have found themselves

unable to get jobs in the governmental sector and at the same time unfit or not suitable for jobs in the private sector.

The use of "*Wasta*" (connections, mediation or favouritism) still constitutes one way of violating the laws and hindering developments in the governmental administrative system. It is also likely to cause a misdistribution of manpower in the labour market. *Wasta* is known to put unsuitable people in places that they do not deserve. Unfortunately, the intensity of this practice is reflected in all aspects of life to a great extent. The most affected is the public sector which is described as a safe and secure place for lazy jobs and good pay. The young Kuwaitis use the wasta to join the government sector and enjoy the best payment without having to work up to any level of satisfaction. Therefore there has always been a mismatch between the potentialities of Kuwaiti employees and the requirements of the labour market. There is a real gap and imbalance between the number of Kuwaitis and non-Kuwaitis in the labour market. There is a surplus of Kuwaitis in the public sector compared to non-Kuwaitis and the situation is the opposite in the private sector where the non-Kuwaitis make more than 90 percent of the workforce.

The above-mentioned issues are partly the outcomes of social, economic and political factors. The social norms and inherited values among Kuwaitis have had significant effects on the efforts and plans of government to improve the relation between the labour market and the education system. For example, the parents force their children to join the government sector even if they have to wait for a long time or have to resort to the use of *Wasta*. Also, the political system and nature of relation between the parliament and the government have influenced the development plans and the

implementation of government policies on the labour market and education system. It seems that the members of the Kuwait Parliament have sometimes hindered rather than encouraged efforts to improve the relationship between the labour market and the higher education system. Moreover, the wealth created by the high oil revenues has made some Kuwaitis look down manual and productive jobs of the economy. This attitude has led to an imbalance in the labour market between Kuwaitis in government and administrative jobs and non-Kuwaitis in skilled and productive jobs in the private sector.

Although the above are some of the problems of the current conditions of the labour market and higher education in Kuwait, there are some positive factors which could and hopefully will make the Kuwaiti government able to overcome the problems that have been encountered so far. For example:

Financial abundance: The financial status at both the individual and the governmental levels is good as high oil revenues give reassurances to the government with respect to the economic conditions. Therefore, there are no impending drastic changes to be taken in the field of education or the policies governing the labour market at least in the short and medium terms. Monthly incomes in Kuwait are still high and there are no possible threats of jobs uncertainty at least in the near future. The healthy economic condition of Kuwait is expected to lead to more creation of jobs with good salaries and incentives in the future.

Growth in private educational institutions: The first private university was opened in 2004 and another one followed in the same year. The third university was opened in

the autumn of 2005. These universities are expected to produce new batches of keen graduates who are likely to join the labour market effectively. This step will promote competitiveness with governmental higher education institutions. This will also push forward the quality and lead to changes in the attitudes of society towards education and its importance for the individual as well as for the country. This is still an issue at stake because such universities are still at the beginning and their outcomes are too early to assess.

Introducing labour migration policies to control the flow of non-Kuwaitis labour force: The cabinet decree defining the percentage of national workforce in non-governmental institutions, issued in October 2003 (Appendix 2) was meant to find a direct remedy by introducing national workforce into the productive sectors. This step was expected to force private sector companies to recruit Kuwaitis. It was suggested that the Kuwaitis who under-perform can either be replaced by other Kuwaitis or be trained to improve their standards. It was recommended that private sector employers should consider training and retraining rather than replacing their employees because the government was committed to participate in developing Kuwaiti employees in the private sector by up to 50% of training expenses (Appendix 2).

Before discussing to the main recommendations of the study, which include the implementation of the above, it is important to go back to chapter one and revisit the research objectives of the study to see the extent to which they have been achieved. In the next section, each of the research objectives is reconsidered.

9.2. Reconsideration of the Research Objectives

The general purpose of this research was to investigate the relationship between higher education and the labour market in Kuwait. The specific objectives were:

- *To explore the views and thoughts of labour market officials in both the public and private sectors on the standards and levels of Kuwaiti higher education graduates, and to determine the extent to which there is a balance between the skills of the higher education graduates and the labour market needs.* This objective has included the private and public sectors and involved students of both Kuwait University (KU) and Public Authority for Applied Education and Training (PAAET). The objective has been met and it has been concluded that both the public (government) and the private sector employers were not satisfied with the standards of the Kuwaiti graduates working for them. It confirms that the Kuwaiti graduates are not meeting the needs of the labour market. It is also concluded that work experience and vocational training are considered by both type of employers to be important tools for generating the skills needed for the labour market.

- *To discover the perceptions of higher education officials and their satisfaction with the skills and knowledge offered by their institutions, and their understanding of the nature of the relation between their institutions and the labour market.* This objective was related to the attitudes of higher education officials in both Kuwait University and Public Authority for Applied Education and Training in teaching, and how they look to the nature of the relations between their institutions and the labour market. The objective has been met as the study

has established that the responses of higher education officials came in agreement with the theories of education and development (See Favennec (1996), Lee (1998), Lewy (1991) and Husen (1994) which argue that academic education is not directly related to the labour market. Academic education is expected to be general in nature and therefore less likely to be responsive to economic and employment pressures. Vocational education, however, was also confirmed to be employment oriented and it contains subjects driven by labour market needs. This is the perception of Kuwaiti officials as it is that of most of the literature on vocational education and training.

- *To understand the nature of communication between higher education officials and the labour market.* This objective includes how the labour market deals with higher education regarding its human resources needs, and the tools used by higher education officials to implement its admission policy. The objective has been met as the research findings indicate that there is a misunderstanding of the importance of communication between the labour market and the higher education institutions (KU and PAAET). Both KU and PAAET do not have a clear strategy to assess the real needs for trained and educated human resources to the labour market. Education, including KU and PAAET, comes under the umbrella of the government where politics and bureaucracy force KU and PAAET to change their strategies and cancel their plans according to regulations from the decision-makers. The problem is that those regulating the education system are not specialised in education and their actions come as a reaction to political or social pressures from the house of parliament and families of students and graduates.

- *To ascertain the decision-makers' understanding of the problems of the labour market and higher education in the country, and their plans and strategies to deal with the challenges.* This objective includes discovering the plans and strategies to deal with manpower planning and management, and how they understand the relation between various public and private sector organizations to improve the standards of Kuwaiti labour force. The objective has been met and it has been concluded that the responses of the decision-makers on the state level were not promising. They were not able to understand the problems of the labour market. There was no common understanding to the problems of the labour market. The respondents' future plans or their thoughts regarding Kuwaiti young people entering the education system or graduating to the labour market are still humble and below expectations.

9.3. Contribution of the study to knowledge

Since the researcher believes and is satisfied that the research objectives of this study have been met it can be claimed that the study has made some contribution to knowledge in theory and practice. However, as it has been argued in the research methods literature what can be seen as a contribution to knowledge is always relative. According to Philips and Pugh (1976) the "original contribution to knowledge" is a very shared term: it does not mean an enormous breakthrough which has the subject rocking on its foundation, rather it demonstrates that you have a good grasp of how research is normally done in your area. Contribution to knowledge could be displayed in four areas: developing a concept or methodology; thinking critically about your approach; building an existing study; and being prepared to change direction. This

research has contributed to the understanding of higher education and the labour market in Kuwait in theory and in practice in order to make recommendations for future improvements. The main contribution can be summarised as follows:

Theoretical

1. So far, most of the studies the researcher have read on education in general and higher education in particular and the labour market in Kuwait were carried out as consultancy reports by state-appointed education specialists from within the government apparatus. They focused on curriculum design, the number of schools needed and the standard and number of teachers required. Other studies focused on the economic side of education in terms of cost and benefits to the Ministry of Education with little consideration of the link between education and the labour market or on the development of human resources for the future development of the country. This study is the first, to the best of researcher's knowledge, to attempt to understand the link between education and the labour market by taking into consideration the views of all the stakeholders, from the state officials and decision-makers to the employers of public and private sector organizations, and to the employees as graduates and final year students as the graduating future employees.

2. The study has brought in the concept of 'Development' in the equation between education and the labour market. It has been argued that human resource development and the economic and social development of a country depend on having a strong fit between the outcomes of the education system and the needs of the labour market. This has been confirmed after reviewing the main theories of

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development and education and discussed them in relation to the current conditions of higher education and labour market in Kuwait.

3. It should also noted that this is one of the first academic studies to be written in English and has contributed to knowledge by providing information, discussion and analysis of Kuwaiti higher education and labour market to the English speaker at an international level. Therefore it is expected to add to the current literature on management education and labour market studies that researchers, academics and practitioners may find interesting and useful to their work.

Practical

This study identifies a number of social, economic and political problems that have affected the education system and the labour market in Kuwait.

1. The social problem of the use of *Wasta* which is a wide spread social phenomenon with serious negative effects on the education and employment of Kuwaitis. It is argued that *Wasta* is more common in the public sector than in the private sector because the latter tends to use more rational and objective methods of recruitment and selection, and they care more for the profitability of their businesses than the public sector which is heavily subsidized by the government and where the Kuwaitis are guaranteed jobs regardless of their educational achievements.

2. Economically, the huge wealth created by the oil revenues over the last three decades has made some Kuwaitis not willing to do non-administrative and non-managerial jobs. This led to a separation in the labour market between the

Kuwaitis in mainly the government sector and the non-Kuwaitis in productive and skilled jobs in mainly the private sector.

