

ADMINISTRATIVE DEVELOPMENT STAGES
AND THE ENVIRONMENT IN A COUNTRY
WITH SUDDEN WEALTH: THE CASE OF
KUWAIT

Thesis submitted for the degree of
Doctor of Philosophy
at the University of Leicester

by

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1994

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ABSTRACT

ADMINISTRATIVE DEVELOPMENT STAGES AND THE ENVIRONMENT IN A COUNTRY WITH SUDDEN WEALTH: THE CASE OF KUWAIT

BY: Fuad Abdullah Al-Omar

This thesis is concerned with bureaucracy and how it develops in relation with its environment in Kuwait, identifying the factors behind its development as well as predicting the future stages of development.

The empirical survey includes regression and statistical analysis, nine detailed interviews and a questionnaire administered to 72 top officials.

The dissertation is divided into three parts. Part I examines in five chapters: introduction, the literature review, methodology, data analysis and historical and socio-economic background. Part II contains five chapters, in which four stages of administrative development are examined and a summary of outcomes presented. Part III indicates, in Chapter Eleven, the evolving of bureaucracy rationalization stage, while Chapter Twelve evaluates the research hypothesis.

The findings indicate that:

1. The bureaucracy in Kuwait developed in four distinct progressive stages (imported bureaucracy, nationalization of bureaucracy, inflated bureaucracy, and administrative reform).
2. Environment has a significant impact on the initiation, span and outcome of each stage as well as on the interdependence among patterns of behaviour, structure and process. Economic and political factors are leading forces of change while social and cultural variables have a lesser impact. Demographic factors acted as constraints in most stages.
3. Bureaucracy rationalization will be the future stage of administrative development. Such a stage will include rationalization of the scope of bureaucracy and its financing system, rationalization of structure and process and rationalization of behaviour.

4. Similarity in problems facing countries with sudden wealth indicate the need for a model to explain administrative development in such countries. Changes in the model are a function of environmental intervention (resources slack and environment impact) and internal interaction.

The research demonstrates that the bureaucracy in countries with sudden wealth, such as Kuwait, developed in a different pattern from other developing countries and this enhanced the need for the suggested model.

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ACKNOWLEDGEMENT

"In the name of Allah, the Gracious, the Merciful"

This study would not have been completed without the generous assistance and continuous support I have received from many people and institutions. Acknowledgements are always difficult, because one owes so much to so many.

I wish first to express my grateful appreciation to Prof. P.M. Jackson, Director, Public Sector Economics Research Centre at the University of Leicester, England for his advice, guidance and encouragement throughout my Ph.D. Programme and for his valuable suggestions during the preparation of this study. Prof. Jackson has given unselfishly of his time to provide numerous suggestions and comprehensive criticism throughout the preparation of this research.

I wish also to express my gratitude to the many officials of the Government of Kuwait, who took time from their busy schedules to furnish me with data and complete the questionnaire forms. My special thanks to Drs. Bashir Al-Rashaidi, Waled Al-Wahheb, Ahmed Ashwer, Naser Al-Sane, Ali Al-Arabi and many others for their valuable comments and wise guidance. My deep thanks also to Mr. Salim of IDB for his support.

I also wish to express my thanks to Mr. Kabir and Mr. Shaharuq, who typed the different stages of this manuscript.

Finally, I must express a large debt of gratitude to my wife Samira and my children Heba, Abdullatif, Fatima, Haya and Salem, without whose encouragement, patience and support, nothing would have been possible.

Needless to say, the judgements and opinions expressed in this research and any errors of facts and/or interpretation are solely my responsibility.

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CHAPTER ONE: AIMS AND ORGANIZATION OF THE STUDY

1.1 Introduction

Kuwait is a small country in the Arabian Gulf covering an area of 7000 square miles and with a population of 2 million (as of 1990) of whom 67% are expatriates. Kuwait is one of the world's main oil producers and the oil sector contributes more than 60% of GDP.

As Kuwait is one of the wealthiest countries in the world, the State has been engaged in nation-building and development over the last four decades. The bureaucracy - in control of wealth and national resources - has played a vital role in modernization and economic development. Not only does bureaucracy exert influence on domestic decision-making but it also has a great impact on OPEC cartel decision-making and, thus, on world economics as a whole. So it is very important to study the evolution of the administrative system in countries which have suddenly acquired great wealth (such as Kuwait) in order to understand the dynamics of the decision making and its subsequent impact on the world economy.

The bureaucracy of Kuwait has grown rapidly to service the welfare activities of the country. The Government at present employs 87% of the total indigenous labour force - a ratio of one civil servant for every eight inhabitants. Salaries and wages expenditure represents more than 33% of total Government expenditures. Such a key role and rapid growth, raises many questions about the direction and magnitude of bureaucracy development.

Before beginning this study, while active in the public sector, the researcher reflected many times, how the Kuwaiti bureaucracy had evolved into the different phases of its development, what were those phases, and what forces (if any) had influenced this development. Three main inter-related questions presented themselves: first, does bureaucracy evolve differently in different countries? Second, if this is so, what is the pattern of the evolution (stages, cycles....)? Third, if there is a specific pattern, what factors influence its evolution?

With respect to the first question, it was obvious that bureaucracy in developing countries evolves in a pattern different from its counterpart in the developed countries⁽¹⁾. In addition, it was obvious that the available models for bureaucracy development in developing countries are general and not adequate to explain the bureaucratic development for so many diverse countries⁽²⁾. Elaboration on the lack of such models, will be the subject of the next Chapter. However, and in order to focus the research, the present study will limit itself to investigating bureaucracy development in Kuwait and other countries with sudden wealth as a distinct group of the developing countries. Later, the findings could be tested for other developing countries.

To find answers to the second question concerning the pattern of bureaucracy development, it was necessary to look into history. During the spread of the Islamic State⁽³⁾ and as a consequence of wealth accumulation, the administrative system went into a specific pattern of development. When the stock of wealth increased, the State was obliged to import "dawawin" (the administrative system of that period) from Persia. Later, those "dawawin" were nationalized (or Arabianized) during the period of Caliph⁽⁴⁾ Omar (A.C.634-644) as the need for larger administrative capacity increased and the desire for social control intensified. As the State expanded during the Umayyas era (the period which followed Caliph Omar), the administrative system was overstaffed and excessively centralized. As a result of corruption and mismanagement in the middle of the Umayyas period, the second Caliph Omar (717-

¹ Wesley Bjur and Asghar Zomorrodian, "Toward Indigenous Theories of Administration: An International Perspective", International Review of Administrative Sciences, 52 (1986), p.399; Robert Presthus, "Weberian V. Welfare Bureaucracy in Traditional Society", Administrative Science Quarterly, 6 (June 1961): pp.1-24.

² Kishan Khanna "Contemporary Models of Public Administration: An Assessment of their Utility and Exposition of Inherent Fallacies", Philippine Journal of Public Administration, 15 (April 1975), pp.120-6; Alfred Diament, "European Models of Bureaucracy and Development", International Review of Administrative Sciences, 32 (1966), p.319.

³ The Islamic State was established in A.C. 621 and co-existed with two super-powers during this era (Persia and Byzantine Empire).

⁴ The Caliph is the ruler or Head of State during the Islamic era.

719) initiated a process of administrative reform. It seems from this analysis that in the case of nations with sudden wealth, their bureaucracy will evolve into patterns according to the stages model. In addition to the historical perspective⁽⁵⁾, the pattern of stages is supported by evidence in other disciplines. Ecology shows that the human being, since creation, has passed through different stages of evolution⁽⁶⁾. In economics, Rostow has demonstrated that societies proceed through various stages of economic growth, from "take-off" through sustained economic growth to "high mass consumption"⁽⁷⁾. Katz and Kahn, after arguing that the Weberian Model does not deal adequately with the relationship of the environment with bureaucracy, identified three stages of organizational development⁽⁸⁾. Even products evolve in different stages of development: introduction, growth, maturity and decline⁽⁹⁾. So it seems that bureaucracy, as any global phenomenon, evolves in a pattern of stages. The challenge to this research is to identify these stages and their pattern for Kuwait and other countries with sudden wealth. Another important factor which supports the conceptualization of the evolution of bureaucracy as a pattern of stages, is that it will enable us to relate the stages of bureaucratic development to economic and social stages. For example, what is the bureaucratic stage relevant to the economic "take off" stage?

To answer the third question concerning the factors influencing such development, there is a need to identify the forces and their influence, utilizing the ecological analysis adopted in Public Administration Research⁽¹⁰⁾. This approach

⁵ In his Ph.D. dissertation, Ahmed noted that the Egyptian bureaucracy had evolved in four stages of bureaucratic development. See Moustafa Ahmed, "An Analysis of the Development of the Egyptian Bureaucracy", (Ph.D. dissertation, Syracuse University, 1964), p.197.

⁶ C.Loring Brace, The Stages of Human Evolution, (Englewood Cliffs, N.J: Prentice Hall, 1991).

⁷ Walt Rostow, The Stages of Economic Growth: A non-Communist Manifesto, (Cambridge, 1960), pp.183-96.

⁸ Daniel Katz and Robert Kahn, The Social Psychology of Organization, (John Wiley and Sons Inc., 1966), p.109.

⁹ Philip Kotler, Marketing Management: Analysis, Planning and Control, (Englewood Cliffs, N.J: Prentice Hall Inc., 1984), pp.362-70.

¹⁰ Ecology refers to the relationship between any environment and its environed system. See Fred Riggs, "The Ecology and Context of Public Administration: A Comparative Perspective," Public Administration Review, 40 No.2 (1980),

argues that major changes in the bureaucracy are caused by exogenous factors in the environment⁽¹¹⁾. One of the factors stimulating interest in Riggs ecological model, is its contention that western concepts of administration are not universal. Thus, the focus has shifted toward indigenous administrative systems⁽¹²⁾ which utilize the ecological approach. In this context, we are interested to know which factors have impacted upon bureaucratic development, in what manner, and the magnitude of the impact.

In studying bureaucracies in countries with sudden wealth, there is a need for case study research which could be a primary step toward building a model to explain bureaucracy development. It will be difficult, if not impossible, to understand the development of bureaucracy over time or to predict its future stages, without considering the ecological factors. It is suggested that any ecological study of bureaucratic development should be described in terms of stages evolution. This will ensure that the study will be more comparative and predictive for future cross-cultural research.

The State of Kuwait constitutes an illustrative case for a country with sudden wealth which has undergone rapid development. In addition to its inheritance of the characteristics of countries with sudden wealth, it enjoys limited land and population, rich experiences in social and economic development, and typical demographic composition. These factors make it a primary target for studies in this field.

1.2 Purpose of the Study:

This is a descriptive as well as an empirical study about administrative development stages in the State of Kuwait in relation to its environment. The main objectives of the study are four. Its first purpose is to provide a descriptive survey as well as critical analysis of the stages of administrative development as a sub-system of a complex environment. The goal here is to examine bureaucratic structures, process and patterns of behaviour and how they developed through the different stages in the context of their environment.

p.107.

¹¹ Anthony Downs, Inside Bureaucracy, (Boston, Mass: Little, Brown and Company, 1967), p.263.

¹² Wesley Bjur and Asghar Zomorrodian, op. cit. p.399.

The second purpose is to predict the future stage(s) of administrative development in Kuwait by focusing on past trends, present development in this country and other countries' experiences. This prediction is critical for any plan for future improvement in the public sector. Moreover, administrative development strategies may be implemented more effectively if obstacles are known in advance and, thus, the country's resources can be better utilized.

The third objective is to examine the impact of environmental factors on the administrative development stages in Kuwait. The identification of such interaction and impact will provide the reformers with a wider perspective for change and improvement.

The last objective is to generate in-depth data in the field of comparative public administration in countries with sudden wealth such as Kuwait, Saudi Arabia, Qatar, etc. The need for a reliable study of comparative administration depends, among other things, upon the availability of data on national bureaucracies in many countries. Therefore, it is hoped that this study will contribute toward this need. This study is of great importance, if we consider how few studies on Kuwaiti bureaucracy are currently available.

1.3 Statement of the Hypotheses:

The major assumption of this study is that Kuwait's bureaucracy is developing through distinctive multiple stages of administrative development. These stages are developing as a sub-system of the complex environment.

This major assumption will guide the analysis throughout the study. For precise testing of the basic assumption, eight hypotheses were formulated to guide the analysis of the different propositions throughout the different stages. These hypotheses were developed from secondary literature and short personal interview, as follows:

1. The administrative development in Kuwait is founded on the central theme of bureaucratic development. Kuwait's bureaucracy, since the discovery of oil, has developed through four basic stages:

- A. Importation of Bureaucracy.
- B. Nationalization of Bureaucracy.
- C. Inflated Bureaucracy.
- D. Administrative Reform.

2. Social, economic, political and demographic factors have a significant influence on many aspects of the stages:

- 2.1 The initiation of the stage;
- 2.2 The span of each stage;
- 2.3 The outcomes of each stage; and
- 2.4 Interdependence⁽¹³⁾ and interaction among structures, processes and patterns of behaviour.

3. Bureaucratic development is highly dependent on the economic condition of the country, especially the oil revenues which represent the main source of the nation's economy.

4. The strategic location of Kuwait, its oil wealth and the aggressive international environment, pose many external and internal challenges to the security of the regime. Measures and instruments to maintain security, such as diffusion of wealth, the participatory political system and international recognition, have influenced bureaucratic development.

5. Kuwait's society retains some characteristics of rapidly changing societies where the demographic composition is changing drastically. Demographic factors such as the components of labour force like age, education, sex and nationality are influencing the bureaucratic development stages.

6. Ambitious and accelerated developmental efforts have changed dramatically the social and cultural structure and values. As a result, changes in social structure and values, such as the value of work, the role of women, tribal and family relationships, affect bureaucracy development.

¹³ Interdependence relates to the relationship between sub-systems within a single system. In our research it is the relationship between one component of the bureaucracy (e.g. structure) and another (such as process).

7. Kuwait is a foreign-dominated society in which the majority of the population and the civil servants are foreigners. As a consequence, many behavioural characteristics have evolved, due to the interaction between Kuwaiti and non-Kuwaiti civil servants. Through the different stages, this interaction has influenced the behavioural characteristics of both groups and the efficiency and the development of the bureaucracy as a whole.

8. As a result of an inefficient administrative system and fluctuations in oil income, bureaucracy rationalization will be the next stage of administrative development.

Even though we recognized that some hypothesis cannot be proved definitively, such recognition should not prevent us from exploring it to the extent practicable.

1.4 Limitations of the Study:

This study confines itself to bureaucratic development in the State of Kuwait. More research is needed to ascertain whether other countries with sudden wealth are developing in a similar manner.

A second limitation is its dependence on the perceptions and opinions of respondents (through interviews and questionnaires). On the one hand, these tools carry a certain degree of bias while on the other hand, they are valuable sources of information. The researcher has tried to minimize bias by following research and evaluation techniques to ensure validity and reliability. In addition, many qualitative and quantitative analyses were conducted to support or reject the information obtained from the above sources. Such techniques and analysis are described in Chapter Three.

A third limitation, is the scarcity of literature concerning the Kuwaiti public administration, in particular, and the country, in general. Due to this scarcity, the author has used his own judgement and experiences in evaluating certain aspects of the bureaucracy, since he served for nine years as Under-Secretary in the Government.

1.5 Significance of the Study:

A general review of the literature reveals that little has been written about bureaucracy in general concerning Kuwait and other countries with sudden wealth and

in particular about bureaucracy development. Whatever the reason for this scarcity, it is apparent that comprehensive and continuous research is needed to understand the problems of bureaucracy in those countries. This study will provide more in-depth data about Kuwait's bureaucracy, and strengthen the comparative basis for future cross-cultural research.

The Government of Kuwait is heavily involved in providing services and fostering development activities which in other countries are regarded as private sector activities. An effective and efficient bureaucracy is a prerequisite for social and economic development. However, to the knowledge of the researcher, no study has been conducted to analyse the development of Kuwait's bureaucracy, nor to predict its future stages within the ecological context. Thus, the significance of this research lies in filling this important gap which will provide valuable information for bureaucratic reform and efficiency as tools of economic development.

As regards those countries with sudden wealth which are passing through different stages of bureaucratic development, this study could benefit them by providing lessons relevant to their stage of development. Thus, Kuwait and similar countries could benefit from the outcomes by designing plans and strategies for reform to increase the effectiveness of their bureaucracy.

Lastly, there is a need for a model to explain the bureaucratic evolution in countries with sudden wealth⁽¹⁴⁾. This study could be a first step toward building a model to explain bureaucratic development in those countries. It will also provide a clear basis and dimensions for comparison among case studies. Another important ingredient of this study is that it is the first study to provide a prediction for future stages of administrative development.

¹⁴ The available models such as Riggs's prismatic model describe only the natural development of societies from an agricultural to an industrial base with its impact on bureaucracy development. Little has been done to investigate the emerging societies with sudden wealth which move from underdeveloped status to a developed level but with dependence on sudden wealth.

1.6 Organization of the Study:

The study consists of three parts and twelve Chapters. The first part establishes the key concepts and represent the gathering of data, both from the literature and the empirical research. It is divided into five Chapters as follows:

1. The first Chapter states the problem to be examined and the purpose of the study, outlines the research hypothesis and the significance of the study.
2. Chapter Two reviews the literature on bureaucracy, comparative public administration and ecological approach to it and the contribution of Fred Riggs, as well as the empirical research on countries with sudden wealth, with specific emphasis on Kuwait.
3. Chapter Three, on methodology, describes the subjects of the study, the research instruments, the methods for data collection and the techniques for data analysis. A framework is presented according to which each stage is analysed.
4. Chapter Four, on data analysis, examines the data generated from the research tools such as the questionnaire and regression analysis and presents their outcomes.
5. Chapter Five highlights the main features of Kuwait, including the land, chronological development of the country, evolution of Kuwait's bureaucracy before 1958, political system, social and cultural values and structure, demographic composition, and the structure of the economy.

The second part, which contains five Chapters, examines in some detail the various stages of bureaucratic development as well as the outcomes of such development as follows:

6. Chapter Six highlights the main features of the stage of importation of bureaucracy, especially the importation of rules and systems, the role of experts and labour force immigration. The stage is discussed in its historical context, while the conclusions and outcomes are outlined at the end of the Chapter.

7. Chapter Seven describes the stage of nationalization of bureaucracy, with special emphasis on the interaction between Kuwaiti and non-Kuwaiti civil servants. It concludes with the outcomes and summary of the observations.

8. Chapter Eight highlights the main characteristics of the stage of inflated bureaucracy. Factors that led to such inflation are analysed and the outcomes of this stage are described.

9. Chapter Nine describes the factors which contributed to the introduction of administrative reform. The scope, strategies, and activities of administrative reform are reported with a comprehensive analysis of its effectiveness and outcome.

10. Chapter Ten presents a comprehensive summary of the outcomes of the four stages, together with suggestions for bureaucracy development in Kuwait. In addition, achievement of the bureaucracy will be reported.

The final part of the study looks to the future, predicting likely development in Kuwait and suggesting a model which may be more widely applicable. It contains two Chapters as follows:

11. Chapter Eleven predicts the future stages of bureaucracy development which is expected to take the form of bureaucracy rationalization. The factors which will lead to the emergence of this stage will be identified and analysed and the main features and characteristics of this stage will be reported. Furthermore, the stage of muddling-through which precedes bureaucracy rationalization will be described.

12. Chapter Twelve will examine the study's hypotheses and test their validity. A description of the salient features of the suggested model of stages of bureaucratic development in countries with sudden wealth will also be presented. In addition, areas for future research will be suggested.

CHAPTER TWO: REVIEW OF LITERATURE

2.1 Introduction:

In the previous chapter, the importance of studying the administrative development in countries with sudden wealth was stated. Nevertheless, such a study requires a theoretical framework to explore, in a consistent manner, the phenomenon under investigation. Such theoretical elaboration will be the scope of this chapter. The Chapter starts with basic definitions of major terms used in this study. Trends in the study of comparative public administration are discussed in detail, with particular attention to the ecological approach. The prismatic theory of Fred Riggs is analysed as the theoretical ground work for this research and its applicability to Kuwait will be evaluated. Later in this Chapter, the methodological dilemma in the study of non-Western bureaucracies and the need for classification of those countries are emphasized. Empirical research on Kuwait and the countries with sudden wealth is reviewed and analysed.

2.2 Basic Definitions:

The objective of the present section is to provide a conceptual definition of the major terms used in this study. Definitions other than those presented hereunder will be dealt with individually in each relevant Section or Chapter.

2.2.1 Bureaucracy:

The modern concept of bureaucracy emerged from the institution of absolutism and the creation of national sovereignty. The origins of the term "bureaucracy" are not entirely clear⁽¹⁾. The term "bureau" means a chest of drawers, a writing table, or an office for transacting business. The suffix "cracy" is a Greek word for rule⁽²⁾. With both combined, it means government through offices. The term became popular after the works of Max Weber were translated into English⁽³⁾.

¹ Ferrel Heady, Public Administration: A Comparative Perspective (New York: Marcel Dekker, 1984), p.60; hereafter cited as Comparative Perspective.

² B.B. Misra, The Bureaucracy of India: An Historical Analysis of Development upto 1947, (Delhi: Oxford University Press, 1980), p.2.

³ See for example, From Max Weber: Essays in Sociology, translated, edited and with an introduction by H.H. Gerth and C. Wright Mills, (New York: Oxford University Press, 1946).

The term "bureaucracy" is an ambiguous one. Beetham suggests that in order to define the word "bureaucracy", we need to ask two questions. First, in each case what is bureaucracy contrasted with? Second, what perspective and set of problems is the contrast designed to emphasise?(⁴)

The most common usage of "bureaucracy", especially in comparative Government, is "to indicate a type of political system, literally, rule by the bureau"(⁵). The main concern with this concept is the distribution of power in the society. A second usage, mainly in the sociology of organization, defines a bureaucracy as a "large-scale complex organization"(⁶) that uses a mechanistic and formal approach in carrying out its activities(⁷). A third usage is from the political economy perspective which is concerned with source of revenue. Jackson defines bureaucracies as "non profit-making organizations which do not market the major proportion of their outputs and which depend on tax revenues as their principal sources of finance"(⁸).

Many scholars hold that the general tendency is to define bureaucracy in terms of its basic organizational structure characteristics(⁹). Hall has selected six dimensions of bureaucracy as being the most significant(¹⁰). These are:

⁴ David Beetham, Bureaucracy (Minneapolis: University of Minnesota Press, 1987), p.2.

⁵ David Beetham, op. cit., p.3. See also Fritz Morstein Marx, The Administrative State: An Introduction to Bureaucracy, (Chicago: University of Chicago Press, 1969), p.21.

⁶ Ferrel Heady, Comparative Perspective, op. cit., p.61. See also David Beetham, op. cit. p.3.

⁷ Fritz Morstein-Marx, op. cit. pp.20-1

⁸ P.M. Jackson, The Political Economy of Bureaucracy, (New Jersey: Barnes and Noble Books, 1983), p.122.

⁹ Ferrel Heady, Comparative Perspective, op.cit., p.61; David Beetham, op.cit., pp.11-2

¹⁰ Richard Hall, "Intra-Organizational Structural Variation: Application of the Bureaucratic Model", Administrative Science Quarterly 7, No.3 (1962) pp.295-308. Also see P.M. Jackson, op.cit., p.5; Joseph La Palombara (ed.), Bureaucracy and Political Development, (Princeton, N.J: Princeton University Press, 1967), p.49.

1. a well-defined hierarchy of authority;
2. a division of labour based on functional specialization;
3. a system of rules covering the rights and duties of positional incumbents;
4. a system of procedures for dealing with work situations;
5. impersonality of interpersonal relationships; and
6. selection for employment and promotion based on technical competence and organizationally defined universal standards.

Beetham added the criterion of continuity, in which the office functions are organized on a continuous, rule-bound basis⁽¹¹⁾. Misra added another dimension which emphasizes the complete separation between "the property belonging to the organization and controlled within the sphere of office and the personal property of the official available for private use"⁽¹²⁾.

Many authors highlight the negative behavioural traits (e.g. routine, "buck passing", rigidity) associated with bureaucratic organizations. Thompson has introduced the concept of "bureaupathology"⁽¹³⁾ to refer to the dysfunctional traits or rather to the symptoms of malaise associated with bureaucracy. Riggs, on the other hand, has offered the concept "bureaurationality" to refer to the positive and desirable outcome of bureaucratic organization⁽¹⁴⁾.

Morstein Marx offers a definition, which is commonly used in the discipline of Public Administration, in which bureaucracy is defined as "the type of organization used by modern Government for the conduct of its various specialized functions embodied in the administrative system and personified more specifically by the civil service"⁽¹⁵⁾. In the present study, the term "bureaucracy" refers to the Governmental bureaucracy in Kuwait (as suggest by Morstein Marx), where the Government takes

¹¹ David Beetham, op. cit., pp.11-2.

¹² B.B. Misra, op. cit., p.28.

¹³ Victor Thompson, Modern Organization, (New York: Alfred A. Knoff, 1961), pp.152-77.

¹⁴ Fred Riggs (ed.), Frontiers of Development Administration, (Durham: Duke University Press, 1971), p.376.

¹⁵ Fritz Morstein Marx, op. cit., p.20. See also David Beetham, op. cit., p.4.

the responsibility for bringing about the desired change in society. It excludes the military as well as judiciary agencies. It is used as a synonym for: Public Administration and Civil Service.

2.2.2 Administrative Development:

Siffin defines administrative development as the "reshaping of entire administrative systems through direct approaches to the modification of system norms and forms"⁽¹⁶⁾. Al-Koubaisy finds that administrative development is an internal and balanced process whose ultimate goals are: First, to have an effective administrative system capable of meeting the demands of the political process and; second, to increase the capability of the administration to handle the outcome of social change⁽¹⁷⁾. Al-Wohhaib observed that the term "development" is used to mean "intrinsic changes toward clearly defined goals without regard to other systems"⁽¹⁸⁾. In our research, administrative development is defined as the subject of studying and improving the administrative system and its progress to achieve its desired objectives. Since the administrative development in countries with sudden wealth is founded on the central theme of bureaucratic development, those terms are used interchangeably.

2.2.3 Administrative Evolution: refers to the process of evolution of the simple administrative structure and process toward sophisticated structures, processes and complex pattern of behaviour.

2.2.4 Bureaucracy Growth:

The term "bureaucracy growth", as used in this study, is the same as Government growth or expansion⁽¹⁹⁾. The term should not be perceived as referring

¹⁶ W. Siffin, "Introduction", in Montgomery and Siffin (eds.), Approaches to Development: Politics, Administration and Change, (New York: McGraw-Hill, 1966), p.3.

¹⁷ Amer Al-Koubaisy, "Theory and Practice of Administrative Development in the New Nations with Reference to the Case of Iraq", Ph.D. Thesis, Univ. of Texas at Austin, 1971, pp.31-2.

¹⁸ Waleed A. Al-Wohhaib, "Administrative Reform in Kuwait: Indigenous and Ecological Perspective", Ph.D. Thesis, Univ. of Southern California, 1989, p.20.

¹⁹ James Jarrett, "The Size of Government: An Empirical Analysis of State Government's Growth", Ph.D. Thesis, Univ. of Pennsylvania, 1976, p.22.

to the increasing bureaucratization occurring in many organizations, as suggested by Eisenstadt⁽²⁰⁾.

2.2.5 Countries with Sudden Wealth:

No definition is available to describe countries with sudden wealth. However, a near one is that of "temporary society" in which "the society is changing rapidly and will in effect, be transformed into another society within a relatively short span of years"⁽²¹⁾. Nevertheless, in this study, this term refers to those countries "which inherit substantive sudden wealth which results in the transformation of their economic structures and leads to rapid and huge development activities and substantive transition within a short time". In those countries, the per capita income may double or triple in one year, as was the case of Kuwait between 1973 and 1974.

2.3 Trends in the Studies of Comparative Public Administration:

Comparative studies are those research efforts which emphasise a global framework in searching for solutions for Public Administration challenges⁽²²⁾. Comparative studies of public administration have gained momentum during the decade beginning with the early 1960s. With a grant from the Ford Foundation channelled to the Comparative Administration Group (CAG) through the American Society for Public Administration, CAG's parent organization, CAG was able to make its activities flourish.

Fred Riggs, CAG's Chairman, has identified three trends at that period⁽²³⁾. The first was the shift from normative toward more empirical approaches. Secondly, there was a shift from a predominantly non-ecological to an ecological basis for comparative

²⁰ S.N. Eisenstadt, "Bureaucracy, Bureaucratization, and Debureaucratization", Administrative Science Quarterly, 4 (1959), pp.302-20.

²¹ Frederick Mosher, "The Public Service in The Temporary Society", Public administration Review, 31, No.1 (1971), p.47.

²² Fred Riggs, "The Group and the Movement: Note on Comparative and Development Administration", Public Administration Review, 36, No.6 (1976), p.652

²³ Fred Riggs, Administration in Developing Countries: The Theory of Prismatic Society (Boston: Houghton Mifflin Co., 1964), p.399; hereafter cited as Administration.

studies. The third trend was the shift from ideographic toward nomothetic approaches. Riggs has distinguished between concentration on a unique case and the formulation of laws and general propositions⁽²⁴⁾. The ending of the Ford Foundation Grant and the lack of other financial support, have brought a great reduction in the CAG activities. Many criticisms have been raised about CAG. Many students of comparative public administration have questioned the separate identity of comparative public administration as a field of study⁽²⁵⁾. As a remedy, Heady is suggesting to "blend the comparative perspective with the traditionally parochial national emphasis of study and research in public administration"⁽²⁶⁾. Others have suggested a few areas of research which emphasise the separate identity of comparative public administration. Jun suggested the following areas for future studies: Bureaucratization and Debureaucratization, Development Administration Reconsidered, Organization Theory and Organizational Change, Self-Management and Organizational Democracy. He argues that since the dominant structure of public institutions throughout the world is bureaucracy, it is important to continue the study of the characteristics of structure, functions, behaviours, and environments of bureaucracy⁽²⁷⁾. Jreisat suggested, as a remedy to the lack of integrative concept and relevance, conceptualizing administrative issues at the middle range theories and focussing on the institution rather than whole administrative system⁽²⁸⁾.

Sigelman sees that the future of comparative public administration lies in the study of bureaucracies, especially the behaviour of bureaucrats and "those with whom they interact". Even though he is pessimistic about the availability of data in system level studies of bureaucracy, he believes that testing of macro-level theory could be done with judgemental data derived from experts. These data could be used to

²⁴ Ibid., p.403.

²⁵ Ferrel Heady, Comparative Perspective, pp.25-6.

²⁶ Ibid., p.48.

²⁷ Jong Jun, "Renewing the Study of Comparative Administration: Some Reflection on the Current Possibilities", Public Administration Review, 36, No.6 (1976), p.644.

²⁸ Jamil Jreisat, "Synthesis and Relevance in Comparative Public Administration", Public Administration Review, 35, No.6,(1975), pp.663-71.

"facilitate theory-building and testing in comparative public administration"⁽²⁹⁾. Deva suggests that micro studies could be a good way of building a theory relating to administration in underdeveloped societies⁽³⁰⁾. Arora suggests that comparative public administration should focus on four dimensions: ecological, goal-orientation, developmental and cross-cultural⁽³¹⁾.

Goodsell argues that what is called "New Comparative Administration" should incorporate sub-national and supernational comparison as well as those in which the independent variable of national or supernational system is used. He suggested four elements for the new comparative administration: (a) enlargement of the field's scope, (b) acceptance of comparison as the field's distinctive attribute, (c) attention to policy and social problems, and (d) designation of comparative administration as the master field of administrative study⁽³²⁾.

Despite such criticism, the CAG was able to widen the scope and coverage of Public Administration, especially in studying systematically the diverse administration systems within their ecological setting⁽³³⁾. Furthermore, the comparative public administrations continue to be an area for promising research. It is essential to have an integrative micro study of the interaction of national bureaucracy with its environment utilizing ecological approach with emphasis on bureaucrats' behaviour. Such a study could facilitate theory building and testing for cross-cultural comparison within comparative public administrations.

²⁹ Lee Sigelman, "In Search of Comparative Administration", Public Administration Review 36, No.6 (1976), pp.623-624.

³⁰ Satya Deva, "Western Conceptualization of Administrative Development: A Critique and an Alternative", International Review of Administrative Science, 45 (1979), p.61. See also Jorge Tapia-Videla, "Understanding Organizations and Environments: A Comparative Perspective", Public Administration Review, 36, No.6 (1976), pp.631-6.

³¹ Ramesh Arora, Comparative Public Administration, (New Delhi: Associated Publishing House, 1972), pp.176-7.

³² Chorlest Goodsell, "The New Comparative Administration: A Proposal", International Journal of Public Administration, 3, No.2, (1981), p.145.

³³ Ramesh Arora, op. cit. pp.20-1.

2.4 Ecological Approaches to the Study of Comparative Public Administration:

Ecology in this research is the relationship between a bureaucracy and its environment⁽³⁴⁾. John Gaus was the first to advocate the ecological approach to public administration studies. He was interested in identifying key ecological factors for an understanding of contemporary American Public Administration⁽³⁵⁾. However, in this study, we are not concerned with organizational ecology which is a concept used recently to describe theories that associate itself with a process of organizational selection and replacement rather than adaptation as suggested by contingency theory⁽³⁶⁾. This includes contributions such as Hannan and Freedman's proposition on population ecology of organization.

Riggs argues that if ecological factors are important in studying one's own administrative system, it will be useful in comparative studies. This concurs with an early observation from Berger while studying bureaucracy in Egypt⁽³⁷⁾. What is important, in Riggs' opinion, is not to identify the environment's conditions only, but to demonstrate the connections or interdependence between particular environmental variables and administrative behaviour or, what he refers to as "ecological interdependence"⁽³⁸⁾.

If public administration were viewed "as an environed and contextualized system, rather than as a closed and self sufficient system", an important interrelated

³⁴ Fred Riggs, "Bureaucracy and Development Administration", Philippine Journal of Public Administration 21, No.2 (1977), p.107.

³⁵ John M. Gaus, Reflection on Public Administration, (University of Alabama: University of Alabama Press, 1947), pp.6-9

³⁶ Glenn Carroll "Organization Ecology in Theoretical Perspective" in Glenn Carroll (ed.), Ecological Models of Organization, (Ballinger Publishing Company, 1988), p.2.

³⁷ Morre Berger, Bureaucracy and Society in Modern Egypt, (Princeton: Russell and Russell, 1969), p.14.

³⁸ Fred Riggs, "The Ecology and Context of Public Administration: A Comparative Perspective", op.cit., p.108 and p.115, and Fred Riggs, Administration, op. cit., p.427

problem would be identified⁽³⁹⁾. Arora stresses that cross-cultural administrative analysis should focus upon the interaction between the administrative system and its environment⁽⁴⁰⁾. Waldo argues that organizations could be understood better by considering their environment⁽⁴¹⁾. Esman observed that the ecological approach could be sensitive "in identifying and analyzing the contextual values that motivate administrative behaviour"⁽⁴²⁾. Riggs emphasizes that ecological theories consider not only the influence of ecological factors on the administration but also the influence of administration on the environment⁽⁴³⁾.

The use of western ideas to explain the organization's relationship with its environment faced serious difficulties in developing countries which call for a major adjustment to conventional theory⁽⁴⁴⁾. Al-Koubaisy calls for a balanced model and cultural bound theories, "not only to bring the administrative, political and economic sub-system into a balanced situation but also to build up an internal balance within the administrative system itself"⁽⁴⁵⁾. This concurs with Bjur and Zomorrodian's argument about the need for administrative theory that is indigenous which could "link between

³⁹ Ibid., p.115.

⁴⁰ Ramesh Arora, op. cit., p.168. Jreisat also emphasises the need to study the environments not as an end but as a means to understand their influence on the bureaucracy. Jamil Jreisat, "Synthesis and Relevance in Comparative Public Administration", op.cit., p.666.

⁴¹ Dwight Waldo, Ideas and Issues in Public Administration, (New York: McGraw Hill Book Co.,1953), pp.27-32 and Amer Al-Koubaisy, "Theory and Practice of Administrative Development", op. cit., p.311.

⁴² Milton Esman, "The Ecological Style in Comparative Administration", Public Administration Review, 27, No.3 (1967), p.278.

⁴³ Fred Riggs, "The Ecology of Development", AG Occasional Papers, (Bloomington, Indiana: Indiana University, 1963), p.5.

⁴⁴ Moses Kiggundu, Jan Jorgensen and Taieb Hafsi, "Administrative Theory and Practice in Developing Countries: A Synthesis", Administrative Sciences Quarterly, 28 (1983), pp.66-84.

⁴⁵ Amer Al-Koubaisy, "Classical Vs. Modern Organization Theories in Developing Countries", The Journal of Social Science (Kuwait), No.3 (1979), p.43.

values in society and values in the work-place"⁽⁴⁶⁾. Presthus suggests to utilize the middle-range theory and to limit the base of comparability to "small blocs of countries whose social contexts seemed relatively similar"⁽⁴⁷⁾, such as the countries with sudden wealth.

The argument here is that if we analyse national bureaucracy within its ecological context, we could explore not only the interaction between them but also the dynamics of environmental-administrative change in a more balanced interactional analysis. It will be difficult, if not impossible, to understand the development of bureaucracy over time or to predict its future without considering the ecological factors.

While studying the Egyptian bureaucracy, from which most Kuwaiti bureaucracy procedures and rules were imported, Ahmed recognized the impact of many ecological variables on the evolution of a bureaucratic system and expressed the need for a general theory of bureaucratic development⁽⁴⁸⁾.

Many students have tried to consider the ecological factors while studying the Kuwaiti bureaucracy. Most of them have focused on the social dimension of the bureaucracy. They have neither considered other ecological factors nor analysed their interaction with the bureaucracy⁽⁴⁹⁾. The existence of such a gap, justified the need for ecological study of the Kuwait bureaucracy which could be the base for indigenous theory of administrative development.

⁴⁶ Bjur and Zomorrodian, *op.cit.*, pp.397-8. Al-Buraey argues that indigenous models of administration (based on Islam) will be better to achieve developmental goals than Western models of development. Mohammed Al-Buraey, "Administrative Development: An Islamic Perspective on the Role of the Muslim World", Ph.D. Thesis, The Univ. of North Carolina at Chapel Hill, 1981. Jreisat, see the move from culture bond theory to the cross-culture as a factor in the lack of integrative concept in comparative studies. See Jamil Jreisat, "Synthesis and Relevance in Comparative Public Administration", *op.cit.*, p.665

⁴⁷ Presthus, Robert, "Behaviour and Bureaucracy in Many Cultures", *Public Administration Review*, 19 (1959), p.26

⁴⁸ Moustaf Ahmed, *op.cit.*, p.232.

⁴⁹ Nassef Abdel-Khalik, "The Ecology Dimensions of the Kuwaiti Bureaucracy", *Journal of the Gulf and Arabian Peninsula Studies*, 5, No.38 (1984), p.15.

2.5 The Prismatic Theory of Fred Riggs and his Sala Model:

Prismatic model is a result of Riggs' continuing efforts to provide a conceptual framework and an analytical tool for comparative research of organization within its environment in developing countries. Since Kuwait is a developing country, it is vital to examine the essence of this theory. Before introducing his prismatic model, Riggs came up with Agraria, Transitia, and Industria Models⁽⁵⁰⁾. Agraria is a model of society of the intensive agricultural type, while Industria is a model of the modern industrial society. Transitional societies (which Riggs calls Transitia) undergo a more rapid change than those at the equilibrium end. Later, Riggs proposed a systematic use of deductive models to develop his prismatic models, the fused-prismatic-diffracted models⁽⁵¹⁾. These models were constructed deductively from contrasting assumptions about the relationship between structures and the number of functions they perform. A fused society is one in which functions are performed in one or a few structures. In contrast, a society which has many functionally specific structures, could be called a diffracted society (e.g. highly industrialized societies)⁽⁵²⁾.

The prismatic model is designed to describe a society whose characteristics are intermediate between the fused and diffracted models. The theory is based on two major concepts that societies which (a) are in a transitional stage (between traditional and modern), (b) will have a behaviour pattern which is a heterogenous mix of traditional and modern values. It refers to a social system that is semi-differentiated and combines relatively fused traits with relatively diffracted ones. These models cannot be found in the real world but they are useful for heuristic purposes "by helping us to describe real world situations"⁽⁵³⁾.

In his effort to develop ecologically-based models, Riggs suggested that with the prismatic models, we could construct sub-models for the full range of social

⁵⁰ Fred Riggs, "Agraria and Industria: Toward a Typology of Comparative Administration", in William Siffin (ed.), Toward the Comparative Study of Public Administration, (Bloomington: Indiana University, 1957), pp.23-110.

⁵¹ He considered that Agraria-Transitia-Industria are inductive models.

⁵² Fred Riggs, Administration, *op. cit.*, pp.23-4.

⁵³ Ibid., p.24.

phenomena and behaviour⁽⁵⁴⁾. Riggs investigated the economic sector (characterizing it as "bazaar-canteen"), the elite grouping "Kaleidoscopic stratification", the social structures, symbol systems, and political power patterns.

Riggs was interested in bureaucracies and how they differ. He suggested a choice of terms for the three principal models. Hence, he called the administrative sub-model in the prismatic society a "Sala" compared to the "Office" in the diffracted society and "Chambers" in the fused society⁽⁵⁵⁾. The word "Sala", is used in Spanish and other languages (including Arabic) to refer to various kinds of rooms, among them the Government offices, thus suggesting that "inter-locking mixture of the diffracted office and the fused chamber which can identify the prismatic bureau"⁽⁵⁶⁾. The Sala Model is characterized by three basic phenomena: formalism, heterogeneity, and overlapping⁽⁵⁷⁾.

Formalism indicates a discrepancy between the formal laws and rules and the administrative practice⁽⁵⁸⁾. Heterogeneity refers to a mixture of traditional (fused) characteristics, on the one hand, and modern (diffracted) traits on the other. It refers to the "simultaneous existence" of quite different kinds of attitudes, practices and situations⁽⁵⁹⁾. Overlapping refers to the extent to which formally differentiated structure of diffracted types co-exist with undifferentiated structures of a fused type. An overlapping society is one in which new structures (e.g. elections) are set up, but the effective functions (e.g. politics) continue to be performed by older undifferentiated structures (e.g. family)⁽⁶⁰⁾.

Riggs identified several characteristics which result from overlapping

⁵⁴ Ibid., p.99.

⁵⁵ Ibid., p.268.

⁵⁶ Ibid., p.268.

⁵⁷ Ibid., pp.12-5.

⁵⁸ Ibid., p.15.

⁵⁹ Ibid., p.13.

⁶⁰ Fred Riggs, "An Ecological Approach: The Sala Model", In Heady and Stoker (eds.), Papers in Comparative Public Administration, pp.22-3.

phenomena. The first is nepotism which is the dominant mode of recruitment and represents the overlapping of the family with the office. Even though there are "universalistic norms for administration of the law, however, family influence prevails, so that the law is applied generously to relatives, stringently against strangers" ⁽⁶¹⁾. Focusing on the theme of power, Riggs argued that the officials are appointed in the Sala Model for their power potential and loyalty. The rewards for the appointed official are not primarily professional, but "include also hope of power"⁽⁶²⁾.

The second characteristic of overlapping is poly-communalism. It implies that a "Sala" official discriminates in favour of his own community (e.g. ethnic group) and against members of other communities⁽⁶³⁾. It is important to know that while "interest groups" in a diffracted society are open to all who share the primary goals, in the "Sala" situation, group membership is restricted to a single community.

The Bazaar-canteen is the third characteristic of the overlapping phenomenon. It shows the overlapping between the price mechanism and traditional "reciprocative" and "redistributive" institutions⁽⁶⁴⁾. It implies that services are sold at preferential rates to members of a certain community, but at higher rates to others. Corruption is institutionalized in the Sala Model as a way of avoiding discrimination in the services provided. As Riggs puts it, "some officials are in advantageous positions to extort bribes and other favours from interest groups"⁽⁶⁵⁾.

A fourth output of overlapping is poly-normativism and lack of consensus. In the diffracted society, there is general agreement about a set of main principles while in the Sala Model, these conditions do not exist. Here we find that a new set of norms, political formulas, and myths based on foreign experience, are super-imposed on a social order which continues to adhere, in large measure, to older traditional norms, formulas and myths. The situation will lead to dissensus, poly normativism and

⁶¹ Ibid., p.23.

⁶² Fred Riggs, Administration, op. cit., p.273.

⁶³ Fred Riggs, "An Ecological Approach", op. cit., pp.24-5.

⁶⁴ Fred Riggs, Administration, op. cit., p.270.

⁶⁵ Ibid., p.270.

normlessness⁽⁶⁶⁾.

Finally, Riggs suggested that there is extreme "over centralization" which implies overlapping in the power distribution system. Riggs argued that many characteristics of the Sala Model (e.g. corruption) are the result of the wide dispersion of the effective power⁽⁶⁷⁾. He distinguished in his study between legitimate power (e.g. authority) and illegitimate power (e.g. control). In his second version of the prismatic society, Riggs added one more dimension (the model is a two-dimensional scheme) and two more concepts, integration and mal-integration⁽⁶⁸⁾.

The intense interest in the administrative pattern of developing countries, has attracted attention to and criticism of the prismatic Sala Model which were offered by many students of comparative studies. Arora claimed that the model has a western bias and Riggs has neglected the existence of diffracted behaviour in a prismatic society⁽⁶⁹⁾. In addition, the model lacks the necessary relationship between the degree of differentiation, development and administrative performance⁽⁷⁰⁾. M.L. Monroe faulted Riggs for overlooking evidence of prismatic behaviour in well-developed countries⁽⁷¹⁾. Kasfir⁽⁷²⁾ and others⁽⁷³⁾ questioned the model's applicability to some countries and wondered whether the ecology of developing countries will necessarily lead to Sala Administration. Lee argued that Riggs' model

⁶⁶ Fred Riggs, Administration, *op. cit.*, p.277.

⁶⁷ Fred Riggs, "An Ecological Approach", *op. cit.*, p.32.

⁶⁸ Fred Riggs, Prismatic Society Revisited, (Morristown, N.J: General Learning Press, 1972), p.7.

⁶⁹ Ramesh Arora, *op. cit.* pp.121-3.

⁷⁰ Ramesh Arora, *op.cit.*, p.125 and see also Kishan Khanna, *op. cit.*, p.107.

⁷¹ M.L.Monroe, "Prismatic Behavior in the United States", Journal of Comparative Administration, 2, No.2 (1970), pp.229-42

⁷² Nelson Kasfir, "Prismatic Theory and African Administration", World Politics, 21, No.2 (1969), p.305.

⁷³ See Kishan Khanna, *op. cit.*, pp.104-10 concerning India; and James Brad "Japanese Administrative Behaviour and the Sala", Philippines Journal of Public Administration, 8, No.4, (1964); pp.314-24 concerning Japan.

needed to deal more adequately with social change rather than social structure⁽⁷⁴⁾.

Milne argues that two of Riggs' central positions are unconvincing: the relation between diffracted and administrative development and his treatment of bureaucratic power. The main argument is that some terms "have been inappropriately defined, which has led to unnecessary confusion and incorrect conclusions"⁽⁷⁵⁾. Ayubi suggests that "the question should be asked: is the "Sala Model" or the "Bazaar Approach" something more related to a stage of socio-economic development or is it more related to a particular cultural sphere, regardless of its stage of development"⁽⁷⁶⁾. Ashower questions the applicability and usefulness of Riggs Model in comparative public administration⁽⁷⁷⁾.

However, Riggs himself never claimed that the Sala Model fitted any existing transitional society, indeed he urged more research to prove to what extent the model fitted any developing country. A significant achievement of Riggs, was that he provided us with an inventory of factors which affect the development of the administration in the new nations⁽⁷⁸⁾.

However, Riggs' Sala Model is lacking an important dimension which could be used to describe how bureaucracy develops during the transitive stage (the Sala Model). Fainsod observed that those models do not help us in knowing the important

⁷⁴ Hahn-Been Lee, "From Ecology to Time: A Time Orientation Approach to the Study of Public Administration", International Review of Administrative Sciences, 33, No.2 (1967), p.105.

⁷⁵ R. Stephen Milne, "Riggs in Retrospect", Philippine Journal of Public Administration, 23, No.1 (1979), pp.89-90.

⁷⁶ Nazih Ayubi, "Administrative Development and Development Administration in the Arab World", in Nassir Al-Saigh (ed.), Administrative Reform in the Arab World: Reading, (Jordan: Arab Organization of Administrative Sciences, 1986), p.96.

⁷⁷ Ahmed Ashower, Public Administration: Comparative Ecological Approach, (Beirut: Arab Development Press, 1979), p.150-2.

⁷⁸ Nelson Kasfir, op. cit., p.313-4.

forces of change, their direction or trend of development⁽⁷⁹⁾. Thus, there is a need to include the dynamic dimension within the Sala model which will provide detailed analysis of how bureaucracy develops during the transition stage within its environment setting. This should not be understood that Riggs' model lacks the dynamic element yet is not highly developed⁽⁸⁰⁾.

Riggs made extensive use of a special jargon and strange concepts⁽⁸¹⁾ which included particular terminology and graphing with variables that is difficult to approve⁽⁸²⁾. In his book, Prismatic Society Revisited, Riggs added a new jargon⁽⁸³⁾ which increases the confusion. Also the prismatic theory defines transitional societies as traditional societies, which confront the threat of industrial power⁽⁸⁴⁾. Many countries with sudden wealth would not be classified as transitional societies according to this definition⁽⁸⁵⁾. In addition, many aspects of the Sala Model, especially on the financial side, are not applicable nor consistent with reference to countries with sudden wealth⁽⁸⁶⁾.

With this in mind, there is a need to study the administrative development of

⁷⁹ Merle Fainsod, "Bureaucracy and Modernization: The Russian and Soviet Case", in Joseph La Palombara (ed.), Bureaucracy and Political Development, *op. cit.*, p.239.

⁸⁰ Ramesh K. Arora, *op. cit.*, p.142.

⁸¹ Edgar Shor, "Comparative Administration: Static Study versus Dynamic Reform", Public Administration Review, 22, No.3 (1962), p.161 and Richard Sisson, "Bureaucratic Politics in Comparative Perspective: A Commentary and Critique", Journal of Comparative Administration, 1, No.1 (1969), pp.39-46.

⁸² Nelson Kasfir, *op. cit.*, pp.306-7.

⁸³ Jargon like: Eodiffracted, Ortho diffracted, Neo diffracted, Eo prismatic, Neo-prismatic, etc.

⁸⁴ Fred Riggs, Administration, *op. cit.*, p.42.

⁸⁵ Abdul Khalik observed that Kuwait is in the stage of transition but neither is it an Agrarian Society nor will it evolve into the industrial stage, as per characteristic of Riggs. See "The Ecological Dimension of the Bureaucracy of Kuwait", *op. cit.*, p.51.

⁸⁶ For example, Riggs identified the Tributary Taxation and Engrossed Revenues as part of the Sala Model. These aspects of the model are not applicable for these countries.

these countries as a phenomenon which has evolved in the last forty years taking into consideration the substantial ecological factors. The lack of dynamic dimension, the diverse nature of developing countries, the inheritance of sudden wealth and the judgement on other than indigenous values, indicate that the Sala model may not be sufficient to explain bureaucracy development in countries with sudden wealth, such as Kuwait. Nevertheless, the applicability of such a model to the case of Kuwait will be examined in the next section.

2.6 The Applicability of the Sala Model:

Priliminary review may indicate that Kuwait's bureaucracy contains many features of the Sala Model. The following observations reflect the general similarities between the bureaucracy development in Kuwait and the Sala Model. However, discrepancies exist between the two which suggest that the bureaucracy in Kuwait is developing in a different pattern from that suggested in the Sala Model. Elaboration on the pattern of development will be the subject of Chapter Twelve. However, the points of similarity are:

1. The Sala is characterized by the poverty of its output as compared with its inputs⁽⁸⁷⁾. In Kuwait, the bureaucracy's outputs were far below what was expected by the public, and low when compared to the inputs of financial resources.
2. Over-conformity and non-enforcement are other prismatic characteristics which result from formalism⁽⁸⁸⁾. Due to lack of clear political policies and goal-oriented targets, bureaucrats will extensively use red tape and proceduralism to advance their particularistic interests. In Kuwait, many administrators, especially non-natives who suffer from job insecurity, have adhered rigidly to procedures and rules. On the other hand, bureaucrats manipulate the laws and rules to advance their interest or that of their family or tribe. Experts, especially lawyers and engineers, have encouraged non-enforcement by interpreting the rules differently. Many laws and rules were drafted like puzzles which could only be examined and judged by the expert himself. In Kuwait's bureaucracy one finds over-conformity to rules due to insecurity and co-existing with non-

⁸⁷ Fred Riggs, Administration, *op. cit.*, pp.280.

⁸⁸ Ibid., p.183.

enforcement which aims at advancing the particularistic interests.

3. Nepotism is a prismatic mode of recruitment in which familiaristic considerations dominate appointment, although the formal rules prescribe non-assertive test⁽⁸⁹⁾. A similar phenomenon was noticed in Kuwait, where particularistic values dominated the bureaucracy and led to personalized recruitment.
4. The bureaucratic power in the Sala Model is heavy compared to others⁽⁹⁰⁾. The power element in the prismatic model is called dependency syndrome. The chief symptom is the disproportionately large share of the total national product consumed by a small population, the elite, which does not itself make a proportionate contribution to economic production⁽⁹¹⁾. In the early sixties, the upper class (merchants and ruling family) benefited the most, because of the land acquisition programme, which conforms with Riggs proposition. However, over time, and due to reduction in this programme, this dependency syndrome disappeared. Furthermore, power in Kuwait is becoming increasingly complex and it is difficult to identify its holders, which concurs with Riggs's proposition that effective power is widely dispersed in the Sala Model⁽⁹²⁾.

However, although we observed many similarities, major differences do exist.

The following are examples of such differences:

1. The largest deviation of countries with sudden wealth from the prismatic society was seen in economic ecology. One of the main assumptions of Riggs theory, even not explicit, is that those countries are prismatic societies because they have limited resources. However, in countries with sudden wealth, the situation is different, which indicates that those countries may develop differently. Economic structures in countries with sudden wealth, as in a prismatic society, perform a variety of social and political functions, such as the redistribution of income. However, in Kuwait, one does not find different prices for different

⁸⁹ Ibid., p.273.

⁹⁰ Ibid., p.230.

⁹¹ Ibid., p.210

⁹² Ibid., p.282.

customers as suggested by Riggs in his Bazaar canteen⁽⁹³⁾.

2. Riggs' theory is built implicitly around the theme that dysfunctional of administrative behaviour may originate principally from the limited resources available. With abundant financial resources, countries with sudden wealth demonstrate that administrative deficiencies originated from surplus capital as the lack of capital.
3. Less deviation exists in the prismatic elites propositions, such as agglomeration "the domination of elite over different eminent classes" ⁽⁹⁴⁾ and assimilation "access of entrepreneurs of themselves and their wants by members of the elite"⁽⁹⁵⁾ are not functioning within the Kuwait society. The elite or the power holders are not recognised in the society as distinct group.
4. Similar deviation to the above prevails in the social structures proposition, such as the occurrence of poly-communalism⁽⁹⁶⁾ and clefts⁽⁹⁷⁾. The main factor for such deviation, is the non-existence of the basic assumption of having several large communities and the domination of one of them.
5. The similar deviation was noticed in prismatic symbols (myths, formulas and codes) since these were also based on a similar basic assumption of having several large communities⁽⁹⁸⁾.

The non-culture compatibility, the non-existence of large communities, the abundant resources have limited the applicability of prismatic model to the case of Kuwait. Such limitation may stimulate the need for a relevant approach which explain administrative development in Kuwait in the transition stage.

⁹³ Ibid., pp.105-12.

⁹⁴ Ibid., pp.129-30.

⁹⁵ Ibid., pp.142-3.

⁹⁶ Poly-Communalism refer to the mobilization of several separate communities without a high degree of access into the society.

⁹⁷ The prismatic organization where modern forms of association are combined with a traditional communal orientation.

⁹⁸ Ibid., pp.176-84

2.7 The Study of Bureaucracies in Developing Countries and Countries with Sudden Wealth and the Need for Classification of those Countries

Many students of comparative public administration face a methodological dilemma in their studies of bureaucracies in developing countries⁽⁹⁹⁾. In the main, there are two approaches to these studies. First, there is the case study approach in which many of the political, historical and cultural variables are considered in the study of the administrative structure and behaviour in order to validate the concluded generalization in a particular country⁽¹⁰⁰⁾. Second, there is the cross-cultural approach which tends to minimize those variables to make the concluding generalization more applicable and testable in many situations as a first step in developing a general theory. The dilemma is that as we bring more variables to the generalization, we get into a unique case in its configurative whole⁽¹⁰¹⁾. Researchers today avoid this problem by developing classifications in which the bureaucracies of developing countries may be organized into groups that have some characteristics in common.

Typologies are used as a way of reducing the complexities of a phenomenon to a generally coherent level⁽¹⁰²⁾. Hall argues that typology is useful in identifying the critical variables for differentiating the phenomenon under investigation. He suggests that an adequate classification should take into account "the array of external conditions, the total spectrum of actions and interaction within an organization, and the

⁹⁹ Emerging nations or as suggested by one researcher, it may be better to use the term "new nations" instead of the term "developing countries" to avoid the value judgement involved. See Al-Koubaisy, op.cit., p.7. However, we continue to use the term developing countries to avoid ambiguity and to maintain consistency.

¹⁰⁰ Or what La Palombara calls "Country Profile Analysis" in Fred Riggs (ed.), Frontiers of Development Administration, op.cit., p.177. See also Amer Al-Koubaisy, "Toward Comparative Administrative Studies in Arabian Gulf States", op. cit., p.88.

¹⁰¹ Verba Sidney, "Some Dilemmas in Comparative Research", World Politics, 20, No.1 (1967), pp.113-4.

¹⁰² See for example, Fainsod's typology according to political authority in "Bureaucracy and Modernization", p.235, Heady's typology according to political system in Comparative Perspective, pp.274-6.

outcome of organizational behaviours"⁽¹⁰³⁾. Nevertheless, none of these typologies and classifications provides definite information by itself; their role is to arrange any data that have been collected in such a way that they are comparable with other phenomena. Typologies could not suggest specific hypotheses about administrative behaviour, process and structure under the existing conditions, which could be tested in the developing countries. This could be done by developing "a model to relate two or more variables into conceptual schemes to explain administrative phenomena taking place in these countries"⁽¹⁰⁴⁾. Milne concurs that a model may explain better the relations between public administration and the social and economic setting⁽¹⁰⁵⁾.

La Polombara expressed the need for typologies that relate administrative patterns to development. This implies that bureaucracies are classified according to their goals assignment⁽¹⁰⁶⁾. Milne suggested that transitional societies could be classified according to their stages of economic development⁽¹⁰⁷⁾. Riggs classified transitional societies into three categories. At one end there are countries whose traditional rulership is still in command and where chief executives enjoy traditional power and authority. At the other extreme, there are countries where efficient political institutions are established. In the middle there are countries in which traditional rulers have been overthrown or gravely compromised, and new but weak political institutions have been established⁽¹⁰⁸⁾. Most typologies classify countries from political perspective or economic development rather than from political economy

¹⁰³ Richard Hall, Organization: Structure and Process, (New Jersey: Prentice Hall, 1977), p.29.

¹⁰⁴ Amer Al-Koubaisy, "Theory and Practice of Administrative Development in the New Nations with Reference to the Case of Iraq", op. cit., p.72.

¹⁰⁵ R. Stephen Milne, "Comparisons and Models in Public Administration", Political Studies, 10, No.1 (February 1962), p.14.

¹⁰⁶ Joseph La Palombara, "Alternative Strategies for Developing Administrative Capabilities in Emerging Nations", in F. Luikert (ed.), Symposium on Research Needs Regarding the Development of Administrative Capabilities in Emerging Nations, (Washington, D.C: The Brooking Institute, 1966), pp.8-12.

¹⁰⁷ R.S. Milne, "Comparison and Models in Public Administration", op. cit., p.6.

¹⁰⁸ Fred Riggs, "Bureaucrats and Political Development: Paradoxical View", in Joseph La Palombara (ed.), Bureaucracy and Political Development, op. cit., pp.159-60.

perspective. In countries with sudden wealth, such as Kuwait, typology of the latter is more applicable than the former.

Al-Koubaisy proposes that the Arabian Gulf countries could be an excellent candidate for comparative studies due to similarities in their strategic importance, population, culture and values⁽¹⁰⁹⁾. Al-Tawail agrees since the "development problems" in those countries are identical which make these countries an excellent candidate for a typology⁽¹¹⁰⁾. Furthermore, the importance of studying such countries originates from the fact that the pace of development in countries with sudden wealth which exceeds that of other transition societies, when coupled with extreme overlapping, will lead to the larger creation of what Caldwell called "condition of Tension"⁽¹¹¹⁾. Those countries are illustrative of the fact that administrative deficiencies could be as great a hurdle to economic growth as the lack of capital. In addition, those countries deviate from Milne's argument which linked the dysfunctional administrative behaviour to the limited resources⁽¹¹²⁾. Furthermore, the difference between those countries and countries with long traditions of bureaucracy, like Egypt and India, is that in those countries, it is necessary to establish the bureaucracy, and not merely to change its responsibilities or improve its efficiency. Such differences justify treating them as a sub-group of developing countries.

Heady agrees that bureaucracy continues to be the target with greatest promise for research effort⁽¹¹³⁾. He emphasises the need to broaden the scope of research in such a way that "understanding of one's own national system of administration will

¹⁰⁹ Amer Al-Koubaisy, "Toward Comparative Administrative Studies in Arabian Gulf States", Journal of the Gulf and Arabian Peninsula Studies, 11, No.42 (1985), p.83

¹¹⁰ Mohammed Al-Tawail, Challenges of Administrative Development in the Arab Member States of the Gulf Cooperation Council, (Riyadh Institute of Public Administration: 1985), p.84.

¹¹¹ Lynton Caldwell, "Managing the Transition to Post-Modern Society", Public Administration Review, 35, No.6 (1975), p.569.

¹¹² R. Stephen Milne, "Riggs in Retrospect", op.cit., p.92

¹¹³ Ferrel Heady, Comparative Perspective, op. cit., p.36.

be enhanced by placing it in a cross-cultural setting"⁽¹¹⁴⁾. In countries with sudden wealth, such as Kuwait, the importance of studying the bureaucracy lies in the fact that unless bureaucracy is reoriented, it will become an impediment rather than a stimulate to development.

Al-Koubaisy argues the need for detailed empirical research for each country to serve as a base for comparative studies⁽¹¹⁵⁾. It is hoped that this study could be a primary step toward such end. The classification of countries with sudden wealth in one block, will facilitate the comprehensive analysis of their bureaucracy development. Such analysis could be conducted mainly through comparative studies.

2.8 Empirical Research on Countries with Sudden Wealth:

Many researchers have tried to investigate the development of the bureaucracy in countries with sudden wealth. In this section we attempt to summarize the major findings of those studies which have relevance to this research, especially the rich data about Saudi Arabia's bureaucracy.

Abussuud observed that Saudi Arabian bureaucracy is in a mixed transitional stage of development and is suffering from lack of skilled manpower, poor coordination, over concentration of authority, as well as other functional defects, such as nepotism and corruption⁽¹¹⁶⁾. Also he noticed that the trend of development is toward functionally specific structures of bureaucracy⁽¹¹⁷⁾. Abussuud found that the process of administrative differentiation and specialization of the country's bureaucracy is influenced and shaped by socio-economic and political aspects of the environment.

Al-Nimir in his survey research about "present and future bureaucrats in Saudi

¹¹⁴ Ferrel Heady, "Comparative Administration: A Sojourner's Outlook", Public Administration Review, 38, No.4 (1978), p.365.

¹¹⁵ Amer Al-Koubaisy, "Toward Comprehensive Administrative Studies in Arabian Gulf States", op. cit., p.88.

¹¹⁶ Alawi N. Abussuud, "Administrative Development and Planning in Saudi Arabia: The process of differentiation and specialization", Ph.D. Thesis, Univ. of Maryland, 1979, pp.168-70.

¹¹⁷ Ibid., p.168.

Arabia"⁽¹¹⁸⁾ found that present bureaucrats have suffered from traditional attitudes which have led to a influx of foreign employees to fill the gap caused by this bureaucratic lag. The survey did not show any promising signs of improvement in future bureaucrats. No significant differences were found between present and future bureaucrats' attitudes toward risk taking and decision-making, socio-economic development and innovation. The social, political and educational systems seem to be unable to transmit the qualities of modern behaviour to future bureaucrats.

Tawati in his research evaluated the Civil Service system in Saudi Arabia. He explained the negative effects of the present economic boom on the civil service. In addition, he identified the deficiencies in the position classification system, compensation plan, recruitment, selection and the promotion process⁽¹¹⁹⁾. Tawati argued that shortage of skilled manpower, corruption, lack of effective organization, lack of communication, inadequate education and training and adoption of sophisticated Western models of administration without regard to local and environmental conditions, are familiar problems of most transitional societies.

Al-Mizjaji, in his research, found that the majority of the Saudi people are receptive to change but lack confidence in the Saudi bureaucrats⁽¹²⁰⁾. He also observed that most of them display low civic responsibility toward bureaucracy as a sign of public apathy and have minimal satisfaction with the public services.

Al-Awaji, in his research, examined the public bureaucracy of Saudi Arabia as a sub-system of the complex socio-economic system. The author found compatibility between the Saudi bureaucracy and Riggs' Sala Model. Among his conclusions are:

1. Public bureaucracy enjoys "an exceptionally high institutionalized position in the

¹¹⁸ Saud M. Al-Nimir, "Present and Future Bureaucrats in Saudi Arabia: A Survey Research", Ph.D. Thesis, The Florida State Univ., 1981, pp.134-6.

¹¹⁹ Ahmad Tawati, "The Civil Service of Saudi Arabia: Problems and Prospectives", Ph.D. Thesis, West Virginia Univ., 1976, pp.262-5.

¹²⁰ Ahmad D. Al-Mizajaji, "Public Attitudes Toward Bureaucracy in Saudi Arabia", Ph.D. Thesis, Florida State Univ., 1982.

determination of public policy"⁽¹²¹⁾.

2. There are causal relationships between economic and bureaucratic development.
3. The special value system "is responsible for most of the environment obstruction of the bureaucratic achievement"⁽¹²²⁾. The dynamics of the social forces were found to be manifested in the bureaucracy and great interaction exists between society and bureaucracy.
4. The cultural conception of leadership, personality, authority and time as well as particularistic forces, contribute to the impediments of bureaucratic achievement.

2.9 Empirical Research on Kuwait:

Few studies have been conducted to investigate the development of bureaucracy in Kuwait. This section will attempt to evaluate and summarize those studies and their findings.

Al-Ebrahim, briefly described the administrative development in Kuwait⁽¹²³⁾. He also touched on certain characteristics of the Kuwait bureaucracy. Saif Abdullah, in his research, "Politics, Administration and Urban Planning in a Welfare Society: Kuwait", described the structure of central Government and its main characteristics⁽¹²⁴⁾. His study showed that the advent of the oil economy has led to the rise of a relatively large and powerful bureaucracy regulating and extending social welfare services.

Al-Ramadan focused in his research on the attitudes toward bureaucracy and bureaucrats in Kuwait. His study showed that the majority of the urban higher status

¹²¹ Ibrahim Al-Awaji, "Bureaucracy and Society in Saudi Arabia", Ph.D. Thesis, Univ. of Virginia, 1971, p.246.

¹²² *Ibid.*, p.249.

¹²³ Hassan A. Al-Ebrahim, "Factors Contributing to the Emergence of the State of Kuwait", Ph.D. Thesis, Indiana Univ., 1971, p.185.

¹²⁴ Saif Abbas Abdullah, "Politics, Administration and Urban Planning in a Welfare Society: Kuwait", Ph.D. Thesis, Indiana Univ., 1973, p.240.

group and college students were not satisfied with the proliferation of public servants⁽¹²⁵⁾. The study suggested that even though the majority of the population were supportive of the Government and its programmes, they did not know how to reach the public officials to process their demands or complaints. Most citizens resorted to influential people to ease their contacts with the bureaucracy and found this a practical way to operate⁽¹²⁶⁾.

Ismael focused on the process of social change and development in Kuwait in the pre-oil and post-oil periods. She identified three aspects of Kuwait's new integration into the world division of labour as an oil producer. These aspects are: "the transformation of the economic infrastructures, the transformation of labour, and the demographic transformation"⁽¹²⁷⁾. She concluded that "in Kuwait's capital surplus situation, the expansion of expropriation and not the production of value is the imperative of development"⁽¹²⁸⁾.

Al-Rayes, in his dissertation, discussed the relationship and interaction between non-Kuwaiti bureaucrats and their Kuwaiti subordinates. He argued that since the non-Kuwaiti feel insecure in their jobs, many behavioural characteristics have evolved including delegation of legal authority, conflict avoidance and an informal relationship between Kuwaiti subordinates and top officials⁽¹²⁹⁾. However, the author explored neither the interaction of this relationship through the progress of time nor its impact on the bureaucracy.

Al-Falah, in his study, discussed the theories of fragmentation in Kuwait National Petroleum Company (KNPC) and their strategies for integration. In addition he discussed the policy of Kuwaitization and its conflict with the actual situation that the

¹²⁵ Soud A. Al-Ramadan, "Attitudes Toward Bureaucracy and Bureaucrats in the State of Kuwait", Ph.D. Thesis, The Florida State Univ., 1973, p.96.

¹²⁶ *Ibid.*, p.288 and p.292.

¹²⁷ Jacqueline S. Ismael, Kuwait: Social Change in Historical Perspective, (New York: Syracuse University Press, 1982), p.128.

¹²⁸ *Ibid.*, p.160.

¹²⁹ Tarik M. Al-Rayes, "Authority and Influence in the Government Civil Service in the State of Kuwait", Ph.D. Thesis, Claremont Graduate School, 1979, pp.124-8.

majority of the employees were non-Kuwaitis. He found that the KNPC case illustrated and supported the ecological approach to administration⁽¹³⁰⁾.

Al-Wahhaib, in his research, investigated the experience of administrative reform using an indigenous and ecological approach. He found that there are many technical and ecological obstacles to Kuwaiti administrative reform. Also he found that there is a profound gap between the espoused theory (the Weberian Rational Model) and the theory in use (the tribal Model of Management)⁽¹³¹⁾. In his thesis, Al-Wohhaib described the evolution of administrative stages but without defining those stages or explaining the interaction of different factors and their impact on the bureaucracy.

Al-Refaei, in his study, "Administrative Leadership in Kuwait's Public Sector" discussed two main shortcomings in the Kuwaiti bureaucracy. The first was the lack of written requirements specifying qualifications for top administrative positions. The second was the failure of those officials to delegate authority to their subordinates. The study found that favouritism (patronage) was perceived as being the major factor in appointments to the top positions, followed by the candidate's experience and then nepotism. It was also found that appointment procedures are viewed as discriminatory and have a negative impact on performance. The desire for power and domination, lack of confidence in subordinates and lack of self-confidence were considered as the main causes of the failure to delegate authority. In a conclusion, Al-Refaei offered a set of nine recommendations for implementing a merit system. The author mentioned that the administration had evolved through three stages (establishment, expansion and modernization stage), but offered no rationale or explanation for this classification⁽¹³²⁾.

Al-Otaibi, discussed the shortcomings of the current performance appraisal which has led to poor morale and low productivity. The major findings of the study

¹³⁰ Fouad A. Al-Falah, "Fragmentation and Administrative Integration in Public Agencies: A Clinical-Type Study of Administrative Practices in Kuwait National Petroleum Company", Ph.D. Thesis, American Univ., 1975, p.86 and p.165.

¹³¹ Waleed A. Al-Wohhaib, *op. cit.*, p.313.

¹³² Y.S. Al-Refaei, "Administrative Leadership in Kuwait's Public Sector", Ph.D. Thesis, Claremont Graduate School, 1986, p.31.

were low participation of employees in the process, failure to use evaluation for career development and negative attitudes toward the current system. On the basis of those findings, Al-Otaibi made detailed proposals for a new performance appraisal system⁽¹³³⁾. In another study, Safar emphasized the inadequacy of the current reward system and indicated that both Kuwaiti and non-Kuwaiti employees find it difficult to derive satisfaction from their job or to be productive⁽¹³⁴⁾.

Al-Ghazali in his research about human resources policies, investigated the push and pull factors for the imbalance in the indigenous labour force. These imbalances occurred as a result of the concentration of an indigenous labour force in the civil service, the social services sector and administration-related occupations. Forces related to environment (outside the organization) are push factors while forces within the organization are pull factors⁽¹³⁵⁾.

2.10 Conclusion:

Comparative studies of public administration have gained momentum in the last two decades. The study of bureaucracy is considered as one of the main potential fields for future research in comparative public administration, with special emphasis on behavioural characteristics. Many scholars have stressed the need for an ecological approach to the study of comparative public administration. It is an impossible task to understand the development of bureaucracy over time, or to predict its future, without considering the ecological approach. A methodological dilemma has arisen in the study of non-Western bureaucracies, especially in selecting between the case study approach and the cross-cultural approach. Many scholars suggest typologies as a way of reducing complexities which will lead to the development of models which relate two or more variables into conceptual schemes in order to explain the administrative phenomena while studying bureaucracies. It is essential to have an indigenous theory for a block of countries through an ecological approach which explains the interaction and impact between the bureaucracy and its environment.

¹³³ Adam G. Al-Otaibi, "Designing a Performance Appraisal System for the Civil Service in Kuwait", Ph.D. Thesis, Claremont Graduate School, 1987.

¹³⁴ Jawad Safar, "Employee Rewards System, with Special Emphasis on Kuwait", Ph.D. Thesis, Claremont Graduate School, 1986, p.117.

¹³⁵ Essa Al-Ghazali, "Human Resources Policies and the Welfare State Administration in Kuwait", Ph.D. Thesis, Univ. of Exeter, 1989.

The prismatic theory of Fred Riggs and his Sala Model is considered a starting point for explaining administrative phenomena in the transitional societies (Developing Countries). Many criticisms have been directed against the Sala Model. Of great importance, are the critiques that hold the model is not applicable to countries with sudden wealth.

Even though many similarities exist between Riggs' Sala model and bureaucracy development in Kuwait, many differences were noticed due to the impact of sudden wealth. Such deviation may suggest that bureaucracy in Kuwait developed in different manner than what Sala model implied. For this reason, there is need for a comprehensive study to fill this gap, especially as many of the previous models suffer from many deficiencies⁽¹³⁶⁾ as explained in the body of the chapter. The study of bureaucracy development in Kuwait could be the first step towards building a model to explain the administrative development in countries with sudden wealth. It was argued in Chapter One, that the State of Kuwait constitutes an illustrative case for a country with sudden wealth which undergoes a rapid administrative development. Any case study research should describe bureaucracy development in the form of growth stages. This will make the study more comparative and predictive for future cross-cultural research.

The review of country and comparative public administration literature, show the need to study administrative development in Kuwait within its ecological context. Yet, the fact that the ecological approach to study of Kuwait's bureaucracy has not been seriously considered, may justify the risks involved in pursuing this research. The ecological approach to administrative development will be attempted through systematic inquiry and scientific tools, which will be the subject of the next chapter in research methodology.

¹³⁶ Khanna observed that they suffer from many deficiencies such as assumed correlations, invalid information, gross generalization, value interfusion. See Kishan Khanna, *op. cit.*, p.121-6.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1. Introduction

The previous chapters indicate the importance of studying bureaucratic development in Kuwait. To be valid, such a study has to be conducted through a systematic inquiry. Methodology has to deal with the organization of assumptions, concepts and definitions, leading to a systematic inquiry. In any research, the methodology used should be designed to fit the actual needs of the research and the circumstances surrounding it. The methodology utilized in this study is a combination of descriptive survey and empirical research. This chapter explains the methodology used under three headings: Data Source and Instruments, Data Collection Procedures and Data Analysis.

3.2 Data Source and Instruments

This study has four data sources: publications and official documents, questionnaire survey, a set of interviews and statistical data.

3.2.1 Publications and Official Documents

The review of publications has covered many areas of interest, focussing primarily on the areas of comparative public administration, administration in developing countries, administration in Kuwait and other countries with sudden wealth and administrative reform and development.

The official documents and reports of the country have been helpful since the literature on Kuwait's administration is scarce. These documents have covered many aspects of administrative development. A word of caution is needed at this juncture that most of these documents were in Arabic and all quotations have been translated into English by the author with all their inherited deficiencies.

3.2.2 Questionnaire

A one-form questionnaire has been designed and validated to solicit information for evaluating the eight research hypotheses. The questionnaire has been designed carefully taking into consideration all important and relevant factors in questionnaire

design⁽¹⁾. The purpose of the questionnaire is to ascertain the impact of socio-economic factors on the bureaucracy and the attitudes of top civil servants in the stages of inflated bureaucracy and administrative reform. In addition, this source is used to predict the future stages of bureaucracy development. The top officials were selected because they are the group possessing most knowledge and experience of the administrative development stages.

The questions were structured and designed based on short personal interviews and literature review. Careful consideration was given to the wording of the questions in order to avoid ambiguity and ensure consistency. Later, the questionnaire was reviewed by a number of experts and necessary amendments made. The questionnaire survey was chosen and used to collect information which would allow the researcher to investigate the stages of administrative development and the factors behind their evolution.

3.2.2.1. The questionnaire - design and structure

The questionnaire was designed to include the major areas of the phenomenon under investigation. In addition, general information about the respondents was solicited to distinguish the major variables during analysis. The first part sought general information concerned with the major variables examined, namely, grade qualification, training, years of experience and area of work. In the second part, questions were formulated to elicit facts related to the research areas. The structure of the questionnaire is as follows:

- A. General Information: Questions 1-9.
- B. Administrative Development Stages of Kuwait: Questions 10-15. (solicit information about different stages of administrative development).
- C. Inflated Bureaucracy Stage: Questions 16-24 (seek to understand factors beyond the evolving of the inflated bureaucracy stage).
- D. Administration Reform Stage: Questions 25-39 (try to establish the factors underlying the initiation of the administrative reform stage and approaches for its effectiveness).
- E. Future Administrative Stages in Kuwait: Questions 40-45 (enquire about the main features of the future administrative stages).

¹ Factors such as the ones described in Stephen Isaac and William Michael, Handbook in Research and Evaluation, (California: Robert Knapp, 1971), pp.92-3.

