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Gulf state assistance to conflict-affected environments

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Gulf State Assistance to Conflict-Affected Environments

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Globalisation in the Gulf States**

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PREFACE

In many ways, the face of humanitarianism in conflict-affected countries is changing. This became apparent as the authors presented findings related to post-‘July War’ (2006) housing compensation and emergency risk reduction in Beirut in December 2008. The usual players were there – Norwegians, Italians and European Commission representatives – but so, too, were stewards of Kuwaiti and Saudi donor organizations and implementing agencies. Across the table was the director of a reportedly Iranian-supported humanitarian agency. The authors’ presentation showed that Arab Gulf states had provided more than US\$580 million for the housing sector alone – and perhaps as much as \$1.2 billion, when Iranian contributions were included – compared with \$293 million for housing and temporary shelter from so-called ‘traditional’ donors of the OECD Development Assistance Committee (DAC).

A tide shift in donorship, at least in select environments, was under way. Yet, in Lebanon as elsewhere, no one could authoritatively describe what motivated this trend, how it affected the broader post-conflict community of scholars, policymakers and practitioners or what it meant for recipient governments and beneficiaries in war-torn nations. What economic, political and ideological interests or agendas were being pursued through these ‘humanitarian’ activities? Did Gulf state donorship represent a contest for regional influence or global prestige between powers and would-be powers within the region? What, exactly, were these funds financing, and how effective were the resulting interventions? Such questions, which are addressed to varying degrees in this paper, led to the emergence of this study.

Caution, however, is due when addressing this seemingly ‘novel’ phenomenon. First, despite recent literature highlighting the rise of Gulf state contributions to post-conflict interventions, these countries have a centuries-old charitable record in at least West Asia and North Africa (WANA) and a decades-old history of formal, government engagement with relief, reconstruction and development. Second, Gulf state donors have, in many, although certainly not all, respects, extended practices established by their counterparts in North America and Europe. The motives and models applicable to some countries in the Gulf are seen in equal measure in Western donorship around the globe. This paper thus comprises an exploratory and analytical rather than necessarily comparative project. It aims to elucidate the growing trend of Gulf state donorship to conflict-affected environments rather than necessarily to outline in detail whether and how this is different from the heterogeneous approaches taken by Western institutions of the OECD-DAC.

Gulf State Assistance to Conflict-Affected Environments

SULTAN BARAKAT AND STEVEN A. ZYCK*

Abstract

Donors from particular Gulf states emerged as significant sponsors of mid-conflict and post-conflict humanitarian interventions during the Bosnian conflict of the mid-1990s and have grown increasingly visible, particularly during the past decade. This paper addresses the objectives underlying Gulf states' contributions in conflict-affected environments, the tangible forms which Gulf assistance takes and the impact it has had both on war-torn contexts and on global conventions related to donorship. The authors conclude that Gulf state aid has been motivated by religiously rooted principles of charitable giving which have frequently been moulded according to, in particular, the national political objectives of donor countries. However, rather than being a solely strategic undertaking, Gulf state donorship also reflects principled positions related to human security, cultural integrity and state sovereignty. This study shows that there is a possibility of strengthening these 'emerging' donors' activities while also applying their values and, at times, innovative practices to the so-called 'traditional' donors of the Development Assistance Committee (DAC) of the Organization for Economic Cooperation and Development (OECD).

1. INTRODUCTION

Planning for the reconstruction of the Gaza Strip following the conflict in late 2008 and early 2009 between Israel and Hamas included a bold statement from many Gulf states. Pledging US\$1.65 billion, an amount twice that offered by the United States and the European Union combined, a small number of oil-rich countries signalled their intention to take the lead in rebuilding their own backyard (*Arab Times* 2009: 9). In announcing his country's intention to provide the people of Gaza with US\$1 billion, King Abdullah bin Abdulaziz Al Saud of the Kingdom of Saudi Arabia (KSA) stated, '[A]llow me to announce on behalf of all of us that we have passed over our division and that we have opened the door for an Arab fraternity and unity for all Arabs with no exception or reservation and that we will face the future renouncing our differences as one solid cemented structure, holding fast to the Holy verse "Fall into no dispute, Lest ye lose heart and your power depart"' (Royal Saudi Embassy 2009). While

* The authors are grateful to Professor Mary Kaldor and Professor David Held for commissioning this research. This paper is stronger thanks to the comments and feedback provided by the anonymous peer reviewers and by Tim Heath of the UK Department for International Development (DFID). Of particular importance was input gained from colleagues, particularly Dr Ghassan Elkahout of Islamic Relief UK and Habiba Hamid, during a meeting of the West Asia–North Africa Forum (WANA) in Amman in October 2009. The authors would also like to recognize the research assistance provided by Natasha Price and Alexandra Lewis. Finally, we would like to acknowledge the many donor representatives and government officials in and from Lebanon, Yemen, Qatar, the Kingdom of Saudi Arabia, Iraq, Kuwait and the United Arab Emirates who took time to speak with the authors.

diplomatic rhetoric and policy frequently differ, such allusions to both intra-Palestinian divisions and broader regional animosities suggested the short-lived optimism that reconstruction could rebuild fraught political relationships in addition to roads and buildings.

Commentators quickly responded, some with praise, some with incredulity and others with hope (*Al Arabiya* 2009). There was, in particular, a sense of optimism that, after the problem-riddled Western-led reconstruction efforts in Afghanistan and Iraq, Islamic countries would provide a new and more culturally appropriate model of assistance.¹ Yet little enquiry has since been conducted into the impact of Gulf state humanitarian and reconstruction funding, not only in Gaza but also elsewhere. Furthermore, the existing literature on Gulf state donorship has thus far failed to distinguish between those contributions made to stable as opposed to so-called ‘fragile’ or war-torn contexts. This paper takes up that issue and examines the role of Gulf state donors, particularly KSA, Kuwait, the United Arab Emirates (UAE) and Qatar, in humanitarian or reconstruction-orientated interventions in post-conflict and conflict-affected environments. The authors ask: what are the defining and unique features of Gulf state donorship to conflict-affected and post-conflict environments with regard to motives, modalities (means of delivering assistance), programming and alignment with international conventions on aid effectiveness? The goal of this enquiry is not solely to understand the motives behind patterns of official development assistance (ODA) from the Gulf states and other countries, as scholars have sought to do in the past (see Alesina and Dollar 2000; Neumayer 2003a; Villanger 2007), but also to investigate the delivery and implementation of assistance. As research into post-conflict reconstruction has shown, the modalities of aid financing, the application of donor conditionalities, the design of programmes and the imposition of monitoring and accountability mechanisms are fundamental in determining the impact and effectiveness of aid. In other words, the ‘how’ is frequently as important as the ‘how much’ (Barakat 2009; Barakat and Zyck 2009a).

The next section of the paper outlines the existing research concerning Gulf states’ development assistance since the 1970s, with a particular focus on who does what, where and why. In doing so, it will provide an introduction to the architecture and key features of Gulf state assistance – though not specifically in conflict-affected contexts – before analysing how these practices are likely to have been influenced by a variety of contextual developments such

¹ This relationship between cultural proximity and aid effectiveness was notably put forward by Arne Strand (1998). He argues that an organization with a cultural background similar to its beneficiary population will be more effective in designing and delivering assistance.

as globalization, the post-9/11 global ‘war on terror’ and the establishment of post-conflict intervention as a distinct academic, professional and policy arena. This examination involves the analysis of case studies of the following contexts: Bosnia-Herzegovina, Afghanistan, Iraq, Lebanon and the Occupied Palestinian Territories. Case study selection, while explained in greater detail later in this paper, is based on the volume of Gulf state assistance, the occurrence of a large-scale (>1,000 fatalities) and a clearly time-bounded conflict or phase of conflict and the commencement of specific reconstruction or recovery activities as a result of that conflict. The final section of the paper builds on these case studies in order to address their implications for the activities of Gulf state donor institutions.

1.1. Terminology and scope

‘Gulf state donorship’, a term used throughout this paper, could be taken to include bilateral and multilateral ODA as well as private contributions to foundations or zakat (charity) funds (see Ibrahim and Sherif 2009).² Indeed, the rulers and populations in the Gulf have been particularly active in charitable giving outside formal, state-controlled channels. For the purpose of this paper, only state-led donorship has been included. So-called ‘unofficial’ contributions from the Gulf states or transfers intended to benefit recipients’ security services – in the interest of regional or cross-border security – have also been excluded, given the fact that they are unrecorded, unverifiable and distinct from the more ‘humanitarian’ or reconstruction-oriented financing with which this paper deals.

Furthermore, the authors found themselves required to narrow the number of donor countries included within the study. ‘Gulf states’ could be understood as including all Gulf Cooperation Council (GCC) members – Bahrain, Kuwait, Qatar, Oman, KSA and the UAE – as well as Iraq and Iran. In designing this project, the authors decided to focus, as have previous studies, on those Arab Gulf states with significant international assistance programmes. According to recent studies of non-DAC donorship (see Cotterrell and Harmer 2005), Bahrain and Oman are very minor humanitarian donors relative to KSA, Kuwait, Qatar and the UAE, which are included in this study and which have provided an average of 90 per

² Zakat, one of the five pillars of Islam, obliges individuals to make an annual donation of a small portion of their wealth to the needy, and motivates both large-scale charitable giving by Arab philanthropists such as the Dubai-based Makhtoum Foundation and small-scale donations to vulnerable individuals. Yet despite its sizeable contribution to total aid receipts in the Gulf states – the Emirates Red Crescent Society estimates that the most recent Ramadan campaign generated more than US\$31.5 million in the UAE alone (Harper 2009) – there is no reliable information regarding the amounts or the uses to which such contributions are put within or beyond the Gulf states. This being the case, the authors focus strictly on ODA except where otherwise specified.

cent of all Arab aid financing since 1970 (Van den Boogaerde 1991: 4). The UN's Financial Tracking Service – which collects information on bilateral contributions as well as government assistance to and through the UN, non-governmental organizations (NGOs) and Red Cross and Red Crescent societies – indicates no bilateral or multilateral contributions from Bahrain and only US\$30,000 from Oman (to neighbouring Yemen for post-flood relief).³ While Bahrain contributed US\$3 million to the West Bank and Gaza following the Second Intifada, this amount pales in comparison to KSA's US\$200 million or Qatar's US\$50 million (Saman 2003). While these countries may contribute unrecorded funds for humanitarian or developmental activities, they cannot be considered major donors from a global or regional perspective, a fact which is understandable given their relatively limited supplies of oil. Oman, for instance, has barely 2 per cent of the crude oil stocks of KSA, and Bahrain's proved stocks are roughly equivalent to those of France or Cuba (CIA 2009). Iran, a country which has funded sizable humanitarian, reconstruction and development operations abroad, has also been excluded, due not to its level of giving – which likely rivals, if not exceeds, that of KSA, Kuwait and others – but to the lack of publicly disclosed records pertaining to its ODA, which has been provided through non-state actors such as the Shia Islamist political and paramilitary organisation Hezbollah in Lebanon and Hamas in the Gaza Strip. Further study is, however, needed in order to better understand Iran's crucial though under-documented contribution to relief, reconstruction and development in stable as well as conflict-affected contexts.

On a final point of terminology, this article will periodically refer to 'post-conflict reconstruction'; however, it must be recognized that the conflicts in which Gulf states have been most involved – in Iraq, Lebanon, Afghanistan and the Occupied Palestinian Territories – may be described as protracted, unresolved and, in some cases, vigorously ongoing (Barakat 2005a). In other cases, particularly in Afghanistan, what is occurring is not reconstruction in any genuine sense but rather initial construction of a more modern infrastructure and system of public administration and service delivery (see, for instance, Rubin, Hamidzada and Stoddard 2003). The authors have thus selected the term 'assistance to conflict-affected environments' to reflect the situations which we are discussing and to highlight the paper's inclusion of activities at every point along the relief–recovery–development continuum.

³ UN-OCHA, Financial Tracking Service, <http://ocha.unog.ch/fts/>, accessed 1 July 2009.

1.2. Sources of information

Prior to and in the process of conducting research for this paper, the authors interviewed and consulted representatives of Gulf state donor institutions. These include officials from the Kuwait Fund for Arab Economic Development (KFAED), the Saudi Popular Committee for Lebanese Relief and the Qatar Foundation. A number of government agencies and non-governmental bodies which had collaborated with these institutions were also included in this study. These include leadership of the Doha-based NGO Reach Out to Asia (ROTA), Iraqi officials, Afghan representatives of the Ministry for Rural Rehabilitation and Development, Yemeni figures from the Sa'ada Reconstruction Fund, the former head of the Palestinian Economic Council for Development and Reconstruction (PECDAR), the Palestinian Minister of Public Works and Housing, and leading Lebanese officials from the High Relief Commission, Council of the South and Council for Development and Reconstruction. Practitioners from international organizations working in conflict-affected countries, including Islamic Relief, the United Nations and the Norwegian Refugee Council, have also been consulted. During subsequent phases of this research, the findings established in this paper have been presented to and reflected on by relevant individuals participating in a 'Reconstruction and Recovery Expert Consultation' organized by the West Asia–North Africa (WANA) Forum, the Amman-based Regional Human Security Centre (RHSC) and the University of York's Post-war Reconstruction and Development Unit (PRDU) in Amman in October 2009. This event provided an opportunity to gain feedback on initial findings while also allowing the authors to capture the impressions of senior government officials and high-level diplomats working in case-study countries on their engagement with Gulf state donor institutions (WANA Forum 2009).

1.2.1. Data-related challenges

One of the greatest challenges for this enquiry is the dearth of available data concerning Gulf state contributions and the programmes they support. As such, this study builds on a combination of data sources. In addition to the academic literature concerning donorship and the role of Gulf states, the authors relied on reports from international organizations, including the International Committee of the Red Cross (ICRC) and UN agencies, and from Gulf state donor agencies themselves. Periodicals were particularly beneficial in charting aid pledges by Gulf states following crises in places such as Afghanistan since 2001 or the Gaza Strip in

2009.⁴ Such sources, however, tend to emphasize pledges and pronouncements rather than actual contributions and interventions. By the time donors were preparing to commit and disburse funds, popular and media attention had drifted elsewhere, thus complicating efforts to understand what amounts and forms of assistance had truly been received by populations and governments in Iraq, Afghanistan, Lebanon and elsewhere.

Sources of quantitative data concerning commitments and disbursements, while inclusive of selected Gulf states, often include only partial information. For instance, the OECD's statistical database keeps detailed information on both DAC and non-DAC member countries.⁵ Donor data for the Gulf states is, however, amalgamated under the heading of 'Arab States' – inclusive of KSA, Kuwait and the UAE – and cannot be disaggregated by country.⁶ The OECD's additional databases, particularly the Creditor Reporting System (CRS), do not provide data on non-DAC donors. Finally, the aforementioned Financial Tracking Service operated by the UN Office for the Coordination of Humanitarian Assistance (OCHA) provides an alternative source with donor-specific data. Information is broken down by year and, at times, sector, and a rudimentary outline of only five to ten words of activities or use of the assistance is provided alongside the majority of contributions. However, the voluntary nature of this system, which overwhelmingly focuses on post-crisis relief assistance rather than longer-term reconstruction or development financing, means that it is used only sporadically by donor organizations, and the veracity of the data is difficult to assess, given that a contribution may be recorded either by the donor, by the recipient or by a third party.⁷ Due caution should thus be applied when assessing the completeness of quantitative data included in this paper; figures provided may be understood as best possible approximations.

The issue of data paucity is one the most common concerns among those studying Gulf state donorship throughout the past three decades (UNESCWA 2007; Hamid 2009). Indeed, as a result, 'developing statistical capacities' and sharing information regarding activities and

⁴ The authors do not intend to suggest that crises in these contexts are limited to these periods.

⁵ OECD, 'Stats' Query Wizard for International Development Statistics, available at <http://stats.oecd.org/qwids/>. The DAC, as of 2009, comprises the Commission of the European Communities and the following twenty-two countries: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Japan, Luxembourg, the Netherlands, New Zealand, Norway, Portugal, Spain, Sweden, Switzerland, the United Kingdom and the United States.

⁶ Aside from the exclusion of Qatar, this definition conforms to those Gulf states which are addressed within this paper.

⁷ UN-OCHA, Financial Tracking Service, <http://ocha.unog.ch/fts/>, accessed 1 July 2009. This online database permits all users to 'to report a humanitarian contribution straight to FTS' without verification. As such, this system likely misses some contributions while, potentially, including assistance which may not have been delivered in full.