3. Politically, the study has found that the education system suffers from excessive bureaucratic procedures and political pressures influenced by personal interests from a conflict between the members of the House of Parliament and those in government. The study has confirmed that there is a lack of strategic thinking from the top, a lack of communication between the stakeholders and those concerned, and a lack of integration between the different sectors of the economy, including the labour market.

9.4. Implication of the research

This study is expected to have wider implication on the operations of the education system and the labour market in Kuwait. It is expected to benefit the decision makers, higher education officials, parents of students, employers, students, employees and this researcher (also other researchers), as follows:

Decision-makers: to draw their attention to the importance of having a vision for the future of Kuwait's labour market, of making strategies and plans for solving the problems of education and the labour market, and of communicating and working with all concerned in order to improve and enable the education system to produce graduates with the knowledge and skills required for the development of the country and not to depend on the importation of foreign labour.

Higher education officials: to help them to understand the role of education in developing the future workforce and to alert them to the need to be more creative and

innovative in their curriculum design, admission procedures and the employment and development of their administrative and academic staff. Also to know that Kuwait has its own characteristics which needs more consideration to the nature of the people and the requirements of the labour market.

Parents of students: This study proved that the parents' wishes might not be in favour of their children's career development. This finding can be used to warn parents that their interference might negatively affect the future of their children because of the vast changes in the labour market, and the difference between their wishes and the abilities of their children.

Employers: This study provides some guidance to employers on their graduate recruitment and selection policies, especially in government sector which seem to be having serious problems in getting the right type of employees. All employers will find this study useful as it helps them to improve their employment policies and practices and to understand the need for working closer with the higher education institutions.

Researcher: The researcher has learnt from many things from doing this research. The experience has been invaluable in terms of developing my research skills and understanding the subject area. The study has broadened by horizons to better explore and understand the theory and practice of the labour market in general and how education is related to the labour market in Kuwait. Through the laborious process of reviewing the relevant literature, collecting secondary and first hand data, and analysing and discussing the research findings the researcher has learnt a great deal

and is in the position to make some recommendations for the future improvement of the relationship between the education system and the labour market in Kuwait, as stated in the next section.

9.5. Recommendations

In the light of the research findings and the discussion provided in chapters seven and eight and after considering the research objectives and the implications of the study, the following suggestions and recommendations can be made:

1. Providing a database on labour and other economic activities to help decision-makers to identify the problems of the labour market. This can be through a national plan lead by the Ministry of Planning in order to make sure that all the needed data are available in the best quality and in time to allow labour market users and education specialists to analyse and come up with plans for the future development of the country

2. The government has to define its vision about the labour market and the major economic activities to be stressed in the future. This will help higher education bodies draw up their strategies. This is very important for the education institutions to know where the direction of the country's economic plan is in order to put the curriculum and the education plans and then convince young people to join higher education because there will be better job opportunities for them in the labour market.

3. New laws need to be introduced in order to encourage the recruitment of nationals by private sector employers, to reduce the over reliance on the public sector for guaranteed employment, and to combat the use of Wasta in rewarding people with jobs that they do not deserve or they cannot do effectively. The actions to be taken can be put in steps. The first step is to review all the regulations related to labour and then amend them or introduce new regulations that meet the needs of the people and protect the interests of the country.

4. Applying restrictions on the recruitment of foreign manpower, especially those with qualifications already available in Kuwait. This is through the use of the labour market data and the forecasting of the economic demands and developments in one hand, and the quality and quantity of the higher education graduates in the other hand. The authorities of the Ministry of Interior have to control the flow of non-Kuwaitis and introduce specific quotas for certain skills and professions that are not available in the country. There should be an annual review of the system in order to control the supply and demand for labour as required by the needs of the economy.

5. The system of higher education has to be reviewed with the view to make it directly related in the provision of its courses to the needs of the labour market. More private universities and colleges of higher and further education, especially those providing vocational education, should be allowed to open and compete freely with the public sector institutions because the competition will lead to better quality courses and well-qualified graduates for the labour market.

9.6. Limitations of the study

This study was able to address the research problem, to meet the research objectives, and to answer the research questions but one cannot claim, as in any research, that the study is immune or free from any problems and limitations. The main limitations of this study are as follows:

- All documents in Kuwait were written in Arabic. The researcher had to collect data, translate them into English and compare it again to the real Arabic data. This process might have led to the problem of researcher bias or to the wrong interpretation of the text. However the use of an independent reviewer and experienced translator has provided assurances for the validity of the documents and the data used.

- Most of the statistical data were from the 2001 national census and it was not possible to get hold of recent national statistics. With the progress and development of the study and because of the longer duration of the study the researcher had to collect another recent data in 2003 and 2004 from the same authorities and institutions, which was in the expense of the time and effort of the researcher.

- The research sample was quite small but the State of Kuwait is also one of the smallest countries in the world. Therefore the sample is methodologically significant but perhaps more students and more employees should have been included if more time was available.

- Some interviewees were answering the questions politically and not giving the right answers. Decision-makers (government officials), especially, did not give straight answers in spite of the insistence of the researcher. It was possible to cross-reference their answers with those of other respondents and with the documentary data to get a clearer view of the issue being investigated.

9.7. Proposals for Further Research

The current study has approached a set of indicators and unveiled a number of issues regarding higher education and the labour market in Kuwait. This is not the end, and there should be further studies to contribute to this effort by providing solutions for the labour market and higher education in the State of Kuwait. The following proposals can be put forward:

Replacement of non-Kuwaiti manpower

This proposed study invites higher education institutions to assess their actual potential of educational bodies to drive the efficiencies and skills expected to replace non-Kuwaiti manpower. This proposed study requires the identification of the requirements of the private sector in the first place and the location of non-Kuwaiti manpower whose qualifications may be provided by the educational bodies in Kuwait. Later comes the proposal for creating a term mechanism for the replacement process. Such a study requires relevant data on the labour market in Kuwait. The importance of this study derives from suggesting a mechanism by which graduates can get jobs in

the private sector. This is regarded as a better investment of human capital with better returns for educational efforts.

Social conditions and their effect on the labour market

This study is supposed to investigate a number of impediments in Kuwaiti society in relation to the labour market. How were they acquired and what are their negative effects on both the labour market and the Kuwaiti graduates? The suggested study may draw on the positive Islamic social norms and values, which would be helpful in solving all problems, including social and economic ones. This proposed study would be a comparative one where some of the social relations and traditional norms are classified and studied. Such relations and norms like attitudes to work, consuming habits, Kuwaiti family preferred education and justifications for that, and marriages between Kuwaitis and so on will be correlated and compared in relation to socio-economic indicators such as employment levels, type of professions, salaries and other rewards, economic growth levels, and so on.

If conducted properly, these studies will complement and further enhance the contribution that this study has made to knowledge in theory and practice, and will have wider socio-economic, organizational and political implications in Kuwait and in other similar countries.

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APPENDECIES

Appendix 1: Questions of Interviews

Employers

1. *How would you evaluate the standards of graduates joining jobs under your supervision? What does higher education provide them with?*

2. *In your opinion, what would improve the work prospects and performance of an employee?*

3. *How did the graduates gain skills (from education or work experience)? Was this adequate?*

4. *Which departments do you think are able to help in improving the level of students' education?*

5. *What do you think the criterion of employees in the public and private sectors?*

6. The question that was asked to public and private sector employees as well as government officials was: *How would you evaluate the standards of graduates joining jobs under your supervision? What does higher education provide them with?*

7. *What kind of communication exists between you and higher education (regarding graduates)? How?*

8. *How could education be changed to better prepare graduates for the labour market?*

Higher Education Officials (Deans of KU and PAAET)

1. *Do you think that your graduates are ready to enter the labour market? Why or why not?*

2. **To what extent do you feel it is the duty of the College/ University to prepare students for the work place?**

3. **What are the other aims of education, and what are the most important of them?**

4. **What do you think that education system needs to do in order to match the needs of the labour market?**

5. *What do you think the criterion of employees in the public and private sectors?*

6. **What kind of communication do you have with the labour market?**

7. *How could education be changed to better prepare graduates for the labour market?*

Final yeas students in KU and PAAET

1. **What do you think the criterion of employees in the public and private sectors?**

2. **Where do you want to work? Why?**

3. **where does your family want you to go? What do you think? Why?**

4. **Where do you think is the appropriate place for you to work? Why? How are you going to join it?**

5. **Describe the labour market as you see it? What do you expect to find?**

6. **Do you know the advantages and disadvantages of the labour market (government and private)? Please say what they are?**

7. How could education be changed to better prepare graduates for the labour market?

Employees

1. How would you evaluate the standards of graduates joining jobs under your supervision?

2. What does higher education provide them with?

3. **How did the graduates gain skills (from education or work experience)? Was this adequate?**

4. **What is the relation between what you have studied and what you are doing now?**

5. **What do you think the criterion of employees in the public and private sectors?**

6. How could education be changed to better prepare graduates for the labour market?

Policy makers

1. What do you think the criterion of employees in the public and private sectors?

2. What kind of communication exists between you and higher education (regarding graduates)? How?

3. With whom do you co-operate to accomplish your national labour plans? How? When?

4. How do you evaluate the nature of the labour market?

5. What are your future plans in response to the current labour market problems?

6. How could education be changed to better prepare graduates for the labour market?
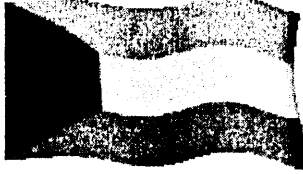
دولة الكويت

قانون رقم 19 لسنة 2000 في شأن دعم العمالة الوطنية وتشجيعها للعمل في الجهات غير الحكومية (رقم: 19 / 2000)

المادة رقم 1

يقصد بالمفردات التالية المعنى المبين قرين كل منها :

ـ المجلس : مجلس الخدمة المدنية.