3.3.3.2. Sample and Sample Procedures:

The population for this questionnaire is the top officials of the Kuwait bureaucracy. It includes most of the Under Secretaries and Assistant Under Secretaries of the Ministries and their counterparts in the public authorities and agencies. According to official statistics as of July 1990, there were 135 officials occupying the top-ranking positions in the bureaucracy. Because of the specific nature of this population, it was decided that the research sample would be drawn from the ministries and authorities which are directly linked to the civil service system. The population excludes all ministries and authorities of a special nature which do not provide services directly to the public. The fourteen ministries and authorities excluded from the study are listed in Appendix-1, while the other thirty-six ministries and authorities covered by this study are listed in Appendix-2. Thus, the sample covers 19 ministries and 17 authorities/agencies which have direct interaction with the public.

The questionnaire form is a six-page survey, comprising 36 item questions and another nine questions seeking general information from the respondents. The questionnaire was distributed in Arabic but an English version is given in Appendix-3.

3.2.2.3. The Objectivity and Reliability

A. Objectivity

The questionnaire was referred to a group of specialists in field surveys, statistical analysis and public administration, to examine the objectivity of the items. The items were rephrased according to the comments of the referees.

B. Reliability Test

The internal consistency of the questionnaire was calculated for each part using coefficient according to a formula modified by Novick and Lord from the original formula suggested by Kuder and Richardson (see Appendix-4). The coefficient was calculated for each part of the questionnaire and its values of coefficient which vary from (0.687) to (0.731), indicate that the parts of the questionnaire are reliable and we can depend on its results.

3.2.2.4. The Construction of the Scale

Respondents were asked to answer questions by reference to a 5-point rating scale varying from highly approved to strongly rejected.

3.2.3 Interviews

Personal interview is one of the preferred methods for use in public administration survey research⁽²⁾. It allows the researcher to conduct in-depth investigation, obtain critical information and evaluate complicated issues.

During the early preparation of this study, the author conducted short interviews with four prominent personalities and five academicians in Kuwait. These interviews were used as an explanatory device to identify hypotheses and to guide the researcher in formulating the questionnaire and interview questions. Later, the researcher conducted detailed interviews with key figures to explore the "unwritten literature", especially with reference to the early stages of administrative development (Imported Bueaucracy, Bureaucracy Nationalization). These elite or specialized interviews, were carried out with nine prominent personalities and former high-ranking officials from the above two stages (see Appendix-5). They were selected according to the following criteria:

1. They were involved in managing or interacting with the bureaucracy during the stages in question.
2. They are public figures who are thought to have credibility and in-depth information, and they have served in different areas of government.

The researcher has prepared a structured schedule of open-ended questions which were validated and revised to eliminate ambiguities and inadequate wording. It was aimed in the interviews to obtain answers to 59 questions. For the convenience of the interviewee, the questions were prepared in Arabic but an English version is given in Appendix-6. These questions cover a wide spectrum of issues essential in testing the study hypotheses.

The personal interviews were used due to the lack of literature relating to the earlier stages. In addition, the scarcity of Kuwaiti top officials at that time does not present a sufficiently large population for data collection through questionnaire survey. Moreover, the interview technique was used to permit greater in-depth evaluation of the issues under consideration and to give the researcher the chance to obtain more complete data through direct interaction.

² Elizabeth Ann O'Sullivan and Gary Rassel, Research Methods for Public Administrators, (New York: Longman, 1989), p.189.

3.2.4 Statistical Data

Statistical data on Kuwait's economic, demographic, government employment, services and other critical areas were collected, arranged and analysed to provide quantitative testing of the different hypotheses or to support propositions and statements during the course of the research. Such data are presented in Appendix-C.

3.3. Data Collection Procedures

3.3.1. Publications and Official Documents

Many publications were identified and traced using various computerized indices and information networks. Official documents and reports were collected from the relevant government organs and international institutions. It was rather difficult to obtain some of them, since they were available for limited circulation only and the majority had to be traced and located.

3.3.2. Questionnaire

A total of 92 survey forms which constitute the sample (61% to ministries and 39% to authorities) was distributed to a sample which represents 68% of the total number of top officials in the ministries and authorities (the population). The survey covered 36 organs (19 ministries and 17 authorities). 74 questionnaires were returned, the completed questionnaires representing a return rate of 80% of the sample and 55% of the total population.

3.3.3 Interview

The interview process consists of many steps which were followed by the researcher³. Before the interview, the researcher explained to each interviewee the purpose of the interview, fixed the date of the interview, and provided him with all the questions that would be asked. A few days later, the interview was conducted in Arabic.

All interviews were recorded with the assurance that the tape would be destroyed or returned to the interviewee. The researcher used the journal note-taking

³ For an example of such steps, see Samuel Yeager, "Classic Methods in Public Administration Research" in Jack Rabin, V. Bartley Hildeth and Gerald Miller (eds.), Handbook of Public Administration, (New York: Marcel Dekker Inc., 1989), p.704.

technique. These notes were then revised and typed as a document to be used for this study and future research. Comments not relevant and repeated ideas or statements were omitted from the document. If those notes were put together as one document, it would be more than 143 pages.

3.4 Data Analysis

3.4.1 Questionnaire Analysis

The questionnaire forms in this study were edited and coded, using a cobal coding form for the purpose of computer processing. The analyses were carried out on personal computer, using the Statistical Package for the Social Sciences Extended Programme Package (SPSS-X).

To test the eight study hypotheses, means, standard deviations and frequency distributions were used. On most items, percentages checking the various response options were calculated. Differences were tested for significance by means of the T-test, and one way ANOVA Test. These results are specified in more detail in Chapter Four and tables in Appendix-A, which present the summary and outcomes of the questionnaire analysis respectively.

The variables examined in this research are:

1. Grade - respondents in this questionnaire were analysed as Under Secretary and Assistant Under Secretary or equivalent according to their occupations.
2. Qualification - respondents to the questionnaire were analysed according to their level of education (from elementary to Ph.D. level).
3. Training - respondents to the questionnaire were analysed according to their training period (from three months to 10 years).
4. Experience - respondents to the questionnaire were analysed according to their years of experience (from 5 to 35 years of work experience).
5. Area of work - respondents to the questionnaire were analysed according to their working area in Ministries or independent authorities.

3.4.2. Statistical Analysis

Many statistical techniques were used to analyse some of the data available. Regression analysis was widely used to check the association between different

variables with relevant measures. Linear and Multiple regression were calculated on personal computer utilizing SPSS/Pct Software. The summary and results of such analysis are presented in Chapter Four and tables in Appendix-B respectively.

3.4.3. Interview Analysis

Every question in each interview was analysed and compared with other responses. The conclusions from this analysis are presented in the relevant Chapters. Any points worth elaboration which were mentioned during the interview, will be highlighted and reported in the research.

3.5. Framework for Ecological Analysis of Administrative Development Stages in the Countries with Sudden Wealth

A framework usually consists of inter-related concepts and their definitions, as well as propositions linking different concepts⁽⁴⁾. Frameworks are used in research to describe and analyse an evolving phenomenon in the research area. In social sciences, a theoretical framework is essential in conducting comprehensive analysis of the phenomenon under investigation. Theories are evaluated through empirical tests which cannot be conducted without a theoretical framework. The effectiveness of well established or synthetic frameworks lies in their ability to provide insight into the phenomenon under investigation.

The use of the ecological approach has been endorsed by many students of Arab⁽⁵⁾ and Kuwaiti bureaucracy⁽⁶⁾. Jun called for the continuation of the study of the characteristics of structures, functions, behaviours and environments of bureaucracy⁽⁷⁾.

⁴ Y.B. Damle, "A Framework for the Study of Bureaucracy" in S.C.Dube (ed.), Public Services and Social Responsibility, (New Delhi: Vikas Publishing House, 1979), p.9.

⁵ Nazih Ayubi, Bureaucracy and Politics in Contemporary Egypt, (Ithaca: Ithaca Press, 1980), p.78.

⁶ Fouad Al-Faleh, op. cit., p.165 and Waleed Al-Wohhaib, op. cit.

⁷ Jong Jun, op. cit., p.644.

Available frameworks such as the New Nation Framework of Al-Kubaisy⁽⁸⁾, the Saudi framework of Al-Awaji⁽⁹⁾ and the Kuwaiti framework of Nassef and Al-Wohhaib⁽¹⁰⁾ were reviewed by the author and found either irrelevant or not specific enough for empirical testing. Thus the need arose to establish a synthetic framework based on scientific perspectives and ecological approach. The validity of our framework will depend on its effectiveness in analysing the phenomenon under investigation. So our framework should be seen as tentative rather than doctrinaire and empirical testing is required to verify and enrich it. However, in establishing the framework our objective was not to make the analysis more complex but rather more realistic.

One of the methodological ambiguities which complicate the comparative analysis of public administration is the definition of area of analysis⁽¹¹⁾. Our framework for ecological analysis of the administrative development stages is constructed around the evolution of bureaucracy. It was built around the theme of bureaucracy, because in most of the countries with sudden wealth, the bureaucracy controls and utilizes the wealth the country has inherited. In addition, bureaucracy could provide the necessary means for economic development and social change.

For any framework to be ecological, it must identify the sensitive variables in the environment and demonstrate the relation between those variables and the administrative items. In our framework, we focus on those given elements in the environment which make it possible to explain and to predict administrative changes and development in the future. In addition, we take into account in our framework the dynamic interaction within the bureaucracy and the outcomes of bureaucracy behaviour. Thus, our framework analyses the environment surrounding the bureaucracy, the bureaucracy itself as a sub-system of that environment and the interactions and interdependence between them.

⁸ Amer Al-Koubaisy, "Theory and Practice of Administrative Development", op. cit., p.73.

⁹ Ibrahim Al-Awaji, op. cit., p.252.

¹⁰ Nassef Abdul Khalik, "The Ecological Dimension of Bureaucracy in Kuwait", op. cit. and Waleed Al-Wohhaib, op. cit., p.83-6.

¹¹ Joel Aberbach and Bert Rockman, "Comparative Administration: Methods, Muddles and Models", Administration and Society, 18, No.4 (1987), p.475.

Our framework is a dynamic one. It analyses bureaucracy through its different stages of development. Those stages are identified by the dominant features of employment. They are interrelated and interdependent; nevertheless, they are examined separately for the purposes of analysis and presentation.

In most of the writings of comparative public administration, most emphasis is directed towards the political dimensions, especially the relationship and the balance between the bureaucracy and the political system⁽¹²⁾. Arora argued that there is a need to place more emphasis on the influence of the economic and socio-cultural system on the administrative sub-system⁽¹³⁾. Therefore, we have considered the above dimensions within our framework. We have only considered those ecological factors that affect or are affected by the phenomenon under investigation. Most writings on the ecology of administration⁽¹⁴⁾, divide the ecology of the administrative system into the following five variables which we adopted in our framework:

1. Historical variables
2. Economic variables
3. Political variables
4. Social and cultural variables
5. Demographic variables

Our suggested framework for the ecological analysis of the administrative development stages in countries with sudden wealth consists of two parts. The first part describes the ecological factors that have an impact on bureaucracy while the second part describes the areas of analysis within the administrative sub-system. A summary of the main features of this framework is presented in Figure 3-1.

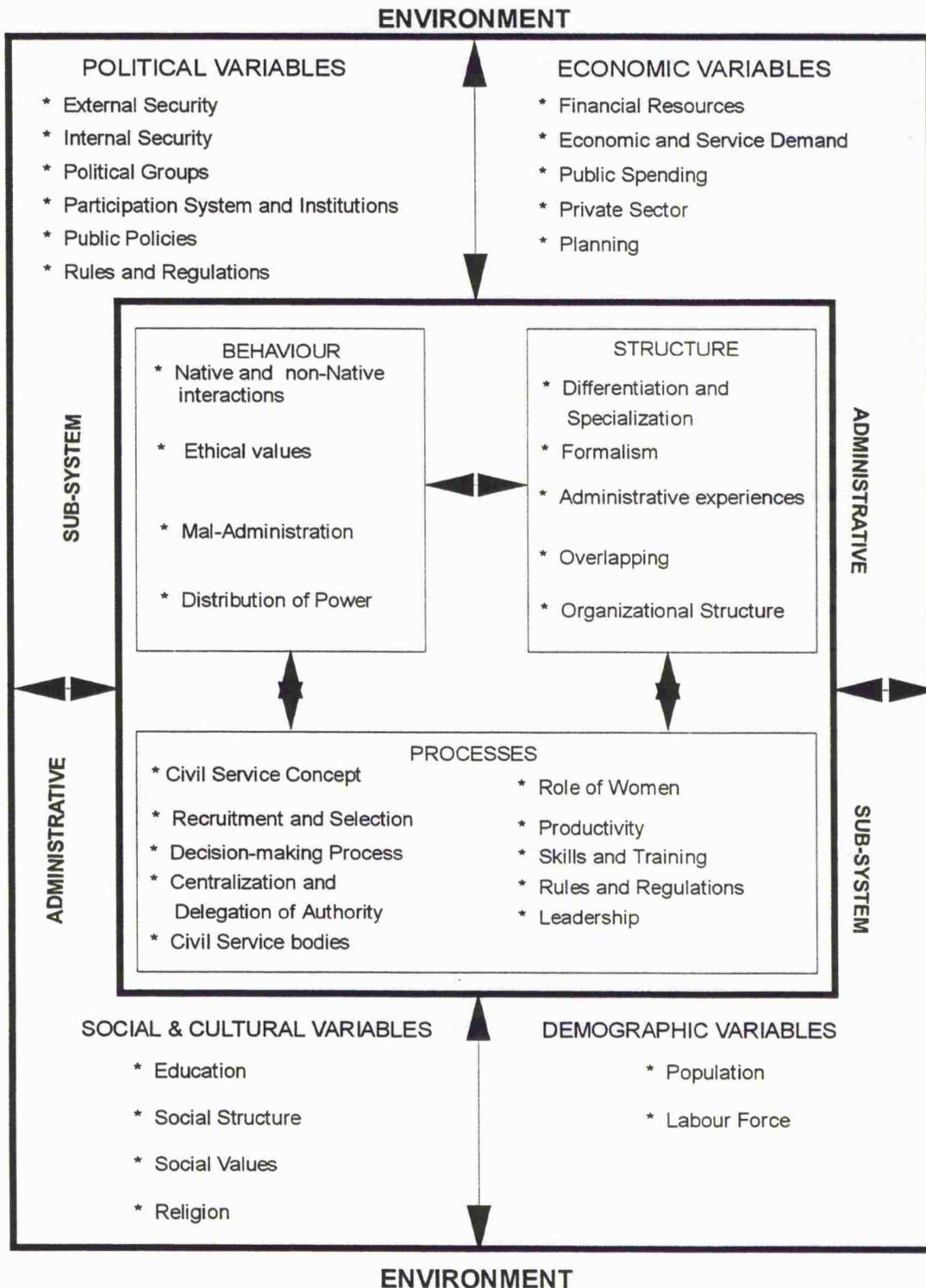
¹² There are two arguments in this context:

- A. The balanced social growth approach supported by Riggs, La Palombara, Eisenstadt and others.
- B. The unbalanced social growth approach supported by Braibanti, Milton Esman and others. For full discussion See Ramesh Arora, op. cit., p.153-5 and Ferrel Heady, "Bureaucracies in Developing Countries" in Fred Riggs(ed.), Frontiers of Development Administration, op. cit., p.465-9.

¹³ Ramesh Arora, op. cit., p.160.

¹⁴ Ferrel Heady, Comparative Perspective, op. cit., p.73 and Ahmed Ashoer, op. cit., Martin Kriesberg (ed.), Public Administration in Developing Countries, (Washington, D.C.: The Brookings Institute, 1965), Nassef Abdul Khalik, "The Ecological Dimension of Bureaucracy in Kuwait", op. cit., Wesley Bjur and Asghar Zomoradian, op. cit., p.403. Nevertheless we have to note that different terms were used in the above references.

FIGURE 3-1 : FRAMEWORK FOR ECOLOGICAL ANALYSIS OF ADMINISTRATIVE DEVELOPMENT STAGES IN COUNTRIES WITH SUDDEN WEALTH



PART I:

In this research, we have tried not only to review the ecological factors as ends in themselves but as a means to discover the influence exerted by the Administration. The ecological variables that have an impact on the administrative sub-system are classified into five categories as follows:

1. Historical Variables:

Historical factors have a remarkable impact on the evolution of the bureaucracy, especially in the early stages. In the analysis, we will consider the following factors:

- A. Public administration capacity
- B. Evolution of Executive, Judiciary and Legislative branches.
- C. Protectorate/Colony influence.
- D. Historical values.

2. Economic Variables:

Since these countries have inherited sudden wealth, the economic variables are of utmost importance. We have to note that the variables to be investigated are different from those suggested for other developing countries. Economic resources have substantial impact on restructuring the society, in redistributing power and redefining the values of the society and as a consequence its impact on the bureaucracy is unlimited. In order to assess this impact, we consider the following factors in our analysis:

- A. Financial resources
- B. Economic and service demand
- C. Public spending⁽¹⁵⁾
- D. Private sector
- E. Planning

3. Political Variables:

Political variables have a substantial impact on bureaucracy evolution. The structure and type of political system is important in understanding national public

¹⁵ In this factor, we try to look into how fiscal decisions affect the relationship that exists between the Government and its citizens. In addition, we will be looking into the development of budgetary systems, especially the relationship between total revenues and total expenditures and the structure of public spending.

bureaucracies. In addition, bureaucrats, without firm political guidance, will have little incentive for effective public service⁽¹⁶⁾. So it is of great importance to understand how political variables interact with the bureaucracy. The political variables which are considered within the analysis are:

- A. External security
- B. Internal security
- C. Political groups
- D. Participatory system and political institutions
- E. Public policy
- F. Regulations and laws

In many countries, such as Kuwait which recently gained independence, the bureaucracy could play a vital role in political development by promoting political unity, national identity and integration.

4. Social and Cultural Variables:

While social and cultural values have a huge influence in the scope of bureaucracy evolution⁽¹⁷⁾, our analysis will be confined to the following variables:

- A. Education
- B. Social structure
- C. Social values
- D. Religion

5. Demographic Variables

Demographic variables could be seen as constraints or limitations within which the bureaucracy could evolve. Due to the nature of the society, special emphasis will be given to the native and non-native dimensions of the population and labour force. In our analysis, we will consider the following variables:

- A. Population (growth, age structure, nationality, education status)
- B. Labour Force (growth and nationality and education status)

¹⁶ Fred Riggs, "Bureaucrats and Political Development: A Paradoxical View", *op. cit.*, p.129.

¹⁷ In his empirical study, Al-Jilani used factors such as family status, education, religion and conflict avoidance style to measure the impact of the environment on organizational design in Saudi Arabia. See Ahmad Al-Jilani, "Environmental Impact on Organization Design in Saudi Arabia", Ph.D. dissertation, Florida State Univ., Florida, 1985, p.6.

PART II:

In studying organization (or bureaucracy), different disciplines focus on different aspects. In Sociology, the key variable is the organizational structure and the efficient way to structure it. In political economy, the focus is on the source of funds for the organ and most efficient approach in utilizing them. In political science, the emphasis is on the power structure and distribution. However, in our framework, we will focus on three areas of the bureaucracy (pattern of behaviour, structure and process) using the general framework of Gibson and others in their book⁽¹⁸⁾. In each category, major and relevant issues extracted from the literature and especially that of the Sala Model we considered. In the search for better terminology for the framework, we have tried to avoid the unfamiliar jargon of Riggs⁽¹⁹⁾ and instead have used simple and well known terminology. Definitions we presented where and when needed. The areas of focus in our model are:

A. Patterns of Behaviour:

The study of civil servants' behaviour and attitudes, and the analysis of their interaction with the external environment, are vital for this study⁽²⁰⁾. In our analysis, we will consider the following areas:

A.1. Native and Non-Native Behaviours and Interaction:

Since a country with sudden wealth has limited administrative experience and capacity, in addition to shortage of human resources, the utilization of non-native labour force is unavoidable. Many studies have emphasised the importance and the need to understand the relationship and the interaction between native and non-native

¹⁸ J. Gibson, J. Ivancevich, and J. Donnelly, Organizations: Behavior, Structure, Processes, (Texas: Business Publication Inc., 1985).

¹⁹ See criticism of Riggs' jargon in Frank Sission, op. cit., p.39 and Nelson Kasfir, op. cit., p.305. Such jargon was advanced further in Riggs, Prismatic Society Revisited, op. cit.

²⁰ Joseph La Palombara, "Alternative Strategies for Developing Administrative Capabilities in Emerging Nations", op. cit., p.179 and Lee Sigelman, op. cit., p.623. Bjur and Zomarodian refer to values as the "invisible hand" behind many aspects of organization. See Bjur and Zomorodin, op. cit., p.399. Presthus sees the structure of bureaucracy, in the absence of some social values such as assigning priority to productivity, as mis-representation of its performance or objectives, Robert Presthus, "Weberian vs Welfare Bureaucracy in Traditional Society" op. cit., p.24.

civil servants⁽²¹⁾. All countries with sudden wealth were obliged to utilize the services of non-natives. This is attributed first to the shortage in quality and quantity of the native labour force to support the ambitious development plans. Second, and as a result of huge financial resources, constraints to economize the expenditure, especially employment, do not exist. Therefore, it is important to examine the behaviours and interactions of native and non-native civil servants. Such interaction includes the behavioural impact of both groups and its effect on the bureaucracy.

A.2. Ethical Values and Practices:

In studying public administration, it is important to investigate the existing ethical values and to measure their impact on the bureaucracy. Upton has defined the public service ethic as "a value system which represents a person's dedication to service, to society, and to a belief in the regime, values of equality, equity and justice"⁽²²⁾.

A.3. Maladministration (Nepotism, Corruption, Favouritism):

Maladministration is defined as the "Administrative action (or inaction) based on or influenced by improper considerations or conduct"⁽²³⁾. In many countries with sudden wealth, maladministration is a widespread phenomenon due to the prevailing social values, rapid development in administrative systems, and predominant bureaucratic power. Bureaucrats are powerful because in most countries with sudden wealth, the civil service assumes all the responsibility for social development, economic growth and modernization.

Nepotism has evolved in those societies where the family is deeply rooted within the social structure. Riggs describes nepotism as the overlapping of the family with the office⁽²⁴⁾. Kingsley has observed that, in Nigeria, nepotism is a larger problem than

²¹ Nassir Al-Adaily, "The Behavioural Impact of Non-Saudi Labour Force in the Public Sector", in Non-Saudi Labour Force in the Public Sector, (Saudi Arabia: Institute of Public Administration, 1983), p.199 and Tarik Al-Rayes, op. cit.

²² Garry-Lou Upton, "The Concept of Public Service Ethic as a Differentiating Factor Between Public and Private Professionals: Contract Development and Application", Ph.D. Thesis, Texas Tech. Univ., 1989.

²³ Gerald Caiden, "What Really is Public Maladministration?", Public Administration Review, 51, No.6, (1991), p.488.

²⁴ Fred Riggs, Administration, op. cit., p.273.

political patronage⁽²⁵⁾. Kuwait is experiencing the same phenomenon and due to its impact on bureaucracy, its investigation was included in the research. Patronage is part of nepotism, since it deals with the right of nomination to government jobs on the basis of factors other than merit alone. Jackson observed that the patronage system is dominated by criteria such as political favour and personal trust. Furthermore, he concluded that patronage is not merely a system of recruitment but also a method of attending the interest of the patron and being accountable to him⁽²⁶⁾.

Even though many definitions of corruption have been offered⁽²⁷⁾, we select the public office-centred definition which is, "deviation from legal and public duty norms for the sake of private benefits"⁽²⁸⁾. Bureaucratic corruption is defined as "the utilization of a bureaucratic official position for private gain"⁽²⁹⁾.

A.4. Distribution of Power:

The distribution of power is defined as "the degree to which power for decision making is centralized at a single point in the organizational structure or dispersed among individuals occupying different positions in the organization". The importance of studying distribution of power is attributed to its impact on the distribution of

²⁵ Donald Kingsley, op. cit., p.306.

²⁶ Robert Jackson, Plural Societies and New States: A Conceptual Analysis, Research Series No.30, University of California: Berkeley.

²⁷ Robert Jackson, op. cit., distinguished between "Official Corruption" which is related to deviating from official rules and regulations for the benefit of the community, and "Social Corruption" which is the deviation from rules and regulations for personal or party benefits; M.A. Al-Filer, in his "Process of Bureaucratic Corruption" in Ledivina Carino (ed.), Bureaucratic Corruption in Asia: Causes, Consequences and Control, (JMC Press Inc., Manila, 1986) differentiates between individual and systemic corruption, internal or external corruption, one shot deal or continuing arrangement and risk involved with its relation to reward; Rance Lee, "Bureaucratic Corruption in Asia: The Problem of Incongruence Between Legal Norm and Folk Norms" in Bureaucratic Corruption in Asia: Causes, Consequences and Controls, op. cit., pp.70-1.

²⁸ Simcha Werner, "New Directions in the Study of Administrative Corruption", Public Administration Review, 43, No.2, (1983) p.147.

²⁹ Kempe Hope, "Politics, Bureaucratic Corruption and Maladministration in the Third World", International Review of Administrative Sciences, 51, (1985), p.1.

resources within the organization and the bureaucracy⁽³⁰⁾. Furthermore, the distribution of power within society (which is relevant to the research) is considered in the study, since it has an impact on bureaucracy development.

B. Structure:

Many definitions of structure were offered in the literature on Public Administration⁽³¹⁾. However, in our analysis, we will confine ourselves to the following areas:

B.1. Differentiation and Specialization:

Riggs, in his prismatic model, presumes that certain prerequisites will emerge as society develops from the fused system to the diffracted one. As bureaucracy develops, its tendency is to move from certain structures performing many functions in a highly diffused stage to certain structures performing one function in a diffracted stage. The differentiation process is carried out, either through the central government ministries or by organizations or units outside the ministerial system. Of great importance is the system which ties the core ministries and other units of the bureaucracy to the organs of political leadership⁽³²⁾. As such it is essential to investigate the process of differentiation within the context of the Kuwaiti bureaucracy as one area of administrative development.

B.2. Formalism:

Many developing countries, including most of the countries with sudden wealth, suffer from the phenomenon of formalism which impedes administrative development. As explained by Riggs, formalism indicates a discrepancy between the formal laws and rules and administrative practice. Hall defined formalization as "the organizational techniques of prescribing how, when, and by whom tasks are to be performed"⁽³³⁾.

B.3. Administrative Experience:

As a result of rapid developments, most developing countries experience new

³⁰ Richard Hall, Organization: Structure and Process, *op. cit.*, p.225.

³¹ Gerald Caiden, "Development, Administrative Capacity and Administrative Reform", *op. cit.*, p.330

³² Ferrel Heady, Comparative Perspective, *op. cit.*, p.72.

³³ Richard Hall, Organization: Structure and Process, *op. cit.*, p.178.

administrative structures and procedures to foster their development goals. This is more obvious in countries moving from the colonial era to that of independence, where the tendency of the indigenous civil servant to experience new administrative structures and procedures, far removed from colonial experiences, is great. Such experiences, if successful, may enhance the administrative development.

B.4. Overlapping:

Overlapping refers to a society where a new structure (e.g. election) is set up, but the effective function (e.g. politics) continues to be performed by older undifferentiated structures (e.g. family). In our study, we focus mainly on administrative overlapping where the functions and authority of a certain unit(s) overlap with those of another unit(s).

B.5. Organization Structures:

The need to study the organizational structure arises from its impact on shaping the behaviour of individuals and groups within the public sector. Gibson and others defined the organizational structure as a "relatively stable framework of jobs and departments that influence the behaviour of individuals and groups toward organizational objectives"⁽³⁴⁾. In this study, we will examine the development of the organizational structure in Kuwait's bureaucracy, from the micro and macro levels. Our macro analysis will evaluate changes in the structure of the government, while at the micro level, we will examine the changes in the structure of the Ministry of Education. Reasons for selecting the Ministry of Education for a micro analysis are as follows:

- i. The Ministry employs more than 50% of all civil servants in Kuwait.
- ii. The Ministry was one of the earliest bureaucratic organs established in the country.

C. Process:

Process is defined as a valid set of generalizations which will offer a more precise description of Administration⁽³⁵⁾. In our framework, the process includes the following items:

³⁴ J. Gibson, *et al.*, *op. cit.*, p.418.

³⁵ James Thompson, *et al.* (eds.), *Comparative Studies in Administration*, (Pittsburgh: University of Pittsburgh Press, 1959), p.3

C.1. Concept of Civil Service:

In many developed countries, the concept of civil service has been developed through the accumulation of experience, while most developing countries are still struggling to identify their concept of civil service and the ways and means to impose it on the indigenous bureaucracy. Many deficiencies in the bureaucracy are attributed to the lack of a clear concept of civil service.

C.2. Selection and Recruitment:

One of the major factors in having efficient bureaucracy, is the selection and recruitment of qualified civil servants. In countries with sudden wealth, there are many deficiencies in selection methods and recruitment procedures which result in a decline in productivity and motivation and thus impede administrative development.

C.3. Decision-making Process:

One of the shortcomings of the administrative system in Kuwait is the poor quality of decision-making. It is of great importance to evaluate the decision-making process among the top officials and analyse some of their decisions and their impact on administrative development in Kuwait.

C.4. Centralization and Delegation of Authority:

Centralization and the level of delegation of authority within a bureaucracy constitute a critical area to evaluate due to their impact on the efficiency of the administrative system in Kuwait⁽³⁶⁾. We will examine the extent to which top officials delegate authority to their subordinates. Authority here refers to "the right of individuals to make decisions without approval by higher management and to extract obedience from others"⁽³⁷⁾. One of the interesting features of most of the developing countries is the excessive centralization of authority within the bureaucracy. Overcentralization has been considered by a UN technical assistance group as "one of the most intractable problems" faced by developing countries⁽³⁸⁾. Centralization

³⁶ Modhi Al-Hamoud, "Principle Inclinations in Administrative Reform in Kuwait", Journal of Social Sciences (Kuwait), 15 (1987), p.33.

³⁷ J. Gisbon et al., op. cit., p.423.

³⁸ Walter R. Sharp, "International Bureaucracies and Political Development" in Joseph La Palombara (ed.), Bureaucracy and Political Development, op. cit., p.462

is defined as the concentration of most of the decision-making at the top Management or "the proportion of decision that he settles definitely to those settled by the organization. The higher this proportion, the greater the concentration of authority"⁽³⁹⁾. Conyers defined decentralization as "any transfer of power from the centre to such sub-national levels, thus including both the conventional categories of devolution and deconcentration"⁽⁴⁰⁾. Benz defined decentralization as "the strengthening of territorial, regional and local interests against functional bureaucracies"⁽⁴¹⁾.

Alderfer differentiates between deconcentration and decentralization, even though both include transfer of power; in decentralization, policies are both made and implemented at the local level while in deconcentration, policies are made at the centre and carried out by local units⁽⁴²⁾. In our study, decentralization includes the delegation of authority from central headquarters to local bodies, from top management to lower levels and from units within the ministries complex to independent authorities outside it.

C.5. Role of Experts:

Many students of Public Administration have noticed the increased role of

³⁹ Todd La Porte, "The Recovery of Relevance in the Study of Public Administration", in Frank Marini (ed.), Toward a New Public Administration, (New York: Chandler Publishing Company, 1971), p.40.

⁴⁰ Diana Conyers, "Decentralization and Development: A Review of the Literature", Public Administration and Development, 4 (1984), p.187. See also Dennis Rondinelli, "Government Decentralization in Comparative Perspective: Theory and Practice in Developing Countries", International Review of Administrative Sciences, 47, No.2 (1981), p.137.

⁴¹ Arthur Benz, "Decentralization in the Federal Republic of Germany - A Case of Pragmatic Adaptation", International Review of Administrative Sciences, 53 (1987), p.467.

⁴² Harold Alderfer, Public Administration in New Nations, (New York: Frederick Praeger Publishing, 1965), p.53. Rondinelli defined devolution as the strengthening or creation of independent levels and units of Government and "delegation" as the delegation of decision making and management authority to organs that are not indirectly under the control of Central Government Dennis Rondinelli, "Government Decentralization", op. cit., p.138.

experts within the bureaucracy itself⁽⁴³⁾. The role of experts is essential in countries with sudden wealth. On the one hand they will be developing the administration and providing advice in many technical areas. On the other hand, with the mastering of know-how, the tendency for experts is to concentrate on the solution of problems in specific limited areas of responsibility, leading to fragmentation of an integrated administration⁽⁴⁴⁾. So it is a challenge for new states in the progress of development to utilize the service of these experts while maintaining the unity of the bureaucracy⁽⁴⁵⁾.

C.6. Role of Women:

Many countries with sudden wealth suffer from a shortage in the male labour force as a result of the small native population, yet, most of such countries are traditional societies where females are expected to behave within a well established set of values and traditions, and are thereby prevented from participating in the labour force. It is therefore of extreme importance to observe how those societies will function within those contradictory demands.

C.7 Productivity:

Though it is difficult to define productivity in the public sector, La Porte defines it as "the available output for exchange with elements in its environment after consuming the necessary resources for internal coordination, adjudication and maintenance"⁽⁴⁶⁾. Minocha provides a simple definition of productivity, which is, "the process of converting material, money and manpower into services rendered to society"⁽⁴⁷⁾. In this context it is a cumbersome objective and beyond the scope of this research to measure the productivity of the bureaucracy in quantitative terms. The

⁴³ Fritz Morstein Marx, "The Higher Civil Service as an Action Group in Western Political Development", in Joseph La Palombara (ed.), Bureaucracy and Political Development, *op. cit.*, p.71.

⁴⁴ Ibid., p.71.

⁴⁵ Alfred Diamont, "European Models of Bureaucracy and Development", *op. cit.*, p.319.

⁴⁶ Todd La Porte, *op. cit.*, p.38.

⁴⁷ O.P. Minocha, "Productivity in Public Enterprises", The Indian Journal of Public Administration, 28, No.3 (1982), p.619.

author will rather present some indicators of the productivity of the bureaucracy as a whole and the individual civil servant in particular.

One of the norms linked to productivity is the value of time among civil servants. If the value of time is high, it will be reflected in public sector performance and the behaviour of civil servants and vice-versa. In most countries with sudden wealth, people place low value on time. This is reflected in the slowness of transactions, the postponement of decisions, low devotion to work and slack discipline. For example, in a study conducted in Saudi Arabia in 1982 it was observed that civil servants utilize 51% of their work time to attend to personal matters⁽⁴⁸⁾. Therefore, it is essential to consider productivity within our framework of analysis.

C.8. Skills and Training:

Training is an essential instrument for bureaucracy in order to develop its human resources. For this reason, it is important to evaluate training activities during these stages and its impact on administrative development.

C.9. Civil Service Rules and Regulations:

Many countries with sudden wealth have tried to control bureaucracy through legislation and regulation. It is vital to this research to follow the development of civil service rules and regulations in order to understand the evolution of bureaucracy.

C.10. Leadership:

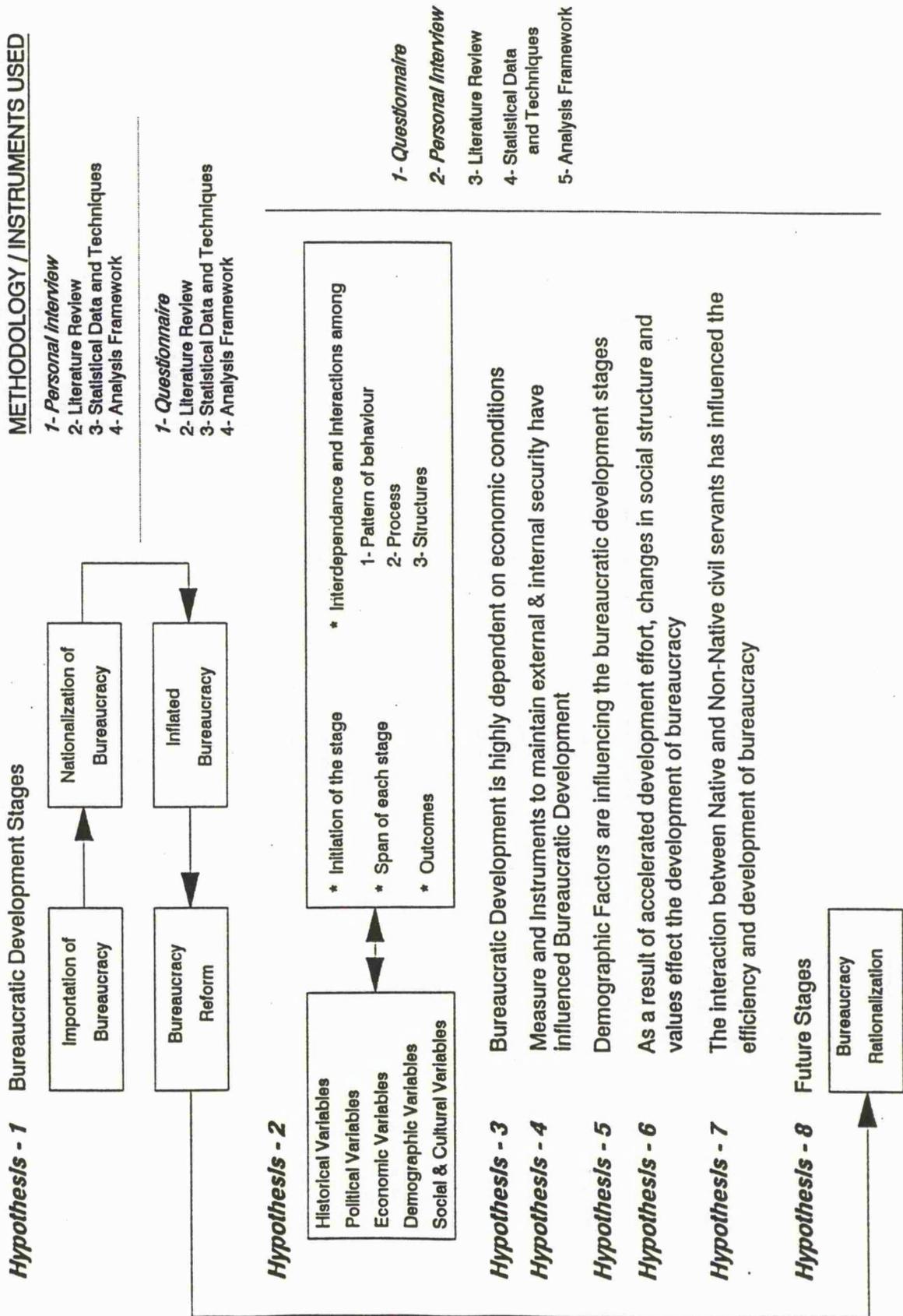
Top Officials in developing countries are the vehicle for effective administration and continuous economic growth. As Hall described, leadership involves a combination of factors, including "the position in the organization itself, the specific situations confronted, the characteristics of the individuals involved, and the nature of the relationships with subordinates"⁽⁴⁹⁾. The examination of Kuwait's leadership is important in evaluating the bureaucracy.

To recapitulate, Figure 3-2 represents the relationship between research hypotheses and instruments used to validate and test them.

⁴⁸ Nassir Al-Adaily, op. cit., p.169.

⁴⁹ Richard Hall, Organization: Structure and Process, op. cit., p.264.

FIGURE 3-2: RELATIONSHIP BETWEEN THE RESEARCH HYPOTHESES AND INSTRUMENTS USED TO VALIDATE AND TEST THEM



3.6 Conclusion:

A phenomenon of this scope and variety calls for different instruments and methods for the testing and validation of hypotheses and propositions. Even though using an arsenal of instruments will run the risk of confusing the reader or overloading the researcher, utilization of the same is unavoidable. The eight hypotheses developed in Chapter One will be tested according to a range of instruments that were presented in this chapter.

The empirical inquiry utilizing such instruments will be the subject of the next chapter. However, the framework of analysis, developed by the researcher in this Chapter will be used extensively in analysing the administrative development stages in Chapters Six to Nine, while the validity of such a framework will be presented in Chapter Twelve (Section 12.3.4).

CHAPTER FOUR: DATA ANALYSIS:

4.1 Introduction

This Chapter is devoted to the analysis of the questionnaires survey and regression analysis that was conducted with reference to this research. In the first section we will present the results of the survey analysis. The aim of the survey was to ascertain the attitudes of top officials with respect to the stages of administrative development and its interaction with the environment. The second section examines many regression relationships among many variables to enable us to understand the dynamics and interaction between the bureaucracy and its environment and the impacts of different variables.

4.2 Questionnaire Survey Results:

4.2.1 General Characteristics of the Sample:

Tables 4-1 to 4-8 represent the distribution of the sample according to different variables. Such tables will be used to demonstrate the representation of the sample of the population which increase the reliability of the responses.

Sample Distribution According to Education Level:

Table 4-1 shows the distribution of the sample according to job and educational level. It shows that the sample contained 21 Under Secretaries or General Directors, representing 28.4% of the sample, while 71.6% of the sample were Deputy General Directors or Assistant Under Secretaries. From the table, 2.7% of the sample were educated below University level, 71.6% held University degrees and 25.7% held post-graduate degrees. Such data demonstrate the high educational level of top officials, which will ensure the sample is more rational to the enquiries.

	Below University	University	Post Graduate	Total
Under Secretary or General Director	1 4.7%	9 42.9%	11 52.4%	21 28.4%
Assistant Under Secretary or Deputy Gen. Dir.	1 1.9%	44 83.0%	8 15.1%	53 71.6%
TOTAL	2 2.7%	53 71.6%	19 25.7%	74 100%

Table 4-1: Sample distribution according to education level.

Sample Distribution According to Age:

Table 4-2 shows the distribution of the sample according to job and age. The sample contains 19 top officials below 40 years of age (25.7%), 49 officials of 40 to 50 years of age (66.2%) and 6 officials of more than 50 years of age (8.1%). The data demonstrate that 91.9% of the sample are less than 50 years of age.

	Less than 40 years	40-50 years	More than 50 years	Total
Under Secretary or General Director	5 23.8%	12 57.1%	4 19.1%	21 28.4%
Assistant Under Secretary or Deputy General Director	14 26.4%	37 69.8%	2 3.8%	53 71.6%
TOTAL	19 25.7%	49 66.2%	6 8.1%	74 100%

Table 4-2: Sample distribution according to age.

Sample distribution according to period of training:

In Table 4-3, the majority (85.1%) of the sample had received training of 3 months to more than one years duration, while 14.9% of the sample had received no training. This indicates that most of the sample were trained to handle their particular jobs, however, the duration of training is not sufficient to upgrade their skills. Being majority-trained will enable top officials to judge more fairly and comprehensively

regarding training-related enquiries.

	None	3- Months	3-12 Months	More than 1 year	Total
Under Secretary or General Director	3 14.3%	5 23.8%	8 38.1%	5 23.8%	21 28.4%
Asst. Under Secretary or Deputy Gen. Dir.	8 15.1%	21 39.6%	15 28.3%	9 17.0%	53 71.6%
TOTAL	11 14.9%	26 35.1%	23 31.1%	14 18.9%	74 100%

Table 4-3: Sample distribution according to period of training.

Sample distribution according to work field:

Table 4-4 shows the distribution of the sample according to work field. The figures show that 62.2% of the sample worked in Ministries and 37.8% in public authorities. This distribution reflects the distribution of the population within the bureaucracy.

	Ministry	Public Authority	Total
Under Secretary or General Director	11 52.4%	10 47.6%	21 28.4%
Assistant Under Secretary or Deputy General Director	35 66.0%	18 34.0%	53 71.6%
TOTAL	46 62.2%	28 37.8%	74 100%

Table 4-4: Sample distribution according to work field.

Sample distribution according to years of experience:

Table 4-5 shows the distribution of the sample according to years of experience. According to the table, 25.7% of the sample had less than 5 years experience in their present job, 41.9% had 5 to 15 years experience and 32.4% had more than 15 years experience in their present job. These figures confirm that more than 74.3% of the sample had been for a long time in their current jobs, so reflecting

their long accumulated experience in top jobs. Such long experience enables them to answer fairly to the questions and increases confidence in their responses.

	Less than 5 years	From 5- 15 years	More than 15 years	Total
Under Secretary or General Director	5 23.8%	10 47.6%	6 28.6%	21 28.4%
Assistant Under Secretary or Deputy General Director	14 26.4%	21 39.6%	18 34.0%	53 71.6%
TOTAL	19 25.7%	31 41.9%	24 32.4%	74 100%

Table 4-5: Sample distribution according to years of experience in the present job.

Sample distribution according to the sector from which each was selected:

Table 4-6 shows the distribution of the sample according to the sector from which each top official was selected for his current job. 77% of the sample were selected from their departments and 14.90% were selected from other public organs. However, only 8.1% were selected from the private sector. Thus, for most of the top officials, their current jobs were the culmination of long experience working for the same organ. This increases confidence in the sample responses since most were selected from the bureaucracy which enables them to answer the enquiries more comprehensively.

	Same Organ	Other Organ	Private Sector	Total
Under Secretary or General Director	12 57.1%	6 28.6%	3 14.3%	21 28.4%
Asst. Under Secretary or Deputy General Director	45 84.9%	5 9.4%	3 56.6%	53 71.6%
TOTAL	57 77.0%	11 14.9%	6 8.1%	74 100%

Table 4-6: Sample distribution according to selection from their department or other departments.

Sample distribution according to country of education:

Table 4-7 shows distribution of the sample according to country of education. The figures show that almost one third of the sample obtained their degrees from Egypt (32.4%), 29.7% from the United States of America and 24.3% from Kuwait and the Gulf countries. Top officials could be classified into two distinct groups: Western and Arab background. Such variety, increases the validity of the responses since the sample combines different educational backgrounds which enable them to evaluate the phenomenon from different perspectives.

	Kuwait & GCC	Egypt	Arab & Islamic	U.K.	European countries	U.S.	Total
Under Secretary or Gen.Dir.	2 9.5%	6 28.6%	1 4.75%	2 9.5%	1 4.75%	9 42.9%	21 28.4%
Asst.Under Secretary or Deputy Gen.Dir.	16 30.2%	18 33.9%	1 1.9%	4 7.6%	1 1.9%	13 24.5%	53 71.6%
Total	18 24.3%	24 32.4%	2 2.7%	6 8.2%	2 2.7%	22 29.7%	74 100%

Table 4-7: Sample distribution according to country of education.

Sample distribution according to country of training:

Table 4-8 shows that 28.4% of the sample obtained their training in Kuwait or the Gulf countries, 25.7% in Egypt, 28.3% in the U.K. and European countries and 14.8% in the United States of America. Similar to the country of education, the variety of training sources increases confidence in their responses.

	Kuwait & GCC	Egypt	Arab & Islamic	U.K.	European Countries	U.S.	Total
Under Secretary or Gen.Dir.	5 23.8%	7 33.3%	1 4.8%	1 4.8%	3 14.3%	4 19.0%	21 28.4%
Asst.Under Secretary or Deputy Gen. Dir.	16 30.2%	12 16.2%	1 1.9%	12 22.6%	5 9.4%	7 13.2%	53 71.6%
Total	21 28.4%	19 25.7%	2 2.7%	13 17.6%	8 10.8%	11 14.8%	74 100%

Table 4-8: Sample distribution according to country of training.

In conclusion, the data collected about the population, shows that 70.8% hold a University Degree against 71.6% in the sample, while 16.6% hold a Post-Graduate Degree against 25.7% for the sample. In addition, the population data shows that 19.2% are less than 40 years of age against 25.7% for the sample, while 57.5% of the population are aged 40 to 50 years against 66.2% for the sample. Furthermore, 65% of the population were from Ministries against 62.2% for the sample. The above data suggest that the sample represents fairly and adequately the population.

4.2.2 Kuwait's administrative development.

Question No.10:

Do you believe that Kuwait went through multiple stages of administrative development? 78% of the sample agreed to this question as follows:

Mean	Standard Deviation	Likert Scale Equivalent	Table No.
3.9	0.6	78%	A-10

Significant 0.05 level

Grade	Qualification	Training	Experience	Work Area
NO	NO	NO	NO	NO

Those working in Ministries and those with a higher degree responded more favourably to this proposition. In addition, those with 15 years or more of experience responded more favourably, which strongly supports our proposition, since those officials would have experienced the different stages of administrative development, so their opinion carries more weight.

Question No.11:

Did Kuwait passed through a stage of imported bureaucracy? The sample responded to this question with an approval rate of 78% as follows:

Mean	Standard Deviation	Likert Scale Equivalent	Table No.
3.9	0.6	78%	A-11

Significant 0.05 level

Grade	Qualification	Training	Experience	Work Area
YES	NO	NO	NO	NO

The Assistant Under Secretaries or equivalent responded more favourably to this question than the Under Secretaries or equivalent. In addition, those with more than 15 years of experience responded more favourably than the others. This further supports our proposition since the people who were active during this period, showed the strongest agreement.

Question No.12:

Do you believe that Kuwait passed through a stage of bureaucracy nationalization? The sample responded to this question with an approval rate of 76% as follows:

Mean	Standard Deviation	Likert Scale Equivalent	Table No.
3.8	0.6	76%	A-12

Significant 0.05 level

Grade	Qualification	Training	Experience	Work Area
NO	NO	NO	NO	NO

Such approval suggests that the sample agreed to the above proposition and that variables had no impact on such responses.

Question No.13:

Do you believe that Kuwait passed through a stage of inflated bureaucracy?
The sample responded to this question with an approval rate of 74% as follows:

Mean	Standard Deviation	Likert Scale Equivalent	Table No.
3.7	1.0	74%	A-13

Significant 0.05 level

Grade	Qualification	Training	Experience	Work Area
YES	NO	NO	NO	NO

The high standard deviation reflects greater discrepancy in the answers than occurred in respect of the previous stages. Furthermore, the Assistant Under Secretaries or equivalent responded more favourably to this proposition. This may be attributed to their direct involvement with the departments under their authority which allowed them to sense more the inflated nature of the bureaucracy.

Question No.14:

Do you believe that Kuwait passed through a stage of administrative reform?
78% of the sample agreed to this question as follows:

Mean	Standard Deviation	Likert Scale Equivalent	Table No.
3.9	0.78	78%	A-14

Significant 0.05 level

Grade	Qualification	Training	Experience	Work Area
NO	NO	NO	NO	NO

Such approval suggests that the sample agreed to the above proposition and that variables had no impact on such responses.

Question No.15:

Do you think that other countries similar to Kuwait (where wealth and prosperity appeared suddenly) have gone or are going through the same stages of administrative development? The sample responded to this question with an approval of 86% as follows:

Mean	Standard Deviation	Likert Scale Equivalent	Table No.
4.3	1.0	86%	A-15

Significant 0.05 level

Grade	Qualification	Training	Experience	Work Area
NO	NO	YES	NO	NO

As the period of training increased, the response to this proposition became more favourable and such differences are statistically significant. This may be attributed to the fact that those with more training are more likely to have received some of that training in other countries. Such exposure may explain the high level of affirmative answers to the proposition. This is supported by the diversity of countries that had provided training to top officials (Table:4-8).

4.2.3 In the area of Inflated Bureaucracy:

Question No.16:

Do you think that the increase in oil revenues contributed to overstaffing in all fields, without sufficient planning? 68.8% of the sample agreed to this question as follows:

Mean	Standard Deviation	Likert Scale Equivalent	Table No.
3.44	0.496	68.8%	A-16

Significant 0.05 level

Grade	Qualification	Training	Experience	Work Area
NO	NO	NO	YES	NO

Agreement was high among those who had less than five years of experience in their current post. This high approval may be attributable to the fact that those officials had witnessed the oil boom and its impact on bureaucracy expansion.

Question No.17:

Do you think that the increase in the number of graduates has contributed to overstaffing by forming strong pressure on the state to provide them with suitable jobs? 68% of the sample agreed to this question as follows:

Mean	Standard Deviation	Likert Scale Equivalent	Table No.
3.4	1.263	68%	A-17

Significant 0.05 level

Grade	Qualification	Training	Experience	Work Area
NO	NO	NO	NO	YES

Those working in public authorities responded more favourably to this proposition, which reflects the desire for employment in those authorities due to their

better working conditions and salary scale. Such desire may have exerted pressure on top officials which make their responses more favourable.

Question No.18:

Do you think that the lack of complementarity between graduates' specialization and jobs needs contributed to reduced efficiency and overstaffing? The sample responded to this question with approval of 78% as follows:

Mean	Standard Deviation	Likert Scale Equivalent	Table No.
3.9	1.0	78%	A-18

Significant 0.05 level

Grade	Qualification	Training	Experience	Work Area
NO	NO	YES	NO	YES

Agreement with this proposition was higher among top officials working in public authorities and those who had more than one year of training. This may be because public authorities had more specialized requirements than the Ministerial Complex, while those with more training expect a high standard of performance from new employees.

Question No.19:

Do you think that numerous changes in the responsibilities of Ministries without prior planning, contributed to bureaucracy inflation. 79.2% of the sample agreed to this question as follows:

Mean	Standard Deviation	Likert Scale Equivalent	Table No.
3.96	1.103	79.2%	A-19

Significant 0.05 level

Grade	Qualification	Training	Experience	Work Area
NO	NO	NO	NO	NO

Such approval suggests that the sample agreed to the above assumption and that variables had no impact on such responses.

Question No.20:

Do you think that the establishment of new Ministries and bodies contributed to overstaffing? The sample responded to this question with modest approval of 51.3% according to the following:

Mean	Standard Deviation	Likert Scale Equivalent	Table No.
2.565	1.32	51.3%	A-20

Significant 0.05 level

Grade	Qualification	Training	Experience	Work Area
NO	NO	NO	NO	NO

Such approval rate and high standard deviation suggests that the sample was divided in its response to the above proposition and that variables had no impact on such responses.

Question No.21:

Do you think that the selection of women for certain jobs in limited occupational fields like teaching and nursing contributed to overstaffing in these jobs? The sample did not agree with this proportion since the approval rate was 41.06% according to the following:

Mean	Standard Deviation	Likert Scale Equivalent	Table No.
2.053	1.235	41.06%	A-21

Significant 0.05 level

Grade	Qualification	Training	Experience	Work Area
NO	NO	NO	NO	NO

The sample rejected the above proposition and variables had no impact on the responses.

Question No.22:

Do you think that the intervention of family relations and subsequent pressure for appointment to senior and supervisory positions contributed to inefficiency and overstaffing? The sample responded to this question with modest approval of 55.2% according to the following:

Mean	Standard Deviation	Likert Scale Equivalent	Table No.
2.76	1.093	55.2%	A-22

Significant 0.05 level

Grade	Qualification	Training	Experience	Work Area
NO	YES	NO	NO	NO

The respondents with post-graduate degrees responded more favourably to this proposition and such variation is statistically significant. This may reflect their frustration when someone less qualified is promoted to a higher post due to family intervention and social relationship.

Question No.23:

Do you think that the lack of devotion to work on the part of Kuwaiti employees and the dependence on non-Kuwaitis contributed to overstaffing, inefficiency and reduced productivity? The sample agreed strongly to this question with an approval rate of 79.7% according to the following:

Mean	Standard Deviation	Likert Scale Equivalent	Table No.
3.985	1.012	79.7%	A-23

Significant 0.05 level

Grade	Qualification	Training	Experience	Work Area
NO	NO	NO	NO	NO

The sample approved the above proposition and variables had no impact on responses.

Question No.24:

Do you think that expatriate experts played a limited role in administrative development? 79.4% of the sample approved this question as follows:

Mean	Standard Deviation	Likert Scale Equivalent	Table No.
3.97	0.976	79.4%	A-24

Significant 0.05 level

Grade	Qualification	Training	Experience	Work Area
NO	NO	YES	NO	YES

As the period of training increased, the response became more favourable. This is attributed to the fact that those officials with more years of training had a greater understanding of the potential role that experts could play in developing the administration and hence the gap between expectation and reality.

4.2.4 In the area of Administrative Reform:

Question No.25:

Do you think that the decrease in oil revenues and the consequent streamlining of expenditure is a factor which called for administrative reform? The sample did not accept this statement since the approval rate was 46.4%. Results were:

Mean	Standard Deviation	Likert Scale Equivalent	Table No.
2.32	0.791	46.4%	A-25

Significant 0.05 level

Grade	Qualification	Training	Experience	Work Area
NO	NO	NO	NO	NO

Variables had no impact on the response to the above proposition. The rejection of the proposition may be attributed to the fact that decrease in oil revenues is a macro factor which could be only recognized over a period of time and by those officials who have access to such information and contemplate the impact of such a reduction.

Question No.26:

Do you think that the complaints of citizens about the handling of their affairs is a factor for initiating administrative reform? The sample did not agree with this proposition since the approval rate was 37.2% according to the following:

Mean	Standard Deviation	Likert Scale Equivalent	Table No.
1.86	0.73	37.2%	A-26

Significant 0.05 level

Grade	Qualification	Training	Experience	Work Area
NO	NO	NO	NO	NO

Variables had no impact on the response to the above proposition. The rejection of the proposition may be attributed to the lack of proper channels to receive the above complaints which did not enable top officials to recognize the extent of such complaints.

Question No.27:

Do you think that the planning of education outputs and guided specializations would help toward effective administrative reform? 81.2% of the sample agreed with this statement as follows:

Mean	Standard Deviation	Likert Scale Equivalent	Table No.
4.06	0.88	81.2%	A-27

Significant 0.05 level

Grade	Qualification	Training	Experience	Work Area
NO	NO	NO	NO	NO

The insignificance of the variables suggests a high consensus toward approving the above proposition.

Question No.28:

Do you think that current political attitudes would support administrative reform efforts? The sample agreed strongly with this proposition since the approval rate was 84.4%, as follows:

Mean	Standard Deviation	Likert Scale Equivalent	Table No.
4.22	0.451	84.4%	A-28

Significant 0.05 level

Grade	Qualification	Training	Experience	Work Area
NO	NO	NO	NO	NO

The insignificance of the variables and low standard deviation suggest a high consensus toward the above proposition.

Question No.29:

Do you think that the continuous changes at the top management level hindered administrative reforms? The sample agreed strongly with this proposition since the approval rate was 90.2%, as follows:

Mean	Standard Deviation	Likert Scale Equivalent	Table No.
4.51	0.321	90.2%	A-29

Significant 0.05 level

Grade	Qualification	Training	Experience	Work Area
NO	NO	NO	NO	NO

The low standard deviation and insignificance of the variables suggest a high consensus toward the above proposition.

Question No.30:

Do you think that the negative behaviour and values of the Kuwaiti civil servants are some of the basic factors which contribute to the ineffectiveness of administrative reform efforts? The sample agreed strongly with this proposition with approval rate of 86.6% according to the following:

Mean	Standard Deviation	Likert Scale Equivalent	Table No.
4.33	0.49	86.6%	A-30

Significant 0.05 level

Grade	Qualification	Training	Experience	Work Area
NO	NO	NO	NO	NO

The low standard deviation and insignificance of the variables suggest a high consensus among the sample toward this proposition.

Question No.31:

Do you think that to ensure an integration of administrative reform, attention should be focused on developing the potential of expatriate civil servants? The sample did not agree with this proposition since the approval rate was 38.8% according to the following:

Mean	Standard Deviation	Likert Scale Equivalent	Table No.
1.94	0.652	38.8%	A-31

Significant 0.05 level

Grade	Qualification	Training	Experience	Work Area
NO	YES	YES	YES	NO

As educational attainment, years of experience and period of training increased, the responses became more favourable. This suggests that the cream of top officials favoured the idea of developing the potential of expatriate civil servants to ensure necessary integration of the administrative reform process.

Question No.32:

Do you think that the expatriate experts contributed little towards laying down an effective system for administrative reform? 69% of the sample agreed with this statement as follows:

Mean	Standard Deviation	Likert Scale Equivalent	Table No.
3.45	0.811	69%	A-32

Significant 0.05 level

Grade	Qualification	Training	Experience	Work Area
NO	YES	NO	YES	NO

The variation in responses suggests that as educational attainment and years of experience increases, recognition of the role of expatriate experts increases.

Question No.33:

Do you think that a specific programme for the implementation of administrative reform to end within a fixed time should be formulated? 59% of the sample agreed to this statement as follows:

Mean	Standard Deviation	Likert Scale Equivalent	Table No.
2.95	0.732	59%	A-33

Significant 0.05 level

Grade	Qualification	Training	Experience	Work Area
NO	YES	NO	NO	NO

Those with post-graduate degrees responded less favourably to this proposition.

Question No.34:

Do you think that the direction and content of administrative reform should be inspired by the views of personalities, interest groups and sectors that have an impact on society? The sample did not agree with this statement, since the approval rate was 37%, as shown:

Mean	Standard Deviation	Likert Scale Equivalent	Table No.
1.85	0.611	37%	A-34

Significant 0.05 level

Grade	Qualification	Training	Experience	Work Area
NO	NO	NO	NO	NO

The insignificance of the variables suggest a high consensus among the sample toward rejecting the above assumption.

Question No.35:

Do you think that Social and family relations hinder the administrative reform process? 63% of the sample agreed to this proposition as follows:

Mean	Standard Deviation	Likert Scale Equivalent	Table No.
3.15	0.562	63%	A-35

Significant 0.05 level

Grade	Qualification	Training	Experience	Work Area
NO	NO	NO	NO	NO

The insignificance of the variables suggest a general consensus among the sample toward this assumption.

Question No.36:

Do you think that the existence of an independent body for administrative reform would contribute considerably toward its effectiveness? The sample were in moderate agreement with this proposition with an approval rate of 57% as follows:

Mean	Standard Deviation	Likert Scale Equivalent	Table No.
2.85	0.665	57%	A-36

Significant 0.05 level

Grade	Qualification	Training	Experience	Work Area
NO	NO	NO	NO	NO

The insignificance of the variable suggests a high consensus among the sample toward the above statement.

Question No.37:

Do you think that the national press played a fundamental role in initiating the administrative reform process in outlining guidelines and orientation of its policies and targets? 64.2% of the sample agreed with this statement as follows:

Mean	Standard Deviation	Likert Scale Equivalent	Table No.
3.21	0.655	64.2%	A-37

Significant 0.05 level

Grade	Qualification	Training	Experience	Work Area
NO	NO	NO	YES	NO

Those with more than 15 years of experience responded more favourably to this proposition. Their responses carry more weight since they noticed the impact of national press on this stage as well as other stages. One factor beyond such approval is the fact that mass-media was the only channel to highlight inefficiency in the bureaucracy due to the weakness or non-existence of other political means.

Question No.38:

Do you think that Parliament played a leading role in drawing up the guidelines for administrative reform and in outlining objectives, policies and targets? The sample did not agree with this statement since the approval rate was 47%, as follows:

Mean	Standard Deviation	Likert Scale Equivalent	Table No.
2.35	0.421	47%	A-38

Significant 0.05 level

Grade	Qualification	Training	Experience	Work Area
NO	NO	NO	NO	NO

The marginal disagreement may reflect the fact that Parliament was dissolved during 2/3 of the overall administrative reform period.

Question No.39:

Do you think that the social gatherings (Diwwanyah) have a role in initiating the administrative reform process and in laying down policies and objectives? The sample did not agree with this proposition since the approval rate was 39%, as follows:

Mean	Standard Deviation	Likert Scale Equivalent	Table No.
1.95	0.485	39%	A-39

Significant 0.05 level

Grade	Qualification	Training	Experience	Work Area
NO	NO	NO	NO	NO

Such disagreement may indicate that social gatherings played a marginal and indirect role in the process of administrative reform. Such marginality may be attributed to the complexity of the administrative reform process, which is beyond the comprehensibility of such gatherings.

4.2.5 In the area of the future of the administration in Kuwait:Question No.40:

Do you think that the state should privatize some public services? 68.6% of the sample agreed to this proposition with a:

Mean	Standard Deviation	Likert Scale Equivalent	Table No.
3.43	0.821	68.6%	A-40

Significant 0.05 level

Grade	Qualification	Training	Experience	Work Area
NO	NO	NO	NO	NO

The insignificance of the variables suggests a high consensus among the sample toward the above proposition.

Question No.41:

Do you think that the excess number of Kuwaiti graduates should be guided towards technical jobs and crafts under suitable planning and programmes? 80% of the sample agreed to this proposition with a:

Mean	Standard Deviation	Likert Scale Equivalent	Table No.
4.0	0.812	80%	A-41

Significant 0.05 level

Grade	Qualification	Training	Experience	Work Area
NO	NO	NO	NO	NO

The insignificance of the variables suggests a high consensus among the sample toward the above proposition.

Question No.42:

Do you think that the state should encourage and promote the role of the private sector in development projects to absorb the excess Kuwaiti graduates? 77.8% of the sample agreed to this statement with a:

Mean	Standard Deviation	Likert Scale Equivalent	Table No.
3.89	0.79	77.8%	A-42

Significant 0.05 level

Grade	Qualification	Training	Experience	Work Area
NO	NO	NO	NO	NO

The insignificance of the variables suggests a high consensus among the sample toward the above proposition.

Question No.43:

Do you think that the Government should take urgent steps toward gradual decentralization of most of its services? 75.6% of the sample agreed to this proposition as follows:

Mean	Standard Deviation	Likert Scale Equivalent	Table No.
3.78	0.78	75.6%	A-43

Significant 0.05 level

Grade	Qualification	Training	Experience	Work Area
NO	NO	NO	NO	NO

The insignificance of the variables suggest a high consensus among the sample toward the above proposition.

Question No.44:

Do you think that the future of the administration should depend on the efficiency of education outputs achieved by reviewing the curricula of the Universities and institutions? 83.8% of the sample agreed to this proposition, as follows:

Mean	Standard Deviation	Likert Scale Equivalent	Table No.
4.19	0.72	83.8%	A-44

Significant 0.05 level

Grade	Qualification	Training	Experience	Work Area
NO	YES	NO	NO	NO

The group, who were educated below University level, responded less favourably to this proposition. It is to be expected that those who did not attend Universities will be less convinced of the key role of reviewing the curricula.

Question No.45:

Do you think that the efficiency of the administrative reforms increases with the presence of participatory bodies like Parliament? The sample responded to this proposition with an approval rate of 65.2%, as follows:

Mean	Standard Deviation	Likert Scale Equivalent	Table No.
3.26	1.01	65.2%	A-45

Significant 0.05 level

Grade	Qualification	Training	Experience	Work Area
NO	NO	NO	NO	NO

The insignificance of the variables suggests a high consensus among the sample toward the above proposition.

4.3 Regression Analysis:

Many regression analyses were conducted to understand the similarities in the pattern of change for many variables. Such relationships were examined to support many propositions in this research. The researcher has gathered data in the following areas:

1. Total GDP.	9. The Ministry of Public Health Jobs.
2. Oil GDP.	10. Per Capita Income.
3. Non-Oil GDP.	11. Population.
4. Oil Revenues.	12. Number of teachers.
5. Total Expenditure.	13. Number of students.
6. Wages Expenditure.	14. Number of patients admitted to Hospital.
7. Total Government Jobs.	15. Education Expenditure.
8. The Ministry of Education Jobs.	16. Health Expenditure.
	17. Import Ratio (Total imports/GNP).

Except for import ratio, all data were extracted from tables in Appendix C. Data for import ratio were extracted from Ministry of Planning, Statistical Abstract for 25 years.

Tables from 4-9 to 4-26 represent single and multiple regression analysis of many of the above dependent (underlined) and independent variables. All values represent R. Square or the coefficient of determination which measure the goodness of association among variables. The following is a summary of such analysis:

Table 4-9: Regression analysis between total GDP and each of oil revenues and total expenditures.

	Change in total GDP	Reference Table	Period
Change in oil revenues	.7707	B-1	1960-1989
Change in total expenditure	.6755	B-2	1960-1989

Change in total GDP could be explained more by the change in oil revenues than total expenditures when they are treated as independent variables. A reasonable conclusion then would be that change in total expenditures alone determine only 67.55% of change in total GDP while change in oil revenues alone could explain 77.07% of the change.

Table 4-10: Regression analysis between non-oil GDP and each of total GDP, oil revenues and total expenditures.

	Change in non-oil GDP	Reference Table	Period
Change in total GDP	.8733	B-3	1960-1989
Change in oil revenues	.4342	B-4	1960-1989
Change in total expenditure	.7829	B-5	1960-1989

We can conclude from the above table, that 87.33% of change in non-oil GDP could be explained by change in total GDP alone and 78.29% of the change could be explained by change in total expenditure alone while only 43.42% of the change could be explained by change in oil revenues.

Table 4-11: Regression analysis between education jobs and each of teachers and students.

	Change in education jobs	Reference table	Period
Change in teachers	.9797	B-6	1964-1989
Change in students	.9740	B-7	1964-1989

The proportion of variance for education jobs, explained by the regression equation, R^2 is reported as .9797 with teachers as the only independent variable. Nevertheless, it was .9740 with student as the only independent variables. It suggests that expansion in education jobs was justified due to increase in teachers and students.

Table 4-12: Regression analysis between teachers and students.

	Change in teachers	Reference table	Period
Change in students	.9919	B-8	1958-1989

The high proportion of variance of teachers reported as .9919 with change in students, indicates that expansion in teachers was a perfect response to increase in students.

Table 4-13: Regression analysis between education expenditure and students.

	Change in education expenditure	Reference table	Period
Change in students	.9376	B-9	1966-1987

The above table indicates that 94% of change in educational expenditures could be explained by change in students alone. Such high association suggests that expansion in educational expenditures is justified.

Table 4-14: Regression analysis between Government jobs and each of per capita income, population, oil revenues and total expenditure.

	Change in Govt. Jobs	Reference Table	Period
Change in per capita income	.8252	B-10	1964-1989
Change in population	.5322	B-11	1964-1989
Change in oil revenues	.5897	B-12	1962-1990
Change in total expenditure	.8031	B-13	1962-1989

The data suggest that .5897 of the change in Government jobs could be explained by a change in oil revenues alone, .5322 of the change could be explained by change in population alone while .8252 of the change could be explained by change in per capita income alone. We can conclude that the government jobs change is influenced less by supply factor (oil revenues) than demand factor (per capita income).

Table 4-15: Regression analysis between total expenditure and each of per capita income, population, oil revenues, students, patients admitted and import ratio.

	Change in total expenditure	Reference table	Period
Change in per capita income	.4780	B-14	1964-1989
Change in population	.4900	B-15	1964-1989
Change in oil revenues	.5797	B-16	1957-1990
Students	.9218	B-17	1961-1988
Patients admitted	.8715	B-18	1961-1988
Import Ratio	.1503	B-19	1964-1988

The data suggest that total expenditures is influenced more by macro supply factor (change in oil revenues) than macro demand factors (per capita income and population); nevertheless both values were medium associated and the difference among them is not significant. Furthermore, the table suggests that high association occurred between total expenditures and each of the number of students and patients admitted. Such high association suggests that expenditures are justified based on expansion in education and health sectors, which implies that unjustified expansion has occurred in sectors other than the ones mentioned.

The low association between total expenditures and import ratio indicates that the Cameron hypothesis, which argued that growth of public expenditures is associated with degree of economy openness, is not valid for the State of Kuwait.

Table 4-16: Regression analysis between wages expenditure, total expenditure, oil revenues and government jobs.

	Change in Wages Expenditure	Reference Table	Period
Change in total expenditure	.9354	B-20	1957 to 1989
Change in oil revenues	.4170	B-21	1957 to 1989
Change in Government jobs	.7487	B-22	1962 to 1989

Change in wages expenditure could be explained more by the change in total expenditure ($R^2=.9354$) than oil revenues ($R^2=.4170$). A reasonable conclusion could be that change in wages expenditures has followed closely the change in total expenditures. Furthermore, the less perfect association between wages expenditures and change in government jobs, may be explained by two factors. The first, is the change toward more high-paid jobs (more professionalism) rather than low paid, low skilled jobs. The second factor attributes such discrepancy to wage increases during this period which is more relevant as will be explained in chapter eight.

Table 4-17: Regression Analysis between health jobs and patient admitted.

	Change in health jobs	Reference Table	Period
Change in patients admitted	.9618	B-23	1963-1988

The high association between change in health jobs and change in patients admitted ($R^2=.9618$), suggest that the expansion in health jobs is justified by the increased demand for health services.

Table 4-18: Regression analysis between health expenditure and patients admitted.

	Change in health expenditure	Reference Table	Period
Change in patients admitted	.8881	B-24	1966-1987

The high association between change in health expenditures and change in patients admitted ($R^2=.8881$), suggests that expansion in the health sector expenditures is justified by the increased demand for health services.

Tables 4-19 to 4-26 represent multiple regression analysis among variables. In the following tables, B stands for the regression coefficient, Beta for standard regression coefficient, std. Error B for the estimated standard Error of slope and intercept and F is a statistic used to test the significance of the regression as a whole.

Table 4-19: Multiple regression analysis between education jobs and teachers and students, 1964-1989.

Multiple R	.9898	Reference Table
R. Square	.9797	B-25

	B	Beta	Std.Error B	F	R ² at .05
Change in teachers	2.069	.9898	.0544	1444.4	.9797
Change in students	Not significant at 0.05 level				

The above table indicates that at 0.05 significant level, 97.97% of the change in education jobs, could be explained by change in teachers.

Table 4-20: Multiple regression analysis between Government jobs, population, per capita income and oil revenues 1964-1988.

Multiple R .9555	Reference Table
R. Square .9130	B-26

	B	Beta	Std.Error B	F	R ² at 0.05
Change in population	43.7	.9332	8.222	195.48	.8708
Change in per capita income	9.59	.4050	2.60	146.97	.9130
Change in revenues	Not significant at 0.05 level				

The above table suggests that at 0.05 significant level, 91.3% of the change in Government jobs can be explained by changes in population and per capita income. However, 87.08% of the variance could be explained by change in population only.

Table 4-21: Multiple regression analysis between total expenditure and oil revenues, population and per capita income, 1964-1989.

Multiple R .8487	Reference Table
R. Square .7207	B-27

	B	Beta	Std.Error B	F	R ² at .05
Change in oil revenues	.703	.7614	.153	42.753	.5797
Change in population	1.49	.3770	.41	30.399	.6696
Change in per capita income	-.416	-.6946	.180	24.941	.7207

Such data demonstrate that 72% of the growth in total expenditure can be explained by changes in oil revenues, population and per capita income. Nevertheless,

58% of the variance could be explained with reference to oil revenues only. The addition of population and per capita income as factors could explain only 9% and 5% respectively of the variance.

Table 4-22: Multiple regression analysis between total expenditure and population and per capita income, 1964-1989.

Multiple R	.70	Reference Table
R. Square	.49	B-28

	B	Beta	Std.Error B	F	R ² at .05
Change in population	1.31	.7	.24	29.780	.49
Change in per capita income	Not Significant at 0.05 level				

The above table shows that, at 0.05 significant level, 49% of the change in total expenditures could be explained by change in population.

Table 4-23: Multiple regression analysis between total expenditure and students and patients admitted, 1961-1987

Multiple R	.9601	Reference Table
R. Square	.9218	B-29

	B	Beta	Std.Error B	F	R ² at .05
Change in students	.0095	.9601	.0005	341.87	.9218
Change in patient admitted	Not Significant at 0.05 level				

The above Table demonstrates that 92.2% of the change in total expenditure at 0.05 significant level, could be explained by change in students only.

Table 4-24: Multiple regression analysis between wages expenditure, population, oil revenues and per capita income, 1964-1988.

Multiple R	.7420	Reference Table
R. Square	.5506	B-30

	B	Beta	Std.Error B	F	R ² at 0.05
Change in population	.3107	.742	.0512	36.75	.5506
Change in oil revenues	Not Significant at 0.05 level				
Change in per capita income	Not Significant at 0.05 level				

The above table demonstrates that, at 0.05 significant level, 55.06% of the change in wages expenditures could be explained by population alone. Oil revenues and per capita income are not significant at this level which may suggest that mixing demand and supply factors may not be appropriate.

Table 4-25: Multiple regression between Government Jobs and population and per capita income, 1964-1989.

Multiple R	.7296	Reference Table
R. Square	.5322	B-31

	B	Beta	Std.Error B	F	R ² of .05
Change in population	55.3	.7296	9.31	35.27	.5322
Change per capita income	Not Significant at 0.05 level				

The above data demonstrate that at 0.05 significant level, only 53.22% of change in government jobs could be explained by change in population while per capita income was not significant.

Table 4-26: Multiple regression between Government Jobs and oil revenues and population, 1964-1989.

Multiple R	.837	Reference Table
R. Square	.7	B-32

	B	Beta	Std.Error B	F	R ² at .05
Change in oil revenues	17.22	.7679	4.2	44.55	.59
Change in population	31.65	.417	9.53	34.89	.70

The above table demonstrates that 70% of the change in government jobs could be explained by change in oil revenues and change in population. However, 59% of the change could be explained by change in oil revenues alone.

4.4 Conclusion

The sample profile shows that 97.3% of the sample are well educated, 75.7% of them had been exposed to other cultures which indicate that the sample contains a variety of educational backgrounds and experience which will enable them to evaluate the administrative problems from different perspectives and suggest the proper solutions. In addition, data show that the sample represents the population under investigation fairly and correctly and any conclusion drawn from the sample could satisfactorily represent the population.

The questionnaire responses will be dealt with in detail and separately in each relevant chapter. However, in general, the sample agrees that Kuwait passed through different stages of administrative development.

The regression analysis demonstrates that GDP is associated more with oil revenues than total expenditures. Nevertheless, the difference in association is modest. On the other hand, change in non-oil GDP is associated more with total expenditure than oil revenues. This suggests that total expenditure of the bureaucracy is a major factor in economic development especially the non-oil sector. In addition, data suggest

that growth in education and the health sector is justified by the strong association between demand and supply.

Furthermore, the regression analysis shows that government jobs and total expenditures are slightly more associated with supply factors (oil revenues) than demand factors (per capita income and population). Nevertheless, when regressed with micro demand factors (students and patients admitted), total expenditure is more associated with them than macro supply factors. In addition, data show that wages expenditures has followed closely the change in total expenditures while less association occurred between wages expenditures and government jobs due to change in job composition and wages increase.

CHAPTER FIVE: STATE AND KUWAIT'S BUREAUCRACY: HISTORICAL AND SOCIO-ECONOMIC BACKGROUND

5.1 Introduction:

In this Chapter, we will describe the historical development of Kuwait and its bureaucracy by way of introduction to our analysis of the main features of the environment surrounding the administration in Kuwait. Later, each sector within the environment will be thoroughly analysed in the context of the research. The main findings of the political, social, demographic and economic aspects will be highlighted as a prelude to the following Chapters. The importance of this Chapter is that it will provide the reader with background knowledge about the factors influencing the evolution of the bureaucracy.