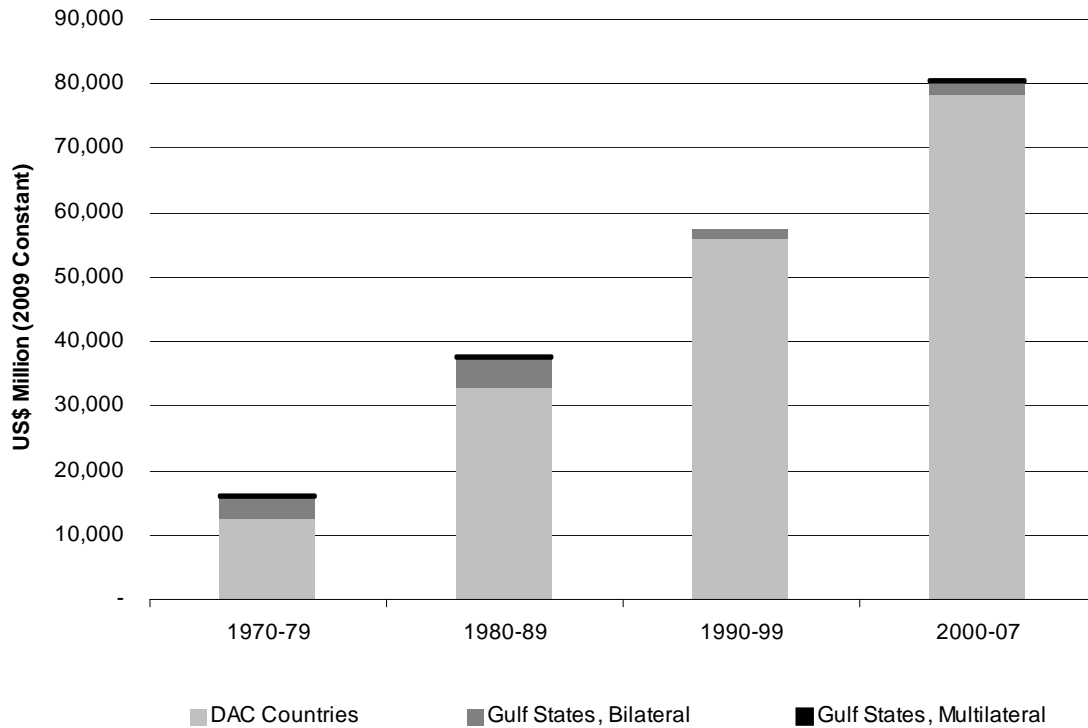
‘aid statistics’ were identified as key priorities during the 2009 meeting between Gulf state donors (‘Coordination Group Institutions’) and the OECD-DAC (Al-Hamad and Deutscher 2009).⁸ Beyond the lack of objective and trustworthy quantitative data regarding Gulf state contributions, even less is known about the *use* of funds provided by KSA, Kuwait, the UAE and Qatar. Donor reports often break information down by generic sector, although specific activities are only highlighted as part of public relations-oriented exemplars. Despite contributions of more than US\$300 million from Kuwait to Lebanon following the 2006 ‘July War’, no information about the transfers is available from Kuwaiti government sources or the Kuwait Fund. Governments receiving bilateral assistance from KSA, Kuwait, the UAE or Qatar provide little in the way of public aid-tracking, and multilateral recipients, such as the United Nations Relief and Works Agency (UNRWA) or national Red Crescent societies, tend to use consolidated appeals processes (CAPs) or trust-fund mechanisms which discourage or disallow donor earmarking for specific priorities. The only way to know what Gulf state donors have done is to engage in an epidemiological study of their funds, tracing disbursements from Gulf states to recipient institutions and, in some instances, individuals. While the authors have been able to engage in this sort of study in post-July War (2006) southern Lebanon (Barakat and Zyck 2008), in-depth aid-tracking in other contexts remains an open but challenging avenue for future research.

2. GULF STATE DONORSHIP: A REVIEW

Despite a tendency to perceive Gulf state donorship as a novel trend (see, e.g., Manning 2006), the region has a long history of international cooperation and development assistance (Figure 1). In 1980, during a period of high oil prices, ODA from KSA was more than three times that provided by the United Kingdom globally (Porter 1986: 46). Even before then, in the period 1974–9, aid contributions from Qatar, Kuwait, KSA and the UAE equalled between 6 and 8 per cent of their respective gross national incomes (GNI), while DAC countries’ aid contributions accounted for only one third of 1 per cent (Neumayer 2004: 11). These contributions were provided in the form of both project aid, such as the \$36 million loaned to Morocco by KSA for the construction of the Al Massira dam in 1974, and budget support, with over \$100 million provided in this period to Morocco’s National Development Bank by

⁸ It should be noted that, while development statistics have increasingly become centralized, the decision to exchange even basic sets of statistics regarding ODA has remained such an area of contention that it was noted as one of six key action points – alongside high-level priorities related to donor coordination – at the 2009 meeting between OECD-DAC donors and the Arab Gulf states (Al-Hamad and Deutscher 2009: 6).

Figure 1. Average Annual OECD-DAC and Gulf State ODA, 1970–2007



Source: OECD ‘Stats’, Query Wizard on International Development Statistics, <http://stats.oecd.org/qwids/>.

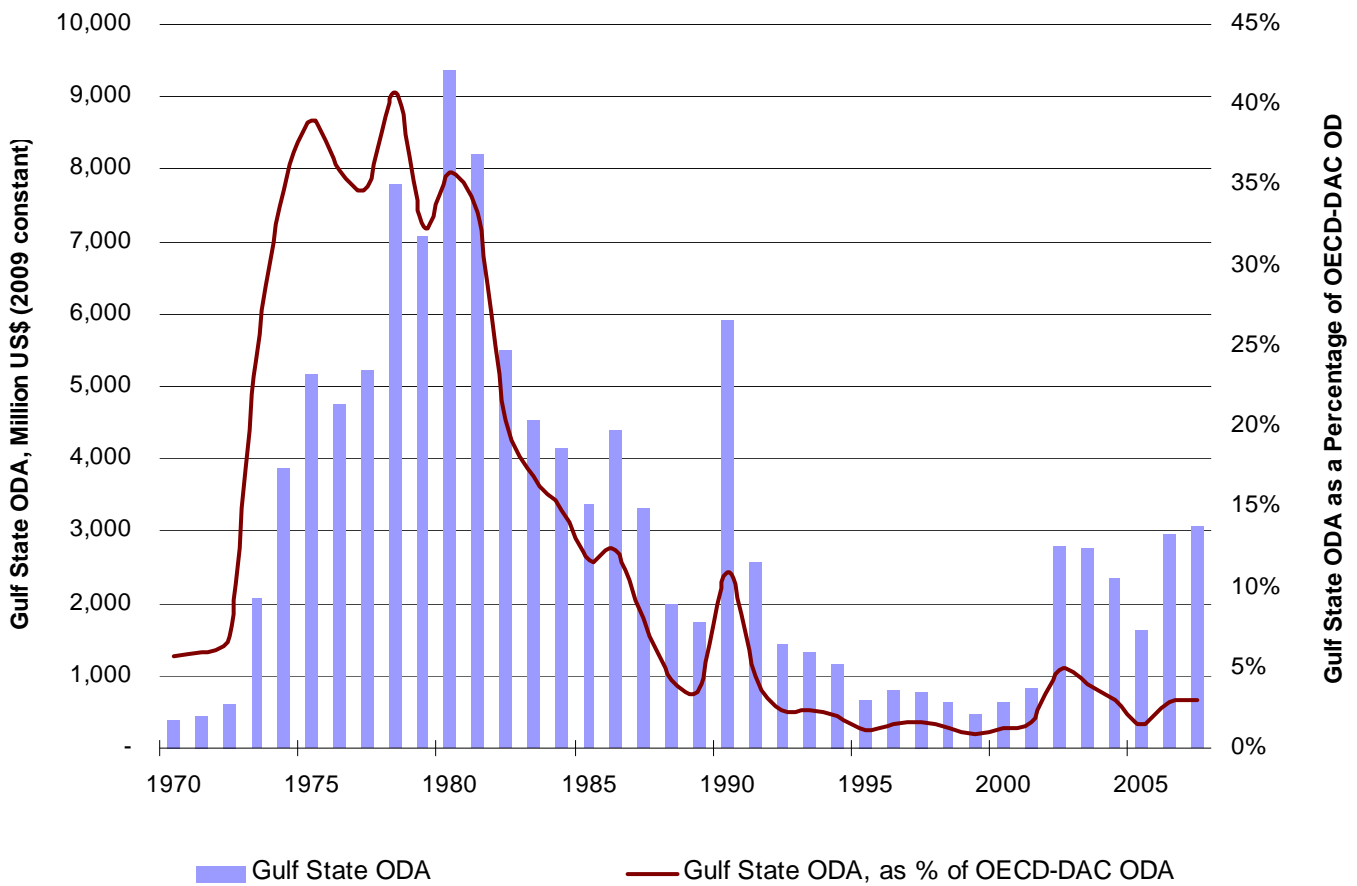
Note. Information in this figure is provided by OECD (2009). Note that ‘Gulf States, Multilateral’ refers only to OFID, BADEA, and the IsDB, the three ‘Arab agencies’ which report data to the OECD (OECD 2008a).

Kuwait, the UAE and KSA (Lawton 1979a). What is new, however, is a tendency for the globalization of information and news coverage to disseminate rapidly information regarding aid pledges, which often are presented as (and amount to) competitions of goodwill between prominent or would-be prominent countries (Hamieh and Mac Ginty 2009).

As Figure 1 indicates, the present time should not necessarily be considered the height of Gulf state donorship. In 1978, KSA, Kuwait and UAE contributed funds which equalled up to 40.3 per cent of that provided by OECD-DAC member states.⁹ However, in the following two decades, OECD-DAC contributions continued to grow, whereas Gulf state financing significantly declined in both relative and real terms. By 2003, with reconstruction under way in Afghanistan and humanitarian aid flowing to post-invasion Iraq, KSA, Kuwait and the UAE

⁹ OECD, ‘Stats’ Query Wizard.

Figure 2. OECD-DAC and Gulf state ODA, 1970–2007



contributed, through multilateral as well as bilateral channels, only 4.8 per cent as much development assistance as OECD-DAC members (Figure 2).

The following subsection attempts to move beyond such quantitative figures by providing a brief overview of Gulf state donorship focused on their humanitarian institutions and record of international assistance, with particular reference to those factors which determine recipient selection. One approach to such an analysis involves the overlaying of major historical events and aid contributions in order to note correlations and the influence of economic and political crises. For instance, the surge in Gulf aid in the mid-1970s to early 1980s highlighted in Figure 2 correlates closely with rising crude oil prices. Likewise, the fall in ODA from the Gulf states in the mid- to late-1980s may be viewed in the context of the cessation of annual payments of US\$3.5 billion which had been provided by Arab countries since the 1978 Baghdad Agreement to Jordan, Syria and the Occupied Palestinian Territories (Haldane 1990). Finally, the sharp rise in 1990 reflected a quadrupling of aid from the region in response to Iraq’s invasion of Kuwait, which was facilitated by the simultaneous and

closely related jump in crude oil prices (Villanger 2007).¹⁰ As the subsections below suggest, numerous other factors were also at play in driving and determining Gulf state ODA.

2.1. Institutions

As in DAC member countries, ODA from the Gulf has been channelled through an increasing array of bilateral and multilateral channels. Kuwait, the UAE and KSA remain the only Gulf states with formal, fully governmental donor agencies (Neumayer 2003b, 2004). Among these, the Kuwait Fund, founded shortly following Kuwait's independence in 1961, expanded on an earlier programme of support for Oman, Bahrain, North and South Yemen and the Trucial States (Porter 1986: 45). The UAE followed afterwards with the similarly named Abu Dhabi Fund for Arab Economic Development, which has since been relabelled the Abu Dhabi Fund for Development (ADFD). The Saudi Fund for Development (SFD) came next, in 1974 (El Mallakh 1982).

These three agencies or funds have been joined by numerous quasi-non-governmental and ad hoc donor institutions which, while formally private, disburse assistance from and in the name of the state. Qatar notably provides assistance through direct financial transfers rather than employing an intermediary governmental agency, although its non-governmental Qatar Foundation appears, according to Qatari officials, poised to take on the role played by humanitarian funds in the other Gulf states. Despite its lack of a recognizable government organ overseeing ODA, Qatar was the fourth largest non-DAC donor in 2003, after KSA, Kuwait and South Korea, and the twenty-fifth most significant overall (Cotterrell and Harmer 2005: 17). Other Gulf states and Arab countries have employed similar mechanisms for disbursing ODA.¹¹

A significant portion of Gulf state assistance has been provided through the Kuwait Fund, the Abu Dhabi Fund, the SFD and the Qatari government. While the Kuwait Fund had only a minimal role in Kuwait's overseas development activities in the early stages – distributing only 2.6 per cent of the nation's aid in the late 1970s – by 1986 it distributed as much as 44 per cent, the remainder being provided through direct financial transfers (Villanger 2007: 8). Following the founding of these bilateral institutions, multilateral aid agencies

¹⁰ Indeed, some have even claimed that support to post-Gulf War Kuwait served as a form of repayment for that country's earlier charitable largesse, explained below (Villanger 2007).

¹¹ For instance, the H.H. Sheikh Mohammed bin Rashid Al Maktoum Foundation, founded by the ruler of Dubai, serves as that emirate's primary means of disbursing assistance, but, unlike the Abu Dhabi Fund for Development, it is a private philanthropic organization.

emerged. In 1974, multilateral institutions – building on the models of the African Development Bank (AfDB) and the Asian Development Bank (ADB), which were founded in 1964 and 1966 respectively – were established in rapid succession. As with bilateral donor institutions, Kuwait led the way with the hosting of the Arab Fund for Economic and Social Development (AFESD) in 1974 (Nonneman 1988). Its activities were confined strictly to Arab League member countries. The Islamic Development Bank (IsDB), founded in 1975, has been described as an effort to promote Islamic solidarity (Porter 1986; Meenais 1989) and, more than other Arab multilateral donor institutions, has promoted Islamic finance (Wilson 2009).¹²

The UAE followed suit in 1976 with the establishment of the Arab Monetary Fund (AMF) in Abu Dhabi. The AMF, like the International Monetary Fund (IMF), focuses overwhelmingly on mitigating balance-of-payment deficits (Hallwood and Sinclair 1981). Whereas the AFESD, the IsDB and the AMF focused on general development cooperation, with particular focus on concessional loans and guarantees, throughout the region, relatively more specialized or geographically focused multilateral bodies developed next (Van den Boogaerde 1991). First among these specialist agencies was the Arab Bank for Economic Development in Africa (BADEA). Based in Khartoum since its founding in 1974, BADEA was initially founded to assist those countries which were members of the Organization of African Unity but not of the Arab League (BADEA 1974). Beyond its non-Arab geographical focus, its activities are generally similar to those of the AFESD, with which it has co-financed operations in developing countries. In 2006, for instance, BADEA and the AFESD jointly supported the construction of a 246.5-km railway in Namibia in 2006 (Moyo 2006).

The sole multilateral institution not to focus on loans and other forms of development financing has been the Arab Gulf Programme for United Nations Development Organization (AGFUND). Founded at the recommendation of KSA's Prince Talal Bin Abdul Aziz Al Saud in 1980, AGFUND 'is concerned with the support of sustainable human development efforts targeting the neediest in developing countries', and currently funds programmes such as women's entrepreneurship in Gaza and animal disease surveillance in Somalia (AGFUND 2004, 2009). With grant-funded assistance for education, health, poverty alleviation and public-institution-building, it primarily acts as an Arab-owned channel for Arab countries to support UN activities rather than a stand-alone agency. A final multilateral institution frequently associated with the Gulf states, although not necessarily a focus of this paper, is the

¹² See www.isdb.org/irj/portal/anonymous.

OPEC Fund for International Development (OFID). Including all member countries of the Organization of the Petroleum Exporting Countries (OPEC), it primarily provides loans to highly indebted poor countries (HIPCs), with a narrower focus on grants and post-emergency assistance (Benamara and Ifeagwu 1987). The diversity of its membership, despite receiving slightly more than half its contributions from Arab Gulf states, has resulted in a more technical and poverty-based allocation of resources rather than any systematic focus on a particular region.