ـ الجهات الحكومية : الوزارات والإدارات الحكومية والجهات ذات الميزانيات الملحقة والمستقلة.

ـ الجهات غير الحكومية : كل جهة لا تعتبر جهة حكومية وفقا للبند السابق.

المادة رقم 2

يستبدل بالبند التاسع من المادة الخامسة من المرسوم بالقانون رقم 15 لسنة 1979 المشار إليه النص التالي :

لنظر فيما يرى مجلس الوزراء احالته اليه من شئون القوى العاملة والخدمة المدنية

تضاف إلى المادة المذكورة البنود التالية :

0ـ وضع سياسيات استخدام القوى العاملة الوطنية في الجهات المختلفة ومتابعة تنفيذها بما يحقق المساواة وتكافؤ الفرص بين جميع المواطنين.

1ـ وضع النظم التي تشجع القطاعات غير الحكومية على تشغيل القوى العاملة الوطنية وتقرير الحوافز المناسبة لجذب هذه القوى إلى تلك الجهات ، وبما يكفل التنسيق في المزايا والحقوق التي تحصل عليها القوى العاملة في جميع الجهات.

2ـ اتخاذ الاجارات التي تؤدي إلى التنسيق بين مخرجات المؤسسات التعليمية والتدريبية وفرص العمل المتاحة في الجهات المختلفة.

3ـ وضع نظام تعيين مراقبين لشؤون التوظف بالوزارات والإدارات الحكومية والجهات الملحقة تابعين لديوان الخدمة المدنية.

4ـ اقتراح السياسات المتعلقة بتعديل تركيبة القوى العاملة بما يؤدي إلى تنفيذ خطط إحلال العاملة الوطنية محل العمالة الوافدة وفقا لما تسمح به إمكانيات التطبيق.

المادة رقم 3

تؤدي الحكومة للمواطنين أصحاب المهن والحرف ولمن يعملون في جميع الجهات علاوة اجتماعية وعلاوة أولاده ويصدر مجلس الوزراء بناء على اقتراح المجلس القرارات المنظمة لذلك وتحدد هذه القرارات قيمة كل من

العلاوتين المذكورتين وشروط استحقاقها والمهن والحرف والأعمال والجهات التي تنطبق عليه أو المدة التي تستمر الحكومة خلالها في تأديتها ، على أن تكون علاوة الأولاد خمسين دينار ا عن كل ولد وحتى الولد الخامس.
ذلك كله مع عدم الإخلال بالحقوق المكتسبة للعاملين في الجهات الحكومية قبل صدور هذا القانون بالنسبة الى ما يستحقونه من علاوة اجتماعية وعلاوة أولاد.

المادة رقم 4
يستحق كل كويتي عاطل عن العمل بدلا نقديا ويضع المجلس قواعد صرف هذا البدل وقيمته.

المادة رقم 5
تساهم الحكومة في تنمية القوى العاملة الوطنية في الجهات غير الحكومية بنسبة من تكلفة تدريب هذه القوى ويضع المجلس قواعد هذه المساهمة.

المادة رقم 6
استثناء من الأحكام الواردة في القانون رقم 37 لسنة 1964 المشار إليه لا يجوز اعتبارا من تاريخ العمل بهذا القانون التعاقد المباشر وإرساء الممارسات والمناقصات في الجهات الحكومية بما في ذلك القطاعات العسكرية والنفطية إلا على من يكون قد التزم بالنسبة التي يحددها مجلس الوزراء لاستخدام العمالة الوطنية.

المادة رقم 7
يكون من بين معايير الاستفادة بالدعم العيني أو المالي الذي تقدمه الجهات الحكومية إلى أي جهة غير حكومية الالتزام بالنسبة التي يقررها مجلس الوزراء للعمال الوطنية.
يشترط عند استخدام الصلاحيات المقررة بموجب المواد 16 ، 17 ، 18 ، من المرسوم بالقانون رقم 105 لسنة 1980 المشار إليه أن يبلغ عدد الكويتيين لدى المستفيد النسبة التي يقررها مجلس الوزراء.

المادة رقم 8
يحدد مجلس الوزراء نسبة العمالة الوطنية التي يجب أن يلتزم لها كل من يحصل من الحكومة على قسيمة أو أي ميزة عينية أو مالية أخرى بهدف مساعدته في ممارسة حرفة أو مهنة أو مباشرة عمل صناعي أو تجاري أو مهني أو زراعي ، ويفرض على الجهات التي لا تتقيد بهذه النسبة رسم أضافي سنوي وفقا لما هو وارد بالمادة 9 من هذا القانون.

المادة رقم 9
يحدد مجلس الوزراء نسبة القوى العاملة الوطنية التي تلتزم بها الجهات غير الحكومية في الوظائف والمهن المختلفة ويفرض على الجهات التي لا تتقيد بهذه النسبة رسم أضافي سنوي على كل تصريح عمل وإذن عمل يمنح لكل عامل غير كويتي تطلبه زيادة على العدد المقرر للعمالة غير الوطنية في هذه الوظائف والمهن.
يصدر مجلس الوزراء بناء على اقتراح المجلس القرارات المنظمة لذلك وتحدد هذه القرارات الجهات غير الحكومية وتصنيفات الوظائف والمهن التي تسري عليه أحكام هذه المادة ونسبة القوى العاملة الوطنية المطلوب التقيد بها ومقدار الرسم وكيفية تحصيله.
على مجلس الوزراء أن يعيد النظر مرة كل سنتين على الأقل في النسبة والرسم وله أن يقرر زيادة الرسم في حالة عدم التزام الجهة غير الحكومية بالنسبة التي سبق أن حددها مجلس الوزراء.

المادة رقم 10

يكو ن التعيين في الجهات الحكومية والشركات التي تمتلك الدولة أكثر من نصف ر أسمالها عن طريق الإعلان في صحيفتين يوميتين ، ويجب أن يتضمن الإعلان مسمى الوظيفة وشروط شغلها ، كما يجب الإعلان في الجريدة الرسمية عن نتيجة القبول في هذه الوظائف ويصدر قرار من المجلس بتحديد الوظائف التي لا تخضع لأحكام هذه المادة.

المـادة رقم 11
على الجهات التي تسري عليها أحكام المواد 3 ، 5 ، 6 ، 7 ، 8 ، 9 من هذا القانون أن تقدم إلى ديوان الخدمة المدنية بيانا سنويا بعدد الموظفين الكويتيين فيها ونسبتهم إلى إجمالي عدد الموظفين لديها ومقارنة هذه النسبة بنسبهم في الثلاث سنوات السابقة وان تدرج هذه البيانات في ميز انيتها السنوية المدققة.
لديوان الخدمة المدنية أن يطلب من أي جهة حكومية أو غير حكومية البيانات والمعلومات التي يتطلبها تطبيق أحكام هذا القانون.

المـادة رقم 12
لتوفير الموارد اللازمة لتنفيذ أحكام هذا القانون :
- تفرض ضريبة نسبتها 2 . 5 % من صافي أرباح السنوية على الشركات الكويتية المدرجة في سوق الكويت للأوراق المالية.
- يجوز لمجلس الوراء أن يفرض رسوما إضافية على إصدار الرخص التجارية والصناعية الحرفية وعلى تجديدها ، وكذلك على تصاريح العمل وأذون العمل للعمالة الوافدة بالقدر الذي يحول دون منافستها للعمالة الوطنية ، وذلك استثناء من أحكام القانون رقم 79 لسنة 1995 المشار إليه.
ذا بالإضافة إلى المبالغ التي تدرج في الميزانية العامة للدولة هذا الغرض.

المـادة رقم 13
تدرج الإيرادات والمصروفات الناتجة عن تنفيذ أحكام هذا القانون بميزانية الوزارات والإدارات الحكومية كل بالقسم والباب المختص.

المـادة رقم 14
كل من يقدم بيانات غير صحيحة بقصد الحصول دون وجه حق على مزايا وردت في هذا القانون يعاقب بالحبس مدة لا تجاوز سنة وبغرامة لا تجاوز ألف دينار أو بإحدى هاتين العقوبتين ، وفي جميع الأحوال تقضي المحكمة برد المبالغ التي تكون قد صرف دون وجه حق.
كل من يقدم بيانات غير صحيحة بقصد التهرب من دفع الضريبة المشار إليها في المادة 13 يعاقب بالحبس مدة لا تجاوز ثلاث سنوات وبغرامة لا تجاوز خمسة آلاف دينار أو بإحدى هاتين العقوبتين.

المـادة رقم 15
اعتبارا من أول الشهر التالي لتاريخ العمل بهذا القانون يتعين على جميع الجهات غير الحكومية التي تستخدم عمالة وفقا لأحكام القانونين رقمي 38 لسنة 1964 ، 28 لسنة 1969 المشار إليهما أن تدفع مستحقات العاملين لديها من غير الكويتيين في حساباتهم الشخصية لدى البنوك المحلية وان ترسل صورة من الكشوف المرسلة للبنوك بهذا الشأن إلى وزارة الشؤون الاجتماعية والعمل ويصدر قرار من مجلس الوزراء بناء على عرض وزير المالية بقواعد المعاملة الخاصة بهذه الحسابات من حيث المصورفات والعمولات البنكية عليها.