5.2 Chronological Development of Kuwait:

The State of Kuwait is situated on the north-western shore of the Arabian Gulf. It is bounded to the north and north-west by the Republic of Iraq, to the east by the Gulf, and to the south and south-west by the Kingdom of Saudi Arabia. The total perimeter is approximately 635 kilometers (426 miles) of which 31% is the Gulf coastline. The total area of the State is approximately 17,818 sq. km. (7,000 sq.mile). Rain-fall does not generally exceed 80 mm (2 inches) per year and water resources are limited. Scarcity of fresh water is thus the major physical problem.

The establishment of Kuwait could be linked to the settlement of a portion of the Buni Utub in the early seventeenth century. Their emigration was a result of intra-tribal conflict within the Anizah tribe in Najd. When Kuwait was established in 1752, it was a small commercial port with a fleet of 800 boats and a population of 10,000 mainly working in pearling, trading and fishing. These means of production helped in the transition of the society from nomadic to sedentary life. By April 1776, the Persian siege of the city of Basra, led to the shift of commerce to Kuwait and this was accompanied by the migration and settlement of merchants. Thus the sea-trade and pearling fleet and its related services flourished. Even though the occupation of Basra ended in 1781, Kuwait continued to be a major transit trade centre in the area.

In January 1899, a Protectorate Agreement was signed with the British

Government under which the British Government would provide the necessary protection of the Sheikdom without interfering in its internal affairs. This Agreement integrated Kuwait into the British colonial system on the political rather than the ordinary commercial basis⁽¹⁾.

From the beginning of the twentieth century, Kuwait experienced political and economic complexities. The Uqair Conference in 1922 settled the boundary dispute between its neighbours Iraq, Saudi Arabia and Kuwait. In this Conference, 2/3 of the land claimed by Kuwait was allocated to its neighbours and this upset the Ruler. In the year following the Conference, an economic war erupted between Najd (Saudi Arabia) and Kuwait due to the Kuwaiti rejection of the demand put forward by the Ruler of Najd to collect taxes from Najd bedouin when they stopped to trade in Kuwait⁽²⁾. These nomadic tribes were forced to trade elsewhere and as a result the Kuwaiti merchants suffered a substantial loss due to the long duration of the crisis, which lasted fourteen years.

Abu-Hakima was correct when he identified the main features of the third and fourth decades as "economic and political hardship"⁽³⁾. Pearling, which was a main source of income for the country, suffered a substantial loss due to the growth of the Japanese pearl culture industry. Trade income suffered from the Najd economic war and the economic depression of the thirties. These circumstances, coupled with widespread poverty and bankruptcy due to the great depression, and loss of tribes' support, resulted in anti-government agitation and a growing demand for social reform and parliamentary government⁽⁴⁾.

World War II interrupted this hardship and brought prosperity to the merchants. Since many of the European ships were being used for military purposes, the Kuwaiti merchants utilized their fleets to carry the goods needed for the Allies armies in Iraq, Iran and other regions.

¹ Jacqueline Ismael, *op. cit.*, p.53.

² A. Abu Hakima, *The Modern History of Kuwait: 1950-1965*, (London: Luzac, 1983), p.156.

³ Abu Hakima, *op. cit.*, p.156.

⁴ Jacqueline Ismael, *op. cit.*, p.73 and Jill Crystall, *op. cit.*, p.44-7.

Oil production resumed after World War II ended. On 30 June 1946, the first shipment of oil was exported to England. The Ruler was so eager for development that he spent the first oil revenues to advance the education of women⁽⁵⁾. The escalation of oil income from 28 million rupees in 1946 to 400 million rupees in 1950 played a major role in resolving the political unrest. A main factor which contributed to the opening of the oil market for Kuwait was the cessation of oil exports from Iran in 1951 as a result of nationalistic movements.

In June 1961, Kuwait and Britain signed a Treaty of Independence which terminated the 1899 Protectorate Agreement. Under this Treaty, Britain recognized Kuwait as a sovereign independent state. Within a month, Kuwait joined the Arab League and in 1963 it became a member of the United Nations⁽⁶⁾. In December 1961, a Constitutional Assembly was created to draft a Constitution which was signed by the Ruler on 11 November, 1962. It was followed by the calling of general elections for the first National Assembly of Kuwait.

5.3 Bureaucracy Before Oil Discovery:

When Kuwait was first established, the administrative system and structure were simple and traditional. The Ruler administered the affairs by close contact with his people through his daily "Majlis" (meeting) at the market or the Palace. All the main decisions were taken by the Ruler after consultations with the wealthy and powerful merchants. As described by Dickson, "it had always been the custom for Sheikhs of Kuwait to rule personally and autocratically and avoid all delegation of authority"⁽⁷⁾. The tribal nature of centralization continued through the emergence of Kuwait, since the Ruler was the Chairman of all Councils established up to Independence. As Al-Ebraheem has described it, "Autocracy and centralization were major characteristics of the Kuwaiti system"⁽⁸⁾. In the following paragraphs, I will describe chronologically

⁵ Abu Hakima, op. cit., p.157.

⁶ Kuwait became a member of the United Nations two years after its application due to political complexities and disputes with Iraq over its independence and as a result of the USSR Veto in the Security Council.

⁷ H.R.P. Dickson, Kuwait and Her Neighbours, (London: George Allen and Unwin Ltd., 1956), p.257.

⁸ Hassen Al-Ebraheem, op. cit., p.185.

the evolution of Kuwaiti bureaucracy.

5.3.1 The First Bureaucracy: Kuwait Municipality:

Inspired by the Manama Municipality in Bahrain⁽⁹⁾, prominent traders suggested to the Ruler the idea of establishing a Municipality for Kuwait. The idea was accepted by the Ruler and he immediately issued the Municipality Law in 1931. The Municipality presented the first bureaucratic structure⁽¹⁰⁾ which consisted of a council of Members, a Manager, a Secretary, tax collectors, market guards and cleaning labourers. The principles of division of labour, distribution of work load, accountability, motivation and reward, and punishment were introduced to this infant administration⁽¹¹⁾. The duties of the Municipality were diversified and comprehensive to satisfy the increasing needs of the society (such as public health).

5.3.2 Department of Education:

On 18 October 1936, the Ruler of Kuwait issued a Law by which he established the "Department of Education". The Department was under the supervision of an elected Council, while the Chairman was from the ruling family. This shifted the responsibility and control over education from the private sector to the government⁽¹²⁾. In the beginning, the Department recruited Palestinian teachers, while the curriculum was adopted from Iraq. The first mission of four teachers arrived in 1937. Later, starting from 1942, the Department turned its face toward Egypt. More teachers (male and female) were recruited from Egypt and the Department asked the Egyptian government to loan an Expert to prepare the study plans and curricula in addition to his role as Coordinator.

⁹ Najat Al-Jaseem, Kuwait Municipality in Fifty Years, (Kuwait: Kuwait Municipality, 1980). It is worth mentioning that Iraq, a neighbouring country, also issued a new Municipal Law in 1931. Amer Al-Koubaisy, "Theory and Practice of Administrative Development in the New Nations with Reference to the Case of Iraq", op. cit., p.239.

¹⁰ Even though a Custom Department was established as early as 1900, it was not structured nor organized as an administrative unit.

¹¹ Najat Al-Jasem, op. cit., p.27.

¹² Bader Al-Din Al-Khsosi, op. cit., p.33.

5.3.3 The Legislative Assembly:

On 24 June 1938, a Legislative Assembly of fourteen members was elected in Kuwait. In addition to its legislative activities, the Assembly focused its attention on the improvement of the simple current administrative system. One of the main and long range effects of this body was its creation of specific governmental departments, especially the Finance Department, which was considered the base of the current Kuwaiti administrative structure⁽¹³⁾.

5.3.4 The Finance Department:

The Department of Finance was created in 1938. The Department consisted of two branches: Administrative and Financial⁽¹⁴⁾. The Department functioned as an Accounting Section. However, it lacked proper budgeting procedures, classification and control.

5.3.5 Construction Board:

Due to huge construction activities, the Construction Development Board was established in 1952 to foster all civil construction and modernization in Kuwait⁽¹⁵⁾. The Council consisted of various Heads of Department and Experts⁽¹⁶⁾. This organ resembled the Development Board of Iraq which was established in 1950⁽¹⁷⁾. Both were financially independent, fostering planning and development and both included foreign experts as members. The Board acquired political influence after it was chaired by the ruler's brother.

5.3.6 High Executive Committee:

The Ruler created a High Executive Committee in 1954 to foster the

¹³ Hassan Al-Ebraheem, op. cit., p.188 and Jill Crystal, op. cit., p.36.

¹⁴ Mohamed M. Fareed, The Development of the Financial Administration of the State of Kuwait, (Kuwait: Ministry of Finance, 1981), p.23.

¹⁵ Ministry of Guidance and Information, Kuwait Today: A Welfare State, (Nairobi, Quality Publications Ltd., 1963), p.86.

¹⁶ Ministry of Planning, Planning Experiences in the State of Kuwait (1952-1984), Kuwait, p.2.

¹⁷ Amer Al-Koubaisy, op. cit., p.256

reorganization of the government and propose reform measures⁽¹⁸⁾. In addition, this Committee was established as a device to control the decisions of senior members of the ruling family. The Chairman and two members were from the ruling family, while the other three were prominent persons.

5.3.7 The Supreme Council:

A Supreme Council was established in 1956 to replace the High Executive Committee under the Chairmanship of the Ruler and with the membership of a President's Department consisting of ten members of the ruling family. Due to external threats, ten members from the merchants' group were added to the Council in 1961⁽¹⁹⁾ and the Council was dissolved by the promulgation of the written Constitution on 11 November, 1962.

5.3.8 Social Affairs Department:

In 1954, the Social Affairs Department was established as a means to implement the mass distribution policies. The department was responsible for providing houses to people in low income brackets, job training programmes for the unemployed, and financial assistance to the poor and disabled.

5.3.9 The Committee for Reorganization and Administrative Reform:

The Committee for Reorganization and Administrative Reform was established on 19 July 1954 in order to study the current organization of the bureaucracy and suggest ways and means to reform it. The Committee recommended the creation of twenty-one departments which later on were reduced to ten.

5.3.10 Civil Service Regulations of 1955:

As a result of huge expansion in public employment, regulations for government employees and pension were enacted in 1955. Those regulations specified the qualifications for public employees, procedures for selection through examinations and classification procedures and plans. Those regulations were in force until 1960.

¹⁸ Herbert Liebesny, "Administrative and Legal Department in Arabia", Middle East Journal, 10 (1956), p.39.

¹⁹ Saif Abdullah, op. cit., p.228.

5.4 Political Environment:

The political system in Kuwait is similar to that of other Gulf countries. It is a traditional tribal type where the Ruler runs autocratically, in conformity with tradition, (20) the whole affairs of the country. The political system could be classified as what Heady called a "traditional-autocratic system"(21) or Ortho-traditional regime. With the introduction of the Constitution in 1962, the political system in Kuwait became a mix of monarchical and parliamentary systems. In the new system, the emphasis was on modernization and provision of public services designed to maintain the political status quo(22).

The Ruler is selected from the senior members of the ruling family, if he has the requisite qualities of personality and leadership(23). The Crown Prince becomes the Ruler in the event that the latter cannot perform his duties. The Crown Prince is selected by the ruling family and the selection is ratified by Parliament.

The source of political legitimacy, after independence, is the Constitution which was issued in 1962. The Constitution legitimated the authority of Al-Sabah to rule the country within a Parliamentary context.

Before independence, the Ruler usually held daily public audiences in which anyone could express his opinion and present his case(24). The Ruler decided all issues whether minor or critical. As the problems and challenges became more complex, the Ruler relied more on his family members and the bureaucrats to run the country's affairs.

5.4.1 Interest Groups:

In the political arena, political demands are articulated and proposed through

²⁰ Fakhri Shehab, "Kuwait: A Super Affluent Society", Foreign Affairs, 42 (1964), p.462.

²¹ Ferrel Heady, Comparative Perspective, *op. cit.*, p.276.

²² Ibid., p.294.

²³ Zahra Freeth, H.V.F. Winstone, Kuwait: Prospects and Reality, (London: George Allen and Unwin Ltd., 1972), p.65.

²⁴ Sir Rupert Hay, The Persian Gulf States, (Baltimore, Maryland: Maryland Press, 1959), p.29

specific organizations such as social movements, political parties and interest groups⁽²⁵⁾. Since the country had neither political institutions (until its independence) nor political parties, the interest groups have greatly influenced the political process and decision-making in Kuwait. The interest groups in Kuwait cannot be conceived as complex and organized as those of the West; they are rather simple and unplanned in their approach and organization. The following are the main interest groups in the political arena of Kuwait:

A. The Ruling Family:

Historically, the ruling family had a significant political influence in Kuwait. As is the case in Kuwait, Heady observed that in ortho-traditional regimes, the political elite is "a ruling family relying on a monarchical claim for legitimacy"⁽²⁶⁾. The elite's composition, in addition to internal stability and external environment, were found to influence the state policies on political participation⁽²⁷⁾.

B. The Merchants:

The Merchants are a groups of wealthy families with similar social and ethnic backgrounds. They are a well established homogeneous elite with common economic interests reinforced by intermarriages. The majority of them are Old Sunni Najdi families. Since, according to tradition, public opinion is an important political force⁽²⁸⁾, the Merchants were consulted about commercial matters and any other substantial affairs of the country⁽²⁹⁾. The relationship between the ruling family and the Merchants has not always been stable. Through time, this relationship was intensified or relaxed according to internal and external circumstances. Even though the influence of the Merchants is declining with time, due to social mobility and huge financial revenues, they still exercise substantial influence on the political arena of the country.

²⁵ S.N. Eisenstadt, "Bureaucracy and Political Development" in La Palombara (ed.), Bureaucracy and Political Development", *op. cit.*, p.101.

²⁶ Ferrel Heady, Comparative Perspective, *op. cit.*, p.294.

²⁷ Kadhim Mahdi Al-Bahrani, "Factors Influencing Ruling Elite's Policies on Political Participation in the State of Kuwait", Ph.D. Thesis, University of Denver (1988).

²⁸ Fakhri Shehab, *op. cit.*, p.462.

²⁹ Sir Rupert Hay, The Persian Gulf States, *op. cit.*, p.38.

C. Tribal Chiefs:

In search for new allies⁽³⁰⁾, the government has granted bedouins citizenship in large numbers and has given them preference in recruitment for security and unskilled jobs. With the introduction of the 1962 Constitution and the distribution of Parliamentary seats according to districts, the tribes have gained more political influence in the decision-making by gaining control over the seats of many districts. Most tribal representatives in Parliament are loyal to the ruling family.

D. Officialdom:

Before the discovery of oil, public officials were not considered as main contributors to public decisions. With the growth of the bureaucracy, the influence of top officials in public decisions has increased more than that of any other group. In the temporary absence of the participatory system, they were considered the most influential group. Most of their power originated from the offices and information they held and from the fact that they were selected due to their social status and their loyalty to the ruling regime. Those officials played a critical role in the formulation and implementation of public policies as they possessed the vital information and skills for decision-making. In the prevailing social structure, public office was the only open channel for upward social mobility in the country.

E. Political Groups:

Since the establishment of parties is forbidden according to the 1962 Constitution, many political groups commonly work under the name of non-profit organizations⁽³¹⁾. Most of these groups are connected to their counterparts in the Arab World. Groups such as Arab nationalist and Islamic movements are considered the main groups which exert influence on political decisions. Their influence increases in the election periods due to their ability to mobilize grass-roots support.

F. Ulema (Religious Scholars):

Ulema are those scholars who teach and interpret the principles of Islam. The Ulema's power is established through their control of the judicial system. Many of them

³⁰ Zahra Freeth and H.V.F. Winston, *op. cit.*, p.67.

³¹ Shafeeq Ghabra, "Voluntary Associations in Kuwait: The Foundation of a New System", *Middle East Journal*, 45, No.2, (1991), p.202.

were active in the political arena and many pioneer ideas were initiated and pursued by them. They initiated and supported the first hospital, school and Municipality in Kuwait. After the discovery of oil and the approval of the Constitution, their role declined and was limited to purely religious affairs.

G. Shia Community:

The Shia Community has increased in population and influence in decision-making since they were seen as one of the new and main allies to the regime after the discovery of oil. Nevertheless, their role has weakened due to increased support for the Iranian revolution.

H. Non-Kuwaitis:

The non-Kuwaiti population constituted of 45%, 53% and 72% of the total population in the years 1957, 1970 and 1988 respectively. Even though their influence is not obvious in political life, some groups have influenced the policies of the country. The Palestinian population, which represents 38% of the non-Kuwaiti population and 19% of the total population, was a factor in adopting a policy of Pan-Arab support.

5.4.2 Consultation and Councils:

Since the inception of Kuwait, consultation and council has been used extensively as a tribal value and a tool to share political power and run public affairs⁽³²⁾. The People's Legislative Council was established in 1938 as a model for direct consultation, and its main contribution was the creation of a Government Department which later formed Kuwait basic bureaucracy⁽³³⁾.

5.4.3 Parliament:

In his efforts to institutionalize the traditional consultation between the Ruler and his followers, the Ruler has established an elected National Assembly⁽³⁴⁾. This

³² Kamel Salih, "Kuwait: Political Consequences of Modernization, 1950-1986", Middle Eastern Studies, 27, No.1 (1991), p.52.

³³ Fakhri Shebah, op. cit., p.462.

³⁴ Hassan Al-Ebraheem, "Kuwait and the Gulf: Small States and the International System", Center for Contemporary Arab Studies, Washington, D.C. (1984), p.88.

institutionalization was a result of external and internal challenges. The Parliament was dissolved in 1976 and 1986. Both dissolutions were the outcome of power struggle between the ruling family and the National Assembly.

5.4.4 The Constitution:

The Constitution which was issued in 1962 legitimized the historical rule of the Al-Sabah family. In return, the Constitution recognized the people's right to practise the main categories of freedom. The Ruler executes his power through the Ministers who are responsible before him and the Parliament. The Constitution emphasises the division of power among the Government Branches: legislative, judicial and executive. Nevertheless the ruler is the source of all power. In summary, the 1962 Constitution was a compromise between the ruling family's interests and the people's demands. In other words, it is a blend of modern democratic models with tribal structures and values.

5.4.5 Social Gathering:

A unique feature and essential part of the political system is the Diwaniyya. The Diwaniyya is a men's social gathering in which a homogenous group of individuals meet regularly. In addition to the practice of common hobbies, they discuss social and political issues which usually reflect the interests and needs of the public. It serves as transitional alternative to public polls and as a substitute for the daily majlis of the ruler in the pre-oil era.

5.5 Social Values:

Social values have a strong impact on the bureaucracy in countries with sudden wealth. Many attitudes and behaviours have influenced and shaped the bureaucracy. This is mainly due to the slow change of social values compared with other economic and developmental changes. So it is not abnormal that traditional values are still the dominant values in those societies.

In the following pages, an attempt is made to explain the main prospectus of the social values. This study is neither a comprehensive research on Kuwait's social values nor a detailed analysis of their complexity and interdependence. This is beyond the scope of the research and the capability of the author. What we are trying to do here is to explain some social values which are considered as the social environment

of the bureaucracy and also to highlight their relationships and impact on the administrative system in Kuwait.

5.5.1 Main Sources of Values of the Kuwaiti Society:

The values of Kuwaiti society were shaped over time by many factors. Among them are the following:

A. The Religion (Islam):

Since its establishment, Kuwait has remained Muslim in its faith and religion. Therefore, Islam is the source of the political system, the judicial system and the moral code of the society. The Quran, together with Islamic traditions, have been the foundation for the social structure⁽³⁵⁾. Al-Salim has observed in his empirical study that the majority of Kuwaitis believe that religion is the main source of values for them⁽³⁶⁾.

B. Arab Affinity:

Kuwait is located in the eastern corner of the Arabian Peninsula with a majority of Arab population. With mass nationalistic activities and as a result of the interaction of the mass-media, the Kuwaiti people have decided in the Constitution to affiliate themselves with the Arab nation and its cause. Arabs, as any other nation, have certain values which have developed over time. Pride, trust and hospitality are considered as essential values for the Arabs.

C. The Family or the Tribe:

The basic social unit in the Arab world is the family and not the individual. Loyalties, obligations and the status of each individual are tied around his family. Each individual is responsible for the welfare of his family and in return the family provides him with a larger base of contacts and support. His acts and behaviours are considered those of the family. The Arab individual subordinates himself to his tribe or family, with which he is identified. This subordination and affiliation causes bureaucrats to be motivated and shaped by their family influence and values. The

³⁵ Mary Van Pelt, "The Sheikdom of Kuwait", The Middle East Journal, 4 (1950), p.16.

³⁶ Faisal Al-Salim, "Political Socialization in the State of Kuwait", Research and Training Committee: Kuwait University, (February 1982), p.32.

family in Kuwait is the centre of the social relationships, obligations, loyalties and status of its members. Tribal and family ties are still important in the country⁽³⁷⁾, even though they are declining due to change in the concept of the family.

D. Traditions:

Most traditions of Kuwaiti Society may be understood only within the context of the religion, ethnic origin and environment. Many traditions reflect the climate, economic life, and social relationship. For example, cooperation and unity are essential traditional values of the society and reflect the existence of challenges and threats from neighbours, the scarce natural resources and severe climate.

5.5.2 Social Stratification:

Due to the faith of Islam, there is no social distinction between the different social classes as is the case in other societies. However, there were three clusters in the Kuwaiti society before the discovery of oil. The first contained the Royal family and small groups of wealthy families⁽³⁸⁾ which ranked next in the social scale. Those wealthy families are regularly consulted by the Ruler and have much political influence⁽³⁹⁾. The ownership of the means of production was the base for the stratification of this cluster. This cluster was further distinguished by Kinship relationship and intermarriage. The second cluster consisted of ship captains and office clerks⁽⁴⁰⁾. The third cluster was the large working class which included fishermen, pearl-divers, sailors, labourers and shipbuilders⁽⁴¹⁾. This cluster has diminished due to the extensive welfare services provided by the government.

With the discovery of oil, we notice the emergence of a large middle class cluster (the fourth cluster) which contains bureaucrats and small businessmen which

³⁷ Fahed Al-Thakeb, "Family-kin Relationships in Contemporary Kuwait Society" (Annals of the Faculty of Arts - Kuwait University - Kuwait, Vol.3 1982), p.60.

³⁸ Bader Al-Din Al-Khososi, *op. cit.*, p.126.

³⁹ Sir Rupert Hay, *The Persian Gulf States*, *op. cit.*, p.38.

⁴⁰ K. Al-Naqeeb, "Social Strata Formation and Social Change in Kuwait", *Journal of Social Sciences* (Kuwait), 5, No.4, 1978, p.264.

⁴¹ Fakhri Shehab, *op. cit.*, p.461.

have the best opportunity for upward mobility. Parliamentary representation has changed through time in favour of this class⁽⁴²⁾. Similar upward mobility and influence in decision-making of the middle class have been observed in Saudi Arabia⁽⁴³⁾. In addition, a fifth cluster has emerged which contains wage earners and skilled workers, due to huge bureaucratization⁽⁴⁴⁾.

5.5.3 Relevant Values:

In this Section, we indicate some of the main values of the Kuwaiti Society that are relevant to this research. These values have evolved during the course of time. The examination of these basic values and norms will help in understanding the interaction between the bureaucracy and its social environment. Some of these values are:

1. The Informal structure ⁽⁴⁵⁾;
2. Loyalty and trust in leadership;
3. Centralized Authority⁽⁴⁶⁾;
4. Lack of Job Specification or description;
5. Personalized recruitment;
6. Autocratic Style of leadership;
7. Lack of planning⁽⁴⁷⁾;
8. Particularism; and
9. The Vagueness of the Public Service Concept.

The impact of the above values on the stages of administrative development will be discussed in the relevant section in subsequent Chapters.

⁴² Kamel Salih, op. cit., p.54.

⁴³ William Rugh, "Emergence of New Middle Class in Saudi Arabia", Middle East Journal, 27 (1973), pp.7-13.

⁴⁴ K. Al-Naqeeb, op. cit., p.242.

⁴⁵ Sir Rupert Hay, The Persian Gulf States, op. cit., p.29 and H. R. P. Dickson, op. cit., p.257, IBRD, The Economic Development of Kuwait, (Baltimore: The John Hopkins Press, 1965), p.49; hereafter cited as Development.

⁴⁶ Changiz Pezeshkpur, "Challenges to Management in the Arab World", Business Horizons, 21, No.4 (August 1978), p.54.

⁴⁷ Sir Rupert Hay, The Persian Gulf States, op. cit., p.49.

5.5.4 Education:

The goals of the educational system in Kuwait are to eliminate illiteracy and to increase the skilled work force needed for development activities. Education is free for all levels and compulsory up to primary level. Admission to University is regulated by a competitive grade system as a result of the huge number of secondary school graduates. The number of students at school increased at a yearly rate of 7.95% during the period 1959-1989. The highest growth rate was noticed in the period 1961-1965 (15.9%) and the lowest in the period 1984-1989 (1.5%).

For vocational education, Kuwait has set up many education and training organizations. Most of these programmes are specifically employment-oriented. Despite these efforts, vocational education has not been able to satisfy the growing need for technical jobs. For example, the number of jobs classified under production and related workers more than doubled in the years from 1957 to 1975. At the same time, natives participation in this category decreased from 22.5% in 1957 to 14.5% in 1975. This decrease also indicates the preference of Kuwaitis for white collar jobs and the prevailing negative attitudes toward manual work.

5.6 Demographic Composition:

The demographic composition is a major contributor to the development of the administration. Many rates and indices have been developed to reflect the change and development in the different areas of life. In this Section, emphasis is placed on analysing the key rates and indices which reflect the change in the demography as a key variable of bureaucracy development. This composition determines the quality and quantity of the state labour force.

5.6.1 Population Growth:

The population of Kuwait reached 1.915 million in 1988, with a rate of growth of more than 7.45% per year from 1957/1988. The population growth rate for expatriates (9.1%) exceeds that for natives (5.13%). This high growth rate is attributed to a large influx of immigrant workers, Bedouin assimilation, naturalization of non-Kuwaitis and a high fertility rate.

Also, the population growth rate for females is more than that of males. Many factors are responsible for this trend. The first is that most of the females who

immigrated were the wives and relatives of immigrant labourers⁽⁴⁸⁾. A second factor is the fact that the participation in the work force of non-native females is more accepted than that of natives⁽⁴⁹⁾. Therefore, the demand for non-native females has increased for specific jobs. The highest population growth rate for the Kuwaitis was 8.7% and 13.05% for non-Kuwaitis during the period from 1957/1965. The population density per sq.km increased from 29.2 in 1965 to 55.8 and 115.3 in 1975 and 1990 respectively (Table C-1).

5.6.2 Labour Force:

The labour force grew at a rate of 6.67% annually between the years 1965 and 1985. This rate is considered more than average when compared with rates in other countries. For the same period, the growth of non-Kuwaiti labour force (which is 7%) exceeded that of the Kuwaitis (which is 5.6%). At the same time, the growth rate for females has exceeded that for males for the same period.

The crude participation rate of natives was stable through the period from 1965 to 1985 with rates in the range of 18-20%. The low crude participation is attributed to high fertility, low mortality, the spread and availability of educational facilities and the availability of strong incentives for early retirement. Though the indigenous female labour force has grown at a substantive rate of 15.9%, its participation of 18.1% is still low compared to that of other countries. The labour market continued to be male dominated. In addition, 90.5% of Kuwait females concentrate on the social services sector and 89.7% of them work in professional and clerical jobs. However, the non-Kuwaiti crude participation rate exceeded that of the Kuwaitis three-fold in 1965 and dropped to a low level of 40% in 1975 due to relaxation in the immigration laws. Later it increased to 53% in 1985 as a result of tightening of those regulations. In addition, the growth rates have fluctuated as a reflection of change in the pull and push factors for immigration of labour force⁽⁵⁰⁾. The native labour force, are concentrated in the social sectors as service employees and clerical jobs in the public sector. The majority

⁴⁸ Amel Al-Sabah, Mirgration to Kuwait between 1957 to 1975, (Kuwait: Kuwait University 1978), p.314.

⁴⁹ Ali Al-Musa, "Manpower in Kuwait", Seminar on Human Resources Development in Gulf States, (Bahrain: 15-18 February, 1975), p.97.

⁵⁰ Amel Al-Sabah, op. cit., p.78.

of native females and two-thirds of native males work in those sectors. Those uneven distributions have led to imbalances in the labour force. The trend is for natives to move out of the productive sector to the service sector. This has stimulated the need for foreign labour to fill the gap. In addition, low productivity of the Kuwaiti civil servants has been observed by many researchers.

A high influx of immigrants, especially Arabs, occurred in the period from 1957 to 1975 due to huge labour demand for social and economic development. The private sector depends entirely on the expatriate labour force with only a 4.2% native work force. Later, immigration slowed down due to new tight regulations. In addition, it has been noticed that the composition of the ethnic profile has changed towards singles and short term labour, mainly Asian. The non-Arab population increased from 19.8% in 1975 to 36.7% in 1985.

5.6.3 Ethnic composition and Origin of Migrant Force:

The composition of the migrant work force has changed through the different stages. A significant phenomenon is that Arabs hold an overwhelming proportion with an increasing share, from 76% in 1965 to 80.2% in 1975. This is mainly due to the continuous de facto policy of giving preference to Arab migrant workers in employment opportunities. The proportion of Jordanians and Palestinians among the Arabs increased from 31.4% in 1965 to 39.1% in 1975 ⁽⁵¹⁾. This was mainly due to the Arab-Israeli war in 1967 and as a result of Arab labourers bringing in their families⁽⁵²⁾. Since 1975, migrant influx to Kuwait has declined, with the Egyptian share increasing at a rapid pace while the Iranian share declined. The immigration influx decreased after 1970 due to restrictions in the immigration laws.

5.6.4 Education Levels of the Labour Force:

Due to the huge efforts in education, structural changes in the labour force have been noticed. The illiterate percentage of the Kuwaiti labour force declined from 51.57% in 1965 to 14.16% in 1985. However, interestingly, a high illiteracy rate exists among the 28-49 age group of the indigenous population due to naturalization of

⁵¹ Abdel Fateh Nassef, "Human Resources in Kuwait", Seminar in Population, Employment and Migration in the Gulf Arab States, (Kuwait 1978), p.56.

⁵² Amel Al-Sabah, op. cit., p.35.

bedouins. This group is the most active group in the labour force composition. This has hindered administrative reform and impeded the upgrading of the productivity of the native labour force. In general, the education level of the labour force has improved over time with similar educational levels for Kuwaitis and non-Kuwaitis⁽⁵³⁾. However, males in general, are better educated than females.

The education level of the native population is improving, nevertheless, it is low. Illiteracy and semi-illiteracy dominate the society. Males in general are more educated than females. Up to 1984, non-natives have better educational attainment than natives, however, they still have a high illiteracy and semi-illiteracy percentage. Since 1985, the educational profile of natives has out-performed the educational profile of non-natives.

5.6.5 Age Distribution of the Population:

The age distribution of the Kuwaiti Society presents the characteristics of a young society. The percentage of population aged below 15 years increased from 38% in 1965 to a record level of 44.3% in 1975 as a result of high fertility rates and immigration of workers' families. In addition, it reflects increasing settlement attitudes among the immigrant workers and improvement in the availability of educational opportunities for natives⁽⁵⁴⁾. Later, this percentage declined due to low fertility rates and new, tighter immigration regulations which make it difficult for a worker to bring his family into the country.

⁵³ Ali Al-Musa, "Report on population, labour force and immigration in the State of Kuwait", Seminar on Population, Employment and Migration in the Gulf Arab States, (Kuwait, 1978), p.246.

⁵⁴ Abdul Rasool Al-Mousa, K. Aziz, Social and Economic Characteristics of Immigrants to Kuwait, (Kuwait: Publication Agency, 1981), p.99.

Table:5-1: Percentage of population below 15 years:

Years	Kuwaitis	Non-Kuwaitis	Total
1965	49.1%	28.2%	38%
1970	50.1%	37.0%	43.2%
1975	49.4%	39.7%	44.3%
1980	49.3%	33.8%	40.3%
1985	48.6%	29.0%	36.8%
1988	41.06%	33.63%	35.75%

Source: Ministry of Planning "Annual Statistical Abstract", Kuwait Government Press, Edition XXIV, 1987 and Labour Force Survey, 1990.

5.7 The Economy:

Before the discovery of oil, the economy of Kuwait depended on two main sources: pearl harvesting, and commerce and service-related activities⁽⁵⁵⁾. Currently, petroleum and natural gas are the main natural resources of the country, with one of the highest levels of oil reserves in the world. The Agriculture and Fisheries Sectors are insignificant (less than 1% of GDP) because of limited natural resources. The country has tried to diversify the domestic economy by encouraging the industrial and financial sectors but these efforts have been only partially successful.

The injection of oil revenues has led to inflation, over-dependence on the foreign work force and increased imports which reflect low absorptive capacity⁽⁵⁶⁾.

5.7.1 Economic Indicators:

The growth of Gross Domestic Product (GDP) averaged 9.61% during the period 1965-1989, with the highest rate of 137.7% in 1974 and lowest rate of -27.09% in 1986. The average per capita GDP has grown at an average of 7%, with a highest rate of 125.05% in 1974 and the lowest rate of -18.26% in 1986. Most of these fluctuations in GDP and per capita GDP are attributed to fluctuations in oil prices such as the ones in 1974 and 1981.

⁵⁵ M. Mohammed Fareed, *op. cit.*, p.23.

⁵⁶ Ragaei El-Mallakh and Jacob Atta, The Absorptive Capacity of Kuwait, (Lexington, Mass: Lexington Books, 1980), p.31.

5.6.2 Composition of GDP:

The oil sector is considered as the major contributor to the country's GDP. Until 1973, the percentage of the oil sector to GDP was fairly stable (around 55%) but since then it has fluctuated due to its vulnerability to the cyclical nature of the international oil market. In 1985, the oil sector represented 41.1% of the GDP but fell to only 36% by 1988. A remarkable feature of the GDP in recent years has been the increased share of private consumption in the total GDP; 45.6% in 1983 and 60.2% in 1988. Kuwait's exports are dominated by crude and oil products which represented 89% of export earnings for 1988 while they were 84% in 1983.

5.7.3 Economic Planning:

Kuwait has announced many Five-Year Economic Plans or guidelines, the first of which (1967/68 - 1971/72) was launched in 1968. The main goal of the Plan was to maximize national income and to diversify economic activities. This Plan was neither rejected nor endorsed due to the eruption of the Arab-Israeli conflict in 1967 and the financial burden borne by the State in order to support the Arab nations.

Following this, the Second Five Year Plan (1972/73 - 1975/76) was launched to promote the mixed sector industries and called for more economic diversification. This Plan was merely a guideline and its implementation was far short of expectations.

The Third Five Year Plan (1976/77 - 1981/82) was designed to foster ambitious industrial expansion and increase exports. This Plan was approved by the Council of Ministers but was not endorsed by Parliament due to its dissolution in 1976.

The Fourth Development Plan (1985-1990) aimed to balance the demographic structure, increase the participation and productivity of the indigenous population, provide the main requirements of social development, develop the private sector and make efficient use of financial resources. The level of implementation of this Plan has not yet been announced.

5.7.4 State Finance and Budget:

A. State Revenues:

Even though Kuwait's economy is a one-resource economy, where oil is the main source of revenues for the State, the investment revenue are becoming more significant. The oil revenues represented the majority of the total revenues from 1950 until 1984. With the decline in oil prices, the share of oil revenues dropped to 40% in 1986. The share of investment revenues increased to a record high of 55% in 1986. The investment revenues originated from investing the surplus of state income. The third source of revenues is called other revenues. This includes rents, public utilities' fees, stamps, taxes, municipal fees and others. Direct taxes contribute little to government revenues.

A critical feature of the state revenues is their great vulnerability to change in the oil international market. This calls for the need for stabilization of the budget function in order to facilitate steady bureaucracy development.

B. State Expenditure:

The public expenditure system has a high degree of flexibility and fluctuation. Long-term budgetary policies do not exist. Categories of State expenditure and shares allocated to each have varied. Wages expenditure as a percentage of total budget has fluctuated in the range of 20-30%. Unclassified expenditures increased from 21.50% prior to 1965 to 47.7% in 1988-89. Expenditure on land acquisition has declined with time, while wages expenditure has grown at the highest rate.

C. Budget Surplus:

The State budget has reflected an unusual surplus compared to the total revenues. Such surplus, demonstrated in Table 5-2, implies the lack of incentives to economize the bureaucracy.

Table 5-2

Years	Surplus as % of Total Revenues
1957-1965	18.27%
1965-1975	38.20%
1975-1984	49.82%
1984-1990	-19.26%

5.8 Summary

In Kuwait, the social values and social structure are built around the main group (family, kin, tribe) to which all individual loyalties are focused. Consequently, each individual favours particularistic interest over public interest. Since the bureaucracy is a reflection of the society, Kuwait's bureaucracy was what Stone called, "A mix of autocratic and traditional systems with excess emphasis on following the procedures"⁽⁵⁷⁾. The expansion in the education system was the most significant achievement of the country's development. Even though impressive education growth has been achieved, it has been unrelated to the demand of the labour market.

In Kuwait, the political system is a blend of modern democratic models and tribal structures and values. The Constitution, which is the cornerstone of political legitimacy, legitimizes the authority of the Ruler and defines the responsibilities of different branches of the government. Interest groups are active in the political arena and their power changes with fluctuations in the Parliamentary system. A participatory system through Parliamentary elections has been practiced, but the Parliament was dissolved twice due to internal and external factors. In addition, the Government has used consultation and Councils to share its political power with the people.

Kuwaiti Society has a demographic pattern typical of a developing country with substantial wealth. The demography of the Kuwaiti Society is unique, with two different demographic characteristics. The demographic characteristics of natives are those of an ordinary young society while non-natives constitute an exceptional society where the crude participation rate is two or three times the ordinary rate. More recently, a shift has been noticed from predominantly non-native male society to a more balanced one. The population growth rate is high, though the growth rate declined over the period.

Kuwait is suffering from various imbalances in its labour force. First, the native labour force is far short of the demand. Second, a high percentage of the labour force is concentrated in service or service-related sectors. Third, a competitive market

⁵⁷ Donald C. Stone, "Improvement of Administration and Performance through Education, Training, Research and Advisory Services", Office of the Minister of State for Legal and Administrative Affairs, November 1977, p.22.

for the non-native labour force has emerged since all Gulf countries have a shortage in the native labour force. Fourth, women's participation, though increasing, is far below its potential, due to many social and cultural considerations.

The low crude participation for natives especially women reflects a high dependency ratio. The young society increases the demand for services and requires more allocation of Government expenditures for those services. In addition it increases dependency on the expatriate labour force.

Kuwait's economy is a one-resource economy with high per capita income and a high level of consumption. Public expenditure depends wholly on oil revenues. The public bureaucracy is the sole distributor of public revenues. The level of economic activities depends on changes in public expenditure and oil revenues.

The private sector's contribution and impact is modest in this regard. The economy has a low absorptive capacity. Kuwait's economy is becoming, over time, more dependent on its relationship with the rest of the world in the areas of trade, investment and flow of labour.

In summary, the bureaucracy is the major controller of the country's wealth and therefore it occupies a vital rôle in economic development. In addition, the bureaucracy is the main employer of the country's labour force. Furthermore, the bureaucracy is sensitive to changes in the international market, especially oil prices. Thus, its exposure to and dependency on the world economy has increased through time.

Examination of the ecology in which the bureaucracy is functioning demonstrates the significance of such ecological factors on bureaucracy development. Analysis of their impact and their direction of change will be considered for each stage in subsequent Chapters.

CHAPTER SIX: BUREAUCRACY IMPORTATION

6.1 Introduction:

One of the research hypotheses is that Kuwait's bureaucracy, since the discovery of oil, has developed through four basic stages starting with the stage of bureaucracy importation. This chapter is concerned with analysing thoroughly such stage.

Many developing countries struggled to introduce modern bureaucratic structures and systems which did not necessarily reflect the values of their own society. Usually, countries which were previously under colonialism, would tend to imitate the administrative practices and style of their colonial power. Britain was one of the colonizing countries which were successful in establishing bureaucracy and building administrative capacity in countries they colonized. India and Pakistan are clear examples in this regard. Thus many public administration systems in developing countries are imitative rather than innovative⁽¹⁾.

Few scholars have investigated the phenomenon of importation of bureaucracy⁽²⁾. Riggs and others have talked about imposing foreign systems over traditional societies, which implies importing those systems⁽³⁾. The lack of such studies, may be attributed to the uniqueness of this phenomenon and its prevalence in a limited number of countries, a matter which did not attract the attention of the researchers.

In this Chapter, the author will define the stage of bureaucracy importation and explain the ecological factors interacting with the bureaucracy. Furthermore, analysis

¹ Ferrel Heady, Comparative Perspective, op. cit., p.281.

² J. Donald Kingsley, "Bureaucracy and Political Development, with particular reference to Nigeria", in Joseph La Palombara (ed.), Bureaucracy and Political Development, op. cit., pp.302-3; G. Timsit, "Administrative Models and Developing Countries", International Review of Administrative Sciences, 42, No.4 (1976), pp.349-56; R.B. Jain (ed.), Bureaucratic Politics in the Third World, (New Delhi: Gitanjali Publishing House, 1989), pp.363-4.

³ Fred Riggs, Administration, op. cit., p.82 and p.277, Robert Presthus, "Weberian V. Welfare Bureaucracy in Traditional Society", op. cit., p.3-4.

of the evolution of bureaucracy in the light of the framework developed in Chapter Three will be undertaken. A summary of the conclusions will be presented at the end of the Chapter.

6.2 Definition and Indicators:

All interview respondents agreed with the definition of the imported bureaucracy stage as proposed by the author. The author defined the stage of imported bureaucracy as "the stage in which the importation of administrative procedures, structures, regulations, laws, experts, staff and technicians were required to run services related to the development activities" in the initial period of establishing the State. Furthermore, 78% of the questionnaire respondents agreed with the author's definition of this stage (Table A-11, Question 11). Those respondents with more than 15 years experience gave more favourable responses to this proposition. This supports our proposition, since those officials were the ones who were on duty during this stage and witnessed its evolution.

The importation of bureaucracy in Kuwait was conceived as a natural development in any society with ambitious plans for growth and modernization. This importation included the importation of the values in which those systems were designed and operated⁽⁴⁾. Most interview respondents emphasised that the speed of change and the ambitious plan to establish the state, left no choice for a selective approach to importation. Selection was done on an ad-hoc basis to cope with the current challenges.

Indicators of Importation of Bureaucracy:

Many indicators support our proposition to categorize this stage as one of bureaucracy importation such as the following:

1. The enactment of many imported laws and regulations:

A fair indicator of this importation was the rapid establishment of the legal base of the state. More than 38 laws were enacted within a few months after independence. These include legislation on immigration, citizenship, passports, the civil service and other laws covering key areas. Unless those laws had been imported, it

⁴ Ahmad Al-Jasser, Interview, Kuwait, 27 May 1990.

would have been difficult to issue them within that time frame and the limited capacity of the country. The typical British systems of immigration and job grading which were used in the colonial government of Palestine were adopted completely⁽⁵⁾. Furthermore, the legal, education and financial regulations and systems were imported entirely from Egypt. For example, the personal laws and regulations which were issued in 1960 reflected the Egyptian model of administration⁽⁶⁾.

2. The occurrence and growth of a large body of non-native civil servants:

In 1957, 85% of the skilled workers and 78% of the unskilled were expatriates. The yearly growth of the expatriate labour force reached 14.25%, the highest among all stages. This is another indication of the huge importation of labour force. The expatriate civil servants constituted 55% of the total public service. If the daily wage workers were added, the percentage of non-Kuwaitis would reach 71%⁽⁷⁾.

3. The holding of the majority of supervisory jobs by expatriates:

The following table (6-1) demonstrates the occupancy of most of the managerial jobs by expatriates who would naturally tend to bring imported managerial styles and procedures to the organs under their authority.

Table 6-1: Expatriates as percentage of total jobs in supervisory positions.

Year	1963	1972	1976	1983	1986
%	68.06%	45.78%	40.02%	55.79%	54.18%

Source: IBRD Reports and Annual Statistical Abstracts.

6.3 Environmental Inputs:

6.3.1 Historical Variables:

Even though Kuwait became a British Protectorate in 1899, the British had little impact on the evolution of the administrative system. Kuwait benefited politically by securing the de facto autonomy of the country. However, under the protectorate treaty,

⁵ Ali Al-Musa, Interview, Kuwait, 1 August 1991.

⁶ IBRD, *Development*, *op. cit.*, p.38.

⁷ *Ibid*, pp.52-3.

the British avoided interfering in the internal affairs of the Emirate, serving only as experts in the public work and health sectors⁽⁸⁾. In the early fifties, the ruler was obliged to recruit those experts in order to control and curb the power of other strong members of the ruling family. As the strategic importance of the country increased, British interest grew in the internal running of the country. Specific instructions were given to the political resident to look after the oil companies' interests and to contribute to the reorganization of the administration through the employment of British advisers⁽⁹⁾.

Kuwait's strategic location has put it in the middle of trade routes. As Mubarak noticed, "the Kuwaitis from the beginning were in direct contact with their neighbours and became increasingly dependant on foreign trade for survival"⁽¹⁰⁾. This interaction was carried out through merchants which contributed toward building up the administrative experience and capacity within the private sector. The public sector remained limited in its administrative capacity and experience.

The lack of public administrative capacity, coupled with ambitious development plans, stimulated the importation of administrative systems and procedures. However, the existence of accumulated experience in the private sector, impelled the government to recruit the top officials from the merchant class.

In Kuwait, the historical influence of the colonial era was minimal compared to that in India and Pakistan. This is attributed to the non-intervention of the British in the internal affairs and administration of the country. In addition, the marginal resources of the country prior to oil discovery, did not justify extensive intervention by the British.

6.3.2 Economic Variables:

With the huge oil revenues which represented 92% of the state revenues, financial resources were quite sufficient for development demands. The gross domestic product (GDP) grew at a yearly average of 8% between the years 1959 and

⁸ Sir Rupert Hay, "The Impact of Oil Industry on the Persian Gulf Shaykhdoms", The Middle East Journal, 9, No.4 (1955), p.366.

⁹ Jill Crystal, op. cit., p.67.

¹⁰ Waleed Moubarak, op. cit., p.9.

1963 while the per capita income decreased from KD 1,142 to KD 1057⁽¹¹⁾. This decrease is attributed to the huge influx of labour and the exponential increase in the population which far exceeded the increase in GDP.

The demand for services grew substantially during this stage. This stimulated the building of many developmental and infrastructure projects. From Table 6-2, the number of students enrolled and patients admitted to hospitals increased yearly by an average of 15.7% and 15.9% respectively. Furthermore, per capita consumption of electricity and water also grew more than at any other stage.

Table 6-2: Yearly percentage growth of services compared with population:

Year	Per Capita consumption of electricity	Per Capita consumption of water	Population growth	Student enrolment	Patients admitted
1957-65	11.2%	18.7%	10.8%	15.7%	15.9%
1965-75	8.1%	16.15%	7.9%	8.75%	7.4%
1975-84	6%	12.8%	5.5%	7.35%	8.05%
1984-88	3.63%	0.68%	4.1%	1.5%	3.1%

Source: Statistical Abstract in 25 years (1990) and Statistical Year Book of 1986 - Ministry of Electricity and Water: Kuwait (1986), p.62 and p.109.

The increase in demand for government services is attributed to two factors: the fast growth rate of the population and the desperate need for social goods.

Faced with unplanned and excessive spending by departments, the ruler issued a law in 1957 which regulated budgetary and financial affairs. In February 1960, the first budget law was enacted. It established clear rules for the budget, statement of accounts and control on budget implementation, including audit⁽¹²⁾. Before this law was enacted, financial resources were allocated according to the power status of the department head.

¹¹ IBRD, *Development, op. cit.*, p.164.

¹² Mohammed M. Fareed, *op. cit.*, p.45.

In this period, public spending comprised 81.20% of total revenues. The average current expenditure was 47.96% of total expenditure, while the average land purchase and average construction expenditure were 30.35% and 21.69% respectively (Table 6-3). Land purchase expenditure exhibited a cyclical movement, reflecting the social and political pressures that influenced public-spending decisions.

Table 6-3: Analysis of growth and average share of different categories of expenditure in the state budget:

	1957-1965	1965-1975	1975-1984	1984-1990
Wages Expenditure				
Growth		11.65%	16.40%	5.51%
Avg. Share		25.76%	19.90%	26.76%
General Expenditure				
Growth		6.40%	26.50%	-10.57%
Unclassified Expn.				
Growth		30.40%	12.40%	4.33%
Avg. Share		42.53%	42.33%	42.75%
Current Expenditure				
Growth	16.20%	-	-	-
Avg. Share	47.96%	-	-	-
Land Purchase				
Avg. Share	30.35%	12.02%	9.90%	3.60%
Construction				
Avg. Share	21.69%	13.30%	17.50%	16.72%
Growth in Total Expenditure	9.30%	18.20%	11.30%	0.33%
Surplus as % of Total Revenues	18.27%	38.20%	49.82%	-19.26%

Note: For years 1984-1990, the heading, "general expenditure" was changed to "purchase of goods".

Source: Ministry of Finance, Government Annual Budgets (1957-1990).

One of the main public finance policies was the purchase of land from the natives. Under social pressure, the Government continue to use this policy as a tool

for achieving internal security and economic prosperity⁽¹³⁾. Nevertheless, it was not successful in activating the Kuwaiti economy⁽¹⁴⁾. It brought many economic disadvantages, including a drain of valuable resources into non-productive sectors and creation of inflationary pressures. However its political impact in diffusing opposition to the regime and mobilizing allies was effective. The growth of 16.20% in current expenditure, which included wages, was twice that in total expenditure for the same period. This trend reflected the wide utilization of social employment policy as a tool for wealth distribution.

The pressure and incentive to economize the bureaucracy, which elsewhere stimulated administrative efficiency, were absent at this stage. The average surplus as a percentage of total revenues was 18.27% for this period. It was mainly invested abroad.

With the huge expansion in state expenditures and as a result of widespread maladministration, the need for financial control was recognized. As a result, a General Audit Bureau (GAB) was established in 1964 to assume responsibility for supervising and controlling the country's expenditures and revenues. Except for a few cases, the intervention of the GAB, which reported to Parliament, was mainly at the post-audit level, aiming at discovering financial violations and deficiencies.

The private sector was preserved by a free enterprise ideology and direct aid and protection. Money was transferred to the merchants through the land acquisition programme. The Government favoured the powerful merchants by issuing laws that restricted business ownership rights, dealerships and monopoly rights to them. In return, the merchants maintained a low political profile.

Early in the stage, planning was lacking due to the equitable status of department heads who were from the ruling family. Later, the country initiated its first attempt to institutionalize planning. In 1962 a Planning Board was established as an

¹³ The Land Purchase Programme Allocation was KD 32 million in 1963/1964 or 60% more than the level suggested by the IBRD mission. See IBRD, *Development, op. cit.*, p.4.

¹⁴ *Ibid*, p.4.

independent organ for planning and development.

Promotion of welfare services, land purchase and social employment were tools used to neutralize the merchant group and to attract new allies. Control and planning were introduced, but incentives to economize the bureaucracy were absent. Such development in every area obliged the Government to import systems and manpower to achieve the desired progress and political objectives

6.3.3 Political Variables:

Due to many external and internal challenges and increasing demand for democracy⁽¹⁵⁾, Kuwait moved toward more representative government by establishing the constitution and electing a General Assembly. This was a major step in the transition from a tribal society to a modest democratic society. The first elected Parliament was a fair reflection of the social structure of the country, with Arab nationalists predominating⁽¹⁶⁾. Due to the evolution of Arab nationalism, most public recruitment targeted Arabs, mainly Palestinians and Egyptians who were strong advocates of Arab nationalism⁽¹⁷⁾.

The main focus of the country's policy during this stage was the security of the regime in the face of internal and external threats. Internally, the huge influx of foreign labour, made the Kuwaitis a minority within their state (the Kuwaitis were 47.71% of total population in 1961). In addition, the demand for representative government increased among the younger generation, via various forums including sports clubs, through the years 1958-1960. Externally, Iraq's claim to Kuwait, the day after its independence, expedited efforts to establish the public administration system and stimulate democratic change.

Public employment was the most important tool in implementing the mass wealth distribution policy which was designed to gain support from the general population.

¹⁵ Kamel Salih, op. cit.

¹⁶ "Kuwait: Family Politics", The Economist, 19 June 1965.

¹⁷ John Daniels, op. cit., p.53.

The implementation of this policy replaced the hard-work habit by lax attitudes⁽¹⁸⁾. Another tool was the establishing of representative Government. This was implemented by creation of the National Assembly which was used to gain new allies and to establish a balance among the existing political groups (the merchants, bedouins, shias, progressives). Many interview respondents believed that the National Assembly played a vital role in supporting the recruitment of unqualified civil servants. All interview respondents agreed that the declaration of the constitution was a major factor in building the country's administrative system.

As the bureaucracy expanded and its power grew, the regime faced the problem of bureaucratic control and loyalty⁽¹⁹⁾. With the death of some of his rivals and the departure of others in the early 1960's, the ruler was able to reorganize the administration and delegate more authority to his family members in areas of health, oil, finance and security. Faced with the challenge of bureaucracy expansion and control after independence, the Government issued a law in 1962 for the state system and structure. Under Article 35 of this law, the scope of the previous departments was maintained, but they were given ministerial status. In 1963, the civil service authority was granted independent status and assigned supervisory responsibility over the wages budget. In another attempt to control the bureaucracy, a general tendering committee was established in 1964 to oversee and control the tendering process.

In summary, specific policies were adopted to diffuse and face the internal and external challenges. Those policies compelled the Government to import the bureaucracy, which has negatively influenced the bureaucracy's development.

6.3.4 Social and Cultural Variables:

In search of new allies, most of the bedouin or nomadic population were granted citizenship and thus settled to benefit from the wide provision of social services.

Efforts to develop education were enormous at this stage. Student enrolment to the schools increased at a yearly average of 15.7%, which was the highest in the

¹⁸ Abid Al-Marayati (ed.), The Middle East: Its Governments and its Politics, (California: Duxbury Press, 1972), p.283.

¹⁹ Jill Crystal, op. cit., p.14.

history of Kuwait (Table 6-2). With the modest development in the education system, the percentage of illiterates in the population decreased from 62.6% in 1957 to 56.0% in 1965.

This stage was characterized by a shortage of skilled manpower reflecting the inadequacy of the educational facilities and the limited indigenous population. This shortage occurred as a result of the urgency in building the state and the time needed to build educational infrastructures for a society passing through the transitional stage. This shortage stimulated the importation of expatriates.

The social structure remained unchanged through this period except for the upward mobility of the top bureaucrats. The impact and influence of religion declined due to the growth of nationalism and secularism. Tradition and particularistic values continued to dominate the social relationships in the society and influence the administrative system. For example, values like loyalty and trust in the leadership shaped the relationships among civil servants.

As the social structure and values changed, the demand for more social services arose. This forced the Government to import systems and manpower due to the limited administrative capacity.

6.3.5 Demographic Variables:

The population growth rate exceeded 10.8% annually (it was 8.7% for Kuwaitis and 13.05% for non-Kuwaitis) (Table 6-4). The high growth rate of Kuwaitis is attributed to two factors: a high fertility rate of 4% and naturalization of the bedouin. The growth of the non-Kuwaiti population was mainly as a result of massive immigration.

Table 6-4: Population Yearly Growth Rate:

Stage	Years	Kuwaitis	Non-Kuwaitis	Total
Importation of Bureaucracy	1957-65	8.7%	13.05%	10.8%
Nationalization of Bureaucracy	1965-75	7.9%	7.78%	7.85%
Inflated Bureaucracy	1975-85	3.74%	6.88%	5.50%
Administrative Reform	1985-88	-7.75%	10.72%	4.10%

The total labour force grew at an average of 12.5% per year for this stage. The Kuwaiti labour force growth rate was 8.30% per year (8.15% for Kuwaiti males and 15.4% for Kuwaiti females). On the other hand, the non-Kuwaiti labour force grew at a rate of 14.25% per year (13.7% for non-Kuwaiti males and 24% for non Kuwaiti females) (Table 6-5).

Table 6-5: Growth of Kuwaiti, non-Kuwaiti and total labour force.

Years	Kuwaiti Labour Force			Non-Kuwaiti Labour Force			Grand Total
	Male	Female	Total	Male	Female	Total	%
1957-65	8.15%	15.40%	8.30%	13.70%	24.00%	14.25%	12.50%
1965-75	6.60%	21.00%	7.30%	3.20%	13.50%	4.10%	5.00%
1975-85	2.48%	13.00%	3.80%	9.40%	14.60%	9.90%	8.30%
1985-88	-7.17%	8.51%	-3.7%	2.07%	9.66%	3.66%	2.53%

As shown in Table C-1, Kuwaiti crude participation was stable between 22.7% and 19.6% in the years 1957 and 1965 respectively. The non-Kuwaiti crude participation decreased from 66.2% in 1957 to 57.19% in 1965. Illiteracy (though declining) was a major problem within both the native and non-native labour force. The percentage of illiterates in the over 10 years age group for native labour force decreased from 62.6% in 1957 to 56.3% in 1965, while illiteracy in the equivalent group in the non-native labour force decreased from 57% in 1957 to 40.9% in 1965.

Even though statistics on the government labour force were not collected for this period, the IBRD 1963 mission was informed that only 1% of civil servants were graduates and more than 80% were barely literate⁽²⁰⁾. With this low educational status it was difficult to improve their administrative capacity and skills through training.

The non-Kuwaiti demographic structure shifted from a male dominated one to a more balanced one. The non-Kuwaiti population and labour force increased

²⁰ IBRD, *Development*, *op. cit.*, p.40.

significantly and exceeded that of the Kuwaitis. This supports our proposition of categorizing this stage as that of the importation of bureaucracy.

6.3.6 Initiation of the Stage:

Table 6-5 shows that the Kuwaiti labour force grew at a yearly average of 8.3% while it was 14.25% for the non-Kuwaiti labour force. This huge importation of labour force, in addition to administrative systems, procedures and regulations is attributed to many factors among them the following:

1. **The low capacity of the administration, and its inability to formulate policies and plans.** Due to the protectorate treaty, the British were not able to establish an administrative system and hence the bureaucracy was unorganized⁽²¹⁾. Therefore, after independence, Kuwait was obliged to import administrative systems including structures, process and regulations and manpower to develop the country. Riggs believed that when leaders are unable to formulate policy solutions for their problems, they naturally tend to look abroad for ideas and suggestions⁽²²⁾. With the limited scope and capacity of the bureaucracy, it was a natural step to import systems, structures, procedures and manpower.
2. **The familiarity of top officials with external administrative systems.** Since all senior officials received their education and training outside the country, their familiarity with foreign models⁽²³⁾ stimulated their imitation and importation.
3. **The pressure to expedite the state establishment due to external and internal threats.** External threats accelerated the speed of establishing the state and especially the bureaucracy in order to face these challenges. Furthermore, the internal challenges which had to be diffused by specific policies required the urgent establishment of the necessary bureaucracy to carry out those activities. With this tight time framework the only available alternative was the importation of the administration.

²¹ Sir Rupert Hay, "The Impact of the Oil Industry", op. cit., p.366

²² Fred Riggs, Administration, op. cit., p.338.

²³ Ibid, p.338.

4. **The necessity to improve and control the oil wealth through better management and productivity.** This control required complex knowledge and advanced systems which the indigenous population lacked⁽²⁴⁾. As a consequence, management and control systems were imported to bridge this gap.

5. **The shortage of indigenous manpower.** The illiteracy rate of indigenous manpower was 62.6% in 1957 while the percentage of graduates was less than 1%. Furthermore, even though the growth of labour force was the highest during this stage(8.30%), it was not adequate for the extremely rapid growth in services, which averaged 15% (Table 6-2). Such shortage was exaggerated by limited female participation. Therefore, labour force importation was unavoidable, since the native labour force was unable to satisfy the needs of the bureaucracy, either qualitatively or quantitatively.

Al-Ghanim suggested that "all administrative problems facing the country were born during this stage"⁽²⁵⁾. The imported systems were from countries which were over-populated, with excess manpower. Thus, their administrative systems reflected, those social and demographic conditions, which were not in line with the country's circumstances. The adaptability of such systems to the Kuwaiti environment was not successful. Their imposition, without necessary adjustment, led to the evolution of potential deficiencies in the subsequent stages.

6.3.7 Span of the Stage:

The stage began in 1957 when the Government initiated the reorganization of its administration. This marked the first efforts to establish a modern state and rationalized bureaucracy. These efforts intensified with the hasty bureaucracy building after independence. The stage ended in 1965 when many symptoms and indicators were observed for the nationalization of the bureaucracy, including a political nationalization campaign. Parliament started extensive debate over the bureaucracy's performance and the need to nationalize it. Laws and executive orders were enacted to support this trend. Furthermore, the mass-media and the public supported the trend to nationalization.

²⁴ Jacqueline Ismael, *op. cit.*, p.121.

²⁵ Yousif Al-Ghanim, Interview, Kuwait, 28 May 1990.

6.4.1 Process:

During this stage the process was categorized by organizational and administrative instability, low efficiency and discrepancy between the imported systems and the prevailing values.

6.4.1.1 Concept of Civil Service:

Most Kuwaitis were loyal to central power, but not to a system or concept such as the civil service. The concept of civil service was vague and was seen as a way to distribute the nation's wealth by providing well-paid jobs with security and comfort to all citizens. Many senior officials could not differentiate between public duties and their own interests. In consequence, the introduction of the civil service faced considerable difficulties⁽²⁶⁾. The constitutional provision for the employment of Kuwaitis and the financial power vested in the assembly made it more difficult to maintain an acceptable civil service standard⁽²⁷⁾.

At this stage, many civil servants were engaged in more than one occupation. High-up ranking officials were actively involved in commercial and other private activities during working hours, while at the lower end of the scale many messengers and junior clerks worked during working hours as taxi drivers or small traders⁽²⁸⁾. Even though Article 102 of the civil service regulation prevented officials from undertaking any other job without prior permission, this rule was not followed strictly. This phenomenon increased the country's dependency on expatriates due to the loss in working hours and productivity. It seems that double occupations were unavoidable at this stage, because most senior officials were selected from the merchant class, due to their superior education and experience. Many were unable to avoid running their private business at the same times as performing their public duty.

The vagueness of the public service concept and the non-enforcement of discipline stimulated the importation of expatriate workers, encouraged maladministration and reduced the bureaucracy's efficiency.

²⁶ IBRD, Development, op. cit., p.37-8.

²⁷ Ibid, p.39.

²⁸ Ibid, p.39.

6.4.1.2 Recruitment and Selection:

Appointment to public jobs could be either temporary or permanent and by executive decision or contract. The law specified general requirements for groups of jobs, but the requirements for each job were not specified and exemption was the rule.

Recruitment regulations and procedures were not sufficient at that period to provide equal and fair opportunities for all candidates. The concepts of competitive examination or interview committee had not been introduced. Much recruitment was informal and without reference to any procedure. This is attributed to the power of appointment and exemptions being vested in the hands of senior officials⁽²⁹⁾. As a result, most recruitment and selection was the result of personal ruling, political pressure and other ad-hoc decisions⁽³⁰⁾. This gave the top officials powerful status within the bureaucracy and enhanced their position within the social structure. In its efforts to standardize the recruitment and selection process, the Council of Ministers issued an executive order in 1963 which prevented all government organs from recruiting and centralized recruitment in the CPB. In addition, the council ordered that all selection should be by competitive examination. While the first part of the order was implemented through intensive personnel efforts⁽³¹⁾, the second part went unheeded. In 1963, the CPB was granted the power over the employment budget of the whole government⁽³²⁾.

Kuwait also utilized the practice of secondment from the Arab countries. This procedure was used mainly for professionals and experts like physicians, teachers, engineers and other qualified persons. Since this procedure was well organized and the selection was made from a pool, it was an effective approach for recruitment.

In summary, the personnel recruitment rules were vague with many exemptions which led to maladministration, the entry of unqualified nationals, which adversely affecting efficiency.

²⁹ Ibid., p.44.

³⁰ Ibid., p.39.

³¹ Hamed Al-Essa, Interview, Kuwait, 29 April 1990.

³² The Ministry of Information, Kuwait Today: A Welfare State, op. cit., p.158.

6.4.1.3 Decision-Making Process:

In the beginning of the period, decision-making was carried out in the old autocratic way. Each Department head had great discretion to make his own decision without reference to any rules or policies. This situation reflected the equal status of those heads of department. As a result, the central Government suffered from a lack of unity and coordination⁽³³⁾. Many major decisions were not taken or were postponed in order to maintain the balance among the members. This supports Riggs' hypothesis that "prismatic power distribution is equivocality not centralization"⁽³⁴⁾. The introduction of the constitution brought the proliferation and the separation of three branches of government: executive, legislative and judiciary.

Most top officials lacked knowledge, which forced them to adhere more to regulations and rules. In addition, the low qualification profile of native top officials widened the gap between the authority to decide and the ability to do. As a result of recruitment of most executives from the merchant class, any decisions made reflected the pressure and the vested interest of the merchants⁽³⁵⁾.

The decision-making process in Kuwait was a reflection of the social structure. However, the process became more institutionalized with the introduction of the constitution. The decision-making process was weak due to the low education of top bureaucrats, centralization, the dominance of autocratic attitudes and the trait of maintaining the status-quo. The low quality of the decision-making reduced the efficiency of the bureaucracy and the ability of the bureaucracy to achieve its developmental objectives.

6.4.1.4 Centralization and Delegation of Authority:

Riggs noted that public administration in transitional societies is characterized by a high degree of over centralization⁽³⁶⁾. Kuwait's bureaucracy was no exception.

³³ IBRD, Development, *op. cit.*, p.31.

³⁴ Fred Riggs, Administration, *op. cit.*, p.282

³⁵ Fakhri Shehab, *op. cit.*, p.465.

³⁶ Fred Riggs, Administration, *op. cit.* p.280.

The government at this stage was heavily centralized and lacked the delegation of authority⁽³⁷⁾. Many factors has contributed toward this, including:

1. The dominance of an authoritative style of management.
2. The informal structure of the society and the evolution of social norms that enforced centralization. In parochial societies, decisions or approval are solicited directly from the chief. The public belief that subordinate's decisions may be rejected and their case brought directly to the senior official, has brought further obstacles to the delegation of authority⁽³⁸⁾. All interview respondents believed that the delegation of authority was limited due to the prevailing social value that when a person was chosen for a certain post, he should not be given the scope of his responsibility. This resulted in centralization of authority. Furthermore, the parochial nature of the society which emphasised the absolute authority of central social power (the father), was reflected in the civil servants' behaviour and their adaptiveness to excessive centralization. The lack of resistance to centralization encouraged it.
3. The lack of Kuwaiti qualified subordinates. Riggs observed that supervisors cannot delegate authority to their subordinates in a situation where they cannot be assured that rules will be implemented⁽³⁹⁾. The low education profile (80% of subordinates were illiterate or could write and read only), hindered the delegation of authority⁽⁴⁰⁾. This was further increased by the fact that most of the bureaucrats were Egyptians, who were reluctant as subordinates to assume responsibility⁽⁴¹⁾. This norm was initiated by Kuwaitis civil servants as a result of their continuous interaction with them.
4. The inability of the Government to formulate clear policies which increased the tendency toward centralization. Riggs presumed that the inability of political institutions

³⁷ IBRD, Development, *op. cit.*, p.49.

³⁸ John Daniels, *op. cit.*, p.65.

³⁹ Fred Riggs, Administration, *op. cit.*, p.282.

⁴⁰ S. Kar, "Reorganization of Public Administration Structure of the State of Kuwait", (28 July 1963), p.50.

⁴¹ Ali Leila *et al.*, "Bureaucratic Flexibility and Development in Egypt", Public Administration and Development, 5, No.4 (1985), p.337.

to formulate clear policies is an obstacle to effective delegation⁽⁴²⁾. Since the political process was premature, like the bureaucratic organs, policy formulation was paralyzed.

5. The importation of rules and procedures which reflect centralized attitudes. The Egyptian bureaucracy, from which most rules and civil servants were imported, tended toward authority concentration⁽⁴³⁾. Since the ruling family sought to ensure its political continuity by maintaining decision-making in hands of family members, those systems which accommodated such needs were imported and supported.

In summary, there was neither financial incentive nor political need for decentralization, due to the limited land and small population. The social values and attitudes which encouraged and accommodated centralization contributed toward its perpetuation.

6.4.1.5 Role of Experts:

Due to ambitious developmental activities and limited administrative capacity, Kuwait was obliged to recruit experts in many fields. Though the first British expert (Mr. Crichton) was a finance specialist, most of the other British experts were engineers and technicians⁽⁴⁴⁾. They worked in construction, and in oil exploration and production. Later, most experts including British were lawyers, senior bureaucrats, administrators and financial advisers. The experts' efforts were concentrated in building the organizational structures, drafting the guidelines and regulations and preparing the main administrative systems and manuals. For example, the educational system of that time was designed and implemented by two Egyptian educationists. The constitution of Kuwait, which was drafted by an Egyptian advisor, is another example in this regard.

All interview respondents noted that experts were not active in the planning and development of native human resources. Many were not able to foster planning and

⁴² Fred Riggs, Administration, op. cit., p.343.

⁴³ Ali Leila et al., op. cit., p.325.

⁴⁴ Jill Crystal, op. cit., p.68.

development nor to train the natives to run the administration. This was due to the insecurity of the experts' position and the fear that they would be replaced by natives if they trained them well.

The engagement of those experts was not without cost. Many of them did not understand the environment nor its values. Thus, their solutions were remote from social reality and led to unacceptable outcomes. For example, the society paid a high price in the form of high energy consumption and social embarrassment as a result of building design which was not appropriate to the environment. Most expert reports and studies bore no relationship to the problems under investigation and reflected only the power struggle between their supervisors. Even where reports were comprehensive, their recommendations were not implemented due to political and social pressures⁽⁴⁵⁾. The experts cannot be blamed for all negative outcomes. Some natives initiated the implementation of education reforms which were not compatible with the values of the society⁽⁴⁶⁾. Experts could only advise and offer possible solutions; however implementation was the duty of the natives. As Morstein Marx noted, persuasion is the "primary mode of action available to the functional expertise" in the implementation of recommendations⁽⁴⁷⁾.

After independence, the presence of a majority of Egyptian experts gave the administration an Egyptian style of management. Nepotism, rather than technical background, was the dominant basis for recruiting experts⁽⁴⁸⁾. Some experts were selected through personal contacts, consultation with other professionals or through direct exposure to their experience and skills⁽⁴⁹⁾. The seconding approach was used for mass recruitment of experts (such as physicians) due to its flexibility and wide range of selection. Little selection was done through seconding from international organizations or by competitive recruitment.

⁴⁵ Al-Essa, Interview.

⁴⁶ Mohammed Al-Adsani, Interview, Saudi Arabia, 5 April 1990.

⁴⁷ Morstein Marx Fritz, "The Higher Civil Service as an Action Group in Western Political Development", *op. cit.*, p.74.

⁴⁸ Al-Adsani and Al-Essa, Interviews.

⁴⁹ Al-Essa and Hazaa Al-Hosyan, Interviews, Kuwait, 7 June 1990.

In conclusion, experts were not effective in understanding the administration or its environment, and were therefore unable to provide suitable remedies. As a result, the country suffered from many impractical remedies. However, natives were also responsible for implementing approaches that were not in harmony with the society's values. In addition, experts failed to improve the bureaucracy performance and upgrade the native manpower, due to job insecurity.

6.4.1.6 Role of Women:

All interview respondents agreed that the role of women was limited during this stage. Women were busy defining their role in the modern state and seeking equal rights⁽⁵⁰⁾. Their participation in the total native labour force was only 2.5% in 1965(it was 1.63% in 1957). 78.5% of Kuwaiti females who worked in the bureaucracy in 1964 occupied low level jobs as wages earners (it was 72.3% in 1957)⁽⁵¹⁾. At the end of this stage, 88.9% of those females were working in two Ministries; the Ministry of Public Health and Ministry of Education (Table:6-6) which indicates the influence of social values in directing females toward specific occupations and limiting their participation.

Table 6-6: Kuwaiti females working in the two Ministries(MOE and MOPH) as percentage of total Kuwait females working in the Government.

Year	1966	1972	1976	1981	1985	1990
Percentage	88.90%	84.9%	81.28%	83.5%	78.49%	72.47%

Source: Statistical Books of Kuwait 1970, 1975, 1980, 1985 and Annual Reports of Civil Service Bureau.

The limited participation of women is attributed to the conservative nature of the society, the low education profile and the limited availability of suitable occupations. This limited participation stimulated the need for expatriates to fill the gap.

⁵⁰ Al-Jasser, Interview.

⁵¹ Yearly Statistical Book, 1965.

6.4.1.7 Productivity:

Even though the civil servants were highly paid, the majority were unproductive. No statistical data are available to support this statement. However, many symptoms were noticed due to lack of training and abundance of funds⁽⁵²⁾. The low productivity is attributed to the high illiteracy of the government force, the ineffectiveness of the training facilities and the low value attached to work among the natives. The low productivity contributed toward low efficiency of the bureaucracy and stimulated the importation of expatriates to fill the productivity gap.

6.4.1.8 Skills and Training:

The bureaucracy was staffed with many unqualified civil servants. The lack of training capacity and facilities and the high illiteracy were obstacles to upgrading the native skills. In addition, it led to a redundancy in the government force and inefficiency⁽⁵³⁾.

Most workers with maritime experience that was no longer needed, were employed as unskilled labour in oil companies. Later they were employed in larger numbers in the Ministry of Public Works and Municipality. In neither case was training offered to upgrade their skills. As public employment was viewed merely as a tool for wealth distribution, there was no stimulus to extensive training for those workers. The five training facilities that were available, were inadequate in scope and quality. Most interview respondents agreed that those efforts fell short of achieving training objectives. In addition, the low value given by society to manual work discouraged attendance at vocational schools.

The existence of a large number of unskilled workers produced many behavioural traits which influenced the bureaucracy's development. The lack of devotion to work, the immateriality of time and the non-enforcement of discipline had their roots in this stage.

⁵² IBRD, Development, *op. cit.*, p.6.

⁵³ Ibid., p.40.

6.4.1.9 Civil Service Rules and Regulations:

All interview respondents agreed that Kuwait imported many administrative regulations and rules. They covered areas such as construction, tendering, personnel and financial budgeting. The first civil service regulation of 1955 was "a patchwork of rules, borrowed from models in a number of Arab countries"⁽⁵⁴⁾. The 1960 civil service law which replaced it was built around Egyptian models and experience. The Law covered administrative personnel and focused on positions and jobs. This law was a positive step toward creating a civil service concept. However, it allowed for many exceptions concerning recruitment, selection and qualification. The civil service law did not adequately address motivation, staff development and the merits system. In order to implement such rules, the CPB was established in 1960 with the objectives of improving the civil service level and ensuring proper running of the administration.

The majority of rules and regulations were imported from Egypt due to many similarities in the characteristics of the two societies. The familiarity of top officials with Egyptian rules and models of administration was an important factor in this selection. This is attributed to the fact that most of them graduated from Egyptian Universities. A second factor, was the fact that most experts recruited were Egyptians who brought with them the rules and regulations with which they were familiar. A third factor was the unique political relationship between the two countries which gave easy access to administrative experience. A fourth factor, was that Egypt was considered at that time the most developed state in the Arab region. A Fifth factor, was that the Egyptian administrative system was characterized by centralized and formalized attitudes which matched the autocratic attitudes of the ruling family at that period. Finally, Egypt was rich in legal professionals and legislation which Kuwait needed most in its effort towards state-building. Nevertheless, Kuwait also imported rules and regulations from Palestine, which were brought by Palestinian experts and technicians who joined the bureaucracy in the early stages. Little importation was done from Iraq due to the latter's low administrative capacity and the political tension between the two states.

The Egyptian administration is typically a rigid bureaucracy with great emphasis on structures, procedures and formality. The imported rules and regulations brought

⁵⁴ Ibid., p.38.

with them the rigid bureaucratic procedures and the negative behaviours associate with them. In importing these regulations, the environment in which they would be functioning was not considered. This could have been avoided by establishing a council for each department, whose role would be as an advisory body to draft and amend the regulations and rules.

This stage was characterized by numerous unsystematic modifications and reinterpretations of the personnel rules and regulations which has added more formalism and complexity. In addition, most rules were vaguely drafted and left scope for considerable interpretation and maladministration.

In summary, the pace of development gave little alternative to the selection of imported legislation and rules. The importation of most rules from Egypt, brought with it that country's cumbersome systems and bureaucratic values. The dominance of particularistic values permitted excessive exemption and wide interpretation of the rules. This ambiguity enforced formalism, centralization and maladministration. In addition, the law did nothing to improve motivation, career development and devotion to work.

6.4.1.10 Leadership:

In deciding on new ideas and initiatives, senior officials were influenced by the social trait of keeping the status quo unless doing so would cause problems. Most of the top officials at this stage were non-natives (Table 6-1). Although they possessed experience and skills, however they lacked the necessary understanding of the environment in which they were functioning. As a consequence, their impact on the bureaucracy was limited. Qualified native top officials, were narrow unrepresentative elites mainly from the merchant group and they were limited in number and impact. Both native and non-native top officials had a marginal impact on the development of bureaucracy.

6.4.2 Structures:

6.4.2.1 Differentiation and Specialization:

Riggs proposed that transitional societies pass through three stages of administrative development; fused, prismatic and diffracted. He stressed that we can only speak of administrative development whenever "the structures of government

become more specialized in function, stressing programme and techniques more, area and clientele less"⁽⁵⁵⁾. This suggests that the direction of administrative development should be toward a more functionally specific structure of government.

During the stage under discussion Kuwait transferred from functionally diffuse to functionally specific structures. For example, the department of finance was separated into three departments (finance, port and customs) in 1954. Another differentiation was that public works, which was one of the main functions of the municipality, was separated into a new department in 1955. Due to continuous differentiation, twenty-one executive departments were created. A study in 1963, suggests that the number of ministries could be reduced to 12⁽⁵⁶⁾, however, they were kept at 14.