Multilateral Gulf state institutions, despite their number and variety, have traditionally proved far less significant, in financial terms, than the bilateral programmes in terms of grant-funded assistance. Yet numerical data provided by the multilateral agencies frequently appears to be far greater than that provided by bilateral agencies such as the Kuwait Fund and the Abu Dhabi Fund, thus reflecting the issue of data availability and clarity (Table 1). For instance, the IsDB's own documents claim a far higher level of assistance than it has previously reported to the OECD, a fact which appears likely to result from a number of factors, including (i) different ways of valuing contributions; (ii) multilateral institutions' far greater use of loan rather than grant financing; and (iii) IsDB's mobilization of capital from investors rather than strictly from member governments. While popular in the years following their establishment, multilateral agencies have frequently fallen out of fashion as the Gulf states have, like many of their Western counterparts, turned to forms of assistance which is far more

Table 1. Profiles of major Arab–Gulf donor institutions

Agency	Location	Year founded	Lifetime contributions (US\$ million) ⁱ	Average annual contributions
Bilateral				
KFAED	Kuwait	1961	14,035	298.62
Abu Dhabi Fund	UAE	1971	3,533	95.49
SFD	KSA	1974	7,705	226.62
Multilateral				
AFESD	Kuwait	1974	20,789	611.44
IsDB ⁱⁱ	KSA	1975	33,900	1,027.27
OFID ⁱⁱⁱ	Austria	1975/6	10,299	321.84
AMF	UAE	1976	5,080	158.75
BADEA ^{iv}	Sudan	1980	3,329	118.89
AGFUND	KSA	1980	235	9.04

ⁱ All conversions from original currencies, where applicable, are done according to the prevailing rate on 4 August 2009.

ⁱⁱ IsDB (2008) *Islamic Development Bank Group: In Brief*. Riyadh: Islamic Development Bank.

ⁱⁱⁱ *Ibid.*

^{iv} BADEA (2008) *Annual Report 2008*. Khartoum: Arab Bank for Economic Development in Africa.

visible in the eyes of the recipients (Cotterrell and Harmer 2005: 12). Multilateral sources have comprised an average of between only 3 and 5 per cent of the Gulf states' total assistance to developing countries, according to the OECD (2009), although they appear to be experiencing a resurgence after two decades of decreasing support.

2.2. The origins of Gulf state donorship

Contemporary Gulf state donorship emerged during and in the aftermath of the 1967 Arab–Israeli War. Those countries bordering Israel–Palestine, which absorbed large numbers of Palestinian refugees and became known as the ‘front-line states’, were the primary targets of aid and received more than half of all Gulf state assistance from the late 1960s to the late 1970s (Porter 1986: 44). These comprised, between 1967 and 1978, Egypt, Jordan, Lebanon and Syria; Egypt was dropped from this list following its signing of a peace agreement with Israel in 1979.

Yet Arab and Gulf states' donorship long pre-dates the Arab–Israeli conflict or the founding of bilateral and multilateral aid institutions. Many authors highlight its origins in the Islamic principle of charity, or *zakat*, which requires contributions to the poor and vulnerable by those who have the means to make them (Anwar 1995; Benthall and Bellion-Jourdan 2003; ICG 2003; Weiss 2002). *Zakat* funds had existed, and still exist, for primarily local and national causes in many Islamic countries before institutionalized, international donorship emerged (Benthall and Bellion-Jourdan 2003). Focused overwhelmingly on fellow Arab states, as is expressed most firmly in the phrase ‘for Arab Economic Development’ in the names of the Gulf's first two bilateral donor funds, international assistance represented a sense of pan-Arab and pan-Islamic solidarity. Over time, however, particularly as Africa, home to significant Arab and Islamic populations, followed the Middle East down the path of decolonization, Arab–African affinity began to develop (Simmons 1981: 16). Such a trend is evident in the emergence of BADEA and the relatively minor Arab Fund for Technical Assistance to African and Arab Countries (AFTAAC) in 1977 (Porter 1986).¹³ A debate over the appropriateness of extending *zakat* to non-Arab and, in particular, non-Islamic populations emerged; decided in favour of the broader, less religiously oriented definition, this development resulted in an expansion of the Gulf states' humanitarian mandate (Benthall and

¹³ AFTAAC focuses on ‘consolidating Afro-Arab relations, and provide the developing African countries with some of their needs for human resources, economic and technical development’ (AFTAAC 2009).

Bellion-Jourdan 2003). The Kuwait Fund, for instance, expanded its mission statement to include both ‘Arab and other developing countries’ in 1974 (Neumayer 2003b).

While Gulf state donorship is frequently linked with zakat and principles of charity and generosity, others see more strategic motives at play. Gulf states’ assistance has been viewed as a tool for winning international allies to support anti-Israeli resolutions in the United Nations (Mertz and Mertz 1983; Simmons, 1981). Others have hypothesized that the funds, which often finance balance-of-payments deficits, are used as a means of lessening the impact of high energy costs on poor countries in order to diminish support for the greater regulation of oil prices (Hunter 1984). During the 1970s, for instance, the IsDB primarily financed the importation of oil by Islamic countries suffering as a result of price shocks. The Abu Dhabi Fund and the SFD also acknowledge their own economic interests in using aid to develop markets for their (limited) non-oil exports (ADFD 2009; SFD 2009a). Yet, as Neumayer (2004: 285) highlights, the attribution of relatively strategic rather than humanitarian motives has been led by Western experts. Individuals from the Gulf states and Islamic countries, including those interviewed by the authors, have tended to subscribe more fully to explanations which centre on religious solidarity and a genuine concern for human well-being (Humaidan 1984; Shihata 1982).

The literature referenced above has tended to remain speculative, based more on observations of the Gulf states’ bilateral and multilateral contributions than on any statistical analysis of those factors which determine whether a country will receive Gulf state support and in what amounts. The sole econometric analysis to date has been provided by Neumayer (2003a), who examined the period from 1974 to 1997. His research differentiated between those factors that rendered a country more likely to receive Gulf state assistance and those which determined the level of assistance which a country was likely to receive. This study found that a country is more likely to receive support from Gulf states, through both bilateral and multilateral channels, if they are ‘poor, Arab, [and] sub-Saharan African’ or if they vote similarly to KSA in the UN General Assembly (Neumayer 2003a: 141). Such countries are also likely to receive greater levels of assistance. For instance, an Arab country would receive twenty-two times more aid from Gulf states (bilaterally) and 632 per cent more from multilateral institutions such as AFESD, IsDB and AMF (Neumayer 2003a: 142–3). Islam and relations with Israel, while significant for the receipt of bilateral assistance, were not a factor

for multilateral agencies. Such findings appear to bolster arguments that aid from the Gulf is more a sign of cultural and, at least for bilateral funds, religious proximity (Strand 1998).

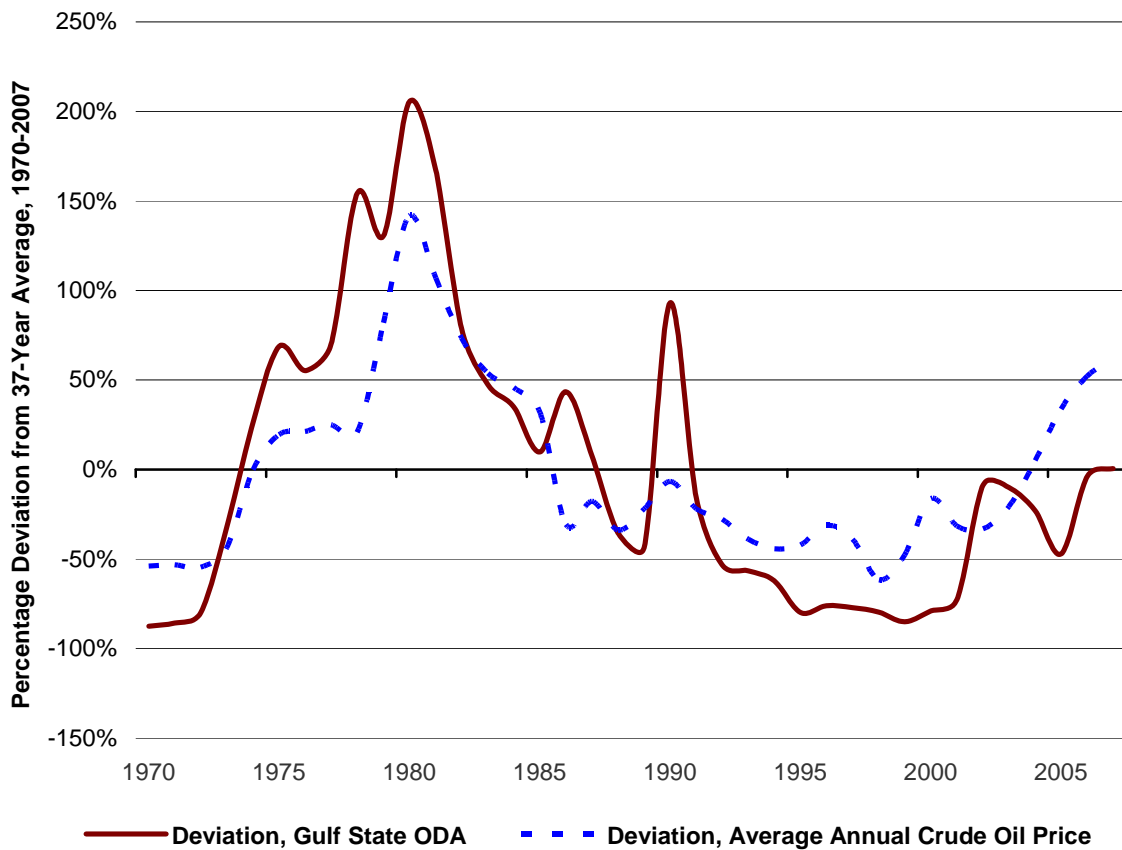
Poverty and needs-based criteria are significant in gaining access to Gulf state aid, although, interestingly, only up to a point. Neumayer (2003a) found that poorer countries do not necessarily receive more aid (though they are more likely to gain access to at least some funding). Nonneman (1988) further examines this dynamic in highlighting that OPEC donor countries, of which Gulf states were the most significant, provided 26 per cent of their aid to middle-income countries in 1975, but that this amount rose to 76 per cent by 1981. OECD-DAC member countries provided only half as much to countries in this category, focusing their assistance primarily on low-income and least-developed countries (LICs/LDCs). While such figures do not convey motive, they at least suggest that Gulf states (and other OPEC members) had in the past preferred to focus assistance on countries which were trade partners and major oil importers, or which seemed to have the potential to become so (Heintz and Pollin 2008).

While such factors influenced the Gulf states' aid allocation, the total amount on offer was determined primarily by two key factors: oil prices and the occurrence of crises with economic or diplomatic ramifications for the Gulf (UNESCWA 2007). The Arab–Israeli conflict, in particular, is responsible for many of the peaks which appear in the timeline of Gulf state assistance (Figure 2). The phenomenal increase in Gulf state assistance from the early–mid-1970s to the early 1980s, however, is more likely to do with the 429 per cent increase in the price of crude oil during this time (Figure 3).

As is evident in Figure 3, a close relationship existed between the level of Gulf states' donorship and their oil-derived income. With the exception of political shocks, such as the Iraqi invasion of Kuwait in 1990, aid tended to increase at a slightly greater rate than oil prices and, conversely, fell more rapidly when oil prices dropped. Indeed, while it appears that tensions with Israel and rising oil prices led to the rapid growth in Gulf state ODA during the 1970s, it is interesting to note that, despite conflicts in Afghanistan and Iraq and rising oil prices, Gulf states' global level of foreign assistance continued to decline during the first three post-9/11 years (after a sudden increase between 2001 and 2002).¹⁴ Given that, at this time, Gulf state charities (and Islamic organizations more generally) came under greater scrutiny

¹⁴ Between 2002 and 2005, total Gulf state contributions, as monitored by the OECD, declined from US\$2.79 billion to US\$1.62 billion. See OECD, 'Stats' Query Wizard for International Development Statistics.

Figure 3. Deviation of Gulf state ODA and crude oil price from 37-year average, 1970–2007



Sources: OECD ‘Stats’, Query Wizard on International Development Statistics, <http://stats.oecd.org/qwids/>; oil prices were calculated from monthly data from the International Monetary Fund, <http://www.imf.org>.

due to predominantly US concerns regarding their potential ties with terrorist organizations, one might have expected government assistance to have increased in order to meet the decline in private contributions. Whether the Gulf states were ‘testing the waters’ to understand better whether increased oil prices would be sustained or whether aid resources were reallocated to internal security concerns, this dynamic, like much of Gulf state donorship, is clearly in need of additional exploration and analysis.

3. GULF STATE ASSISTANCE TO CONFLICT-AFFECTED ENVIRONMENTS

In recognition of the need for more nuanced analysis of Gulf states’ international assistance to conflict-affected environments, this section begins to address the following question: what exactly have the Gulf states been spending their assistance on, where, why and to what effect? The authors examine this question in relation to Bosnia, Afghanistan, Iraq, Lebanon and the

Table 2. Assistance to selected conflict-affected contextsⁱ from bilateral Gulf state donors, 1999–2009

Donor country	Total amount (US\$ million, value at time of disbursement)	Proportion of total
KSA	926.59	69.30%
UAE	207.17	15.49%
Kuwait	167.99	12.56%
Qatar	35.31	2.64%
Total	1,337,027,927.00	100.00%

Source: UN-OCHA, Financial Tracking Service, as of 1 July 2009.

ⁱ These contexts are Bosnia, Afghanistan, Iraq, Lebanon, Yemen, and the Palestinian Territories.

Occupied Palestinian Territories; references will also be made to Yemen, a country in which large-scale Gulf state support was offered but ultimately not delivered. Such countries are of particular importance to Arab Gulf donors, who recently cited ‘[r]ehabilitation and reconstruction in situations of fragility (e.g. Afghanistan; Yemen)’ as one of their key ‘areas of collaboration’ during a recent Coordination Group meeting (Al-Hamad and Deutscher 2009: 3).

According to the Financial Tracking Service, the aforementioned six contexts, including Yemen, received a total of US\$1.34 billion bilaterally from Gulf state donors between 1999, when the Service began operating, and June 2009 (Table 2).¹⁵ More than two-thirds of this support was provided by KSA with relatively smaller contributions from the UAE and Kuwait. Qatar, which, as previously noted, does not employ a dedicated government donor body, but which likely provides additional aid which is not publicly recorded, appears to be the least significant in these contexts.

While these financial contributions are refined and further discussed in the case studies below, the subsequent analysis focuses less on the amounts, which remain contested and contradicted in various data sources, and more on the motives for the aid, the modalities through which it was provided, the programming it supported and the impact it had on the recipient contexts and the broader region.

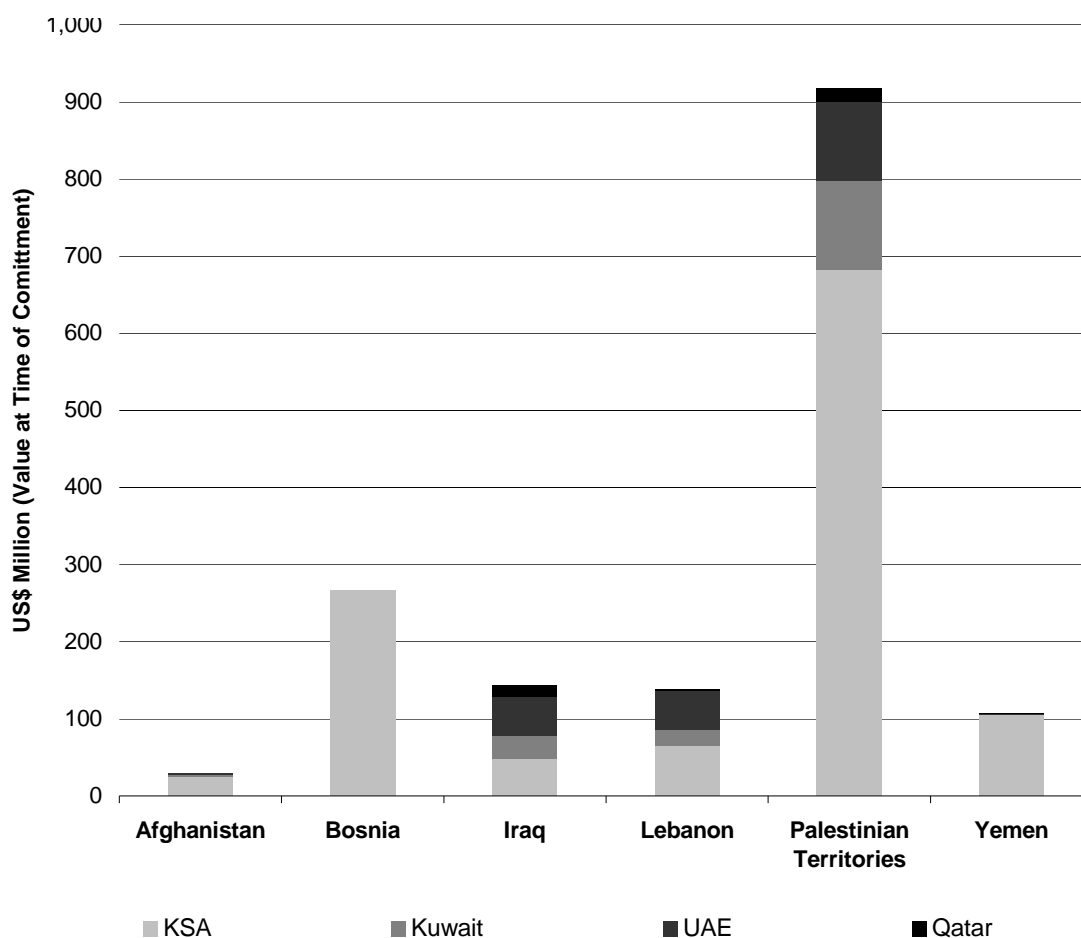
¹⁵ UN-OCHA, Financial Tracking Service, available at <http://ocha.unog.ch/fts/>, accessed 1 July 2009. Multilateral Gulf-based or Gulf-led institutions do not provide data for the Financial Tracking Service.