المـادة رقم 16

في حالة مخالفة أحكام المادة السابقة يعاقب صاحب العمل بغرامة لا تجاوز مجموع مستحقات العاملين التي تخلف عن دفعها ، وذلك دون الإخلال بالتزامه بدفع هذه المستحقات للعاملين ـ ذات الإجراءات المنصوص عليها في المادة السابقة.

المادة رقم 17
يلغى كل حكم يتعارض من أحكام هذا القانون.

المادة رقم 18
على رئيس مجلس الوزراء والوزراء كل فيما يخصه تنفيذ هذا القانون ويعمل به بعد سنة من تاريخ نشره في الجريدة الرسمية عدا المادتين 3 ، 4 فيعمل باحكامهما من تاريخ صدور القرارات المنظمة لهما دون صرف أي فروق مالية عن الماضي.

Manpower and Government Restructuring Programme

Kuwaitization as a Challenging Process

Law No. 19

- After a long legislative battle: Law No. 19 for 2000 stipulates:
  - *Government jobs are not available to all and the number of children to which allowance is given is now capped at 5.*
  - *Social and child allowances are paid to some, but not all, Kuwaiti nationals who work in the private sector.*

Workforce Restructuring Tools

- Payment of social and child allowance.
- Council of Ministers determining the numbers and percentage of Kuwaiti nationals in business sectors/industries/positions.
- Severe financial penalties for not committing to the designated percentages.
- Government covering a percentage of the cost of training Kuwaiti nationals in the private sector.
- Unemployment allowance is for a limited period and is based on proof of continuing an active search for employment in the private sector.
- Creation of a national database containing all job openings in the country.
- Advertise in newspapers the availability of jobs in government agencies and companies with government majority ownership.
- Authorize the Manpower and Government Restructuring Program to inquire about HR issues in the private sector.

Implementation Challenges

- Psychological barrier
- Mistrust of government

- Private sector labor law

- Agency lacking resources

The Future

- **MGRP Vision:**

  - *Turning the flow of Kuwaiti nationals away from public sector employment toward the more productive private sector and reaching full employment of national workforce.*

Lines of Business

- **Legislation**

  - *Private Sector Labor Law*

  - *Amendment to National Employment Law No. 19, Supporting and Encouraging Kuwaitis to Work in Non-Government Agencies.*

- **Employment Restructuring Policies**

  - *Law 19: Council of Minister establishes the percentage of Kuwaiti nationals employed.*

  - *Law 19: Government tenders and contracts withheld from companies failing to commit to established percentage.*

  - *Establish an accurate baseline of the numbers of Kuwaitis working in the private sector in terms of sector, industry, enterprise and job.*

  -

- **Employment Restructuring Policies**

  - *Start with the current percentages of Kuwaitis working in the private sector when issuing decrees.*

  - *Construction of a national workforce database consisting of information on the number and percentage of Kuwaitis working in the private sector.*

- **Information System: we expect to sign a contract shortly with an IT firm to establish an information system capable of:**

  - *Maintaining all employment databases.*

- *Listing all job opportunities on the internet.*
- *Access to all agency departments on a need-to-know basis.*
- *Link to other government agencies.*
- *Assessment by organizations that assist in recruiting Kuwaitis in the private sector.*

- **Labor Market Analysis**
  - *Analysis and forecasts of labor supply and demand.*
  - *Analysis of the country's wage structure and productivity levels.*
  - *Development of labor market growth indicators.*

- **Institutional Frameworks: to develop the agency's capability as an internet-based government agency:**
  - *Organization structures*
  - *Organizational performance indicators*
  - *Human resource development and training*
  - *Management information system*
  - *Operating policies, working procedures and organization manuals.*

- **Award Programs**
  - *Business enterprises that have employed the most Kuwaitis on a year-to-year basis.*
  - *Recruitment agencies that have placed the largest number of Kuwaiti citizens in private sector positions on a year-to-year basis.*

- **Training System**
  - *Change attitudes regarding employment in the private sector.*
  - *Further develop skills.*
  - *Develop job seekers knowledge about finding a job in the private sector.*
  - *Personal development skills.*
  - *Technical and work specific skills.*

- **Training System:**

    - Training of Kuwaiti nationals as specified by Law No. 19:

"The government will participate in the development of a national workforce employed in the private sector through covering a percentage of training costs according to the regulations and conditions established by the Civil Service Council"

- **Funding System**

    - *A new 2.5% annual tax on net-profits for all companies registered in the Kuwait Stock Exchange.*

    - *Increased fees for issuing and/or renewing commercial, industrial and vocational licenses.*

    - *Increased fees for work permits for expatriate human resources in competition with Kuwaitis for jobs in the private sector.*

- **Media and Communication Plan**
    - **Attitudes:**

        - *Job Seeker: government not serious when it says there are no more jobs in the public sector.*

        - *Business Owners: negative perception of the quality of Kuwaiti workers.*

        - *General Public: skeptical.*

- **Developing the Roles of Labor Unions**
    - *Sufficient protection provided by law.*
    - *A progressive grievance procedure.*
    - *Authorization to negotiate with management through collective agreement (wages, working hours... etc).*

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Indicators of Success

- *Reduced unemployment*
- *Increased employment rate in private sector*
- *Increased employment duration*
- *Increased employment rate for women*
- *Increased training expenditures*
- *Reduced gap between supply and demand*

Closing Thoughts

- In Kuwait, some examples of what we perceive to be MGRP greatest potential growth areas are:
    - *Technological Deepening*
    - *Financial Center*
    - *Asset Management*
    - *Re-exporting*
    - *Information Technology*

Appendix 3: Kuwait constitution

|Preamble|

In the name of Allah, the Beneficent, the Merciful, We, Abdullah al-Salim al-Sabah, Amir of the State of Kuwait, desiring to use the means of democratic rule for our dear Country; and, having faith in the role of this Country in furthering Arab nationalism and the promotion of world peace and human civilization; and, striving towards a better future in which the Country enjoys greater prosperity and higher international standing, and in which also the citizens are provided with more political freedom, equality, and social justice, a future which upholds the traditions inherent in the Arab nation by enhancing the dignity of the individual, safeguarding public interest, and applying consultative rule yet maintaining the unity and stability of the Country; and, I having considered Law Number I of 1962 concerning the system of Government during the period of transition; and, upon the resolution of the Constituent Assembly; do hereby approve this Constitution and promulgate it.

Part I The State and System of Government

Article 1 |Sovereignty, Territorial Integrity|

Kuwait is an Arab State, independent and fully sovereign. Neither its sovereignty nor any part of its territory may be relinquished. The people of Kuwait is a part of the Arab Nation.

Article 2 |State Religion|

The religion of the State is Islam, and the Islamic Sharia shall be a main source of legislation.

Article 3 |Official Language|

The official language of the State is Arabic.

Article 4 |Monarchy|

(1) Kuwait is a hereditary Amirate, the succession to which shall be in the descendants of the late Mubarak al-Sabah.

(2) The Heir Apparent shall be designated within one year, at the latest, from the date of accession of the Amir.

(3) His designation shall be effected by an Amiri Order upon the nomination of the Amir and the approval of the National Assembly which shall be signified by a majarity vote of its members in a special sitting.

(4) In case no designation is achieved in accordance with the foregoing procedure, the Amir shall nominate at least three of the descendants of the late Mubarak al-Sabah of whom the National Assembly shall pledge allegiance to one as Heir Apparent.

(5) The Heir Apparent shall have attained his majority, be of sound mind, and a legitimate son of Muslim parents.

(6) A special law promulgated within one year from the date of coming into force of this Constitution shall lay down the other rules of succession in the Amirate. The said law shall be of a constitutional nature and therefore shall be capable of amendment only by the procedure prescribed for amendment of the Constitution.

Article 5 |State Symbols|

The flag, the emblem, the badges, the decorations, and the National Anthem of the State shall be specified by law.

Article 6 |Democracy|

The System of Government in Kuwait shall be democratic, under which sovereignty resides in the people, the source of all powers. Sovereiguty shall be exercised in the manner specified in this Constitution.

Part II Fundamental Constituents of Kuwaiti Society

Article 7 [State Goals]

Justice. Liberty. and Equality are the pillars of society: co-operation and mutual help are the firmest bonds between citizens.

Article 8 [Guardian State]

The State safeguards the pillars of Society and ensures security. tranquility. and equal opportunities for citizens.

Article 9 [Family]

The family is the corner-stone of Society. It is founded on religion. morality. and patriotism. Law shall preserve the integrity of the family. strengthen its ties. and protect under its support motherhood and childhood.

Article 10 [Youth Protection]

The State cares for the young and protects them from exploitation and from moral. physical. and spiritual neglect.

Article 11 [Old Age Protection]

The State ensures aid for citizens in old age. sickness. or inability to work. It also provides them with services of social security. social aid. and medical care.

Article 12 [Arab Heritage]

The State safeguards the heritage of Islam and of the Arabs and contributes to the furtherance of human civilisation.

Article 13 [Education]

Education is a fundamental requisite for the progress of society. assured and promoted by the State.

Article 14 [Science, Arts]

The State shall promote science. letters. and the arts and encourage scientific research therein.

Article 15 [Health Care]

The State cares for public health and for means of prevention and treatment of diseases and epidemics.

Article 16 [Property Rights]

Property, capital, and work are fundamental constituents of the social structure of the State and of the national wealth. All of them are individual rights with a social function as regulated by law.