In addition to the ministerial complex, differentiation was further developed by the creation of three categories of entities to accommodate the huge demand for services. Those three categories were joint companies, independent authorities and attached authorities. They were established outside the ministerial complex because the nature and scope of their services did not fit into the ministerial complex. Two control bodies were established under this category, the Central Personnel Bureau and the General Audit Bureau.

Differentiation and specialization were a response to the increased demand for services and ambitious pace of establishing the state. Most differentiation occurred in the Ministerial Complex. Such differentiation and specialization, within a short period, forced the importation of relevant structures.

6.4.2.2 Formalism:

The imported rules with their inherited excess formalism, has characterized the administration with rigidity and procedural red tape. The imposition of those rules over social values that were not in harmony with them, increased the degree of formalism within the administration. On the one hand, written rules and procedures were issued to increase efficiency, while on the other, the people still practised their

⁵⁵ Fred Riggs, *Administration*, *op. cit.*, pp.33-5 and p.422.

⁵⁶ S. Kar, "Reorganization of the Public Administration Structure of the State of Kuwait", *op. cit.*

traditional value of taking their case to the ruler or the top official. The increase in inherited formalism due to the dominance of social values, reduced the bureaucracy's efficiency and public trust.

6.4.2.3 Administrative Experience:

All interview respondents agreed that administrative experience was lacking at this stage. Nevertheless, a few organs were active in the development of many administrative procedures and systems. The Municipality, for example, introduced the principles of specialization, accountability and efficiency⁽⁵⁷⁾. These were the first administrative procedures designed and implemented by natives. Furthermore, the municipality introduced the concept of the management committee in which all major policies and issues were discussed and resolved⁽⁵⁸⁾. The Management Committee consisted of heads of departments and sections. The success of this concept encouraged other Ministries to create Councils of Under Secretaries. The interview respondents suggested that narrow administrative base, the lack of documentation of administrative experience, and the wide involvement in the nation's development, were factors behind the lack of administrative experience. The imported administration was not seen as simply one of a number of alternative administrative practices, but rather as the only modality that could be implemented. As a consequence, many practices were not reviewed for further improvement but were imposed on the people as the only way for development⁽⁵⁹⁾.

6.4.2.4 Overlapping:

Overlapping existed between rules and methods to be followed in implementing the budget, as described in the 1961 law and the current procedures which were based on old practices⁽⁶⁰⁾. This discrepancy had its roots deep in the Society. It occurred because of the interaction of the new administrative system with the values of the past. As a result many rules were sacrificed on behalf of social considerations and values.

⁵⁷ Al-Adsani and Mohammed Al-Moasharji, Interview, Kuwait, 27 April 1990.

⁵⁸ Najat Al-Jassem, *op. cit.*, p.28-9.

⁵⁹ Al-Jasser, Interview.

⁶⁰ IBRD, *Development, op. cit.*, p.46.

Huge administrative overlapping among ministries and the public agencies existed during this stage especially the municipality. Kar noted the occurrence of administrative overlapping between the Ministry of Social Affairs and the Ministry of Education⁽⁶¹⁾. Even though many efforts were made to reduce this overlapping, it continued to increase during this period. The responsibilities of only two Ministeries were clarified, while the others remained unspecified, which further intensified the overlapping⁽⁶²⁾. Both the society and the bureaucracy suffered from overlapping. The administrative overlapping increased due to unbalanced and unsystematic growth of bureaucratic organs, equal power distribution among senior family members, the lack of clear definitions of responsibility and the unwillingness of the organs to resolve these problems. This overlapping increased formalism, contributed toward drainage of resources and caused public dissatisfaction.

6.4.2.5 Organizational Structure:

The ambitious development plans, the accelerated state building and the mass distribution policies led to the emergence of a large bureaucratic structure. All the structures created were typical bureaucratic ministerial structures. After independence, the country faced the problems of integrating the departments into ministries, creating new ministries and the annexation or separation of departments to establish a unified ministry. In addition to the ministerial structure, the country experienced other structures, i.e. attached authority, independent authority and joint companies.

A. Attached Authority: The attached authority structure was borrowed from Egypt. Attached authority status enabled the organization to develop its procedures independent of the Ministry, but its budget was attached to a ministry. The minor department which is attached to the Ministry of Justice is an example of an attached authority at that time. This structure was used to accommodate the less important pre-oil independent department into one of the Ministries.

B. Independent Authority: This structure was also imported from Egypt. Independent status was granted to organs with a commercial or special nature. This status

⁶¹ S. Kar, "Reorganization of Public Administration Structure at the State of Kuwait", *op. cit.*, p.20.

⁶² IBRD, *Development*, *op. cit.*, p.34.

provided the organ with an independent budget, a unique legal identity and flexible procedures and rules. The Kuwait Fund for Arab Economic Development, which was established in 1961, was the first experiment with this structure. Its success encouraged the establishment of similar organs in later stages.

C. Joint Companies: To utilize the private sector experience and the funds in circulation, the government initiated a few joint companies. In those companies, public and private resources joined together to satisfy the urgent needs of the society. The private sector pursued government participation due to the low cost of the funds provided. The government established those organs in areas where the private sector showed insufficient initiatives in exploiting the country's resources and labour force. This structure was used, as Spengler observed, to "supply the necessary initiative" needed to achieve the desired objectives⁽⁶³⁾.

To perform a micro analysis on the development of the ministerial structure, we have selected the structure of the Ministry of Education (previously called the Education Department) as a case study. The Ministry was established as an organizational structure in 1954. Later, it was divided into two main functions: Technical and Administrative⁽⁶⁴⁾. However, many divisions within the department reported directly to the General Director. This reflected the general tendency toward concentration of authority and the direct involvement of top officials in day to day business. In 1965, a new structure was established, in which the specialized activities were grouped together under the supervision of an Assistant Under-Secretary. Those divisions were cultural affairs, physical education and social affairs, administrative and financial affairs and technical affairs.

From both macro and micro aspects, the tendency was toward greater differentiation and specialization through different kinds of imported structures.

⁶³ J. Spengler Joseph, "Bureaucracy and Economic Development", in Joseph La Palombara (ed.), op. cit., p.226.

⁶⁴ Abdul Rahman Al-Ahmed and Messbah Issa, The Organizational Structure of the Ministry of Education in Kuwait, (Kuwait: Kuwait University Press, 1984), p.20.

6.4.3 Pattern of Behaviours:

6.4.3.1 Native and Non-Native Relationship and Interaction.

Even though public office was only entrusted to Kuwaitis, the country was forced to recruit non-Kuwaitis due to the lack of qualified indigenous administrators and the low participation of the native labour force.

Most interview respondents agreed that the ambition of new Kuwaiti graduates to assume senior posts adversely affected the administration. Many joined the bureaucracy with the assumption that they would occupy a senior post within months. This ambitious attitude created stressful relationships with their non-native supervisors. As a consequence, the non-native managers were reluctant to contribute toward the improvement of the indigenous officials. Many non-native managers were handling their department efficiently but avoided cooperating with natives due to the fear that natives might replace them⁽⁶⁵⁾. Natives lost interest in serving the public as a consequence of this tense relationship and power conflict. In addition, the non-native managers took full responsibility for all work, leaving native subordinates with none to perform.

In summary, this stage witnessed the evolution of tense relationships between non-native supervisors and native subordinates. This tension had a somewhat adverse impact on the bureaucracy, and sowed the seeds for future undesirable behaviour and values, such as lack of devotion to work.

6.4.3.2 Ethical Values and Practice:

Most of the interview respondents observed that devotion to work and hard work were strong at this stage as a result of the habit of hard work in the pre-oil economic activities. Even though there was no code of ethics, most Kuwaitis continued to abide by the unwritten code of ethics of the sea trade and pearl diving. However, the absence of a code of ethics, with the presence of many nationalities, paved the way to maladministration.

⁶⁵ IBRD, Development, op. cit., p.27.

6.4.3.3 Maladministration:

Most interview respondents agreed that nepotism and favouritism was widespread at that time. In the Arab World, nepotism and favouritism is a widespread phenomenon, recognized in the term "Wastu" which was widely used in the country. Nepotism is a natural result of overlapping within the society. Nepotism was not imported but rather it was an indigenous social outcome since it was natural to give the family interest priority over the public interest. In the past, Kuwaitis interacted directly with the ruler and this was in contradiction with the bureaucratic setting which required formal procedures and a hierarchical approach which allowed little room for interaction. As a result, many natives practiced favouritism as an instrument to channel their transactions and to by-pass the complex bureaucratic routes.

In the 1950s, a wave of corruption occurred in the bureaucracy with reference to falsification of land certificates. Both Kuwaitis and non-Kuwaitis were involved⁽⁶⁶⁾. This widespread corruption is attributed to the equal status of the heads of department (from the ruling family), the unlimited access to state resources and the prematurity of control systems. Most interview respondents agreed that corruption was widespread at the beginning of the 1960s. Many officials used their offices to gain personal benefits, however, it was less than the scale of 1950s. This is attributed to the introduction of financial laws and regulations coupled with the establishment of regulatory and control bodies. Furthermore, a clause was introduced into the civil service law which forbade public officers from seeking unfair benefits. A wide area for corruption at this stage was estate appraisal under the land purchase programme. Investigation of the affairs of the estate appraisal committee within the Municipality, established that the committee applied inflationary prices discriminately and that in certain cases overpricing reached 600 percent⁽⁶⁷⁾.

In its efforts to restrain corruption, Parliament enacted a law in 1964 which established "the Parliamentary Committee for Investigation and Administrative Reforms (PCIAR)". PCIAR was a Parliamentary Governmental Joint Committee with extraordinary powers to investigate unlawful actions of senior officials and decide on relevant punishment, including dismissal. However its term was not extended.

⁶⁶ Al-Adsani Interview

⁶⁷ Saif Abdullah, *op. cit.*, p.289.

The flourishing of nepotism and favouritism is attributed to the domination of particularistic attitudes, the lack of well-defined procedures, the excess concentration of authority and the absence of control bodies. In addition to the above, corruption was intensified due to the lack of clear financial regulations and the lack of comprehensive implementation of a code of ethics.

6.4.3.4 Power Structure:

With the introduction of the constitution, the power structure shifted from the senior members of the ruling family to Parliament and interest groups. The bureaucracy had to be more responsive than previously to Parliament, public opinion and central bodies. In addition, top bureaucrats gained more influence and power in decision-making and control.

Within the bureaucracy, the distribution of power at this stage reflected the conflict between the native and non-native civil servants. The subordinate natives struggled to share the non-native managers' power. The natives felt that they had the legitimate right to run the affairs of their country. This conflict reduced the efficiency of the administration, diminished the utilization of experts' experience and led to the evolution of nationalist attitudes.

6.5 Summary of Outcome:

The main factors underlying the importation of the bureaucracy were the ambitious plans to establish the welfare state, the accelerated pace of this establishment, the limited administrative capacity, low productivity and qualifications and the low participation of the native labour force. External and internal political factors were behind the accelerated pace for establishing the State. The availability of financial resources facilitated the expansion of the welfare services and such importation. The imposition of imported systems without regard to social and cultural differences hindered their ability to play their role in socio-economic development and reduced the bureaucracy's efficiency.

To examine the outcome of each stage, we have related each paragraph in the summary to its relevant hypothesis as its order in Chapter One. A similar procedure will be followed in the subsequent three Chapters:

1. Our proposition that Kuwait has passed through the stage of bureaucracy importation is supported by questionnaire respondents, interview respondents and statistical data. It is the stage where certain demographic and other environmental factors interact to generate a demand for a structure (bureaucracy). Such demand with the lack of administrative capacity has led to such importation. This importation was not confined to importing systems, procedures and legislation, but moreover it included human manpower from different countries and skills. This importation was neither selective nor planned. The expeditious pace and the urgency in building the state left no alternative to select. The importation of bureaucracy was the first stage of administrative development.

2. Ecological factors had a significant influence on many aspects of this stage, including its initiation, time span, outcome and the interdependence among structures, process and patterns of behaviour.

A. The initiation of this stage was a result of ecological and institutional factors. Internal and external threats, the desire to control the country's wealth were the ecological factors for the initiating of this importation. In addition, the shortage of indigenous labour acted as an incentive for the importation of foreign manpower, while the availability of resources facilitated such importation. The lack of administrative capacity was the major institutional factor behind the initiation of this importation.

B. The span of the stage was influenced by political and economic factors. The beginning of the stage was marked by efforts to build a modern state in 1957. The stage ended with mass political activities calling for nationalization of the bureaucracy in 1964.

C. Many outcomes evolved from the importation of the bureaucracy. The following list is not exhaustive but draws attention to areas of focus for future administrative development:

i - Kuwait went through what Riggs called the "policy normativism phenomenon" which enforced a low level of administrative efficiency. This phenomenon evolved as a result of imposing a new set of norms, values and myths, based on foreign experience on a society which adhered, to a large extent, to older traditional norms,

values and myths⁽⁶⁸⁾. Such negative impact will intensify, if the necessary alignment to traditional values and structures is not introduced⁽⁶⁹⁾ which was the case of Kuwait. The imposition of such systems and values in Kuwait led to low productivity, overlapping, excess formalism and the evolution of negative values (immateriality of time, lack of devotion) which reduced the efficiency of the bureaucracy.

ii- Many control bodies and procedures were introduced to control the growth of bureaucracy. However, even with all those controls, bureaucracy tends, as it grows, to develop its own centre of power, social relationship and political goals. Over time, the ruler's control over the bureaucracy diminished, while the bureaucracy's role as a mediator between the ruler and the general public increased.

iii- The failure of imported models of administration is attributable to the difference in basic value structures of donor and borrower⁽⁷⁰⁾. The conflict between imported structures and behaviour and the traditional attitudes and conventional values has led to the evolution of behavioural ambivalence. Double standards occurred; for example, favouritism was criticized by all, but practiced by all.

D. A few observations will be made in this section on the influence of ecological factors on the interdependence and interaction among structures, processes and patterns of behaviour. Nevertheless, detailed analysis is available in the body of the chapter.

i. The policy of using public employment as a tool for wealth distribution, which was introduced in response to internal political challenges, led to many deficiencies. Among them were the non-differentiation between public and private interest, double occupation and diminished productivity. This political factor influenced the administrative process within the bureaucracy, which led to the evolution of many negative behaviours.

⁶⁸ Fred Riggs, *Administration, op. cit.*, p.277.

⁶⁹ Robert Prethus, "Weberian V. Welfare Bureaucracy in Traditional Society", *op. cit.*, p.4.

⁷⁰ Wesley Bjur and Asghar Zomarrodian, *op. cit.*, p.399.

ii. Social, political and demographic factors encouraged the concentration of authority. Furthermore, many social and demographic factors brought further constraints to the delegation of authority. The concentration of authority, coupled with flexibility and exemptions in laws and regulations, led to maladministration. These social and demographic factors stimulated centralization which encouraged the proliferation of patterns of behaviour which adversely affected the bureaucracy's efficiency.

iii. The increase in the importance of the family as the centre of social relationships led to nepotism, the lack of a civil service concept and the non-enforcement of discipline. The occurrence of widespread exemptions in laws and regulations also reflected such attitudes. The dominance of such particularistic values influenced the process and the pattern of behaviour within the administration.

iv. The society's conservative attitude toward change which was widely shared among top bureaucrats affected the efficiency of the bureaucracy. Top bureaucrats did not encourage innovation and preferred to maintain the status quo. In addition, administrative experience and new organizational structures were limited. Here we found that social values influence the evolution of certain patterns of behaviour which affect the bureaucracy's structure.

v. Due to the policy of social employment and the low educational profile of the labour force, the bureaucracy was deficient in skilled manpower and middle managers, while overstaffed in unskilled occupations, such as messengers and minor clerks. This produced many behaviour traits, such as lack of devotion to work. These were process factors (recruitment, selection and training) which led to the evolution of patterns of behaviour as the immateriality of time.

From the above analysis, we can conclude that ecological factors had a significant influence on the interdependence and interaction among structures, processes and patterns of behaviour; however a difference in their impact was noticed.

3. The economic factor had a modest impact on the bureaucracy, since it acted as a lubricant for its importation. Rapid growth in the economy caused labour demand to exceed the growth in the indigenous labour force. This stimulated the

importation of manpower. Further, the incentive to economize the bureaucracy was absent due to the abundant availability of funds.

4. The growth in the public bureaucracy at this stage was a tool to face the prevailing political challenges. At first, after independence, the bureaucracy was an essential instrument for the country's integration, international accommodation and the implementation of a participatory system of government. Later, the bureaucracy was used as a means for attracting new allies by guaranteeing jobs to specific groups within the general public. Furthermore, the bureaucracy was needed to implement the wealth distribution policies which were a concerted attempt to build bridges with the general public. Finally, the growth of bureaucracy was necessary to control and ensure maximum utilization of oil wealth. External and internal challenges to security significantly influenced the bureaucracy's development, especially the importation of administrative systems and procedures. The creation of the state produced two important events: the entry of the lower class into the arena of national policies and the rationalization of citizen's duties and rights. Political factors had a greater impact than others, in the bureaucracy development during this stage.

5. The demographic factor was a push factor for importation of labour force due to the inability of the indigenous population to provide the necessary human resources for nation building. Factors such as small population, high illiteracy and low indigenous participation were the major factors for such shortage. The productivity of civil servants was low due to lack of skills and training and the prevalence of particularistic values.

6. The imposition of an imported system on a traditional society, produced a dualistic system and formalism where prescribed rules differed from practice. The pace of change did not allow the country to adapt to the imported values. Because Kuwait was a traditional society, women's role within the labour force was limited. This increased the need for an imported labour force.

Kuwait experienced and utilized extensively the structure of public companies at this stage. This is attributed to the dominance of most senior positions by the merchant group and the increase in the political power of merchants.

The dominance of particularistic attitudes influenced negatively the efficiency of the bureaucracy, especially in the evolution of maladministration, negative values toward work and productivity, excess centralization and the vagueness of civil service laws and regulations.

7. At this stage, the relationship between natives and non-natives was full of tension and frustration. The tension occurred as young natives sought managerial positions occupied by non-natives. In addition, discipline over Kuwaitis was not enforced by non-Kuwaiti managers. Therefore, many Kuwaitis lost interest in public service and devotion to work, as well as productivity. In addition, the delegation of authority suffered due to lack of trustworthiness. The increasing conflict stimulated the call to nationalize the bureaucracy.

After analysing the dynamics of this stage, it is interesting to understand how bureaucracy shifted from the stage of importation to the stage of nationalization. The study of such interesting phenomenon will be the subject of the next Chapter.

CHAPTER SEVEN: NATIONALIZATION OF THE BUREAUCRACY

7.1 Introduction:

Many new nations have nationalized their bureaucracy after their independence, as a result of bureaucracy's interaction with its environment. This process which aims to replace expatriate officials with indigenous personnel has flourished as a result of increasing nationalistic attitudes and the desire for self-control. In Kuwait this process gained momentum a few years after independence. The factor behind this delay, was the shortage of indigenous civil servants during the independence era.

Many scholars have investigated the phenomenon of bureaucracy nationalization with its synonyms in a province (localization), country (nationalization, Kuwaitization) or region (Africanization)⁽¹⁾. The Kuwaitization process has received little attention from students of public administration, even though its impact was substantial. A few students have examined the nationalization process in their research, but those attempts were marginal and not comprehensive⁽²⁾. In this chapter, the researcher will define the stage of bureaucracy nationalization, examine the ecological factors influencing its development and explain the interaction and interdependence among them. Detailed examination of the bureaucracy during this stage will be conducted in accordance with the framework developed in chapter three.

7.2 Definition and Indicators:

Burke and French defined Africanization as the "deliberate substitution in positions of authority, influence, and status of one category of persons (European or Asian) for another (Africans)"⁽³⁾. The Kuwaitization concept was similar to that of Africanization except that expatriates were replaced by Kuwaitis.

¹ J. Donald Kingsley, op. cit., pp.302-9; Ferrel Heady, Comparative Perspective, op.cit., pp.282-3; Fred Burke, Peter French, "Bureaucracy and Africanization", in Fred Riggs (ed.), Frontiers of Development Administration, op. cit., p.539; Nazih Ayubi, "Bureaucracy and Politics in Contemporary Egypt", op. cit., pp.44-5; Fred Bent and Saif Abdullah, op. cit., p.375.

² Shamlan Al-Essa, The Manpower Problem in Kuwait, (London: Kegan Paul International, 1981), pp.106-11; Saif Abdullah, op. cit., pp.308-9; Fouad Al-Faleh, op. cit., pp.123-6; Tarik Al-Rayes, op. cit., p.94.

³ Fred Burke and Peter French, op. cit., p.539.

All interview respondents agreed with the definition of the bureaucracy nationalization stage as proposed by the author. The author defined bureaucracy nationalization as "the stage in which there is increasing growth in the public demand for nationalization of jobs and assumption of supervisory and executive responsibilities by natives in all fields". 76% of questionnaire respondents also agreed with the author's definition of this stage (Table A-12, Question 12).

Indicators of Nationalization of Bureaucracy:

Many indicators supported our identification of this stage as one of bureaucracy nationalization. We will discuss the emerging symptoms of this trend, though, the factors which contributed toward nationalization will be discussed later. A few of the indicators of nationalization are:

1. **The highest growth of natives employed in the public sector:** Of all the different stages, the average yearly growth of the Kuwaiti civil servants was the highest during this stage. It was 8.24% for the period 1964-1975 while it was 3.47% for the period 1975-1984 (Table 7-1).

Table 7-1: The yearly growth of natives employed in the Government.

Stage	Years	Yearly growth of % of native employment in the Government
Nationalization of the Bureaucracy	1964-75	8.24%
Inflated Bureaucracy	1975-84	3.47%
Administrative Reform	1984-90	6.00%

2. **The highest percentage of natives working in the public sector.** During this stage the percentage of natives working in the public sector increased from 35.71% in 1965 to 45.79% in 1973-74 as per Table 7-2. In the later stage (inflated bureaucracy), this percentage declined to its lowest level of 35.36% in 1980-81.

Table 7-2: Natives employed as percentage of total Government force.

Years	1965	1970	1973-74	1978-79	1980-81
Percentage	35.71%	40.23%	45.79%	37.40%	35.36%

-Source: Statistical Book of Kuwait.

3. **Many studies and reports observed the evolving attitudes of bureaucracy nationalization:** The World Bank mission observed the existence of strong pressure to reduce the number of expatriates⁽⁴⁾.

4. **The issue of laws and regulations that institutionalize the nationalization process:** Many laws were enacted during period to support the Kuwaitization process. In 1964, a Central Tender Committee was established to foster all tendering activities in the public sector. This Committee issued regulations which gave preference to native contractors and producers. In addition, an industrial law was issued in 1965, which limited the right to establish business or the incorporation of companies to the natives. Furthermore, a law was enacted which required any private enterprise to have at least 20% of its labour force as Kuwaitis. Unfortunately, this regulation was neither complied with nor enforced.

5. **The nationalization of oil companies and other strategic facilities:** Serious efforts to nationalize the cadre in the oil companies were initiated in 1973, especially KOC and KNPC. This attributed to the increased demand for social control over the country's wealth.

7.3 Environmental Inputs:

7.3.1 Historical Variables:

Despite large-scale importation of labour and technicians, the administrative capacity was not upgraded sufficiently to meet society's needs. The education outputs and training facilities were inadequate to satisfy the bureaucracy's requirements and to support its expansion. In addition, the country was in the process of identifying itself as

⁴ IBRD, *Development*, *op. cit.*, p.41. See also Jill Crystal, *op.cit.*; Jacqueline Ismail, *op.cit.*, and Tarik Al-Rayes, *op. cit.*

a state and hence efforts to gain international recognition increased. Activities to establish external and internal structures and relationships were intensified in response to threats and challenges. This stimulated the need for social control and bureaucracy expansion, reflected in the nationalization process.

7.3.2 Economic Variables:

Oil revenues continued to dominate the financial resources of the State with an average of 87.8% of the total financial resources of the period 1965-1975. The oil revenues for the year 1974-1975 represented alone 43.8% of the total oil revenues for the whole period due to the increase in oil prices in 1973. The total GDP at this stage grew at a rate of 16.6%, while oil and non-oil GDP grew at 17.7% and 14.4% respectively (Table 7-3).

Table 7-3: Percentage growth of GDP and per capita.

Years	Oil GDP Growth	Non-Oil GDP Growth	Total GDP Growth	Per Capita Growth
1965-75	17.70%	14.40%	16.60%	8.00%
1975-84	1.90%	14.70%	7.05%	1.50%
1984-89	-1.00%	2.60%	1.10%	-2.50%

The first price hike of 1973 resulted in a significant change in the Kuwaiti economy and the scope of its activities. The GDP and per capita grew 137.7% and 125.1% respectively between the years 1973 and 1974 (Table C-11). The increase in per capita income resulted in a surge in the demand for goods and services which, as a consequence increased the demand for imported goods and labour, thus contributing to imbalance in the labour force and the population mix. In addition, the contribution of oil GDP increased from 62% to 1973 to a record high of 79.2% in 1974 (Table C-12).

Economic and service demand continued to grow during this stage. From Table 6-2, the number of students enrolled and patients admitted to hospitals increased on average by 8.75% and 7.4% respectively (it was 15.7% and 15.9% for the previous period). The growth in demand for services including electricity and water consumption exceeded that of the population. Electricity consumption grew at a rate of 8.1%, while the population grew at a rate of 7.9%.

In this period, public spending represented 61.80% of the total revenues, which implies that the pressure and incentive to economize the bureaucracy continued to be absent. Furthermore, Table 6-3 shows that on average, wages expenditure accounted for 25.76% of total expenditure. This reflected the policy of the state to distribute wealth by guaranteeing employment to its citizens. The change in the pattern of expenditure reflected a shift in the tools used for wealth distribution from one which benefited the elite (through land acquisition) to one that benefited the general population (social employment).

The policy of maintaining the private sector through free enterprise continued through this period. However, commercial laws restricted property and business ownership rights to natives only.

In its efforts towards economic diversification, the country pursued a strategy of industrial expansion. The policy of diversification by promoting industry was successful. The non-oil GDP grew at a rate of 18.7% annually during the period of 1970-1975 while the manufacturing GDP increased at an average of 34% for the same period⁽⁵⁾. However, shortage of qualified labour, physical and other bottlenecks hindered further expansion.

At this stage, the first five-year development plan covering the years 1967/68-1971/72 was launched but was not implemented due to unexpected financial burdens as a result of the Arab-Israeli conflict in 1967. The surplus of 38.20% was invested in the international market due to limited local absorptive capacity (it was 18.27% in the previous stage). The Government implemented a foreign investment policy which aimed to invest the surplus in the international market through specialized banks and companies. From 1973 to 1975, a substantial financial sector evolved which comprised two commercial banks, two specialized banks and fifteen investment companies, which were established in order to channel and monitor the state's financial assets in the world capital market.

⁵ Central Bank of Kuwait, "The Kuwaiti Economy in Ten Years 1969-1979", (Kuwait: Central Bank Press, 1981), p.150.

In summary, the economic and financial structure and regulations reflected the increasing nationalistic attitudes of the society. Most resources were distributed to the population through social employment in the public sector. Incentives and tools to economize the bureaucracy did not exist.

7.3.3 Political Variables:

The external threat and instability in the region continued to be a challenge. The instability at this stage originated from three sources: neighbouring countries, regional threats of communist south Yemen, and the power vacuum caused by the withdrawal of Britain from the Gulf in 1971⁽⁶⁾. External security was maintained and improved after the signing of a protocol of understanding with Iraq in 1963. In addition, the state continued its policy of neutrality, the expansion of foreign aid and the identification of the country with Arab nationalism in order to increase stability and to reduce the existing aggression.

Internally, the influence of the merchants in decision-making declined gradually. This paved the way for other political and social groups to influence decision-making through increasing political participation⁽⁷⁾. The voluntary associations, which were influenced directly or indirectly by grass-roots Arab nationalism⁽⁸⁾ were the forms of this participation. The participative institutions, especially Parliament, were active in domestic issues, with special focus on nationalizing the bureaucracy. This is attributed to the fact that more deputies were coming from the intellectual elite and middle class.

The government continued its policy of building new allies through massive naturalization of the bedouin population. As a result, their electoral participation increased from 21% in 1963 to 45% in 1975, and their Parliamentary seats increased from 14 seats in 1963 to 23 seats in 1975⁽⁹⁾. Such building was done through

⁶ Hassan Al-Ebraheem, *op. cit.*, p.199.

⁷ Kamal Salih, *op. cit.*, p.53.

⁸ Shafeeq Ghabra, *op. cit.*, p.203.

⁹ Mohammed Al-Haddad, "The Effect of Detribalization and Sedentarization on the Socio-Economic Structure of the Tribes of the Arabian Peninsula: Ajman Tribe as Case Study", Ph.D. Thesis, University of Kansas, 1981, p.148.

providing more jobs by nationalizing the bureaucracy. Since many tribesmen lacked qualifications and were not given the opportunity to be trained, continuous pressure was exerted by their representatives to increase the budget allocation for unskilled jobs in order to absorb them within the bureaucracy. For example, 55% of unskilled labour employed from 1940 until 1966, were recruited during the years 1961-1965 and 23% joined the Government during 1964-1965 alone. This supports the proposition that the policy of allies-building stimulated the need to increase jobs' openings and initiated the Kuwaitization process.

The continuous threats and challenges to the state and the regime, internally and externally, stimulated the need for nationalization of the bureaucracy and social control over the administration. Such nationalization was not confined to the bureaucracy but spread to oil companies. In addition, the implementation of social employment policy, was a factor in stimulating nationalization.

7.3.4 Social and Cultural Variables:

Education continued to be upgraded in terms of both quality and quantity. Even though student enrolment slowed down, it continued to grow at a high average of 8.75% per year (it was 15.7% for the previous period). In addition, this period was characterized by the inauguration of the University in 1966 and many higher education institutions. The emphasis was on expanding the role and scope of education as a tool to support the Kuwaitization process through native manpower development. However, the population growth and native manpower development were far less than the requirements of bureaucracy nationalization.

As a result of intensive educational efforts, the education status of the Kuwaiti population improved during the period. The percentage of illiterates decreased from 56.0% in 1965 to 44.6% in 1975 while the percentage of people educated to secondary level and above increased from 1.83% in 1965 to 18.3% in 1975. This improvement was higher in certain sectors of the population. For example, illiteracy in the 10-19 age bracket of the Kuwaiti population declined to 22.65% in 1975 compared with 56.3% in 1965. However, the policy of public education expansion faced many problems. The increase in the demand for education due to high population growth and the resulting increase in educational eligibility further increased the burden on the bureaucracy to accommodate such expansion. However, despite efforts to improve education, the

education status of the labour force continued to be low, which hindered the improvement in the efficiency and productivity of the administration.

Particularistic values continued to dominate and influenced administrative efficiency, especially in recruitment, maladministration and productivity. The provision of extensive welfare services while no taxes were levied led to a situation where citizens were receiving benefits with no public contribution on their part. Thus, the fundamental principles which governed the relationship between the state and the individual were jeopardized. This jeopardization produced much negative behaviour and values in relation to productivity and devotion to work. The importance of the bureaucrats' role within the social structure increased. Studies show that citizens prefer government employment because it is more prestigious¹⁰.

Education and training facilities and rentier attitudes were not able to support the Kuwaitization process. On the contrary, they developed negative attitudes toward efficiency and development.

7.3.5 Demographic Variables:

As Table 6-4 shows, the total population grew at a yearly average rate of 7.85%; 7.9% for Kuwaitis and 7.78% for non-Kuwaitis (it was 13.05% for the previous stage for non-Kuwaitis). This decrease is attributed to the increase in nationalistic attitudes which stimulated restrictions in the immigration laws in the early 1970s. As shown in Table C-1, Kuwait's crude participation was maintained at 19.5% while the non-Kuwaiti crude participation decreased from 57.19% in 1965 to 40.45% in 1975. This suggests that most of the growth in the non-Kuwaiti population was attributable to the immigration of families of labourers due to the Arab-Israeli conflict in 1967.

The composition of the labour force changed dramatically. The Arab labourers' share (half of them were Jordanians and Palestinians) increased as a percentage of the total labour force from 76% in 1965 to 80.2% in 1975. This increase is attributed to the adoption of the policy of giving employment preference to Arabs.

¹⁰ Soud Al-Ramadan, *op. cit.*, p.287 and SRI, "Social and Economic Impact of the Kuwait Government Compensation Increase of 1971-72 and the Recommendation for National Compensation Policies", (Kuwait: Planning Board, 1974).

As shown in Table 6-5, the total labour force grew at an average of 5.0% per year. The native labour force average growth was 7.3% per year during this stage (6.6% for males and 21.0% for females). It is notable that females (both Kuwaiti and non-Kuwaiti) gained access to the labour market at a remarkably increased rate. This access improved the crude participation. However it led to concentration of the labour force in specific sectors in the public sector.

Furthermore, the education level of the labour force improved during this stage. The illiterate percentage in the Kuwaiti labour force declined from 51.57% in 1965 to 35.85% in 1975. The unusually high percentage of illiterates in 1965 is attributable to the government policy of having allies outside the merchants' circle. The education profile of the non-native labour force was better than that of the natives. The level of education of the non-Kuwaiti labour force still exceeded that of Kuwaitis more than two-fold. The percentage of graduates and post-graduates in the non-Kuwaiti labour force was 9.91% in 1975 (it was 4.75% in 1965) while it was 4.10% for the Kuwaitis in 1975 (it was 1.18% in 1965).

The distribution of total labour force reflected an increased dominance of employment in economic activities that related to consumption and service. The nationalization process directed employees toward working in jobs in the service sector while discouraging them from production-related jobs. In 1975, 73.47% of the labour force occupied jobs in the service sector (it was 63.52% in 1965) Table C-4. On the other hand, production workers constituted not more than 17.65% of the labour force in 1975 (it was 26.32% in 1965). This reflected the transformation of the society from one which produced net surplus to one which consumed surplus.

In summary, the non-Kuwaiti demographic structure became more balanced. The Kuwaiti labour force grew to almost double that of non-Kuwaitis while the population growth rate was identical for both Kuwaitis and non-Kuwaitis. Evidence demonstrates that Kuwaitization stimulated modestly the growth in the Kuwaiti labour force. The total labour force grew by 162% for the whole period (202% for Kuwaiti and 150% for non-Kuwaitis) whereas the population increased by 213% (215% for Kuwaitis and 211% for non-Kuwaitis). The demographic factor acted as a constraint to the nationalization process, since it could not supply the necessary and qualified manpower.

7.3.6 Initiation of the Stage:

One of the main factors in initiating the stage was Parliament which reflected public desire for more job openings for Kuwaitis and more control in running the country's affairs. The Government also had its own motives for the process. Faced with the problem of social control, it gave the utmost priority to the human resources development of its indigenous population. These attitudes were reflected in the first five-year plan, in which the Government confined itself to the objective of increasing the productivity, efficiency and quality of Kuwaiti manpower. The Council of Ministers formulated and approved several measures to support the social control process. For example, in 1968, the Council issued specific procedures aiming at minimizing the number of non-Kuwaiti civil servants and unqualified Kuwaitis. The Government established the Committee for Reviewing Government Employees (CRGE) in 1971. This widely representative committee emphasised the need for an action plan and time-frame for the Kuwaitization process and the importance of establishing education institutions for vocational and administrative needs. Details of the recommendations of CRGE and its sub-committee and the status of implementation are, however, not available.

The Kuwaitization process was not active only in the public Sector. In the oil sector, the government requested the Kuwaiti Oil Company (KOC) to reduce its non-Arab employees and to develop native manpower. As a result, the percentage of Kuwaitis in total employment in the KOC increased from 35% in 1971 to 47% in 1975. However, the Kuwaitization process in Kuwait National Petroleum Company (KNPC) did not have similar success. The percentage of Kuwaitis in the company increased only from 14.6% in 1968 to 17.41% in 1973⁽¹¹⁾.

Factors behind the initiation of bureaucracy nationalization:

The nationalization of the Kuwaiti bureaucracy was initiated due to many factors including the following:

1. **The implementation of social employment policy as a method of wealth distribution:** Since the other economic sectors were weak, the bureaucracy was the

¹¹ Fouad Al-Faleh, *op. cit.*, p.87.

only sector that could accommodate employment claims. Many of these citizens were ex-sailors who were not young enough to be trained, nor did they possess the necessary qualifications or skills. For example, in 1972/1973, 54.4% of the total Kuwaitis recruited were employed as messengers, low-level clerks and the like⁽¹²⁾.

2. **The political rivalry between the Parliament and the Government:** The Parliament intensified its call for Kuwaitization in order to gain public support and political legitimacy⁽¹³⁾. The Government followed suit.

3. **The need to improve and nationalize the decision-making process, of which the main contributors were non-Kuwaitis:** This need arose in order to avoid influence on the decision-making by any political or ethnic groups. For example, Kuwait resisted the influence which Egypt exerted on the country's policies and decision-making⁽¹⁴⁾. The Kuwaitis were aiming at a position whereby they would decide for themselves on challenges faced by their society. Furthermore, there were increasing claims that non-Kuwaiti top officials were not able to solve the emerging administrative problems due to their unfamiliarity with the environment.

4. **The typical increase of nationalistic attitudes after independence:** In many countries it has been noticed that a similar process took place at or a few months after independence because of the natural desire of an independent state to control its public services⁽¹⁵⁾. Such attitudes intensified with the conception that the power of decision should be reserved for Kuwaiti officials⁽¹⁶⁾.

5. **The significant growth in the Kuwaiti population which created demands on the bureaucracy to absorb them as civil servants:** The Kuwaiti population grew at a high rate of 8.7% for the period 1957-1965 due to the naturalization of the bedouins.

¹² Planning Board "Report of the Committee for the Organization of Public Administration", (Kuwait: Planning Board, May 1973), p.2; hereafter will be cited as COPA Report.

¹³ Fouad Al-Faleh, op. cit., p.126.

¹⁴ John Daniels, op. cit., p.84.

¹⁵ J. Donald Kingsley, op. cit., p.308.

¹⁶ IBRD, Development, op. cit., p.50.

This growth of population and subsequent growth in the labour force was beyond the employment capacity of the bureaucracy. Therefore, Kuwaitization emerged as a way of absorbing them. Hence, many unskilled jobs were created (e.g. guards) that were not needed for the time being. The average growth in Kuwaiti assistant occupations (or service jobs) was 26% for the years 1965-1968 while it was 10% for total government jobs for the same period.

6. **The conflict in power distribution:** The conflict within the bureaucracy between non-native managers and native-subordinates, stimulated the nationalization process. Such process would provide natives with greater opportunities for upward mobility.

However, many interview respondents felt that the Kuwaitization process was a natural step and did not require any specific factors to initiate it.

7.3.7 Span of the Stage:

The stage of bureaucracy nationalization lasted for ten years. It was initiated in 1965 and ended in 1975. The beginning of the stage was marked by extensive Parliamentary discussion urging nationalization of the bureaucracy and enacting laws that encouraged the administration's nationalization. However, the stage ended with a proliferation of symptoms and indicators of an inflated bureaucracy.

7.4.1 Process:

The administrative process of this stage was characterized by nationalist attitudes which led to control of decision-making, exemptions in recruitment procedures for natives, excess centralization and low productivity. Further details are given below:

7.4.1.1 Concept of Civil Service:

The concept of civil service continued to be vague. A survey showed that most public employees did not realize that their duty was to serve the public⁽¹⁷⁾. In its efforts to clarify the concept of civil service, the government issued a law which established a committee for administrative reform in each Ministry. It was issued in reaction to Parliamentary criticism. However, its implementation was not effective. The committee for Reviewing the Government Employees(CRGE) which was established in 1971,

¹⁷ Nourh Al-Falah, op. cit., p.102.

emphasised these deficiencies in its recommendations. It suggested the strict application of civil rules and regulations across the board. This recommendation reflected the prevailing vagueness of the concept of civil service. This vagueness increased with the nationalization process which influenced negatively administrative development.

7.4.1.2 Recruitment and Selection:

Recruitment and selection procedures continued to be deficient to provide equal and fair opportunities for the selection of qualified civil servants. With the absence of competitive examination, the scope for exemptions from the rules and regulations and the pressure from Parliamentary members to employ their constituents, led to chaotic recruitment and unfair selection procedures.

Due to the prevailing particularistic values, personal recruitment continued to be the dominant procedure in this stage. In a survey conducted in 1975, the majority of Kuwaitis and non-Kuwaitis managers perceived tribal and family connection to be, at least a partial basis for hiring Kuwaiti managers in the private sector⁽¹⁸⁾.

In its efforts to support the process of nationalization, the government adopted many measures towards achieving that end. Those measures were as follows:

1. The beginning of this period was characterized by what was called "Education Disaster". In its efforts to expedite the nationalization process, Kuwaiti secondary school graduates were appointed since 1964 as teachers in the primary level on an exceptional basis, after graduating from the teacher-training college. This step was taken in response to the increasing pressure to replace expatriate teachers with all possible speed. It was a successful step in increasing the number of Kuwaiti teachers in the primary level from 4.1% in 1963/64 to 15.3% in 1966/67 and to 56.30% in 1970/71 but the quality of teachers was below standard. The college was closed in 1974 as a result of high failure rate at the intermediate level and general criticism of the college graduates.

¹⁸ S. Al-Tuhaih and D. Van Fleet, "Kuwait Management: A Study of Selected Aspects", Management International Review, 18, No.1, (1978), p.21.

2. After initiating a study on ways and means to streamline the inflated civil service (mainly the non-Kuwaitis), many measures were taken in 1968 to reduce the recruitment of non-Kuwaitis. However, the implementation was not effective enough. As shown in Table 7-4, in the next two years, recruitment of non-Kuwaitis was frozen. However, starting from 1970, non-Kuwaiti recruitment increased at a higher rate than in previous years. This demonstrates that the Kuwaitization process was not institutionalized but rather a reaction to political demand. As soon as political demand lost momentum, the process slowed down.

Table 7-4: Non-Kuwaiti employees yearly growth.

Years	Percentage
1967-70	0.19%
1970-73	5.4%

3. The Government adopted a policy of wage disparity between Kuwaiti and non-Kuwaiti civil servants. On average, Kuwaiti' salaries were 35% higher than those of their non-Kuwaitis counterparts. In the public sector as well as the oil sector, Kuwaitis were given preference in promotion, training and career opportunities over their non-Kuwaiti counterparts.

The Kuwaitization process was able to increase the percentage of Kuwaitis in the civil service from 35.71% in 1965-66 to its highest level of 45.79% in 1973-74, however it fell short in the private and mixed sector. The percentage of Kuwaitis in these sector did not exceed 1% and 5% respectively in 1975.

In conclusion, the government, in its efforts to expedite the process of Kuwaitization, waived many educational and qualification requirements. Those could be accepted as temporary measures, as was the case in Nigeria¹⁹. However, Kuwait issued laws which legitimized this waiving. The institutionalization of qualification waiving led to many behavioural and productivity problems. In addition, the discretionary authority for recruitment possessed by top officials invited favouritism and corruption

¹⁹ J. Donald Kingsley, *op. cit.*, p.314.

through deviation from the rules.

7.4.1.3 Decision-Making Process:

Within the bureaucracy itself, the Kuwaiti top officials confined themselves to limited responsibilities. This arrangement satisfied them while leaving most decision-making in the hands of non-natives. Decision-making was characterized by excess formalism, since the non-Kuwaitis strictly adhered to the rules and avoided taking any risky decisions, while the Kuwaitis avoided the details.

The decision-making focus was on day-to-day business, with little emphasis on policy formulation. The quality of decision-making was weak due to the low profile of top officials. Most decisions reflected particularistic interests rather than the public interest. Decision-making was carried out on an ad-hoc basis, with no reference to plans or studies. The decision-making process did not support the nationalization process.

7.4.1.4 Centralization and Delegation of Authority:

Even though many Kuwaitis assumed senior positions, centralization increased while the delegation of authority continued to be minimum⁽²⁰⁾. A similar phenomenon was observed in the oil sector⁽²¹⁾. This excess centralization reduced initiative among the bureaucrats and led to the evolution of nepotism and corruption⁽²²⁾.

The main factor behind excessive centralization in developing countries, was the lack of qualified persons at the middle management level to whom those responsibilities could be assigned⁽²³⁾. This was the case in Kuwait. In 1970, only 2.14% of the Kuwaiti labour force were graduates or post-graduates. A behavioural obstacle for the delegation of authority came from the tendency of individual Arabs to mistrust others. This is attributed to emotional behaviour and as a result of living in a society in a state

²⁰ The COPA Report, op. cit., p.3.

²¹ Fouad Al-Faleh, op. cit., p.116.

²² The COPA Report, op. cit., p.3.

²³ Fred Riggs, Administration, op. cit., and Ferrel Heady, Comparative Perspective, op. cit.

of transition and frequent change⁽²⁴⁾. The perpetuation of the autocratic style of society and authoritarian attitudes was another factor leading to excess centralization.

Centralization was a reflection of the values of the society and the behaviour of individuals. In addition, structural factors such as the lack of qualified staff and the non-formulation of clear rules and policies further hindered the process of authority delegation.

7.4.1.5 Role of Experts:

Most interview respondents agreed that experts did not have a positive impact on supporting the Kuwaitization process due to their consultative role. The Kuwaitization process led to Kuwaitis assuming high office before acquiring adequate experience. This made the Kuwaitis less competent and more dependent on the non-native experts in running the administrative affairs of the organ under their authority.

Many interview respondents believed that most experts modified their opinions according to the wishes of their Kuwaiti supervisors. The expert's role shifted from developing the administration to supporting his Kuwaiti superior and thus preserving the status quo of the power structure and setting.

In this stage, the Planning Board was active in conducting studies concerning the administrative problems of the country, utilizing the services of many western experts. These included the Stanford Research Institute (1971), White Head Company (1974) and the Danish Company, Chisnan Rofsing (1975).

The expert's role in developing the indigenous manpower was limited and hence their support for the Kuwaitization process was marginal.

7.4.1.6 Role of Women:

The first five-year plan indicated as one of its population policies, the need to improve the participation of Kuwaiti females by offering them appropriate jobs⁽²⁵⁾. All interview respondents agreed that Kuwaiti females benefited from the nationalization

²⁴ Changiz Pezeshkpur, *op. cit.*, p.50.

²⁵ Ministry of Planning, "The First Five-Year Plan 1967-1972", p.133.

process. With vast education opportunities, the availability of suitable jobs and the large number of vacant positions, the Kuwaiti female labour force grew at an average of 21.0% per year for this period (Table 6-5) (it was 15.4% for the previous period). This was the largest growth among all categories. The Kuwaiti female share in the total labour force increased from 2.54% in 1965 to 8.4% in 1975. This remarkable growth in participation of Kuwaiti females could be attributed mainly to the high demand for female workers to serve the female population in a segregated educational and welfare system. The number of native females working in professional occupations such as teaching, which were considered suitable for women, increased from 18.37% in 1965 to 41.71% in 1975 (Table C-5).

Kuwaiti females benefited the most not mainly because of the Kuwaitization process but also because it was more productive, more able to face the challenges and more serious in their approach to education. However, they confined their participation to specific occupations that suited their role in a traditional society. This trend had an impact on inflating the bureaucracy in the subsequent stage.

7.4.1.7 Productivity:

Even though one of the objectives of the first five-year plan was to raise productivity, most interview respondents agreed that productivity was overlooked in favour of nationalization. Managers focused on increasing the percentage of Kuwaitis within their organization, rather than their productivity. This led to the emergence of a situation where an unproductive Kuwaiti civil servant worked side by side with a non-Kuwaiti who was performing his job. For example, a study of the Planning Council found that 450 unskilled workers were recruited by the Department of Customs and Ports from the contingency expenditures, under an instruction issued by the Council of Ministers, although there was no actual need for them⁽²⁶⁾.

The lax recruitment methods, work conditions, personalized recruitment and the lack of relevant training programmes were factors which contributed to the low productivity of Kuwaiti civil servants at this stage. It was estimated that on average a civil servant worked 20 minutes per day or five were involved in a job that one could

²⁶ Nassef Abdul Khalik, Overstaffing in GCC, op. cit., p.153.

perform⁽²⁷⁾.

In its efforts to increase productivity, the government established in 1970 a control committee in each ministry to supervise the productivity and performance of civil servants, to assess the work load of each unit, to receive the complaints of citizens and to suggest improvements in the administrative system. The evaluation of the committees' work is not available and it seems that its task was not carried through. The government neither concentrated on qualifying its citizens to serve their country nor assisted them by creating job opportunities in the private sector. The lack of alternatives to government employment, created a non-competitive environment which diminished productivity. The state policy of social employment produced negative consequences for the productivity of Kuwaitis by removing any incentive for performance and productivity.

The productivity of Kuwaiti civil servants may be understood better in relation to other phenomena. One of those interesting phenomena, is the trait of conducting private transactions, like small trading, during office hours. The SRI findings established that 7% of native civil servants had double occupations⁽²⁸⁾. Most interview respondents agreed that this phenomenon had an impact on the concept of civil service and the productivity of natives.

The Kuwaitization efforts, although successful in increasing the percentage of native participation, failed to improve their productivity or direct them toward productive sectors. Productivity suffered since most native civil servants viewed public employment as a right rather than a duty and they lacked the devotion, qualifications and skill, and the incentive for greater productivity.

²⁷ The New York Times, 28 August 1971, and Abid Al-Marayati, op. cit., p.290.

²⁸ SRI, op. cit., p.254.

7.4.1.8 Training and Skills:

The COPA Committee observed the low quality of training programmes, the absence of a coordinated training plan and the lack of integration between the suppliers of the trainees and the users⁽²⁹⁾. The programmes for vocational education were expanded to satisfy the demand for technical jobs. The programmes were designed to accommodate the drop-outs from the academic system and to train them as semi-skilled and skilled workers. In addition, many ministries and authorities launched their own special programmes to support the Kuwaitization process. More than seven programmes and centres were established at this stage in addition to the five training centres which already existed. To coordinate training and vocational activities, the government established a central training department in 1973. In the oil sector, the KOC launched in 1974, a five-year manpower plan and a series of in-house middle management training courses, in order to prepare Kuwaitis for senior positions⁽³⁰⁾. These efforts were successful in nationalizing the top posts in the following stage. In the private sector, a banking studies centre was created in 1970 in order to qualify Kuwaitis to replace non-Kuwaitis in the local banks.

The improvement in education, was not accompanied with a similar upgrading in training activities to accommodate the requirements of the Kuwaitization process. In a study conducted in 1972, more than 40% of public officials claimed that they had not attended any training programme⁽³¹⁾. An exception was the security and civil defence service (fire fighters, policemen) which was fully nationalized by 1975. To foster the training of the top cadre, a public Administration Department was established in 1973 within the Arab Institute for Planning. The department, with its limited resources, could offer training to 200 civil servants every year, while the population of the target group was 8000. The ambitious training efforts faced severe challenges, such as low enrolment and high drop-out, deficiency of training facilities and lack of career opportunities.

²⁹ The COPA Report, op. cit., p.4.

³⁰ David Qates, op. cit., p.34.

³¹ Soud Al-Ramadan, op. cit., p.296.

In summary, the training capacity fell far short of supporting the pace of Kuwaitization. The bureaucracy had neither a comprehensive training plan nor effective coordination of the current training activities. Therefore, the bureaucracy was nationalized in numbers, but not in outcomes.

7.4.1.9 Civil Service Rules and Regulations:

Most interview respondents agreed that the rules and regulations were modified to support the nationalization process but their implementation was deficient. Many regulations were drafted by non-native experts. These did not reflect the interests of the native and contained bias toward non-natives, an example is the social allowance.

Many regulations, when enacted, were counter-productive to the Kuwaitization process, such as incentive for early retirement and the lowering of the retirement age from 70 to 60. These measures aimed to relieve the bureaucracy of native unskilled and unproductive civil servants. Native vocational occupations declined at a rate of 1.86% during the period 1970-75, reflecting the effectiveness of those measures, but unfortunately those jobs were filled later by unskilled non-Kuwaitis (they increased at 1.29% for the same period) which diluted the Kuwaitization efforts (Table C-6).

Many laws and regulations were enacted to support the Kuwaitization process, however, exemptions were institutionalized as a result. On the other hand, many regulations issued diffused the Kuwaitization process. The laws and regulations therefore had a mixed impact on the Kuwaitization process.

7.4.1.10 Leadership:

In many countries which have initiated the process of nationalization, the young and unexperienced top officials face many complex challenges when they resume office⁽³²⁾. The author has proposed that many of them were not up to the challenge of this stage. This concurs with the observations of the Planning Board, which noticed that most of the top officials were neither qualified nor able to cope with modern management techniques⁽³³⁾. However, most interview respondents did not agree with this proposition. The researcher quoted two educational phenomena to support the

³² J. Donald Kingsley, *op. cit.*, p.312.

³³ The COPA Report, *op. cit.*, p.3.

proposition: First, there was an excessive number of students in the Art College, when the country was in desperate need of professionals and technicians. Second, the prevailing phenomenon of having most of the distinguished students from the non-native population. All interview respondents felt that these examples did not reflect the inability of the top officials to face the challenges, but rather, were attributable to other environmental factors. Despite this disagreement, the author feels that top officials were not able to formulate necessary policies, nor were they able to reorganize the administration to effect solutions of the current problems. Furthermore, implementation was not always at a level commensurate with the size of the problem.

The lack of competition and incentives gave top officials no motivation for innovation and improvement. With the flourishing of the private and joint sector, many qualified top officials in Kuwait⁽³⁴⁾ as well as Saudi Arabia⁽³⁵⁾ were attracted to these sectors. Nevertheless, this had a marginal impact. Such migration from the bureaucracy into the private sector may have brought, as suggested by Morstein, more understanding between the two sides⁽³⁶⁾, which was the case in Kuwait.

Most interview respondents noted the existence of competition in filling the senior posts, which led to nepotism and the exercise of social influence. The society was at a transitional stage which reflected complex social relationships. The profile of the top officials in 1972 which reflected the dominance of upper status families⁽³⁷⁾ supports this statement. However, the domination of upper-class families was declining and more intellectuals held leadership positions.

Many natives became top officials when waves of spectator promotion brought bureaucrats who lacked basic qualifications and had little experience. As a result, Kuwaitization weakened the managerial pool and had an adverse influence on administrative development.

³⁴ Fakri Shehab, *op. cit.*, p.466 and IBRD, Technical Assistance Unit, *op. cit.*, p.ii.

³⁵ Alawi Abussuud, *op. cit.*, p.163.

³⁶ Fritz Marx Morstein, *op. cit.*, p.105.

³⁷ Saif Abdullah, *op. cit.*, p.248.

7.4.2 Structure:

7.4.2.1 Differentiation and Specialization:

The Kuwaiti bureaucracy during this period moved toward more functionally specific structures (Table 7-5). This differentiation occurred in three areas:

1. More Ministries were created in 1975, such as the Ministry of Communications, Oil and Housing to handle the growth in those sectors.
2. More authorities and councils were created to handle the specific tasks of coordination and specialization. The creation of five authorities reflected the trend to build structures outside the ministerial complex. Like South Viet Nam, Kuwait created those authorities in order to implement programmes to cope with social and economic challenges⁽³⁸⁾.
3. In its efforts to capitalize on the experiences and capabilities of the private sector, the government has established some joint companies which proliferated as a mixed sector. Most interview respondents observed that the mixed sector was a positive experience, despite a few shortcomings. The idea of joint companies could have been fruitful if the bureaucracy had not gained control over those companies, which minimized the private sector participation.

Table 7-5: The percentage growth of Administrative Units:

Stage	Period	Growth in Ministries	Growth in Authorities	Total Growth
Importation of Bureaucracy	1961-65	0.0%	15%	5.4%
Nationalization of Bureaucracy	1965-75	2.5%	6.4%	3.97%
Inflated Bureaucracy	1975-84	0.0%	6.6%	2.87%
Administrative Reform	1984-90	2.6%	0.0%	1.6%

- Source: Table C-17

³⁸ John Doresy, "The Bureaucracy and Political Development in Viet Nam" in Joseph Lapalombara (ed.), *op. cit.*, p.335.

As a result of dysfunction of the bureaucracy, coupled with the increase in nationalist attitudes, natives experienced many organizational structures as a way to institutionalize changes and improve efficiency. Riggs observed that societies may develop new structures or modify the existing ones in order to reduce dysfunction as a result of "contradictory functional requirement"⁽³⁹⁾.

Differentiation and specialization was highest during this stage among ministries and authorities due to an ambitious development plan, which covered most structures with focus on authorities.

7.4.2.2 Formalism:

Formalism increased during this period⁽⁴⁰⁾. Most of the formalism was the result of enforcing imported rules and regulations over particularistic values and structures. Furthermore, since most top bureaucrats at this stage lacked the necessary qualification and educational attainment, they relied more on adhering to the rules, which increased formalism. In addition, formalism was intensified due to the insecure position of the non-Kuwaitis, which forced them to adhere more to the rules.

Formalism increased during this stage, which adversely affected administrative development. Nevertheless, the Kuwaitization process had a marginal impact on its evolution.

7.4.2.3 Administrative Experience:

All interview respondents agreed that the administrative experience was lacking during this stage, as was the case for the previous stage. One of the major steps in the area of administrative experience was the creation of the mixed sector. This concept was gaining acceptance in many other countries during this period⁽⁴¹⁾. The idea of the mixed sector was to develop the private sector through joint efforts and later the

³⁹ The term "contradictory functional requirements", which was introduced by Sjoberg, observed that a system may have "survival needs which are mutually contradictory". Fred Riggs, Administration, op. cit., p.76.

⁴⁰ GRGE Report, op. cit.

⁴¹ Charles Dechart, "Ente Nazionale Idrocarburi: A State Corporation in a Mixed Economy", Administrative Science Quarterly, 7, No.3 (1962), p.322.

government would withdraw from it or privatize it. On the contrary, the government dominated the sector gradually, rather than withdrawing from it. Public companies increased as a result of the establishment of new companies to promote certain activities and as a result of acquisition of shares of companies facing financial difficulties⁽⁴²⁾. To evaluate the effectiveness of this structure, more study and investigation is needed. The most obvious problem facing this sector is the definition of its "identity" and hence, its objectives. In summary, little administrative experience was developed during this period; it was mainly confined to the mixed sector and public authorities. Most experience was based on structures, but not process, behaviour or modern management techniques.

7.4.2.4 Overlapping:

The Ministerial Complex continued to suffer from administrative overlapping⁽⁴³⁾. This overlapping prevailed between and within organs as a result of the creation of new ministries and authorities. With the nationalization of the oil sector and the reassumption of ownership of an integrated operations, many companies and organs were established or their scope was extended in order to take over responsibilities from the foreign oil companies. This created wide administrative overlapping within the oil sector⁽⁴⁴⁾. Most of the administrative overlapping is attributed to the absence of specific national goals, the lack of clearly-defined responsibilities and insufficient coordination⁽⁴⁵⁾. The speed of nationalization of the bureaucracy increased the overlapping and adversely influenced administrative development.

7.4.2.5 Organization Structures:

The structure of authority gained wide acceptance in Kuwait, since it was based on the concept of autonomy, assigning clear accountability and operational flexibility required to run commercial or special activities with sufficient public control.

⁴² Osama Abdel Rahman, "The Saudi Arabia and Kuwait: Public Enterprise or Public Companies", Public Administration (Riyadh: IPA), No.23, (1979), p.59.

⁴³ The COPA Report, op. cit., p.3.

⁴⁴ Jill Crystall, op. cit., p.95.

⁴⁵ Planning Board, "Report of the Committee for the Development of the Government Civil Service", (Kuwait: Planning Board, 1975).

Within the ministries complex, the Ministry of Education structure was further enhanced in 1967 by the establishment of an education council attached to the Minister, and a few technical committees attached to the Under Secretary⁽⁴⁶⁾. In 1974 a new Organizational Structure was implemented which reflected two attitudes: the desire to improve the planning process and education curriculum, and the separation of administrative activities from financial affairs. This represented greater specialization within the ministry. However, it reflected unbalanced growth between line and staff functions.

In conclusion, most activities in the organizational structure were in the authorities outside the ministerial complex. More controls and rigid procedures were imposed on the authorities which hindered their efficiency and affected its independence. Such trends adversely influenced administrative development.

7.4.3 Patterns of Behavior:

7.4.3.1 Relationship and Interaction Between Natives and Non-Natives:

In 1975, non-Kuwaitis constituted 52.55% of the population, 73% of the labour force, and 76.7% of the professional and technical categories. As a result of Kuwaitization and the policy of social employment, status distinctions between Kuwaitis and non-Kuwaitis were institutionalized. Many policies in human resources and income stratification were adopted to support this distinction and to maintain the social control function⁽⁴⁷⁾. In consequence, the non-Kuwaitis became conservatives who feared change and avoided creativity in order to secure their jobs. It also developed resentment of the Kuwaitis, while the latter distrusted them, exerted more control and delegated less authority. The SRI suggested that this reciprocal resentment reflected the frustration of the Kuwaitis with their minority role in the labour force⁽⁴⁸⁾. This resentment reduced their productivity and loyalty to the institutions in which they worked. In addition, it increased the resistance of non-Kuwaitis to the Kuwaitization process and to any proposed administrative reform.

⁴⁶ Abdul Rahman Al-Ahmed and Messbah Issa, op. cit., p.29.

⁴⁷ Jacqueline Ismael, op. cit., p.156.

⁴⁸ SRI, op. cit., pp.18-9.

Conflicts arose between non-native managers and ambitious young native subordinates. This rivalry produced resistance to, and weakened the authority of non-Kuwaiti managers. Furthermore it created negative work behaviour and reduced the efficiency and cohesiveness of the bureaucracy.

7.4.3.2 Ethical Values and Practice:

No code of ethics was developed or established at this stage. As a result of the resentment between non-Kuwaiti managers and Kuwaiti subordinates, discipline could not be enforced effectively in the public sector, which further reduced productivity. The level of ethical practice within the administration was weak. Few efforts were made to prepare civil servants ethically. Thus, much undesirable behaviour and acts of maladministration proliferated during this stage.

7.4.3.3 Maladministration:

Most interview respondents agreed that corruption was rife in the bureaucracy at this stage. They observed that the corruption was mainly among non-Kuwaitis, though later, some Kuwaitis joined them. In a study conducted in 1972, more than 20% of citizens and college students in the sample believed that the majority of public officials were corrupt⁽⁴⁹⁾. The lack of control and accountability, excessive centralization, the vague public service concept, weak enforcement of discipline and the complicated procedures were factors responsible for increased corruption. Even though the society was aware of the widespread corruption, efforts to decrease it through the PCIAR were not effective. In the oil sector, the huge expansion with minimum control led to a major scandal which involved bribery of Ministry officials, local agents and oil clients. As a result, the Minister of Oil was dismissed in 1978.

All interview respondents agreed that nepotism and favouritism dominated the bureaucracy due to social and family values. Due to the dominance of particularistic values, nepotism was seen as an ordinary duty of the service offered by the employee to his relatives and family. Furthermore, the society would find it strange for an employer to apply the rules and regulations strictly, without any exception for his family. Citizens' and employees themselves⁽⁵⁰⁾ contact with the bureaucracy through

⁴⁹ Soud Al-Ramadan, *op. cit.*, p.287.

⁵⁰ *Ibid.*, pp.292-3.

influential people were generally practical and operational and they served as a way of communicating citizens' demands⁽⁵¹⁾. Nepotism was spread due to the lack of clear policies and guidelines, the centralization of authority and prevalence of particularistic values.

7.4.3.4 Power Structure:

With the emergence of Parliament as political agent for the nation, the power structure shifted drastically. Parliament gained more legal power to control the bureaucracy through its formal authority over GAB and the yearly budget allocation. As bureaucracy expand, top bureaucrats gained more power compared with other social groups. For this reason, many merchants encouraged their sons and relatives to join the bureaucracy and pursue higher positions.

Within the bureaucracy, the shift in power structure from non-native managers to native civil servants due to the nationalization process, created resentment.

7.5 Summary of the Outcome:

The main factors underlying the initiation of this stage, were the desire of natives to control their public service and decision-making, the adoption of the policy of social employment, the growth in population and the increased education outputs in an economy, which was dominated by the public sector. The nationalization process was a natural step for any bureaucracy. Kuwait was no different, except that the above factors expedited the pace of this stage of development and adversely affected its outcome. The main issue during this stage was public control. This was achieved through social employment, public ownership, public policy intervention and restrictions on property and business ownership.

1. Our proposition that Kuwait had passed through a stage of bureaucracy nationalization was correct and supported by interview respondents, questionnaire respondents and our comprehensive survey. However, this nationalization was confined only to the manpower dimension and was successful in civil service but fell short in the mixed and private sector. The systems, procedures and legislation continued to be of an imported nature. The nationalization process in Kuwait was

⁵¹ Noura Al-Faleh, op. cit., p.103.

deficient due to constraints and deficiencies, among which were:

- A. The limitation of growth in the indigenous labour force relative to the expansion in the size and complexity of the bureaucracy.
- B. The resistance from non-native officials who occupied high and supervisory positions, since the process might eliminate their jobs.
- C. The linkage between the nationalization process and the political rivals which exaggerated the issue beyond the social requirement for nationalization.
- D. The low administrative capacity and experience from the pro-oil era, which did not provide the minimum administrative capacity required for institutional support. There was no organ responsible for formulating the Kuwaitization policies and following up their implementation.
- E. The low training capacity and the diluted effect of many counter-productive personnel policies and regulations.

Bureaucracy nationalization is a typical stage in those countries with sudden wealth. With huge wealth, the ability and the need to import foreign labour increases. After development of the native labour force, it is natural for those countries to undergo nationalization to accommodate such labour force.

The major deficiency of the Kuwaitization process was its inability to improve and upgrade the skills of the indigenous labour force. The emphasis was on increasing their percentage but not their productivity. Thus, their contribution was marginal and created many non-positive values and work habits which had a negative impact on the subsequent stages.

2. Ecological factors had a significant influence on many aspects of this stage, including its initiation, time-span, outcome and interdependence and the interaction among structures, processes and patterns of behaviour.

A. Many institutional and ecological factors contributed toward the initiation of this stage. The desire of natives to control their public sector, the introduction of representative government (Parliament) and the growth in the population and labour force were ecological factors contributing toward this initiation. The adoption of a policy of guaranteeing jobs for all citizens and the failure of non-natives to solve the country's problems were the institutional factors behind this initiation.

B. The span of this stage was influenced mainly by political forces including Parliament and the desire for social control. It began in 1964 when Parliament and other interest groups, reflecting public attitudes, raised the need to nationalize the bureaucracy. The stage ended in 1974 with reduction in nationalist momentum and the inflation of the bureaucracy, including huge non-native employment.

C. Many outcomes evolved from the nationalization of the bureaucracy. The following list is not exhaustive but it directs attention to the critical forces we need to review for any improvement:

i. As more inexperienced and young Kuwaitis assumed the top posts in the administration, the pool of experience was diluted. In Nigeria, for example, this dilution was severe and sudden⁽⁵²⁾. In Kuwait, this dilution was also severe but not sudden. It degraded the quality of decision-making, as less experienced managers faced increasingly complex issues.

ii. One of the major deficiencies of the nationalization process was the waiving of educational and other entrance requirements in order to expedite its pace. The immediate negative consequence was the decline in productivity and efficiency. Furthermore, in the long run it reduced administrative capacity, concentrated natives in the public sector and led to the evolution of much negative behaviour.

iii. Many of the policies adopted for the Kuwaitization process produced many behavioural and efficiency problems. The parity scale system stimulated resentment and lack of cooperation from non-natives.

⁵² Donald Kingsley, *op. cit.*, p.311.

iv. The huge upgrading of educational facilities was not sufficient to support the nationalization process. The lack of integration between national planning and the education system facilities was the main factor behind these deficiencies. There was a need to improve the quality of education, widen its scope and institutionalize the manpower planning process to ensure harmony between the demand and supply of the labour force.

v. Ineffectiveness in mobilizing the indigenous manpower stimulated overstaffing among both natives and non-natives. Kuwaitization was the main factor for overstaffing and inflated bureaucracy, as a result of massive recruitment without adequate manpower planning. For example, 56.8% of the Kuwaitis recruited in 1972/1973 were for manual jobs.

vi. As part of its Kuwaitization policy, the Government created many unnecessary positions to accommodate public demands for employment. However, this increased the gap between supply and demand for qualified administrators. This gap paved the way to the stage of inflated bureaucracy. Heady observed that this gap is accentuated as a result of the urgency of nationalization of the bureaucracy⁽⁵³⁾.

vii. The dual parity salary system contributed to concentration of the labour force in the public sector. In addition, it led to inflation of native jobs among clerical and related workers, while fewer natives were employed in production and related fields.

D. A few observations will be made in this section to demonstrate the influence of ecological factors on the interdependence and interaction among structures, processes, and patterns of behaviour. However, detailed analysis is available in the body of the Chapter. This demonstrates the validity of our proposition in this regard.

i. In its search for new allies, the government undertook massive naturalization of the bedouin population. The fact that most of this group was illiterate, influenced the adoption of the policy of social employment and hence stimulated the nationalization process. The political consideration influenced the process (waiving the recruitment conditions) which influenced the evolution of process (low productivity).

⁵³ Ferrel Heady, Comparative Perspective, *op. cit.*, p.283.

ii. Due to the Arab-Israeli conflict and the open-door policy for Arab immigration, many immigrants brought their relatives to work or their families to settle. As a result, the bureaucracy expanded in order to provide them with the necessary services. Such growth in the non-native population (demographic) led to structure differentiation and specialization (structure) to satisfy the increased demand.

iii. Productivity declined due to factors such as the Government being the single employer in the economy, the personalized recruitment procedures and the lack of training facilities. The hasty Kuwaitization process, in which each administrative unit rushed to increase its percentage of Kuwaitis (not the quality) within its force led to unproductive Kuwaitis being employed alongside non-Kuwaiti counterparts who performed their duties. The economic factor coupled with process factors created a pattern of behaviour (lack of devotion to work).

iv. Thompson argued that most bureaucratic behaviour can be understood as a reaction to tension caused by the growth in the gap between the right to decide (authority) and the power to do (specialization)⁽⁵⁴⁾. Due to the rapid Kuwaitization process, many top officials were recruited without sufficient qualifications and experience. This has widened the gap between the right to decide and their ability to do. Thus, many bureaucratic behaviours (patterns of behaviour) evolved, such as excessive centralization, adherence to rules and formalism due to political and demographic factors.

From the above observations, we could conclude that ecological factors have a significant impact on the interdependence and interaction among structures, processes and patterns of behaviour, however they differ in magnitude and impact.

3. Due to huge oil revenues and wide distribution policies, per capita income grew, and hence the demand for services and goods increased. Because of the huge surplus, the incentive to economize the bureaucracy did not exist, and therefore, healthy measures and corrective action were not encouraged. The economic factor facilitated the implementation of the Kuwaitization process. Nevertheless, it led to many deficiencies in the bureaucracy.

⁵⁴ Victor Thompson, *Modern Organization*, *op. cit.*, p.6.

4. External and internal challenges continued to have a significant impact on the bureaucracy, but less than in the previous stage. Such challenges stimulated the nationalization of the bureaucracy and increased the desire for social control. The pursuit of a social employment policy to build allies was another factor for such nationalization. The nationalization efforts were initiated by a political process and rivalry rather than bureaucratic initiatives. This led to their failure, since they were not adopted by the bureaucracy.

5. The social values and structure acted as constraints to the Kuwaitization process. The prestigious value attached to public occupations, contributed toward the concentration of natives in the bureaucracy and their shortage in the private sector. In addition, the low value given to manual work further hindered Kuwaitization in technical jobs. Furthermore, the Kuwaitization process was impeded by the low participation of women due to conservative values, low educational status and lack of suitable jobs.

6. The demographic expansion was not able to cope with the expansion of the bureaucracy. The bureaucracy expanded at a rate of 8.24% while the native labour force grew at a rate of 7.3%. In addition, the majority of the labour force joining the market had low education attainment. Thus, the Kuwaitization process was not supported by the demography from quantitative and qualitative aspects. The demographic factor acted as a constraint to the Kuwaitization process. However, the Kuwaitization process was able to stimulate the increase in native participation. The growth rate of the labour force during this stage was twice that in the subsequent stage.

7. During this stage, the relationship between natives and non-natives became more tense and resentment increased. The Kuwaitization process encouraged the upward mobility of Kuwaitis which led to more resistance and resentment from non-natives. Frustrated by the Kuwaitization process and the dual parity scale system, the non-natives became conservative, fearing change and avoiding creativity in order to secure their jobs. In addition, this reduced their productivity and hence reduced efficiency within the public sector. At the managerial level, the Kuwaitization process weakened the legitimate authority of non-Kuwaiti managers over their Kuwaiti subordinates and created conflict between them. In addition, it led to the development of lenient attitudes on the part of non-native managers toward native subordinates,

which produced low devotion to work and immateriality of time. The impact of native non-native relations was greatest during this stage due to conflict and power struggles at all levels.

It seems that bureaucracy nationalization stage can occur under two conditions; if the nation attains independence and unity or if the society passes through a rapid economic and social modernization such as mass education and high labour force growth. Such change will stimulate the need for social control and the building of national bureaucracy. In Kuwait, the cause of nationalization was the latter not the former. Furthermore, one of the interesting outcomes of the nationalization dynamics, is that it sowed the seeds of the inflated bureaucracy stage, which will be the subject of the next Chapter.

CHAPTER-EIGHT: INFLATED BUREAUCRACY

8.1 Introduction:

The outcome of previous chapter indicates that the stage of bureaucracy nationalization has paved the way to the inflation of the bureaucracy. In this Chapter, we will define the stage of inflated bureaucracy, indicate the symptoms of this phenomenon and analyse the environment's interaction with the bureaucracy. Furthermore, the ways and means to measure the inflated nature of the bureaucracy and the factors contributing towards this inflation will be defined. Later, the author will analyse the development of the bureaucracy during this period utilizing the suggested framework of analysis. A summary of the outcome of this stage, will be given at the end of this chapter.

Many authors⁽¹⁾ have explored the expansionary nature of bureaucracy, including the famous Parkinson's law and Wagner's law. Many studies have been conducted to elucidate the growth of the public sector in developed countries⁽²⁾. However, few were empirically tested⁽³⁾. For developing countries⁽⁴⁾ and specially countries with sudden wealth, far less studies have been empirically tested. With unlimited and unconstrained financial resources and expeditious pace of development, most countries with sudden wealth have experienced the problem of inflated bureaucracy.

¹ See Anthony Downs, op. cit.; Michel Crozier, The Bureaucratic Phenomenon, (Chicago: University of Chicago Press, 1964).

² Thomas Borcharding (ed.), Budgets and Bureaucrats: The Source of Government Growth, (Durham: Duke University Press, 1977); Emanuel Savas, Privatizing the Public Sector: How to Shrink Government (N.J: Chatham House Publishers, 1982); Dieter Beihl et al. (eds.), Public Finance and Economic Growth, (Detroit: Wayne State University Press, 1983).

³ Johan Lybeck, The Growth of Government in Developed Economies, (England: Gower Publishing Company Ltd, 1986), pp.74-6.

⁴ One of the few empirical studies in developing countries is Mohammed Ali, Government Expenditure and Economic Development: A case study of Sudan, (Sudan: Khartoum University Press, 1974). For a Comparative Study with developed countries see Donald Rowat, "Comparing Bureaucracies in Developed and Developing Countries: A Statistical Analysis", International Review of Administrative Sciences, 56 (1990): pp.211-36.

In the literature, many theories were provided to explain the growth of government. Some theories such as Black's Median Voter theme⁽⁵⁾ are drawn from the classic theory of the state where authority rested with citizens. Others have looked into factors (demand or supply) that stimulate growth. Wagner was the first pioneer to explain such phenomenon. Wagner's law implies that government growth is associated with change in per capita income (industrial and demographic change) and subsequent increase in demand for basic and welfare services or what was characterized as the demand side of the equation. It is interpreted that government expenditure grows faster than demand for services or has an income-elasticity greater than one. Peacock and Wiseman have explored the supply side of government growth⁽⁶⁾. In their displacement-effect hypothesis, they argued that the supply of public revenues is limited by the level of taxation which could be disturbed by the occurrence of wars. Such disturbance increases the bureaucracy power and provides it with a permanent expansion. Both hypothesis is not relevant to countries with sudden wealth. The relevance of per capita income in Wagner's law to countries with sudden wealth is absent since those countries develop rapidly with their per capita income doubling or tripling in one year. As such per capita income is an inappropriate index of economic development. So it is not strange that per capita income was the least associated factor with government expenditure in our analysis (see Table 4-15). The conclusion that per capita income has least association with government expenditures is also valid for other developing countries⁽⁷⁾. On the other hand, the supply side is not applicable since tax systems are marginal or completely absent in countries with sudden wealth. The difference in the public finance system make the existing empirical studies irrelevant to the case under investigation. Other hypothesis of Cameron⁽⁸⁾ which argued that the growth of public expenditure is associated with the degree of economy openness which is measured by import ratio (i.e. total imports divided by GNP) is not applicable to our case. The researcher's assessment suggests

⁵ The Theory argued that Public Policies are a reflection of voters' preference. See Duncan Black, The Theory of Committees and Elections, (Cambridge: Cambridge University Press, 1958).

⁶ Alan Peacock and Jack Wiseman, The Growth of Public Expenditures in the United Kingdom. (Princeton, N.J: Princeton University Press, 1961).

⁷ Mohammed Ali, op. cit., p.44.

⁸ R.D. Cameron, "The Expansion of Public Economy: A Comparative Analysis" American Political Science Review, 72, No.4 (1978), pp.1243-61.

that such measure is irrelevant to the case under investigation. Regression analysis shows low association ($R^2=.1503$) between import ratio and total expenditures (Table B-19). Other explanation provided by models of voters⁽⁹⁾ and legislative decision-making⁽¹⁰⁾ and interest group behaviour⁽¹¹⁾ are not relevant to Kuwait due to non-maturity of the political system and process and the absence of strong interest groups. The scarcity of literature on government expenditures lies in the non-relevance of most propositions and variables to countries with sudden wealth. Such scarcity justified the risk in identifying factors responsible for government growth in countries with sudden wealth such as Kuwait.