3.1. Case studies: Gulf state donors in conflict-affected contexts

Focusing strictly on the post-Cold War era, case study contexts were identified based on the volume of Gulf state assistance (either pledged or committed), the occurrence of a large-scale (>1,000 fatalities) and clearly time-bounded conflict or phase of conflict and the launch of humanitarian relief or recovery activities as a result of the conflict. This list was further narrowed by a focus on conflicts which were deemed to be of particular concern to the Gulf states, especially those which involved substantial Islamic populations.

Finally, the authors hoped to focus on relatively recent conflicts for a number of reasons. First, these conflicts and the assistance provided to them have been well addressed in literature and the media. Second, they are also included in the UN Financial Tracking Service, which provides data only since 1999. While contributions prior to 1999 may be roughly

Figure 4. *Reported assistance from Gulf state interventions to selected conflict-affected contexts, 1999–2009*



Source: UN-OCHA, Financial Tracking Service, as of 1 July 2009.

assessed (albeit under the consolidated heading of ‘Arab countries’) through the OECD, the Financial Tracking Service has the added benefit of brief descriptions of transfers which allowed for coding and broad classification of modalities and programming. Given these criteria, the following contexts are addressed below: post-conflict Bosnia-Herzegovina, post-9/11 Afghanistan, post-2003 Iraq, post-July War (2006) Lebanon and the Gaza Strip (and Occupied Palestinian Territories more generally) prior to and following the 2008–9 conflict with Israel (Figure 4 gives a summary of Gulf state contributions to these contexts).

3.1.1. Bosnia-Herzegovina

Bosnia-Herzegovina proved to be the first major reconstruction project supported by donor institutions from the Gulf. Much like the later conflict in Kosovo, in 1999, Arab countries’ attention was drawn to the conflict through the perception that it constituted a religious war aimed at the destruction of an Islamic population (Champion 1998). KSA, both during the conflict and afterwards, was to take a leading role. Saudi King Fahd bin Abdul Aziz met the Bosniak (Muslim) leader, Alija Izetbegovic, in 1992 and soon thereafter called an emergency meeting of the Organization of the Islamic Conference (OIC) at which Izetbegovic hoped to receive OIC membership for his government and, through it, large-scale military and/or diplomatic support (Rogel 2004). The following year the OIC offered 17,000 troops, an offer ultimately rejected by the international community, for peacekeeping (BBC 2008). Instead, individual, irregular fighters, from KSA in particular, travelled to Bosnia in order to defend the Bosniak population. Smaller numbers from Kuwait as well as Yemen, Jordan, Syria and Turkey followed suit, many of them having recently participated in a successful insurgency to dislodge Soviet forces from Afghanistan (Hedges 1995). Such fighters, while initially welcomed, eventually clashed with the moderate and largely ‘cultural’ rather than religious forms of Islam which had developed under communism in the former Yugoslavia (Pinson 1996). Such clashes were also to colour the Gulf states’ efforts at reconstruction following the 1995 Dayton Peace Agreement (DPA), which marked the end of the Bosnian conflict.

By 1997, Islamic countries had pledged just under US\$160 million for Bosnia’s reconstruction, half of which came from KSA (US\$50 million), Kuwait (US\$21.15 million) and Qatar (US\$5 million) (GAO 1997). The remainder was primarily provided by Turkey, which has historical and cultural links to Bosnia and Bosnian Muslims, as well as Brunei and Malaysia (*ibid.*). According to the OECD, KSA, Kuwait and the UAE ultimately provided US\$191.18 million to Bosnia in the decade following the signing of the DPA, or 2.41 per cent

of the total given by international donors during that period.¹⁶ Media reports, however, indicate that KSA provided more than US\$600 million for Bosnia after the war for food, energy and electricity, thus suggesting that official figures may capture only a portion of Gulf state assistance (Whitmore 2002).¹⁷

According to reports from former US National Security Council member Kenneth Pollack (2003), Saudi support for the reconstruction process was at least partly undertaken at the request of the Clinton administration (rather than strictly due to religious affinity). In 1996 the US government asked KSA, Kuwait and the UAE to provide funds to the predominantly Bosniak (Muslim) Army of the Federation of Bosnia and Herzegovina (VFBiH) for training and capacity building (Weiner 1996; Barakat and Zyck 2009b). Such offers were seen as attempts to deflect the mounting criticism against Islamic and, in particular, wealthy Arab countries which had failed to act to defend Bosnia's Muslims (Schwartz 2002). Stephen Schwartz writes that Muslim politicians and intellectuals in Bosnia 'are bitter that these states watched passively as thousands of indigenous European Muslims were slain in the Balkans, offering no assistance aside from press releases, aid donations and religious propaganda' (ibid.).¹⁸

In the light of such perceptions, aid financing for reconstruction and military defence appears to have been intended as a form of public diplomacy, intended to repair the Gulf states' tainted image in the Islamic world and at home (Champion 1998). For KSA, in particular, an additional set of issues were at stake; one of the country's main rivals within the region, Iran, had sent at least two shipments of weapons to the Bosniak forces (Risen and McManus 1996). Concerns were hence raised not only that Iran's action and KSA's perceived inaction reflected poorly on the latter but also that, in providing arms, Iran had attempted the spread of Shia Islam in the Balkans (Schwartz 2000). Such concerns were at times exacerbated by the opening of an Iranian cultural centre in the centre of Sarajevo immediately following the end of the conflict.

¹⁶ Based on information available at OECD, 'Stats' Query Wizard for International Development Statistics.

¹⁷ However, it appears likely that only a portion of these, such as the previously indicated US\$30 million, were from SFD or other official government channels as opposed to private contributions.

¹⁸ Such perceptions, which also existed among some populations in the Gulf, later motivated large-scale public donations for Kosovo. One UAE citizen, for instance, personally donated \$1.825 million to aid the local Muslim populations in Kosovo, and telethons in Saudi Arabia and Kuwait raised \$19 million and \$7 million, respectively, for the same cause (Hanley 1999).

Partly due to a degree of partly confessional competition between Iran and KSA, the majority of Saudi support was dedicated to the resurrection of Mosques damaged or destroyed during the conflict (Schwartz 2000).¹⁹ Rehabilitation and reconstruction were pursued according to Saudi designs which conflicted with the Ottoman architecture of the country's mosques (Peuraca 2003). According to the Zurich-based International Relations and Security Network (ISN 2009b), these mosques were 'run by the Saudis entirely, with no involvement by the local Bosnian Islamic community'. As a result, Saudi assistance was deemed to be culturally insensitive by a portion of the Bosniak community and, in some respects, intimidating to Croat and Serb populations fearful of the rise of Islamic fundamentalism in the region, particularly given the role played by foreign Islamic fighters during the war in Bosnia (ibid.).

Further assistance was dedicated to school building and education, which provided an opportunity for Wahhabi religious teachings. These schools required female students to cover their heads, a practice which was previously uncommon (although it is gaining in popularity) among Bosnian Muslims (ICG 2001). Such demands were at times perceived to be infringements of Bosniak culture, and polls show that 70 per cent of Bosnian Muslims opposed Wahhabism (ISN 2009b). As such, KSA's first reconstruction intervention appears to have been only partly 'humanitarian' in nature (Whitmore 2002).

3.1.2. Post-9/11 Afghanistan

Aside from Kosovo, which reportedly experienced a Saudi-funded reconstruction process similar to that in Bosnia (Schwartz 2000, 2002; BBC 1999), the Gulf states were next confronted with the rehabilitation process in post-2001 Afghanistan. While KSA had long supported the mujahideen and, later, the Taliban, it was only after the US-led invasion in 2001 that Gulf states' humanitarian involvement in the country was overtly institutionalized and formalized. The January 2002 donor conference on the reconstruction of Afghanistan, held in Tokyo, was co-chaired by KSA and attended by representatives from Kuwait, Qatar and the UAE, one sign that Gulf state donor institutions were considered to be key partners in the country's recovery and development (Ministry of Foreign Affairs of Japan 2002). At that conference KSA pledged US\$220 million over three years (or US\$73.33 million per year), the

¹⁹ According to Champion (1998), Saudi funds paid initially for the following mosque and infrastructure projects: the restoration of 115 mosques, the furnishing of 330 mosques, the construction of mosques in Tuzla and Sarajevo, the construction of Saudi and Islamic cultural centres in Mostar, Bihac and Sarajevo, the restoration of schools, the reconstruction of 600 homes, and the construction of 159 km of railway tracks.

sixth largest pledge in annual terms behind the European Union (US\$500 million p.a.), the United States (US\$296 million p.a.), Japan (US\$200 million p.a.), the World Bank (US\$200 million p.a.) and Iran (US\$112 million p.a.) (UN-OCHA 2002). The UAE pledged US\$36 million across an unspecified time period, an amount which was increased to US\$50 million later in the year. Kuwait, while not pledging funds at the Tokyo conference, later ‘committed’ US\$30 million (*ibid.*).

The Saudi and UAE pledges accounted, in net rather than annual terms, for 5.69 per cent of all pledges made at that conference. Hamid Karzai, then Afghanistan’s interim leader, recognized the Gulf states’ potentially crucial role in his country’s reconstruction; the month after the donor conference he travelled to Abu Dhabi to reopen his country’s embassy in the UAE. While there, he noted that Gulf states would and should give ‘more, more, more aid to Afghanistan, because they are Muslims, they are our neighbours, and they are rich’ (Afghan News Centre 2002). Despite this, Lakhdar Brahimi, who served as the UN Secretary-General’s Special Representative in Afghanistan, noted that the Gulf states played a ‘very marginal’ role in the reconstruction of that country, a sentiment which is supported by the financial data available.

Pledged funds largely failed to materialize, a fact which some attribute to the Afghan government’s reliance on the West and inadequate courtship of the Arab Gulf states. According to the OECD, KSA, Kuwait and the UAE provided a net total of US\$68.19 million from 2001 to 2007 for Afghanistan, or approximately one-quarter of the pledged amount. As of 2007, the Gulf states’ bilateral and multilateral contributions to Afghanistan’s reconstruction amounted to less than half of 1 per cent of the total.²⁰

As with all case study countries, different data sources provide marginally different pictures. The SFD (2009b) indicates that KSA provided loans of US\$82 million for road repair and construction in Afghanistan as of late 2008, an amount which is still considerably lower than that pledged. The UAE also fell short, with US\$4.58 million from the Abu Dhabi Fund for road and bridge construction and another US\$30 million from the Abu Dhabi government for unspecified purposes; more than US\$15 million of the pledged funds have not been provided (ADFD 2009).²¹ Indeed, the United Nations notes that the UAE neither committed nor disbursed any funds for Afghanistan’s reconstruction in the first three years following the

²⁰ OECD, ‘Stats’ Query Wizard for International Development Statistics.

²¹ As such, the UAE’s pledge of US\$550 million for Afghanistan went largely unreported, likely due to incredulity, in 2008 (Sambidge 2008).

US-led intervention (UNDP 2004). Kuwait appears to be the only donor country which may have delivered on its pledges, with slightly more than US\$30 million for the multilateral Afghanistan Reconstruction Trust Fund (ARTF) according to the Kuwait Fund project database.²² The *Afghanistan National Human Development Report* of 2004 – which is the last to note donor contributions – notes, however, that Kuwait had pledged US\$45 million, but had only provided US\$10 million (UNDP 2004).

Representatives of the Afghan government, particularly its Ministry for Rural Rehabilitation and Development, interviewed by the authors, noted that ‘the amount from Gulf states is far too little, bearing in mind that we are a Muslim country in crisis’. They and also Lakhdar Brahimi stated that unrecorded amounts of aid from the Gulf – whether government or private – were provided but that they had overwhelmingly funded religious education, Islamic ‘clubs’ and madrasas rather than genuinely humanitarian priorities such as safe drinking water. According to one official, ‘I think we received around US\$250 million from the Saudis for building a religious group. But really does Afghanistan need a religious group when it doesn’t have food and water?’ Such comments were commonly joined by accusations that Gulf states, particularly KSA, had continued formally or informally to support the Taliban and, hence, constituted an impediment to rather than a partner in reconstruction.

Regardless of the political and confessional agendas at play, the amounts provided were overwhelmingly for infrastructure, particularly roads. KSA, for instance, currently has a road construction programme worth \$30 million under way, aiming to link the northern and western parts of the country through the Armalik–Sabzak–Qalainau highway (SFD 2009b). The UN’s Financial Tracking Service, however, also notes that the Gulf states provided humanitarian assistance via UN agencies and Red Crescent societies for relief materials, including 643 tonnes of Saudi dates. In addition to foodstuffs, medicine, blankets, tents and other materials from the Gulf states, Kuwait reportedly provided US\$200,000 for agricultural programming and US\$500,000 for mine action.²³

The motives underlying these relatively minor, formal contributions remain unspecified. However, it seems likely that funds from KSA and the UAE, two of the three countries to have recognized the Taliban government (Pakistan was the third), may have been

²² The KFAED project database may be accessed at www.kuwait-fund.org/index.php?option=com_kfaed.

²³ UN-OCHA, Financial Tracking Service, accessed 1 July 2009.

intended to signal to the United States their support for the post-9/11, US-led intervention and for the subsequent political dispensation in Afghanistan.

3.1.3. Post-Saddam Iraq

The Gulf states were soon afterwards presented with the opportunity to help rebuild a country in their midst, albeit one which had consistently antagonized its neighbours (*Washington Times* 2008). Clearly torn between international, particularly US, encouragement to support their fellow Arabs and their long-standing animosities, Gulf states pledged large amounts of assistance for Iraq's reconstruction but once again failed to deliver (GAO 2007). KSA pledged US\$500 million to Iraqi reconstruction in addition to another \$500 million in export credits but, according to late 2008 data from the Iraqi Ministry of Planning and Development Cooperation's (MOPDC) Donor Assistance Database, has provided nothing in either grants or loans.²⁴ During the first half of 2009, however, KSA provided US\$5 million, or 1 per cent of its pledge, not for Iraq but rather for regional activities supporting displaced Iraqis elsewhere in the region.²⁵ Kuwait, which pledged US\$516 million, has seemingly provided only US\$16.2 million, or slightly more than 3 per cent of its pledge, according to the Iraqi government (MOPDC 2007: 3). The Emirates, which pledged US\$215 million, and Qatar, which pledged US\$100 million, have yet to provide any assistance according to publicly available sources (Blanchard and Dale 2007; MOPDC 2007, 2008). Loan repayment also emerged as a major issue, with neighbouring countries and Arab-identified multilateral institutions among the least willing to forgive past debts and Gulf War I-related reparations. For instance, in 2008, the AMF wrote off \$100 million of interest on Iraqi debt, although it refused to forgive the remaining \$400 million (Associated Press 2008). In total, the Gulf states appear to owe more than US\$1.3 billion in unfulfilled pledges to Iraq. It should be noted, however, that many countries beyond the Gulf states have fallen short of their aid pledges. News reports indicate that only 16 per cent of the internationally pledged funds for Iraq's reconstruction have been disbursed (Kelley 2008).²⁶

²⁴ The Donor Assistance Database can be accessed at www.mop-iraq.org/mopdc/index.jsp?id=128&lng=en.

²⁵ UN-OCHA, Financial Tracking Service.

²⁶ The figure of 84 per cent is calculated on the basis of data available in MOPDC (2008). Note that 'pledges' refers to funds which donors have publicly offered, while 'commitments' are those amounts which donor governments have allocated through legislative and/or budgetary processes; 'disbursements' are those funds from the donor which are eventually received by the recipient.

Table 3. *International grant-funded assistance for Iraqi reconstruction*

Donor	Pledged (US\$ million)	Committed	Balance
Kuwait	516.20	10.00	506.20
KSA	500.00	0	500.00
UAE	215.00	0	215.00
USA	18,410.00	15,634.49	2,775.51
EU	687.82	693.95	-6.13

Source: Iraqi Ministry of Planning and Development Cooperation, *Report on Donors' Contributions to Reconstruction Efforts up to September 30, 2008*, p. 5.