Article 17 [Public Property]

Public property is inviolable and its protection is the duty of every citizen.

Article 18 [Private Property, Inheritance]

(1) Private property is inviolable. No one shall be prevented from disposing of his property except within the limits of the law. No property shall be expropriated except for the public benefit under the circumstances and in the manner specified by law, and on condition that just compensation is paid.

(2) Inheritance is a right governed by the Islamic Sharia.

Article 19 [Confiscation]

General confiscation of the property of any person shall be prohibited. Confiscation of particular property as a penalty may not be inflicted except by court judgment in the circumstances specified by law.

Article 20 [National Economy]

The national economy shall be based on social justice. It is founded on fair co-operation between public and private activities. Its aim shall be economic development, increase of productivity, improvement of the standard of living, and achievement of prosperity for citizens, all within the limits of the law.

Article 21 [Natural Resources]

Natural resources and all revenues there from are the property of the State. It shall ensure their preservation and proper exploitation, due regard being given to the requirements of State security and the national economy.

Article 22 [Employment, Tenements]

Relations between employers and employees and between landlords and tenants shall be regulated by law on economic principles, due regard being given to the rules of social justice.

Article 23 [Banking]

The State shall encourage both co-operative activities and savings, and supervise the system of credit.

Article 24 [Taxation]

Social justice shall be the basis of taxes and public imposts.

Article 25 [State Burdens]

The State shall ensure the solidarity of society in shouldering burdens resulting from public disasters and calamities, and provide compensation for war damages or injuries received by any person as a result of the discharge of his military duties.

Article 26 [Public Office]

(1) Public office is a national service entrusted to those who hold it. Public officials, in the exercise of their duties, shall aim at the public interest.

(2) Aliens may not hold public offices except in the cases specified by law.

Part III Public Rights and Duties

Article 27 [Nationality]

Kuwaiti nationality is defined by law. No deprivation or withdrawal of nationality may be effected except within the limits prescribed by law.

Article 28 [Deportation, Return]

No Kuwaiti may be deported from Kuwait or prevented from returning thereto.

Article 29 [Equality, Human Dignity, Personal Liberty]

(1) All people are equal in human dignity and in public rights and duties before the law, without distinction to race, origin, language, or religion.

(2) Personal liberty is guaranteed.

Article 30

Article 31 [Arrest, Move, No Torture]

(1) No person shall be arrested, detained, searched, or compelled to reside in a specified place, nor shall the residence of any person or his liberty to choose his place of residence or his liberty of movement be restricted, except in accordance with the provisions of the law.

(2) No person shall be subjected to torture or to degrading treatment.

Article 32 [Personal Penalty]

(1) No crime and no penalty may be established except by virtue of law, and no penalty may be imposed except for offences committed after the relevant law has come into force.

(2) Penalty is personal.

Article 33 Article 34 [Presumption of Innocence, Right to Trial]

(1) An accused person is presumed innocent until proved guilty in a legal trial at which the necessary guarantees for the exercise of the right of defence are secured.

(2) The infliction of physical or moral injury on an accused person is prohibited.

Article 35 [Freedom of Religion and Belief]

Freedom of belief is absolute. The State protects the freedom of practicing religion in accordance with established customs, provided that it does not conflict with public policy or morals.

Article 36 [Freedom of Opinion and Expression]

Freedom of opinion and of scientific research is guaranteed. Every person has the right to express and propagate his opinion verbally, in writing, or otherwise, in accordance with the conditions and procedures specified by law.

Article 37 [Freedom of the Press]

Freedom of the press, printing, and publishing is guaranteed in accordance with the conditions and manner specified by law.

Article 38 [Home]

Places of residence shall be inviolable. They may not be entered without the permission of their occupants except in the circumstances and manner specified by law.

Article 39 [Freedom and Secrecy of Communication]

Freedom of communication by post, telegraph, and telephone and the secrecy thereof is guaranteed; accordingly, censorship of communications and disclosure of their contents are not permitted except in the circumstances and manner specified by law.

Article 40 [Compulsory and Free Education]

(1) Education is a right for Kuwaitis, guaranteed by the State in accordance with law and within the limits of public policy and morals. Education in its preliminary stages is compulsory and free in accordance with the law.

(2) The law lays down the necessary plan to eliminate illiteracy.

(3) The State devotes particular care to the physical, moral, and mental development of the youth.

Article 41 [Right and Duty to Work]

(1) Every Kuwaiti has the right to work and to choose the type of his work.

(2) Work is a duty of every citizen necessitated by personal dignity and public good. The State shall endeavour to make it available to citizens and to make its terms equitable.

Article 42 [No Forced Labor]

There is no forced labor except in the cases specified by law for national emergency and with just remuneration.

Article 43 [Association]

Freedom to form associations and unions on a national basis and by peaceful means is guaranteed in accordance with the conditions and manner specified by law. No one may be compelled to join any association or union.

Article 44 |Assembly|

(1) Individuals have the right of private assembly without permission or prior notification, and the police may not attend such private meetings.

(2) Public meetings, demonstrations, and gatherings are permitted in accordance with the conditions and manner specified by law, provided that their purpose and means are peaceful and not contrary to morals.

Article 45 |Petition|

Every individual has the right to address the public authorities in writing over his signature. Only duly constituted organizations and bodies corporate have the right to address the authorities collectively.

Article 46 |Asylum|

Extradition of political refugees is prohibited.

Article 47 |National Defence, Military Service|

National defence is a sacred duty, and military service is an honor for citizens which shall be regulated by law.

Article 48 |Taxation, Minimum Standard of Living|

Payment of taxes and public imposts is a duty in accordance with the law which regulates exemption of small incomes from taxes in such a way as to maintain the minimum standard of living.

Article 49 |Public Order, Public Morals|

Observance of public order and respect for public morals are a duty incumbent upon all inhabitants of Kuwait.

Part IV Powers

Chapter I General Provisions

Article 50 |Separation and Constitutionality of Powers|

The system of Government is based on the principle of separation of powers functioning in co-operation with each other in accordance with the provisions of the Constitution. None of these powers may relinquish all or part of its competence specified in this Constitution.

Article 51 |Legislative Power|

The legislative power is vested in the Amir and the National Assembly in accordance with the Constitution.

Article 52 [Executive Power]

The executive power is vested in the Amir, the Cabinet, and the Ministers, in the manner specified by the Constitution.

Article 53 [Judicial Power]

The judicial power is vested in the Courts, which exercise it in the name of the Amir within the limits of the Constitution.

Chapter II The Head of State

Article 54 [Head of State, Immunity, Inviolability]

The Amir is the Head of the State. His person is immune and inviolable.

Article 55 [Government]

The Amir exercises his powers through his Ministers.

Article 56 [Prime Minister]

(1) The Amir, after the traditional consultations, appoints the Prime Minister and relieves him of office. The Amir also appoints Ministers and relieves them of office upon the recommendation of the Prime Minister.
(2) Ministers are appointed from amongst the members of the National Assembly and from others.
(3) The number of Ministers in all shall not exceed one-third of the number of the members of the National Assembly.

Article 57 [New Government]

The Cabinet is re-constituted in the manner specified in the preceding Article at the beginning of every legislative term of the National Assembly.

Article 58 [Responsibility]

The Prime Minister and the Ministers are collectively responsible to the Amir for the general policy of the State. Every Minister also is individually responsible to the Amir for the affairs of his ministry.

Article 59 [Powers of the Amir Specified by Law]

The Law referred to in Article 4 specifies the conditions under which the Amir exercises his constitutional powers.

Article 60 [Oath of the Amir's Office]

Before assuming his powers, the Amir takes the following oath at a special sitting of the National Assembly:
"I swear by Almighty God to respect the Constitution and the laws of the State, to defend the liberties, interests, and properties of the people, and to safeguard the independence and territorial integrity of the Country."

Article 61 [Deputy Amir]

In the event of his absence outside the Country and the inability of the Heir Apparent to act as Deputy for him, the Amir shall appoint, by an Amiri Order, a Deputy who shall exercise his powers during his absence. The said Amiri Order may include a specified arrangement for the exercise of the said powers on behalf of the Amir, or a limitation of their scope.

Article 62 [Qualification of Deputy Amir]

The Deputy Amir has to satesfy the qualifications laid down in Artide 82. If he is a Minister or a member of the National Assembly, he may not take part in the ministerial functions or in the work of the Assembly during the period he is acting as Deputy for the Amir.

Article 63 [Oath of the Deputy Amir's Office]

(1) Before assuming his powers the Deputy Amir, at a spacial sitting of the National Assembly, takes the oath mentioned in Artcie 60 with the following phrase added thereto:"*and be loyal to the Amir.*"

(2) In case the National Assembly is not in session, the Oath shall be taken before the Amir.

Article 64 [Incompatibilities of the Deputy Amir]

The provisions of Article 131 apply to the Deputy Amir.

Article 65 [Promulgation of Laws, Initiative of the Amir]

(1) The Amir has the right to initiate, sanction, and promulgate laws. Promulgation of laws takes place within thirty days from the date of their submission by the National Assembly to the Amir. This period is reduced to seven days in case of urgency. Such urgency is decided upon by a majority vote of the members constituting the National Assembly.
(2)   Official   holidays   are   not   counted   in   computing   the   promulgation.
(3) If the period of promulgation expires without the Head of State demanding reconsideration, the bill is considered as having been sanctioned and is promulgated.