Tarschys divided the different factors responsible for government growth into three categories: demand (consumer perspective), supply (producers perspective) and conditions for both (financial perspective). Such categories were analyzed within three levels: socio-economic, ideological-cognitive and political-institutional⁽¹²⁾. Furthermore Lybeck has divided factors into short and long-term causes⁽¹³⁾. Jarrett, in his valuable study, observed that the growth of Government should be analysed in the light of environmental factors, resources constraints and political system. He found that in the United States, between 60% to 70% of the state government growth can be explained by changes in population, changes in economic conditions and changes in the amount of inter-governmental revenues which a state receives from the Central Government⁽¹⁴⁾. In addition, he observed that political and institutional variables have little impact on the growth of state government. Although, the study focused on the American states and was biased toward developed countries, some of his

⁹ A. Downs, An Economic Theory of Democracy, (New York: Harper and Row, 1957) and A. Meltzer and S.F. Richard, "Why Government Grows (And Grows) in a Democracy", Public Interest, 52 (1978), pp.111-8.

¹⁰ M.P. Fiorina and R. G. Noll, "Voters, Bureaucrats and Legislators: A Rational Choice Perspective on the Growth of Bureaucracy", Journal of Public Economics, 9, No.2 (1978), pp.239-54.

¹¹ W.C. Bush and A.T. Denzau, "The Voting Behaviour of Bureaucrats and Public Sector Growth", in T.E. Borcherding (ed.), Budgets and Bureaucrats: The Source of Government Growth, op. cit.

¹² Tarschys and others, as quoted in Johan Lybeck, op. cit., pp.74-5.

¹³ Johan Lybeck, op. cit.

¹⁴ James E. Jarrett, op. cit.

observations and structure of analysis are relevant in evaluating the bureaucracy expansion in Kuwait. Whether the case in point is a department in England⁽¹⁵⁾, or a Government in Sweden⁽¹⁶⁾ or State Government in the USA⁽¹⁷⁾, taxation is an important condition to finance the bureaucracy and the electorate is important to sanction it. Such conditions do not exist in countries with sudden wealth, which makes this research an interesting phenomenon to study. Both developed countries and those with sudden wealth have similar factors for such expansion (demographic change, per capita income); however, great differences do exist.

Ayubi has examined the bureaucratic inflation of the Egyptian Administration and the impact of reaching a deadlocked situation where the size of the bureaucracy grew while its performance deteriorated⁽¹⁸⁾. The importance of examining the Egyptian bureaucracy lies in its impact on developing the bureaucracies of most of the GCC countries which may lead to similar deadlock. Similar studies which examined the bureaucratic inflation of Saudi Arabia, Qatar, Bahrain and UAE have reflected similarities in challenges facing those countries⁽¹⁹⁾.

In most developing countries, overstaffing is a prevailing phenomenon within the bureaucracy, especially in low ranking positions. Riggs argued that overstaffing is a prismatic trait of the Sala Model⁽²⁰⁾. Abdul Khalik has evaluated the overstaffing of the Kuwaiti bureaucracy and suggested some ecological factors responsible for its

¹⁵ Rodney Lowe, "Bureaucracy Triumphant or Denied? The Expansion of British Civil Service, 1919-1939", Public Administration, 62, (1984), pp.291-310.

¹⁶ Johan Lybeck, op. cit., pp.65-9.

¹⁷ James Jarrett, op. cit.

¹⁸ Nazih Ayubi, "Bureaucratic Inflation and Administration Inefficiency: The Deadlock in Egyptian Administration", Middle Eastern Studies, 19, No.3, (1982), p.286.

¹⁹ J. Doubleday and A. El Arabi (eds.), Conference on Overstaffing in the GCC, (Kuwait: Kuwait University, 1986); hereafter cited as Overstaffing in GCC.

²⁰ Fred Riggs, Administration, op. cit., p.295 and p.350.

evolution⁽²¹⁾. Al-Ghazali, while he concurred with the existence of overstaffing, divided the factors responsible, into push (environmental factors) and pull factors (internal factors such as Government policies)⁽²²⁾.

8.2 Definition and Indicators:

Many definitions have been offered for the phenomenon of inflated bureaucracy⁽²³⁾. Abdul Khalik defined it as "the excess of civil servants over the level needed for providing a certain service within known performance levels"⁽²⁴⁾. Al-Awaji offered a more structured definition as "the occurrence of extra civil servants more than the actual need of the work load under a clear organizational setting and with the elimination of unneeded procedures while the work load is clearly defined including terms for performance, time and efforts needed for achieving it"⁽²⁵⁾. Doubleday and El-Arabi defined it as when one or both of the following conditions are met. First, the number of employees in a unit exceeds the number required to perform the assigned activities. Second, qualifications for the job exceed those needed to perform the actual duties of the position⁽²⁶⁾. However, the above definitions have described inflated bureaucracy on its personnel dimension only. As such we have introduced in our definition the structures dimension. The term "inflated bureaucracy" is used instead of 'public sector growth' to reflect the undesirable nature of this expansion.

The author has defined the inflated bureaucracy stage as the stage of "increase in the number of Ministries, Governmental institutions and organizations and consequently, a large increase in the number of civil servants at a rate which did not

²¹ Nassef Abdul Khalik, "Overstaffing in the Kuwait Administrative System" Journal of Social Sciences (Kuwait), No.2 (1987), pp.59-101.

²² Essa Al-Ghazali, op. cit., p.291 and pp.370-3.

²³ Hamed Al-Joan, "The problem of inflated employment and manpower planning", The first seminar for top management, (Arab Planning Institute: 1974).

²⁴ Nassef Abdul Khalik, "Overstaffing in the Kuwait Administrative System", op. cit., p.65.

²⁵ Ibrahim Al-Awaji, "Personnel Inflation" in the proceedings of Seminar, Personnel Inflation and Job Creation, (Riyadh: The Institute of Public Administration 1981), p.19.

²⁶ J. Doubleday and A. El-Arabi, Overstaffing in GCC, op. cit., p.595.

correspond to the demand for the services and in a way which contributed largely to a decline in efficiency and productivity, and to an increase in the complexity of procedures". 74% of the questionnaire respondents agreed in general that Kuwait has passed through such a stage (Table A-13, question 13). The summary of outcomes at the end of the Chapter supports the proposition that the inflated nature of the bureaucracy has negatively influenced efficiency and productivity, and increased the complexity of procedures. However, details of such findings will be discussed in the subsequent section.

In categorizing the stage as the stage of bureaucracy inflation, we use the Ex Pede Herculem approach (we judge the whole from the specimen). The table below shows that growth in wages expenditure was the highest during this stage, which supports our proposal to categorize the stage as one of inflated bureaucracy. In addition, this categorization is supported by the high average growth rate of employees, which reached its highest level of 5.38% during this stage.

Table 8-1: The Growth of Salary Expenditure and Employees:

Stage	Growth of Salary Expenditure	Growth of Employees
Imported bureaucracy	N.A.	N.A.
Nationalization of bureaucracy	11.65%	4.94%
Inflated bureaucracy	16.4%	5.38%
Administrative Reform	5.51%	1.93%

Note: For the imported bureaucracy stage, salary expenditures were not given under a separate heading but included under current expenditures, which grew at 16.2%.

Source: Tables C-6 and 6-3

Symptoms of inflated bureaucracy:

Many symptoms of inflated bureaucracy were noticed during this stage. Factors which contributed toward this inflation will be discussed later in the chapter. However, a few of these symptoms are specified hereunder:

1. Political leaders such as the Ruler and Crown Prince and Prime Minister expressed their concern about inflated bureaucracy and unproductivity⁽²⁷⁾.
2. Most foreign experts' reports highlighted the inflated nature of the bureaucracy in Kuwait⁽²⁸⁾.
3. Many studies conducted on Kuwait's bureaucracy, emphasised its inflated nature and called for a comprehensive approach to remedy it⁽²⁹⁾.

From the above symptoms, it seems that inflated bureaucracy was a critical phenomenon, especially as 10-35 per cent of the public force was redundant. However, any solutions for it should take into consideration its social and political consequences.

8.3 Environment Inputs:

8.3.1 Historical Variables:

Many outputs of the previous stages affected the evolution of this stage. Among them were the following:

1. The negative impact of the nationalization of bureaucracy. In addition to its ineffectiveness in mobilizing the indigenous manpower, the Kuwaitization process stimulated overstaffing of both native and non-native civil servants, especially in low-ranking jobs.
2. The development of behaviour and traits which were not conducive to effective and efficient administration. As a result of lack of discipline and vague accountability, many Kuwaitis developed the traits of marginal productivity and dependency on non-

²⁷ Adel Al-Tabatabai, The New Civil Service Law in Kuwait, (Kuwait: Kuwait University Press, 1983), p.129 and The Council of Ministers decision in 5.3.1978.

²⁸ See Adnan Askander and Marwan Kasrwonee (1975); Edward Danton (1977); John Mosler and others (1978); World Bank (Technical Assistance Unit), (1979).

²⁹ See COPA Report, op. cit.; Hamid Al-Joan (1975); Kamel Asker, (1977); Tareq Al-Rayes,(1979); Moudhi Al-Hamoud,(1987); Shamlan Al-Essa, (1981).

Kuwaiti civil servants. In addition, the policy of social employment provided unnecessary security, which reduced the incentive to work. Such negative behaviour encouraged low productivity and hence invited overstaffing to fill the gap.

3. The continued lack of clear definitions of responsibilities and the lack of administrative and financial control. This removed any constraint for unheeded expansion.

8.3.2 Economic variables:

At the beginning of this stage, the economy was suffering from many imbalances. The industrial base continued to be undiversified while the absorptive capacity of the domestic market continued to be limited. Furthermore, the State revenues had become more sensitive to oil price fluctuations and international market cycles.

The oil revenues share declined to 74.5% of total revenues due to the increased role of investment revenues. The total GDP grew at a rate of 7.05% during this stage (it was 16.6% for the previous stage). The oil GDP and non-oil GDP grew at a rate of 1.9% and 14.7% respectively (compared with 17.7% and 14.4% respectively for the previous stage). This decline in total GDP and Oil GDP, which occurred mainly at the end of this stage, attributed to the sharp drop in oil prices.

Another oil shock in 1979-80 led to growth of the GDP and per capita income at a rate of 58% and 48% respectively between 1978 and 1979 (Table C-11). This substantial increase in per capita income again stimulated a surge in the demand for goods and services, which stimulate bureaucracy growth. The demand for service has increased at a pace almost equal to that of the previous period. The highest growth of students was noticed from 1975 and 1976, when it reached 10.47% and 16.49% respectively. This is attributed to the growth in population as a result of the growing demand for labour and services.

The distribution of budgetary expenditures underwent a gradual shift. From Table 6-3, the average wages expenditures were 19.90% of total expenditures (it was 25.76% for the previous period) but wages expenditures grew yearly at an average rate of 16.4% for the same period (it was 11.65% for the previous period). The decline

in land acquisition and increase in construction expenditures as a percentage of total expenditures reflected a shift in the Government distribution policies from that which benefited a small section of the population through land acquisition to that which covered more of the population through building infrastructure projects and services. Furthermore, the continuous growth of wages expenditure reflected the continued implementation of the policy of wealth distribution by guaranteeing employment to each citizen. Such policies have stimulated the expansion of the bureaucracy. Pressure and incentives to economize the bureaucracy continued to be absent in this period due to the substantive surplus which increased to 49.82% of total revenues (it was 38.20% for the previous period). The continuation of budgeting which was expenditure and not result-oriented⁽³⁰⁾, and weak institutionalization of planning, did not hinder bureaucracy expansion.

Bureaucracy expansion prompted better planning and tight budgeting, nevertheless it was not effective enough in curbing its expansion. The availability of huge financial resources acted as a lubricant to bureaucracy expansion. However, the shortage of resources near the end of this stage, coupled with the stock market crash in 1984, prompted the need for administrative reform.

8.3.3 Political Variables:

At this stage, the state focus shifted from the previous active foreign policy of neutrality and Arab affinity toward regional stability and domestic security. The change in Iran, the eruption of the Iraq-Iran war in August 1980, a series of car-bombings, and terrorist attacks, brought instability to the country. This prompted the establishment of the GCC Council in 1981 with the aim of economic cooperation and joint defence policies.

In the domestic political arena, the government continued its policy of balancing political groups while strengthening its ties with the bedouin population. Furthermore,

³⁰ Bernard Klawdo, "Report on the Modernization of the Administrative System in Kuwait", (Kuwait: Ministry of Planning, 1977), p.11 and John Mosler, "Summary Report on Improvement of Planning and Budgeting in Kuwait", (Kuwait: Ministry of Planning, 1978), p.11.

it tightened its security measures against undesirable expatriates⁽³¹⁾. Parliament was dissolved in 1976 due to confronting the Government on many sensitive issues and creating suspicion and dissatisfaction among neighbouring countries⁽³²⁾. This break with the Parliamentary system left the way open for uncontrolled bureaucratic inflation and marginal response to public demand. Heady observed that in a traditional elite system, such as exists in Kuwait, the regime relies on the army and bureaucrats as instruments of change and as inhibitors of unwanted change⁽³³⁾. After the dissolution of Parliament, it was observed that the Government had relied on the civilian-military bureaucracy and the tribal constituencies⁽³⁴⁾, which stimulated bureaucratic expansion.

After its restoration in 1981, Parliament was active in improving the public sector service and productivity. In its first year, it created five independent agencies, more than was created in the previous twenty years. In addition, it raised the problem of unemployment of natives and students. On the one hand, Parliament aimed to improve the bureaucracy; however, on the other, it exerted pressure to inflate the bureaucracy with unskilled employees.

The impact of political variables could be divided in two periods. After the dissolution of Parliament in 1976, and before its restoration in 1981, the Government expanded public employment as a way of increasing its public support and enforcing its reliance on the civilian-military bureaucracy. The major player during this period was the Government. However, in the second period, it was Parliament which stimulated bureaucratic expansion to legitimize its authority and widen its support base.

³¹ Abdul Reda Assiri, "Kuwait's political survival in the 1980's and beyond: Small nation response to regional pressure", American-Arab Affairs, (1989), p.31.

³² Kamel Salih, op. cit., p.57.

³³ Ferrel Heady, Comparative Perspective, op. cit., p.295.

³⁴ Abdo Baaklini, "Legislatures in the Gulf Area: The experience of Kuwait", International Journal of Middle East Studies, 14, (1982), pp.359-79.

8.3.4 Social and Cultural Variables:

The student enrolment in this stage has slowed down, with a yearly average of 7.35% (it was 8.75% for the previous period). At the beginning of this stage, the percentage of illiterates was 24%, 27% and 25%, for natives, non-natives, and total employees respectively in the Government sector. This reflected the difficulties faced by the bureaucracy in improving its efficiency, due to the low educational profile of its labour force, which stimulated the trend to jobs inflation.

As a result of educational efforts, the educational status of the Kuwaiti population improved during this stage. The percentage of illiterates in the population decreased from 44.57% in 1975 to 17.0% in 1985. Improvements in education facilities stimulated a similar increase in the labour force; additionally, it increased the number of graduates seeking jobs. Both factors influenced expansion and overstaffing. Education rapidly expanded the work force far beyond the ability of the bureaucracy and the limited private sector to absorb it. This created pressure on the bureaucracy to accommodate workers by inflation in personnel.

With the flourishing of the stock markets, possession of wealth was further enforced as an important social value. In addition, this flourishing promoted a relaxed environment for work devotion and dedication. The emergence of such values degraded the value of public office, encouraged double occupations, increased the probability of maladministration, and influenced negatively the productivity of civil servants. With the increase in the influence of religious groups, religion has emerged as an important force in social interaction, yet its impact on the bureaucracy has been modest.

In summary, the major impact of social variables lay in the growth of educational outputs beyond the absorptive capacity of the bureaucracy, which exerted pressure to absorb them and hence led to overstaffing. Furthermore, social values have created an environment which is not conducive to efficiency.

8.3.5 Demographic Variables:

As shown in Table 6-4, the population grew at a lower rate than in the previous period (5.50% compared with 7.9% for the previous period). This low growth is attributed to the tightness of the emigration laws and regulations and the decline in

naturalization. The indigenous crude participation continued to be marginal and decreased from 19.4% in 1975 to 18.65% in 1985 due to the expansion and improvement in educational facilities. The non-Kuwaiti crude participation increased from 40.45% in 1975 to 53.54% in 1985 as a result of tighter immigration regulations concerning the entrance of workers' families.

Table 6-5 shows that the total labour force grew at a higher rate, of 8.3%, than the previous stage (5.0%). The native labour force grew at an average of 3.8% per year during this stage (it was 7.3% for the previous stage). The Kuwaiti male and female labour forces grew at rates of 2.48% and 13% respectively (compared with 6.6% and 21.0% respectively for the previous period). On the other hand, the increase in non-Kuwaiti males was three times greater than the average rate of the previous stage. Non-Kuwaiti females increased slightly more than the previous stage (Table 6-5).

The educational level of the labour force improved during this stage. The illiterate percentage in the Kuwaiti labour force declined from 35.85% in 1975 to 14.16% in 1985. While the level of education of non-Kuwaiti labour was twice that of Kuwaitis in 1975, by 1985, the situation had changed dramatically. The percentage of graduates and post-graduates in the Kuwaiti labour force was 12.85% in 1985 (4.1% in 1975), exceeding that of non-Kuwaitis (12.29%, compared with 9.91% in 1985).

The distribution of total labour force reflected the continued dominance of employment in economic activities related to consumption and services. In 1985 more than 75.24% of the labour force occupied jobs in the service sector (it was 73.47% in 1975). In addition, the number of natives working in clerical and service-related jobs increased from 59.54% in 1975 to 63.69% in 1985. This led to a demand for creation of jobs far in excess of requirements which produced an inflated bureaucracy.

In summary, the demographic structure shifted back to a dual one. The non-Kuwaiti demographic structure was once again imbalanced. The Kuwaiti labour force grew at a modest pace compared to that of non-Kuwaitis, which grew to three times the number of natives. The Kuwaiti population growth rate was half that of non-Kuwaitis. The civil servants growth rate, which equals that of the population, reflected the inflated nature of the bureaucracy.

8.3.6 Initiation of the Stage:

Even though prior to this stage, the Government continuously re-emphasized the problem of inflated bureaucracy, its efforts were neither sufficient nor implemented effectively. For example, the Council of Ministers issued Executive Orders in 1963, 1968 and 1973 to tackle this problem, but failed due to the absence of a clear implementation plan and the lack of strong political commitment.

Many foreign experts, who studied the Kuwaiti Administration, observed the inflated nature of the Kuwaiti bureaucracy⁽³⁵⁾. Others noticed the excessive employment in the lower grades while shortage existed in the higher grades. They noted that all political and bureaucratic circles agreed that the inflation of bureaucracy was the most challenging problem facing Kuwait at that time⁽³⁶⁾.

The measurement of inflated bureaucracy:

A legitimate question which arises during the course of this research, is that of how to measure the inflation of bureaucracy. Although no precise tools exist for measuring it, many researchers have offered specific measures which may make possible a definite assessment of the magnitude of inflation⁽³⁷⁾. The following measures could serve as indicators of that phenomenon:

1. **The increase in the number of previously defined administrative units within the public bureaucracy:** The number of ministries increased from 14 in 1975 to 19 in 1982, while public authorities increased from 13 in 1975 to 21 in 1982. This increase represents the highest growth in public authorities. The expansion in the administrative units reflected a tendency toward inflating the bureaucracy by creating more structures

³⁵ Edward Danton, *op. cit.*, p.1 and John Mosler, *op. cit.*, p.2.

³⁶ Adnan Askander and Morwan Kasrwanee, *op. cit.*, p.2.

³⁷ See Hamed Al-John, *op. cit.*, p.3-4; Nassef Abdul Khalik, "Overstaffing in the Kuwait Administrative System", *op. cit.*, pp.67-78; Overstaffing in GCC, *op. cit.*, pp.238 and 595; The Conference on Personnel Overstaffing, and Job Upgrading, *op. cit.* and Abdul Hamid Faid, "Overstaffing Indicators in the Civil Service", *Journal of Public Administration (Saudi Arabia)* 29 (1981); Essa Al-Ghazali, *op. cit.*, p.298; Abdul Matti Assaf, "Overstaffing in the Administrative System of Kuwait", *The Journal of Social Sciences (Kuwait)*, 17 (1989), pp.183-210; Kamel Asker, "Overstaffing in the Administration of Kuwait", Third Conference of Top Officials (1977); Nazih Ayubi, "Bureaucracy and Politics in Contemporary Egypt", *op. cit.*, pp.238-51.

which required and accommodated more jobs.

2. **The unrealistic growth in the number and the cost of civil servants:** Wages expenditures increased at its highest rate of 16.4% yearly while civil servants increased at a rate of 5.38% yearly. Faïd argued that the increase in the cost and expenditures of civil service wages does not in itself indicate the inflated nature of a bureaucracy⁽³⁸⁾. The growth in wages expenditure could be attributed to wages increases, improvement in benefits or other factors. The high growth in wages expenditure when compared to growth in the number of civil servants is attributed to four salary increases during this period⁽³⁹⁾. This supports the argument that the increase in the wages expenditure does not by itself demonstrate the inflated nature of the bureaucracy. Nevertheless, when we combine this with other indicators, it could establish the trend toward inflation of the administration. In another comparison, the salaries of central Government continued to increase, even when compared to other countries which had high growth rates (such as France) (Table 8-2). Such high increase during this stage, reflected the inflated tendencies of the bureaucracy.

Table 8-2: Wages and salaries of Central Government as percentage of Gross Domestic Product compared with other countries:

	1975	1985	% change
France	6.3	8.1	+ 28.6
Spain	6.1	6.1	- 0.0
United Kingdom	6.2	5.2	- 16.1
Greece	13.3	13.6	+ 2.2
Switzerland	1.3	1.3	- 0.0
Kuwait	8.5	11.6	+ 36.5

Source: International Monetary Fund, Government Finance Statistics Year Book, Washington, D.C.

3. **The increase in the ratio of government employees to population: The**

³⁸ Abdul Hamid Faïd, *op. cit.*, pp.10-11.

³⁹ Working Paper of State of Kuwait, in *Overstaffing in GCC*, *op. cit.*, p.458.

percentage of government employment to total population increased from 9.6% and 10.46% in 1969-70 and 1974-75 (respectively), to 10.71% in 1979-80 (Table C-13).

4. **The high percentage of labour force working in the Government:** The labour force occupying jobs in the public sector as percentage of the total labour force reached its highest level of 37.96% in 1975. Compared with other countries of sudden wealth (20.38% of Bahrain), this ratio is very high, which reflects the inflated nature of the bureaucracy (Table C-16). This is also supported by the relative high percentage of the native labour force working in the service sector, which reached 75.24% in 1985 (Table C-4).

5. **The low productivity and the under utilization of human resources:** In a nation which suffers from human resources shortage, this factor is extremely critical. Many studies have observed the low productivity of the native workers⁽⁴⁰⁾. The development plan of 1985/1986 - 1989/1990 emphasised the need to improve the native human resources in the light of low productivity noticed during this stage⁽⁴¹⁾. The productivity rate of the native was in 1979 estimated at 1.39 hours out of 6 hours⁽⁴²⁾. The low productivity forced the bureaucrats to recruit more workers for tasks which could have been done by fewer.

6. **The tendency toward employment in clerical and related jobs:** The Kuwaitis' participation in clerical and related jobs increased from 20.53% in 1975 to 27.57% in 1985, while their participation in the production and related category decreased from 17.65% in 1975 to 8.37% in 1985 (Table C-5). The shift toward more white collar jobs suggests tendencies toward imbalance in occupations most wanted, which reflects pressure to inflate those jobs.

7. **The increase in public expenditure as a percentage of GNP.** The public expenditures as a percentage at GNP raised from 15.10% in 1974 to 30.06% and 39.47% in years 1975 and 1977 respectively. The increase reflects the growth of

⁴⁰ Bernard Klawdow, op. cit., p.26 and Adnan Askander and Marwan Kasrwanee, op. cit.

⁴¹ The Ministry of Planning, The Development Plan, 1985/1986 - 1989/1990.

⁴² The World Bank (Technical Assistance Unit), op. cit.

expenditures in relation to national income.

Doubleday and El-Arabi⁽⁴³⁾ suggested other, non-quantative indicators like overcrowded offices, idleness of civil servants, the absence of employees from their desks during working hours, the complexity of procedures and multiplicity of signatures. Even though these measures could be used as indicators of inflated bureaucracy, the author has avoided utilizing them due to difficulty in measurement and the subjectivity involved. All participants in a conference on overstaffing in the GCC agreed that there were real indications of overstaffing; nevertheless, empirical data to support this view are lacking⁽⁴⁴⁾.

In conclusion, our categorization of this stage as one of inflated bureaucracy is valid and supported by questionnaire respondents, experts' opinions and statistical data and indicators. None of the indicators, by themselves, establish the inflated nature of the bureaucracy; nevertheless, when taken together, they demonstrate this characteristic.

Factors causing an inflated bureaucracy:

The growth of Government in developed countries has been the focus of many studies⁽⁴⁵⁾. Nevertheless, few findings could be used in our research, due to the different environments and dynamics involved. For example, redistribution to interest groups is based on the classic theory of the state which implies that authority lies with the citizen. This system does not exist in Kuwait. In Kuwait, as in Saudi Arabia⁽⁴⁶⁾, many factors have led to overstaffing, including historical, organizational, process and demographic factors. Al-Ghazali divided those factors into four logical groups: social, economic, political and administrative⁽⁴⁷⁾. In addition, there were non-ecological factors such as management behaviour and employees' behaviour as well as micro

⁴³ Overstaffing in GCC, op. cit., p.581.

⁴⁴ Overstaffing in GCC, op. cit., p.564.

⁴⁵ Johan Lybeck, op. cit., and James Jarrett, op. cit.

⁴⁶ Civil Service Bureau, "Saudi Arabia Paper", in Overstaffing in GCC, op. cit., pp.315-20.

⁴⁷ Essa Al-Ghazali, op. cit., p.323.

factors such as the low status given to manual work and the policy of social employment. In his thesis, Jarrett observed that government size growth is restricted by limitation in resources, demographic composition and legal constraints⁽⁴⁸⁾. In Kuwait, bureaucracy growth was not restricted, since most of these factors and constraints did not exist.

Due to the lack of a generally-accepted theory which explains the government growth, the author has suggested a few crucial factors which may explain and predict the trend of inflated bureaucracy. The impact of those factors will be analysed by utilizing all available means including questionnaire responses and statistical data. Those factors are:

1. **Demographic change and increase in social service:** As populations grow, public goods and services should increase and their scope widen. With high birth rate, continuous immigration, and increase in imported labour force for infrastructure projects, the scale of services was enlarged to adjust to such huge growth. From Table 6-2, we observed that students' enrolled and patients admitted has increased at a yearly rate of 7.35% and 8.05% respectively for the period 1975-1984, compared with 7.2% and 7.9% for the period 1970-1975 respectively. This is also supported by the perfect association between services rendered and population growth (see Table 8-3).

Table 8-3: Regression relationships between selective services and ministries' jobs.

Variables	Period	R.Squard	Result	Reference Table
MOE jobs and Teachers in MOE	1964-89	.9797	Perfectly associated	B-6
MOE jobs and Students	1964-89	.9740	Perfectly associated	B-7
Students and Teachers in MOE	1958-89	.9919	Perfectly associated	B-8
MOPH jobs and Patients admitted	1963-88	.9618	Perfectly associated	B-23

Such high association suggests that expansion in the education and health

⁴⁸ James Jarrett, *op. cit.*, p.235.

sectors may have been justified.

2. The increase in per capita income which stimulated a similar increase in public goods and services: Per capita income increased at an average rate of 7.05% per year during this stage with a peak of KD 5436 (US\$ 18482) in the year 1980 (Table C-11). It increased at a rate of 9.05% in 1975-80 only. Such growth stimulated the expansion in the magnitude and scope of services to meet the increased demand.

3. The expansion in the role and scope of the state: In Kuwait the scope and the role of the Government is a unique one. Interestingly, the government dominates most of the services provided in Kuwait. Education, health, Police, communication, public utilities, social service, housing, municipality, Justice, media, and religious affairs, are all planned, supervised, coordinated, and executed through the bureaucracy. There has been little privatization, due to the limited capacity of the private sector. In consequence, the government absorbed completely the entire profession. Kuwait has taken many steps to increase the country's recognition and develop a positive image including steps such as increasing the standard of living, introducing more democratic practices, huge circulation of information and publications, and more aids and loans to underdeveloped countries. To achieve these goals, bureaucracy expansion is inevitable.

4. The increase in the number of graduates contributed to overstaffing by creating strong pressure on the state to provide them with suitable jobs. 68% of the questionnaire sample agreed with this proposition (Table A-17, Question 17). Agreement was higher among those working in public authorities. This is attributed to the better working conditions and higher salary scale which attract new graduates and hence creates more pressure on those officials when compared with their counterparts in the Ministries. The statistical data support the proposition that the number of graduates far exceeded the needs of the public sector. For example, the growth in graduates for the period 1975-1979 was 29.89% while the growth in general occupations to accommodate them (and others) was 5.83% for the same period (Table 8-4).

Table 8-4: The growth of graduates compared with growth in general occupations.

Year	No.of Graduation	Growth	No.of Gen. Occupation	Growth
1975-76	892	37.1%	22933	9.96%
1976-77	1223	31.6%	25218	3.52%
1977-78	1619	20.75%	26106	4.12%
1978-79	1955	-	27181	-

-Source: Statistical Abstract.

Ayubi noticed that in the Arab World, the expansion in higher education, as compared to technical and vocational education, bears no relation to economic demand and manpower requirements⁽⁴⁹⁾. Riggs argued that in the Sala Model, there is a strong demand on the bureaucracy to accommodate annually the graduates of the educational system⁽⁵⁰⁾. In UAE, it has been observed that most overstaffing occurred in grades which accommodate university graduates⁽⁵¹⁾. In the absence of integration between the manpower supply and job demands, the logical outcome would be increasing pressure on the bureaucracy to accommodate unneeded new graduates. This accommodation was achieved by allocating jobs yearly, with no justifiable basis. This emphasises the need for comprehensive planning of the labour force, which integrates within it the educational outputs.

5. **The expansion in social-related employment:** Employment in many developing countries is used as a tool for relief of poverty⁽⁵²⁾. As a result of a well-established policy of wealth distribution through employment, many Kuwaitis were employed to

⁴⁹ Nazih Ayub, "Administrative Development and Development Administration in the Arab World" in Nassir Al-Saigh (ed.), Administrative Reforms in the Arab World: Reading (Jordan: Arab Organization of Administrative Development 1986), p.88.

⁵⁰ Fred Riggs, Administration, op. cit., p.295.

⁵¹ Ahmed Abu Sen, "Education Policy and Employment and its Impact on Overstaffing: An Analytical Study of United Arab Emirates", in Overstaffing in GCC, op. cit., p.190.

⁵² United Nations, A Handbook of Public Administration, (New York: United Nations, 1961), p.7.

fulfil their social needs. This made the government the biggest employer and stimulated great demand for its jobs. In the absence of constraints, the bureaucracy provided permanent jobs for students, with flexible working hours and light duties. In a municipal branch office, there were 128 civil servants (most of them students) providing services which could have been provided by only four civil servants. In addition, such unskilled citizens were accepted into the civil service without preparation and training, which stimulated overstaffing. Parliament was partially responsible for enforcing social employment for students while the Government used the bureaucracy as a tool to facing many political challenges and its role shifted from that of development to that of the last resort of "mistakes burial".

6. The lack of a large private sector and hence the lack of sufficient employment opportunities outside the bureaucracy: The government was the dominant force in the economy. Hence, most job opportunities were created in the public sector and the majority of the labour force were attracted to it. The oil GDP (even though declining throughout the stage) still constituted 70.45%, and 61.1% of total GDP in the years 1975 and 1981 respectively. Due to the weakness of the private sector, the Government was obliged to create job opportunities to accommodate the new job seekers, as such inflating the bureaucracy was unavoidable.

7. Social and cultural values: Kuwaiti managers were influenced by certain cultural norms which evolved in the previous stages. These social norms emphasised the perpetuation of family values and encouraged helpfulness to others. Such norms were used as tools to loosen control and to diminish productivity. People approached top officials for recruitment on the basis of need to support their family, rather than their credentials⁽⁵³⁾. As a result, many government bodies recruited above their work requirements. Furthermore, the low value given by the society to manual and technical work led to natives shying away from such jobs, in favour of clerical occupations. Similar observations have been made in other GCC countries⁽⁵⁴⁾. Thus, clerical-related positions were overstaffed, while technical jobs were filled by expatriates.

⁵³ Management Development in Kuwait, Proc. of a conference held in KFAS (Kuwait: KFAS, November, 1982).

⁵⁴ Ali Al-Saflan, op. cit., p.54.

In addition, in most developing countries, government jobs are "the most promising channel for social and political mobility"⁽⁵⁵⁾. In Kuwait, many citizens demand public office in order to upgrade their social status. The majority join the public service due to the prestige attached to public jobs. In Saudi Arabia, the social dimension of public jobs is a critical factor for overstaffing⁽⁵⁶⁾. The demand for public jobs as a way of achieving social mobility, contributes toward overstaffing. Social factors such as the dominance of particularistic values, the low value given to manual work, the prestigious status attached to public jobs and the utilization of public office as a tool for social mobility, contributed to the inflation of bureaucracy.

8. **The increase in oil revenues contributed to overstaffing** in all fields without sufficient planning. 68.8% of the questionnaire sample has generally agreed with this proposition (Table A-16, Question 16). This consensus is higher among respondents educated below University level and those who had less than 5 years' experience. This proposition is supported by the positive relationship between the excess surplus as percentage of total revenues, which reached its highest level of 49.82%, and the growth in employment (5.38%) according to Table 8-5:

Table 8-5: The growth in the public employment compared with the average budget surplus.

Years	Av.Surplus	Growth in Govt. Employment
1957-65	18.27%	Not available
1965-75	38.20%	4.94%
1975-84	49.82%	5.38%
1984-90	-19.26%	1.93%

-Source: Extracted from Tables C-6 and C-18.

This huge surplus did not provide any incentive to economize the expenditure and rationalize the bureaucratic expansion. It facilitated bureaucratic expansion and acted as a lubricant for its growth.

⁵⁵ Fred Riggs, *Administration, op. cit.*, p.295.

⁵⁶ Ibrahim Al-Awaji, *Personnel Inflation and Job Upgrading Seminar, op. cit.*, p.21.

9. The author suggested that **the establishment of new Ministries and public bodies contributed to overstaffing**. The questionnaire sample were in modest agreement with this proposition, according to an approval rate of 51.30% (Table A-20, Question 20).

Most of the expansion in structures occurred outside the Ministerial complex (Table 7-5). In 1980, 5 attached authorities were established, as many as had been created in the previous 20 years. These organs were created very rapidly, which led to overlapping and created redundancy in staffing. In addition, each organ required a minimum cadre to run the organization which, when multiplied, created inflated structures and excess employees.

10. The author suggested that **the numerous changes in the responsibilities of ministries without prior planning contributed to bureaucracy inflation**. The questionnaire sample agreed strongly with this proposition with an approval rate of 79.2% (Table A-19, Question 19).

The continuous changes in structures led to activities overlapping and hence excess allocation of labour. For example, trade activities were annexed and separated many times. This continuation of change in structures may have benefits, but its cost is also high. It led to overlapping in regulations and responsibilities, public frustration and lack of confidence in the bureaucracy. A similar phenomenon has been noticed in Saudi Arabia as a result of frequent changes in organization structures and the accelerated pace of change⁽⁵⁷⁾.

11. **The lack of complementarity between graduates' specializations and job needs** contributed to efficiency reduction and overstaffing. 78% of the questionnaire sample agreed generally with this proposition (Table A-18, Question 18). The agreement was higher among respondents working in public authorities since they had a need for more technical professional jobs, while most graduates were from liberal arts colleges. Table 8-6 demonstrates such imbalance, which will lead to overstaffing.

⁵⁷ Ali Al-Saflan, *op. cit.*, pp.68-9 and Kingdom of Saudi Arabia, Ministry of Planning, Third Development Plan (1980-1985), p.402.

Table 8-6: Liberal Art native graduates as percentage of total Kuwait University native graduates.

Year	75-76	76-77	77-78	78-79	79-80	80-81	81-82
Liberal Arts %	89%	89%	89%	85%	82%	86%	84%

-Source: Annual Statistical Abstract.

The impact of this lack of complementarity on the increase of overstaffing had two dimensions. Since the number of jobs that required liberal art majors were limited, two options were available to the bureaucracy. One was to inflate these jobs to accommodate the excess graduates, i.e. to employ more workers than needed for the tasks concerned; the second was to assign them to technical jobs for which they lacked the necessary qualifications. Such assignments stimulated the demand to utilize expatriate professionals, which inflated the administration. No serious efforts were made to match the market demand to the education process supply. Kuwait, like other countries, had deficiencies in labour force planning and educational policies⁽⁵⁸⁾. Similar phenomena were noticed in the United Arab Emirates⁽⁵⁹⁾ and Qatar⁽⁶⁰⁾.

12. The lack of control bodies and procedures and weak budgeting practices:

The lack of such bodies facilitated the occurrence of inflated bureaucracy, by not circumscribing its expansion. Daley suggested four approaches to control the bureaucracy in the United States: executive control, pluralism, professionalism, and representative bureaucracy⁽⁶¹⁾. None of these control approaches were available or

⁵⁸ Ali Al-Musa, "Manpower in Kuwait", *op. cit.*, pp.92-3

⁵⁹ Ahmed Abo Sen, *op. cit.*, pp.196-7.

⁶⁰ Government of Qatar, "Work Conditions and Overstaffing in the State of Qatar", in *Overstaffing in GCC*, *op. cit.*, pp.383-4.

⁶¹ Dennis Daley, "Controlling the Bureaucracy among the states: An Examination of Administrative, Executive and Legislative Attitudes", *Administration and Society*, 15, No.4 (1984), pp.475-88. Executive control is a system where elected executives translate popular mandate into practical public policies. Puralism is a system where responsive policies result from the interaction of interest groups with the public sector. Professionalism is a system where responsive policies result from highly-trained and expert professionals with assurance of the representation of all viewpoints.

could be implemented effectively in Kuwait. There were insufficient incentives and lack of disciplinary and punitive sanctions. Most units had ineffective recruitment policies and lacked manpower planning. The financial regulations were weak and willingness to change the financial administrative procedures lacking. An illustrative example of inadequate control is the Council of Ministers' decision in 1975 to shift the responsibility for recruitment (except graduates) from the central body (CPB) to different organs. This led to excess manpower and created unnecessary overstaffing. The following table (8-7), shows that when the shift occurred, the growth in employment increased from 1.68% to 9.3%, 9.79% and 13.16% in 1975, 1976, 1977 respectively.

Table:8-7:

Years	Percentage Growth of Total Govt. employment.
1972-73	7.68%
1973-74	1.68%
1974-75	9.30%
1975-76	9.79%
1976-77	13.16%

Executive control through CPB and GAB was only confined to adherence to regulations and formalities. No leadership and initiative role was played by either organ to control bureaucratic expansion and provide the necessary assistance to streamline the organs' growth. Budgetary allocation control was not effective, since most allocations were not based on work-loads and programmes. The redundancy and multiplicity of supervisory levels contributed to further laxity in the control process.

13. **Organizational and behavioural factors:** Overstaffing and expansion are encouraged by organizational factors such as budget maximization⁽⁶²⁾ and the lack

Representative bureaucracy is a system where responsive policies result from the demographically proportionate composition of the public sector. Public service reflects the social structure of the country.

⁶² Niskanen has urged repeatedly that the ultimate objective of bureaucrats is budget maximization through large budget expansion of their organs in order to justify larger salaries. See William Niskanen, Bureaucracy and

of strategic dimension in decision-making. Other factors responsible include the following:

- A. Many organs lacked clear objectives and their organization structure was weak⁽⁶³⁾.
- B. There was a tendency toward centralization of activities and authority which required extra staff to process and deliver the services⁽⁶⁴⁾.
- C. There was a lack of clear distribution of responsibilities among the different bureaucratic organs⁽⁶⁵⁾.

14. **The inadequacy of the recruitment procedures of native graduates:** The lenient rules for selection and promotion led to the entry of low-qualified graduates. This led to large numbers of staff being used to do simple jobs which contributes to overstaffing. In Egypt, which had similar systems and procedures for recruitment, they were found to be inappropriate⁽⁶⁶⁾.

15. **The lack of an effective personnel system and procedures to define the actual needs of the different units:** The civil service system was deficient in manpower planning and personnel procedures. In a survey, the respondents from Kuwait felt that the personnel regulations were not effective for optimum utilization of manpower⁽⁶⁷⁾. The various units had no formalized criteria or procedures for defining actual needs and work-load⁽⁶⁸⁾. The non-existence of a central organ for the evaluation of staffing standards and requirements encouraged such expansion. The central and control organs failed to direct the bureaucracy towards effective evaluation

Representative Government, (Chicago: Aldine Atherton, 1971).

⁶³ John Murphy, op. cit., p.2.

⁶⁴ Hamed Al-Joan, op. cit., p.13.

⁶⁵ Kamel Asker, op. cit.

⁶⁶ Nazih Ayubi, "Bureaucratic Inflation and Administrative Inefficiency", op. cit., p.290.

⁶⁷ Mohammed Al-Tawail, op. cit., p.89.

⁶⁸ The work-load is measured simply by measuring the total volume of work that is handled by a given agency.

of its manpower needs, while ad-hoc decisions led to further overstaffing.

16. **The selection of women for certain jobs in specific fields of specialization**, like teaching and nursing, contributed to the inflation of these jobs. 58.94% of the questionnaire respondents disagreed with this proposition (Table A-21, Question 21). Despite this disagreement, the figures support this contention. Kuwaiti females in the MOE and the MOPH represent 81.3% and 83.5% respectively of total Kuwaiti females in the bureaucracy in 1976 and 1981 (Table 6-6). The growth of native female civil servants in the two ministries averaged 15.3% between 1976 and 1981, while the total rate of increase of civil servants was 9.1% during the same period. A further, in-depth analysis, comparing the ratio of female teachers to female students with the ratio of male teachers to male students supports the proposition. Table 8-8 shows that in 1984, each female teacher was teaching 12 female students, while her male counterpart was teaching 16 students. This reflected the demand of women for teaching positions, which led to inflating these jobs to accommodate such demands.

Table 8-8: Comparison between the ratio of female teachers to female students with ratio of male teachers to male students.

Years	Male Students/Male Teachers	Females Students/Female Teachers
1960-61	22.19	17.32
1965-66	19.78	15.92
1975-76	14.68	11.52
1980-81	15.20	11.48
1984-85	16.18	11.71

The number of native females graduating from University and higher institutions was twice that of males. With such supply, while demand was limited, the inflation of bureaucracy was unavoidable. The socio-cultural attitudes of the society directed the Kuwaiti female labour force toward certain service-oriented jobs and sectors which required greater responsiveness to their employment needs, and consequently led to overstaffing.

17. **The intervention of family relations and subsequent pressure for appointments to senior and supervisory positions** contributed to inefficiency and

overstaffing. The questionnaire sample modestly agreed with this proposition, with an approval rate of 55.2% (Table A-22, Question 22).

Many interviewers observed that family relationship influenced the appointment of senior civil servants. In Saudi Arabia, tribal and family intervention has an impact on appointment for senior positions⁽⁶⁹⁾. In this situation, senior officials could not resist requests to appoint relatives or friends, even though their services were not required. In addition, discipline and performance measures were not enforced as a result of such relationship, and productivity suffered. The modest agreement suggests that this factor had an indirect impact on inflating the bureaucracy. The dominance of such relationships may have led to the occurrence of patronage and created personalized recruitment which produced unproductive civil servants. This would stimulate additional recruitment to fill the gap and hence, bureaucracy would be inflated.

18. The lack of devotion to work on the part of Kuwaiti employees and the dependence on non-Kuwaitis contributed to overstaffing, inefficiency and reduced productivity. 79.7% of the questionnaire sample agreed with this proposition (Table A-23, Question 23).

The lack of devotion to work, the avoidance of accountability, and the absence of responsibility toward their job is attributed to the evolving of lax attitudes, reinforced by the prevailing policy of job security, whatever the native's performance might be. In addition, the lack of training programmes produced a large number of redundant employees who were unqualified and could not perform their duties⁽⁷⁰⁾. In the nationalization stage, many posts were occupied by unqualified, unmotivated natives, which created a need for extensive recruitment of non-natives. This was done in the second period of the nationalization stage in order to fill the productivity vacuum and to improve the bureaucracy's performance. The non-native employment growth was 5.4% for the years 1970-73 while it was 0.19% for the years 1967-70. Such momentum for extensive recruitment which continued to this stage, and reached a yearly growth rate of 13.7% (for 1975/1980), contributed to inflated bureaucracy.

⁶⁹ Ali Al-Saflan, *op. cit.*, p.53.

⁷⁰ The World Bank (Technical Assistance Unit), *op. cit.*, p.5.

Although these organizational factors may be eliminated in countries with capital shortage due to high competition for scarce resources, in countries with sudden wealth this competition does not exist. Nevertheless, we should not see all this expansion as undesirable. Many legitimate reasons for expansion existed as a result of the ambitious development plans and the increase in the role of the state. However, the proposition that the bureaucracy expanded to meet the demand for services, is a questionable one. Many services could have been privatized or contracted. Other services could have been provided with less cost and fewer staff.

8.3.7 Span of the Stage:

The stage of inflated bureaucracy lasted for nine years. It was initiated in 1975 and ended in 1984. The beginning of the stage was marked by the high growth of employees joining the civil service, which far exceeded the previous stages. The stage ended with political rivalry for bureaucracy modernization and a decline in revenues, which forced the government to initiate administrative reforms in 1984.

8.4.1 Process:

8.4.1.1 Concept of Civil Service:

The concept of civil service was clarified and defined with the issue of the new civil service law and regulations in April 1979. However, in reality this concept continued to be vague. In survey, it was observed that the civil servants were not aware that their duty was to serve the public. Furthermore, public were not aware that it is the civil servant's duty to serve them⁽⁷¹⁾. Employment in the civil service continued to be seen as a right, rather than a duty. Therefore, the link between income received and efforts contributed continued to be lacking. Furthermore, the norms of non-accountability and lack of discipline among civil servants continued through this stage, which prompted the call for the establishment of a Central Inspectorate to enforce discipline within the bureaucracy⁽⁷²⁾.

⁷¹ Norah Al-Faleh, "The Concept of Public Service and the Impact of the Environment on Organizational Behaviours", A paper presented to the Top Management Seminar, (Kuwait: Arab Planning Institute, 1978), op. cit., p.102.

⁷² World Bank (Technical Assistance Unit), op. cit., p.iii.

The high rate of natives working in Government as a percentage of the native labour force (47.33% and 44.99% in 1975 and 1980 respectively) reflected continued preference and demand for public jobs. In addition to behavioural factors (such as lack of accountability), this trend could be explained by the attractions of public service such as the low working hours and flexible attendance, which facilitated double occupations. Such demand encouraged inflation of the bureaucracy. Furthermore, the absence of a clear concept of service encouraged low devotion and marginal productivity, which stimulated overstaffing.

8.4.1.2 Recruitment and Selection:

In 1979, the civil service council stipulated more clearly the qualifications required for appointments in the general category, technical occupations and allied jobs. In addition, the civil service law called for establishment of a job classification system within five years after the issue of the law. However, no headway was made.

For Kuwaitis, most recruitment was automatic, with no selection techniques, provided that the candidate met the basic requirements. For non-Kuwaitis, a few selection techniques were applied, such as, competitive examination and interviews. However, in general, the selection and recruitment procedures were not observed within the bureaucracy. Most recruitment was based on political and social considerations⁽⁷³⁾ and personal grounds⁽⁷⁴⁾ rather than qualifications and skills. The enforcing of selection procedures was not relevant to Kuwait at this juncture. Most selection procedures were enacted to ensure minimum qualifications and confined to a high pool of applicants. Nevertheless, the limited indigenous personnel coupled with numerous job openings, made the applicability of such procedures irrelevant. Many jobs were offered, but few people were qualified, which made the selection procedures inapplicable.

The non-effectiveness of recruitment and selection procedures and the influence of social and personal factors, encouraged the tendency for non-qualified natives to enter the civil service. This diminished the administrative capacity and stimulated more recruitment to compensate for the deficiencies of these staff.

⁷³ Bernard Klawdow, *op. cit.*, p.17.

⁷⁴ Edward Danton, *op. cit.*, p.3.

8.4.1.3 Decision-Making Process:

The decision-making process continued to reflect particularistic attitudes and values. A major deficiency, was noticed in the area of resource allocation through budgeting⁽⁷⁵⁾ which reflected the power structure, personality, bargaining and other particularistic acts.

The quality of decision-making suffered as relatively inexperienced Kuwaiti managers (due to the Kuwaitization process) faced increasingly complex issues and challenges. In a survey conducted in 1981, non-Kuwaiti subordinates felt that one of the negative characteristics of their native managers was that they were neither able to convince their superiors nor able to decide on vital issues⁽⁷⁶⁾. In the independent authorities, decision-making took the formal part-time membership which was neither effective nor functional in an environment where decision-making was a complex process, especially in the early years of the authority's inception.

In conclusion, the quality of decision-making deteriorated during this stage. Furthermore, decisions were excessively delayed, which created inefficiency and reflected the lack of leadership. The focus was mainly on operational matters and little was done for policy formulation, due to the absence of participative government. Most decisions were autocratic and reflected the particularistic interest of the bureaucrats. This style, focus, inefficiency has encouraged (or did not hinder) such inflated attitudes.

8.4.1.4 Centralization and Delegation of Authority:

The excessive centralization in the ministerial complex and in the mixed sector continued to be a critical problem during this stage⁽⁷⁷⁾. Recognizing the need for more delegation of authority, the 1979 civil service law (Article six) defined the scope and the areas of delegation as clarified by the civil service commission in 1980. No

⁷⁵ Bernard Klawdow, op. cit., p.12.

⁷⁶ Nassef Abdul Khalik, "The Job Satisfaction of the non-Kuwaiti Labour Force in the Government and its Impact on Productivity", The Yearly Research Conference of College of Business - Kuwait University, 1982, P.52, hereafter cited as Job Satisfaction and Tarik Al-Rayes, op.cit., p.47-8.

⁷⁷ COPA Report, op. cit., p.3; The World Bank (Technical Assistance Unit), op. cit., p.4 and Fouad Al-Faleh, op. cit., p.165.

administrative efforts nor political steps were taken to institutionalize such delegation.

The concentration and lack of authority continued during this stage due to personnel, social and administrative factors. This had an adverse impact on the administration by increasing formalism and reducing efficiency. Such bureaucratization increased the number of staff required beyond the actual requirements of the task.

8.4.1.5 Role of Experts:

The government announced and implemented extensive use of foreign experts (on a temporary basis) to develop the public administration. Askander and Kasrwone, five international experts⁽⁷⁸⁾, and the World Bank, were brought into different areas for potential development. At the micro level, many ministries and agencies engaged consultants to review their organizational structure and to suggest options for reorganization and improvement. Most of these studies improved awareness of the problems facing the bureaucracy but were not operationally oriented.

The impact of the permanent experts was not significant. The majority or 79.4% of top officials surveyed felt that experts played a limited role in developing the administration (Table A-24, Question 24). As a result of the Kuwaitization process, most non-native experts functioned as technical assistants to inexperienced Kuwaiti managers, rather than upgrading the administrative capacity of the Unit. Both benefited; the expert prolonged his term, while the native manager's deficiency was covered.

The role of experts engaged on temporary assignments was limited to diagnosis of the problem. Little was done to upgrade the administration or to provide it with the institutional support it needed. The permanent experts were not able to develop the bureaucracy as their role had shifted to functioning as technical advisers who reinforced the power of their Kuwaiti managers. As a result, development of management practice and organizational development was marginal, which hindered

⁷⁸ Edward Dunton, (Improving the Civil Service System), Bernard Klawdow, (Modernization of the Administrative System), John Mosler, John Murphy, Donald Stone (Improving Management and Performance through, education, training, research and advisory service).

any improvement in the bureaucracy's efficiency and did not encouraged any curbing of bureaucracy inflation.

8.4.1.6 Role of Women:

The huge development of the education sector supported the 13% increase in the Kuwaiti female labour force during this period. Even though the growth was lower than in the previous stages, it was the largest growth among all categories. Kuwaiti females' participation in Kuwait's labour force increased from 13% in 1975 to 20% in 1985 (Table C-3). Nevertheless, such participation was concentrated in limited sectors of the administration (Table C-5). Most Kuwaiti females prefer professions, such as teaching in public schools, social and health work and clerical jobs, which suit the prevailing social requirements. Sectors which carry lower work loads, involve little or no interaction with males and more leave, is attractive to working women. With the increase in the number of females entering the labour force, pressure was exerted to provide them with appropriate jobs by inflating these jobs.

In conclusion, native females were in search of jobs that fitted their social responsibilities. These jobs were limited, which put pressure on the bureaucracy to inflate them to accommodate the demand. However, the need for new approaches to encourage female participation (without inflating the bureaucracy) in new areas was not pursued.

8.4.1.7 Productivity:

Productivity declined even though educational status improved. The bureaucrats could have done eight times as much as they actually did⁽⁷⁹⁾. Productivity has deteriorated at a yearly rate of 6.9% during the period 1979-85, while the labour force has increased at a yearly rate of 6.4%⁽⁸⁰⁾.

Factors responsible for the low productivity, were the lack of an effective performance evaluation system and the low devotion to work. It was observed that the majority of native civil servants did not devote most of their time to work. Other factors

⁷⁹ The World Bank (Technical Assistance Unit), *op. cit.*, p.17.

⁸⁰ Supreme Council for Planning, A Suggested Strategy for Human Resources Development, January 1990, p.6.

such as absenteeism, lack of work load allocation, excessive formalism, slowness in transferring management technology and lack of motivation, contributed to this decline in productivity. In addition, the low educational profile of the labour force has impeded any improvement in productivity.

The productivity of civil servants continued to deteriorate during this stage, due to organizational, demographic, social and behavioural factors. This deterioration stimulated the trend for inflating the bureaucracy to fill the productivity gap.

8.4.1.8 Skills and Training:

Even though the Government put great emphasis on native human resources development through training, its efforts fell far short of expectations. In a study, 40% of the sample questioned, had not attended any training programme⁽⁸¹⁾. In part, this is attributed to the inadequate training facilities available. For example, the capacity of the training facilities in 1976 could qualify only 331 trainees, 14% of the targeted population⁽⁸²⁾. In addition, sufficient resources were not allocated, and no incentives were provided to trainees.

The lack of coordination among the scattered training centres and programmes contributed to this deficiency. The task of preparing native human resources was the responsibility of more than nine training centres. Following the recommendation by Mr. Stone⁽⁸³⁾, all training institutions were centralized and shifted in 1983, to the newly-created Public Authority for Applied Education and Training. This consolidation brought better coordination of training activities.

The training arrangements for senior and middle managers are weak and insufficient. The need for a public administration institution, in view of the current shortage in qualified administrators, cannot be over-emphasized.

⁸¹ Soud Al-Ramadan, op. cit., p.296.

⁸² Ali Al-Musa, "Recruitment Policies in the 1980's", Conference on Kuwait Administration facing the 1980's, (Kuwait: Arab Institute for Planning, 1975), p.9.

⁸³ Donald Stone, op. cit., p.7.

In summary, training activities gained momentum during this period with their consolidation and the creation of many technical training centres within public corporations. However, these efforts were less than expected or needed. This shortage reduced productivity and encouraged redundant jobs, which contributed toward inflating the bureaucracy.

8.4.1.9 Civil Service Rules and Regulations:

An administrative court was established in 1981 which was responsible for the investigation of all civil servants' petitions with reference to promotion and dismissals except those made by the Council of Ministers. Despite its narrow scope, it had a great impact on improving the rationalization of bureaucrats' decisions concerning the civil service rules which were deficient in many areas, especially the personnel system. The civil service law and regulations issued in 1979 provided some remedies in the personnel rules and emphasised the development of a modern civil service. In accordance with this law, a specialized organ (the Council of Civil Service) was formed to be responsible for the modernization and development of the civil service, under the chairmanship of the Prime Minister. Even though extensive efforts were made to enact this law, administrative problems on this scale could not be solved through legislation alone. The civil service legislation was inadequate for curbing the inflation of the bureaucracy.

8.4.1.10 Leadership:

The management style of top public officials continued to be traditional and authoritarian, reflecting the prevailing social values and attitudes. However, many public authorities utilized consultation, and to a lesser extent, a participatory style. Even though, the profile of top officials improved, with 70% of them University graduates and 50% aged under 40 years, the selection of top bureaucrats continued to be based on family and social considerations⁽⁸⁴⁾.

Due to nationalization pressure and social-related selection, many qualification requirements for top officials were waived. In consequence, many positions were filled by poorly qualified leaders who blocked the career progress of younger but more qualified natives, ambitious to fill the same positions. A similar phenomenon was

⁸⁴ Donald Stone, op. cit., p.22.

observed in Nigeria, which led to political difficulties⁽⁸⁵⁾. In Kuwait it did not lead to political difficulties, but, it created tension in the relationship between native supervisors and native subordinates, and reduced initiative and creativity.

Despite intensive efforts to solve the problem, a study conducted in 1981 showed that 45% of supervisors were still non-Kuwaiti; 20.4% were Egyptian and 16.4% were Palestinian⁽⁸⁶⁾. This reflected the different managerial styles that prevailed within the bureaucracy and the burden on the bureaucracy to harmonize them. In the oil sector, Kuwaitis took over from their foreign counterparts, many senior positions, including the Chairmanship of KOC⁽⁸⁷⁾.

In summary, the profile of top officials improved, however, the prevailing style was the ineffective traditional style of management. The existence of tense relationships between native managers and native subordinates brought doubts and criticism and affected the bureaucracy's efficiency.

8.4.2 Structure:

8.4.2.1 Differentiation and Specialization:

At this stage, Kuwait's bureaucracy became more diffracted and functionally specific. This differentiation occurred in two areas. First, huge reorganization of ministries in which the Ministries Complex consisted of eighteen Ministries and twenty three Ministers compared with fourteen Ministries in 1966. The second, the creation of more organs outside the ministerial complex to handle specific and commercial activities of the bureaucracy. Eleven authorities and four councils/commissions were established during this stage.

Differentiation through assigning some governmental activities to independent authorities or public corporations, led to the exemption of such organs from the civil service personnel rules⁽⁸⁸⁾. However, at a later stage, the trend was to have more

⁸⁵ J. Donald Kingsley, op. cit., p.315.

⁸⁶ Job Satisfaction, op. cit., p.49.

⁸⁷ David Qates, "Kuwaitis Take Control of its Resources" International Management, 31, No.5 (1976), p.33-5.

⁸⁸ Edward Danton, op. cit., p.27.

standardization between the independent authorities and the ministries in the areas of budgeting, personnel rules and regulations and salary and remuneration scale. The enactment of a law in 1981 which gave flexibility and freedom for organization of public authorities, corporations and departments, reflected a major move toward reorganization. Nevertheless, no headway was made. This raised the need to establish a central organization and methods department to carry out comprehensive reorganization of the government and the internal organization of each Ministry⁽⁸⁹⁾.

The huge differentiation which was observed during this stage was due to many political, demographic and economic factors. This differentiation contributed towards the inflation of the bureaucracy by creating more structures which required personnel.

8.4.2.2 Formalism:

Excess formalism was noticed in the area of financial control and the lack of programme implementation⁽⁹⁰⁾. Business and official transactions were carried out through highly routinized and cumbersome procedures⁽⁹¹⁾. Formalism continued as a trend from the previous stage, and was, also used as a tool to create more jobs and to justify bureaucracy inflation.

8.4.2.3 Administrative Experience:

The focus of administrative experience was on public corporations. There was extensive reorganization of the huge and scattered important oil sector. The Government established Kuwait Petroleum Corporation (KPC) in 1980 to integrate and supervise all oil and related services. With the establishment of KPC, the country was able to interact with and participate in the international market with a single, huge integrated entity, which gave it huge leverage. After the dissolution of Parliament, the Government relied more on the council system, which was intensified to fill the gap left by Parliament. Three councils were established to develop key areas of the society. However, the effectiveness of these councils in policy formulation and implementation was not encouraging. The youth Care Council never functioned while the Housing

⁸⁹ The World Bank, Technical Assistance Unit, op. cit., p.V.

⁹⁰ John Mosler, op. cit., p.11; also Bernard Klawdow, op. cit., p.6.

⁹¹ The World Bank, (Technical Assistance Unit), op. cit., p.4.

Council met rarely. The absence of policy formulation did not hinder inflation of bureaucracy, since organs grew with no control or direction. The lack of policy formulation and the continuous experience contributed to the inflated bureaucracy.

8.4.2.4 Overlapping:

During this stage, extensive overlapping, vague definitions of responsibility and the repetition of functions were observed⁽⁹²⁾. The tendency was that, even when an authority was created, part of the business was still kept with the original Ministry. For example, after the creation of the Ports Authority, the Ministry of Communications was still responsible for some functions related to ships. In its effort to reduce the overlapping, the Government took many steps. The responsibilities of new or combined ministries were defined. A committee was established in 1976 to review and define the responsibilities of some ministries. However, it fell short of defining comprehensively the ministerial complex.

The creation of new organs, the frequent government annexation and separation among ministries were factors which increased the overlapping carried over from the previous stage. It increased during this stage due to many structural changes and as a result of the rapid establishment of new organs. In Saudi Arabia, a similar trend of overlapping was observed which led to inflated bureaucracy⁽⁹³⁾. Administrative overlapping among the ministries and authorities was a major factor in inflating the bureaucracy.

8.4.2.5 Organizational Structures:

The structure of public authority was used heavily at this stage. The mechanism of public enterprise was used as a tool for providing better services with higher administrative standards. In the long run, the aim was, as Hanson suggested, "that the introduction of such high administrative standards will encourage the others to follow

⁹² John Murphy, *op. cit.*, p.3; Tarik Al-Rayes, *op. cit.*, p.44 and Bernard Klawdow, *op. cit.*, p.7.

⁹³ Mohammed Al-Tawail, "Public Administration in Saudi Arabia", in *Administrative Reform in the Arab World: Reading, op. cit.*, p.391.

suit⁽⁹⁴⁾. In the mixed sector, the structure of joint companies was used as an instrument for economic diversification and to utilize private experiences. In addition, the Government increased its holding of the joint companies in its efforts to rescue them as a result of the two stock market crises of 1976 and 1982. The joint companies totalled eighteen by the end of this stage.

At the micro level, in 1982, the Ministry of Education launched an ambitious plan for administrative reform and development. One of its main accomplishments was the decentralization of the ministry's services by establishing in 1981 an education department in each Governorate, responsible for most of the education services.

Many Ministries did not have organization charts or a clear definition of their responsibilities. The absence of effective organizational structure of the bureaucracy or its units contributed to overlapping and hence inflated the bureaucracy.

8.4.3 Patterns of Behaviour

8.4.3.1 Relationship and Interaction Between Natives and Non-Natives:

At the beginning of this stage, non-natives represented 59.84% of the public force. In a survey conducted in 1981, the majority of the non-Kuwaiti labour force were not satisfied with wages and salaries, promotion opportunities, pension services and social assistance and activities⁽⁹⁵⁾.

Most non-Kuwaitis felt that Kuwaiti civil servants were not accountable for their performance, and their behaviour was unquestioned. In addition, 37.6% of the non-Kuwaiti labour force of a sample observed that they were treated as second-class civil servants⁽⁹⁶⁾. Even though many non-Kuwaitis resented Kuwaitis, they preferred to have them as their supervisors, since they would treat all nationalities equally⁽⁹⁷⁾. The authority of non-Kuwaiti supervisors diminished due to challenges from Kuwaiti subordinates as a result of the direct relationship and access of Kuwaiti subordinates

⁹⁴ A.H. Hanson, Public Enterprise and Economic Development (London: Routledge and Kegan Paul, 1959).

⁹⁵ Job Satisfaction, *op. cit.*, p.58.

⁹⁶ Ibid, pp. 62-4.

⁹⁷ Ibid, pp.66-7.

to Kuwaiti top officials and the support provided by them to those subordinates. Top Kuwaiti administrators did not trust non-Kuwaitis, due to this tense relationship⁽⁹⁸⁾.

The tense relationship and the distrust that existed between natives and non-natives created an environment that was not conducive to efficient bureaucracy. In addition, the lack of trust increased formalism and complexity of procedures, which led to the recruitment of more employees for repetitive tasks, hence, contributing to inflated bureaucracy.

8.4.3.2 Ethical Values and Practice:

The low morale and the prevailing attitude of indifference to work, were increasing among Kuwaiti civil servants. The lack of ethical codes and unsound public education contributed to this deficiency. There was a need to establish a code of ethics focusing on the conflict of interests⁽⁹⁹⁾. The lack of ethical values and practice contributed to nepotism and favouritism, which reduced productivity and encouraged overstaffing.

8.4.3.3 Maladministration:

Corruption was widespread within the bureaucracy⁽¹⁰⁰⁾. At this stage the Government indicated signs that even though corruption had occurred at the highest level, it would not be allowed to continue uncontrolled. The Minister of Oil was forced out due to a bribe and kickback scandal in 1978. This was followed by the resignation of the Minister of State for Housing in 1979 due to similar charges. Those scandals stimulated the enactment of the civil service laws and the establishment of the administrative court.

Nepotism and favouritism continued to be the mode of recruitment at this stage. Indeed, favouritism was the instrument by which many citizens received their services. A study conducted in 1978 found that 52% of the sample usually utilized their contacts with relatives and friends if they needed a service from a public organ⁽¹⁰¹⁾.

⁹⁸ Tarik Al-Rayyas, *op. cit.*, pp.125-7.

⁹⁹ Bernard Kladow, *op. cit.*, p.20.

¹⁰⁰ Faisal Al-Salam, *Public Services in the State of Kuwait*, *op. cit.*, p.115.

¹⁰¹ Norah Al-Faieh, *op. cit.*, p.82 and p.102.

The impact of favouritism and nepotism on overstaffing, was indirect. Employees who were recruited through such practice, were less qualified and disciplined; hence productivity suffered and the need for additional employees arose.

8.4.3.4 Power Structure:

Internal power struggles within the ruling family increased during this stage due to the absence of Parliament and as a result of disputes over domestic issues. This encouraged the parties involved to favour overstaffing to gain public support.

In the first half of this stage, in the absence of Parliament, the bureaucrats' power increased, since they controlled the country's resources. Hence, their status and prestige increased considerably. With mass media censorship and the dissolution of Parliament, public control over the bureaucracy deteriorated, leaving scope for uncontrolled expansion. In the second half, the power of the bureaucrats declined due to the emergence of an effective Parliament and greater mass media freedom.

8.5 Summary of Outcome:

The size of bureaucracy, measured by its budget and by the number of employees, is greater than most developed and developing countries. There is strong pressure on the state to grow and inflate its bureaucracy. The inflation of the bureaucracy can be partially attributed to environmental impact (socio-political pressure) on the Government to provide more jobs and the increased inefficiency but there was also some purely organizational expansion due to the development of the welfare state.

The main factors behind the inflated bureaucracy could be classified into three categories: ecological, institutional and behavioural. In addition, they could be classified from a demand and supply perspective. These factors influenced bureaucracy inflation individually or in interaction with each other. The increase in oil revenues and the huge surplus did not encourage the enforcement of control and facilitated the establishment of new structures and expansion of existing ones. The continuous implementation of social employment policies stimulated the creation of new structures to absorb the increasing demand for jobs.

Many of these factors, such as the policy of social employment, the selection of women for certain jobs, and personalized recruitment, are common factors in most developing countries. Table 8-9 summarizes such factors.

Table:8-9: Different Factors in the Evolution of Inflated Bureaucracy:

	Demand Perspective	Supply Perspective
Ecological	<ul style="list-style-type: none"> * Demographic change and increase in social services. * The increase in per capita income. * The expansion in the role and scope of the state. * The increase in the number of graduates. * The expansion in social related employment. 	<ul style="list-style-type: none"> * The lack of large private sector and sufficient employment opportunities outside the bureaucracy. * Social and cultural values. * The increase in oil revenues.
Institutional	<ul style="list-style-type: none"> * The establishment of new ministries and public bodies. * Numerous changes in responsibilities. * The lack of complementarity between graduates' specializations and job needs. 	<ul style="list-style-type: none"> * The lack of control bodies and the weak budgetary practices. * Organizational and behavioural factors. * The inadequacy of recruitment procedures of native graduates. * The lack of effective personnel systems and procedures to define job load and actual need.
Behavioural	<ul style="list-style-type: none"> * The selection of women for certain occupations. * The influence of family relationship. 	<ul style="list-style-type: none"> * The lack of work devotion and the decline in productivity.

When evaluating quantitatively this phenomenon, we found that most of the bureaucracy inflation occurred among the non-native civil servants and in the general occupations. Table 8-10 shows how the general occupations grew at a rate of 8.25% during this stage, compared with 2.08% and 0.4% for the assistant occupations and allied technical occupations respectively (Table C-6). In addition, the rate of growth of non-native jobs was 6.79% or twice that for natives during this stage. This gives the impression that the nationalization efforts which preceded this stage had been counter-productive.

However, bureaucracy expansion was not uniform during this stage. According to Table 8-10, most bureaucracy expansion occurred in the first half of the stage. This is attributed to a huge surplus during this period. However, when the price of oil plunged at the beginning of 1982, bureaucracy expansion slowed down. This reveals the sensitivity of bureaucracy expansion to change in economic activity.

Table 8-10: Growth of General Occupations and Total Occupations:

Year	Growth of General Occupations	Growth of Total Occupations	Growth of oil Revenues
1974-1980	10.48%	7.76%	18.57%
1980-1984	5.67%	1.91%	-13.21%
Av. of the period	8.52%	5.38%	1.44%

After analyzing the areas and factors behind such inflation, it is appropriate at this juncture to produce the outcome of this Chapter.

1. Our proposition that Kuwait has passed through the stage of inflated bureaucracy was supported by interview and questionnaire respondents, expert opinions and statistical data and indicators. Though some inflation was felt during the stage of imported bureaucracy and bureaucracy nationalization, at this stage there was inflation at all levels. The growth rate of civil servants reached its highest level of 5.38% (it was 4.94% and 1.93% for the stage of bureaucracy nationalization and administrative reform stages respectively). This stage was characterized by serious overstaffing in unskilled jobs and a critical shortage in qualified staff.

Data in Chapter Four suggest that bureaucracy expansion is highly associated when regretted with micro factors (student enrollment and patients admitted), however, such association declines when regretted with macro factors (per capita and population). Bureaucracy growth could be divided into accounted and unaccounted growth. Accounted expansion is the result of demand and tasks required by the environment. Unaccounted expansion is attributed to two factors: demand and behaviour of bureaucrats and environmental impact such as selection of women and lack of complementary between jobs need and education output.

2. Ecological factors had a significant influence on many aspects of this stage, embracing the initiation, time span, outcome and interdependence and interaction among structures, processes and patterns of behaviour. Overstaffing is a prevailing phenomenon in all Gulf Countries (and all are countries with sudden wealth). The following points demonstrate the impact of ecological factors on the administrative development of this stage:

A. This stage was initiated as a consequence of interaction among many ecological, institutional and behavioural variables. The large surplus position, coupled with the policy of gaining public loyalty, encouraged its initiation. The huge but unbalanced education output has stimulated the inflation of certain sectors' employment. The social values which directed native participation toward specific occupations and sectors' also provoked such inflation. Such inflationary pressure was not hindered due to the lack of an effective control process and the lack of planning and policy formulation capacity.

B. The span of the stage was influenced by economic factors (the highest excess surplus as a percentage of total revenues) and political factors (expansion of the bureaucracy to gain public support). The termination of the stage was influenced also by economic factors (decrease in surplus and the state revenues) and a political factor (the increased criticism of the bureaucracy from Parliament and the public).

C. Many outcomes evolved from this stage. The following list is not exhaustive, but directs our focus toward factors that could be identified for future improvement.

i. The cost of projects and services increased due to large redundancy in employment and the lack of control process.

ii. Two bureaucracies evolved within the same administration system: the rigid ineffective ministerial bureaucracy and the more flexible and efficient independent authority bureaucracy.

iii. The need to reduce the government size and scope by re-examining the public goods and services and seek alternatives that require minimal government involvement such as privatization.

D. The influence of ecological factors has led to a wide growth in the public sector with its subsequent deficiency in productivity, efficiency and allocation of resources. The impact of such factors during this stage on the interdependence and interaction among structures, processes, and patterns of behaviour is obvious. A few conclusions will be presented to demonstrate the validity of this proposition. However, detailed analysis is available in the body of the Chapter.

i. As a result of inefficiency in the ministerial model, the expansion of new services was achieved by creating new public authorities with flexible financial and personnel rules and efficient decision-making. The attitude of the government to transferring economic services from government departments to independent/attached authorities has impacted the structure (more Administrative experience and authorities) and process (decision-making and recruitment).

ii. The bureaucracy at this stage became more diffracted to satisfy the increased demand for public goods and services. The motive for such differentiation, from the government in the first half and Parliament in the second half, was to gain public support. Its expeditious establishment led to administrative overlapping, formalism and overstaffing. Political motives influenced the expansion of new structures (structure).

iii. Due to economic change, many social values emerged which affected the bureaucracy's efficiency. The emergence of social values which reinforced the importance of wealth possession, encouraged many civil servants to direct their efforts away from serving the public, towards private transactions. Thus, public officers devoted less of their time to work and their productivity declined. The above establishes that economic and social variables led to the evolution of negative patterns of behaviour (immateriality of time, lack of devotion).

3. The most important factor that must be recognized in understanding bureaucracy inflation in countries with sudden wealth is the nature of their economics. Pressure and incentives to economize the bureaucracy were absent during this period since the percentage of excess surplus to total revenues had increased to its highest level of 49.82%. This encouraged the expansion of the bureaucracy without limits. No constitutional restrictions to public-sector expansion were installed, such as budgetary balance and ratio of government expenditure to GNP. The availability of resources acted as a stimulant to bureaucratic expansion.

4. Even though the external political (security) factors had less impact on the bureaucracy than in the previous period, the internal political (security) factors such as the dissolution of Parliament and the rise of Shiah oppositions, had more influence. In the first half of the stage, the lack of Parliamentary and control bodies and the Government's expansion of public employment as a way of broadening its public support and reducing internal challenges, encouraged bureaucratic expansion. However, in the second half, the active Parliament contributed to the expansion of bureaucracy by establishing five new authorities during the first year of its existence. (Three authorities only had been established during the twenty years following independence). The desire of both the regime and Parliament to gain public support through social employment stimulated such expansion.

5. Due to huge oil revenues and subsequent increase in per capita income, demand for public services increased. The low participation of natives due to demographic and social factors and the shortage of native labour in qualitative and quantitative terms stimulated bureaucratic inflation.

6. The huge growth in the Kuwaiti female labour force coupled with religious values and social traditions, directed Kuwaiti females toward jobs in specific fields that fitted their social requirements. As a result, pressure was exerted on the bureaucracy to inflate those jobs in order to accommodate such demands.

7. The relationship between natives and non-natives became less tense, due to the fact that most supervisory jobs were occupied by Kuwaitis and conflict between Kuwaiti subordinates and non-Kuwaiti managers diminished. However, tension continued as a result of dual personnel policies which continued to reduce the bureaucracy's efficiency.

With such an outcome due to efficiency deterioration, the evolution of administrative reform was unavoidable. The examination of such stage will be the subject of the next Chapter.

CHAPTER-NINE: ADMINISTRATIVE REFORM

9.1 Introduction:

A considerable quantity of literature is available on the subject of administrative reform, however, no theory exists for such phenomenon⁽¹⁾. The work and reports of the Hoover Commission in the United States (1940) and the Fulton Committee in the United Kingdom (1966-1968), were practical contributions to the field of administrative reform in developed countries. In developing countries, administrative reform was introduced, in the early 1960s, when new nations faced the challenge of inefficient bureaucracy. With support of the UN Public Administration Division, many studies and seminars were conducted on administrative reform in developing countries. Such reform attempts have been influenced by the financial stringency faced by the developing countries. Caiden observed that five approaches were followed in the administrative reform: a complete change of the administrative system, institution-building through cultivating reform leadership, improvement in management process, behavioural change and developing basic human needs. Furthermore, many faulty models, such as state intervention and Maoism, were implemented also to remedy the deficiencies and as a way to reform the bureaucracy⁽²⁾. Many authors have evaluated administrative reform attempts in the Arab World⁽³⁾, the Gulf countries⁽⁴⁾ and the State of Kuwait⁽⁵⁾. It has been observed that there are many similarities in the reform efforts to Gulf countries⁽⁶⁾, which encourage research in these

¹ Gerald Caiden, Administrative Reform Comes of Age, (New York: De Gruyter, 1991), p.48.

² Gerald Caiden, Administrative Reform Comes of Age, op. cit., pp.19-22.

³ Nassir Al-Saigh (ed.), Administrative Reform in the Arab World: Reading, (Jordan: Arab Organization of Administrative Sciences, 1986).

⁴ Nassef Abdel Khalik, "Administrative Reform Experiences in Gulf Cooperation Council Countries: A Comparative Analytical Study". In Administrative Reform in the Arab World: Readings, op. cit., pp.221-70.

⁵ Moudhi Al-Hamoud, op. cit.; Nawal Marouf, "Administrative Development in Kuwait", Arab Journal of Administration (April 1982), pp.30-53; Waleed Al-Wohhaib, op.cit.

⁶ Nassef Abdul Khalik, "Administrative Reform Experiences in Gulf Cooperation Council Countries: A Comparative Analytical Study", op. cit., p.223 and p.266.

areas.

In this chapter, we will first define the concept of administrative reform and then identify the stage of administrative reform. Later we will analyse the interaction between the administrative reform process and the surrounding environment in accordance with the suggested framework. A summary of our findings will be presented at the end of this Chapter.