While contributions of primary relief materials such as foodstuffs, medicine and clothes have continued (primarily through local Red Crescent societies and UN agencies) from the first bombing until the present, bilateral assistance to support long-term state reconstruction has been minimal (Cox 2003). This failure to disburse aid directly to the Iraqi government may have highlighted a Gulf anxiety over supporting a neighbour whose 'friendly status' had not yet been assured. One Saudi minister, for instance, explained in 2003 that his nation's pledge 'can't go anywhere until there can be actual movement toward development' (Richter 2003). Such comments have, however, been interpreted as implying the Gulf states' trepidation about supporting an Iraqi government which many view as dominated by Shias and Kurds rather than Sunni Arabs, and likely more friendly towards Iran than the Arab Gulf states themselves.

3.1.4. Post-July-War Lebanon

Lebanon provides, perhaps, the only example of fulfilled contributions from the Gulf states and the case which the authors have examined in the greatest detail (Barakat and Zyck 2008). Following the July War in 2006 between Israel and Hezbollah, more than 1,100 civilians were killed and 100,000 dwellings were damaged or destroyed. The damage to infrastructure was significant, and Gulf state donors determined to intervene in a manner not seen since the Second Intifada in the Occupied Palestinian Territories. KSA provided US\$600 million, US\$315 million of which was targeted at housing rehabilitation. The Kuwait Fund, according to the authors' interviews, allocated US\$300 million in total, including US\$115 million for housing compensation. Qatar, while not providing records publicly or to the Lebanese

Table 4. Housing-related contributions from Gulf states to post-July War Lebanon

Donor	Amount (US\$ million) ⁱ
Qatar	149.98
KSA	315.00
Kuwait	115.00
Other non-OECD-DAC donors	42.00
Total	621.98

Source: Barakat & Zyck (2008).

ⁱ These values reflect the amounts provided at the time of disbursements, primarily between late 2006 and mid-2007.

authorities, is estimated to have contributed at least US\$150 million.²⁷ Other Middle Eastern and Islamic donors, including aid recipients such as Iraq, Jordan, Indonesia and Yemen, provided another US\$42 million for the housing sector, according to representatives of the Lebanese High Relief Commission. Much of this assistance was provided according to an ‘adopt a village’ model organized by the OIC, whereby donor countries identified particularly damaged communities on which to concentrate their assistance. The remainder of funds, according to the Nabil El-Jisr, president of the Council on Development and Reconstruction, had been allocated to the government in order to finance operating costs and other ‘gaps’ which Western donors were unwilling to address.

The July 2006 war in Lebanon, condemned throughout the Gulf states and beyond as an act of Israeli aggression (or over-reaction), led to wide-scale involvement of Islamic donors (Pascual and Indyk 2006). The assumption – which proved accurate – that Shia Iran would play a major role in rebuilding the south and strengthening its foothold there also impelled the predominantly Sunni Gulf states to view contributions as a public diplomacy battle oriented towards winning hearts and minds. This strategy can clearly be seen in Qatar’s concentration of funds, up to a quarter of a billion dollars according to some estimates, in the southern Shia stronghold of Bint Jbeil (Putz 2007). Iranian contributions, in the meantime, were delivered primarily via Hezbollah and a Hezbollah-affiliated NGO, Jihad al-Bina’a. While figures were never publicly disclosed, the authors (Barakat and Zyck 2008) estimate that Iranian

²⁷ This estimate was provided by the Lebanese High Relief Commission. The authors’ own calculations dispute this figure, however, and indicate that the total amount provided by Qatar may have been closer to US\$300 million.

contributions equalled between US\$600 million and US\$900 million for temporary shelter, rental housing and furniture alone.²⁸

Unlike the examples cited above, in which cases the Gulf states had made prominent pledges at international donor conferences, their involvement here was far more discreet. Publicity for these contributions was surprisingly sparse, and few outside the country were aware of the scale of assistance, despite the fact that Lebanon may represent the first instance of a post-crisis recovery process which was driven and financed primarily by non-OECD-DAC member countries.

Each donor country adopted a unique delivery mechanism. According to Lebanese government officials and representatives of the Saudi Popular Committee for Lebanese Relief, KSA and other minor donors such as Egypt and Jordan, for instance, transferred funds to the Lebanese government and allowed the relevant government agencies to disburse them. Qatar provided funds directly to individual families without involving Lebanese officials (Barakat and Zyck 2008). Finally, Kuwait employed an innovative mechanism by providing the Lebanese government with cheques made out to each head of household that the Kuwait Fund intended to assist with housing compensation. These cheques were then distributed by Lebanese government personnel, thus allowing the state to play a visible role without enabling it to misappropriate any of the contributed funds. The different means of delivering assistance had a major impact on the amounts of money received by households, recipient satisfaction and the reputations of the donor countries. For instance, the Lebanese High Relief Commission's reports indicate that, primarily with support from KSA, they disbursed approximately US\$8,200 to each of 35,611 households, but recipients report having received slightly more than a third of that amount (US\$2,757.69). As a result, 70 per cent of those assisted by Qatar and Kuwait reported being satisfied with the assistance received, whereas the same held true for only 22.2 per cent of who had been assisted with funds originating from KSA but delivered by Lebanese government agencies (Barakat and Zyck 2008). As if evident from this example, the amounts provided by the Gulf states to conflict-affected environments may be understood as only one (albeit important) aspect of their donorship activities.

²⁸ Iranian contributions were taken to be nearly all of the funds disbursed by the Hezbollah-linked NGO, Jihad al-Bina'a. This organization contributed, according to two surveys conducted by the authors, between US\$6,221 and US\$9,928 per household to approximately 100,000 households. Additional funds, bringing the total up to US\$1 billion or more, were contributed at a later phase for small business rehabilitation, agricultural compensation and housing reconstruction.

Modalities of delivery and the design of assistance packages may prove equally if not far more important in many cases.

3.1.5. Post-conflict (2008–9) Gaza

Following the 2006 July War in Lebanon, the next major Gulf state-led reconstruction effort was centred on the Gaza Strip in the aftermath of the Israeli military offensive in late 2008 and early 2009. At the March 2009 donors' conference in Sharm El-Sheikh, KSA pledged US\$1 billion and Qatar, Kuwait and the UAE followed suit with offers, respectively, of US\$250 million, US\$200 million and US\$174 million (*Arab Times* 2009). Gulf state contributions were nearly twice the US\$884 million offered by the United States and European Union for Gaza, a fact one interviewee from Islamic Relief linked to 'Arab guilt that they did not provide any meaningful efforts to stop the war'.

The majority of Gulf state funds have yet to be disbursed (Bronner 2009). As the ICRC (2010: 365) notes, 'Israeli restrictions on the movement of goods and people into and out of the Gaza Strip continued to ... impede reconstruction of the territory'. Given such limitations, it remains to be seen, if access issues are eventually addressed, what Gulf states will ultimately contribute and for what purpose (Barakat, Zyck and Hunt 2009). At present, the Financial Tracking Service notes transfers of just over US\$60 million from the Gulf states in response to the Gaza crisis, comprising US\$34 million from Kuwait, US\$17.24 million from Qatar, US\$10.38 from KSA and US\$2.45 million from the UAE.²⁹ The ICRC notes that Kuwaiti assistance, which was provided by the Amir, funded food, shelter, services and cash provision for Gazan refugees.

Other contributions have also been provided from the Gulf, although their provenance remains difficult to ascertain. For instance, the ICRC and UNRWA note additional cash and food donations via the Kuwait and UAE Red Crescent societies, and Qatari doctors were sent to provide emergency medical assistance after the war in Gaza, although the sources of such aid are likely private as well as public (ICRC 2009; UNRWA 2009, 2010). For instance, the Kuwaiti Red Cross donated US\$261,966 in cash and fourteen truckloads of food to Gaza, while the UAE provided US\$100,000 in cash along with ten ambulances (UNRWA 2009, 2010).

²⁹ UN-OCHA, Financial Tracking Service, accessed 1 July 2009.

4. ANALYSIS AND FINDINGS

Based on the admittedly narrow range of case studies above, it is possible to identify a number of trends related to Gulf state donors' motives, modalities, programming and adherence to international conventions of aid effectiveness. In addition, this section addresses a number of broader implications related, for instance, to issues of state-building, conflict sensitivity and regional cooperation.

4.1. *Motives*

As suggested in the case studies, Gulf state donorship to conflict-affected environments was driven by a number of different factors. These overwhelmingly concern political and humanitarian matters, this study finding that economic interests or motivations played little or no role in determining the Gulf states' allocation of aid to war-torn contexts. The following motives appear to be the most significant: (i) diplomacy and stability; (ii) solidarity with the Palestinian cause; and (iii) humanitarian concern. As will be further examined, Gulf state aid also appears to be what the authors term a 'diplomatic defence mechanism' which allows them to maintain the status quo and prevent the escalation of conflicts within the region to the point at which they challenge the stability or economic interests of donor states (Mertz and Mertz 1983; Simmons 1981). These various motives are addressed individually below.

4.1.1. Diplomacy and stability

The diplomatic dimensions of assistance appear to be of key significance to Gulf states in the announcement and allocation of humanitarian and post-conflict reconstruction financing. As a result, pledges tend significantly to outstrip eventual commitments and disbursements of aid.³⁰ While intended government recipients will be aware of the donors' financial shortfalls, local populations may be aware only of high-profile pledges. As such, rather than being primarily a form of government-to-government diplomacy, Gulf states' humanitarian assistance often comprises a form of 'public diplomacy' intended to target recipient nations' citizenries rather than their public officials (Harmer and Cotterrell 2005; Melissen 2005). Sizeable assistance packages or prominent pledges help to win allies for the donor or would-be donor government and reduce the likelihood that conflicts in neighbouring countries will spread, either through the movement of personnel or transfer of ideologies or grievances, to the Gulf states. Humanitarian assistance thus contributes in some ways to the economic and political security

³⁰ See note 26 above for an explanation of the difference between pledges, commitments and disbursements.

of the donor country and to the maintenance of a status quo which currently serves the interests of Gulf state elites (Zhang 2006). Such motives were viewed as underlying Gulf state contributions, including US\$100 million each from Qatar and the UAE and US\$500 million from Kuwait, to the United States following Hurricane Katrina in 2005. These contributions comprised an attempt to strengthen bilateral relations between the Gulf and the American people. This example, however, draws into question the presumed public diplomacy benefits of aid and the need for greater attention to the perceptions of populations in recipient countries; Gulf states' offers, aside from US\$100 million from the Qatar Katrina Fund, were ultimately declined and were, in some circles, perceived as meddlesome and, in some respects, insulting (Solomon and Hsu 2007).

Furthermore, less overt motives appear to be at play in Gulf states' donorship to conflict-affected environments. More specifically, donorship is used as a 'diplomatic defence mechanism' to deflect criticism of what could be perceived as the Gulf states' points of political vulnerability. This dynamic is perhaps most evident in the case of post-July-War southern Lebanon and the contemporary Gaza Strip. In these cases, aid helped to distract attention from the close relationship between Gulf state governments and the United States, Israel's chief ally and weapons supplier. According to a similar logic, some have argued that Qatari aid to southern Lebanon may have arisen from Sheikh Hamad bin Khalifa Al-Thani's unease that the weaponry to bomb Bint Jbeil passed through a US military base west of Doha (Putz 2007). Likewise, Saudi relief donations to tsunami-affected regions of south and south-east Asia were tripled in January 2005, to divert criticism after an initial offering of US\$10 million was met with public outcry about a lack of support for south-east Asian Muslims (CNN 2005; BBC 2005).

Gulf state donors have, albeit less overtly or perhaps consciously, attempted to utilize assistance as a form of competition between one another and between themselves and other regional powers. As is evident in the emergence of Gulf state donor institutions, Kuwaiti leadership in humanitarian activities, first with the Kuwait Fund and later with the AFESD, motivated KSA and the UAE to establish similar bilateral and multilateral institutions. Similarly, Qatari donorship and conflict resolution efforts have recently been described as responses to Egypt's and KSA's traditional leadership in humanitarian and diplomatic affairs within the region (ISN 2009a). The Qatari leadership, it has been noted, may tend to view aid as well as increased engagement in conflict resolution activities in Yemen, Sudan and the

Occupied Palestinian Territories as a means of establishing a regional and global role disproportionate to its size. In doing so, Qatar has been perceived as attempting to earn recognition as one of the regional diplomatic heavyweights alongside Egypt, Jordan, KSA and, increasingly, Syria.

4.1.2. Palestinian solidarity

Given the high levels of assistance consistently provided by the Gulf states to the Occupied Palestinian Territories and particularly its pledges for Gaza following the most recent conflict, it is apparent that aid is intended to demonstrate support for and solidarity with the Palestinian people. In presenting Saudi Arabia's US\$1 billion pledge for the reconstruction of Gaza at the start of 2009, King Abdullah emotively highlighted his nation's commitment to Palestinian solidarity at a two-day summit with seventeen other heads of state: 'I know that one drop of Palestinian blood is more valuable than the treasures of the world' (Salem 2009). Such a sentiment was emphasized during an interview by Mohammad Shtayeh, Palestinian Minister of Public Works and Housing, who noted that 'the Arab states are completely motivated in our case by helping the people of Palestine'.

As discussed further below in relation to 'underlying motives', such solidarity is particularly important considering that the Gulf states may be perceived as insufficiently supportive – in political rather than rhetorical terms – of Palestinian rights and statehood, given their strong diplomatic, economic and military relationships with the variably but decisively pro-Israel West. According to such an understanding, Gulf state assistance to the Palestinian people becomes a form of 'financial jihad' to compensate for their inability or unwillingness to support military action in defence of the Palestinian people.

4.1.3. Humanitarian concern

Despite the more strategic aims described above (and below), it is also critical to recognize that genuine humanitarian concern also underlies Gulf state contributions in particular circumstances. The high rates of Gulf state donorship to the Occupied Palestinian Territories, Bosnia-Herzegovina and, without much publicity, to post-July-War Lebanon indicate that a fundamental concern for the well-being of war-affected populations, particularly Islamic populations, also exists. As is the case with many Western donors and institutions, such as the World Bank or USAID, the presence of diplomatic, economic or security-oriented incentives for donorship does not necessarily indicate an absence of empathetic humanitarian sentiment.

Indeed, as is further discussed below, the lack of conditionalities or policy objectives linked to Gulf state aid further implies that, indeed, these donors have frequently opted out of further politicizing their aid, even when the opportunity presented itself (Cotterrell and Harmer 2005; Villanger 2007).

4.1.4. Why not more?

Finally, it is critical to understand why relatively little assistance was provided to these conflict-affected environments in the Middle East. Consider, for instance, that Gulf state contributions to Africa increased by more than 400 per cent at the same time – 2003–4 – that major reconstruction operations were being undertaken in Iraq and Afghanistan. For the most part, the Gulf states frequently appeared hesitant to donate, given that their contributions would likely, particularly in Iraq and Afghanistan, be viewed as a form of collusion with the US government. Participation in donor conferences and aid pledges may have been required to appease Western officials, who had high expectations of the Saudis, in particular, in post-conflict operations, although Gulf state rulers appear to have had little interest in being affiliated with the global ‘war on terror’ on any level. Furthermore, even large-scale assistance to Afghanistan and Iraq would both have deprived Gulf states of the recognition they sought, given that their contributions would be one among many. Put another way, the Gulf states appear to prefer intervening in places, such as Lebanon or perhaps Yemen, in which they will be able to lead rather than simply contribute to the aid community. The paucity of such opportunities for Gulf state humanitarian leadership has thus resulted in an otherwise surprising lack of engagement in contexts such as Iraq and Afghanistan.

4.2. *Modalities*

The selection of an aid modality, or the form in which assistance is provided, is a critical element, given the effect which various modalities will eventually have on aid effectiveness and impact (Barakat 2009). For instance, budgetary support may help to strengthen a recipient government, although providing funds to well-qualified local or international NGOs may result in greater accountability and more participatory approaches (Schiavo-Campo 2003). Such technical matters have significant implications for state-building and aid effectiveness. Whereas OECD-DAC donors have traditionally employed direct execution via international NGOs and, increasingly, private contractors and the military, the Gulf states provide nearly half of their assistance bilaterally to recipient governments (Table 5). The remainder of the

Table 5. Modalities of Gulf state assistance to selected conflict-affected contexts,ⁱ 1999–2009

Recipient category	Total amount (US\$ million, value at time of disbursement)	Proportion of total %
Bilateral, government-to-government	629.37	46.77
Red Cross and Red Crescent societies	188.68	14.11
United Nations agencies	179.55	13.43
Other recipient/not specified	343.43	25.69

Source: UN-OCHA, Financial Tracking Service, as of 1 July 2009.

ⁱ These contexts are Bosnia, Afghanistan, Iraq, Lebanon, Yemen, and the Palestinian Territories.

assistance is channelled via the Red Cross and Red Crescent societies and through the United Nations, particularly UNRWA.