Article 66 [Bills]

Reference of a bill for reconsideration is by a decree stating the grounds therefore. If the National Assembly confirms the bill by a two-thirds majority vote of its members, the Amir sanctions and promulgates the bill within thirty days from its submission to him. If the bill does not receive the said majarity, it may not be reconsidered during the same session. If the National Assembly, in another session, considers the same bill by a majority vote of its members, the Amir sanctions and promulgates the bill as law within thirty days from its submission to him.

Article 67 [Chief-of-Command]

The Amir is the Supreme Commander of the Armed Forees. He appoints and dismisses officers in accordance with the law.

Article 68 |War|

The Amir declares defensive war by decree. Offensive war is prohibited.

Article 69 |Martial Law|

(1) The Amir proclaims Martial Law in the cases of necessity determined by law and in accordance with the procedure specified therein. The proclamation of Martial Law shall be by decree. Such decree is referred to the National Assembly within the fifteen days following its issue, for a decision on the future of Martial Law. If the proclamation takes place during the period the National Assembly is dissolved, it is be referred to the new Assembly at its first sitting.

(2) Martial Law may not continue unless a decision to that effect is made by a majority vote of the members constituting the Assembly.

(3) In all cases, the matter is referred to the National Assembly in accordance with the foregoing procedure, every three months.

Article 70 |Treaties|

(1) The Amir conclades treaties by decree and transmits them immediately to the National Assembly with the appropriate statement. A treaty has the force of law after it is signed, ratified, and published in the Official Gazette. (2) However, treaties of peace and alliance; treaties concerning the territory of the State, its natural resources or sovereign rights, or public or private rights of citizens; treaties of commerce, navigation, and residence; and treaties entailing additional expenditure not provided for in the badget, or involving amendment of the laws of Kuwait; shall come into force only when made by a law.

(3) In no case may treaties include secret provisions contradicting those declared.

Article 71 |Emergency Decrees|

(1)   Should   necessity   arise   for   urgent   measures   to   be   taken   while the National Assembly is not in session or is dissolved, the Amir may issue decrees in respect thereof which have the force of law, provided that they are not contrary to the Constitution or to the appropriations included in the budget law.

(2) Such decrees are referred to the National Assembly within the fifteen days following their issue if the Assembly is in session. If it is dissolved or its legislative term has expired, such decrees are referred to tbe next Assembly at its first sitting. If they are not thus referred, they retrospectively cease to have the force of law, without the necessity of any decision to that effect. If they are referred and the Assembly does not confirm them, they retrospectively cease to have the force of law, unless the Assembly approves their validity for the preceding period or settles in some other way the effects arising therefrom.

Article 72 |Execution of Laws|

The Amir issues, by decree, the regulations necessary for the execution of laws without amending or suspending such laws or making any exemption from their execution. A law may prescribe a less formal instrument than a decree for the issue of the regulations necessary for its execution.

Article 73 |Regulations|

The Amir issues, by decree, regulations for public order and health, and regulations necessary for the organization of public services and administration, not conflicting with any law.

Article 74 |Diplomacy|

(1) The Amir appoints and dismisses civil and military officials and diplomatic representatives to foreign conntries in accordance with the law.

(2) He also accepts credentials of the representatives of foreign countries.

Article 75 |Pardon, Amnesty|

(1) The Amir may, by decree, grant a pardon or commute a sentence.
(2) However, general amnesty shall not be granted except by a law and then only in respect of offences committed prior to the proposal of the amnesty.

Article 76 |Orders of Honor|

The Amir confers Orders of Honor in accordance with the law.

Article 77 |Minting Coins|

Coins are minted in the name of the Amir in accordance with the law.

Article 78 |Remuneration of the Amir|

Upon the accession of the Head of State, his annual emoluments are fixed by a law for the duration of his reign.

Chapter III The National Assembly

Article 79 |Exclusive Legislation|

No law may be promulgated unless it has been passed by the National Assembly and sanctioned by the Amir.

Article 80 |Election, Ministerial Members|

(1) The National Assembly is composed of fifty members elected directly by universal suffrage and secret ballot in accordance with the provisions prescribed by the electoral law.
(2) Ministers who are not elected members of the National Assembly are considered ex-officio members thereof.

Article 81 [Constituencies]

Electoral constituencies are determined by law.

Article 82 [Qualifications]

A member of the National Assembly shall:(a) be a Kuwaiti by origin in accordance with law;

(b) be qualified as an elector in accoordance with the electoral law;

(c) be not less than thirty calendar years of age on the day of election;

(d) be able to read and write Arabic well.

Article 83 [Term, Re-election]

(1) The term of the National Assembly is four calendar years commencing with the day of its first sitting. Elections for the new Assembly take place within the sixty days preceding the expiry of the said term, due regard being given to the provisions of Article 107.

(2) Members whose term of office expires may be re-elected.

(3) The term of the Assembly may not be extended except for necessity in time of war and by a law.

Article 84 [Vacancy]

(1) If, for any reason, a seat in the National Assembly becomes vacent before the end of the term, the vacancy is filled by election within two months from the date on which the Assembly declares the vacency. The mandate of the new member lasts until the end of that of his predecessor.

(2) If the vacency occurs within six months prior to the expiry of the legislative term of the Assembly, no successor is elected.

Article 85 [Annual Ordinary Session]

The National Assembly has an annual session of not less than eight months. The said session may not be prorogued before the budget is approved.

Article 86 [Start of Ordinary Session]

The Assembly starts its ordinary session during the month of October of every year upon a convocation by the Amir. If the decree of convocation is not issued before the first of the said month, the time for the meeting is deemed to be 9 a.m. on the third Saturday of that month. If such day happens to be an official holiday, the Assembly meets on the morning of the first day thereafter.

Article 87 [First Session]

(1) Notwithstanding the provisions of the preceding two Articles, the Amir summons the National Assembly to hold its first meeting within two weeks of the end of the general election. If the decree of convocation is not issued within the said period, the Assembly is deemed to have been convoked for the morning of the day following these two weeks, due regard being given to the relevant provision of the preceding Article.

(2) If the date of the meeting of the Assembly falls after the annual date mentioned in Article 86, the term of the session specified in Article 85 is reduced by the difference between the said two dates.

Article 88 [Extraordinary Sessions]

(1) The National Assembly is called by decree to an extraordinary session if the Amir deems it necessary, or upon the demand of the majority of the members of the Assembly.

(2) In an extraordinary session, the Assembly may not consider matters other than those for which it has been convened except with the consent of the Cabinet.

Article 89 [Prorogation of Sessions]

The Amir announces the prorogation of ordinary and extraordinary sessions.

Article 90 [Place of Meeting]

Every meeting held by the Assembly at a time or place other than that assigned for its meeting is invalid, and resolutions passed thereat are void by virtue of law.

Article 91 [Oath of Members]

Before assuming his duties in the Assembly or in its committees, a member of the National Assembly must take the following oath before the Assembly in a public sitting:

"I swear by Almighty God to be faithful to the Country and to the Amir, to respect the Constitution and the laws of the State, to defend the liberties, interests, and properties of the poople, and to discharge my duties honestly and truthfully."

Article 92 [President of Assembly]

(1) The National Assembly elects at its first sitting and for the duration of its term a President and a Deputy President from amongst its members. If either office becomes vacant, the Assembly elects a successor for the remainder of its term.

(2) In all cases, election is by an absolute majority vote of the members present. If this majority vote is not attained in the first ballot, another election is held between the two candidates receiving the highest number of votes. If more than one candidate receives an equal number of votes in the second place, all such candidates shall participate in the second ballot. In this case, the cendidate who receives the greatest number of votes is elected. If there is a tie in this last ballot, the choice is by lot.

(3) The oldest member presides over the first sitting until the President is elected.

Article 93 [Committees]

The Assembly forms, within the first week of its annual session, the committees necessary for its functions. These committees may discharge their duties during the recess of the Assembly with a view to submitting their recommendations to it when it meets.

Article 94 [Publicity]

Sittings of the National Assembly are public, though they may be held in secret upon the request of the Government, the President of the Assembly, or of ten of its members. The debate on such request is held in secret.

Article 95 [Validation of Election]

The National Assembly decides upon the validity of the election of its members. No election may be declared invalid

except by a majority vote of the members constituting the Assembly. This jurisdiction may, by law, be entrusted to a judicial body.

Article 96 [Resignation of Members]

The National Assembly is the competent authority to accept resignation of its members.

Article 97 [Quorum, Majority]

For a meeting of the National Assembly to be valid, more than half of its members must be present. Resolutions are passed by an absolute majority vote of the members present, except in cases where a special majority is required. When votes are equally divided, the motion is rejected.

Article 98 [Government Program]

Immediately upon its formation, every Cabinet presents its program to the National Assembly. The Assembly may make comments with regard to such a program.

Article 99 [Questioning Government]

Every member of the National Assembly may put to the Prime Minister and to Ministers questions with a view to clarifying matters falling within their competence. The questioner alone has the right to comment once upon the answer.

Article 100 [Interpellations]

(1) Every member of the National Assembly may address to the Prime Minister and to Ministers interpellations with regard to matters falling within their competence.

(2) The debate on such an interpellation shall not take place until at least eight days have elapsed after its presentation, except in case of urgency and with the consent of the Minister concerned.

(3) Subject to the provisions of Articles 101 and 102, an interpellation may lead to the question of no-confidence being put to the Assembly.