9.2.1 Definition and Indicators:

Many scholars⁽⁷⁾ have offered definitions of administrative reform, nevertheless, there is no generally-accepted definition⁽⁸⁾. The United Nations definition says: "The administrative reform is a specially designed effort to induce fundamental changes in public administration through system-wide reforms or, at least through measures for the improvement of one or more of its key elements, such as administrative structures, personnel and processes"⁽⁹⁾. Caiden, a predominant scholar in this field, defined administrative reform as "artificial inducement of administrative transformation against resistance"⁽¹⁰⁾. A more comprehensive definition was offered by Quah who defined it as "a deliberate attempt to change both: (a) The structure and procedures of the public bureaucracy and (b) the attitudes and behaviour of public bureaucrats involved in order to promote organizational effectiveness and attain national development goals"⁽¹¹⁾. Montgomery added the ecological dimension when he defined administrative reform as the adjustment of "the relationships between a bureaucracy and other elements in a society or within the bureaucracy itself, in order to change the

⁷ Aryeh Attin, "The Implementation of Administrative Reform Measures" in Inter-Regional Seminar on Major Administrative Reforms in Developing Countries, Vol.III (New York: United Nations Publications, 1973), p.107; Nazih Ayubi, Bureaucracy and Politics in Contemporary Egypt, *op. cit.*, p.205; Gerald Caiden, Administrative Reform, (Harmondsworth: Penguin, 1969), p.65; cited hereafter as Administrative Reform.

⁸ Gerald Caiden, Administrative Reform Comes of Age, *op. cit.*, pp.16-24.

⁹ United Nations, Department of Technical Cooperation for Development, Enhancing Capabilities for Administrative Reform in Developing Countries, (New York: United Nations Publication, 1983), p.4.

¹⁰ Gerald Caiden, Administrative Reform, *op. cit.*, pp.65-8.

¹¹ Jon Quah, "Administrative Reform: A Conceptual Analysis", Philippine Journal of Public Administration, 20, No.1 (1976), p.58.

behaviour of the public service"⁽¹²⁾. Al-Wohhaib suggested that the concept of administrative reform needs to be understood as a "sub-process of the political, social and administrative development processes in the context of the development administration stages"⁽¹³⁾. Garcia - Zamor, after studying the Brazilian experience, emphasised the need to consider the ecological factors within the administrative reform⁽¹⁴⁾.

From the above definitions, we could conclude that to ensure the success of reform, certain issues should be addressed. Since we are talking about administrative transformation and planned change, a clear implementation plan should be prepared which addresses the strengths, weaknesses, opportunities and threats of the system. Therefore, it is very important to study the current situation of the Kuwaiti bureaucracy in order to understand the interactions involved. A proper analysis may be the tool to achieve this. Exploring the opportunities and threats is essential, since reform always takes place against resistance. Wilenski emphasised the need to recognize the various sources of opposition to reform, and to plan to neutralize them. The failure to recognize them is a major cause of the widespread failure of reform efforts⁽¹⁵⁾. In addition, reform involves the modification of attitudes and behaviour toward the public and the bureaucracy and fostering such behaviours until they perpetuate⁽¹⁶⁾. Furthermore, the importance of the environment and the impact of ecological factors

¹² John Montgomery, "Source of Bureaucratic Reform: A Typology of Purpose and Politics" in Ralaph Braibanti (ed.), Political and Administrative Development, (Durham: Duke University Press, 1969), p.127.

¹³ Waleed Al-Wohhaib, op. cit., p.127.

¹⁴ Jean-Claude Garcia-Zamor, "An Ecological Approach to Administrative Reform: The Brazilian Case", International Review of Administrative Sciences, 35, No.4 (1969), p.320.

¹⁵ Peter Wilenski, "Political Problems of Administrative Responsibilities and Reform", Australian Journal of Public Administration, 38, No.4 (1979) pp.347-60 and Caiden Gerald, "Administrative Reform: A prospectus", op. cit., pp.111-2.

¹⁶ Hahn-Been Lee, "The Concept, Structure and Strategy of Administrative Reform: An introduction", op. cit., p.9 and Jamil Jreisat, "Administrative Reform in Developing Countries: A Comparative Perspective", Public Administration and Development, 8 (1988), P.95; hereafter cited as Reform.

on the reform process can not be over-emphasized⁽¹⁷⁾.

For political and psychological reasons, the Kuwaiti Government has used the term "administrative modernization"⁽¹⁸⁾ instead of "administrative reform". However, for the sake of consistency, we will use the term 'administrative reform', since the scope of administrative modernization as proposed by the government is equal to administrative reform.

The author has defined the administrative reform stage as "the stage where public demand increases for a bureaucracy reform to improve its performance and efficiency and provide better services to the citizens". 78% of questionnaire respondents concurred with this definition and agreed that Kuwait has passed through this stage (Table A-14, Question 14).

9.2.2 Previous Administrative Reform Efforts:

Kuwait has experienced many remedies and reforms of its administrative deficiencies. However, these efforts were limited to process and personnel reforms. Little attention was given to structural or behavioural change. In 1963 a committee was formed with the assistance of the UN to review the bureaucracy and improve its efficiency. A few of its recommendations were implemented, yet it was not effective. In 1964, Parliament created the "Parliament Committee for Investigation and Administrative Remedy" (PCIAR), with jurisdiction to change, and did so but when it turned its attention to powerful persons, its term was not extended and its mission was discontinued.

During the period from 1966 until 1970, many executive orders were issued which aimed to reform the bureaucracy and reduce the inflated employment, but their impact was limited. The Task Force of the Committee for Reviewing Government Employment

¹⁷ Abelardo Samonte, "Pattern and Trends in Administrative Reform" in Administrative Reforms in Asia, *op. cit.*, p.291-2 and p.301.

¹⁸ In literature, the term 'administrative modernization' has been equated with the concept of administrative development, especially in its focus on administrative technical improvement. See Yaser Adwan, "Concepts, Approaches and Styles of Administrative Reform in Arab Countries", Administrative Reform in the Arab World: Readings, *op. cit.*, p.168.

(CRGE) issued important recommendations in 1971 which reflected awareness and analysis of administrative problems. However, none of these recommendations were implemented. Another body, the "Committee for Reorganization of the Government Administration" (CRGA) was formed by the Planning Board in 1973. The Committee made recommendations for both immediate and longer-term measures which were later endorsed by the Planning Board. However, again, few of those recommendations were implemented. In general, the early administrative reform efforts suffered from the following deficiencies:

1. Partial and Sectoral Reform: Most administrative reform attempts concentrated only on limited areas of the administration. Moreover, those areas were not integrated or linked to each other.
2. Duplication of efforts: Many organs originated administrative reform on their own initiatives, but without prior coordination and integration with others.
3. The non-complementarity between the administrative reform efforts and the requirements and priorities of development: In the early reform efforts, aspects such as human resources development were not given the necessary attention, while areas such as maladministration were over-emphasized.
4. The lack of an ecological approach in formulating administrative reforms: The administrative reforms described above were formulated within the administrative setting and not within its environmental context. Al-Wohhaib argued that the incompatibility between the espoused theory (the rational bureaucratic model) and theory-in-use (the tribal model of management) was the major factor behind the failure of administrative reform attempts in Kuwait⁽¹⁹⁾.

9.2.3 Indicators of Administrative Reform:

Many indicators support our proposal to categorize this stage as the stage of administrative reform. This section will describe the symptoms; nevertheless, the factors responsible for their emergence will be left to a subsequent section.

¹⁹ Waleed Al-Wohhaib, op. cit., p.313.

1. The mass government campaign for administrative reform:

To carry out the administrative reform objectives, the government established in 1984 a Supreme Committee for Administrative Modernization and Development (SCAMD). SCAMD was chaired by the Prime Minister, while its members were the Minister of Finance, the State Minister for the Cabinet, two academicians from Kuwait University and two prominent figures from the private sector. Since its inception, SCAMD received many criticisms centred around its narrow definition of administrative reform and the Ministers' membership. The SCAMD formed the following Committees: Performance Standard Committee (PSC); Work Methods and Procedures Committee (WMPC); and Training Affairs Committee (TAC).

2. The extensive public demand for administrative reform:

The public, mass media and Parliament were active in promoting the need for administrative reform. Most criticism centred around the low qualifications and long job tenure of top officials.

3. The drastic and continuous reduction in oil revenues:

Oil revenues, the country's main resource, witnessed a substantial decline averaging 16.24% per year in the four years prior to this stage. This drastic change would encourage reform in the administration as tool to reduce budget deficit.

9.3 Environmental Inputs:

9.3.1 Historical Variables:

The previous stage of inflated bureaucracy led to many complaints about the inefficiency of the bureaucracy. Faced with the decline in revenues, coupled with the inability to control bureaucracy growth, the government envisaged a comprehensive reform approach to improve the bureaucracy's performance and control its expansion.

9.3.2 Economic Variables:

The economy of Kuwait at this stage still suffered from many economic imbalances as a result of lack of diversification and continued complete dependence on oil revenues. The dominance of oil revenues declined during this stage. Although figures for investment revenues were not available, we estimate that the oil revenues contributed 54.1% of total revenues during the whole stage compared with 74.5% for the previous stage. This is attributed to the continuous decline in oil prices and the

increase in investment revenues as a result of investing the huge surplus from the two oil price hikes.

The decline in oil revenues produced a similar reduction in economic activity. Table 7-3 shows that the total GDP grew at a rate of 1.1% during this stage (it was 7.05% for the previous stage). Since bureaucracy utilized most of the resources, this reduction stimulated the need to control and limit its expansion through administrative reform.

The GDP and per capita income fluctuated with changes in oil prices. Per capita income decreased from KD 3918 in 1984 to KD 2807 in 1986, but rose to KD 3171 in 1989. The oil GDP contribution decreased from 45.17% in 1984 to 35.69% in 1988, its lowest level since independence (Table C-11). The demand for services continued to increase but at a diminished rate which reflected the stable demographic conditions. The number of students enrolled and patients admitted to hospitals increased, but at lower average rates of 1.5% and 3.1% respectively (Table 6-2) (it was 7.35% and 8.05% in the previous stage respectively). The fluctuation in per capita income coupled with a diminishing demand for services and goods, influenced the pursuit of administrative reform.

During this stage, public spending went into a deficit of -19.26% for the first time (without considering the investment revenues), compared with 49.82% surplus for the previous stage. With such a deficit, both Parliament and the Government felt the need for more control and better efficiency, which prompted and reinforced administrative reform efforts. In addition, the deficit stimulated the need to rationalize expenditure and diversify sources of income.

Table 6-3 shows that the distribution of budgetary expenditure continued to be dominated by wages which accounted for 26.76% of the total expenditures, compared to 19.90% for the previous stage. Wages expenditure grew at a yearly rate of 5.51% during this stage, while total expenditures grew at 0.33%. This supports the proposition that the government continued its policy of distributing the country's wealth through wages, building infrastructural projects and upgrading services rather than through land acquisition.

At this stage, Kuwait launched its Fourth Five-Year Development Plan, for the years 1985-1990. Among other objectives, the plan called for a comprehensive administrative development plan with especial emphasis on reforming the bureaucracy⁽²⁰⁾. Information as to the effectiveness of the plan's implementation is not available as it has yet to be evaluated. However, many indications shows that little headway was made. As a result of extensive activities by the Supreme Council of Planning, a long-term development strategy was adopted by the Council of Ministers in 1989. The theme of this strategy was development of Kuwaitis. The strategy was to be implemented through seven policies, of which of great importance was the policy of developing the native human resources, including the administrative capability.

The reduction in the State's financial resources, coupled with increased demand on such resources, reinforced the ongoing administrative reform process, and stimulated support for comprehensive planning.

9.3.3 Political Variables:

The beginning of the stage was characterized by escalation of the Iraq-Iran war. This escalation brought many threats to internal and external security and led to bombing incidents, and Iranian attacks on oil tankers, which were re-flagged under US protection in 1986. The ceasefire of August 1988 brought only a fragile stability to the region.

The Parliament elected in 1985 was dissolved in 1986 due to a power conflict. The Government cited external and internal threats to the country's security and stability as justification for the dissolution⁽²¹⁾. Due to mass demands for the restoration of democracy, the Government established a popular (interim) assembly with limited authorities carried-over from Parliament. However, the opposition rejected this proposal⁽²²⁾ and called for the immediate restoration of Parliament. The Government continued its policy of balancing the political groups by forming a strong relationship with the bedouin population. Externally, the country moved toward allies

²⁰ The Ministry of Planning, "Development Plan 1985-1986 to 1989-1990", State of Kuwait, p.6.

²¹ Kamel Salih, op. cit., p.61.

²² Shafeeq Ghabra, op. cit., p.213.

from the GCC and the west.

The external instability coupled with internal criticism of Government efficiency, influenced the initiation and the pursuit of administrative reform efforts in response to such challenges and to maintain public loyalty and support.

9.3.4 Social and Cultural Variables:

Due to the continued expansion in educational facilities, the educational status of the Kuwaiti population further improved during this stage. The percentage of illiterates decreased from 17.0% in 1985 to 15.20% in 1988, while at secondary level and above it increased from 16.74% in 1985 to 25.41% in 1988. The role of the Public Authority for Applied Education and Training in supplying the market with necessary skills has increased substantially. Its colleges qualified 1406 natives in 1988/1989 or 67% of the natives graduating from the University. In addition, 937 natives graduated from its training centres.

No substantial change in the social structure has occurred during this stage. The continued deterioration in work values and social behaviour was a major obstacle to administrative reform which was not adequately addressed.

9.3.5 Demographic Variables:

The population grew with a yearly average of 4.1% (it was 5.50% for the previous stage). The Kuwaiti population declined at the rate of 7.75% while that of non-Kuwatis grew at the rate of 10.72% (compared with 3.74% and 6.88% respectively for the previous stage). In addition, the indigenous population as a percentage of the total population decreased from 40.14% in 1985 to 27.92% in 1988. Much of this change may be explained by statistical interpretation.

As Table 6-5 show, the total labour force grew at a lower rate than the previous stage (2.53% compared to 8.3%). However, the Kuwaiti labour force declined at an average of -3.7% (it had previously increased at a rate of 3.8%). The Kuwaiti male labour force declined at a rate of -7.17% while the female force grew at the rate of 8.51% (2.48% and 13% respectively for the previous stage). The education level of the labour force has continued to improve throughout this stage. The illiterate Kuwaitis percentage in the native labour force declined from 14.16% in 1985 to 7.38% in 1988.

The distribution of total labour force reflected a continuation of the dominance of employment in economic activities related to consumption and services. In 1988, more than 75.78% of the labour force occupied jobs in service related activities (it was 75.24% in 1985) (Table C-4). However, the percentage of natives working in clerical and service-related jobs declined from 63.69% in 1985 to 57.05% in 1988 (Table C-5).

The reduction in economic activities brought a substantial reduction in growth of the total and non-Kuwaiti labour force. In addition, the administrative reform process, with its restriction on expatriate recruitment, brought a further reduction in the labour force growth. The demographic factor did not have an impact on the administrative reform process. However, the decline in the demand for services may have relieved the bureaucracy in that area and enabled it to divert resources toward efforts to improve efficiency and performance.

9.3.6 Initiation of the stage:

Factors underlying the administrative reform in Kuwait:

It is rather difficult to ascertain the factors behind the evolution of administrative reform. Caiden suggested conditions that may initiate the administrative reform process due to the occurrence of a performance gap⁽²³⁾. However, the author has suggested a few factors which led to this reform, from the demand and supply perspective (see table 9-1).

²³ Gerald Caiden, Administrative Reform, op.cit., p.130.

Table:9-1: Different factors for the instigation of administrative reform:

	Demand perspective	Supply perspective
Ecological Level	* Demand for social control	* Decrease in oil revenues and hence the availability of financial resources.
Institutional level	* Greater demand from the mass media to improve efficiency * Greater awareness from Parliament of efficiency's importance * Demands of social gathering (interest groups).	* The decrease in productivity. * The increase in the cost of public goods
Behavioural level	* Greater demand for better handling of citizens affairs	* The existence of maladministration and behaviour that were not conducive to development.

The impact of these factors will be analysed by utilizing all available data and instruments including the questionnaire responses. These factors are:

1. Demand for social control. Demographic and native and non-native population imbalances, prompted administrative reform as an instrument to control the bureaucracy expansion and to maintain social control.
2. Greater demand from the mass media to improve efficiency: The national press played a fundamental role in initiating the administrative reform process, in outlining guidelines and orientation of its policies and target. 64.2% of the questionnaire sample generally agreed to this proposition (Table A-37, Question 37). Top officials with more than 15 years of experience agreed more strongly with the proposition, and this variation is statistically significant (Table A-37). The mass-media focus created an environment supportive for initiation of such reform. Toward the end of 1984, an average of 4 articles daily, focused on the need for administrative reform, were published in the 5 daily newspapers.
3. Greater awareness from Parliament of efficiency's importance: Parliament played a leading role in drawing up guidelines for administrative reform and in outlining objectives, policies and targets. The questionnaire sample slightly disagreed with this

proposition, since the approval rate was 47% (Table A-38, Question 38). As a result of different factors including political manoeuvring and because 1985 was election year, Parliament intensified its criticism of the bureaucracy. The slight disagreement of the sample is attributed to the fact that Parliament's impact was mainly indirect and not focused; nevertheless, Parliament had an impact on the initiation of administrative reform.

4. Demand of social gatherings: In response to our proposition that "social gatherings" (Diwwanyah) had a role in initiating the administrative reform process and in laying down the policies and its objectives", 61% of the questionnaire sample disagree with the above proposition (Table A-39, Question 39). Such disagreement reflects the fact that the social gatherings (Diwwanyah) may have played a marginal, indirect role in initiating the administrative reform process, due to the non-maturity of channels for public demand.

5. Greater Demand for better handling of citizens' affairs: The questionnaire sample disagreed with this proposition, since the approval rate was 37.2% (Table A-26, Question 26).

With the improvement in the educational status of society, which increased the gap between expectation and achievement, the demand for administrative reform was inevitable. Delays in rendering services, excess formalism and maladministration, led to public dissatisfaction which was reflected in continuous criticism from the mass media and Parliament. The author feels that the level of expectation of services rendered far outstripped the natural development and capacity of any bureaucracy.

In addition, as a country reaches a high level of economic development, demand will be greater on the efficiency of the bureaucracy⁽²⁴⁾. The disagreement of the sample with this proposition is explained by the low awareness of top officials of such complaints due to the lack of channels for raising citizens' complaints. As such the greater demand for better handling of citizens' affairs was an essential factor in initiating administrative reform. This is supported by content of the administrative

²⁴ "New Directions in Administrative Reform", International Review of Administrative Sciences, 49, No.1 (1983), p.96.

reform which focus on upgrading services and handling citizens' complaints.

6. The decrease in oil revenues and hence the availability of financial resources: 53.6% of the questionnaire sample disagreed with this proposition (Table A-25, Question 25).

Oil revenues is the main source of the national budget revenues. With the decline in oil revenues and subsequent deficit, and since wages and salaries represented 30% of budget expenditures, the government was obliged to tighten its control over bureaucracy expenditure through administrative reform. The state revenues dropped by 30.3% from 1981 to 1984, while wages expenditure increased by 38% during the same period. Furthermore, the decrease in oil revenues increased awareness of the need for a higher level of economic development. Such awareness has imposed greater pressure on the bureaucracy to increase its efficiency. In most developed countries, administrative reform was influenced by the financial stringency faced by many governments as a result of high inflation and reduction in the world economic activities⁽²⁵⁾. Even though the sample disagreed with our proposition, it is clear from the above argument that the decline in revenues was a major factor in initiating this stage. The sample's disagreement may be due to the fact that the impact of the economic factor is difficult to notice within a short period.

7. The decline in productivity: Productivity had deteriorated to more than the low 1970s level, when it was estimated to be an average of 20 minutes of usual work per day⁽²⁶⁾. Such low productivity stimulates administrative reform as a tool to increase productivity in a country that suffers from a manpower shortage.

8. The increase in the cost of public goods: The cost of service goods increased dramatically and unreasonably, which represented a drain of valuable resources of the country. For example, the cost per one thousand KWH of electricity increased from

²⁵ Lorand Dabasi-Schweng, "The Influence of Economic Factors" in Martin Kriesberg (ed.), Public Administration in Developing Countries, (Washington, D.C: The Brookings Institution, 1965), p.21.

²⁶ SRI, op. cit., p.6 and Nourh Al-Faleh, op. cit., p.99 and A. Schmidt, "Kuwait Finds Money is not Everything: Idle College Graduates Pose Problem", New York Times, 28 August 1971.

KD 5.3 in 1978/79 to KD 60.1 in 1982/83⁽²⁷⁾.

9. The prevalence of maladministration and behaviour that were not conducive to development: One of the hidden objectives of any demand for administrative reform is the installation of the principle of neutrality. In Kuwait, the dominance of favouritism and nepotism and prevailing behaviour that are enemies to development, energized this demand.

In conclusion, it seems that change in supply factors have the greatest impact while the demand factors impact was indirect.

9.3.7 Span of the Stage:

The administrative reform stage lasted for six years, from 1984 to 1990. The stage was initiated when the government launched a massive campaign for administrative reform in 1984, and ended with Iraq's invasion of the country on 2 August, 1990. After the liberation of Kuwait, the Government was not in a position to continue its commitment and attention to administrative reform. The internal and external political instability, the huge demand on limited economic resources, the substantial change in demographic structure and the deterioration of the civil service capacity were factors that weakened the Government's commitment to the continuation of administrative reform.

9.4.1 The Process:

9.4.1.1 Concept of Civil Service:

The civil service concept continued to be vague. With the decline in economic activities, more citizens sought employment in the government as the most secure job available. Civil service discipline was not enforced on public employees. There is a need for awareness and enforcement of discipline rules and the lack of a comprehensive system of accountability, should be remedied.

²⁷ Ministry of Planning, Statistical Abstract in 25 years, 1990, p.142 and pp.220-1.

9.4.1.2 Recruitment and Selection:

Recruitment continued to be done in most cases in a personalized way. Exceptions were seen in a few organs. Entrance interviews were conducted in the Ministry of Education (for teachers' jobs only), independent agencies and the oil companies. The trend was toward more standardization and enforcement of recruitment and selection procedures.

9.4.1.3 Decision-Making Process:

Early in the stage, decision-making continued to suffer as a result of the occupation by unqualified top officials of major positions and the lack of necessary skills for such jobs⁽²⁸⁾. PSC observed the strong role that informal relationships played in the decision-making process. The lack of organizational standards, and the non-implementation of rational decision-making and absence of organizational manuals were factors behind this⁽²⁹⁾. Later, the quality of decision-making improved due to a positive change in the top officials' profile. It continued to be autocratic, but to a lesser extent. The approach toward solving the stock crisis and debt restructure reflected particularistic values in decision-making and not public interest.

9.4.1.4 Centralization and Delegation of Authority:

The Government continued to be highly centralized. The pressure for decentralization increased as a result of improvement in civil servants' educational status, the need to economize the bureaucracy and the increased desire for autonomy and participation within the work force. Efforts to decentralize intensified, mainly in the Ministry of Education and Ministry of Social Affairs and later in the Ministry of Interior. The concentration of authority led to complex processes and cumbersome procedures⁽³⁰⁾. Furthermore, overlapping occurred in the implementation stage⁽³¹⁾ as a result of the lack of delegation of authority to middle management. Such delegation would release top management from routine and day-to-day affairs and encourage them to concentrate on planning and controlling the units under their

²⁸ SCAMD, Summary, p.6.

²⁹ Ibid., p.7

³⁰ Work Methods and Procedure Committee (WMPC), "Procedure Simplification Report", Kuwait, 1984, p.4.

³¹ WMPC, "Report on Overlapping", Kuwait, July 1986, p.64.

authority⁽³²⁾.

Due to the prevailing social values, centralization continued to dominate the bureaucracy. However, pressure to decentralize increased in certain organs. Such pressure reflected the interest in reforming the decision-making process.

9.4.1.5 Role of Experts:

The role of experts in administrative reform activities, was mainly confined to participation in the sub-committees and the task forces of SCAMD. In addition, they conducted research and many detailed surveys in certain sectors. 69% of top officials agreed with the proposition that expatriate experts contributed very little towards laying down an effective system for administrative reform (Table A-32, Question 32). Statistical tests indicated that the sample agreement increases as the level of qualification improves and the years of experience increase (Table A-32). This supports our proposition, since those with higher qualifications and more years of experience will value such contribution more than the others.

All consultation and advice was offered by Kuwaiti and Arab experts. The utilization of such experts who were familiar with the environment, was seen as a credit to SCAMD. The permanent experts in each administrative organ were not mobilized to support the administrative reform efforts. In fact, many experts hindered the reform process, since they perceived it as a threat to the security of their position.

9.4.1.6 Role of Women:

The growth of the Kuwaiti female labour force of 8.51% and the increase in its share of the total Kuwaiti labour force from 20% in 1985 to 28% in 1988 indicated the important role of women. Table C-14 shows the number of Kuwaiti females in the two Ministries (MOE and MOPH) as a percentage of total Kuwaiti females in the Government decreased from 81.6% in 1988 to 72.47% in 1990 while it took 22 years to decrease from 88.9% to 81.6%. This reflects the huge change in the attitudes of the society and Kuwaiti females themselves, who moved away from what traditional society offered them and began to enter challenging and non-traditional jobs. Such attitudes need to be encouraged through modalities that fit social requirements.

³² WMPC, "Procedure Simplification Report", *op. cit.*, p.6.

9.4.1.7 Productivity:

Productivity measurement and evaluation is a major tool in studying the effectiveness of the bureaucracy. The PSC faced some challenges in its scientific approach to productivity measurement. Most organs suffered from the absence of work-load statistics and lack of job classification⁽³³⁾. While studying some organs, the PSC suggested certain percentages of increase/decrease in their work force. It confirmed the existence of overstaffing. However, neither the performance standards adopted nor the suggested increases or decreases in jobs were announced. The PSC's observations indicate that the concept of productivity or its measurement was absent in the bureaucracy, which in itself indicates low productivity.

Low productivity could be explained partially by the deficiencies in the appraisal system in the civil service⁽³⁴⁾ and the prevalence of negative values such as the immateriality of time and lack of devotion to work. In a survey, a majority of civil servants felt that punctuality was less important in the Government⁽³⁵⁾. In conclusion, productivity has continued to deteriorate due to the perpetuation of social and organizational factors.

9.4.1.8 Training:

During this stage, the Training Affairs Committee (TAC), analysed and defined the main areas for training. In addition, it evaluated the status of training in the different government sectors. It found deficiencies, such as that 35% of units did not have training units, 26% did not provide incentives for trainees, 39% did not have training plans and such programmes as existed were general and not tailor-made⁽³⁶⁾. Due to such deficiencies, 58% of a sample surveyed felt that the training institutions were ineffective⁽³⁷⁾. A few civil servants (1% of total government employees) are trained yearly⁽³⁸⁾. The training activities were scattered among more than 11

³³ SCAMD, Summary, op. cit., p.2.

³⁴ Adam Al-Otaibi, op. cit., p.1.

³⁵ Essa Al-Ghazali, op. cit., p.412.

³⁶ "The Training Affairs Committee Report (TAC)", Part-1, Kuwait, 1986, p.56.

³⁷ Mohammed Al-Tawail, op. cit., p.94.

³⁸ "TAC Report (Part-I)", op. cit., p.24.

organs⁽³⁹⁾. The main recommendation of TAC was the establishment of a central body to foster the training activities. Other recommendations were not specific.

The fact that most white collar jobs were routine ones which did not require specific skills, limited the role of training in qualifying the redundant employees for jobs in other organs and hence hindered the use of training as a tool to deal with overstaffing. The training capacity was still inadequate to reform the administration. Reform efforts needed to focus on initiating a few tailor-made training programmes aimed at upgrading skills and inducing efficiency values. Under the current circumstances, efforts may focus on upgrading and consolidating training activities and introducing incentives for their implementation.

9.4.1.9 Civil Service Rules and Regulations:

This period was categorized by legislative stability. Most changes in rules and regulations were made in the area of personnel management and the interpretation of rules. An attempt was made in June 1989 to review the civil service laws and regulations on personnel management, but, it did not materialize. In its report, WMPC emphasized the need to review the rules and regulations which governed the Ministries in order to reduce the complex overlapping among them⁽⁴⁰⁾. This led to the establishment of a task force to resolve such overlapping. No substantial changes were made in the rules and regulations to support administrative reform, except for the appointment of top officials. The lack of such legal support weakened the impact of administrative reform and its institutionalization.

9.4.1.10 Leadership:

The performance of top officials was low due to their lack of managerial skills, lack of written requirements (job description) and their failure to delegate authority⁽⁴¹⁾. The WMPC observed in 1986 that 71% of top bureaucrats (Under-Secretaries) had occupied their offices for more than 10 years, while 56% had done so for more than 15 years. In addition, it noted the low qualifications and long tenure of senior posts.

³⁹ Ibid., p.32.

⁴⁰ SCAMD, Summary, op. cit., p.10.

⁴¹ SCAMD, Summary, op. cit., p.6 and Yaqub Al-Refai, p.158.

This phenomenon was described as "leadership stagnation". As a remedy, a system of rotation and/or replacement of top officials was suggested⁽⁴²⁾. In a study, 90% of the sample respondents believed that the existent top officials, reduced or limited the impact of major reforms or changes that could be made⁽⁴³⁾.

The profile of top officials has changed dramatically since those observations were established. Data from our sample show that in 1990, 29% of the Under-Secretaries (or equivalent) had occupied their position for more than 15 years (it was 56% in 1984) and 5% of them held a qualification less than University level (it was 58% in 1984). On the other hand, 26% of the Assistant Under-Secretaries had occupied their position not more than 5 years (it was 47% in 1984) and 1.8% held a qualification less than University level (it was 22% in 1984). This dramatic shift suggests that a positive leadership environment for administrative reform has developed which may lead also to improvement in the quality of decision-making.

Such change could be explained by the SCAMD's unusual step in introducing clauses which limited the number of years that a top bureaucrat could serve in office. Before introduction of the above clauses in January 1989, top bureaucrats continued to serve in office indefinitely until they either resigned (rarely done) or their service was terminated (never practiced). The modified clauses provided that top bureaucrats would serve terms of four years, which was renewable unless they had served 16 years as top bureaucrats or 30 years as civil servants.

When top officials were asked if continuous changes at top management levels hindered administrative reforms in Government organs, 90.2% agreed with this proposition (Table A-29, Question 29). However, we have to bear in mind that this question was asked after a huge positive change in the profile had occurred from the period of the early comments to the period of our questionnaire. Even though reshuffling and frequent transfer of public officials on political grounds was rarely done in the country, it is important to minimize the need for it by selecting leaders of a high calibre.

⁴² SCAMD, *Summary, op. cit.*, p.5.

⁴³ Yaqub Al-Refai, *op. cit.*, p.138. A similar conclusion was reached by Al-Otaibi, *op. cit.*, p.197.

Special attention was given to top officials to gain their support for the administrative reform process. Many sessions were conducted in 1988-89 to inform them in detail about administrative reform and to solicit their ideas and observations. Extensive training of top officials was another scheme to gain their support. Even though the family influence in management practice has deteriorated, it still exerts an impact on decision-making and behaviour. Managers in the Gulf have ranked family influence as a major factor influencing their behaviour and practice⁽⁴⁴⁾.

In summary, substantial improvement was made in the profile of top officials. Such change will support administrative reform.

9.4.2 Structures:

9.4.2.1 Differentiation and Specialization:

No substantial differentiation or specialization was observed during this stage except for annexation and separation of some Ministries. No authorities or agencies were created during this period. The rate of differentiation of 1.6% was the lowest among all stages (Table 7-5).

Al-Hamoud observed that the main requirement for any administrative reform will be the reorganization of the existing structures of the government units⁽⁴⁵⁾. This concurs with WMPC's recommendation that the Ministries complex be reorganized in order to define the responsibilities and to encourage more participation of middle-management in the decision-making process⁽⁴⁶⁾. However, no comprehensive reorganization plan for the Government as a whole or for the individual organ was suggested or implemented. No structural changes were made to support the administrative reform process.

⁴⁴ MEIRC, op. cit., p.84.

⁴⁵ Moudhi Al-Hamoud, op. cit., p.26.

⁴⁶ SCAMD, Summary, op. cit., p.9.

9.4.2.2 Formalism:

The excess formalism and rigid procedures increased during this stage⁽⁴⁷⁾. Factors such as centralization of authority, lack of index for systematic processing, imperfect follow-up procedures and lack of coordination among administrative units contributed to such excess formalism. This emphasised the need to establish a central body and a unit in each Ministry to provide the top management with the necessary advice in the area of organization and methods. In the effort to simplify further the procedures, a Sub-committee (from the overlapping task force) was established to reduce formalism using the available computer facilities such as civil information system⁽⁴⁸⁾. No major headway was noticed in this direction. Formalism continued to be an area of public frustration and wasted resources. The continuation of this phenomenon hindered the administrative reform efforts.

9.4.2.3 Administrative Experience:

Many successful administrative experiences prevailed at this stage especially in the independent authorities. The Public Authority for Civil Information was able to implement the country civil card system efficiently and effectively with a highly sophisticated computer system and skilled staff. The Public Institution for Social Security built one of the best customer service systems in the country, with a private sector approach. Other important administrative experiences were:

1. The Minister open-door policy: In reaction to political conditions and in order to gain more support from the public, the Government adopted an open-door policy, under which, each Minister would devote one day each week to receiving citizens who could present their complaints and transactions directly to him. This policy reflected old values whereby the citizen presented his case directly to the ruler. This policy gained momentum in the beginning, but later its thrust diminished. This experience was successful in some organs, in showing the Minister the extent of problems in his Ministry.

⁴⁷ WMPC, "Attachment to the Second Report, Overlapping Task Force", Kuwait, May 1990, p.18.

⁴⁸ Ibid., p.3.

2. The Office for serving the citizen: In order to reduce citizens' complaints and gain public loyalty, the Government ordered the establishment of an office to serve the citizens in each organ. Even though most organs established such offices, few were qualified to serve their objectives.

Most of these experiences focused on improving efficiency and interaction with ordinary citizens, which suggests that they were a reaction to public demand and the momentum declined as reaction to circumstances diminished. Some successful experiences demonstrate the existence of potential creativity and initiative within the public sector, important ingredients for successful administrative reform.

9.4.2.4 Overlapping:

Administrative overlapping continued to prevail during this stage, and was given priority by the reformers. The WMPC focused in the initial stage on examining the widespread overlapping among ministries and governmental agencies. In its report, the WMPC studied the external and internal overlapping of seven ministries, two agencies and the CPB⁽⁴⁹⁾. In their responses to the WMPC questionnaire, the top officials expressed the belief that overlapping represented a problem in their organs, yet they differed in the factors they believed responsible for it. The sample believed that most overlapping occurred in technical aspects, and in rules and regulations. In evaluating the stages in which overlapping occurred, 73% of the sample believed that it occurred in the implementation stage, while 51% believed it occurred in the decision-making stage. Looking at the impact of the overlapping, 71% of the sample believed that it led to low productivity and ineffective utilization of resources. The internal overlapping, which occurred inside each organ was examined in two Ministries, MOPH and MOE. Many areas of overlapping among departments and sections were identified.

The WMPC suggested many recommendations to overcome this widespread overlapping, including establishing a central organ for administrative reform, and reviewing of ministerial structures and the organizational structure of each organ. In addition, it suggested establishing a mechanism for continuous review and evaluation. Following these recommendations, the Council of Ministers established in 1988, a Task

⁴⁹ WMPC, "Report on Overlapping", *op. cit.*

Force to resolve the overlapping problem. The Task Force found that more than 272 areas of functional overlapping existed. In addition, more than 139 areas of system overlapping existed⁽⁵⁰⁾. Furthermore, the Task Force identified 53 areas of overlapping which could be considered as areas of lack of coordination, rather than overlapping. Those areas were discussed among various organs and agreement was reached on resolving them. In addition, the overlapping Task Force studied 163 areas of overlapping (or 60% of total overlapping) and suggested specific recommendations to the organs concerned to resolve them ⁽⁵¹⁾. The Task Force was rigorous in pursuing its objectives and ultimately they will substantially reduce the existing overlapping. Such reduction will improve the bureaucracy's efficiency and the effectiveness of the administrative reform.

9.4.3 Patterns of Behaviour:

9.4.3.1 Relationship Between Natives and Non-Natives:

The relationship between natives and non-natives became increasingly tense, as pressure increased on the bureaucracy to economize its expenditure, mainly by reducing the number of non-native employees. Such pressure increased the feeling of insecurity among the non-Kuwaitis and productivity suffered. This is supported by the decline of 1.5% in public employment of non-natives (Table C-7).

In a study of the characteristic of outstanding Gulf Managers, the majority emphasised the importance of equal interpersonal treatment and avoiding discrimination between natives and expatriates⁽⁵²⁾. This reflects the increased awareness among managers about this phenomenon and its impact on the work place.

When top officials were asked if they thought that to ensure an integration of administrative reform, attention should also be focused on developing the potential of expatriate civil servants, 61.2% disagreed with this assumption (Table A-31, Question 31). Statistical tests indicated that those with the longest experience and most training

⁵⁰ WMPC, "First Report, Overlapping Task Force", Kuwait, June 1989, p.9.

⁵¹ WMPC, "Second Report, Overlapping Task Force", Kuwait, June 1990, p.28.

⁵² MEIRC, op. cit., p.103.

favoured this proposition (Table A-31). This significant result suggests that those who understand the impact of training are the ones who support the advancement of expatriates. Since expatriates are indispensable, the development of their skills is essential for any administrative reform⁽⁵³⁾. The lack of such understanding paralyzed the development of 52.15% of the civil servant force in 1990.

9.4.3.2 Ethical Values:

A high standard of public professionalism and public ethics must be articulated as part of the programme for administrative reform⁽⁵⁴⁾. As in the previous stages, professional ethics and code of behaviour did not exist. In a study of the outstanding managers in the Gulf, 65% have indicated that ethics and values helped them to achieve success⁽⁵⁵⁾. However, most civil servants lacked the basic principles of ethics, due to lack of preparation and the absence of education reinforcement. This lack would hinder the administrative reform process.

9.4.3.3 Maladministration:

This stage was characterized by widespread allegations of corruption and favouritism among public officials and businessmen. Due to the collapse of the stock market in 1984, many cases of corruption were brought to Parliament and the courts. Even though evidence of criminal corruption was not found, Parliament's report has observed many irregularities and injustices in the allocation and utilization of public funds in the attempt to solve the indebtedness caused by the stock market collapse⁽⁵⁶⁾. Before Parliament's dissolution in 1986, it was busy conducting hearings for four Ministers. Two of them were accused of mismanagement and corruption⁽⁵⁷⁾.

Favouritism has continued to dominate the bureaucracy due to its acceptance by the society. However, corrupt acts were ousted due to Parliament's control and

⁵³ Outcomes of the Top Officials Meeting in Kuwait, 27-29, March 1989, Daily Newspaper 2 April 1989.

⁵⁴ Gerald Caiden, "Administrative Reform - A Global Perspective", The Indian Journal of Public Administration, 31, No.3 (1985), p.467.

⁵⁵ MEIRC, op. cit., p.32.

⁵⁶ Parliament's Report on the Stock Market Crisis, Kuwait, 1984.

⁵⁷ Kamal Salih, op. cit., p.60.

public awareness. The existence of maladministration has impeded the administrative reform process.

9.4.3.4 Power Structure:

Administrative reform is, in itself, a power struggle. Parliament in its attempt to gain more control over the bureaucracy, criticized its performance to justify intervention. However, to counter this act and to maintain its power, the government initiated its own administrative reforms. However, the power struggle did not continue and Parliament was dissolved in 1986.

Within the administration itself, the stage was characterized by a power struggle between the old top officials and the administrative reform advocates supported by the new top officials and the public. Most conflict occurred over the direction of administrative reform and the terms of office of top officials. Many top officials who would be affected by such terms, launched an unofficial campaign to abolish this regulation but their efforts were defeated. The power struggle reinforced the administrative reform efforts.

9.5 Evaluation of the current reform:

Many authors have suggested frameworks or variables for evaluating the administrative reform process⁽⁵⁸⁾. Quah suggested that reform could be evaluated with reference to five variables: Reform content, goals, approach, the environment and the attitude of the political leadership⁽⁵⁹⁾. After a review of the relevant literature, the administrative reform efforts in Kuwait have been analysed in the light of the suggested critical areas⁽⁶⁰⁾ (see Table 9-2).

⁵⁸ Peter Willenski, "Administrative Reform - General Principles and the Australian Experience", *Public Administration*, 64 (1984): 257-276; hereafter cited as Reform and Australian Experience, and Jan Quah, "Bureaucracy and Administrative Reform in the ASEAN Countries: A Comparative Analysis" in R.B. Jain (ed.), Bureaucratic Politics in the Third World, (New Delhi: Gitanjali Publishing House, 1989); hereafter cited as Reform in ASEAN, and Hahn-Been Lee, "The Concept, Structure and Strategy of Administrative Reform: An Introduction", op. cit., p.8.

⁵⁹ Jon Quah, Reform in ASEAN, op. cit., p.248.

⁶⁰ Other areas have been emphasized by many scholars, such as the orientation of the reform group. See Hahn-Been Lee, "The Concept, Structure and

Table 9-2: Framework of analysis for the Administrative Reform Process:

Reform Identification and Analysis	Objectives and strategy formulation	Reform Implementation
<ul style="list-style-type: none"> * Structural Analysis within social context. * Measurement and collection of appropriate data. * Satisfying the prerequisites to Reform. 	<ul style="list-style-type: none"> * Clear consent with interest groups. * Reform objectives and contents. * Strategy formulation. * Political condition. * Reform Approach. * Reform Timing. 	<ul style="list-style-type: none"> * Obstacles identification * Implementation strategy. * Address negative consequences. * Maintenance and control. * Formation of Reform Bodies. * Incentive system for effective implementation. * Feedback channels.

9.5.1 Reform Identification and Analysis:

9.5.1.1 Structural Analysis Within Societal Context:

In selected Arab countries, it has been observed that insufficient attention was given to the traditional, cultural, religious and political contexts of the administration⁽⁶¹⁾. The failure of many administrative reform efforts in the past is attributed to many administrative and ecological factors⁽⁶²⁾. This calls for a comprehensive analysis of the factors affecting the effectiveness of administration reform. SCAMD did not try to analyse the situation within its societal contexts. However, its sub-committees recognized the importance of such focus, when they emphasised the need to understand the influence of values and culture in Kuwaiti management practice. The lack of such structural analysis within its social context hindered the identification of critical areas, and hence their remedies through administrative reform.

Strategy of Administrative Reform: An Introduction", op. cit., p.10. Nevertheless, such factors which are not relevant to the case under investigation, have not been considered.

⁶¹ Jamil Ireisat, Reform, Op. Cit., pp.85-97.

⁶² Waleed Al-Wohhaib, op. cit., p.312.

9.5.1.2 Measurement and Collection of Appropriate Data:

The collection and open discussion of diagnostic data, are prerequisites for well defined administrative reform⁽⁶³⁾. In order to define the problem and formulate the objective, extensive empirical studies are needed. SCAMD started collecting data and measuring performance after it had defined its objectives and the areas of focus. The lack of research capacity gave rise to the need to establish a body for management research, i.e. Management Development Institute (MDI) to support such efforts. The MDI was to play a coordinating role in the research efforts and support the administrative reform process.

9.5.1.3 Satisfying the Prerequisites to Reform:

Certain prerequisites must be met before launching any administrative reform. The first prerequisite, is to have satisfactory administrative capacity⁽⁶⁴⁾. Administrative capacity is the capacity to obtain intended results through organization⁽⁶⁵⁾. Kuwait suffered from low administrative capacity as a result of many factors, such as, low qualifications of many top officials. In addition, most units lacked the essential organs of planning and administrative development. Management Information System (MIS) did not exist in most Ministries and Agencies. According to the literature, many administrative techniques are available to upgrade administrative capacity. Techniques such as zero-base budgeting, management by objectives (MBO) and Ministerial consultant system have been effective in increasing the administrative capacity in some countries⁽⁶⁶⁾. The articulation of a clear conception of public service which is held by all employees, is the second prerequisite. This clear conception was absent in the bureaucracy. Many public executives did not understand the objectives of the organ for which they worked nor their duty as Civil Servants. As a result, many top bureaucrats met public demand with little or no response.

⁶³ Jamil Jreisat, Reform, *op. cit.*, p.95 and Gerald Caiden, "Administrative Reforms Comes of Age", *op. cit.*, p.156-7.

⁶⁴ Gerald Caiden, "Administrative Reform - A Global Perspective", *op. cit.*, p.466.

⁶⁵ Gerald Caiden, "Development, Administrative Capacity and Administrative Reform", *op. cit.*, p.330.

⁶⁶ The Ministerial Consultant System provides Ministers with a high level of assistance on key projects by experienced persons who have shown similar values and vision, see Peter Wilenski, Reform and Australian Experiences, *op. cit.*, p.272.

The third prerequisite is the allocation of resources to the reform process. Since the bureaucracy cannot carry through the reform tasks in addition to its day-to-day duties, a separate budget and personnel are essential for effective implementation⁽⁶⁷⁾. A minimum allocation was given to the reform process in Kuwait, which reduced its effectiveness. A fourth prerequisite is the establishment of effective planning of education outputs. According to Table A-27, Question 27, 81.2% of top officials agreed strongly with the proposition that the planning of education outputs and guided specialization would help towards effective administrative reforms.

A fifth prerequisite is the reduction of parochial attitudes. According to Table A-35, Question 35, 63% of top officials agreed with the proposition that "social and family relations hinder administrative reforms". The outcome of the previous three stages have demonstrated the influence of such relationship and their adverse impact on the bureaucracy.

9.5.2 Objectives and Strategy Formulations:

9.5.2.1 Clear Consultation with Interest Groups:

It is essential to consider the public, who are the consumers of public goods and services, in the process and content of reform⁽⁶⁸⁾. In Australia, for example, the Government returned to the tradition of public inquiry which recognizes and involves outsiders in administrative reform activities⁽⁶⁹⁾. This approach was seen as an effective tool toward bringing the reform content in harmony with public demands. SCAMD failed to ascertain public opinion on reform. Nor were professional institutes consulted or involved in the reform process. This failing was reflected in SCAMD's composition. Even though SCAMD's membership included two members from the private sector, it ignored other public representatives, e.g. Parliament and professional societies. This would increase the resistance of these groups to the reform process. If they had been included, SCAMD would have been able to obtain better insight and

⁶⁷ Ibid., p.259.

⁶⁸ Gerald Caiden, "Administrative Reform - A Global Perspective", op. cit., p.466 and Kempe Hope, "Some Problems of Administrative Development in Developing Nations", Indian Journal of Public Administration, 29 (1983), pp.1-10

⁶⁹ Gerald Caiden, "Administrative Reform", Australian Journal of Public Administration, 39, No.3/4 (1980), p.450.

understanding, resistance would have been reduced, and commitment to the reforms would have been greater.

Maheshwari concluded that the most appropriate body to suggest administrative reform may be Parliament or a special Sub-Committee⁽⁷⁰⁾. However, in Kuwait the Government initiated and designed the reform process in such a way as to eliminate any Parliamentary intervention. However, 63% of top officials disagreed with the proposition that "the direction and content of administrative reforms should be inspired by the views of personalities, interest groups and sectors that have an impact on the society" (Table A-34, Question 34). From such disagreement, it seems that top officials believe that the content of administrative reform should be based purely on empirical studies and enquiries. Such views may reflect the immaturity of the political system and attitudes. Another explanation of such disagreement may be top officials see reform as a technical process which requires specific skills and in-depth knowledge. Despite this disagreement, the lack of such public enquiry and consultation of interest groups will hinder the administrative reform process. Since administrative reform has dimensions other than the technical, such as social and political, it is essential to stimulate public interest.

9.5.2.2 Reform Objectives and Content:

There was no agreement on the content of reform, nor was it defined explicitly. From when the idea of administrative reform was first suggested, as to now, the reform content has been undecided. The SCAMD's objectives were to evaluate administrative performance, improve bureaucratic processes, define labour force needs, evaluate the efficiency of the control regulations, and develop the national labour force. Officials tried to carry out administrative reform aimed at comprehensive change of structures, processes, beliefs, behaviour, skills and senior bureaucrats. However, the actions and outcome of SCAMD were obstacles to its objectives. Its task forces worked with only a few parts of the total, with the result that the scope of reform was restricted to a few areas: performance measurement and improvement, overlapping, procedural simplification, better computer utilization and coordination, and training. Frustrated by the lack of progress, the press made their own suggestions about the reforms

⁷⁰ Shriram Maheshwari, "Administrative Reform: Towards Theory-Building", The Indian Journal of Public Administration, 31, No.3 (1985), p.496.

needed. They demanded extensive social and economic reforms.

A critical factor for administrative reform effectiveness is the involvement of employees⁽⁷¹⁾ and orientation of reform groups⁽⁷²⁾. SCAMD used pseudo-participation to create a feeling of participation and to persuade employees to accept decisions that had already been made. This pseudo-participation occurred in 1988-89, when a series of workshops was conducted for top officials and middle managers. In those workshops, the content and process of administrative reform were discussed openly and comprehensively. Nevertheless, the reforms were in too advanced a stage to be reformulated. Hence, many civil servants are expected to be lacking in innovative thinking, since they did not participate in the decision process. In Saudi Arabia, which is at almost the same stage of development as Kuwait and has similar cultural values, a study indicated low levels of innovative behaviour among Saudi bureaucrats⁽⁷³⁾. Moreover, since the majority of civil servants did not understand the reforms, they lacked enthusiasm to implement them, and they doubted their outcome. The reformers were not able to gain the bureaucracy's support.

In summary, SCAMD's objectives were vague, formulated without empirical evidence, and decided without participation from others. There should be an open public inquiry, in which knowledgeable outsiders and representatives of the "public interest", are given the opportunity to discuss, debate and even make independent proposals for administrative reform.

9.5.2.3 Strategy Formulation:

An important element of the reform process is the formulation of strategy⁽⁷⁴⁾. The most essential contribution of a strategy is to direct efforts toward changing specific features of the bureaucracy. In their selection, reformers should choose the most effective levers of change. Wilenski suggested certain factors to be considered

⁷¹ Jamil Jreisat, Reform, op. cit., p.95.

⁷² Hahn-Been Lee, "The Concept, Structure and Strategy of Administrative Reform: An Introduction", op. cit., p.10.

⁷³ Saud Al-Nimir and Monte Palmer, op. cit., pp.93-104.

⁷⁴ Shriram Maheshwari, op. cit., pp.492-3 and Gerald Caiden, Administrative Reform, op. cit., p.203.

in crafting a reform strategy. First, the strategy has to reinforce the existing dissatisfaction with the present system. Second, it has to build alliances with key individuals or groups. Third, it has to devote the largest efforts to implementation as opposed to formulating proposals⁽⁷⁵⁾. The evaluation of the administrative reform strategy in Kuwait suggests that none of these conditions were met. The SCAMD claimed always that its focus was only on modernizing the administration and not reforming it. As such, it avoided reinforcing the dissatisfaction with the existing system. Furthermore, most efforts were devoted to the formulation process rather than to the implementation stage and few alliances (if any) were established during the reform process.

9.5.2.4 Political Conditions:

In countries with sudden wealth, the political setting is an essential condition for the effectiveness of administrative reform. In Venezuela, it was found that the disappointing outcome of administrative reform was due to the political setting and conditions which did not allow for massive programmes of administrative reform⁽⁷⁶⁾. In Kuwait, the effectiveness of administrative reform depends on the implementation of major political policies (population mix, corruption eradication, equitable treatment, etc.). Most countries with sudden wealth lack the internal and external stability necessary for substantial successful reform.

At the outset of administrative reform, it was clear that political commitment was behind it. This was reaffirmed by the assumption of SCAMD Chairmanship by the Prime Minister. Later, the Chairmanship was delegated to the State Minister for Cabinet Affairs. Whatever the reason for such delegation, it symbolised a reduction of political commitment. If the SCAMD had continued to be headed by the Prime Minister, its requests and decisions would have been more respected and eventually implemented more effectively. When top officials were asked if current political attitudes would support the administrative reform effort, 84.4% agreed with this proposition (Table A-28, Question 28).

⁷⁵ Peter Wilenski, Reform and Australian Experience, *op.cit.*, p.259-63.

⁷⁶ Roderick Groves, "Administrative Reform and the Politics of Reform: The Case of Venezuela", Public Administration Review, 27, No.5 (1967), pp.436-45.

In summary, political commitment is essential for the effectiveness of administrative reform⁽⁷⁷⁾. Such commitment does exist, but it has declined with time.

9.5.2.5 Reform Approach:

In Kuwait, the SCAMD's approach to administrative reform called for incremental partial change, while its committees had advised a revolutionary change. WMPC were seeking to change the society's values by changing bureaucratic attitudes. However, in practice, the incremental partial change approach was followed.

A major area of emphasis in the reform approach was the change in the profile of top officials. Such introduction of new people is a major lever for change⁽⁷⁸⁾. The dramatic positive change in the top officials' profile established the success of that strategy, which led to the appointment of many individuals more oriented towards positive change. This is expected to ease the bureaucracy's resistance and improve individual initiatives for change and innovation. In summary, the administrative reform approach was a technical one calling for incremental partial change which was partly successful. In ASEAN countries, the implementation of both comprehensive and incremental approaches, has ensured the success of administrative reform⁽⁷⁹⁾.

9.5.2.6 Timing of the Reform:

Many scholars have argued that the best opportunity for administrative reform is when a country passes through hardship or crisis⁽⁸⁰⁾. The timing of reform in Kuwait was not the optimum one, since it was closely associated with political rivalry between Parliament and the Government.

9.5.3 Reform Implementation:

In the reform process, it is important to allocate most of the available resources

⁷⁷ Jamil Jreisat, Reform, op. cit., p.95; M.A. Muttalib, "Philosophy of Indian Administrative Reforms", The Indian Journal of Public Administration, 31, No.3 (1985), p.479; Jon Quah, Reform in ASEAN, op. cit., p.273.

⁷⁸ Peter Wilenski, Reform and Australian Experience, op. cit., p.274.

⁷⁹ Jon Quah, Reform in ASEAN, op. cit., p.273.

⁸⁰ Gerald Caiden, "Administrative Reform", op. cit., p.443; Hahn-Been Lee, "The Concept, Structure and Strategy of Administrative Reform: An Introduction", op. cit., p.12.

to the implementation phase as opposed to the formulation phase. Definition of obstacles and areas of resistance is important in formulating any implementation strategy. In the implementation phase, reformers should address the negative consequences and develop an incentive system to ensure effective implementation. In addition, bodies should be created and instruments for maintenance and control could be installed to sustain efficient implementation. Furthermore, feedback channels should be established to reformulate the strategy during the implementation process.

In Kuwait, the reform was implemented by a structure similar to that of Egypt⁽⁸¹⁾: a Supreme Committee backed by a few technical sub-committees and the CPB acting as Liaison Cell and agent for implementation. The following paragraphs will evaluate the reform implementation within its dimensions.

9.5.3.1 Identification of Obstacles:

The identification of obstacles is a major factor in the success of administrative reform⁽⁸²⁾. The SCAMD and its Sub-Committee did not consciously address such obstacles within their deliberations. The PSC was surprised when it noticed the lack of administrative statistics, lack of work load standards and job specification, and the non-existence of a classification scheme. Wilenski emphasised that the major reason for widespread failure of reform efforts is the "failure to recognize the various sources of opposition, and plan to neutralize them"⁽⁸³⁾. In Britain, civil servants have resisted radical changes in their structures, procedures and traditional attitudes⁽⁸⁴⁾. Kuwait is no different. Copied answers to the committee's enquiries which came from top officials in the same Ministry shocked the PSC; however, it is a sign of the resistance that reformers have to expect.

Not only were the administrators reluctant to change, but strong resistance

⁸¹ Nazih Ayubi, Bureaucracy and Politics in Contemporary Egypt, op. cit., p.309.

⁸² Jon Quah, Reform in ASEAN, op. cit., p.273.

⁸³ Peter Wilenski, Reform and Australian Experience, op. cit., p.259.

⁸⁴ Gerald Caiden, "Administrative Reform", op. cit., p.437.

came also from political groups who feared the loss of their privileged position⁽⁸⁵⁾. This resistance derived from the fact that reform involves a substantial change and shift in the power structure and decision-making process within the administrative system and between the system and its environment. However, in Kuwait, most resistance came from the bureaucrats themselves since the political system was immature. This is consistent with Jreisat's observation that most obstacles originated from the bureaucracy itself⁽⁸⁶⁾.

Utilizing Dunsire's criteria, reformers should look out for specific types of obstacles. Furthermore, they should allow for constraints and general resistance arising from structural and attitudinal aspects. These obstacles could be divided into two main categories: constraints and general resistance. Furthermore, each category may be sub-divided into behavioural and structural problems⁽⁸⁷⁾. The utilization of such a criteria to identify resistance and obstacles would have been a valuable exercise for SCAMD, enabling it to widen the scope of reform and introduce other instruments for change. Application of this criteria would lead to recognition of the following obstacles:

Behavioural constraints: Behavioural constraints including values and norms that hinder administrative development, such as maladministration, originated from the dominance of particularistic values. The importance of such critical behavioural constraints is supported by the strong agreement of 86.6% of top officials with the proposition that "negative behaviours and values of the Kuwaiti Civil Servants are some of the basic factors which contribute to ineffectiveness of administrative reform efforts" (Table A-30, Question 30). The ability to change the attitudes and behaviour of civil servants was seen as an important factor for effectiveness of the bureaucracy reform⁽⁸⁸⁾.

⁸⁵ Peter Wilenski, "Political Problems of Administrative Responsibility and Reform", *op. cit.*, p.347-60.

⁸⁶ Jamil Jreisat, *Reform*, *op. cit.*, p.94.

⁸⁷ A. Dunsire, "The Administration Reform: Obstacles, Constraints and General Resistance", *Revue Francaise d'Administration Publique*, 5 (1978), pp.35-56.

⁸⁸ Jon Quah, *Reform in ASEAN*, *op. cit.*, p.1003.

Structural constraints: Structural constraints include concern about the cost of administrative reform and the country's economic capabilities. Addressing this concern could lead to better selection of the available approaches for reform and to better timing of the reforms. The reforms were attempted at the time when the country was suffering from shortage of resources.

Behavioural General Resistance: behavioural general resistance includes the questions of which interest groups will benefit or lose from reform, and the attitudes of non-Kuwaiti civil servants (who account for 52.15% of the civil servant force in 1990) to the reform process.

Structural General Resistance: Structural General Resistance includes such matters as the resistance of the bureaucratic structure to major structural reform. This includes the incompatibility of the reform process with the existing systems and structures and ways and means to overcome it.

9.5.3.2 Implementation Strategy:

A proper implementation strategy is the most critical factor in the success of administrative reform⁽⁸⁹⁾. Modest results of administrative reform in developing countries have been mainly attributed to poor implementation⁽⁹⁰⁾. The change in strategy from that of across-the-board implementation to focus on four Ministries, led to improvement in administrative reform in Venezuela⁽⁹¹⁾.

The reform formulation process cannot be separated from the implementation plan. Reform must be seen as a process in which formulation and implementation are in harmony with each other. 59% of top officials agreed with the proposition that "a specific programme for the implementation of administrative reforms to end within a fixed time should be formulated (Table A-33, Question 33). The statistical tests indicated that top officials with higher qualifications agreed more strongly with the proposition; the result is statistically significant (Table A-33). This reflects that those

⁸⁹ M.A. Muttalib, op. cit., p.48 and Hahn-Been Lee, "The Concept, Structure and Strategy of Administrative Reform: An Introduction", op. cit., pp.13-4.

⁹⁰ Jamil Jreisat, Reform. op. cit., p.85.

⁹¹ Rederick Grover, op. cit., pp.441-2.

officials who have been exposed to better education, believe more in the importance of an implementation schedule.

In Kuwait, an implementation plan was approved on 24 November, 1986 which consisted of three stages. The preparatory stage emphasised developing and reorganizing the civil service commission, establishing an administrative development office and citizens' service office in each organ and developing criteria for rotation and termination of office of top bureaucrats. The second stage focused on removal of overlapping and simplification of the current procedures, upgrading of the administrative training, classification and evaluation of positions, and establishment of a central information system. The third stage was to build on the outcome of the previous stages, including performance evaluation, compensation plan and modernization.

The implementation of the preparatory stage was marginal, except in the case of top officials. Except for overlapping, the implementation of the second and third stages has also been limited.

SCAMD did not have a clear, time-oriented implementation strategy. Its recommendations were subject to the approval of the Cabinet and Civil Services Commission. Certain recommendations were to be executed by units, others by new bodies, a few by special agencies, and most with no reference to implementation responsibility. Certain matters need to be addressed in any implementation plan, including the clear allocation of responsibility, points of decision, points of follow-up, a comprehensive action plan and an adequate and equitable allocation of funds.

9.5.3.3 Addressing the Negative consequences:

In any administrative reform, certain negative consequences will prevail. SCAMD should have addressed those negative outcomes and devised relevant approaches to deal with them. For example, it was envisaged that many employees would be dismissed and the majority of them would be non-Kuwaitis. The effects of this action on the society's stability, security and the state's foreign relations needed to be considered.

9.5.3.4 Maintenance and control:

In order to ensure the correct implementation of the desired reform, certain maintenance and control tools should be built into the process. First, there will be continuous interpretation and reinterpretation by officials of the reform goals and how to pursue them. A process should be established to ensure that officials' interpretation is consistent with the reform contents and objectives. Second, it should be anticipated that delay may be used as an effective method of resistance to the implementation of the reform proposals. Delayers may request further time to study matters, refer matters to committees, consult with outside groups, conduct surveys, seek additional information. Wilenski concluded that these officials may use an arsenal of measures to obstruct any proposal "until the moment for its introduction has passed forever"⁽⁹²⁾. Certain steps may be taken to limit the time-scale for response and plan implementation.

9.5.3.5 Formation of Bodies:

These bodies, when formed will serve as a pool of resources, or what Wilenski called, "continuing institutional support" for the reform process⁽⁹³⁾. Such bodies could expand the capacity to follow-up the implementation, gather information, and communicate results. However, such capacity in our case was limited. The various committees of the SCAMD suggested the establishment of a few organizations to support the administrative reform efforts. Those organs included a central body for administrative development and modernization and a higher agency for management information systems. Neither body has been created up to now. It is therefore a necessity to establish a central body to plan and supervise the administrative reforms. 57% of top officials agreed modestly that the existence of an independent body for administrative reform would contribute considerably towards its effectiveness (Table A-36, Question 36).

The CPB is currently fostering the administrative reform by creating a sector within its organization. The CPB is not qualified in organization and methods⁽⁹⁴⁾ and

⁹² Peter Wilenski, Reform and Australian Experience, *op. cit.*, p.259.

⁹³ Ibid., p.262.

⁹⁴ World Bank (Technical Assistance Unit), *op. cit.*, p.5.

it is not equipped for this purpose. Due to the dominance of particularistic values and potential interference, the establishment of an independent body seems indispensable to safeguard the administrative reform process.

9.5.3.6 Incentive System for Effective Implementation:

Jreisat, after investigating the administrative reforms in seven Arab countries, considered the incentive system as one of the requirements of reform effectiveness. He saw the adoption of an incentive system as a tool to reduce the resistance to change that occurs in many reform efforts⁽⁹⁵⁾. The SCAMD did not consider any incentive system to overcome resistance and to increase implementation effectiveness. Nor did it encourage error detection, administrative experimentation and initiatives for positive change.

9.5.3.7 Feedback Channels:

Feedback is a tool for evaluating the effectiveness of the current strategies with a view to improving future performance. Without feedback it will be difficult to respond to deficiencies and changes in the environment⁽⁹⁶⁾. SCAMD was not concerned about feedback. Its recommendations did not include feedback as a tool to modify the implementation strategy and plans. This is essential, because administrative reform attracts less attention and support outside the bureaucracy⁽⁹⁷⁾ and reformers will not be alerted if steps are wrong. Ayubi has observed that administrative reforms in the Arab World lack the components of evaluation, which is considered to be a main factor in the effectiveness of administrative reform⁽⁹⁸⁾. Nevertheless, reform evaluation may take a long time, since many outcomes involve changes in the ecological setting.

⁹⁵ Jamil Jreist, Reform, *op. cit.*, p.95.

⁹⁶ Gerald Caiden, Administrative Reform Comes of Age, *op. cit.*, pp.162-3. Caiden has specified five indicators of the need of Feedback. Gerald Caiden, "Development, Administrative Capacity and Administrative Reform", *op. cit.*, p.342, The Evaluation of such indicators in the Case of Kuwait, suggests that the utilization of feedback is indispensable.

⁹⁷ Peter Wilenski, Reform and Australian Experience, *op. cit.*, p.262.

⁹⁸ Nazih Ayubi, "Administrative Development and Development Administration in the Arab World", *op. cit.*, p.106.

SCAMD's Achievements:

Although we have criticized many deficiencies in SCAMD's attempts at administrative reform, nevertheless it deserves some credit for its work. First, it used many scientific techniques for data collection in order to diagnose the administrative situation, even though data collection should precede the reform definition. Second, SCAMD institutionalized professionalism by utilizing the service of many experts to achieve its objectives. All of them were drawn from academic and professional circles. Third, SCAMD emphasised the strategic dimension in its formulation. Fourth, it focused comprehensively on many administrative phenomena faced by Kuwaiti managers. Fifth, it recognized the environmental impact on the evolution of managerial styles.

9.6 Summary of outcome:

Administrative reform efforts in the past had failed due to their partial and sectoral focus, duplication of efforts, the non-complementarity between the efforts of administrative reform and the priorities and requirements of development, and the absence of an ecological approach in formulating the administrative reform.

In the current administrative reform process, a few deficiencies were noticed. In the reform identification and analysis, the SCAMD did not initiate a structural analysis within the social context, nor did it concern itself with performance measurement and the collection of appropriate data before defining its objectives. When deciding on the reform content, the SCAMD failed to consult with the interest groups or to reach agreement on the reform content within itself and its sub-committees. SCAMD's formulation of objectives and strategies was vague, and was not based on empirical evidence. The focus of the reform in the initial stage was on changing the profile of top officials, reducing overlapping and gaining public support. Later, reform focused more on training and reorganization and the defining of responsibility and authority. In addition, most resources were directed toward formulation as opposed to implementation.

The implementation process of the administrative reform received the least attention from SCAMD. No clear reform strategy was formulated, nor was any specific action plan designed. In addition, no assessment of obstacles to reform was conducted. The SCAMD should address the negative consequences of the reform, establish maintenance and control tools for effective implementation, provide

institutional support through forming relevant bodies and initiate an incentive system for efficient implementation.

1. Our findings show that Kuwait has passed through the stage of administrative reform. This view is supported by the questionnaire respondents, expert opinions and interview respondents. Kuwait adopted an incremental reform strategy. However, the focus was on institutional reform with emphasis on selection and rotation of top officials, administrative overlapping, productivity, information system and efficiency. Even though the usual scope of any administrative reform is the internal public management, reform in Kuwait should include public policy, public law and public monies within its content and scope.

2. The environment had a substantial impact on the success of the administrative reform process. Ecological factors had significant influence on many aspects of this stage, including its initiation, time span, outcomes and interdependence and interaction among structures, processes and patterns of behaviour.

A. The initiation of this stage resulted from the interaction among many ecological and administrative factors which are listed in Table 9.1.

B. The span of the stage was influenced by an economic factor (the continuous budget deficit) and a political factor (public dissatisfaction). The termination of the stage was influenced by a political factor (the invasion of Kuwait by the Iraqi forces in August 1990).

C. Many outcomes resulted from the administrative reform stage. The following is a list of these. Though not exhaustive, it directs our attention to critical forces for change and improvement:

i. The stage under investigation was characterized by internal and external instability and frequent changes. As a result, the political leadership was not able to render the necessary commitment and support needed for administrative reform activities. This was obvious from the low level of implementation of the reform plan.

ii. Due to the usage of public employment, administrative reform in Kuwait aimed at marginally improving administrative efficiency without disturbing the status quo and the power structure. Most focus was on improving the process and altering the structures but, little was done about bureaucrats' behaviour and values. Unless this policy is changed, it is difficult to envisage any reform in Kuwait.

iii. The main demand factor behind the administrative reform was the numerous complaints from the public or the evolving of what Caiden called "performance gap". Most of these complaints were raised through the press, Parliament and the social gatherings which acted as catalysts to the reform process. Furthermore, the budget deficit and the poor performance of the bureaucracy, were the main supply factors for initiating this stage.

iv. The timing of the reform was not chosen in accordance with specific criteria which linked the content of the reform to the relevant stage of socio-economic development. Rather, the timing of reform was based on mere political rivalry.

v. Little attention was given in respect to bureaucratic behaviour. Since the administration is culture bound, the reduction of particularistic values and what are enemies to development is essential for the effectiveness of any administrative reform in Kuwait.

vi. The marginal impact of administrative reform in Kuwait is attributed to the lack of well-defined goals, the existence of obstacles, the incremental approach, lack of a rigorous implementation plan, diminishing political commitment and the absence of behavioural change.

D. The influence of ecological factors during this stage on the interdependence and interaction among structures, processes, and patterns of behaviour is obvious. A few conclusions about our proposition are presented here; however, detailed analysis is available in the body of the Chapter.

i. Allegations of corruption and maladministration have been widely voiced in the public arena. Most allegations of corruption in the private and public sectors resulted from the stock market collapse and lack of sufficient control and regulations. Economic

and process factors have encouraged the patterns of behaviour.

ii. Public complaints (political) activated the bureaucracy's experience (structure) of different modalities to improve efficiency and interaction with ordinary citizens.

iii. The informal relationship and family influence (social) had a great impact on the decision-making (process) of top officials by favouring private interest (patterns of behaviour).

3. The pressure and incentive to economize the bureaucracy materialized during this period for the first time when the country went into deficit. The economic factor had a major impact on the instigation and pursuit of administrative reform. In addition, the deficit has slowed down the expansion of bureaucracy.

4. External and internal instability affected the political commitment and support for the administrative reform process. Therefore, reform was directed toward administrative areas which would strengthen the regime's links with the public. The lack of mature political institutions and the discontinuity of Parliament did not provide a political environment in which administrative reform could prosper. Thus, the lack of political will, coupled with the poor timing of reform and its non-compatibility with the country's socio-economic development stage, were factors behind its ineffectiveness.

5. The perpetuation of particularistic values acted as a constraint to the reform process. In addition, the continuation of negative work values, such as lack of devotion, reduced the effectiveness of such reform.

6. Even though the society continued to be unique, with two demographic characteristics, the demographic growth was stable and normal and the demographic factor was therefore insignificant in its effect on the administrative reform stage.

7. The relationship between natives and non-natives continues to be tense, since the reform process increased the insecurity of non-natives and widened the disparity between the groups. It is important to include this group in any administrative reform to ensure an integrated and effective reform process.

In conclusion, Kuwaiti bureaucracy has passed into the stage of administrative reform. Economic and political were the major ecological factors influencing the interaction among structures, process and patterns of behaviour. It may be appropriate at this juncture to recapitulate summary of the outcome of all stages of administrative development. Such summary will be the subject of the next Chapter.

**CHAPTER TEN: SUMMARY OF OUTCOMES AND CONCLUSIONS
REGARDING THE ADMINISTRATIVE DEVELOPMENT STAGES OF
KUWAIT AND RECOMMENDATIONS FOR IMPROVEMENT.**

This Chapter will summarize the outcomes and conclusions of administrative development in the four previous stages and the steps necessary to develop the bureaucracy in Kuwait. These findings will be used to predict the future stage of administrative development (Chapter Eleven) and to support the testing of our research hypotheses (Chapter Twelve). The main conclusions will also be compared with findings from other countries with sudden wealth.

10.1. Introduction

A close examination of the preceding four Chapters reveals that the Kuwaiti bureaucracy has suffered from a similar pattern of problems to other developing countries: shortage of qualified manpower; lack of effective process; lack of an efficient and a comprehensive organizational structure; inadequate training and educational facilities; lack of effective manpower planning and coordination; and maladministration. In addition to the above, which are common features of most developing countries, Kuwaiti bureaucracy has faced additional problems which are summarized below:

1. Increased expectations of the bureaucracy in the terms of more extensive welfare services;
2. Rapid environmental changes and the increased impact of political, economic and social variables;
3. The lack of motivation to economize the bureaucracy;
4. The existence of behaviours and values which are inimical to development;
5. The shortage of qualified administrators in all levels of the Government, combined with overstaffing among unskilled personnel;.
6. The concentration of the majority of the Kuwaiti labour force in the public sector.

These deficiencies have produced a low administrative capacity and an administrative lagging or vacuum which has impeded the country's development and increased the performance gap. It is therefore essential to study the evolution of the bureaucracy in order to achieve the desired improvement. Such study should include

the study of the bureaucracy and the environment in which it operates.

10.2. The Environment of the Bureaucracy:

10.2.1. Economic Variables:

Economic development and bureaucratic development could stimulate each other. Economic development could stimulate administrative development by providing the necessary resources for modernization. On the other hand, bureaucratic development could stimulate economic development through effective formulation of economic policies and providing an institutional capacity for growth. Before evaluating such interaction, it is appropriate to understand the dynamics of the economy.

The country has undergone a shift from a traditional economy to a surplus economy with exhaustible resources. The economy has continued to be a single resource economy with a weak private sector, a complete dependence on one commodity, and strong links with the world markets. A mixed sector has evolved as a result of Government participation which aimed to expand employment opportunities in the non-public sector and diversify economic activities. The Government's efforts to diversify the economy were not successful due to shortage of manpower, the absence of a favourable investment environment and the lack of necessary bureaucratic support. In Kuwait, the private sector is an economic satellite of government expenditures. This was supported by the high association ($R^2=.78$) between non-oil GDP and total expenditure (Table B-5). Furthermore, a significant association exists ($R^2=.68$) between total GDP and total expenditure (Table B-2). Therefore, the significance and level of economic activities are determined by bureaucratic expenditures. Economic development is strongly dependent on the efficiency and expenditures of the bureaucracy.

All Gulf countries share a similar economic structure and dynamics. Their economic structure has shifted and developed from activities of adding value to those of consuming surplus. The increase in per capita income and improvement in living standards have intensified this change. The availability of surplus resources and the lack of restraints on expansion or the non-function of these restraints⁽¹⁾ have stimulated abundant expectations of services, leading to the proliferation of a huge

¹ Anthony Downs, op. cit., p.17.

welfare public bureaucracy. In such a setting, the bureaucracy plays a major role in economic development as compared to other developing or developed countries.

Economic development requires a highly rationalized bureaucracy. In addition to its basic duties and functions of maintaining law and order, the bureaucracy in countries with sudden wealth provides the necessary infrastructure for economic growth. However, low administrative capacity and weak planning have impeded economic development, even though the required financial resources were available.

In Kuwait, the availability of surplus has increased the tendency to expand the bureaucracy and strengthened the power of the bureaucracy (Table 10-1). It also encouraged the occurrence of "confidence effect". In Venezuela, it has been observed that the availability of resources caused the occurrence of "confidence effect" on perceived future income and influenced the expenditure and behaviour of economic agents⁽²⁾. This "confidence effect" stimulated a high growth in public expenditure.

Table 10-1: Average budget surplus compared to the growth of Government employment.

	Avg.Surplus	Growth in Govt. Employment
Importation of Bureaucracy (1957-1965)	18.27%	Not available
Nationalization of the Bureaucracy (1965-1975)	38.20%	4.94%
Inflated Bureaucracy (1975-1984)	49.82%	5.38%
Administrative Reform (1984-1990)	-19.26%	1.93%

From Table 10-1, it is clear that a association exists between the lack of financial restraints and the degree of bureaucracy expansion. The highest growth in employment occurred during the period which witnessed the highest average surplus, while the lowest growth of employment was observed in the period which was categorized by a deficit. This reflects the need to reorganize the public finance system

² Reza Vaez-Zadeh, "Oil Wealth and Economic Behaviour: The Case of Venezuela, 1965-81", *IMF Staff Papers* 36, No.2 (1989), pp.378-9.

in order to direct bureaucratic growth toward the desired objectives, by improving budget decision-making, budget implementation and budget control and monitoring.

During the four stages, the country was not able to formulate and implement a clear economic strategy and policy. Nevertheless, a future strategy suggested by the Planning Council in 1989 could be a concrete framework for reforming the economic structure and activities. The strategy calls for a high value added economy to be achieved through developing human resources. This strategy could be very effective if it integrates the current administrative reform efforts and is supported by a positive change in attitudes and values.

In developing countries, the need for a higher level of economic development, has brought greater demands on the bureaucracy to improve its efficiency. Due to huge surpluses in countries with sudden wealth, these demands have not occurred. Economic development has had a mixed impact on administrative development. The unlimited financial resources have provided the bureaucracy with the wherewithal to improve efficiency and effectiveness, by importing experts, manpower, equipment, systems and other means. In practice however, efficiency and effectiveness have declined as a result of proliferation of non-positive behaviours and a lack of complementarity between imported structures and the social setting. In addition, the availability of resources did not stimulate any pressure to rationalize the bureaucracy; hence, it became inefficient.

In summary, in Kuwait as in other countries with sudden wealth, the economic impact on bureaucracy development was a significant but mixed one. It was positive in the area of providing the means to improve; nevertheless, it was negative in the area of a lack of incentive to rationalize. On the other hand, the bureaucracy's impact on economic development was weak due to low administrative capacity and weak planning.

10.2.2. Political Variables:

Political and administrative development may affect each other⁽³⁾. Political development may produce a well-established bureaucratic system. On the other hand, a strong bureaucracy with well defined policies could support political development. In developing countries, political factors may facilitate or may hamper administrative development⁽⁴⁾.

The role of bureaucracy in political development has been argued by many writers⁽⁵⁾. However, the bureaucracy in Kuwait, which was in a relatively advanced stage of development, did not enhance the political system in the long run. The bureaucracy was neither responsive to political demands nor able to formulate and implement public policies. Furthermore, the bureaucracy gained ascendancy over political institutions due to the frequent discontinuity of the Parliament.

On the other hand, change in the political structure and its relationship on bureaucracy development are more evident. Kuwait has undergone a transformation in the political system from an autocratic structure to a participative government, yet the pre-existing structures have continued to affect the political decision. The decline in the influence of merchants and the need to build new allies, prompted the establishment of the bureaucracy. The government's search for a direct relationship between the regime and the population through comprehensive social services and social employment has led to its expansion. Old social and political mechanisms, such as marriage and majles, were replaced by participative government and expansion of services and employment.

Kuwait and other countries with sudden wealth, were immediately confronted with a great variety of pressing needs. The bureaucracy was the tool for facing those

³ For further elaboration in this area, see Ferrel Heady, Comparative Perspective, op. cit., pp.409-23.

⁴ Edward Weidner, "Development Administration: A New Focus for Research", in Heady and Stocker (eds.), Papers in Comparative Public Administration, (Ann Arbor, Michigan: The University of Michigan Press, 1962), p.160.