Gulf states' selection of aid modalities belies several underlying interests and values. First, these countries have preferred to act as donors in the simplest of terms. Rather than establishing large foreign offices or direct involvement with technical dimensions of projects, the Gulf states have traditionally concentrated operations around their headquarters. As such, they have tended near-universally to front-load project management with extensive pre-approval assessments but little post-approval follow up. In the 1970s, for instance, the Kuwait Fund was working with fewer than thirty-five staff, despite the fact that by 1978 it had approved 124 loans to forty-five countries totalling more than \$1.6 billion (Lawton 1979b). Second, the Gulf states continue to have few international NGOs or implementing agencies through which to disburse their assistance or which can implement programmes on their behalf. Exemplar organizations from the region, such as the Qatar-based Reach Out to Asia (ROTA), have been established by, or are closely affiliated with, the countries' royal families.³¹ Third, the reliance on Red Crescent societies and UNRWA, which are among the most trusted institutions in at least the Middle East, shows a desire to engage with implementing partners which are viewed as politically neutral and overwhelmingly concerned with humanitarian well-being or human security rather than with modifying gender relations, instituting new forms and patterns of governance or advocating in favour of democracy and human rights.

³¹ Reach Out to Asia, for instance, was conceived by Qatar's heir apparent, His Highness Sheikh Tamim bin Hamad Al-Thani, and is chaired by Her Excellency Sheikha Mayassa bint Hamad Al-Thani.

Finally, these modalities comprise, albeit implicitly, an argument in favour of recipient states' sovereignty. Providing funds to the states, rather than to non-governmental or international implementing agencies, supports the legitimacy of those states and respects their role as the overseer of activities in their territory (Barakat 2009). The Gulf states purport neither to create alternative power bases in recipient countries nor to use aid as a forcible or discreet means of promoting social or political change (with KSA's activities in Bosnia an exception). In contrast, the OECD (2008b) survey on implementation of the Paris Declaration shows that only 22 per cent of ODA from OECD member countries is provided in the form of bilateral budgetary assistance. Given the OECD's campaign to double donors' levels of budgetary support, it appears that Gulf state donor institutions are currently far ahead of their primarily Western counterparts.

While effective in terms of recipient selection, Gulf states' particular use of budgetary support should also be viewed as problematic in some respects. International momentum behind bilateral assistance, as previously noted, is based on the assumption that such transfers enhance public financial management (PFM) and aid accountability (OECD 2008b). Yet Gulf states have traditionally been unwilling to tie assistance by linking it with performance measures. As such, the benefits of budgetary support may fail to materialize in places such as Lebanon or the Occupied Palestinian Territories. In such cases, the lack of conditionalities related to aid management reflects a missed opportunity to improve the capacities and transparency of recipient states. More broadly, the lack of conditionalities related to democratic governance, human rights and women's empowerment may be understood as critical for, as previously noted, respecting the political and sociocultural sovereignty of the recipient government and population. For instance, Nabil El-Jisr of the Lebanese Council on Development and Reconstruction noted that Western donors tended to tell the government that 'we prefer this or that', rather than recognizing their ability to set priorities or engage in a more collaborative discussion of aid usage. The limited application of aid conditionalities also, however, reflects the Gulf states' unwillingness to pressure aid recipients to pursue standards of citizen participation, accountability, gender equity and transparent financial management which they themselves have not met.

4.3. Programming

Indeed, as in the case of conditionalities, the activities supported by Gulf states are limited by the donor countries' domestic contexts. Unable or unwilling to pursue improved governance,

Table 6. *Types of Gulf state assistance to selected conflict-affected contexts,ⁱ 1999–2009*

	Total number of projects/ contributions	Proportion of total projects/ contributions %	Total amount of assistance US\$ million	Proportion of total assistance %
Relief	120	62.83	517.22	38.70
Reconstruction	21	10.99	44.43	3.32
Development	9	4.71	5.05	0.38
Unknown type	41	21.47	769.63	57.59

Source: UN-OCHA, Financial Tracking Service, as of 1 July 2009.

ⁱ These contexts are Bosnia, Afghanistan, Iraq, Lebanon, Yemen and the Palestinian Territories.

democracy, women's rights, pro-poor policies or other forms of social or political equity and access at home, Gulf state donors are loath to include such priorities in their humanitarian activities abroad. As such, the Gulf states have traditionally limited their activities to those which are largely devoid of political significance, including infrastructure, economic development, basic education and humanitarian assistance. Such a conclusion is largely confirmed by the data. Based on an analysis of UN-OCHA's Financial Tracking Service, the vast majority of Gulf state assistance supports basic life-saving and life-sustaining relief programmes rather than more invasive forms of social, economic or political reform (Table 6).

More than 60 per cent of all transfers recorded in the Financial Tracking Service to the select conflict-affected contexts examined in this paper went to relief activities. While only 38.7 per cent of funds supported these activities, the vast majority of the 'unknown type' was also likely dedicated to basic relief and emergency response although not classified as such, given that it was labelled in such a manner which disallowed coding (for instance, as support to the families of Palestinian 'martyrs').³² Far smaller sums, only accounting for those reported in the Financial Tracking Service, were provided for post-conflict or post-disaster reconstruction activities, such as a \$400,000 contribution from Kuwait through the International Organization for Migration (IOM) for the reconstruction of health infrastructure in Iraq. Almost none of the reported aid was provided for sustainable, long-term, development-oriented activities. This fact may result from the tendency to use databases such as the Financial Tracking Service primarily in response to major mid- or post-crisis

³² UN-OCHA, Financial Tracking Service, accessed 1 July 2009. Coding of entries into this system (determining whether they constituted relief, reconstruction/recovery, or development assistance) was done using a two-step system. Where a contribution was described as being a response to a humanitarian appeal (such as for 'Gaza Crisis 2009'), it was coded as relief. When no such indication was given, the brief contributions were analysed according to keywords in order to determine the nature of the aid. When no determination was possible, assistance was labelled 'unknown'.

humanitarian appeals, although the Gulf states' focus on 'quick interventions' such as 'food distribution' while foregoing 'long-term planning' was noted by several interviewees.

Technical assistance was the category of aid least addressed by the Gulf states. Less than US\$1,000,000 was dedicated to technical assistance according to coding of the limited data available.³³ The vast majority of Gulf state aid included in-kind assistance, ranging from donations of food, water and medication to the provision of ambulances and other vehicles. Projects or programmes, which generally comprise the largest use of Western aid dollars, accounted for only 22.36 per cent of the Gulf states' activities in conflict-affected environments. Such interventions, which were nearly always implemented by UN agencies on behalf of the Gulf states, almost universally focused on the following sectors: agriculture, education, primary healthcare, and water and sanitation.³⁴ Those projects and programmes directly implemented (or sub-contracted out) by the Gulf states overwhelmingly concerned infrastructure. Absent among Gulf states' activities are sectors such as governance, social protection and economic development, which account for large shares of Western donors' assistance. (Economic development is commonly pursued by the Gulf states through business partnerships, risk insurance and other facilitative activities, rather than through humanitarian agencies or mechanisms.)

As such, the key difference between the Gulf states' and Western donors' programming has often been characterized as 'hardware' versus 'software', with the former often preferring to build hospitals while the latter train the staff, contribute to health-care policies and provide other forms of technical assistance (Al-Hamad and Deutscher 2009: 2). While clearly an oversimplification, such a comparison has often struck a chord with both Western and Gulf state officials interviewed by the authors, who were unanimous in noting that such a division of labour was in many ways beneficial, as long as it was accompanied by adequate technical coordination.

On the basis of the figures given in Table 7, one can see that the Gulf states have found it difficult to move their programming from relief to reconstruction or recovery, or development. This degree of focus has made the Gulf states effective actors in their specialized fields, although it has also prevented them from supporting or engaging in the sorts of activities necessary for overcoming poverty and promoting stability in their

³³ UN-OCHA, Financial Tracking Service, accessed 1 July 2009.

³⁴ For brief descriptions of these contributions, see UN-OCHA, Financial Tracking Service, accessed 1 July 2009.

Table 7. Forms of Gulf state assistance to selected conflict-affected contexts,¹ 1999–2009

	Total number of project/ contributions	Proportion of total projects/ contributions %	Total amount of assistance US\$ million	Proportion of total assistance %
In-kind assistance	62	32.46	184.43	13.79
Technical assistance	8	4.19	0.87	0.07
Projects/ programmes	40	20.94	298.9	22.36
Unknown modality	81	42.41	852.82	63.79

Source: UN-OCHA, Financial Tracking Service, as of 1 July 2009.

¹ These contexts are Bosnia, Afghanistan, Iraq, Lebanon, Yemen and the Palestinian Territories.

region in the medium to long term. While further examination is necessary to understand better the Gulf states' difficulty in becoming development rather than relief sponsors, this study identified the following factors: (i) an absence of professional or education programmes targeting issues of reconstruction and development in the Gulf; (ii) discomfort with activities which are perceived as even slightly political; (iii) a perception that non-relief activities may be inappropriately invasive or disrespectful of recipient states' sovereignty; and (iv) an overriding focus on high-profile and relatively inexpensive (on a per capita basis) humanitarian activities rather than low-profile, more costly and more effort-intensive development programmes. In sum, relief activities are technically simpler (though not cheaper), of shorter duration and less controversial than reconstruction and development, thus suggesting that Gulf state donors have, in some respects, chosen one of the relatively easier forms of donorship.

4.4. International alignment, harmonization and coordination

The Gulf states do not necessarily and, in many respects, should not measure themselves against the standards of OECD-DAC donor countries, which have routinely been criticized for their occasionally self-interested conditionalities and coercive relationships with many fragile states (Boyce 2002; Goodhand and Sedra 2007). However, the Paris Declaration on Aid Effectiveness (PDAE) and the Accra Agenda for Action (AAA), two international conventions to which KSA and Kuwait (although not the UAE and Qatar) are signatories, provide a useful framework against which to assess the international alignment and effectiveness of Gulf state

donorship.³⁵ The following is an admittedly brief analysis of Gulf state performance vis-à-vis the PDAE and AAA.

4.4.1. Conditionalities and untying

The Gulf states have remained exemplars in their aversion to conditionalities and ‘tying’ of aid – that is, setting conditions on the use of money or the purchase of aid-funded materials (such as from the donor country). Conditionalities and tying continue to be considered antithetical to Islamic principles of charity, which is rooted in the belief that assistance should be offered without ‘hidden agendas’, so often viewed as components of Western assistance (Barakat 2005b; Jennings 2009). Those conditions which have been applied to Islamic aid, particularly during oil-price spikes in the late 1970s, involved relatively loose expectations rather than contractual obligations that assistance would be used primarily to finance oil purchases (Raffer and Singer 1996; Khaldi 1984). While some conditionalities pertaining to accountability may be useful in order to ensure that aid reaches its intended beneficiaries, particularly in the case of bilateral assistance, the lack of conditionalities and untied nature of Gulf state support is currently in line with the expectations of the PDAE and, in particular, the AAA.

4.4.2. Ownership, alignment and use of country systems

Ownership – recipient countries’ ability to control external assistance –remains another area of strength for the Gulf states. Bilateral support has been provided to an unprecedented level by these countries and, due to a lack of conditions or earmarking, has allowed high levels of ownership. Lebanon is a case in point, given that Gulf states generally worked to fulfil priority needs set by the High Relief Commission and the Lebanese government’s Council for Development and Reconstruction, according to numerous Lebanese officials and international aid actors interviewed by the authors. Furthermore, the reliance in other contexts on Red Cross and Red Crescent societies and UN agencies, which are responsive to recipients’ priorities, is also promising.

Despite these existing strengths, alignment could be increased by greater engagement with local systems. The challenge of working closely with local institutions has increasingly

³⁵ KSA and Kuwait have not, however, participated in surveys and other monitoring activities intended to chart their progress in implementing the PDAE. While the OECD-DAC Principles for Good International Engagement in Fragile States and Situations (2007) also present a starting point for assessing the contributions of the Gulf states to conflict-affected environments, they are relatively newer, having been endorsed in 2007; also, their relatively less technical focus on issues such as ‘do no harm’ and non-discrimination renders any assessment based on the presently available data challenging and lacking in credibility.

led Gulf state actors to operate independently and with little involvement of local civil society organizations or government bodies in war-torn environments. The development of humanitarian and development-oriented NGOs in Kuwait and Qatar, in particular, could be viewed as threatening local ownership if they result in a greater reliance on direct-execution models of implementation rather than partnerships with local organizations in conflict-affected contexts. Clearly the increasing enthusiasm for emergency response, post-crisis recovery and international development across the Gulf states must be met by an awareness of the missteps of a Western-dominated humanitarian community which has spent a significant portion of the past quarter-century working separately from, and far too frequently in parallel to, recipient governments.

4.4.3. Harmonization or coordination

The degree of coordination demonstrated by Gulf state donor institutions may be understood as either an internal process among Gulf states or as an external process concerning engagement with, in particular, OECD-DAC countries. The former topic has been an area of concern for the Arab Gulf states and has witnessed substantial progress since the founding in 1975 of the Coordination Group of Arab National and Regional Development Institutions, which is situated within the AFESD. Also involving the IsDB and the OFID, the Coordination Group has organized semi-annual meetings at which coordination is improved between bilateral as well as multilateral donor institutions in the Gulf. These meetings have also been accompanied by the standardization of, most notably, administrative procedures related to procurement (Coordination Group Secretariat 2008).

On the other hand, levels of harmonization and coordination between OECD-DAC and Gulf state donors could have been described, at least before 2009, as weak to non-existent. In 2009 coordination was improved through the organization of a major conference involving representatives of the OECD and all major Gulf state aid institutions; one outcome of this joint meeting was agreement for senior leadership of donor institutions to meet every two years and for technically oriented personnel to meet more frequently (Al-Hamad and Deutscher 2009). Despite such apparent progress, which is admittedly not unprecedented, it remains to be seen what tangible improvements in coordination will occur on the ground. Previous meetings have generated similar recommendations and agreements but, like the 2009 meeting in Kuwait, failed to result in systems or institutions capable of facilitating (let alone enforcing) promises of enhanced coordination.

The challenge of DAC–Gulf state coordination, which has diminished aid effectiveness, results in part from misperceptions between both sets of donors. As one US Agency for International Development (USAID) official in Beirut told the authors, ‘by the time we had assessed damage to a bridge, allocated the funds to rebuild it and found a suitable contractor, the Saudis or someone else had already repaired it’. Rather than congratulatory, such comments were often made with a degree of exasperation at both the wasted resources expended by the OECD-DAC donor and at the seemingly little preparation which Gulf states dedicated to complex projects. Western donor representatives expressed concerns that Arab donor organizations were willing to forego needs assessments, technical planning processes and even rudimentary accountability measures during procurement and disbursement. Conversely, Saudi and Kuwaiti officials, during interviews with the authors, indicated that they had hoped to coordinate on the ground with Western donors but found the international community overly concerned with security, procedure-orientated, pessimistic and overly comfortable with organizing events and meetings in luxurious surroundings which were deemed inappropriate, given the suffering taking place in conflict zones, according to representatives of the Saudi Popular Committee for Lebanese Relief.

Both sides’ perceptions reflect a degree of truth, and it is apparent that trust building and joint planning must take place before crises strike, as well as once they have occurred. In future, in situations such as southern Lebanon, in which Gulf states are prepared to shoulder a large portion of the reconstruction enterprise, the international community may rightly allow them to take the lead rather than inviting them to UN-organized events. While there have been some improvements in coordination within the Gulf region – including by the Arab Group at the UN (Harmer and Cotterrell 2005) – efforts should be made to increase cooperation with the wider international community. Planning for donor conferences or coordination meetings should take place jointly, and emphasis should be placed on mutual capacity building and lesson-learning rather than a West-to-East transfer of ‘expertise’ premised on the superiority of the former.

4.4.4. Results and mutual accountability

From a programmatic perspective, the Gulf states have demonstrated relatively limited concern for the results or impact of their interventions (Harmer and Cotterrell 2005). No publicly available evaluation reports exist. Lakhdar Brahimi, who has collaborated with the Gulf states in Afghanistan and beyond, noted that they provide ‘little follow-up’ on their

financing and ‘rarely monitor’ the assistance which they provide. Kuwait is reported to be the most data-oriented of the Gulf state donors. Yet while it requires a ‘techno-economic feasibility study’ before considering loan applications and includes a Department of Information and Studies, impact monitoring and evaluation do not appear to be a key component of the Kuwait Fund’s project cycle (KFAED 2009). The Abu Dhabi Fund for Development includes an evaluation department, although the Fund indicates that ‘evaluation’ refers to pre-approval studies and assessments rather than any follow-up examination of outcomes or impact (ADFD 2009). One might thus wonder how such institutions will be able to strengthen their operations and activities if, indeed, they are not aware which of their activities have worked, which have not and where improvements are possible and necessary.