Article 101 [Vote of No-Confidence]

(1) Every Minister is responsible to the National Assembly for the affairs of his ministry. If the Assembly passes a vote of no-confidence against a Minister, he is considered to have resigned his office as from the date of the vote of no-confidence and shall immediately submit his formal resignation. The question of confidence in a Minister may not be raised except upon his request or upon a demand signed by ten members, following a debate on an interpellation addressed to him. The Assembly may not make its decision upon such a request before the lapse of seven days from the presentation thereof.

(2) Withdrawal of confidence from a Minister is by a majority vote of the members constituting the Assembly excluding Ministers. Ministers do not participate in the vote of confidence.

Article 102 [No-Confidence in Prime Minister]

(1) The Prime Minister does not hold any portfolio; nor shall the question of confidence in him be raised before the National Assembly.

(2) Nevertheless, if the National Assembly decides, in the manner specified in the preceding Article, that it cannot co-

operate with the Prime Minister, the matter is submitted to the Head of State. In such a case, the Amir may either relieve the Prime Minister of office and appoint a new Cabinet or dissolve the National Assembly.

(3) In the event of dissolution, if the new Assembly decides by the abovementioned majority vote that it cannot co-operate with the said Prime Minister, he shall be considered to have resigned as from the date of the decision of the Assembly in this respect, and a new Cabinet shall be formed.

Article 103 [Continuation of Government]

If, for any reason, the Prime Minister or a Minister vacates his office, he shall continue to discharge the urgent business thereof until his successor is appointed.

Article 104 [Amiri Speech]

(1) The Amir opens the annual session of the National Asxmbly whereupon he delivers an Amiri Speech reviewing the situation of the country and the important public matters which happened during the preceding year, and outlining the projects and reforms the Government plans to undertake during the coming year.

(2) The Amir may depute the Prime Minister to open the Assembly or to deliver the Amiri Speech.

Article 105 [Response to Amiri Speech]

The National Assembly chooses, from amongst its members, a committee to draft the reply to the Amiri Speech which will embody the comments and wishes of the Assembly. After the said reply has been approved by the Assembly, it is submitted to the Amir.

Article 106 [Adjournment]

The Amir may, by a decree, adjourn the meeting of the National Assembly for a period not exceeding one month. Adjournment may be repeated during the same session with the consent of the Assembly and then only once. A period of adjournment is not counted in computing the duration of the session.

Article 107 [Dissolution]

(1) The Amir may dissolve the National Assembly by a decree in which the reasons for dissolution is indicated. However, dissolution of the Assembly may not be repeated for the same reasons.

(2) In the event of dissolution, elections for the new Assembly are held within a period not exceeding two months from the date of dissolution.

(3) If the elections are not held within the said period, the dissolved Assembly is restored to its full constitutional authority and meets immediately as if the dissolution had not taken place. The Assembly then continues to function until the new Assembly is elected.

(4) A member of the Assembly represents the whole nation. He safeguards the public interest and is not subject to any authority in the discharge of his duties in the Assembly or in its committees.

Article 108 [...]

Article 109 [Member Bills]

(1) A member of the Assembly has the right to initiate bills.

(2) No bill initiated by a member and rejected by the National Assembly may be re-introduced during the same session.

Article 110 [Indemnity]

A member of the National Assembly is free to express any views or opinions in the Assembly or in its committees. Under no circumstances can he be held liable in respect thereof.

Article 111 [Immunity]

Except in cases of *flagrante delicto*, no measures of inquiry, search, arrest, detention, or any other penal measure may be taken against a member while the Assembly is in session, except with the authorisation of the Assembly. The Assembly must be notified of any penal measrue that may be taken during its session in acoordance with the foregoing provision. The Assembly, at its first meeting, is always notified of any such measure taken against any of its members while it was not sitting. In all cases, if the Assembly does not give a decision regarding a request for authorization within one month from the date of its receipt, permission is deemed to have been given.

Article 112 [Assembly Discussions]

Upon a request signed by five members, any subject of general interest may be put to the National Assembly for discussion with a view to securing clarification of the Government's policy and to exchanging views thereof. All other members also have
the right to participate in the discussion.

Article 113 [Assembly Requests]

The National Assembly may express to the Government wishes regarding public matters. If the Government cannot comply with these wishes, it shall state to the Assembly the reasons therefore. The Assembly may comment once on the Government's statement.

Article 114 [Committees of Inquiry]

The National Assembly at all times has the right to set up committees of inquiry or to delegate one or more of its members to investigate any matter within its competence. Ministers and all Government officials must produce testimonials, documents, and statements requested from them.

Article 115 [Petition Committee]

(1) The Assembly sets up, among its annual standing committees, a special committee to deal with petitions and complaints submitted to the Assembly by citizens. The committee seeks explanation thereon from the competent authorities and informs the person concerned of the result.
(2) A member of the National Assembly may not interfere with the work of either the Judicial or the Executive Power.

Article 116 [Governmental Right to Speek]

The Prime Minister and Ministers are given the floor whenever they ask for it. They may call for assistance upon any senior officials or depute them to speak on their behalf. The Assembly may ask for a Minister to be present whenever a matter relating to his ministry is under discussion. The Cabinet must be represented in the sittings of the Assembly by the Prime Minister or by some Ministers.

Article 117 [Standing Orders, Duty to Presence]

The National Assembly determines its standing orders which include the procedure of the Assembly and its

committees and the rules pertaining to discussion, voting, questions, interpellation, and all other functions prescribed in the Constitution. The standing orders prescribe the sanctions to be imposed on any member who violates order or absents himself from the meetings of the Assembly or the committees without a legitimate excuse.

Article 118 [Order in the Assembly, No Presence of Forces]

(1) Maintaining order in the National Assembly is the responsibility of its President. The Assembly has a special guard under the authority of the President of the Assembly.

(2) No armed forces may enter the Assembly or be stationed close to its gates unless so requested by the President.

Article 119 [Remuneration]

The remuneration of the President of the National Assembly, the Deputy President, and the Members are fixed by law. In the event of a modification of the said remuneration, such modification may not take effect until the next legislative term.

Article 120 [Incompatibilities]

(1) Membership of the National Assembly is incompatible with public office except in the cases where compatibility is permitted in accordance with the Constitution. In such cases, the right to the remuneration for membership and the right to the salary of the public office may not be cumulated.

(2) The law specifies other cases of incompatibility.

Article 121 [Economic Incompatibility]

(1) During his mandate, a member of the National Assembly may not be appointed on the board of directors of a company, nor may he participate in concessions granted by the Government or by public bodies.

(2) Further, during the said mandate, he may not buy or rent any property of the State, nor let, sell, or barter any of his property to the Government, except by public auction or tender, or in compliance with the system of compulsory acquisition.

Article 122 [No Decorations]

During their mandate, members of the National Assembly with the exception of those occupying a public office not incompatible with the membership of the National Assembly, may not be awarded decorations.

Chapter IV The Executive Power

Section 1 The Cabinet

Article 123 [Council of Ministers]

The Council of Ministers has control over the departments of the State. It formulates the general policy of the Government, pursues its execution, and supervises the conduct of work in Government departments.

Article 124 [Remuneration of Government]

(1) A law determines the remuneration of the Prime Minister and the Ministers.

(2) All other provisions regarding Ministers apply to the Prime Minister unless otherwise stated.

Article 125 [Qualifications of Ministers]

A Minister has to satisfy the qualifications laid down in Article 82.

Article 126 [Oath of Ministers]

Before assuming office, the Prime Minister and Ministers, before the Amir, take the Oath specified in Article 91.

Article 127 [Supervision by Prime Minister]

The Prime Minister presides over the meetings of the Council of Ministers and supervises the co-ordination of work among the various ministries.

Article 128 [Secrecy, Quorum, Majority, Co-operation, Submission]

(1) Deliberations of the Council of Ministers are secret. Resolutions are passed only when the majority of its members are present and with the approval of the majority of those present. In case of an equal division of votes, that side prevails on which the Prime Minister has voted.

(2) Unless they resign, the minority has to abide by the opinion of the majority.

(3) Resolutions of the Council of Ministers are submitted to the Amir for approval in cases where the issue of a decree is required.

Article 129 [Government Follows Prime Minister]

The resignation of the Prime Minister or his removal from office involve the resignation or removal of all other Ministers.

Article 130 [Ministries, Directives]

Every Minister supervises the affairs of his ministry and executes therein the general policy of the Government. He also formulates directives for the ministry and supervises their execution.

Article 131 [Immunities of Ministers]

(1) While in office, a Minister may not hold any other public office or practice, even indirectly, any profession, or undertake any industrial, commercial, or financial business. Furthermore, he may not participate in any concession granted by the Government or by public bodies or cumulate the ministerial post with membership of the board of directors of any company.

(2) In addition, during the said period, a Minister may not buy or otherwise acquire any property of the State even by public auction, nor may he let, sell, or switch any of his property to the Government.

Article 132 [Ministerial Offences and Indictment]

A special law defines the offences which may be committed by Ministers in the performance of their duties, and specifies the procedure for their indictment and trial and the competent authority for the said trial, without affecting the application of other laws to their ordinary acts or offences and to the civil liability arising therefrom.

Article 133 [Self-Government]

The law regulates general and municipal self-governing bodies in such a way as to ensure their independence under the direction and supervision of the Government.

Section II Financial Affairs

Article 134 [Establishing Taxes]

No general tax may be established, amended, or abolished except by a law. No one may be exempted, wholly or partially, from the duty to pay such taxes except in the cases specified by law. No one may be required to pay any other tax, fee, or imposition except within the limits of law.