⁵ Fred Riggs, "Bureaucracy and Political Development: A Paradoxical View" op. cit., p.167 and N.S. Eisenstadt, "Bureaucracy and Political Development" op. cit., p.96 and Ramesh Arora, op. cit., pp.152-4.

needs, and hence it dominated the public arena. Faced with various challenges, Kuwait adopted certain policies to maintain its domestic and external security which stimulated the establishment of a wide bureaucracy.

The political growth could be characterized as unbalanced compared to that of the bureaucracy, which is a typically prismatic feature⁽⁶⁾. This is attributed to the weakness of the power of participatory institutions (Parliament, interest groups and mass media) compared to the executive and bureaucratic power. The rapid expansion of the bureaucracy with the political system falling behind, made the bureaucracy late, less responsive to public demand and inefficient. Many financial constraints suggested by Riggs and others as a means of controlling the bureaucracy, are not applicable to countries with sudden wealth. Therefore, there was a lack of control which impeded the evolution of an efficient bureaucracy. Even though, the structure of autocracy has gone through a substantial change, autocratic style and behaviour are still strong⁽⁷⁾. This autocratic style has invited authoritarianism and centralization and further increased the lack of control.

In such a context, the question arises, whether it would be desirable to strengthen further the bureaucracy's political power by improving its performance, or whether it would be preferable to strengthen the political system. It seems that the growth of both systems is desirable and any improvement in one system will eventually bring an improvement in the other, thereby maintaining a delicate balance. In the researcher's opinion, focus on bureaucratic development would be desirable in the early stages, while political development will be needed in the later stages. This is explained by the fact that in countries with sudden wealth; the political system and the social system, need more time for adjustment and development than other systems or sub-systems, while there is a great need in the early stages to expand the bureaucracy to maintain the state's survival.

Representative legislative bodies during the four stages were weak and/or absent. The Parliament failed in two major areas in relation to the bureaucracy: first, the inability to control and monitor it, attributed to the lack of necessary financial power

⁶ Fred Riggs, *Administration*, *op.cit.*, p.423

⁷ Kamel Saleh, *op. cit.*, p.62.

and control jurisdiction over the bureaucracy; second, the incapability to formulate national policies, attributed to the lack of planning and policy formulation capacity and immaturity of political institutions.

For this reason, the impact of introducing a parliamentary government on the structures and functions of the bureaucracy varied with the maturity of the parliament. In the early stages (the importation and nationalization of the bureaucracy), parliament's influence was mainly on increasing job availability, budgetary allocation, eradication of maladministration and control of the bureaucracy. Later, the parliament's impact was on establishing new organs, tightening the control on the bureaucracy's growth, criticizing the efficiency of its operation and increasing awareness of maladministration. However, due to discontinuity in the political system, bureaucracy development became less dependent on the political system. The role of bureaucracy as an agent for political, social and economic change increased during the four stages. It became the link between the rulers and ordinary citizens. However, the relationship between the Government and the citizens was very different from that in the west, since the Government could not be questioned about its actions. Although, Heady argued that the political system is the most decisive influence on bureaucracy development⁽⁸⁾, in Kuwait, its impact has been modest. In general, the existence of participative government has contributed positively to the development and expansion of the bureaucracy.

Greater balance in the growth of the bureaucracy and the political system is desirable to achieve a more responsive and effective bureaucracy. However, administrative development should precede both economic and political development, since it is easier to introduce and change could be sustained more in the former when compared with the later. The political impact on bureaucracy development is modest and positive. The bureaucracy has had a marginal role in developing the political system, by consolidating the political system through nation-building.

10.2.3. Demographic Variables:

The role of demographic factors has varied over time. In the stage of bureaucracy importation, the demographic factor acted as a stimulant for importation.

⁸ Ferrel Heady, Comparative Perspective, op.cit., p.76.

Low administrative capacity, low participation of indigenous population and the accelerated pace for developing the country, stimulated the importation of bureaucracy and bureaucrats. The demographic factor acted as a constraint in the stage of bureaucracy nationalization. The expectation of the Kuwaitization process exceeded in quantity and quality, the natural expansion of the indigenous labour force. Thus, the demography was not able to support the nationalization process. In the stage of inflated bureaucracy, the demographic factor stimulated inflation. Since the expansion in certain sectors of the indigenous labour force exceeded the requirements of the bureaucracy and an inflation of jobs was unavoidable. However, the impact of the demographic factor was neutral in the stage of administrative reform. In any case, public employment growth had always exceeded the growth of the indigenous labour force, which made the expatriate labour indispensable.

The main impact of the demographic factor on the Kuwaiti bureaucracy was on its inability to supply the necessary skilled human resources. This was mainly attributable to the following:

- The limitation of the population compared to the pace of development and scope of services provided;
- The low participation of natives, due to the young structure of the society and low female participation;
- The low educational attainment of the labour force;
- The imbalance in distribution of the labour force among economic sectors and occupations. Table 10-2, shows that natives concentrated on white collar and desk jobs and shied away from production and technical-related jobs. This attributed to the prevalence of behaviours which were enemies of efficiency and the lack of manpower planning to improve the correspondence between demand and supply.

Table:10-2: Natives working in selective sectors and occupations:

Year	1957	1965	1975	1980	1985	1988
Social service	59.67%	63.52%	73.73%	72.96%	75.24%	75.78%
Clerical & service related workers	32.48%	51.59%	59.56%	62.16%	63.69%	57.05%
Production workers and labour	45.46%	26.32%	17.65%	13.52%	8.37%	7.94%

Source: Tables C-4 and C-5

Nevertheless, other non-demographic factors also contributed toward this shortage. The education system did not satisfy the needs of the bureaucracy in qualitative or quantitative terms. In addition, and due to particularistic values, the recruitment and selection procedures were full of exemptions which led to the recruitment of unqualified civil servants. Furthermore, the inadequacy of the current merit system hindered the ability of the bureaucracy to attract qualified civil servants.

The presence of many nationalities, brought many management styles into the bureaucracy. In addition, it stimulated what was called "nationalities struggle" within the bureaucracy⁹. In this struggle, each group of nationals promoted the cause and welfare of its own people. In addition to its impact on efficiency, this increased resentment among non-Kuwaiti civil servants.

The impact of the bureaucracy on the demographic factor was positive. The bureaucracy was able to extend its services to all residents. Table 10-3, demonstrates the huge improvement in vital demographic indicators which supports the above proposition:

⁹ Mohammed Al-Rummahi, "The Social Prospective of the Administrative Problem: The Case of Kuwait", Top Management Seminar, Arab Planning Institute (1981), p.7.

Table 10-3: Vital demographic Indications for the years 1965-1988:

Year	1965	1975	1985	1988
Death rate for 1000 population (Natives)	7.2	6.1	4.0	3.5
Infant deaths for 1000 population (Natives)	47.4	43.4	19.5	17.2
Population per Doctor	771	855	553	601
% of illiterate	54.0%	44.6%	26.4%	15.2%

The demographic factor could play a supportive role in improving the performance of the bureaucracy by upgrading the skills and qualifications of the indigenous labour force. Bureaucracy development brought a significant improvement in the demographic composition. In the other hand, demographic impact on bureaucracy development varied with the stage of that development. After an initial period when it acted as a stimulant, it then became a constraint. Later, however, the impact became a stimulant again, before the most recent phase of neutrality.

10.2.4 Social Variables:

The impact of social structure and values on bureaucracy development is quite interesting compared to that of other factors. Such impact could not be noticed within a short period; however, the following paragraphs will evaluate the impact of social factors on the three components of the bureaucracy.

The social system has influenced the structure of the bureaucracy. In Kuwait, the tribal or familiaristic relationship has shaped the informal structure of the administrative system. The relationship between the citizen and his family or tribe is far stronger in transitional societies, than that between citizens and the state in other developed countries⁽¹⁰⁾. In this respect, the social impact on the bureaucracy structure was marginal and negative.

¹⁰ Monte Palmer, Dilemmas of Political Development, (Itasca; Ill., F.E. Peacock Publishers Inc., 1973).

Kuwait has deep-rooted traditions of centralization and informality. The direct contact and simplicity in dealings which prevailed in the past, diffused the hierarchical relationship in the bureaucracy. In addition, the tribal relationship has attached the individual to the family and the tribe rather than to the organization. Thus, loyalty to an organization or body of rules is weak among bureaucrats in Kuwait⁽¹¹⁾. Furthermore and as a result of the concentration of authority in the tribal chief or family head, Kuwait's bureaucracy has suffered from obvious concentration of authority and lack of power delegation. The carry-over impact of those traditional values, which were not modified as a result of introducing new changes, was substantial. The prevalence of such characteristics demonstrates clearly how the social setting has influenced negatively the bureaucratic process.

The social impact on the patterns of behaviour was greater, and negative. Social values have limited female participation, directed the labour force toward non-productive occupations and encouraged maladministration. The impact of social norms was felt largely in shaping the values and behaviours of bureaucrats. The assumption that bureaucracy is rational proved not to be true, due to duality and overlapping. Even though the bureaucracy is moving toward rationalization, particularistic values continue to dominate, which is consistent with similar findings in Pakistan⁽¹²⁾. Particularistic norms such as personal connection, family relationship and social links tend to govern the relationships in the bureaucratic organization and within the society as a whole⁽¹³⁾. Hoselitz argued that economic development requires the reduction of particularistic loyalties including those to the tribe and the family⁽¹⁴⁾. This is also true for administrative development. However, in the transition stage, most countries with sudden wealth cannot escape the impact of particularistic values. These values are deeply reflected in the social system, and hence the bureaucracy. The challenge here is not how to reduce the impact of such particularistic attitudes, but rather how

¹¹ Nassef Abdul Khalik, "The Ecological Dimension of the Bureaucracy in Kuwait", op. cit., p.36.

¹² Ralph Baribanti, "Public Bureaucracy and Judiciary in Pakistan", op.cit., p.388.

¹³ Victor Thompson, Modern Organization, op. cit., p.82.

¹⁴ Bert Hoselitz, "Levels of Economic Performance and Bureaucratic Structures", in Joseph La Palombara (ed.), Bureaucracy and Political Development, op. cit., p.191.

to employ these attitudes through an indigenous approach aiming at improving the bureaucracy's performance. This is in line with the current trend to move away from instrumental theories in public administration toward more indigenous and behavioural ones.

Social structure in Kuwait is local and based on kinship and religious distinctions. However, the society has a recognizable pattern of ethnic stratification. In other countries, bureaucracy is one of the main instruments in social change. However, in countries with sudden wealth, the bureaucracy is more occupied with day-to-day work than policy formulation and implementation. In addition, the pace of bureaucratic change has developed more expeditiously than the nominal social change. Thus, bureaucratic development has not had a significant impact on social development.

In summary, the dominance of particularistic values has negatively influenced the bureaucracy's efficiency. The social structure, coupled with traditional values and behaviours were barriers to change and to development of the administration. Even though their impact on the administrative process and structure was obvious, however impact on the evolving of pattern of behaviours that were not conducive to development was more substantial. The bureaucracy development had insignificant impact on social values and structures.

10.2.5 Social Employment Policy:

One of the problems of countries with sudden wealth, is the failure to distinguish between social considerations and political influence on the one hand, and the requirements for efficient and effective bureaucracy on the other, or the subordination of efficiency to other basic values⁽¹⁵⁾.

In many countries, the government uses public service employment as a substitute for "a social security programme"⁽¹⁶⁾. In Pakistan, Braibanti noticed that the government uses the public service, especially at lower levels, for the "purpose of a

¹⁵ Wesley Bjur and Asghar Zomorrodinn, op. cit., p.398.

¹⁶ Ferrel Heady, Comparative Perspective, op.cit., p.284.

welfare relief mechanism"⁽¹⁷⁾. In countries with sudden wealth, such as Kuwait⁽¹⁸⁾ and Saudi Arabia⁽¹⁹⁾, public employment has been used as a means to share the nation's wealth.

In Kuwait, the government has adopted such a policy and has utilized it extensively to face external and internal challenges. In formulating its manpower policies, the Government was concerned with social control and political stability more than with economic efficiency and administrative development. The implementation of the social employment policy led to the evolution of many negative behaviours and values, which reduced the productivity of natives and raised the need for an expatriates' labour force. This policy, especially lack of relationship between work and reward, has created negative attitudes among Kuwaitis. In addition, this policy has led to the concentration of natives in the public sector. Table C-13 demonstrates clearly the impact of this policy, which led to the increased number of Kuwaitis employed in the public sector, from 39.98% in 1970 to 54.72% in 1988.

The Kuwaitization process and the parity in salary scale encouraged the concentration of Kuwait labour in public sector jobs. Due to the lack of effective training activities, the nationalization efforts led to overstaffing in the lower ranking and non-skilled jobs, e.g. minor clerical posts. In addition, it led to the concentration of natives in service sectors rather than the productive ones. Since civil service jobs provided a higher salary, more job security, a better leave package, fewer working hours and more prestige than others, natives were not attracted to the private sector.

In most countries with sudden wealth, the relationship between the political system and bureaucracy is not yet clearly defined. There is a need to define the role of bureaucracy within the emerging political system of those countries. In addition, political and social intervention should be minimized to achieve neutral bureaucracy. Furthermore, the policy of social employment needs to be reviewed and rationalized in the light of actual organizational needs and the expansion of welfare services. The

¹⁷ Ralph Braibanti, "Public Bureaucracy and Judiciary in Pakistan", op. cit., p.384.

¹⁸ Jacqueline Ismael, op. cit., and Jill Crystal, op. cit.

¹⁹ Saud Al-Nimir and Monte Palmer, op. cit., p.103.

use of public employment as a means for wealth distribution has affected negatively the bureaucracy's efficiency and inflated the administration.

10.3 Patterns of Behaviour

10.3.1 Bureaucrats' Behaviour:

Bureaucrats' behaviours are important determinants of the bureaucracy's efficiency or otherwise. Many Kuwaiti bureaucrats (including top officials) and non-Kuwaitis, developed negative behaviours such as the increased emphasis on formalism and increased resistance to change. Most of these negative behaviours developed as a result of job insecurity and lack of knowledge and expertise. Some of these behaviours are explained hereunder:

A. Most bureaucrats are not receptive towards change and they prefer to maintain the status quo: In Kuwait, neither natives nor non-natives are receptive toward change. Non-natives lack the security necessary to initiate change while natives are not receptive since they lack the incentives and experience to initiate change. In Saudi Arabia, a similar phenomenon has been noticed, as middle managers showed a low tendency toward introducing changes⁽²⁰⁾.

B. Most bureaucrats are not receptive toward initiative and creativity; most prefer to adhere to the formal procedures and to show little flexibility: One area which demonstrates the lack of initiative is the little administrative experience the bureaucracy has acquired. An essential value for bureaucrats in developing countries is the willingness to take initiative and be creative in problem solving. A creative bureaucracy is an essential tool for development⁽²¹⁾. In Kuwait, initiatives were lacking generally among bureaucrats. This concurs with similar findings in other countries. In a study, present and future bureaucrats in Saudi Arabia, both categories were reluctant to bring initiatives, indeed more future bureaucrats show more reluctance⁽²²⁾. Most of them fear the consequences of failure or wrong-doing⁽²³⁾ and are unwilling to take

²⁰ Mohammed Madi, op. cit.

²¹ Ralph Braibanti, Political and Administrative Development, (Durham, N.C.: Duke University Press, 1969), p.3.

²² Saud Al-Nimir, op. cit., p.134 and Alwai Abussuud, op. cit., p.137.

²³ Ahmad Al-Jilani, op. cit., p.165.

risks⁽²⁴⁾. Berger's study of the Egyptian bureaucracy from which most Kuwait systems (and values) were imported, found little initiative existed among all levels of bureaucrats⁽²⁵⁾. The lack of such initiative has influenced negatively the efficiency and productivity of the bureaucracy and reduced its responsiveness toward increasing public demands.

C. Most bureaucrats suffer from lack of motivation and low morale: The employee reward system is inadequate to provide sufficient incentive to civil servants⁽²⁶⁾. The lack of motivation in Kuwait is attributed to the lack of flexibility in remuneration, the ineffectiveness of the current motivation system, and the deficiency in performance evaluation.

D. The prestigious status attached to public office by citizens. In Kuwait as well as many developing countries⁽²⁷⁾, the majority of the population attach high status to public and to service jobs compared to private and manual work, and most are reluctant to be involved in manual jobs due to social values.

E. Dualistic standards and overlapping. Favouritism and double occupations are practiced by all and criticized by all. There is a gap between verbal condemnation of corruption and action to thwart it⁽²⁸⁾. Kuwait⁽²⁹⁾ like most Arab states, has a high degree of duality which produces discrepancy between form and reality⁽³⁰⁾.

F. Bureaucratic behaviours toward the public. Bureaucratic behaviour toward the public is characterized by lack of responses and distrust. Following the principle of

²⁴ Saud Al-Nimir, op. cit., p.130.

²⁵ Morroe Berger, op. cit., p.152.

²⁶ Jawad Safar, op. cit., pp.116-8.

²⁷ Fred Riggs, Administration, op.cit., p.257-8.

²⁸ Kemp Hope, op. cit., p.4.

²⁹ Faisal Al-Salim, "Political and Social Development in Kuwait", op. cit., p.35.

³⁰ Ferrel Heady, Comparative Perspective, op.cit., p.284.

"resource dependence"⁽³¹⁾ bureaucrats interact with public to the minimum extent necessary to acquire the desired resources. Furthermore, there is a lack of accountability among top officials, as a result of which their low quality decision-making capability has increased public frustration and reduced public confidence in them.

Since bureaucrats are the primary instruments for change and development, it is essential to introduce new attitudes and values which are conducive to development. The prevalence of negative values and attitudes has hindered administrative efficiency. This gave rise to the need for major social change and reform by transmitting modern behaviour patterns. The utilization of education, mass-media, ethical preparation, training programmes and other means could be envisaged for such drastic change.

10.3.2 Relationship and Interaction Between Natives and Non-Natives:

One of the main issues in studying the bureaucracy in Kuwait and in countries with sudden wealth is the presence of a large non-native labour force within the country, and especially in the public sector. The importance of studying the relationship between natives and non-natives derives from the fact that non-natives represented 50-65% of the population and 40-60% of civil servants during the four stages. They accounted for 68% of the technical jobs, 77% of medical posts and 65% of teaching posts in 1989. In addition, 87% of the rented units were rented by non-natives, while 98% of the labour force working in the private sector was non-native, which reflected the structural impact that non-natives had on the environment and the bureaucracy. The dependence on expatriate labour is attributed to many factors, among them: The role of the Government in promoting a high consumption society and the accelerated pace of development; The low administrative capacity and the lack of qualified administrators. A major deficiency was the development of the economy independently from the labour force supply with population acting as consumers not producers. In such circumstances, the economy has developed at a different and faster pace than the population, and hence the utilization of expatriates was indispensable.

³¹ J. Pfeffer and G.R. Salanick, The External Control of Organization: A Resource Dependence Perspective, (New York: Harper and Row, 1978).

The superordinate-subordinate relationship between native and non-native labour force is essential for bureaucracy efficiency⁽³²⁾. The nature of the relationship has changed through the different stages; however it has always been a tense one. In the early stages, the relationship was between non-native supervisors and native subordinates, while in later stages the positions were reversed. The tension and resentment has declined somewhat due to this shift.

The relationship between natives and non-natives is influenced by the implementation of mechanisms for social control over the proportion of the non-native population. This social control policy was implemented through denial of citizenship rights, temporary employment and institutionalization of status distinctions through income stratification and human resources development policies.

In the early stages, the tension and distrust occurred due to the fact that non-native managers neither encouraged the training of natives nor provided the necessary guidance for them. This relation become more tense as more native new graduates sought the positions of the non-native managers. Due to such interaction, many non-native managers relinquished some of their legal authority in order to avoid confrontation⁽³³⁾.

The impact of non-natives were mainly in four areas:

1. The evolution of different management styles borrowed from the countries of origin of non-natives, which increased the load on the bureaucracy to reconcile the different imported styles. Furthermore, the diversification of nationalities working in the bureaucracy led to two behaviours. The first related to sensitivity in the work relationship and the spread of distrust among the different nationalities. The second was the preference of supervisors for subordinates of their own nationality.
2. The lack of harmony between imported bureaucracy models and the traditional values and the social structure of society was unlikely to encourage team-

³² Jacqueline Ismael, *op. cit.*, p.150.

³³ Tarik Al-Rayes, *op. cit.*, p.124.

building and other management approaches aiming at achieving efficient output⁽³⁴⁾.

3. The insecure position of the non-natives increased their rigidity and adherence to rules, in accordance with Blau's statement that "social insecurity breeds rigidity"⁽³⁵⁾.
4. The existence of a tense relationship reduced the tendency to delegate authority to non-natives and hence further increased centralization.

Although the importance of studying the relationship and interaction between natives and non-natives declines with time, non-natives will continue to be an indispensable force in the society. The understanding of intra-organizational power, especially among natives and non-natives, is a critical dimension in evaluating bureaucratic development in countries with sudden wealth. It is therefore essential to develop policies which are fair to both native and non-native civil servants and to reduce the evolving of "inimical" behaviours. For non-natives, the best motive for excellent performance is the security of the job and equality in career advancement. The presence of non-natives has had a negative impact on bureaucracy development from the behavioural aspect. However, such impact has declined with time, which suggests that less weight should be given to it in our framework of analysis.

10.3.3 Ethical Values:

One of the deficiencies in the civil service system was the lack of ethical preparation. No code of ethics existed within the bureaucracy, nor were the civil servants ethically prepared through educational and professional training programmes. The absence of legal standards and sanctions was a factor in the failure to maintain a high ethical level.

Early ethical preparation through family and school is very essential in maintaining satisfactory ethical values. The society, with its Islamic and traditional values, is rich in ethical doctrines and foundation for such preparation. At a later stage

³⁴ The World Bank (Technical Assistance Unit), *op. cit.*, p.IV.

³⁵ Peter Blau, *op. cit.*, p.247.

of education, the most important ethical preparation tool is the University and other higher Institutions, which can increase awareness of moral issues and approaches to deal with them. In addition, professional societies should be encouraged to develop professional ethics which safeguard the public interest. Mass media and public attitudes are essential tools for maintaining an acceptable level of ethics within the bureaucracy.

The absence of ethical values contributed toward the widespread maladministration. There is a need to inject qualities of modern behaviours through ethical preparation. In addition, systems which support such preparation should be established, such as a code of ethics and discipline enforcement. Professional ethics is a driving force behind administrative performance and its absence is an open invitation to maladministration. The absence of ethical values and preparation has had a marginal negative impact on the bureaucracy development. The marginality of such impact suggests the amalgamation of this area with others in our framework of analysis.

10.3.4 Maladministration:

Many behaviours and social values contributed to the evolution of maladministration in various forms. Nepotism was the prevailing value behind the personalized and ineffective recruitment. Most high public officials were selected on the basis of their power potential and their loyalty to superiors rather than their competence and qualifications. Patronage was an important factor in appointing top officials. The patronage system not only dominated the recruitment and promotion of top officials but it has also dominated the delivery of services for the whole administration. In Saudi Arabia the majority of bureaucrats felt that Kinship and friendship were the influencing factors in selection of Government employees⁽³⁶⁾.

Favouritism was another phenomenon which dominated the bureaucracy in Kuwait. Favouritism was viewed as the dominant factor in recruitment, followed by experience and nepotism. In addition, favouritism was used as a tool for channeling the needs of the citizens. Most favouritism occurred due to difficulty and complexity in processing the services of the public during interaction with the bureaucracy. In

³⁶ Ibrahim Al-Awaji, op. cit., p.232.

addition, it occurred due to the strong role of the family and social relationship. Over time, favouritism has proliferated due to the extensive use by Parliamentary deputies of their status to ask favours for their constituencies. It has been observed that utilizing the service of influential people was a widespread practice and a similar trend has been noticed in Saudi Arabia⁽³⁷⁾. Favouritism was seen by most Kuwaiti bureaucrats as a social duty rather than unethical behaviour. Both favouritism and nepotism are results of imposing bureaucratic structure and process over social settings and values with which they are not compatible.

Corruption is a universal phenomenon and cannot be confined to developing countries only. In Kuwait, most corruption has occurred at the top level; however, it spread to involve lower level administrators. The rich values of the society, the awareness of the public and the creation of financial policies and control bodies act as constraints to its expansion. In Saudi Arabia, many studies have observed that corruption is a prevailing phenomenon within the bureaucracy⁽³⁸⁾. Many factors have encouraged maladministration. Among them are the following:

1. Lack of adequate financial regulations, absence of judicial bodies and the weakness of the control organs.
2. The weakness of representative Government and the lack of what Riggs called a constitutive system⁽³⁹⁾.
3. The evolution of social behaviours conducive to maladministration. For example, corruption increases as a result of increase in the value given by the society to the possession of wealth. In addition, strong particularistic values encourage nepotism and favouritism.
4. The general absence of civil service professional ethics, lack of accountability and lack of discipline enforcement.
5. The increase in the role of the state with wide discretionary power and excessive centralization, which would invite maladministration.

³⁷ Ibid, p.233.

³⁸ Naser Al-Adeylie, "The Human Resources and Organizational Behaviours in the Administration", Institute of Public Administration, Riyadh, 1982 and Ibrahim Al-Awaji, op. cit.

³⁹ Fred Riggs, "Bureaucracy and Development Administration", op. cit., p.117.

6. The emerging of an insecure work environment for non-natives, which increased their feeling of insecurity and alienation and increased the probability of their practicing maladministration.

Many initiatives to curb maladministration have been launched, but they were not implemented effectively. The society's awareness and condemnation of maladministration reflects, the richness of the social values and the growing importance attached to civil institutions. Maladministration usually impedes the process of decision-making at all levels, especially the top. In addition, it encourages laxity in the work environment, lax discipline and misappropriation of resources.

In summary, maladministration has evolved through the different stages due to individual, organizational, social and political factors. The richness of the social values, coupled with the emergence of control rules and bodies has limited its expansion. However, the occurrence of maladministration has influenced negatively the development of the bureaucracy. Its substantial influence supports its inclusion within the framework of analysis.

10.3.5 Power Structure:

The relationship between the structure of power and bureaucratic development is quite interesting. To understand the structure of power within the bureaucracy, we have to understand it within the wider social, political and historical context of what is called inter-organizational power. Social structure influences the nature and the structure of politics. In Kuwait, the ruling family tried to extend its autocratic role in the pre-oil era to the bureaucracy in the post-oil era. As a result, the ruling family has become more cohesive and powerful in its control of the complex administration. On the other hand, in the attempt to acquire power, interest groups have tried to influence decision-making within the bureaucracy. This was evident from the struggle for power and the wide conflict between the Government and the Parliament. In this struggle, the powerful merchant group lost their power as the state depended more on oil revenues while it led to the proliferation of bureaucrats as a powerful group within the society. This is supported by the observation that the percentage of ministers appointed who were bureaucrats or ex-bureaucrats has increased over time (Table 10-4). This concurs with similar observations in France, Japan and West Germany,

where membership of the civil service leads to membership of the political elite⁽⁴⁰⁾. In many developing countries, the bureaucracy has what Heady called the "multifunctionality of the bureaucratic role", where top bureaucrats are members of a political elite⁽⁴¹⁾. In countries with sudden wealth, most top bureaucrats are member of families or tribes who are allies of the ruling family. In addition to loyalty, educational attainment is becoming an important factor. In countries with sudden wealth, power is acquired through bureaucracy and not political party.

Table 10-4: The Composition of the Cabinet (1963-1991):

	Jan. 1963	Dec. 1964	Feb. 1967	Sept. 1976	Feb. 1981	July 1986	April 1991
Ruling Family	11	5	5	6	5	6	4
Businessmen	4	6	4	6	5	2	2
Bureaucrats	-	-	-	7 37%	5 33%	10 48%	13 65%
Others	1	4	6	-	-	3	1
Total	16	15	15	19	15	21	20

The power of bureaucrats has increased due to their increased organizational capacity and lack of control as a result of gaps and weaknesses in the political structure and institutions. Such influence has increased due to the complete control of information, since circulation of information, is limited in Kuwait. The possession of power by top officials was positively correlated with family background. Top officials from the ruling family or other wealthy and well-connected families were barely subject to administrative accountability.

Since most resources are within the Government, the allocation of resources through the bureaucracy becomes a very important and critical issue. The main

⁴⁰ Joel Aberbach and Bert Kochman, *op. cit.*, p.493-4.

⁴¹ Ferrel Heady, "Bureaucracies in Developing Countries", in *Frontiers of Development Administration*, *op. cit.*, p.462.

impact of power distribution is in the area of resources allocation⁽⁴²⁾. The allocation process, which includes budget, personnel and financial resources, was distributed according to the status of organ head or to the charisma of its leadership rather than programme justification.

In developed countries, budgeting is an outcome of continuous interaction among groups concerned, such as politicians, interest groups, bureaucrats and the public. However, in countries with sudden wealth, this process does not exist. Little discussion takes place to understand the need for expansion or the introduction of new programmes. In using budgeting as a control device, the country has followed the incremental model of budgeting. This is attributable to the absence of national objectives and planning process.

The increase of the power base of top bureaucrats has produced many negative outcomes. Nepotism and corruption have flourished as a result of authority concentration and the lack of control and accountability, while responsiveness to public and efficiency in resource allocation has declined. This raises the need for representative bureaucracy and accountable bureaucrats. The structure of power has a negative impact on the administrative development. It is the bureaucratic power structure, rather than any political force, that determines the future development of the country. Its critical role warrants incorporating it within the framework.

10.4 Structure

10.4.1 Differentiation and Specialization:

The expeditious pace of developing the public administration and the role of the state are important areas for investigation. The rapid change in all areas of the society has exerted a considerable impact on the administrative development through structure differentiation. In the early stages of bureaucracy development, political factors like building the state and external and internal challenges expedited the process of differentiation more than it technically could accommodate. Bureaucracy differentiation has changed with the growth in the nation's wealth. A major problem, has been that leaders were allowed to expand the bureaucracy's scope as a result of the availability of financial resources, without considering the limitations of the

⁴² P.M. Jackson, The Political Economy of Bureaucracy, *op. cit.*, p.165.

demographic and social capacity.

Rose found after tracing historically the Government development, that priorities are organized first around state-defining activities (external relations, defence, finance, justice), and then their development activities (transport, industry, communication) and finally the individual service (social services...)⁽⁴³⁾. The development of bureaucracy in Kuwait reflects the shift in the role of Government from maintaining order and security to providing a wide variety of social welfare services and economic development within a very short time. This has led to comprehensive differentiation and specialization in the Government organs, which reached 3.45% per year (Table 7-5). However, as expected, the rate of such differentiation has declined with time. In Riggs's jargon, Kuwait has both kinds of structures, the functionally diffuse (fused) and the functionally specific (diffracted)⁽⁴⁴⁾. Similar trends have been noticed in Saudi Arabia⁽⁴⁵⁾. This increase in the specialization and the differentiation reflects the increased role of the Government in the country's development.

Most differentiation occurred outside the ministerial complex during the stage of inflated bureaucracy, while the major differentiation in the ministerial complex occurred during the stage of administrative reform. Both differentiations were outcomes of a political challenge, rather than rational choice.

The differentiation in functions and the development of many unique structures which create administrative overlapping, have brought hostile attitudes toward the bureaucracy. This is attributed to the confusion created for the public as a result of differentiation in procedures and increased complexity faced by the ordinary citizen in the course of his interaction with a differentiated bureaucracy. Furthermore, this differentiation was characterized by organizational instability (through frequent changes in structures) which further increased the public frustration. This was supported by frequent creations, separations, annexations and mergers among Ministries. Similar

⁴³ Richard Rose, "On the Priorities of Government: A Developmental Analysis of Public Policies", European Journal of Political Research, 4, (1976), pp.247-89.

⁴⁴ Fred Riggs, Administration, *op.cit.*

⁴⁵ Alawi Abussaud, *op. cit.*, p.169.

trends were noticed also in Egypt⁽⁴⁶⁾. On the one hand, the differentiation process has provided the citizens with a wider range and better quality of public services. On the other hand, it has created overlapping and excess formalism which reduced the bureaucracy's efficiency and increased public dissatisfaction. This concurs with Riggs's proposition that in prismatic society administrative efficiency declines as functional differentiation increases⁽⁴⁷⁾. Thus, the differentiation process has a mixed impact on the bureaucracy's development and its impact justifies its inclusion in the framework of analysis.

10.4.2 Formalism:

The extensive use of formalized rules and procedures is a major characteristic of the bureaucracy world-wide, and has become a permanent trait within bureaucracies in developing countries. Formalism takes place whenever a high level of administrative overlapping exists as is the case of Kuwait. Even though the increased usage of formalism is attributed to the nature of the bureaucracy and its role in the society⁽⁴⁸⁾, many factors have contributed to its emergence in Kuwait, including the following:

- The slowness and complexity of the imported procedures which reflect the complex societies (such as Egypt) from which they were imported;
- The lack of organizational manuals;
- The lack of security in social relationship at work;
- The lack of coordination between the Departments of each organ and among organs collectively.
- The increase of overlapping due to frequent changes in the structures.

As in Kuwait, formalism in Saudi Arabia became a predominant characteristic of the bureaucracy⁽⁴⁹⁾. Formalism could be reduced through reduction in administrative overlapping, reviewing the administrative process, change in behaviours

⁴⁶ Nazih Ayubi, Bureaucracy and Politics in Contemporary Egypt, op. cit., p.235.

⁴⁷ Fred Riggs, Administration, op.cit., p.422.

⁴⁸ Anthony Downs, op. cit., pp.59-60.

⁴⁹ Ibrahim Al-Awaji, op. cit., pp.226-8.

and attitudes, public review of rules and regulations and the establishment of organizational and operational manuals. Increased formalism has influenced negatively the administrative development. Its impact justifies its incorporation within the framework.

10.4.3 Administrative Experience:

Most administrative experience has been accumulated in the area of structures. In experimenting with structures, the public companies were used extensively in the early stages. This was the most flexible approach available (as compared to public authorities) to promote the mixed sector. Those companies which were categorized as joint sector, were established to invest the public surplus, utilizing the accumulated experience of the private sector and as an instrument to gain support or neutralize the powerful merchants group. In later stages, Kuwait shifted its focus toward greater utilization of the structure of public authorities.

In the administrative process, most experience was in the establishment of a management council within each Ministry. Other experiences of a temporary nature were noticed, but their impact was limited. The administrative experiences in Kuwait were marginal due to the low quality of leaders and the prevailing value of maintaining the status quo. Administrative experiences (other than structures) had a marginal impact on administrative development. Its insignificance suggest that it may be deleted from the framework of analysis.

10.4.4 Overlapping:

The administrative overlapping which prevailed during the four stages is attributed to many factors, among them:

1. The expeditious pace in establishing a modern state by creating ministries and authorities without prior planning.
2. The frequent changes in the structures and responsibilities of the ministries and authorities, which reflected organizational instability.
3. The lack of comprehensive analysis and evaluation of the bureaucratic structures and the absence of clear definitions and division of responsibility.

Similar widespread administrative overlapping was observed in Saudi Arabia as a result of historical, social and organizational factors⁽⁵⁰⁾ and has also occurred in other GCC countries⁽⁵¹⁾. However, administrative overlapping exists not only among ministries on the macro level, but also among the administrative units within each individual ministry.

The widespread overlapping affected administrative development in many respects. Its occurrence has reduced the efficiency of the bureaucracy, increased public frustration and encouraged the need for more employees for tasks that could be done by fewer. The problem of administrative overlapping did not receive the attention it deserved until the establishment of the Overlapping Task Force in the administrative reform stage. The task force was able to identify major overlapping and ways and means to resolve it. However, major tasks still need to be accomplished by the committee.

There is a need for rational and comprehensive organizational study of the bureaucracy complex, which will arrange the functions and divide responsibilities throughout the bureaucracy in order to reduce overlapping and improve efficiency. Furthermore, a comprehensive micro organization study within each Ministry could be encouraged and initiated to reduce the existing overlapping and improve resources utilization within each organ. The widespread overlapping has negatively influenced administrative development. Its intensity warrants its inclusion in our framework of analysis.

10.4.5 Organization Structures:

The rate of structure of differentiation which reached a yearly growth of 3.45%, composed of 1.46% growth in ministries and 7.5% growth for authorities. For the ministerial complex, even though the hierarchy structure was imported from the Egyptian model, the authority structure which has evolved is based on traditional features. It is a structure of open, informal and direct communication.

⁵⁰ Ibrahim Al-Awaji, *op. cit.*, p.209 and p.214.

⁵¹ Mohammed Al-Tawail, *op. cit.*, p.86.

In Kuwait, the structure of public enterprises was used in the early stages; nevertheless the focus has shifted toward public authorities. In Saudi Arabia, the reverse process has occurred⁽⁵²⁾. The importance of public enterprises in Kuwait has increased over time, since their contribution to total revenues increased from 47.9% in 1976 to 74.2% in 1984⁽⁵³⁾. Initially, the objective in establishing public enterprises was to supplement the weak private sector⁽⁵⁴⁾. Nevertheless, many were neither commercially-oriented nor effectively operated. As a result, many problems arose such as weak control and lack of qualified staff. The main issue of concern regarding public corporations is their efficiency in reaching their objectives. Control should be established by the state to improve the efficiency and effectiveness of the public corporations. There is a need to review the role of the Government in those enterprises and to reduce the subsidies extended. Many public companies could be transferred to public authorities and others could be deinvested through a privatization programme which will be the subject of the next chapter.

The model of public organs was not a failure in Kuwait, as suggested by Riggs and Othman⁽⁵⁵⁾. Many public enterprises and authorities have an excellent performance record. However, others do not, because they imitated the rigid administrative procedures of the ministries. Public enterprises were used in many Arab countries as islands of excellence and as tools to development⁽⁵⁶⁾. In Kuwait, the

⁵² Osama Abdel Rahman, "The Saudi Arabian and Kuwait: Public Enterprises or Public Companies", Public Administration (Riyadh: IPA), No.23(1979): pp.55-63.

⁵³ Mohammed Mohamaud, "Structure and Growth of Public Enterprises in Selected Arab Countries", The Indian Journal of Public Administration, 34 (1988), p.314 and p.318.

⁵⁴ For an elaboration of the importance of public enterprise in developing countries to complement the private sector, See William Shepherd, et al., Public Enterprise: Economic Analysis of Theory and Practice, (Lexington Mass: Lexington Books, 1976), pp.224-30.

⁵⁵ Fred Riggs, Administration, p.296 and Osama Othman, "Public Corporation: Theoretical Model Vs. Practical Deviation", Journal of the College of Administrative Sciences (Saudi Arabia), 7 (1979-80), pp.3-18.

⁵⁶ Nassir Al-Saigh (ed.), "Public Administration and Administrative Reform in the Arab World: Realities and Aspirations", in Administrative Reform in the Arab World: Reading, (Jordan: Arab Organization of Administrative Sciences 1986), p.27. Others, such as Sherwood, do not see it as a means toward

establishment of successful public organs aimed to create a successful model for the ministerial complex, as was the case with the Public Institute for Social Security (PISS). The creation of public authorities improved services, enhanced efficiency and improved confidence in the public service. This concurs with Williamson's notion of "organizational failure" where less efficient organizational structure (ministry) are replaced by more efficiency ones.

Public authorities were created in Kuwait without adequate planning or proper strategy. In the early stage, public authorities were given a great deal of autonomy in the areas of productivity, finance and personnel. Since the enactment of the 1979 civil service law, the trend has been to standardize the rules and regulations of the public enterprise. A similar trend was noticed in Saudi Arabia and the Gulf Countries⁽⁵⁷⁾.

The public sector system in Kuwait, which consists of public authorities, corporations and companies, suffers from lack of clear Government objectives, absence of accountability, inadequate control and subordination of the public enterprise to political rather than economic power. The creation of a public sector outside the ministerial complex has had a positive impact on the bureaucracy's development. Such impact justifies its incorporation within our framework of analysis.

10.5 Process:

10.5.1. The Concept of Civil Service:

The trend of not distinguishing between public and private interest has continued through the four stages. The concept of civil service was vague and not enforceable during the four stages. The prevalence of non-positive social values and the unlimited financial resources further contributed toward this vagueness. During the early stages, disciplinary measures were difficult to apply due to cumbersome procedures. Even though they were simplified in later stages, they were not enforced due to social considerations. This unenforceability encouraged double occupations and lack of devotion to work. The vagueness of the civil service has hindered administrative

economic and social development. See Frank Sherwood, "The Problem of the Public Enterprise", in Frontiers of Development Administration, *op. cit.*, p.372.

⁵⁷ Mohammed Al-Tawail, *op.cit.*, p.86-7

development. Even though its impact is important, which justifies its inclusion within the framework of this analysis, it may be annexed to one of the other areas of analysis.

10.5.2 Recruitment and Selection:

The personnel system did not undergo any major restructuring. It has followed the British system of grades. The structure of salaries is not adequate to motivate sufficiently the civil servants. The system is based on seniority and not merit. Even though the law of 1979 accepted position classification, in reality, it was not carried through.

Although Kuwait maintains the facade of a merit system for appointment to public office, in practice, great variation exists. Most appointments are motivated by personal loyalty and considerations. The absence of uniform recruitment and selection procedures and the lack of objective criteria were critical factors for this variation. The shortage of qualified native employees compelled the government to set lenient rules for recruitment and promotion. The prevailing recruitment procedures limited the ability of the country to have uniform recruitment and thus reduced its utilization of the best available human resources. In addition it rendered personnel management and regulation ineffective.

The frequent changes in rules have adversely affected the ability to formulate public policies, not to mention implementing them. Similar deficiencies and shortcomings were observed in Saudi Arabia⁽⁵⁸⁾. The recruitment policies in Kuwait suffer from the lack of merit principle, the existence of a parity scale system and the influence of social traits in personalizing the recruitment. Recruitment procedures need to be improved to ensure that public employees are developed to their potential capacity and assigned to jobs that suit them. The lack and/or weakness of recruitment and selection procedures has influenced negatively the administrative development. Its impact supports its inclusion in our framework of analysis, alongside other areas such as career development.

10.5.3 Decision-Making Process:

In the absence of Parliament, the decision-making process served the

⁵⁸ Ahmed Tawati, op. cit., p.265 and Ibrahim Al-Awaji, op. cit., p.139-41.

family/tribe interest. However, during the Parliament era, the interest of the public gained more importance. In the public authorities, the decision-making structure reflected minimum public control and massive Government intervention. Its board composition was a mix of ex officio officials from the ministries/authorities concerned and prominent personnel who did not hold public positions. From the different approaches available⁽⁵⁹⁾, Kuwait has selected an approach which balances the private and public interest in decision-making.

The quality of decision-making continued to be low and reflect authoritarian attitudes. Most decisions are made on an ad hoc basis, with no appropriate consultation or professional advice. Decisions (such as allocation of resources) are the choices of top bureaucrats and reflect particularistic values and interest. Major decisions, such as those relating to the stock market crisis and debt rescheduling, reflect interests other than the public interest. The focus of most top bureaucrats was on the day-to-day work. Little attention was given to planning and policy formulation. The weakness of the decision-making process and the lack of a rational decision system has negatively affected bureaucracy development. The critical impact of decision-making on bureaucracy efficiency justifies its inclusion within the framework.

10.5.4 Centralization and Delegation of Authority:

It has been recognized that nation-building requires centralization⁽⁶⁰⁾, but development requires a different approach. In Kuwait, centralization was needed in the stage of importation of bureaucracy in order to cope with the comprehensive involvement in State-building and to develop the pluralistic society. Centralization may be the natural result of specialization or it may be an arbitrary creation by someone with superior power⁽⁶¹⁾. In Kuwait, it was the latter, not the former. Centralization was a reaction to the desire to maintain control in the light of bureaucratic expansion. Excessive centralization and lack of delegation of authority perpetuated the

⁵⁹ V.V. Ramanadhan (ed.), "A Concluding Review", in Public Enterprises and the Developing World, (London: Croom Helm, 1984), p.211.

⁶⁰ Coralie Bryang and Louise While, Managing Development with the Third World, (Colorado: Westview Press, 1982), p.67.

⁶¹ Victor Thompson, Modern Organization, op. cit., p.40.

bureaucracy during the four stages. Similar trends were noticed in Saudi Arabia⁽⁶²⁾, GCC countries⁽⁶³⁾, Egypt⁽⁶⁴⁾ and Iraq⁽⁶⁵⁾.

The concentration of authority finds its roots in the parochial nature and the past economic activities of the country. Kuwait historically was organized around centralized authority. The lack of qualified subordinates and the unwillingness of subordinates to accept responsibility were factors contributing to authority concentration. This unwillingness to take risky decisions in Kuwait as well as Saudi Arabia is attributed mainly to poor selection, lack of training and job insecurity.

The absence of organizational inputs, such as job description, clear scope of responsibilities and policy formulation, has impeded the delegation of authority. In addition, the prevalence of distrust due to social, tribal and personal factors has contributed to such hindrance of authority delegation. This failure in delegation has increased formalism and the potential for maladministration. In addition, it has degraded the equality of decision-making and paralysed the utilization of talents within the organization. Furthermore, when top officials are buried with minor affairs, they forget about policy-formulation and macro-planning. In Kuwait, it seems that centralization has strengthened equal treatment and national planning and development. However, services could be rendered more efficiently if they were decentralized, while policies could be more responsive if they were developed by local communities to reflect their needs. The search for administrative efficiency in an environment of excess centralization, heavy formalized system and complex procedures prompted calls for decentralization in Kuwait.

Decentralization will increase efficiency in handling Government transactions and provide an environment for innovation and creative decision-making. In addition, decentralization allows for effective participation of the public in guiding and improving

⁶² Ibrahim Al-Awaji, *op. cit.*, p.207.

⁶³ Mohammed Al-Tawail, *op. cit.*, p.86.

⁶⁴ Ali Leila *et al*; "Bureaucratic Flexibility and Development in Egypt", *op. cit.*, p.328.

⁶⁵ Amer Al-Koubaisy, *op. cit.*, p.306-7.

the public service⁶⁶). However, decentralization cannot be effective without specific ingredients. First, it requires qualified personnel and managers. Second, it requires the formulation of clear policies. Third, it requires the evolution of behaviours and social values conducive to decentralization. Fourth, it requires the existence of bodies and organs capable of implementing it.

There is a need for reasonable balance between centralization and decentralization. Centralization is needed to overcome any particularistic attitudes, to unify policies and rules in an emerging state, to reach political stability and attain economic development and modernization. On the other hand, decentralization is essential to improve the services provided, to reduce the cost of such service, to introduce flexibility and to increase the efficiency of a large and complex administration. In Kuwait, as in other countries with sudden wealth, centralization is desirable in the early stages of administrative development, while decentralization is more advantageous in later stages.

In conclusion, the bureaucracy suffered from excessive centralization and lack of authority delegation. The trend toward decentralization needs to be enforced and enhanced. However, due to the dominance of particularistic attitudes and the nature of political attitudes, a balance should be maintained between centralization and decentralization. Centralization positively influenced administrative development in the early stages, but its perpetuation reduced the bureaucracy's efficiency in the later stages. Its substantial impact warrants its incorporation within the framework of analysis.

10.5.5 Role of Experts:

With the expeditious pace of development and the pressure to establish a modern state, the utilization of non-native permanent experts was unavoidable. The interview respondents and 79.4% of questionnaires responses (Table A-24, Question 24) agreed that experts had a limited role in developing the administration. In the early stages, those experts helped in drafting laws and regulations, establishing

⁶⁶ For Inventory of benefits of decentralization see Dennis Rondinelli, "Government Decentralization in Comparative Perspective: Theory and Practice in Developing Countries", *op. cit.*, pp.135-6.

administrative systems and procedures, and developing organizational structures. Later, the role of experts shifted from developing the administration to that of maintaining the power status quo and acting as technical advisers to inexperienced native managers⁽⁶⁷⁾.

The country has extensively utilized the services of short-assignment experts. In the stages of imported bureaucracy and bureaucracy nationalization, experts from international organizations such as the United Nations and World Bank were utilized. In the inflated bureaucracy stage, the services of both Arab and Western experts were utilized especially those of prominent persons and institutions. In the stage of administrative reform, experts were mainly natives, though there were a few Arabs. The efforts focussed mainly on diagnosing problems rather than implementing recommendations. However, the recommendations of the short assignment experts attracted attention and were submitted to higher authorities. Many countries with sudden wealth, such as Saudi Arabia, UAE and Qatar, have utilized the services of international organizations in evaluating and developing their national administration.

In conclusion, the utilization of experts is indispensable. However, certain actions could be taken to improve their impact, including clear terms of reference, implementation of a native counterpart policy, and the confinement of their services to crucial areas. Experts had little or no impact on administrative development and their inclusion within the framework of analysis is unjustified in the case of Kuwait.

10.5.6 Role of Women:

The role of women in a society which suffers from a shortage in the labour force cannot be overemphasized. Having access to an impressive education system, Kuwaiti females as a percentage of the Kuwaiti labour force increased from 3% to 8% and to 28% in the years 1965, 1975 and 1988 respectively (Table 10-5). In the Ministry of Education, which represented 31.46% of the Government force in 1990 (Table C-15), Kuwaiti females occupied 34.48% of all jobs (Table C-14).

⁶⁷ Or what Morstein Marx called "functional experts" who confine themselves to advice and avoid exposure to responsibility and power. See Fritz Morstein Marx, "The Higher Civil Service as an Action Group in Western Political Development", *op. cit.*, p.71-3.

This impressive participation was concentrated mainly in two Ministries (the Ministry of Education and the Ministry of Public Health). The percentage of Kuwaiti females working in these two Ministries, out of total Kuwaiti females working in the Government, ranged from 88.9% to 72.4% in the years 1966 and 1990 respectively. This concentration is attributed to the availability of suitable jobs in these two Ministries, which take into consideration the traditional role of women and their social obligations and needs. However, the decline in this percentage reflects the change in the attitudes of working Kuwaiti females who are beginning to work in jobs other than those a traditional society offers.

Women were found to prefer certain jobs which do not require male-female interaction, e.g. teaching and social work in the Government. This is supported by the decline in the females working in occupations such as production workers and labourers, agriculture and other labourers and sales workers from 3.9% to 1.05% in the years 1970 and 1985 respectively. Furthermore, the percentage of women workers who were occupied in the social services has always been more than 88%, and was 94.42% in 1985. Such concentration is attributed to the fact that most occupations in social services provide limited male-female interaction.

Even though the growth in native female participation has been impressive, it is still comparatively low. The native females as a percentage of the native and total labour force was 20% and 3.7% in 1985, while, it was 3% and 0.59% in 1965 (Table 10-5). The low participation of Kuwaiti females is due to dominance of traditional values and the non-suitability of public jobs. A similar phenomenon has been observed in all Arab countries⁽⁶⁸⁾.

⁶⁸ Overstaffing in GCC, p.101.

Table 10-5: The native females profile.

	1957	1965	1975	1985	1988
Natives females as % of native labour force	2%	3%	8%	20%	28%
Native females as % of total labour force	0.5%	0.59%	2.45%	3.7%	4.4%

The selection of women for specific jobs created pressure on the Government to provide the necessary jobs. The First Five-Year Plan encouraged the participation of women in occupations which suited their nature. During the nationalization of the bureaucracy stage, from which females reaped most benefit, the growth of total Kuwaiti females in the Government was three times that of the growth of total Government jobs. The highest growth was noticed in the Ministry of Education and the Ministry of Public Health, where the growth of females was four times that of total Government jobs. In all stages, the growth of Kuwaiti females in Government exceeded that of total Government jobs 2-4 fold. Such growth in the MOE and MOPH reflects the preference for certain jobs. The highest growth rate compared to growth of Government jobs in the inflated bureaucracy stage, suggests that such attitudes toward specific jobs contributed towards the overstaffing during this stage.

The participation of native females has suffered from many deficiencies, including the concentration in the public sector, in certain ministries (Education and Public Health) and in certain occupations. However, modalities and approaches for increasing its participation should be further developed in the light of social values. In this regard, training opportunities and job openings could be first steps toward reaching these objectives. The role of females has influenced the inflation of specific occupations, stimulated expatriate importation and improved the native labour force profile. Except for a few areas, females have influenced positively the administrative development. Their critical and unique role justify its inclusion in our framework of analysis.

10.5.7 Productivity:

The measurement of productivity in the public sector is a complex and technical issue. Nevertheless, symptoms of low productivity are obvious. In addition to suffering a shortage of indigenous manpower, Kuwait has failed to utilize the available manpower effectively. The productivity of most natives deteriorated during the evolution of the four stages. Factors responsible for this deterioration included the low education status of the labour force, the non-availability of modern training facilities, the lack of accountability and discipline, the lack of incentives for productive workers, the lack of merit system, and the prevalence of non-positive work values such as the immateriality of time, and the high value put by the natives on other matters (family, leisure)⁽⁶⁹⁾. A similar phenomenon of immateriality of time and poor working habits was noticed in Saudi Arabia⁽⁷⁰⁾.

The deterioration in productivity has increased the demand for employees and hence inflated the bureaucracy and increased the cost of the services rendered. In order to improve productivity, there is a need to raise the level of education and skills, to modify behaviours and to change poor working habits. The importance of this factor justifies its incorporation within our framework of analysis. Such deterioration has negatively influenced administrative development.

10.5.8 Training and Skills:

One of the serious problems facing the bureaucracy in Kuwait is the shortage of qualified administrators. Like any other developing country, Kuwait has a scarcity of what Duverger called "modern population" or competent administrators⁽⁷¹⁾. Heady observed that the gap between supply and demand for qualified administrators in a new nation is unavoidable⁽⁷²⁾. In addition to other ecological factors, which was explained in different occasions in this research, this shortage is attributed to the

⁶⁹ The World Bank, "A Limited Study on Human Resources Development of Kuwait", *op. cit.*, p.7.

⁷⁰ Abdul Razaik Abu Shar and Mohammed Azahm, "Attendance in Work-Time in the Government Bodies" in Conference on Work Time, (Institute of Public Administration: Riyadh, Saudi Arabia, 1981).

⁷¹ Mourice Duverger, "The Influence of Political Forces", in Public Administration in Developing Countries, *op. cit.*, p.13.

⁷² Ferrel Heady, Comparative Perspective, *op.cit.*, p.283.

following:

1. The low quality of current civil servants. This is attributed to the urgency in pursuing the nationalization process which has widened the gap between the supply and the demand for qualified civil servants.
2. The insufficiency of education and training facilities to prepare and upgrade public employees.
3. The ineffectiveness of the recruitment and selection procedures and their dependence on personalized factors rather than competence or merit.
4. The inability to compete with private and independent organs in attracting qualified administrators. A similar phenomenon was noticed in Saudi Arabia⁽⁷³⁾ and other industrialized countries⁽⁷⁴⁾.

Training activities during these stages lacked sufficient and tailor-made training programmes. Most training packages were copied from Anglo-Saxon societies without any cultural adjustment. In addition, coordination among the existing activities was absent. In a study of training facilities in the Gulf countries, it was observed that institutional arrangement was the most formidable obstacle to achieving the objectives of human resources development⁽⁷⁵⁾. Training has mainly emphasised the technical rather than behavioural aspects, which rendered it ineffective. There is a need for basic change in the education/training system in order to make it more responsive to needs.

The education system has been biased toward higher status non-technical jobs. This bias has reinforced the negative image of manual and technical work that already prevailed. Furthermore, no effective manpower planning was institutionalized. The absence and/or weakness of central agencies for development planning, administrative control, training and personnel management, led to these deficiencies. Those units need to be reorganized, developed and staffed with specialized persons. Furthermore, the lack of integration and coordination among the educational and training institutions further impeded the process of improving the quality of the labour force.

⁷³ Alawi Abussuud, *op. cit.*, p.104.

⁷⁴ Fritz Morstein Marx, *Administrative State, op. cit.*, p.104.

⁷⁵ Fred Bend and Seif Abdullah, *op. cit.*, p.382.

In summary, the education system and training facilities had a diffuse impact on bureaucracy development. On the one hand they provided the bureaucracy with necessary administrators, while on the other hand, they were not in harmony with neither the structure of the labour force nor with market demands. This raises the need to reform the education system to make it more integrated and responsive to the labour market. A similar approach applies to training facilities and programmes. In addition, labour force policies need to be formulated and national manpower planning should be institutionalized. This could be achieved by strengthening the current planning system and process within the state. Since the imbalance between the demand and supply of qualified administrators cannot be reduced within a short time, the need for expatriates will continue and relevant human resources development policies may be formulated and implemented for them also. The influence of this factor warrants its inclusion in our framework of analysis.

10.5.9 Civil Service Rules and Regulations:

The inaction of most civil service laws in Kuwait was a reaction to environment demands. As it is the case of other countries, the civil service law was a product of the cultural characteristics of the society. In addition, in Kuwait the laws reflected the unique demographic composition of the society. Many regulations and policies were enacted to support social control policy, but their implementation was not effective.

Most civil service regulations in Kuwait have suffered from various deficiencies, such as encouraging parity salary scales according to sex and nationality and institutionalizing exemptions from rules and regulations. In addition, they did not focus on the implementation of an effective performance appraisal system. The existing appraisal system is confidentially processed without the knowledge of the individual and it is not linked effectively to the reward system.

In many developed countries, the court has played a major role in controlling the bureaucrats through an efficient judicial system which safeguards public interest⁽⁷⁶⁾. However, in Kuwait and in most countries with sudden wealth, the judicial system is too weak to play such a role. The existing judicial laws and system do not

⁷⁶ Fred Riggs, "Bureaucrats and Political Development: A Paradoxical View", op. cit., p.155.

cover the scope of public complaints and civil servants' dissatisfaction murmurs. The maturity and effectiveness of any judicial system depends on the development of the political system and the amount of support it gains from the public.

The prevailing personnel system in Kuwait focuses on giving preference in employment to natives; promotion is according to seniority rather than merit, there is minimum usage of performance evaluation, and much weight is attached to education in appointment and promotion. In conclusion, civil service laws and regulations reflected the challenges that faced the state. These laws were inadequate to provide the institutional base for effective control over the bureaucracy. In addition, the civil service and personnel regulations were not effective to improve the efficiency of the bureaucracy. As a remedy, it is suggested that the narrow scope of the administrative court should be widened, and a major reform to the judicial system may be introduced in order to make it more responsive to the complexity and nature of bureaucratic problems. Furthermore, major reform is needed in the area of personnel rules, to resolve the chronic problems.

Civil service law and regulations have negatively influenced administrative development due to their rigidity and lack of harmony with prevailing social values. The importance of such regulations justify their incorporation within our framework of analysis.

10.5.10 Leadership:

The pattern of high education among top officials illustrates both their places in the social hierarchy and their international links. Most of them were either educated in the west (capitalist Europe, the United States) 40.6% of the total, and/or the Arab Block (Egypt) 32.4% of the total (Table 4-7). The leadership shifted from narrow unrepresentative elites to a more well-educated representative group.

Many Government initiations within the bureaucracy demonstrate an acceptable level of awareness among top officials but implementation was short. Decision-making of top officials continued to be autocratic in general, but a shift toward a consultative decision-making style was noticed and desired. The usage of consultative councils and the inclusion of members of the private sector on the boards of independent authorities were seen as signs of such a trend.

For top executive jobs, no qualifications for recruitment were specified which left the door open for social and political pressure. In the early stages, selection of top officials was based on loyalty, social status and experience. Later, the trend was toward a mix of the previous characteristics with a certain level of educational attainment. In Saudi Arabia, top officials were selected based on their personal connection with the centre of political power. Later, educational attainment was important, in addition to the previous criterion⁽⁷⁷⁾. During the period when Parliament was absent, the quality of top bureaucrats was the major factor in sound decision-making and public policy. The impact of top officials in bureaucracy development has increased with time; however, initiatives were few. Innovation is avoided because failure is considered as evidence of incompetence.

The leadership has had a marginally positive influence on bureaucracy development; however, its impact justifies including it in the framework of analysis.

10.5.11 The Role of Civil Service Bodies:

The role of civil service bodies was not an area in our framework of analysis, however, evaluation of the role of the Central Personnel Bureau (CPB) suggests its significance in the study of administrative development in Kuwait. Previous to the administrative reform stage, CPB controlled and monitored personnel practices and budgets in different Government agencies, rather than focusing on the formulation of personnel policies and improvement of work efficiency. During the administrative reform stage, the CPB was entrusted with many tasks of policy formulation and management practice improvement. CPB was neither equipped with the necessary qualified persons nor provided with the resources needed to implement any administrative improvement. The impact of the newly created Civil Service Council and GAB was marginal. In Kuwait, there are no administrative development agencies such as public administration institutes. Furthermore, no administrative reform agencies were created to carry out such a task. The absence of such institutions has hindered any efforts toward administrative development.

There is a need to upgrade the CPB to focus more on formulating policies and improving management practice. In addition, CPB should be strengthened to

⁷⁷ Ibrahim Al-Awaji, *op. cit.*, p.170.

undertake the task of implementing administrative reform. The role of CPB should be to develop and formulate policies and programmes which aim at improving personnel management, especially in deficient areas such as motivation, effective recruitment and selection procedures, job classification, and employee development. The role of civil services bodies was weak in bureaucracy development; nevertheless, its importance suggests its inclusion in our framework of analysis.

10.6 Achievements of the Kuwaiti Bureaucracy:

Kuwait's bureaucracy was able to perform few but substantial tasks, including:

1. The ability to undertake impressive economic, social and technological changes in the society.
2. The ability to render acceptable services and goods to the public and to improve the living conditions of its citizens.
3. The improvement in the literacy status of the society and the availability of educational opportunities for the citizens.
4. The ability to move to a more differentiated structure and achieve a certain degree of rationality through the development of the civil service system.
5. The provision of minimum legal and public services necessary for economic development.
6. The formulation of general objectives of the country, to utilize resources better and achieve outcomes more effectively.
7. The initiative to encourage the private sector by creating a mixed sector, which provided a necessary base for the private sector to flourish.

As a result of these substantial efforts, Kuwait was ranked by the United Nations among the high human development countries, with Index of 839⁽⁷⁸⁾. This is also supported by the high literacy rate (84.8%), ratio of 601 citizens per 1 doctor and life expectancy of 73 years in 1988 (see Table 10-4).

⁷⁸ United Nations Development Programme (UNDP), Human Development Report for 1990. (Oxford: Oxford University Press, 1990), p.129.

However, the poor performance of the public sector is attributed to:

1. The politization of the decision-making process and structure. Economic considerations were sacrificed to achieve political objectives.
2. The lack of control policies and bodies. Even though GAB was provided with maximum autonomy, its effectiveness was low. In addition, and following the British legal system, the jurisdiction of GAB was not comprehensive enough to cover all the public sector. For example, the law did not make public enterprises accountable toward Parliament or any legislative body.
3. The shortage of qualified manpower and the prevalence of patterns of behaviour that are inimical of efficiency.

10.7 Conclusion:

Bureaucracy in Kuwait as well as other countries with sudden wealth, suffers from peculiar deficiencies, in addition to those that exist for developing countries.

The environment of the bureaucracy in most cases, influences negatively bureaucracy development. Such influence increases as the environmental impact increases with the progression of the stages. Leading variables were economic and political and to a lesser extent social and historical. Demographic variables act as constraints in most stages.

Many negative behaviours have evolved during the four stages, such as maladministration, resistance to change, lack of creativity and low morale due to lack of security and interaction among many nationalities. Such behaviour perpetuates as a result of low ethical preparation and practice and the lack of control capacity. The existing power structure and dynamics reinforce the dominance of bureaucratic behaviours that are inimical to efficiency.

In the structure area, most differentiation and administrative expansion occurred in authorities outside the ministerial complex. Bureaucracy reacted to huge environmental demand, by expanding its structure. Such expansion, without necessary planning, has led to huge overlapping and its subsequent formalism.

Low efficiency has characterized the process side of the bureaucracy. Such low efficiency was a result of low administrative capacity, low productivity and the absence of effective personnel rules and systems. Social impact was noticed in the low quality of decision-making and excess centralization. Experts and leaders were not able to contribute to the development of the bureaucracy. The low productivity is attributed to inadequacy of training capacity and low educational level.

The discussion in this Chapter indicates the usefulness of the synthesis framework which was developed in Chapter Three. In addition, the discussion suggests areas for elimination, annexation or addition, such as technology and role of civil service bodies.

After examining the outcome of the previous stages and identifying the major forces of change, we will be able to predict the future stage(s) of administrative development. Such prediction will be the content of the next chapter.

CHAPTER ELEVEN: FUTURE ADMINISTRATIVE STAGES

Prediction of the future is always a challenge, and prediction of future administrative stages is no exception. Such a prediction involves analysis of the current situation, evaluating factors that influence the pace of development (internal interaction and external influences) and then forecasting the direction and magnitude of change and development. Such prediction will provide us with an opportunity to understand, manage and influence the future.

Following from the analysis of the previous four stages of bureaucracy development conducted in Chapter Ten, this Chapter will analyse the current situation of the bureaucracy after the liberation of Kuwait. After identifying the main variables and evaluating their impact, the stage(s) of administrative development will be forecast with relevant justifications. In addition, the occurrence of the muddling-through stage will be described and analysed. Later, the anticipated future stage of bureaucracy rationalization will be defined with its suggested three components. Ecological change needed for an effective rationalization will be discussed, with a detailed description of rationalizing each component including definition, prerequisites, action plan and implementation. Finally, the observed current trends toward rationalization in the Kuwaiti bureaucracy will be indicated.

11.1 Bureaucracy after Liberation of Kuwait:

The invasion of Kuwait on 2 August 1990 damaged the country and disturbed its public administration. In order to improve the effectiveness of our prediction of future stage(s), critical assessment is needed on the substantial change that occurred in the bureaucracy environment. In this section, we will try to analyse the different variables within the bureaucracy environment, utilizing our framework of analysis.

11.1.1 Political Variables:

Kuwait was liberated from the Iraqi forces in a battle which lasted less than 100 hours. A unilateral ceasefire was declared by the parties involved on 28 February, 1991. This was supported by Iraq's acceptance of all UN Resolutions. Even though liberated, the country still faced aggression from Iraq and its supporters. In addition,

the country has to balance and strengthen its relationship with its war-time allies, where contradictory demands exist.

After liberation, opposition groups renewed their demands for the restoration of Parliament. On 31 March, 1991, the opposition groups signed a comprehensive political manifesto called "A Future Outlook for the Reform of Kuwait". In addition to the usual political demands, the manifesto called for reform of the civil service and initiation of measures to eliminate corruption. These development support Ghabra's prediction that a new political system is being shaped in the country due to many internal and external factors⁽¹⁾. Since the opposition has gained importance due to their role in resisting the Iraqi occupation, it is expected that their influence will increase, with a consequent improvement in the bureaucracy, e.g. increased responsiveness.

A new Cabinet was created in April 1991 as a result of widespread demands for change. In addition, elections were held in October 1992, to re-establish the suspended Parliament, which increased the political rivalry. Public dissatisfaction with the bureaucracy's performance has increased due to its inefficiency in implementing the emergency and reconstruction plan.

The political arena after liberation was characterized by pressures toward more democratization and freedom, weaker traditional power and more dependence on international politics. In such circumstances, the political commitment to administrative reform will be of less priority, while more democratization will increase pressure on the bureaucracy to rationalize.

11.1.2 Economic Variables:

Prior to the invasion, the estimated amount of Kuwaiti reserves was US Dollars 80 billion, of which 25% was loans to foreign countries and participation in international financial institutions. The expected return from this was US\$ 4.8 billion every year. The huge financing of extensive aid and contributions to the allies during the war (US\$ 17 billion), the expenditures of the Government during exile and the cost of the emergency and reconstruction programme (US\$ 5 billion), have compelled the government to liquidate some assets, reducing its investment income by 20%. In

¹ Shafeeq Ghabra, op. cit., p.200.

addition, it has forced the Government to borrow the necessary funds to meet the cash flow needs of the country.

Due to devastation damage to oil fields, oil exports were interrupted until the latter part of 1991. As a result, a substantial current account deficit occurred in 1991 and 1992. The banking sector has recovered faster than expected with the Government undertaking to write off the banks' whole debt. The Government has promoted a policy of privatization. Some proposed targets have been announced, such as electricity, telephone and post. In addition, a few companies which were acquired during the stock crisis have been targeted for privatization.

The deterioration and shrinkage of financial resources will lead to difficult fiscal conditions which will limit the expansion of the bureaucracy and create pressure for its rationalization through reducing the role of the public sector and optimizing its expenditures.

11.1.3 Social Variables:

No substantial change in social values or structures has been noticed. Due to the invasion, two years of school were squeezed into one year, with its inherited deficiencies.

11.1.4 Demographic Variables:

The population has decreased from its record level of 2.2 million prior to the invasion to a level of 1.1 million in early 1992. Tight immigration regulations have been adopted which aim at a better population mix. Furthermore, expatriates from countries which supported Iraq (especially Palestine) have been reduced to a very low level. This reduction has brought a better balance in the demographic composition of the labour force, but it has diluted the experience pool.

Demographic factors have limited the choice of the bureaucracy in selecting qualified civil servants. However, it reduced the burden on the bureaucracy in rendering welfare services. The change in nationality composition has disturbed the organizational setting and reduced the efficiency of the administration.

Challenges facing the bureaucracy after liberation:

As a result of the change in the environment, the bureaucracy has faced many immediate problems since the liberation of Kuwait, as follows:

1. The returning of civil servants (Kuwaitis and non-Kuwaitis) to the service:

In this regard, the Government gave Kuwaiti civil servants a period up to 30 May 1991 (three months after liberation) to resume their duties, after which sanctions would be applied. However, for non-Kuwaiti civil servants, the Government requested each Ministry and authority to review their cadre in order to reduce the Ministry's force by 25%. In addition, directions were given to reduce the percentage of non-natives in the work force to a level below 35%.

2. The returning of private sector labour force: After liberation, the immigration department relaxed temporarily many immigration rules and regulations in order to facilitate and encourage the return to ordinary life. This relaxation led to a mass movement of labour force to the country without prior planning. In addition, potential existed for corruption as a result of lack of controls and standards. The Minister of Interior announced in October 1991 that investigation was under way of 90 firms and individuals who were suspected of corruption and maladministration in obtaining work visas and permits.

3. The shortage of facilities and means for efficient civil service: As a result of the Iraqi invasion, most Government offices and equipment were seized and transferred to Iraq, including computers, furniture, office machinery, stationery, etc. In addition, many offices were destroyed or damaged, including electrical installation, mechanical systems, information networks, etc. This reduced the capacity of the bureaucracy to a level far lower that had existed before the invasion. Until the reinstallation of such facilities, the bureaucracy's performance will suffer.

4. The disturbance to the organizational setting: Prior to the invasion, a certain organizational setting and systematic relationship existed within the different departments in a Unit and/or among the Units. This organizational setting, which included the flow and channels of communication, system controls and formal coordination, has been disturbed as a result of changes in personnel, responsibilities and setting. As a consequence, the administrative capacity has deteriorated and

efficiency has declined.

5. The dilution of the experience pool: The mass emigration which occurred among many civil servants as a result of the invasion, has diluted the pool of experience. With the restriction imposed on recruiting certain nationalities, the majority of former civil servants could not join the public sector. Before the invasion, 37% of non-natives working in the Government were Palestinians with average service duration of not less than 15 years. Since most of them will not be able to rejoin the bureaucracy, a huge drainage of experience has occurred and a whole layer of management has been removed. Even though the long-term impact is still to be evaluated, the short-term outcomes are obvious. It will disturb the organizational setting and reduce the already low productivity.

In its efforts to rebuild the country after liberation, the Government adopted early on the framework suggested by the World Bank which consisted of three phases: emergency relief, recovery and long-term restructuring and development⁽²⁾. However, the implementation of such phases has not been followed.

Future Administrative Stage(s):

Any evolution of a new stage will face the main obstacles in the Kuwaiti bureaucracy. Those obstacles are:

1. Large scope of bureaucracy as a result of excess welfare policies.
2. Expeditious administrative building, excessive overlapping and inefficient process.
3. Depleted wealth resources.
4. The shortage of qualified manpower and the prevalence of patterns of behaviour that are inimical to efficiency.
5. The sacrifice of economic considerations to achieve political objectives and the lack of control bodies.

Understanding and utilizing the given elements of the environment conditions, will make it possible to explain or predict future choices and actions. The bureaucracy

² The World Bank, "Report on the Strategic Framework for Reconstruction of Kuwait", January, 1991.

will either develop into a new stage or it will muddle through. If the former, the bureaucracy will have a structural system-wide change, or bureaucracy rationalization that is positive in one or more of its three dimensions (patterns of behaviour, structure and process and its scope and system of finance). This attributed to environmental impact and resources slack. If the latter, the bureaucracy will muddle through, lacking a sense of direction and following incremental administrative changes, until it develops to the next stage. In either case, bureaucracy development will be influenced by its external relations and internal interaction. The stage of bureaucracy rationalization may follow one or a combination of three approaches:

1. The need to rationalize the scope and volume of the bureaucracy and its Financing system: Ahmed considered privatization to be one of the reform strategies for public enterprises⁽³⁾. Privatization could be an instrument for reducing the scope and volume of the bureaucracy⁽⁴⁾. In addition to privatization, rationalization could be reached through optimizing expenditures and improving resource allocation.

2. The need to rationalize the bureaucracy process and structure: Rationalizing the bureaucracy process and structure aims at improving the bureaucracy's efficiency. It implies terms such as administrative improvement or administrative reform, nevertheless, its implementation is within a wider perspective (linking it to the other components). If the country has already embarked on the administrative reform process (as is the case in Kuwait), the rationalization may lead to a shift in strategy implementation. In Venezuela, for example, a change in strategy was observed as a result of the unsatisfactory outcome of early administrative reform. Instead of an across-the-board strategy, the commission's central personnel office focused its administrative reform efforts in four main Ministries⁽⁵⁾. In Kuwait, the shift to a focused strategy of administrative reform is advisable. In this context, the administrative reform efforts and setting from the previous stage, could be upgraded and extended to reflect the focus strategy.

³ Mohammed Ahmed, "Possibility of Privatization", Indian Journal of Public Administration, 36 (1990), p.73.

⁴ Emnuel Savas, op. cit., pp.73 and 77.

⁵ Roderick Groves, op. cit., p.441.

3. The need to rationalize bureaucrats' behaviour and values: The behaviour and values of bureaucrats are the missing link in any bureaucracy rationalization. In Kuwait, as well as other countries, efforts to reform the administration have to focus on the behaviour element of the administration. This is especially critical taking into consideration that bureaucrats' behaviour and values were shown to be major obstacles to improving administrative efficiency in the previous stages. As a result, any rationalization efforts which do not focus on this element, will fall short of their objectives.

11.2 The Unavoidable Stage (the Muddling-Through⁽⁶⁾ Stage):

The muddling-through phenomenon is occurring in many levels and sectors⁽⁷⁾. Nevertheless, this term is used in the study to refer to situations "where administrative change takes place by small steps which signalize the lack of concrete policies, directions and plans formulation to guide the bureaucracy development toward the desired goals".

The author believes that prior to the stage of bureaucracy rationalization and after the failure of administrative reform, the country will most likely go to the "muddling-through" stage. In this stage, the leaders will not be in a position to direct the administration towards the rationalization process due to many factors (which lead to environmental turbulence) such as:

1. The weak participation and immaturity of the political system. This weakness will neither enhance the decision-making process nor provide the rationalization efforts

⁶ The term "muddling-through" was used by Lindblom to refer to the only decision-making method in a "muddling-through system" which is the successive limited comparison (Branch) approach. When compared with rational comprehensive approach (Root), the former refer to the method for policy formulation in which it "continually building out from the current situation, step-by-step by small degree". See Charles Lindblom, "The Science of Muddling Through", Public Administration Review, 19 (1959), p.81 and p.88.

⁷ Nicolaidis noted that muddling through is one of the three elements of the decision-making process. See John Piiffner, "Administrative Rationality", Public Administration Review, 20, No.3 (1960), p.129. For the occurrence of this phenomenon in other sectors, see for example Eric Stowe, and John Rehfuss, "Federal New Town Policy: Muddling Through at the Local Level", Public Administration Review, 35, No.3 (1975).

with the public support they need.

2. The status of the social and cultural environment which is not oriented towards major changes and modernization. The Kuwaiti society resembles a traditional society which resists substantial change and prefers maintenance of the status quo.
3. The slowness and complexity of changing and shifting the demographic structure to be more supportive of rationalization such as increasing indigenous participation and improving the education profile.
4. The absence of major factors which stimulate major structural changes, such as foreign aid and change in political ideology.

The muddling-through complexity level will increase with the perpetuation of the environment factors that create turbulence.

In addition to these perpetuated factors, the country has in its current situation factors which will contribute towards pushing the country into the "muddling-through" stage. Those factors have mainly evolved as a result of the Iraqi invasion in August 1990 and include the following:

1. Internal and external political instability which do not allow for commitment to rationalize.
2. A huge demand on limited economic resources which do not facilitate a major change.
3. A substantial change and the unsettled demographic characteristic of the society.
4. The dilution of the experience pool and the disturbance of the administrative setting.
5. The decline in the civil service capacity.

Many indications of the muddling-through stage were noticed during the period following the country's liberation, including the following:

1. Frequent promises to change the laws and regulations: Many Government officials announced the Government's intention to review laws and regulations in all aspects and sectors, within a short period. Many of those laws are essential and critical and if the review is not conducted thoroughly, a period of legal instability may follow. For example, the Government announced its intention to review the civil service law within three months. Nevertheless, nothing has emerged yet. The current civil service law was issued in 1979 after a long process of review which began in 1964.
2. The uncertainty in the internal and external political situation: The external political situation is characterized by instability and uncertainty. Policies adopted are neither clear nor implemented, e.g., policies concerning those countries that support Iraq. Moreover, with Parliament elected in October 1992, no prediction can be made about the political forces in power. Therefore, the Government is not in a position to make decisive steps in moving towards the bureaucracy rationalization.
3. The doubtful availability of financial resources: The uncertainty as to the level of oil production and the cost of reconstruction, has brought doubts as to the availability of financial resources. This situation becomes more uncertain if we take into account the scepticism as to whether it will be possible to recover war damages from Iraq.
4. The ambiguity in the population policies: The Government has issued many contradictory statements concerning population policies and mix. In addition, policies relating to the labour force, especially native manpower development, have not yet been formulated.
5. The organizational instability: Many organizational changes are expected to occur in the ministerial complex and authorities. A committee has been established in March 1992, to provide studies that could link and integrate the perspective of the civil service council with that of the different organs of the bureaucracy.
6. The uncertainty in many general policies: Many general policies are not clarified. The role of the state in the economy is under debate and a change is envisaged toward a more market-oriented economy. Other areas of change include, education philosophy, resources diversification and defence.