With such a limited amount of data regarding the interventions which they support, Gulf states’ donor agencies have little ability to provide upwards accountability to the governments which fund them or downward accountability to their beneficiaries. This lack of transparency has been linked by some to a traditional view of zakat, in which the giver is expected to provide assistance in good faith that the recipient will utilize it appropriately (Ayub 2008). According to such an understanding, the pursuit of accountability may be understood as an insult to recipients and as a sign of mistrust. Furthermore, the limited levels of government oversight and accountability are often viewed as extensions of the national political systems of most of the Gulf state donor countries, in which accountability is limited and is ultimately to the ruler. It appears evident, however, that enhanced attention to the measurement of results would be beneficial to improving aid effectiveness; and the Gulf states may be inclined to take the lead in articulating innovative approaches which foster accountability without undermining trust and respect between aid provider and aid recipient.

4.4.5. Predictability

With regard to predictability, the Gulf states have the greatest potential to improve. Pledged funds frequently fail to arrive, a common trend among all donors but which is particularly severe in the case of the Gulf states. The Saudi Fund, for instance, committed (not pledged) 26.6 billion Saudi Riyals (US\$7.1 billion) between 1975 at its inception and 2005, but disbursed 21.6 billion Riyals in the same period (US\$5.8 billion) (HIPC CBP 2009). Far more egregious examples of under-disbursement were noted in the case of post-2001 Afghanistan and post-2003 Iraq, where only minor portions of pledged funds were ultimately provided. As

a result of failed pledges, recipient governments and other donors are unable to plan their activities effectively in the critical months following crises.

5. THE IMPACT OF GULF STATE ASSISTANCE

The sheer volume and value of assistance make it likely that the Gulf states have had a significant effect on humanitarian well-being. In southern Lebanon and Beirut's southern suburbs following the July War, tens of thousands of people were able to rebuild their homes thanks to Gulf states' compensation for damage (Barakat and Zyck 2008, Hamieh and Mac Ginty 2009). In the West Bank and Gaza Strip, Gulf state support in the form of food, medicine, blankets, infrastructure repairs, basic education and agriculture allowed people to meet a greater proportion of their basic needs. Unfortunately, given Gulf states' aforementioned lack of attention to results and accountability, measuring their impact in quantifiable terms according to outputs, outcomes and long-term effects is not possible. Their impact on state building, stabilization and regional cooperation can be observed, however, through a number of notable examples. Future studies – as well as evaluations – must be conducted in order to measure the overall effectiveness of their interventions regarding living conditions, including household incomes, food security, health and psychosocial well-being.

5.1. State-building and stabilization

While donorship may appear to be a primarily technical matter dealing with amounts, modalities, earmarking, programming, coordination and accountability, it is also closely tied in with conflict dynamics in recipient countries. The injection of resources from one country into another has significant ramifications for the populations and the governing institutions in conflict-affected contexts. Here, one may note two state-building implications of contemporary Gulf state donorship.

First, as with all donors, funds channelled outside the state have the effect of undermining public institutions. If an NGO, for instance, delivers services with foreign funding, the state in the conflict-affected context will generally appear decreasingly significant in the provision of common goods. In some ways, with state legitimacy being defined and mediated by control of resources and provision of minimal well-being, large-scale Gulf state contributions directly to populations in other countries can erode the credibility of an already fragile post-conflict (or mid-conflict) state. While claims along these lines are by no means

Table 8. *Attitudes towards housing compensation providers in southern Lebanon*

Attitudes towards	Lebanese central governmentt %	Qatar %
Better	4	56
Worse	57	2
<i>Difference</i>	-53	+54
No change	38	42

Source: Barakat and Zyck (2008), based on household surveys from August to October 2008.

original (see Duffield 2001; Ghani et al. 2006, Lamb 2005), the authors have the advantage of empirical evidence from Lebanon.

In Lebanon, surveys were used to gauge the effects of housing compensation providers on the population’s ‘attitudes toward’ the central government, key public agencies, non-state actors and foreign donors (Barakat and Zyck 2008). The results have significant implications for state-building. Respondents tended to view Qatar and Jihad al-Bina’a, an NGO reportedly supported by Iran, far more favourably as a result of their involvement in housing compensation, whereas public entities, particularly the Lebanese central government, were seen much more negatively (Table 8). More than half of respondents had a more critical attitude towards the central government due to its contribution to housing compensation, although the survey was admittedly unable to control for the influence of pre-existing political sentiments towards Lebanese state institutions (Barakat and Zyck 2008).

The highly favourable view of Qatar, the donor which contributed the most per household to housing compensation, is understandable, and largely validates perceptions that humanitarian and development assistance, when done well and with flexibility, can be used as a tool of public diplomacy (Barakat 2005b). Yet such beneficial effects for countries such as Qatar may come at the expense of the Lebanese state. Respondents’ attitudes towards the Lebanese central state correlated directly with their level of interaction with the state and the amounts provided. Those who had received large compensation sums via Qatar, for instance, tended to have worse impressions of the central government, 70.1 per cent indicating that they viewed the state as worse (and none saying they viewed the state better) as a result of the housing compensation process. In contrast, only 27.8 per cent of those who had received assistance directly from the Lebanese government indicated that they viewed the state as worse due to its involvement (despite perceiving widespread corruption in the state-led

disbursement of assistance). While no approach to aid financing greatly improved the image of the Lebanese state, a by-product of centre–periphery divisions in the country, those which enabled greater state control over funds and a stronger role for public agencies in distributing assistance did less harm to the image of the state.

Instances in which the Gulf states pledge assistance but fail to deliver funds also have significant implications for state-building. While promises of aid become well known in these countries, the failure to convert pledges into disbursements has been far more quietly handled. Populations thus expect aid which never arrives, leaving citizenries in these fragile environments to conclude that assistance was misappropriated if not outright stolen by the national government. The best illustration of this dynamic comes from Sa'ada, Yemen, an isolated region in which sporadic fighting has occurred since 2004 between the government and a Zaydi group commonly referred to as al-Houthi. Qatari offers of mediation in this conflict were intended to be accompanied by US\$365 million in reconstruction financing in the event that a peace agreement was reached, according to interviews with officials from the government Sa'ada Reconstruction Fund (SRF). Such pronouncements were made publicly and shared with a grateful Yemeni population in Sa'ada. However, in 2008, when negotiations concluded and Qatari mediators departed without having achieved a peaceful settlement, few of the intended beneficiaries in Sa'ada or elsewhere in Yemen understood that the Qatari offer of US\$365 million was simultaneously withdrawn. The population of Sa'ada, concluding that the Qatari aid had been received, became increasingly frustrated that new projects were not being initiated. According to Yemeni officials interviewed by the authors, local people concluded that the government and the SRF had used the monies for their own personal gain. Such tensions thus further strained relations between militants in northern Yemen and the central government, and an already protracted conflict appeared to become further entrenched (ICG 2009).

In this Yemeni example one can also see a similar failure of Gulf state interventions in conflict-affected environments – a limited degree of conflict sensitivity. The notion of conflict sensitivity suggests that all activities in fragile environments be undertaken with an awareness of and appreciation for the existing or possible sources of conflict and conflict-causing tensions (Barbolet et al. 2005). With such awareness, donors, NGOs, UN agencies and others will, presumably, be able to plan and implement activities in a manner that either promotes stability or avoids exacerbating conflict vulnerability. This concept has been particularly

influential since the launch of Mary Anderson's (1999) 'Do No Harm' project. The Western-led aid establishment has increasingly viewed conflict sensitivity or conflict prevention as key components of programme design, implementation and monitoring (Conflict Sensitivity Consortium 2004). Yet it does not appear to have been reflected in the work of Gulf state donors. In addition to the aforementioned Yemeni example, Bosnia provides perhaps the most egregious example of conflict insensitivity. Mosque-building and rehabilitation were reported not only to upset large segments of the Bosniak population but also to raise fears among Serb and Croat communities (Schwartz 2002). Concerns that Islamic radicalism would be disseminated through Saudi agents and Saudi-funded mosques in Bosnia resulted in further complicating an already tense situation. As addressed in the conclusion of this paper, overcoming such missteps in the future should be viewed as a key priority for the Gulf state donors.

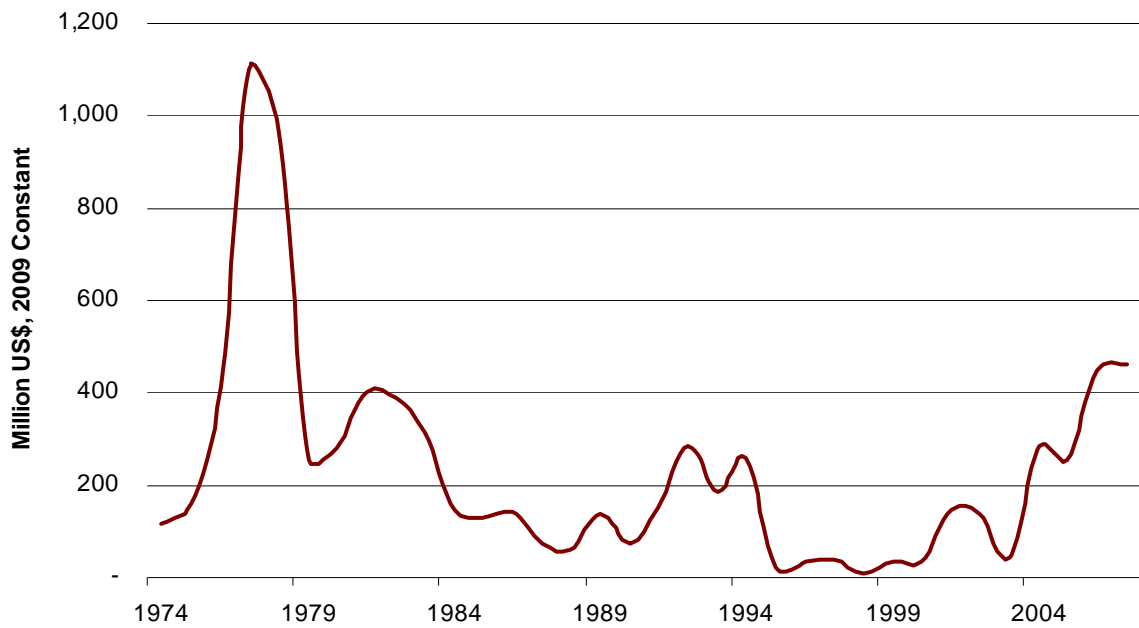
Despite such problematic implications for state-building, it must be recognized that the Gulf states also engage with conflict-affected contexts outside the scope of their aid programmes. Such interactions are, at times, focused on supporting state-building, stabilization and institutional development. Most significant are loan guarantees and direct financial assistance to aid countries which are at risk of economic collapse or defaulting on their loans. Lebanon, the most heavily indebted country in west Asia and the fourth most heavily indebted globally, has received extensive financial assistance in order to ensure that the currency remains stable and the financial system avoids collapse. For instance, in 2006 KSA deposited US\$1 billion in Lebanon's central bank in order to 'prop up the exchange rate of the Lebanese pound' (KUNA 2006). While such acts fall beyond the humanitarian or reconstruction focus of this study, it is apparent that the Gulf's support to state-building is conceived in a manner far beyond its ODA.

5.2. Regional integration

It has also been hypothesized that Gulf state donorship may serve as a means of fostering increased regional integration throughout the Middle East. To assess the validity of this hypothesis, the authors considered the rate of contributions to Islamic or Middle Eastern multilateral funds and development banks. As is evident, the period since 2003 has been driven by a resurgence of support for these institutions (Figure 5).

While one could conclude that the growth in 'Arab agencies', as the OECD labels them, has resulted from the US-led intervention in Iraq, such is not the case. Indeed, Burkina

Figure 5. Total ODA by multilateral ‘Arab agencies’, 1974–2007



Source: OECD ‘Stats’, Query Wizard on International Development Statistics, <http://stats.oecd.org/qwids/>.

Faso, Chad, Mali and Mozambique have been among the largest recipients of Arab multilateral support in the period from 2004 until the present. By 2008 the Saudi Fund’s cumulative loans to Africa were only 2.5 per cent lower than its cumulative loans to the Middle East and Asia (SFD 2009b) and included a \$225 million loan to Sudan for the construction of the Merowe dam in the north of the country. While these loans are beyond the scope of this paper, given that most of the assisted countries tend to be relatively stable, this increase is astounding, and challenges Neumayer’s (2003a) claim, based on data up to 1997, that Arab agencies lend their greatest support to Arab and/or Islamic countries. It does not, however, seem to suggest that Gulf state donorship has necessarily led to improved regional cooperation among the Gulf states.

Indeed, it is not uncommon for Gulf state institutions to operate simultaneously, yet in isolation from one another, in a single conflict-affected context. One could even argue that, as exemplified in the sequential manner in which the bilateral aid agencies formed in the Gulf states, that they are at times used as tools of regional one-upmanship or competition. One country’s achievement in the humanitarian sphere impels others to follow suit on a similar or greater scale where feasible. More recently, it appears that humanitarian and reconstruction

activities have also become integrated in a broader struggle among particular Gulf states (and other countries in the region) to position themselves as diplomatic heavyweights.

The impact of Gulf states' assistance appears, in sum, to have been largely indiscernible, although likely beneficial with regard to its immediate beneficiaries and somewhat corrosive or at least unbeneficial to state-building, conflict prevention and regional integration in the Gulf and the broader region. These effects appear to emerge from a view of humanitarian assistance as a tool of public and 'deflective' diplomacy and, at the same time, from a lack of appreciation for its impact on intangible elements of conflict vulnerability and state legitimacy. Despite these challenges, there remains much that so-called 'traditional' donors can learn from the Gulf states.

6. CONCLUSION: FUTURE DIRECTIONS FOR GULF STATE AND OECD-DAC DONORSHIP

The Arab Gulf states have developed a novel approach to donorship in conflict-affected contexts from which many other donors, including those from the OECD-DAC, would benefit in examining further and, in some cases, replicating. Yet there also remain opportunities in which these Saudi, Kuwaiti, Emirati and Qatari institutions may learn from their peer institutions in the OECD-DAC. The goal of such experience-sharing and of this project would not, however, be to identify a constant and objective set of best practices for donorship in fragile and conflict-affected environments. The diversity of donor institutions and approaches enables would-be recipient organizations and government institutions to negotiate the best possible arrangements when seeking external assistance (Harmer and Cotterrell 2005). Aid seekers may court donors who are willing to provide assistance in achieving their priorities and with acceptable conditions and accountability mechanisms. These varied models ensure that no single donor or single approach to donorship attains a monopoly and presents state agencies and civil society in conflict-affected contexts with a 'take it or leave it' option. The following final two sub-sections, which comprise the conclusion to this paper, note those areas in which this diversity may be maintained while strengthening the work of all donors, including those in the OECD-DAC and in the Gulf.

6.1. Gulf state innovations

The Gulf states have innovated in a number of critical areas, at times by reverting to models long ago dropped by OECD-DAC donors, with their increasing sets of conditions and bureaucratic processes. The streamlined operating procedures within Gulf state institutions

have enabled them to respond quickly, particularly in the face of humanitarian emergencies. An increasing focus on cash compensation for losses suffered during conflict, as in Lebanon and partly in the Occupied Palestinian Territories, is one such manifestation of responsiveness. In addition to being swift, such methods also demonstrate the Gulf states' value of the dignity of recipients – a concept commonly used but rarely pursued within Western aid circles – by enabling them to determine what they need rather than imposing ill-suited assistance models developed in donors' capitals.

Gulf states' aversion to invasive models of intervention which attempt to modify social relations or undermine customary sources of authority may also be understood as a form of respect for cultural autonomy, contrary to the external socio-political agendas frequently emphasized by Western donors. The sheer level of aid committed and disbursed by the Gulf states, particularly in contexts such as the Occupied Palestinian Territories and Lebanon, is also noteworthy and merits replication by donor institutions in the West who have consistently fallen short of the UN-established aid target of 0.7 per cent of GDP.

The Gulf states' emphasis on respect for the dignity of individual beneficiaries of their assistance is also reflected in their engagement with recipient governments. As demonstrated within this study, the Gulf states have genuinely led the way in financing recipient public institutions rather than international and non-governmental implementing agencies in fragile and conflict-affected environments. The decision to do so is not merely a technical preference but reflects these donors' understanding of the importance of government leadership in reconstruction. The large proportion of Gulf state aid flowing into the coffers of conflict-affected states, almost exclusively without formal earmarking or conditionalities, also represents a clear argument in support of state sovereignty, a concept which has been under threat from OECD-DAC donors, multilateral agencies and NGOs, which have tended to bypass, ignore or, at times, marginalize the state.

While challenges to state sovereignty have at times been fundamental in protecting human rights and preventing humanitarian crises, the Gulf states have demonstrated through their donorship that relief, reconstruction and development activities to mitigate fragility may require honouring sovereignty wherever feasible.