Article 135 [Funds]

The law prescribes rules for the collection of public funds and the procedure for their expenditure.

Article 136 [Public Loans]

Public loans are concluded by a law. The Government may grant or guarantee a loan by a law, or within the limits of the funds appropriated for the said purpose in the budget.

Article 137 [Loans of Self-Governing Bodies]

General and local self-governing bodies may grant or guarantee loans according to law.

Article 138 [State Properties]

The law lays down the rules for the protection of State properties, their administration, the conditions of their disposal, and the limits within which any of these properties may be relinquished.

Article 139 [Financial Year]

The financial year is fixed by law.

Article 140 [Annual Budget]

The Government draws up the annual budget, comprising the revenue and expenditure of the State, and submits it to the National Assembly for examination and approval at least two months before the end of each current financial year.

Article 141 [Budget Discussion, Purpose]

(1) The budget shall be discussed in the National Assembly part by part.
(2) None of the public revenues may be allocated for a specific purpose except by law.

Article 142 [Specific Funds]

Specific funds may be appropriated by law for more than one year if the nature of the expenditure so requires, provided that each budget shall include the funds allocated for that year, or alternatively, an extraordinary budget covering more than one financial year shall be drawn up.

Article 143 [No Tax Inclusion]

The budget law may not include any provisions establishing a new tax, increasing an existing tax, amending an existing law, or evading the issue of a special law on a matter in respect of which the Constitution provides that a law should be issued.

Article 144 [Budget by Law]

The budget shall be issued by a law.

Article 145 [Continuing Budget]

(1) If the budget law has not been promulgated before the beginning of the financial year, the preceding budget applies until the new one is issued and revenues are collected and disbursements made in accordance with laws in force at the end of the preceding year.

(2) However, if the National Assembly has approved one or more parts of the new budget, they are put into effect.

Article 146 [Changes of Budget]

Any expenditure not included in the budget, or in excess of the budget appropriations, as well as the transfer of any fund from one part of the budget to another, must be effected by law.

Article 147 [Maximum Expenditure]

In no case may the maximum estimate of expenditure, included in the budget law or the laws amending it, be exceeded.

Article 148 [General Budgets]

The general budgets, both independent and annexed, must be specified by law to which the provisions regarding the budget of the State apply.

Article 149 [Final Accounts]

The final accounts of the financial administration of the State for the preceding year are submitted, within four months following the end of the said year, to the National Assembly for consideration and approval.

Article 150 [Statement of Government]

The government submits to the National Assembly, at least once during each ordinary session, a statement upon the financial position of the State.

Article 151 [Audit Commission]

A financial control and audit commission is established by a law, which ensures its independence. The commission is attached to the National Assembly and assists the government and the National Assembly in controlling the collection of the State revenues and the disbursement of its expenditures within the limits of the budget. The commission submits to both the Government and the National Assembly an annual report on its activities and its observations.

Article 152 [Natural Resources]

No concession for exploitation of either a natural resource or a public service may be granted except by a law and for a limited period. In this respect, the preparatory measures facilitate the operations of prospecting and explorating and ensure publicity and competition.

Article 153 [Monopoly]

No monopoly may be granted except by a law and for a limited period.

Article 154 [Currency, Banking, Standards]

Currency and banking as well as standards, weights, and measures are regulated by law.

Article 155 [Pensions]

Law regulates salaries, pensions, compensation, subsidies, and gratuities which are a charge on the State treasury.

Article 156 |Local Budgets|

Provisions relating to the budgets and the final accounts of local bodies and authorities which have a public legal personality are determined by law.

Section III Military Affairs

Article 157 |Peace, State Integrity|

Peace is the aim of the State, and the safeguard of the integrity of the Country, which is part of the integrity of the Greater Arab World, is a trust devolving upon every citizen.

Article 158 |Military Service|

Military service is regulated by law.

Article 159 |Establishment of Armed Forces|

The State alone may establish armed forces and public security bodies and that in accordance with law.

Article 160 |Mobilization|

Mobilization, general or partial, are regulated by law.

Article 161 |Supreme Defence Council|

A Supreme Defence Council is set up to conduct affairs relating to defence, to the safeguard of the integrity of the Country, and to the supervision of the armed forces, in accordance with law.

Chapter V The Judicial Power

Article 162 |Impartiality of Judges|

The honor of the Judiciary and the integrity and impartiality of judges are the bases of rule and a guarantee of rights and liberties.

Article 163 |Independence of Judiciary|

In administering justice, judges are not subject to any authority. No interference whatsoever is allowed with the conduct of justice. Law guarantees the independence of the Judiciary and states the guarantees and provisions relating to judges and the conditions of their irremovability.

Article 164 |Court System, Military Courts|

Law regulates the Courts of various kinds and degrees and specifies their functions and jurisdiction. Except when Martial Law is in force, Military Courts have jurisdiction only over military offences committed by members of the armed and security forces within the limits specified by law.

Article 165 |Publicity of Trials|

Sittings of the Courts are to be public, except for the cases prescribed otherwise by law.

Article 166 |Recourse to the Courts|

The right of recourse to the Courts is guaranteed to all people. Law prescribes the procedure and manner necessary for the exercise of this right.

Article 167 [Public Prosecution]

(1) The Public Prosecution Office conducts penal charges on behalf of society. It supervises the affairs of judicial police, the enforcement of penal laws, the pursuit of offenders, and the execution of judgments. Law regulates this body, lays down its duties, and defines the conditions and guarantees for those who assume its functions.

(2) As an exception, law may entrust to the public security authorities the conduct of prosecutions in misdemeanours in accordance with the manner prescribed by law.

Article 168 [Supreme Council of Judiciary]

The Judiciary has a Supreme Council which is regulated, and its duties defined, by law.

Article 169 [Administrative Jurisdiction]

The law regulates the settlement of administrative suits by means of a special Chamber or Court, and prescribes its organization and the manner of assuming administrative jurisdiction including the power of both nullification and compensation in respect of administrative acts contrary to law.

Article 170 [Legal Departments]

The law organizes the body which renders legal advice to ministries and public departments and drafts bills and regulations. Law also regulates the representation of the State and other public bodies before the Courts.

Article 171 [Council of State]

A Council of State may be established by a law to assume the functions of administrative jurisdiction, rendering legal advice, and drafting bills and regulations, mentioned in the preceding two Articles.

Article 172 [Conflicts of Jurisdiction]

The method of resolving conflicts of jurisdiction or of judgments between the various kinds of Courts are prescribed by law.

Article 173 [Constitutional Review]

(1) The law specifies the judicial body competent to deciding dispiutes relating to the constitutionality of laws and regulations and determines its jurisdiction and procedure.

(2) The law ensures the right of both the Government and the interested parties to challenge the constitutionality of laws and regulations before the said body.

(3) If the said body decides that a law or a regulation is unconstitutional, it is considered null and void.

Part V General and Transitional Provisions

Article 174 [Amendments of the Constitution]

(1) The Amir or one-third of the members of the National Assembly have the right to propose a revision of the Constitution by amending or deleting one or more of its provisions or by adding new provisions.

(2) If the Amir and the majority of the members constituting the National Assembly approve the principle of revision and its subject matter, the Assembly debates the bill article by article. Approval by a two-thirds majority vote of the members constituting the Assembly is required for the bill to be passed. The revision comes into force only after being sanctioned and promulgated by the Amir regardless of the provisions of Articles 65 and 66.

(3) If the principle of revision or its subiect matter is rejected, it may not be presented again before the lapse of one year from the rejection.

(4) No amendment to this Constitution may be proposed before the lapse of five years from its coming into force.

Article 175 [Limits to Constitutional Amendments]

The provisions relating to the Amiri System in Kuwait and the principles of liberty and equality, provided for in this Constitution, may not be proposed for revision except in relation to the title of the Amirate or to increase the guarantees of liberty and equality.

Article 176 [Powers of the Amir]

The powers of the Amir, specified in this Constitution, may not be proposed for revision when a Deputy Amir is acting for him.

Article 177 [Continuation of Treaties]

The application of this Constitution does not affect treaties and conventions previously concluded by Kuwait with other States and international organizations.

Article 178 [Publication of Laws]

Laws are published in the Official Gazette within two weeks of their promulgation and come into force one month after their publication. The latter period may be extended or reduced for any law by a special provision included in it.

Article 179 [Retroactive Laws]

The laws are applicable to that which takes place after the date of their coming into force, and thus have no effect in respect of what has taken place before such date. However, in other than penal matters, a law may, with the approval of a majority vote of the members constituting the National Assembly, prescribe otherwise.

Article 180 [Continuation of Laws]

All provisions of laws, regulations, decrees, orders, and decisions, in effect upon the coming into force of this Constitution, continue to be applicable unless amended or repealed in accordance with the procedure prescribed in this Constitution, provided that they are not contrary to any of its provisions.

Article 181 [No Suspension of Constitution]

No provision of this Constitution may be suspended except when Martial Law is in force and within the limits specified by the law. Under no circumstances may the meetings of the National Assembly be suspended, nor shall the immunities of its members be interfered with during such period.

Article 182 [Publication, Enforcement]

This Constitution shall be published in the Official Gazette and comes into force on the date of the meeting of the National Assembly which shall not be later than January 1963.

Article 183 [Continuing Assembly]

Law Number 1 of 1962 concerning the system of Government during the period of transition continues to be in force, and the present members of the Constituent Assembly continue in the exercise of their duties specified in the said law, until the meeting of the National Assembly.