6.2. Future strategies and options

Despite these innovations and advantages, there remains room for Gulf state donorship to improve and, in select cases, learn lessons from their OECD-DAC peers. In addition to

funding states in conflict-affected environments, they may wish to consider a fuller form of engagement which helps to ensure that government institutions have the capabilities and systems in place to manage this aid effectively. Such engagement may include not only financial support but also attention to the development of institutions such as the High Relief Commission and Council for Development and Reconstruction in Lebanon or the MOPDC in Iraq. It will require a partial move away from purely financial or in-kind aid packages and greater reliance on technical assistance, which currently comprises less than one-tenth of 1 per cent of Gulf state assistance to the conflict-affected contexts included in this study (Table 7). Such assistance may be provided in the form of international advisers or, alternatively, extensive capacity-building activities perhaps oriented around elite civil service training centres to be established in the Gulf or in individual conflict-affected contexts.

The presence of a cadre of well-trained civil servants within the Afghan, Iraqi, Lebanese or Palestinian governments could also ensure that ready-made partners exist on the ground to play a fuller role in designing, managing and monitoring programmes to be financed by KSA, Kuwait, the UAE or Qatar. Such a cadre would also be able to overcome issues relating to the operation and maintenance of Gulf-funded infrastructure projects, which have at times fallen into disrepair due to a lack of recipient government capabilities and buy-in.

Further engagement with technical assistance and capacity building would also require that increased research on issues of conflict, fragility, humanitarian action, reconstruction and development is supported by the Gulf states. Doing so would also help to enable the staffs of Gulf state donor institutions to become further acquainted with the ‘soft’ elements of their work; for instance, SFD or the Kuwait Fund are home to experts in engineering and economics, but they do not necessarily possess the required level of in-house capacity for promoting conflict-sensitive approaches or participatory methods which empower communities (and counter aid dependency). A research and development unit either in the region or each Gulf state donor institution could allow such approaches to be learned, consolidated and systematically applied to the relief, reconstruction and development work being supported by KSA, Kuwait, the UAE and Qatar.

Steps may also be taken to ensure that Gulf state aid to conflict-affected environments has the greatest possible impact. Most notably, Gulf states may institute systems and processes to prevent the sorts of misappropriation which the authors (Barakat and Zyck 2008) found to have affected certain Gulf states’ assistance to housing rehabilitation in Lebanon in the

aftermath of the 2006 July War between Israel and Hezbollah. The Gulf states, particularly given their religious affinity with conflict-affected countries in the WANA region, may be able to approach increased financial accountability, not in the technocratic manner imposed by select OECD-DAC donors and international financial institutions (IFIs), but in a manner which represents recipients' responsibility under Islam to ensure that not a penny intended for vulnerable populations is lost to inefficiency or corruption.

For instance, communities which are scheduled to receive assistance from the Gulf states may be publicly informed of the amount which the Gulf state has provided for their reconstruction and development. Doing so may offer a form of visibility for the Gulf state donor country, while also enabling the local population to verify whether it has received an amount approaching that which was intended by the donor. Increased transparency will naturally breed greater accountability (Weinar 2006). Despite such 'soft' approaches to accountability, it also appears somewhat unlikely that Gulf state aid will be used with increasing effect unless the states are willing to establish meaningful presences in conflict-affected environments, a step which would also aid in the development of lasting partnerships with recipient institutions as well as with OECD-DAC donors.

In addition to such financial accountability, the Gulf states would also be wise to pay increased attention to results-oriented accountability and the rigorous measurement of the impact of their activities within and beyond the scope of the aforementioned research and development unit. It will be fundamental for the Gulf states to understand what their funds have supported and what effect this aid has had on the well-being of recipients and on politics and economies of conflict-affected contexts. Measuring impact should not, however, focus strictly on technical outcomes and impacts but also on conflict vulnerability and the potential for renewed conflict or entrenched fragility. Greater attention to such dynamics might have been able to highlight, in advance of this study, the at-times negative influence that particular compensation schemes in Lebanon had on relations between the southern Lebanese population and the central government or the negative impact of large and unfulfilled aid pledges on places such as Yemen.

In addition to strengthening the role of results-oriented accountability in their ongoing and future projects, the Gulf states may wish to learn lessons from past interventions by conducting or commissioning numerous ex-post evaluations; maintaining independence and impartiality in such evaluative work will require the mobilization of appropriately qualified

consultants or firms familiar with the local contexts, and should be prioritized in line with international standards and best practices.

Aid effectiveness and conflict vulnerability may also be addressed, at least in part, through greater collaboration with civil society in recipient countries and through bridge-building between local civil society and state institutions in countries in which the Gulf states operate. Here the Gulf states have the opportunity to collaborate with local, non-governmental partners in a manner which maintains their current focus on strengthening state institutions in conflict-affected contexts. Such an outcome may be achieved not through direct-execution models common among OECD-DAC donors but by ensuring that recipient government institutions allocate Gulf state aid not only to their own agencies and personnel but also to non-government (as well as private-sector) institutions well placed to reach the intended recipients.

Given that fragile or nascent states such as Afghanistan and Yemen, to name but two, have often suffered from centre–periphery divisions and mistrust, a delivery system which draws on civil society partners may be understood as yet another beneficial step in maximizing the impact of Gulf state aid. While Gulf states have also shown, particularly in Kuwait and Qatar, interest in developing home-grown international aid organizations, doing so may perhaps be viewed only as a secondary strategy to be considered, given the already crowded nature of the humanitarian sphere and high costs associated with international NGOs.

Furthermore, donor institutions from the Gulf may also wish to re-conceptualize the manner in which they provide assistance by differentiating more fully between humanitarian relief and longer-term reconstruction and development. The former, which currently comprises a large proportion of Gulf state aid, may be delivered in a manner aligned with principles of zakat. These funds may be injected quickly and come with few strings attached pertaining to recipient reporting and accountability, thus ensuring that the funds are not overburdened by delays or bureaucratic procedures.

Longer-term funding mechanisms which support reconstruction in conflict-affected contexts or sustainable development may be treated differently and, indeed, may be housed in distinctive institutions or sections of the Gulf states' aid agencies. These funds may be accompanied by more stringent procedures, such as needs assessments, baseline studies and impact assessments, and may involve further requirements related to financial accountability from recipients. Furthermore, reconstruction and development financing may be more fully

recognized as an impetus to promote reforms or institutional development in beneficiary countries. For instance, donors financing large-scale infrastructure projects may reasonably require that recipient governments develop plans, institutions and financial mechanisms to ensure that funds are used appropriately and that Gulf state-funded projects are maintained long into the future. A transport project may hence not only require government approval for the project but also the development of an economic development or rural access strategy which shows the manner in which that government will ensure that its own spending and other donors' projects make the best possible use of that transport investment from the Gulf. Each Gulf state should, however, determine the appropriate level of conditionalities for reconstruction and development projects according to their own comfort level and in line with the ability of recipient nations, particularly in conflict-affected contexts, to comply. The goal is not to make Gulf state donors indistinguishable from their OECD-DAC peer institutions but to ensure that KSA, Kuwait, the UAE and Qatar do not enable their partners and recipients to approach development in a haphazard manner.

Finally, Gulf states may wish to consider increased coordination with donors of the OECD-DAC as well as among themselves. In doing so, the Gulf states may be able to ensure greater harmonization between their programmes and those supported by other donor institutions in order to increase their combined effectiveness. Perhaps more importantly, coordination – which is ongoing through the AFESD-housed Coordination Group but has been subject to numerous false starts – would allow the Gulf states to demonstrate the comparative advantages of many of their approaches while learning lessons, such as those described above, from the experience of the OECD-DAC countries operating in fragile and conflict-affected environments. If such coordination is to be pursued, it must be based on greater mutual respect – again, both among Gulf state aid institutions and between the Gulf states and OECD-DAC donors – than currently appears to exist and must be preceded by a process of dialogue which overcomes misperceptions regarding one another's modalities and priorities.

Once coordination is achieved, one might see not only the strengthening of Gulf state donorship but also, perhaps, greater momentum for broader reform of the international aid system, based on the existing approaches of KSA, Kuwait, the UAE and Qatar. These may help to ensure that donorship is more responsive, more closely attuned to local priorities (particularly in Islamic societies), increasingly sensitive to conflict dynamics and more supportive of the dignity and capacities of recipient states and populations.

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APPENDIX A: ACRONYMS AND ABBREVIATIONS

AAA	Accra Agenda for Action
ADB	Asian Development Bank
AfDB	African Development Bank
ADFD	Abu Dhabi Fund for Development
AFTAAC	Arab Fund for Technical Assistance to African Countries
AFESD	Arab Fund for Economic and Social Development
AGFUND	Arab Gulf Fund for UN Development Organizations
AMF	Arab Monetary Fund
ARTF	Afghanistan Reconstruction Trust Fund
BADEA	Arab Bank for Economic Development in Africa
CAP	consolidated appeals process
CRS	Creditor Reporting Service
DAC	Development Assistance Committee
DFID	UK Department for International Development
DPA	Dayton Peace Agreement
GCC	Gulf Cooperation Council
GNP	gross national product
HIPC	highly indebted poor country
ICRC	International Committee of the Red Cross
IsDB	Islamic Development Bank
IFI	International Financial Institution
IMF	International Monetary Fund
IOM	International Organization for Migration
KFAED	Kuwait Fund for Arab Economic Development
KSA	Kingdom of Saudi Arabia
LDCs	least developed countries
LICs	low-income countries
MDGs	Millennium Development Goals
MICs	middle-income countries
MOPDC	Ministry of Planning and Development Cooperation
NGOs	non-governmental organizations
OAU	Organization of African Unity
OCHA	UN Office for the Coordination of Humanitarian Assistance
ODA	official development assistance
OECD	Organization for Economic Cooperation and Development
OFID	OPEC Fund for International Development
OPEC	Organization of the Petroleum Exporting Countries
PDAE	Paris Declaration on Aid Effectiveness
PECDAR	Palestinian Economic Council for Development and Reconstruction
PFM	public financial management
PNA	Palestinian National Authority
QWIDS	Query Wizard for International Development Statistics
ROTA	Reach Out to Asia
SFD	Saudi Fund for Development
SRF	Sa'ada Reconstruction Fund
UAE	United Arab Emirates

UNRWA	UN Relief and Works Agency
USAID	United States Agency for International Development
VFBiH	Army of the Federation of Bosnia and Herzegovina
WANA	West Asia and North Africa

APPENDIX B: UNDERLYING DATA FOR FIGURES³⁶**Figure 1.** *Average annual OECD-DAC and Gulf state ODA, 1970–2007*

	1970–9	1980–9	1990–9	2000–7
	US\$ million			
DAC countries	125,042.88	330,359.83	558,129.88	627,917.40
Gulf states,				
bilateral	34,388.19	44,409.45	14,678.58	15,232.14
multilateral	3,008.03	2,067.16	1,089.43	1,814.23
Gulf states, total	37,396.22	46,476.61	15,768.01	17,046.37

³⁶ See in-text figures for information regarding data sources; limitations of available data are addressed in subsection 1.2, ‘Sources of information’, of the introduction.

Figure 2. OECD-DAC and Gulf state ODA, 1970–2007

Year	OECD-DAC ODA	'Arab' countries' ODA	'Arab' agencies' ODA	Total 'Arab' ODA	'Arab' ODA as proportion of OECD-DAC ODA
US\$ million, 2009 constant					
1970	6708.45	384.87	–	384.87	0.057370928
1971	7278.78	437.94	–	437.94	0.060166676
1972	8836.9	616.43	–	616.43	0.069756363
1973	8697.47	2082.37	–	2082.37	0.239422499
1974	11171.64	3752.81	116.72	3869.53	0.34637081
1975	13239.03	5016.52	158.67	5175.19	0.390904016
1976	13234.28	4343.56	412.32	4755.88	0.359360691
1977	14935.95	4111.86	1101.24	5213.1	0.34903036
1978	19127.46	6830.76	963.48	7794.24	0.407489546
1979	21812.92	6811.07	255.6	7066.67	0.323967172
1980	26155.97	9079.26	279.65	9358.91	0.35781162
1981	24560.67	7794.98	399.53	8194.51	0.333643585
1982	26956.88	5103.99	387.62	5491.61	0.203718309
1983	26742.34	4209.42	313.02	4522.44	0.169111604
1984	28089.95	3992.7	146.1	4138.8	0.147340953
1985	28737.06	3237.56	127.46	3365.02	0.117096878
1986	35803.85	4252.62	143.47	4396.09	0.122782606
1987	40591.9	3230.7	72.46	3303.16	0.081374856
1988	47009.11	1918.94	60.35	1979.29	0.042104392
1989	45712.1	1589.28	137.5	1726.78	0.037775119
1990	54285.79	5839.97	74.73	5914.7	0.108954848
1991	58408.08	2428.82	153.12	2581.94	0.044205185
1992	62346.48	1152.44	283.35	1435.79	0.023029207
1993	56146.32	1144.54	184.01	1328.55	0.023662281
1994	58803.07	905.91	257.22	1163.13	0.01978009
1995	58780.97	640.93	21	661.93	0.011260957
1996	55591.23	772.53	36	808.53	0.014544201
1997	48462.19	739.68	37	776.68	0.016026515
1998	52087.09	629.97	7	636.97	0.012228942
1999	53218.66	423.79	36	459.79	0.008639639
2000	53749.63	610.12	35.16	645.28	0.012005292
2001	52421.8	690.47	145.16	835.63	0.015940506
2002	58311.77	2654.62	140.04	2794.66	0.047926173
2003	69064.2	2716.23	44.49	2760.72	0.039973242
2004	79431.63	2076.45	283.55	2360	0.029711086
2005	107077.66	1364.55	256.59	1621.14	0.015139853
2006	104369.3	2501.48	447.93	2949.41	0.028259364
2007	103491.41	2618.22	461.31	3079.53	0.029756383

Figure 3. *Deviation of Gulf state ODA and crude oil price from 37-year average, 1970–2007*

Year	Total 'Arab' ODA (US\$ million, 2009 constant)	Mean crude oil price (per barrel)
1970	384.87	\$18.56
1971	437.94	\$18.88
1972	616.43	\$18.29
1973	2082.37	\$22.73
1974	3869.53	\$40.29
1975	5175.19	\$48.21
1976	4755.88	\$48.91
1977	5213.1	\$50.48
1978	7794.24	\$48.71
1979	7066.67	\$73.44
1980	9358.91	\$97.47
1981	8194.51	\$83.54
1982	5491.61	\$70.07
1983	4522.44	\$62.02
1984	4138.8	\$58.78
1985	3365.02	\$53.15
1986	4396.09	\$27.99
1987	3303.16	\$33.19
1988	1979.29	\$26.70
1989	1726.78	\$31.40
1990	5914.7	\$37.69
1991	2581.94	\$31.51
1992	1435.79	\$29.15
1993	1328.55	\$24.62
1994	1163.13	\$22.45
1995	619.72	\$23.35
1996	736.17	\$27.71
1997	702.33	\$24.67
1998	622.23	\$15.52
1999	460.56	\$21.12
2000	645.28	\$33.79
2001	835.63	\$27.59
2002	2794.66	\$26.94
2003	2760.72	\$31.97
2004	2360	\$42.35
2005	1621.14	\$54.01
2006	2949.41	\$61.37
2007	3079.53	\$64.93

Figure 4. *Reported assistance from Gulf state interventions to select conflict-affected contexts, 1999–2009*

	Afghanistan	Bosnia	Iraq	Lebanon	Palestinian Territories	Yemen
US\$ million (value at time of commitment)						
KSA	24.28	265.95	49.19	65.32	682.48	105.05
Kuwait	3.45	–	28.55	21.00	114.95	–
UAE	1.95	0.08	50.32	49.27	103.39	1.56
Qatar	–	–	15.10	2.70	17.24	0.28
Total	29.68	138.29	143.16	341.63	106.88	918.06
Overall total	1,336.41					

Figure 5. *Total ODA by ‘Arab agencies’, 1974–2007*

Year	‘Arab agencies’ US\$ million (2009 constant)	Year	‘Arab agencies’ US\$ million (2009 constant)
1974	116.72	1991	153.12
1975	158.67	1992	283.35
1976	412.32	1993	184.01
1977	1101.24	1994	257.22
1978	963.48	1995	21.00
1979	255.6	1996	36.00
1980	279.65	1997	37.00
1981	399.53	1998	7.00
1982	387.62	1999	36.00
1983	313.02	2000	35.16
1984	146.10	2001	145.16
1985	127.46	2002	140.04
1986	143.47	2003	44.49
1987	72.46	2004	283.55
1988	60.35	2005	256.59
1989	137.5	2006	447.93
1990	74.73	2007	461.31

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1985	127.46	2002	140.04
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