With such forces at work, the bureaucracy is unable to meet the sudden and large demand which will increase the need for rationalization. The process of such rationalization and how to reach it, will be the subject of the next section.

11.3 The Stage of Bureaucracy Rationalization:

If many of the deficiencies in the muddling-through stage are resolved, the country may be ready for take-off to the bureaucracy rationalization stage.

11.3.1 Definition:

Rationality is a term used widely in different disciplines. Diesing has identified five types of rationality: economic, political, technical, social and legal⁽⁸⁾. In economy it is "an action that is correctly designed to maximize goal achievement, given the goal in question and the real world as it exists"⁽⁹⁾. In administration theory, Weber argued that bureaucracy is the most rational instrument for achieving efficiency in comparison to authority and charismatic system and implies the "rationalization of collective activities". Thompson argued that as organs become rationalized, they become bureaucracies⁽¹⁰⁾. He sees this as a way of optimizing decision-making. In administrative literature, the rationalization of the bureaucracy (Administration) is a term that is used widely. Sometimes it is used to refer to the rationalization of decision-making⁽¹¹⁾ which is similar to Pfiffner's concept of "administrative rationality"⁽¹²⁾. For an organization, rationalization is "the elimination of all activities which do not contribute directly to the organization's functional goals and to simplify and otherwise refine the procedures which do contribute to these goals"⁽¹³⁾. Others have used the

⁸ Paul Diesing, Reason in Society: Five Types of Decisions and their Social Conditions, (Urbana: University of Illinois Press, 1962).

⁹ R.A. Dahl and C.E. Lindblow, Politics, Economics and Welfare, (New York: Harper and Brothers, 1953), p.38.

¹⁰ Victor Thomson, Bureaucracy and the Modern World, (Morristown, N.J.: General Learning Press, 1976), p.5 and pp.86-7.

¹¹ A. Fabry, "The Rationalization of the Malagasy Administration", International Review of Administrative Sciences, 37, No.4 (1971), p.IV.

¹² John Pfiffner, op. cit., pp.125-32.

¹³ Richard La Piere, A Theory of Social Control, (New York: McGraw-Hill Book Company, Inc., 1954), p.309.

term 'rationality' to define all kinds of improvement in process and structure and change in bureaucrats' behaviour⁽¹⁴⁾. A long adopted definition of the Swedish Government interprets rationalization as "the planned taking of measures to enable the work of governmental agencies to be carried out more simply, more rapidly and more economically than hitherto, without prejudicing security"⁽¹⁵⁾.

Rationalization is a deliberate economic, social, political and demographic change aiming at positive development of the bureaucracy in order to increase its capacity, improve its efficiency and to achieve its desired (development) goals. It is an elaboration of Riggs' concept of "bureaurationality" which refers to "positive and desirable outcome of bureaucratic organization"⁽¹⁶⁾. Observing the ambiguity of the term, Simon suggested that any user should spell out the assumptions he is making about both goals and conditions⁽¹⁷⁾. Following Simon's logic, we define the bureaucracy rationalization stage as the stage where the bureaucracy (a) optimizes its scope, volume and financing system, optimizes its process and structures and optimizes bureaucrats' behaviour and values (b) with an environment that is conducive to such change and optimization.

11.3.2 Initiation of this stage:

Following Leibenstein's X-efficiency theme, bureaucracy will rationalize, given sufficient demand to improve its efficiency⁽¹⁸⁾ (or what we call environmental pressure). In addition, bureaucracy will rationalize if stringency in financial resources occurred (or what we call reduced resources slack). Such rationalization will materialized due to the fact that bureaucracy and bureaucrats will overcome some of their inefficiency and dysfunction to get closer to rationalization. So it is essential to

¹⁴ J.C. Rodriguez Arias, "Bureaucracy, Rationalization and Freedom", International Review of Administrative Sciences, 26, No.4, (1960), p.iii.

¹⁵ Paul Tammelin, "Rationalization in Swedish Public Administration", International Review of Administrative Sciences, 28, No.1, (1962), p.415.

¹⁶ Fred Riggs, (ed.), Frontiers of Development Administration, *op. cit.*, p.376.

¹⁷ Herbert Simon, Models of Bounded Rationality, (Mass.: MIT Press, 1982), p.405.

¹⁸ Klaus Weiermair and Mark Perlman (eds.), Studies in Economics Rationality: X-Efficiency Examined and Extolled, (Michigan: University of Michigan, 1990), p.11 and p.20.

have an amount of environmental pressure and reduced resources slack to reach rationalization, however too much pressure of both factors may disturb the bureaucracy and reduce rationalization.

In Kuwait, the main factors behind the initiation of this stage, is the dysfunction and ineffectiveness of the bureaucracy, the demand to improve, and stringent financial resources.

11.3.3 Ecological change needed for effective bureaucracy rationalization

Many interview respondents observed the necessity to define the framework and scope of the state and craft major policies relevant to it. Further, there is a need to design strategies and solutions for the on-going problems the country faces before designing any remedies through bureaucracy rationalization. Since the ecological factors have a substantial impact on the evolution of the previous administrative stages, therefore, it is essential to adopt policies and to introduce positive ecological changes which are necessary for effective bureaucracy rationalization. Hereunder, are suggested policies to address major deficiencies observed during the previous four stages:

11.3.3.1 Economic Variables

Many economic variables need to be developed to provide the necessary environment for bureaucracy rationalization, including:

1. The shift from a consumption society to a high value-added society. The framework which was suggested by the Supreme Planning Council could be a basis for such shift. The framework calls for the development of Kuwait as a financial and technological centre in the region. Such a strategy requires the development of institutional capabilities and Kuwaiti human capital asset⁽¹⁹⁾.
2. The development of economic resources and the expansion and diversification of the production base. The country has achieved modest success in its diversification efforts. Thus, necessary policies should be formulated toward achieving greater diversification of economic resources and shifting away from a one-resource economy.

¹⁹ The Ministry of Planning, "Strategic Goals for the State of Kuwait", 1989.

3. The increase in the role and scope of the private sector. When top officials were asked whether they thought that the state should encourage and promote the role of the private sector in development projects, to absorb the excess Kuwaiti graduates, 77.8% of them agreed with this proposition (Table A-42, Question 42). To achieve the above objective, the Government should design certain policies and incentives for the private sector to stimulate its growth and subsequent increase in the training and employment of Kuwaitis.

4. Increase the institutional capacity for planning and control. The planning process, especially budgetary manpower planning, is weak. In addition, the capacity to implement such planning is inadequate. A similar observation is valid for control bodies.

11.3.3.2 Political Variables

In the previous stages, political factors had a major impact on bureaucracy development. To rationalize the bureaucracy, specific political variables should take root including:

1. To improve the capacity to formulate policies in essential areas such as immigration/naturalization which should be consistent with the long-term population policy and labour force demand and supply and conditions of employment.

2. The existence of internal political stability through the perpetuation of participative Government. Since the liberation of Kuwait, the need has arisen to build a new political system which increases political participation and power sharing. When top officials were asked if they thought that the efficiency of the administrative reforms increases in the presence of supervisory bodies like Parliament, 65.2% of them agreed with this proposition (Table A-45, Question 45). Although agreement with this proposition was modest, it is significant when we consider that top officials are not expected to support the proposition that the presence of control bodies will improve their performance.

3. The promotion of Non-Government Organizations (NGO's) in different areas of society. In order to ensure the success of any measures to reduce the scope of the bureaucracy, the role of NGOs cannot be overemphasized. The encouragement of

NGOs will bring highly-motivated workers, operating economically, with flexible decision-making which will undoubtedly improve service-rendering efficiency. In addition, their independence from the Government may allow them to reflect public demand and increase responsiveness to it.

4. The existence of favourable external environment through nation recognition and neutral foreign policy. The occurrence of such environment will increase the political commitment for rationalization.

5. Wide dissemination of information about challenges, problems, procedures and costs-benefits of functions and activities of the bureaucracy.

11.3.3.3 Social and Cultural Variables

In the earlier stages, social and culture development lagged behind bureaucratic development. As a result, in some cases it hindered this development. To support the rationalization efforts, specific social and cultural variables must be established including:

1. Reforming the education system: Many researchers of the Kuwaiti bureaucracy have observed the necessity for reforming the educational system to satisfy the demands of the labour market⁽²⁰⁾. When top officials were asked if they thought that the future of the administration would depend on the efficiency of education outputs achieved by reviewing the curricula of the universities and institutions, 83.8% of them agreed (Table A-44, Question 44). The data indicate that agreement with this proposition was less among under secretaries who held degrees below university level. This is a natural response, since this group did not have any exposure to university curriculum and as a result they do not recognize its importance.

In Kuwait, as in Saudi Arabia⁽²¹⁾, the educational institutions were not able to transmit positive values to current and future bureaucrats. There is, therefore an urgent need to review the curricula of those institutions to enable them to induce such

²⁰ Essa Al-Ghazali, *op. cit.*, p.444 and Abdul Mati Assaf, "Overstaffing in the Administrative System of Kuwait", *op. cit.*, p.203.

²¹ Saud Al-Nimir, *op. cit.*, p.134.

values. The reform of the education system may include changes in the educational/vocational system to make it more responsive to market demand, improvement in curricula to reflect desired values and behaviour, reform in higher education institutions toward more research and human resource development and improved training programmes and schemes at home and abroad⁽²²⁾.

2. Balancing education output with labour force needs: Steps such as institutionalizing the process of manpower planning, strengthening the process of manpower coordination among users, and increasing education and training capacity, will make possible the optimization of the limited indigenous participation. In addition, changes in the education system and content are essential to supply the necessary manpower for important sectors such as oil industries, financial services and social services.

3. Improving the training facilities and productivity of natives in the public sector: In the Gulf countries, cultural factors have acted as constraints to the promotion of training activities, especially on the vocational side⁽²³⁾. Although, financial incentives in Kuwait, as in many Gulf countries, have attracted natives to technical programmes, many were transferred to desk jobs after joining the bureaucracy. Widening the scope of training and increasing programmes is an important factor in improving administrative capacity. In addition, training activities should be upgraded to satisfy and reflect the needs of the private-sector. In this regard, the encouragement of private-sector involvement in training activities seems promising.

4. Increased female participation in the labour force: Any policy to increase female participation should be implemented in a cautious manner. One strategy is to encourage the current trend of women pursuing jobs other than the traditional ones. Another approach is to improve working conditions and job settings through new modalities to accommodate the social requirements of female workers.

²² For detailed recommendations, see The Supreme Council for Planning, "A Suggested Strategy for Human Resources Development", op. cit., and the World Bank, "A Limited Study on Human Resources Development", op.cit.

²³ James Socknat, "An Inventory and Assessment of Employed-Oriented Human Resources Development Programmes in the Gulf Area", in Seminar on Human Resources Development in the Arabian Gulf States, op. cit., p.205.

11.3.3.4 Demographic Variables

In the previous stages, demographic factors acted as constraints to bureaucracy development. The main changes in demographic variables necessary to rationalize the bureaucracy include:

1. To have an appropriate population mix and acceptable proportion of native and non-native labour force. This could be achieved through efficient immigration policies, effective manpower planning, education and training development.
2. The transitional change from a young to a mature age structure with maximum net social gain⁽²⁴⁾. Since Kuwait has a young age structure with a high dependency ratio, there is a necessity to formulate the population growth momentum in order to reduce the demand on services and increase the participation ratio.
3. To maintain the population growth at levels consistent with economic growth⁽²⁵⁾. Many administrative deficiencies occurred as a result of imbalance between these two growths in the stages of bureaucracy nationalization and inflated bureaucracy. Population growth could be maintained at the level of economic growth by implementing certain demographic policies such as naturalization, immigration, etc.

The timing of the stage: The timing of the stage is a critical factor in its effectiveness. It should be implemented after the materialization of specific ecological factors. Kuwait, after the invasion, has a golden opportunity to rationalize the bureaucracy, nevertheless, many ecological factors have acted as constraints toward this end. Many scholars have argued that the best opportunity to reform the administration is when a country passes through hardship or crisis such as invasion, civil war, etc.⁽²⁶⁾.

²⁴ The World Bank, Report on the "Strategic Framework for Reconstruction of Kuwait", op. cit., p.5.

²⁵ Ibid., p.5.

²⁶ Gerald Caiden, "Administrative Reform", op. cit., p.443 and Hahn-Been Lee, "The Concept, Structure and Strategy of Administrative Reform: An Introduction", op. cit., p.12.

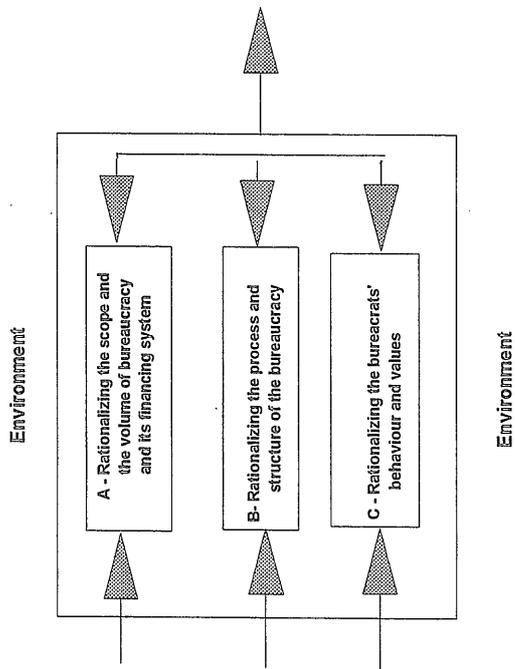
The components of the rationalization stage: The rationalization stage consists of three components. A definition of each will be given, its prerequisites will be specified and necessary action for its implementation will be outlined⁽²⁷⁾. Those components are:

- A. Rationalizing the scope and the volume of the bureaucracy and its financing system.
- B. Rationalizing the process and structure of the bureaucracy.
- C. Rationalizing the bureaucrats' behaviour and values.

Each component could be embarked upon individually or in amalgamation with others, partially or totally (see Figures 11-1). For example, if approach (A) is embarked upon unaccompanied, it will mean privatization, while if approach (B) is pursued individually, there will be partial administrative reform. If approaches (B) and (C) are amalgamated, there will be comprehensive administrative reform. If approaches (A) and (B) are combined, there will be a shift toward the rational legal system of Weber.

²⁷ Such correction steps could be identified based on the "mismatch concept" of Lawrence and Lorsch or the mismatch between the existing and the rationalized bureaucracy. See R. Lorsch and J.W. Lawrence, Developing Organization: Diagnosis and Action, Reading, (Mass: Addison-Wesley, 1969).

Figure 11-1 : Bureaucracy Rationalization Stage



11.4. Rationalizing the Scope, Volume and Financing System of the Bureaucracy:

The reduction in the size and burden of the Government and the shift of functions from the public to the private sector is advocated as one of the strategies for administrative reform⁽²⁸⁾ and for better efficiency⁽²⁹⁾. One factor behind the need for such reduction in Kuwait, as well as in Saudi Arabia⁽³⁰⁾, is the wider role and coverage of public services than in other countries, due to the availability of resources. The public sector in Kuwait has gone beyond what is needed and required. Privatization is a tool for reducing the role of the Government in delivering public services while reforming the financial system will provide us with rational allocation and utilization of resources. Many factors contribute toward the calls for privatization, including the following:

A. The poor financial performance of many public enterprises and the increasing burden on the general budget to support them⁽³¹⁾. Privatization in most developing countries has been initiated due to the budgetary burden of supporting the public enterprises⁽³²⁾ and their weak financial performance⁽³³⁾. With the current economic difficulties and the heavy bill of reconstruction, it is unlikely that Kuwait will continue to support the ailing public enterprises and subsidize their inefficiency. For example, the government currently holds 48% of the equity of the listed companies in the stock market, which makes it more difficult to support such companies. In most developing

²⁸ "New Direction in the Administrative Reform", op. cit. and SCAMD, Summary, op. cit., p.10.

²⁹ Alan Walters, "Liberalization and Privatization: An Overview", in Said El-Naggar (ed.), Privatization and Structural Adjustment in the Arab Countries, (Washington, D.C.: IMF, 1989), p.24.

³⁰ Richard Chapman, op. cit., p.346.

³¹ The fiscal impact of privatization depends on a number of factors such as the structure and magnitude of the financial interaction between the government and the public enterprises. See Peter Heller and Schiller Christian, "The Fiscal Impact of Privatization, with Some Examples from Arab Countries", in Privatization and Structural Adjustment in the Arab Countries, op. cit., p.85.

³² Colin Kirkpatrick, "Some Background Observations on Privatization", in V.V. Ramanadham (ed.), Privatization in Developing Countries, (London: Routledge, 1989), p.95.

³³ Peter Heller and Christian Schiller, op. cit., p.103.

countries, i.e. Nigeria, this factor was the main incentive for privatization⁽³⁴⁾.

B. The high cost of Government services and their inefficiency in delivery. The cost of services such as electricity and communications has increased while tariffs have been maintained at low levels, which will raise the level of subsidies at a time of scarce resources. Efficiency and lower cost will result from the superiority of the market over public ownership and administrative controls through privatization.

C. The increase in the management burden when the administrative capacity is limited.

11.4.1 Definition of Privatization

Many authors have offered different definitions of privatization⁽³⁵⁾. Dunleavy defined it as "the permanent transferring of services and goods production activities previously carried out by public service bureaucracies to private firms or to other firms of non-public organization"⁽³⁶⁾. Others have argued that 'privatization' should not be understood in the structural sense of who owns the enterprise, but rather how far the operations of an enterprise are brought within the discipline of market forces⁽³⁷⁾. Privatization should be seen as part of a continuum of possibilities comprised of three options: ownership, organizational and operational change. In developing countries, forms of privatization are various; however contracting is the form most widely employed, to the extent that scholars suggest that the term 'privatization' should be avoided and the term 'contracting' should be used instead⁽³⁸⁾.

When top officials were asked whether the state should privatize some of its public services, 68.6% of them agreed with the proposition (Table A-40, Question 40).

³⁴ John Beath, "UK Experience and Developing Countries" in V.V. Ramanadhan (ed.), op. cit., p.34.

³⁵ Mohammad, Ahmad, op. cit., p.66.

³⁶ Patrick Dunleavy, "Explaining the Privatization Boom: Public Choice versus Radical Approaches", Public Administration, 64 (1986), p.13.

³⁷ John Beath, "The UK Experience and Developing Countries", op. cit., p.4.

³⁸ Ted Kolderie, "The Two Different Concepts of Privatization", Public Administration Review, 46 (1986), p.287.

All interview respondents supported privatization of some public services, on condition that social responsibility remained intact.

Before the invasion, limited privatization occurred. The Municipality allocated all waste collection to private enterprises. The mobile phone service was transferred to the newly created Mobile Phone Company. This type of privatization offers many advantages, including the introduction of economic discipline while maintaining control and monitoring. A similar attitude towards privatization has been noticed in other countries with sudden wealth such as Qatar⁽³⁹⁾. In Kuwait, the approach of contracting the private sector to provide public goods was widely used after the liberation. In many budgetary directions, the Ministry of Finance has encouraged the Ministries and the public agencies to contract private firms for services like security and cleaning. In addition, Kuwait envisages the transformation of some services (Public Health, Post, Telephone and Electricity) into mixed enterprises.

11.4.2 Prerequisites for Privatization

Before implementing the privatization process in developing countries, three serious obstacles have to be tackled: strong opposition from the work force, political opposition and fear of economic concentration⁽⁴⁰⁾. In Kuwait, those obstacles are not significant, except for the resistance from political opposition and public opinion. In deciding the steps toward privatization, the state should decide on the sector and companies to be deinvested, the timing and period of the privatization for each sector/company, and the need to create a specific body to deal with this matter.

The first prerequisite of successful privatization, is the existence of an effective private sector. Due to many deficiencies in the private sector, the benefits will be less than can be gained from privatization in developed countries. The first deficiency relating to the lack of professionally qualified managers in the private sector due to the restriction on foreign ownership. Another deficiency is that most of the candidate companies depend on public-sector subsidies or monopolies. In such cases,

³⁹ Abdullah Al-Malki, "Public Administration in the State of Qatar: Origin, Development, Problems and Current Directions", Ph.D. dissertation, Golden Gate University, 1989.

⁴⁰ John Beath, "The UK Experiences and Developing Countries", *op. cit.*, p.40.

privatization will not reduce the burden on the state treasury and may lead to abuse of the monopoly granted. The fear is that privatization may create a private sector which depends mainly on monopolies and subsidies, which may retard the efficiency and development of this sector.

A second prerequisite, is that privatization will depend on the development of the capital market and stock exchange and the existence of restriction on foreign ownership⁽⁴¹⁾. In many developing countries, privatization has been hampered by the lack of capital markets and the limited credit facilities⁽⁴²⁾. In Kuwait, the capital money market is not well enough developed to meet this need. In addition, tight restrictions on foreign ownership exist which will not allow for wide competition in privatization. A third prerequisite, is the availability of a suitable legal⁽⁴³⁾ and economic environment for successful privatization. The existence of uncertainty, especially in terms of regulations, will hamper the process of privatization in Kuwait. Based on the above prerequisites, the Kuwaiti environment is not entirely conducive to successful privatization.

Many techniques are available for privatization⁽⁴⁴⁾; nevertheless few could be applied to the case of Kuwait. The first one is to sell whole or part of the public share or dispose of the business element of the public sector. An in-depth evaluation established that in 1988, the Government held KD 261.48 million in Kuwaiti shareholding companies, which are suffering from losses and other deficiencies which make them unattractive⁽⁴⁵⁾. Privatization of such companies would have a marginal

⁴¹ Equity market development is essential for the success of any privatization programme. See David Gill, "Privatization and the Financial Market Development", In Privatization and Structural Adjustment in the Arab Countries, op. cit., p.132 and Alan Walters, op. cit., p.33.

⁴² L. Gray Cowan, "A Global Overview of Privatization", in Steve Hanke (ed.), Privatization and Development, (San Francisco, California: Institute for Contemporary Studies, 1987), p.11.

⁴³ Robert Poole, "The Political Obstacles to Privatization", in Privatization and Development, op. cit., p.44.

⁴⁴ Pirie cited twenty-one methods of privatization. See Madson Pirie, Privatization, (London: Wildwood House, 1988).

⁴⁵ Ministry of Planning, Annual Statistical Abstract in 25 years, 1990, Table 146, p.243.

impact on reducing the scope and the burden of the Government. Furthermore, we have to understand the difference in the role of public enterprises in developed and developing countries. Most privatized enterprises in developed countries, such as the U.K., are commercially run and do not play any developmental role, nor are they utilized as tools for wealth distribution. Bearing in mind this difference, the public enterprises in Kuwait could be developed better through the four proposals suggested by Vickers and Yarrow to increase incentives for internal efficiency rather than disinvestment⁽⁴⁶⁾. The second technique, by which a major reduction is envisaged in the scope of bureaucracy, is in the area of contracting out public services (whole or limited functions) to private enterprises. Contracting services, which implies the separation of purchasing from provisions of services, is gaining acceptance in many countries⁽⁴⁷⁾. Electricity, water and telecommunication offer the greatest potential for private sector involvement, due to their sustained demand, poor existing services and the ease of collection payment. However, the limited capacity of the private sector may hinder such a shift.

11.4.3 Privatization and Costs

The cost of privatization is an essential factor in selecting among available alternatives. This is particularly important in countries with financial constraints. Kuwait, like most countries with sudden wealth, could easily finance any privatization programme. The challenge is how to implement it with optimum cost since past experience (in debt reduction and stock market crisis) is not encouraging. The magnitude of cost will depend on maximizing proceeds of sale, the cost of restructuring public enterprise before privatization and cost of absorbing labour redundancies.

11.4.4 Suggested Steps for Privatization

An action plan for privatization, is an integral part of any implementation plan.

⁴⁶ The four proposals include the use of performance-related incentives, establishment of special regular bodies, the introduction of a more competitive environment and the creation of an efficient audit organ. John Vickers and George Yarrow, Privatization: An Economic Analysis, (Cambridge, Mass.: MIT Press, 1988).

⁴⁷ P.M. Jackson, "Public Sector Bureaucracy: The Neoclassical Perspective", May 1992.

Such a plan may be crafted after reviewing the experience of privatization in many countries, in order to avoid the deficiencies they have encountered. These steps are the following:

1. The creation of the legal means for privatization (if needed). Legislation could be prepared and passed which provides the Government with necessary power to undertake the privatization process.
2. The selection of a target group through policy review, organizational survey, business evaluation and strategic analysis⁽⁴⁸⁾. One approach toward this, is to classify enterprises according to predetermined criteria. In Nigeria, prior to privatization, public enterprises were classified into five categories: (i) to be fully privatized; (ii) to be partially privatized; (iii) to be fully commercialized; (iv) to be partly commercialized; and (v) to remain as public institutions⁽⁴⁹⁾. In Kuwait, priority should be given to privatizing companies that were acquired during the crash of the stock market.
3. The preparation of enterprises for privatization. Such preparation may include restructuring the capital structure, improving the market situation and increasing the performance of the enterprise⁽⁵⁰⁾. Furthermore, it may include action to deregulate and improve competitiveness in each sector and to ensure conditions for efficient monopoly control (if any).
4. Increase the capacity to manage, monitor feedback of the privatization process: An important ingredient of a privatization programme is the country's capacity to manage privatization effectively⁽⁵¹⁾. A body or steering committee could be established with the necessary authority to foster and monitor the privatization process

⁴⁸ Lance Marston, "Preparing for Privatization: A Decision-maker's check-list", in Privatization and Development, *op. cit.*, p.68-9.

⁴⁹ John Beath, "The UK Experience and Developing Countries", *op. cit.*, p.38.

⁵⁰ Alan Walters, "Liberalization and Privatization", *op. cit.*, pp.31-3 and Nasser Al-Saigh and Abubaker Buera, "Privatization in the Arab World: Prerequisites for Success", International Review of Administrative Sciences, 56 (1990), P.126.

⁵¹ John Nellis and Sunita Kikeri, "Privatization of Public Enterprises", In Privatization and Structural Adjustment in the Arab Countries, *op. cit.*, p.77.

and the timeframe of privatization could be prepared with reference to enterprises, sector and total⁽⁵²⁾. Furthermore, a feedback mechanism is needed to spot interest group resistance, work force reluctance and any other obstacles.

5. The Selling Stage: As a result of the low efficiency of the capital market, it is extremely important in Kuwait to focus on this stage. This stage may include steps such as enterprise valuation, fixing share values through a special entity or task force, the formulation and implementation of a marketing plan, and floating of candidate enterprises through different techniques. A major factor for success of the selling stage is the ability of the private sector. This in turn depends on two factors: the vision of the private sector about the future and performance of those companies and the financial ability to buy companies. In Kuwait, the ability of the private sector to support the privatization process is doubtful. Potential investors are part of the debt restructuring plan and they lack the financial leverage necessary for such deals. However, if the privatization process were phased in such a way as to take into consideration the capacity of the private sector, the process may be effective. Among things to be avoided at this stage, is the concentration of strategic sectors in the hands of a few families or an interest group. Privatization should aim at distributing ownership among a wide sector of citizens.

6. The Utilization of Privatization Proceeds: A major policy is to decide on how to utilize cash coming from the privatization process⁽⁵³⁾. In Kuwait, those proceeds could be used to cover areas such as current expenditures, refinancing the restructuring of public enterprises and other avenues. At this stage, it may be advisable to use those proceeds to cover the costs of the country's reconstruction programme.

Privatization, though a necessary and indispensable measure, is not the only effective solution in the case of Kuwait. It should not be applied at all costs and it is not enough by itself. Accompanying measures must be taken in other fields for

⁵² Kenneth Wiltshire, "The British Privatization Process: A Question of Accountability", Australian Journal of Public Administration, 45, No.4, (1986), p.350 and Mohammad Ahmad, op. cit., p.78.

⁵³ Peter Heller and Christian Schiller, op. cit., p.98 and V.V. Ramanadhan, op. cit.

optimum realization of objectives of any rationalization effort. Measures such as rationalization of expenditure through budgeting techniques is another avenue to reduce the current scope of the public sector.

11.4.5 Suggested Steps for Rationalizing the Finance System

Rationalizing the budget decision is an essential step in this regard. This step may include the introduction of modern budgeting techniques, and improvement in parliamentary review, budget execution and control.

11.5 Rationalizing the Process and Structure of the Bureaucracy

After the liberation of Kuwait, it is essential to increase the participation and productivity of native civil servants by re-examining the structure and the process of the bureaucracy as a whole, and each unit individually. Such emphasis could take many directions. The first, is to continue and expand the ongoing activities of the administrative reform. A second approach is to improve the efficiency of the bureaucracy by encouraging its parts, individual Ministries and authorities, to take the initiative in improving the process within their own organizations and to review their organizational structure. The third possibility is to promote decentralization of activities and policy formulation. Such a trend may be supported by providing the institutional building and capacity to enhance the existing administrative reform and to ensure its sustainability in the near future.

11.5.1 Definition

Structure closely associated with process; for this reason we have amalgated them together. We define rationalization of the bureaucracy process and structure as "planned change and improvement in the process and structure of the bureaucracy through increased efficiency, greater effectiveness and decentralization".

11.5.2 Prerequisites for Process and Structure Rationalization

The prerequisites for process and structure rationalization are similar to those for administrative reform (Chapter Nine). Factors such as a satisfactory level of administrative capacity, a clear concept of public service, allocation of resources to the rationalization process and strong commitment from political leadership are essential prerequisites for such change.

11.5.3 Steps for Rationalizing the Bureaucracy Process and Structure

Wide literature is available in different approaches to rationalize the bureaucracy process and structure including administrative reform. Nevertheless, the following list is a suggested one, but not exhaustive, that includes the leading variables pertinent to the Kuwaiti environment.

1. Increase the decentralization efforts: Decentralization is one of the strategies which have been used for administrative reform in many countries; nevertheless its outcomes were not promising⁽⁵⁴⁾. When top officials were asked, "should the Government take urgent steps toward gradual decentralization of most of its services?", 75.6% of them agreed to it (Table A-43, Question 43). Decentralization was also seen by interview respondents as a major component for improving the bureaucracy's efficiency. Efficiency will be reached if resources are distributed to local bodies through decentralization. However, little empirical evidence is available to support the relationship between decentralization and increased efficiency⁽⁵⁵⁾. In Kuwait, it seems that decentralization is the first step to shift the workload from the centre to offices outside headquarters. Such shift will improve the rendering of the services. Later, it could be envisaged that the process will be sustained by a combination of delegation and greater devotion to duty and willingness to accept responsibility on the part of subordinates.

2. Development of job classification and merit system: Although many studies and laws have emphasised the need for job classification, no headway has been noticed in this regard. The development of partial job classification which combines groups of jobs with a moderate amount of detail is more relevant to Kuwait. The existence of an excellent merit system would enhance the selection process and improve productivity. Such a merit system could survive better in a neutral bureaucracy.

3. Upgrading and expanding the training and vocational capacity: Administrative training is usually regarded as one of the main approaches to administrative reform. The failure of training in Kuwait is attributed to its methodological approach and inadequate capacity. Typical conventional training programmes are conducted with no

⁵⁴ Dennis Rondinelli, "Government Decentralization", *op. cit.*, pp.133-6.

⁵⁵ P.M. Jackson, The Political Economy of Bureaucracy, *op. cit.*, p.207.

emphasis on changing attitudes. The training activities during this critical period may be designed to achieve three objectives: to upgrade skills, to increase innovation and the desire for change and to introduce behaviour conducive to development. The upgrading of training programmes could be done through the establishment of tailor-made programmes, the introduction of modern training techniques (such as team-building and T-group), constructing a link between training and career development, involvement of private and external firms and allocation of more resources to the training process. In this regard, a comprehensive study could be conducted to assess the training needs of the bureaucracy within a span of time (5-10 years). Later, yearly training programmes could be designed in light of the existing training capacity.

4. Improving management capacity. This could be achieved by establishing an institute for administrative development, organs for central management and organizational planning, and the implementation of staff development programmes.

5. Improvement in performance evaluation and rewards: The civil service lacks an effective performance appraisal system and adequate employee reward system. As a remedy, a comprehensive performance evaluation system should be established which is based on work load standards and covers all employees, including top officials. Employees should be encouraged to participate and training in performance evaluation should be offered to supervisors. Review and improvement of the compensation plan to retain quality personnel and to support the job classification scheme is necessary at this juncture. The compensation plan should allow for periodic review of salaries in line with prevailing rates in the market and to distinguish individual performance. The incentive system should reflect productivity, scope of task and accountability.

6. Upgrade the central personnel bureau to become the central body within the bureaucracy: The CPB may be assigned the responsibility for improving the civil service and reforming the administration. Its responsibilities may include manpower planning, coordination and integration and policy formulation.

7. Upgrading and utilization of technology and information through promoting information systems and utilization of computers and office automation: The utilization of technology is essential for a country with a shortage in manpower and deficit in

management capacity. Such utilization could be reached through a comprehensive national plan for information technology.

8. Improving the decision-making process, employing techniques for major programmes and public expenditures. Increasing the analytical capacity and techniques for public sector decision-making is an important factor in improving decision-making. Techniques such as cost benefit analysis, planning programming budgeting system (PPBS) and zero base budget (ZBB)⁽⁵⁶⁾ could also be utilized. The aim is to increase scientific analysis in the decision process to replace parochial and particularistic considerations.

9. Restructure the organizational structure of each individual unit and the bureaucracy as a whole: Such a step is the cornerstone of rationalizing the process and structure, especially after structural change due to privatization. This could be achieved through comprehensive reorganization of the current bureaucratic organs, including study of the structure of each organ and the bureaucracy as a whole. Such reorganization may aim to reduce the existing administrative overlapping and achieve better distribution of responsibilities. In addition, the exercise will allow for greater accountability for the bureaucracy's actions. Furthermore, any new establishment of organs or departments within an organ should be based on extensive evaluation and comprehensive studies in order to avoid future overlapping.

10. Simplification of procedures and improvement in services provided to the public: In this area, the focus is to encourage more delegation of authority, the enactment of operations manuals and procedures, and more coordination among the organs and departments.

11. Improvement productivity: The improvement in productivity will depend on the skills level of the labour force, the management approach and the use of technology and information. In addition, productivity could be improved by more training, a higher standard of management practice and improvement in the administrative regulations

⁵⁶ For detailed discussion about these techniques, see George Downs and Patrick Larkey, The Search for Government Efficiency: From Hubris to Helplessness, (Philadelphia, Penn: Temple University Press, 1986) and Llyod Nigro (ed.), Decision making in the Public Sector, (New York: Marcel Dekker Inc., 1984).

concerning public-sector conduct. However, the main cause of low productivity is work habits and values. Unless improvement in this area is brought about, little improvement in productivity is to be expected.

12. Widening the scope of control bodies and increasing their effectiveness. Control bodies should focus not only on adherence to rules, but also on efficiency and discipline. For example, the Ombudsman, which originated from Scandinavia, is a structure which may promote greater adherence to rules and improve work efficiency within the Kuwaiti bureaucracy.

13. Refinement of civil service laws and regulations: Since the enactment of the 1979 law, no major review has been considered. With the pace of change and to reflect the rationalization concept, an urgent and comprehensive review of laws and regulations is essential at this stage. This may necessitate the establishment of an appropriate review mechanism.

Nevertheless, such rationalization in bureaucracy structure and process cannot be effective unless combined with efforts to rationalize bureaucrats' behaviour and values, which is the subject of the next section.

11.6 Rationalizing the Bureaucrats' Behaviour and Values

The importance of individual bureaucrats in the bureaucracy's attainment of its objectives is recognized by most researchers in public administration. The importance of studying values and behaviour lies in the fact that behaviour such as preference for government jobs have affected negatively the economic activities of the labour force. Furthermore, a significant shift in employment from the public to the private sector, involves a major structural change in the incentive and value system of the civil servants⁽⁵⁷⁾.

In Chapter Ten we saw that Kuwaiti bureaucrats have developed many non-positive forms of behaviour which are not conducive to development. Behaviour such as lack of initiative and resistance to change, autocrats' style of decision-making, risk

⁵⁷ The World Bank Report on the "Strategic Framework for Reconstruction of Kuwait", op. cit., p.13.

avoidance, lack of motivation and low morale, avoidance of technical and manual work, have impacted negatively bureaucracy development. Thompson⁽⁵⁸⁾ observed that the patterns of behaviour of modern bureaucracies could be analysed into three categories: bureaucratic behaviour⁽⁵⁹⁾, bureaupatic behaviour⁽⁶⁰⁾ and bureautic behaviour⁽⁶¹⁾. In Kuwait, the prevailing behaviours were a mix of bureaupatic and bureautic, due to the dualistic demographic structure and dominance of particularistic values. These behaviours and values which are inimical to development, were cultivated as a result of a generous system of job subsidiaries and protection.

The modification in values and behaviour is seen as a prerequisite for the efficient implementation of any human resources development strategies⁽⁶²⁾. In Singapore, the most substantial factor in improving bureaucracy effectiveness was the modification of attitudes and behaviour of civil servants⁽⁶³⁾.

11.6.1 Definition

Rationalization of the bureaucrats' behaviour and values is defined as the "process of inducement of necessary and modern behaviours and values to achieve an efficient and rational bureaucracy".

11.6.2 Prerequisites for Rationalizing Bureaucrats' Behaviour and Values:

Prerequisites for this process, include the existence of high awareness, positive political conditions, responsive education system, adequate training capacity and allocation of sufficient resources.

⁵⁸ Victor Thompson, Modern Organization, op. cit., p.23-4.

⁵⁹ Bureaucratic behaviours are those behaviours which reflect strong association with specialization, such as routinization, impersonality, etc.

⁶⁰ Bureaupatic behaviours are those behaviours which reflect strong association with personal insecurity and the exaggeration of bureaucratic norms, such as resistance to change, excess adherence to rules, etc.

⁶¹ Bureautic behaviours are those behaviours which reflect association with personnel immaturity and lack of adjustment to bureaucratic norms. Nepotism, favouritism, etc. are examples of bureautic behaviours.

⁶² The Supreme Council for Planning, "A Suggested Strategy for Human Resources Development", January 1990, p.28.

⁶³ Jon Quah, Reform in ASEAN, op. cit., p.1003.

11.6.3 Content of Rationalizing the Behaviour and Values of the Bureaucrats

The main instrument for rationalization of behaviour and values is education. However, in Kuwait, education has played a dysfunctional role in administrative development. The system was biased toward non-technical education, with prestige attached to university education and administrative jobs. In addition, the education did not provide the student with the necessary values for innovation, hard work and initiative. Furthermore, ethical and moral preparation was not given the necessary attention in the curriculum and training programmes. The need to improve work values, while eliminating negative values, was emphasized by many top officials⁽⁶⁴⁾. Any action plan should consider within its content the bureaucrats' behaviour and values in the following areas:

1. Native and non-native relationship: Since Kuwait will continue to depend on the expatriate labour force as a result of continuous economic expansion, it is essential to resolve the tension between natives and non-natives and the consequent negative behaviour. Such an area is unique in the context of Kuwait and other countries with sudden wealth.
2. Work Values: A discrepancy was noticed between social values and work values which led to a dualistic phenomenon. For example, religious and social values stress devotion to work while the prevailing work value is the contrary. Any rationalization plan should address adequately those values, including values related to productivity (immateriality of time, lack of devotion), values related to adherence to rules and bureaucratic concepts (values of hierarchy), and values related to accountability and sense of responsibility.
3. Work behaviour: The prevalence of behaviour that is inimical to efficiency has impeded bureaucracy development. The reorientation of such behaviour is essential for the rationalization process. Such a process may include the rationalization of behaviour such as the attitude toward change, non-receptivity toward initiative and creativity, lack of motivation, low morale and autocratic style in management.

⁶⁴ For example, questionnaire respondents agreed strongly with the proposition that negative behaviour and values are a main factor in the ineffectiveness of administrative reform (see Table A-30).

11.6.4 Steps for Rationalizing Bureaucrats' Behaviour and Values

Behaviour and attitudes do change; nevertheless, the change is not immediate as it is for structure and process. Certain values are transmitted by social values and interaction. For example, the value of hierarchy is largely transmitted by the social class system⁽⁶⁵⁾ which does not exist in Kuwait. Others are induced through education and training programmes.

The following list is of suggested steps to rationalize bureaucrats' behaviour and values. Nevertheless, this list is not comprehensive nor exhaustive of all possible actions:

1. Reorientation of the values and behaviour of managers and supervisors. Such modification could be done through education, training, continuous supervision to modify their behaviour and attitudes, especially in devotion to work and immateriality of time. In addition, a frequent review of education and training is necessary to reflect and enforce such attitudes. In this regard, we should avoid also the cultivation of values and behaviour which enforce employment security and marginal productivity and stimulate relaxed attitudes through a generous system of subsidy and protection. The terms of employment and civil service rules should expand the capacity of managers to punish unproductive behaviour and enforce disciplinary measures against misbehaviour.
2. The creation of tools which will protect and foster new values when they are introduced and accepted. A centre of excellence and a creativity-encouragement scheme will be effective tools to promote creativity and encourage initiatives within the bureaucracy.
3. The modification of the non-positive value attached to vocational and technical education and occupations. When top officials were asked if they thought that more Kuwaiti should be guided towards vocational jobs and crafts under suitable planning and programmes, 80% of them agreed to the proposition (Table A-41, Question 41). Such strong agreement reflects the high emphasis given by top officials to such a

⁶⁵ M. Spiers, Techniques and Public Administration: A Contextual Evaluation, (London: Marlin Robertson, 1975), p.193.

change in attitudes toward certain occupations. The planned change could be achieved through improving the effectiveness of the existing incentive system to attract natives to priority skills and manual occupations.

4. The modification of social values that will increase the indigenous participation. The establishment of a values modification programme (or centre) which aims to reorient work values may be a successful tool to achieve such objective. For example, Singapore has established a political study centre which has moulded impressively the behaviour and attitude of public employees⁽⁶⁶⁾.

5. The development of policies that reduce resentment and alienation among non-natives. Such policies may include the enactment of a human resources development policy for non-natives, elimination of status distinction through income stratification and the creation of personal policies which create job security.

6. Increase ethical awareness and preparation. Moral ethics and discipline cannot be injected effectively through a code of ethics, or ideological teaching only. Standards should be developed and tools created to increase the ethical judgement and analysis of employees⁽⁶⁷⁾. Such ethical preparation may induce the tutelage bureaucracy toward more responsiveness and responsibility⁽⁶⁸⁾.

7. Eradication of bureaucratic maladministration. In addition to the ordinary tools of control, maladministration could be reduced through a system of intrinsic controls (such as conscience) and those from affiliation with human association (professional organs, religious groups). Furthermore, the establishment of self enforcing discipline and self-restraints may be other tools to be cultivated. The creation of a control

⁶⁶ Jon Quah, Reform in ASEAN, *op. cit.*, p.1002.

⁶⁷ C. Hetzner and V.A. Schmidt, "Bringing Moral Values Back In: The Role of Formal Philosophy in Effective Ethical Public Administration", International Journal of Public Administration, 8, No.4 (1986), p.450.

⁶⁸ Tutelage bureaucracy is a system that results from an intelligentsia that has studied in a foreign doctrine which is the Case of Kuwait. Fred Riggs, Administration, op. cit., p.347.

device such as an Ombudsman⁽⁶⁹⁾ will help to achieve this objective.

11.7. SWOT Analysis and Future Trends.

A major challenge to bureaucracy development in countries with sudden wealth, is the uncertainty surrounding it. Such a challenge includes uncertainty of governmental role and tasks, in addition to environmental demands. As such, many techniques were constructed to reduce such uncertainty and its subsequent impact.

SWOT Analysis (strengths, weaknesses, opportunities and threats) is a widely used technique in strategic planning⁽⁷⁰⁾. Such technique will enable the researcher to understand the future stage(s) more comprehensively and eliminate uncertainty and to reformulate strategies and approaches accordingly. Figure 11-2 is an attempt for a SWOT analysis of the rationalization stage in the context of Kuwait:

⁶⁹ Larry Hill, The Model Ombudsman, (Princeton, N.J: Princeton University Press, 1976).

⁷⁰ George Steiner, Strategic Planning, (New York: The Free Press, 1979), p.142.

FIGURE 11-2: SWOT Analysis of the bureaucracy rationalization stage:

<p style="text-align: center;"><u>Strengths:</u></p> <ul style="list-style-type: none"> * The existence of excess services facilities which will relieve the bureaucracy of many tasks and divert its resources toward the rationalization process. <p style="text-align: center;"><u>Threats</u></p> <ul style="list-style-type: none"> * Uncommitted political will and unstable conditions due to internal political instability and uncertainty. * A huge demand on limited economic resources. * The absence of major factors which stimulate comprehensive structural change. * The slow change in demographic variables such as indigenous participation to support the rationalization process. * The conservative nature of the society toward change and the maintenance of the status quo. * The low capacity to manage rationalization components such as privatization and behaviour change. 	<p style="text-align: center;"><u>Weaknesses</u></p> <ul style="list-style-type: none"> * The drainage in the experience pool. * The disturbance of the administrative setting. * The deterioration of the civil service capacity. * The low capacity of the structure, process and bureaucrats to absorb such major change without relevant resistance. <p style="text-align: center;"><u>Opportunities:</u></p> <ul style="list-style-type: none"> * Many steps of the muddling-through stage were shortened due to the invasion, such as the change in population mix. * Marginal positive change in citizens' behaviour towards work and manual jobs. * Improved efficiency, low fiscal deficit and better allocation of resources.
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Another relevant tool is strategic risk and organ performance. Although this tool is used to reflect market risks such as income stream or stock returns⁽⁷¹⁾, its applicability may be extended to future stage(s) of bureaucratic development. To the knowledge of the researcher, no such study as yet exists. However, a few factors could be identified as major contributors to measurement of risk in the future stages of the bureaucratic development. Factors such as administrative capacity, the capability to change attitudes and values, the level of structural complexity, the diversification of services and responsibilities are seen as some of the principal risk

⁷¹ Kent Miller and Philip Bromiley, "Strategic Risk and Corporate Performance: An Analysis of Alternate Risk Measures", *Academy of Management Journal*, 33, No.4 (1990), pp.756-79.

factors affecting the bureaucracy's performance in the future. Nevertheless, a systematic method of incorporating risk in the research design of the bureaucracy, to identify and measure such risk and determine the risk performance relationship is an area for future studies in bureaucratic development.

11.8. Current Trends Toward the Future Stages:

Currently, the bureaucracy in Kuwait is shifting toward the bureaucracy rationalization stage, but at a slow pace. A few steps are indicated hereunder:

1. In its efforts toward more rationalization in the scope and volume of bureaucracy, the government has taken the following steps:

1.1. Privatization has gained momentum since the liberation of Kuwait. The Municipality announced in March, 1992 its intention to contract many of its services to the private sector, including the management of markets, administrative centres, and the municipality building in the governorate. In addition, the government has engaged a consultant to assist it in privatizing some public companies.

2. In its efforts toward more rationalization of the process, the Government has taken the following steps:

2.1 Establishment of a bureau to monitor the administration and follow-up citizens' complaints⁽⁷²⁾.

2.2 The creation of an advisory committee of top officials to advise on ways and means to improve the management capacity. The committee has produced a report which emphasises three essential areas: manpower planning, organizational set-up and legal framework.

3. In its efforts toward rationalizing values and behaviour, the government has undertaken the following initiatives:

⁷² Amiri Decree No.83/1992, dated 1.6.1992.

3.1 A Committee headed by the Minister of Planning has been constituted to provide the necessary incentive for certain occupations, including special training, change of job titles and allowances.

11.9 Conclusions:

The assessment of the bureaucracy and its environment after the liberation of Kuwait, prevail that obstacles to rationalization have intensified due to a reduction in the administrative capacity and a disturbance to the organizational setting and relationship.

The bureaucracy will either develop into the rationalization stage or it will muddle through. The muddling-through stage will be initiated as a result of environmental turbulence, and the complexity of muddling through will increase with the perpetuation of environmental factors that created such turbulence. During this stage the bureaucracy will lack the capacity of policy formulation and administrative change will take place by small steps.

Rationalization implied a structure system-wide change that is positive in one or more of its dimensions (patterns of behaviour, structure and process, scope of bureaucracy and system of finance). Unless the necessary ecological changes are introduced, the rationalization stage will not be effective and the bureaucracy will continue to muddle through. The rationalization stage will be initiated due to environmental pressure and reduced resources slack.

Rationalizing the scope of the bureaucracy utilizing privatization through contracting out seems promising while changing the bureaucrats' behaviour is the prime component for effective rationalization of patterns of behaviour. The current administrative reform activities could be expanded to achieve the desired rationalization of structure and process.

The bureaucracy has shifted toward the rationalization stage, but at a slow pace. The rationalization stage could be achieved better if tools such as SWOT analysis and strategic risk were used to reduce the uncertainty of the environment.

Many arguments were offered to support our assumption that the future stage of administrative development will be bureaucracy rationalization. Nevertheless, such a shift will depend on the direction, and magnitude of environmental forces and internal interaction. The creation of a model to understand such interaction is essential and it will be the subject of part of the next Chapter.

CHAPTER TWELVE: FINDINGS AND A MODEL

12.1 Introduction

This Chapter deals with the major findings, hypothesis testing and the suggested model. The first section evaluates thoroughly the research hypotheses and validates the study findings. In the following section, a suggested model for bureaucratic development in countries with sudden wealth will be constructed. The third section will describe the significance and contribution of this research, while the final section will suggest a few areas for future research.

12.2 Hypotheses Testing and Findings

The study was designed to examine the administrative development stages in the state of Kuwait in relation to its environment. The objectives of the study were fourfold:

- a. To provide a descriptive survey as well as critical analysis of the administrative development stages as a sub-system of a complex environment.
- b. To predict the future stages of administrative development.
- c. To examine the impact of environmental forces on the administrative development stages.
- d. To generate in-depth data in the field of comparative public administration related to countries with sudden wealth.

In addition, the author has examined the applicability of prismatic theory to countries with sudden wealth, such as Kuwait and offers a model for bureaucratic development in countries with sudden wealth.

The study first identified the impact of the environment on the bureaucracy process, structure and patterns of behaviour in the four stages of administrative development so far identified. Factors that were believed to influence this development were identified and evaluated through a synthetic framework of analysis. On the basis of such identification, coupled with an understanding of the magnitude and direction of forces for change, the future stages of administrative development were predicted. The evolution of four stages has followed a pattern that could be

explained better by constructing a model for such phenomenon. In the following sections, we will discuss the testing of each hypothesis and our major findings.

12.2.1

Our first hypothesis, that "the administrative development in Kuwait is founded on the central theme of bureaucratic development; Kuwaiti bureaucracy since the discovery of oil, has developed through four basic stages", proved to be a correct one.

The bureaucracy in Kuwait as well as in other countries with sudden wealth, is a major contributor to GDP. In 1989, the Government expenditure as a percentage of GDP was 45.65% while the natives employed in the Government accounted for 87% (including public authorities and enterprises) of the total Kuwaiti labour force. Furthermore, 90% of the native female labour force worked in the public sector while all welfare services were rendered by the bureaucracy. In the light of the above, and due to the fact that the private sector has minimal impact on administrative development, bureaucracy has become the focal point for such development. A major finding was that in order to develop the economy, it is necessary to stimulate growth in the bureaucracy, since it is the only sector able to accommodate developmental demand. Such proposition is supported by the fact that 78% and 68% of change in non-oil GDP and total GDP respectively could be explained by change in total expenditures of the bureaucracy (Tables 4-9 and 4-10). Furthermore, administrative experiences and structure differentiation had evolved mainly in the bureaucracy. Thus, administrative development in Kuwait is founded on the central theme of bureaucratic development.

Regarding the second part of the hypothesis, that "Kuwaiti bureaucracy, since the discovery of oil has developed through four basic stages", 76% of the top officials supported the proposition that Kuwait passed through multiple stages of administrative development (Table A-10, Question 10). Furthermore, the research findings show that those stages existed in a distinct form, though they were not mutually exclusive. Each stage had dominance rather than explicit boundaries and overlapping existed, especially between the stages of nationalization of bureaucracy and inflated bureaucracy. The high discrepancy in responses regarding the inflated stage (Question 12, Chapter 4), support the existence of such overlapping. The author was

nonetheless able to identify sufficient indicators to support the existence of such dominance for each stage. For each individual stage, top officials supported the proposition that Kuwait passed through each stage, with a range of approval varying from 74% to 78% (Tables A-11, A-12, A-13, A-14). The time span for each stage was identified and found to differ, with a period not less than six years and not more than ten years.

Another question is whether the four stages have developed in the sequence suggested. From the findings, it was demonstrated that these stages have indeed developed in the sequence suggested. Furthermore, the suggested pattern followed a logical sequence of stage evolution. The explanation of such evolution is as follows:

A) Any country that acquires great wealth, will face as a result many internal and external challenges and threats. Internal threats include challenges to the legitimacy of the regime, nation consolidation and the need to form political allies. External threats include aggressiveness from neighbouring countries and the need for international recognition. These challenges will be faced through building an administrative system which is capable of implementing policies that will diffuse such challenges. However, due to limited administrative capacity, the importation of systems, laws, procedures and even manpower is the only alternative available to improve such capacity. This leads to the evolution of the stage of bureaucracy importation. However, this stage will bring with it many consequences. Due to the huge flux of expatriate labour, the question of social control will arise. In addition, the expansion in welfare services such as education and health early in the stage, will increase the growth of the native labour force, ready to join the civil service later in the stage. This will bring pressure on the bureaucracy to nationalize in order to implement a social control policy and accommodate the large growth in the native labour force.

B) With all these factors at work, the stage of bureaucracy nationalization will be initiated. However, nationalization attitudes increase the particularistic values which will produce behaviour inimical to development and efficiency. Furthermore, such attitudes will bring less qualified natives into both higher and lower level jobs, thereby degrading decision-making and reducing productivity. In addition, the continuous large improvement in the level and the size of the native labour force will pressurize the bureaucracy to create more jobs to accommodate them.

C) Factors such as the above, in action, will lead to inflating the bureaucracy to fill the productivity gap and improve the performance of the bureaucracy. The availability of resources and the nature of the economy which make the Government the major employer, will contribute to the inflation of bureaucracy beyond what is required. The inflation of the bureaucracy will decrease efficiency, increase public dissatisfaction and raise the cost of the service rendered.

D) With such factors at work, coupled with the shortage in resources, the need for Administrative Reform will arise. Due to the immaturity of the political and social system, the scope of the administrative reforms will be incremental and efficiency-oriented. The initiation of this reform will depend on the magnitude of the bureaucracy's deficiencies, awareness of the society, and availability of financial resources.

Another important question is whether other countries with sudden wealth undergo a similar pattern of bureaucratic development. 86% of Kuwaiti top officials supported this proposition (Table A-15, Question 15). Our literature review supported the assumption that a similar pattern of administrative development stages is prevailing in other countries with sudden wealth. Nevertheless, the verification of this proposition could be an area of future research. For example, in Qatar, the call for nationalization of the bureaucracy was initiated in 1972 after the 1971 Committee recommend the Qatarization of the bureaucracy⁽¹⁾. Prior to that, the bureaucracy was an imported one which was run by expatriates. In the early 1980's, UN experts noticed with concern, the inflated nature of the bureaucracy⁽²⁾ while the personnel bureau in Qatar observed many indicators of such inflation⁽³⁾. At a later stage, the UN provided technical assistance to reform the public administration in 1987 after the country suffered from a shortage of resources. The UN expert diagnosed similar problems to those of the Kuwaiti bureaucracy, such as overlapping, unplanned growth in ministries and

¹ Nassef Abdel Khalik, The Public Administration in Qatar: Its Evolution and Development, (Amman, Jordan: Arab Organization for Administrative Sciences, 1989), p.60.

² Ibid., pp.68-71.

³ The State of Qatar "The Case for Overstaffing", in Overstaffing in GCC, op. cit., pp.348-9.

structures, social employment and the concentration of natives in clerical work⁽⁴⁾. The Government adopted some measures of the suggested administrative reform; nevertheless, reform was partial and efficiency-oriented.

The evolution of the stages of administrative development was a reflection of a mismatch process. The stage of imported bureaucracy initiated when a mismatch occurred between the administrative capacity and the accelerated environmental demand. The mismatch between the growth and impact of the imported labour force and social control requirement, initiated the stage of bureaucracy nationalization. The stage of inflated bureaucracy was initiated due to a mismatch between the growth of the native labour force and the bureaucracy's growth and needs. Finally, the mismatch between environment demand and bureaucracy efficiency stimulated the stage of administrative reform.

The problem of Kuwait and countries with sudden wealth is a problem of transition, a transition from autocratic ruling to a fairly rational and organized administration, from a backward economy to an economy of surplus. Thus a similar pattern of administrative development is expected to be faced by these countries in their struggle to modernize. As a result, the administration in countries with sudden wealth developed in a different pattern from those of the developing countries. Such development deviated from the mainstream of the existing models due to differences in assumption especially financial resources. As a consequence, models such as that of Riggs, which explain administrative development in developing countries, can not sufficiently explain the phenomenon under investigation. This enhances the need for a model to explain the administrative development in those countries.

In summary, administrative development in Kuwait is founded on the central theme of bureaucratic development. Kuwait has passed through four stages of administrative development, (the importation of bureaucracy, the nationalization of bureaucracy, inflated bureaucracy and administrative reform). It seems that other countries with sudden wealth follow a similar pattern, which raises the need to develop an explanatory model of this phenomenon. The construction of such a model will be discussed in section two of this Chapter.

⁴ *Ibid.*, p.341.

12.2.2

Our second hypothesis was that social, economic, political and demographic factors have a significant influence on many aspects of the stages:

- i. The initiation of the stage;
- ii. The span of each stage;
- iii. The outcome of each stage; and
- iv. Interdependence and interaction among structures, process and patterns of behaviour.

From Table 12.1, it was observed that political and economic factors were mainly responsible for the initiation of the stages. However, their impact differed according to the specific characteristics of each stage.

Table 12.1: Factors behind the initiation and termination of the stages arranged in their order of influence:

Stage	Initiation	Termination	Span
Imported Bureaucracy	Lack of administrative capacity, political, economic	Political, demographic	1957-65
Nationalization of bureaucracy	Political, demographic	Political, demographic, economic	1965-75
Inflated bureaucracy	Political, demographic, economic	Economic, political	1975-84
Administrative Reform	Economic, political	Political, economic	1984-90

The span of each stage was approximately one decade, except for the stage of administrative reform, which lasted six years due to unforeseen circumstances (the invasion of Kuwait). The span of each stage depends on the direction and magnitude of the termination forces. From Table 12.1, similar to the initiation of the stages, it was found that political and economic factors have the greatest influence on the termination of each stage. Demographic and, to a lesser extent, social factors have a marginal impact on the initiation and termination and, as a consequence, on the span of the different stages.

The outcome of each stage was found to be influenced by ecological factors. This was presented on the conclusions of each stage (Chapters Six to Nine). The availability of financial resources, expansion in welfare services and population growth and subsequent labour force growth were the major factors which accounted for most of the change in administrative development during the different stages. However, these also restricted the options available for increase or decrease in the bureaucracy expansion. This conclusion is supported by similar findings for other countries with sudden wealth⁽⁵⁾. An inventory of such impact on bureaucracy's three components during the four stages is presented in the following paragraphs.

The impact of the environment upon the bureaucracy process was observed in the following aspects:

1. The importation of systems and procedures not in harmony with the society's values and structure, which led to the prevailing of values inimical to efficiency.
2. Excessive centralization, lack of authority delegation and low quality of decision-making.
3. Lack of organization manuals.
4. Increase in administrative overlapping.
5. The lack of qualified personnel, overstaffing among unskilled civil servants and subsequent deterioration in productivity.
6. The increase in the influence and power of top officials, which brought many negative effects, including over-centralization, lack of authority delegation and the flourishing of maladministration.

The deterioration in the efficiency of the bureaucracy is attributed to the fact that the bureaucracy was not prepared and upgraded to foster the ongoing comprehensive development of the country. In addition, it was not able to adapt quickly to the pace of development. In other GCC countries, most respondents felt that the bureaucracy is neither efficient nor effective due to similar factors⁽⁶⁾.

⁵ For Saudi Arabia, see A. Al-Jilani, "Environmental Impact of Organizational Design in Saudi Arabia", op. cit.; For Qatar, see Nassef Abdel Khalik, The Public Administration in Qatar: Its Evolution and Development, op.cit.

⁶ Mohammed Al-Tawail, op. cit., p.88.

The impact of the environment upon the bureaucrats' values and behaviour was observed in the following areas:

1. The evolution of values inimical to development, such as negative attitudes toward manual work, immateriality of time, and the lack of devotion to work.
2. Increased tendency towards formalism.
3. The prevalence of maladministrative behaviour such as nepotism and favouritism, due to the strength of particularistic values.
4. The existence of tension and resentment between natives and non-natives, which affected the bureaucracy's efficiency.

Structures are primarily the product of environmental pressure and internal interaction and function as an adaptive tool to increase performance. The impact of the environment upon the bureaucracy's structures was noticed in the following areas:

1. More differentiation and specialization due to increased demand for welfare services and the availability of financial resources.
2. Most bureaucratic expansion was in public authorities outside the ministerial complex. The growth was 7.5% for authorities compared to 1.46% for ministries. This was mainly an outcome of environmental pressure for better efficiency and as consequence of "organizational failure" phenomenon where less efficient structures are replaced by more efficient ones.
3. The limitation in administrative experience and experimentation.

In addition, the bureaucracy was influenced by interaction and interdependence among patterns of behaviour, process and structures. The following are examples of such influence:

1. Overlapping occurred as a result of frequent changes in structures, hastily established structures and the absence of clear definition and division of responsibility (para. 10.4.4).
2. There is a close connection between organizational structures and process, since structure has set limits to process efficiency. Public authority structure was utilized more since it is more efficient in rendering services than ministry (para. 10.4.5).

3. The excessive centralization and lack of authority delegation increased formalism and the potential for maladministration, prolonged and degraded the decision-making process and distracted the attention of top officials from policy formulation (paras. 10.5.3 and 10.5.4).
4. The deterioration in productivity was due to the weakness and lack of coordination of training activities, lack of an incentive and merit system, the vagueness of the civil service concept and discipline and the evolution of negative values (para. 10.5.7).

In conclusion, ecological forces during the four stages did have an impact on the sequence of the stages. However, their impact is obvious in the initiation, span and outcome of each stage. Furthermore, they influenced the interaction and interdependence among patterns of behaviour, structures and process. There is a reciprocal relationship between bureaucracy and its environment. Each affects the other as they interact. However, the main focus should be on the bureaucracy as it adapts to changes in the environmental conditions, which was the theme of this research.

12.2.3

Our third hypothesis, that bureaucratic development was highly dependent on the economic condition of the country, especially oil revenues, was correct. The economic activities and the level of bureaucracy expenditures were dependent on oil revenues. Since the Government owned the oil resources, the bureaucracy played a major role in economic development through the distribution of the main resources of the country. With oil revenues representing 90% of the country's revenues and 40% of total GDP, they had a significant impact on bureaucratic development. The major impact was in providing unlimited financial resources and removing constraints (if any) to bureaucracy expansion. From Table 4-21, 58% of the change in total expenditures could be explained by supply factors such as change in oil revenues, while another 14% could be explained by demand factors such as change in population and per capita income. From Tables 4-14, 4-15 and 4-16, 59% of change in government jobs, 58% of change in total expenditures and 42% of wages expenditures could be explained by the change in oil revenues. These figures support our proposition that bureaucratic development was highly dependent on oil revenues and the magnitude of bureaucratic activities was determined by change in oil revenues. Our findings show

that the economic system has had the most decisive influence in the short term in Kuwait. This does not concur with the early proposition of Heady, that the political system has the most influence on the bureaucracy⁽⁷⁾. This is attributed to the acquisition of sudden wealth, with unparalleled growth in the political system in such countries.

The bureaucracy proliferation and development was a result of the availability of huge financial revenues and resources. Table 10-1, demonstrated that a relationship existed between the average revenues' surplus and the degree of bureaucracy expansion. Such relationship suggests that as revenues' surplus increase and confidence effect improve, bureaucracy expands, nevertheless such response may be delayed. The Government expenditures were the main factor influencing the activities of the economy, due to the absence of an active private sector.

The level of economic activity was positively associated with the level of bureaucracy expenditure. The bureaucracy played an essential role in developing the economic system. It allocated resources to different sectors and was used as a distributive instrument through social employment in the absence of an active private sector. However, the main contribution of the bureaucracy to economic development was in the provision of services and other infrastructure projects needed for economic growth and the direct participation in the economic field. Nevertheless, further economic development required more structure differentiation, increased decentralization and more rationalization.

The economic impact on bureaucracy development has been significant, but it was mixed. On the one hand, the unlimited financial resources provided the bureaucracy with the necessary tools to import systems and manpower needed for better efficiency and development. On the other hand, the excess resources did not trigger any efforts for rationalization. In addition, it created behaviour that was inimical to efficiency and development. Furthermore, such rationalization was lacking since the planning process was neither institutionalized nor enforced, thereby having a negative affect on bureaucracy development. The bureaucracy's impact on economic development was limited due to low administrative capacity and the weakness of

⁷ Ferrel Heady, Comparative Perspective, op.cit., pp.73-4.

policy-formulation.

The economic conditions facilitated the initiation of the first three stages while it was the leading factor in initiating the administrative reform stage. Surplus as a percentage of revenues could be an indicator of such impact.

12.2.4

Turning to our fourth hypothesis, that "measures and instruments to maintain security, such as diffusion of wealth, the participatory political system and international recognition have influenced bureaucratic development", our findings demonstrate that this hypothesis was correct. However, it was not the most influenced one. External threats and the need for international recognition expedited the pace of building the state and as a result increased the need for the importation of bureaucracy and manpower. Internal threats and challenges stimulated the establishing of a participatory political system, forming allies and the diffusion of wealth. The participatory political system stimulated and pressurized the government to implement the process of nationalizing the bureaucracy. In addition, it created political rivalry which obliged the government to initiate the administrative reform stage. Wealth distribution and allies-building was achieved mainly through a wide social employment and nationalization process which inflated the bureaucracy. Table 12-1, established that political factors were dominant in initiating the four stages. Political change and other forces of tension within the society influenced the expansion of the bureaucracy and expedited its building. Nevertheless, the lack of institutional control and the implementation of a social control policy, led to the expansion of bureaucracy uncontrolled. Such expedition and expansion influenced negatively administrative development by encouraging centralization and fostering values that were a counter to efficiency.

The influence of political variables has fluctuated with the existence and the maturity of the political system and institutions. In addition, they varied with the level of internal and external challenges. Bureaucracy responded by expanding to internal instability more than to external instability. It was noticed that external challenges had more impact on the early stages, while internal factors had a greater effect on later stages. The political system was not able to control the bureaucracy due to imbalanced growth between both. The impact of the bureaucracy on the political

system was modest through the consolidation of political system through the process of nation-building.

12.2.5

Our fifth proposition, that "demographic factors such as the components of labour force like age, education, sex and nationality influence the bureaucracy development stage", is correct. Nevertheless, these factors have generally worked as constraints rather than as a force for change. The low education status and limited native labour force stimulated bureaucracy importation, while the shortage of qualified administrators restrained the implementation of bureaucracy nationalization and contributed toward its failure. The increase in education outputs contributed toward inflating the bureaucracy, especially by groups such as native females and new graduates. The continuation of low indigenous participation raised the need for manpower planning with a timely action plan in order to increase native participation. The existence of different nationalities has created a burden on the bureaucracy to consolidate different management styles and led to a tense relationship between natives and non-natives.

The impact of demography was further noticed in personnel policies. Most employment policies and rules were a reflection of the unique demographic structures in addition to the fulfillment of the policies of social control and wealth distribution. The main impact of the demographic factor was its inability to supply skilled human resources. Its impact has varied with the stages of administrative development. Mostly, it acted as a constraint to the supply of manpower (in the stages of importation and nationalization of bureaucracy), while at other times, it acted as a stimulant for demand (inflated bureaucracy) or was neutral (administrative reform). Leading demographic factors such as literacy level, growth and level of labour force, level of skills, the capacity of training and higher education, student enrollment, acted as constraints to bureaucracy development.

12.2.6

Our sixth proposition, that "changes in social structure and values, such as the value of work, the role of women, tribal and family relationships, affect the development of bureaucracy" was marginally correct. Except for the early stage of bureaucracy importation, the social structure had only a marginal impact on the administrative

development. In the stage of bureaucracy importation, the merchants were the elite of the society (next to the ruling family) from which all top officials were recruited. However, as the middle class proliferated, top bureaucrats emerged as a distinct group and positioned themselves as a powerful elite.

The impact of social values on administrative development was more substantial. While other factors had a decisive impact in the short run, social values had the greater influence in the long run. However, the impact of such change was only noticed in the components of the bureaucracy, but not on the initiation and span of the stages. Furthermore, the impact of social values was more substantial on the patterns of behaviour than other components (process and structure). Even though, the influence of family/tribal relationship is declining, its impact continues to be substantial, which concurs with similar findings in other countries with sudden wealth. Social values such as dominance of particularistic values and the subordination to a central power (such as the family) had a great impact on the bureaucracy development during its interaction with the social system. Many administrative phenomena have evolved as a result of such interaction, such as weak loyalty to the institutions and system compared to strong loyalty to family and tribe, strong adherence to rules and regulations, prevalence of dualistic standards and overlapping. The value given to work deteriorated due to the implementation of a social employment policy, lack of discipline and the prevalence of a lax environment.

Power was an important component of social system change and dynamics. The distribution of power had a direct impact on bureaucracy performance and bureaucrats' behaviour. However, power distribution reflected parochial attitudes and pre-oil political structures which further impacted negatively efficiency. Furthermore, social values hindered female participation in the work force. Nevertheless, the trend is for more openness toward other occupations. Such change, with efforts to establishing modalities for female participation in a traditional society, will improve female participation. The impact of bureaucracy on social structures and values was mainly noticed in the proliferation of top bureaucrats as a powerful group and the level of indigenous participation.

Due to the expeditious pace of development, traditional social values have continued to co-exist with modern administration structures. Social values were the

main factors behind the moulding of the bureaucrats' behaviour. However, such impact was negative since it led in most cases to the evolving of behaviour that was not conducive to development. As the bureaucracy developed, the gap increased between the social system and values and its administrative sub-system.

12.2.7

Our seventh proposition, that "the evolving of many behavioural characteristics due to the interaction between Kuwaiti and non-Kuwaiti civil servants, have influenced the behaviour of both groups and the efficiency and the development of the bureaucracy as a whole", is correct. Although, the nature of this relationship has shifted from expatriate supervisor-native subordinate to native supervisor-expatriate subordinate, the resentment and alienation has continued. The presence of expatriate civil servants with the consequent tense relationship and reciprocal distrust with natives, has hindered the process of authority delegation. Furthermore, it has impeded the effectiveness of motivation, complicated communication, decreased loyalty to organs, impeded team work and affected work values and ethics.

Our analysis shows that this relationship needs special attention in the early stages of bureaucracy development, since most interaction occurs on the high and supervisory levels. Nevertheless, in later stages, the impact of such relationship is marginal and confined only to struggles between nationalities and resentment in low-level jobs.

Due to the uniqueness of countries with sudden wealth, native and non-native interaction has affected negatively bureaucracy development. Since the level and magnitude of interaction decreased as more natives assumed top supervisory jobs and their percentage increased, such impact was greater in the earlier than in the later stages.

12.2.8

Our eighth hypothesis, "as a result of an inefficient administrative system and fluctuation in the oil income, bureaucracy rationalization will be the next stage of administrative development", was also shown to be correct. In addition to interview respondents' agreement, questionnaire respondents agreed in general to the main features of the stage of bureaucracy rationalization according to the following:

Feature	Question No.	Approval rate
Privatization	40	68.6%
Encouragement of employment in technical occupations	41	80%
Private sector development	42	77.8%
More decentralization	43	75.6%
Education system reform	44	83.8%

The stage which calls for rationalization of the bureaucracy in its scope and financing system, in its process and structure and in its bureaucrats' behaviour and values, is a logical step, especially for a country with shrinking financial resources. For example, rationalizing the bureaucracy's scope and financing system will be achieved through privatization, private sector development and expenditure optimization. From Chapters Ten and Eleven, the diversity and the perpetuation of obstacles to bureaucracy development favour the need for bureaucracy rationalization in its three identified dimensions. This stage may pursue one or more of its components. It was observed that unless specific ecological factors are set, the country will pass through a "muddling-through" stage. The muddling-through stage is the stage where administrative changes take place by small steps which indicate the lack of policy formulation and that the country is searching for a way out (or a administrative take-off stage). Forces of tension, in action, such as the dominance of particularistic values, the unbalanced growth of socio-political systems with bureaucracy, external and internal instability, lack of qualified staff and the absence of motive to rationalize (resource slack) were factors that initiate the muddling-through stage and create uncertainty in the environment.

To recapitulate from the eight hypothesis, the bureaucracy in Kuwait developed into four progressive distinct stages of administrative development. Such development is impacted more by environmental tasks and demand than internal interdependence of the bureaucracy components and tasks demanded by bureaucrats. Environmental tasks and demands are composed mainly of economic and political variables and to a lesser extent social and cultural variables. The demographic factor acted as a constraint to the options available. The environment determine the size of bureaucracy while the search for efficiency give rise to internal differentiation toward public

authorities in contrast to ministries.

Bureaucracy development took the pattern of growth through stages which were identified by change in employment. This is supported by a yearly growth during the period of 4.34% in public employment, 3.54% in units created and 11.73% in expenditure. Chapter Four indicates that bureaucracy expansion is justified when regretted with certain micro demand indicators (e.g. student enrollment), nevertheless not highly associated when regretted with macro demand (e.g. population). Thus bureaucracy growth could be divided into accounted (justified) expansion and unaccounted expansion (or maybe unjustified). The bureaucracy reacted to uncertainty created by environmental tasks and demands more than to the internal interdependence of bureaucracy components which trigger the unaccounted growth of the bureaucracy. In addition, demand by bureaucrats themselves contribute to such unaccounted expansion. As such the unaccounted expansion may include uncertainty created by environment, inefficient bureaucracy and bureaucrats' demands.

In countries with sudden wealth, uncertainty created by the environment composed of two levels; however both stimulate growth but contradict in their contribution to rationality. In the first level, environment brought uncertainty which increased rationality within bureaucracy such as the creation of more government regulations and other legal constraints. In the second level, environment created uncertainty due to the lack of capacity of policy formulation and the lack of ideological stand of the country. Due to first level uncertainty, no stable equilibrium exists between bureaucracy and the environment which stimulates bureaucracy rationalization. The second level uncertainty, decreased rationality and thus created a muddling-through process. In such a situation, information is lacking about alternatives and its consequences.

In addition to environmental tasks and demand, much of the large impact originated from the huge surplus which acts as resources slack that allow the bureaucracy to expand for justified and unjustified demand. Resources slack could act to stimulate creativity and innovation, nevertheless, it was otherwise in Kuwait. As such the ecological impact may be divided into resource slack and environmental impact.

To summarize, the previous discussion demonstrates the validity of the eight hypothesis in explaining the change of bureaucracy in relation to its environment and their reliability in constructing a model, which will be the subject of the next section.

12.3 The Model:

In the beginning of this section, we will elaborate more on the importance and types of models used in public administration. Later, we will focus on the main features of the ecological model and advantages of using it. In addition, the researcher will justify the need for a model for bureaucracy development for countries with sudden wealth. The main features of the suggested model for countries with sudden wealth will be presented and the advantages of having such a model will be argued.

12.3.1 Importance of Models:

The world around us appears to us in the form of phenomena which are the focus of science. The scientific significance of various research methods lies in their contribution to systematic study of phenomena including building logical models and defining the relationships in order to understand the phenomenon under investigation. Any scientific development is usually achieved through the development of new logical models which complement, cancel, analyse or integrate the old models, by establishing or proposing new relationships. A model is defined as "any structure of symbols and operating rules which we think has a counterpart in the real world"⁽⁸⁾. In the social sciences, there are three different purposes for constructing a model:

- a) to provide definitional test;
- b) to set a normalized standard;
- c) to develop an explanatory framework.

The utility of models lies in their ability to provide the researcher with tools to pose the appropriate questions, to collect and arrange data and to outline relationships and interaction among variables. For our research, the model will be helpful in evaluating empirically the development of the bureaucracy, in identifying deficiencies and in providing remedies for the future.

⁸ Fred Riggs, Administration, *op. cit.*, p.5.

Most models developed in the public administration arena have centred around three categories, the bureaucratic model⁽⁹⁾, the system theory⁽¹⁰⁾ (structural-functionalism model), and the ecological (prismatic) model.

12.3.2 The Ecological Model

Many models have been built around the bureaucracy itself, without considering the environment in which it operates. Nevertheless, the attention given to the environment using the ecological approach, provides us with the key to understand it. In this context, Riggs has offered the ecological (prismatic) model which explains the administrative behaviour in developing countries from the angle of its special background. In any ecological model, we should first identify the major ecological factors and then explore the inter-relations between variables and the elements of the bureaucracy. According to the Prismatic Model, administrative deficiencies in developing countries reflect ignorance or immorality of the social system and overlapping process. Riggs identified five functional areas for analysis: economic, social, communicating, symbolic and political⁽¹¹⁾. The more prismatic a society, the more intermixed its administrative structures are with its social, economic, political and cultural aspects⁽¹²⁾. Arora, after reviewing the applicability of the Prismatic Model to Asian countries, has called for more "analytical categories", which incorporate structural differences among prismatic societies⁽¹³⁾. The model under consideration may bridge such gap.

The ecological approach was utilized to build the proposed model due to many factors. First, it reinforces the proposition that theories of administration should be in harmony with its ecological setting. In addition, it provides the opportunity to build indigenous theories of administration which will be more effective than the main existing ones. Second, the ecological approach encourages us to utilize the various

⁹ Bureaucratic models include models such as, input-output, information energy, decision-making, policy-making.

¹⁰ System models are those models concerned with survival.

¹¹ Fred Riggs, *Administration*, *op.cit.*, p.99.

¹² *Ibid.*, p.99.

¹³ Ramesh Arora, *op. cit.*, p.120.

fields of social science to achieve the comprehensive analysis necessary for such complex problems and issues. From the course of research, it seems that unless research is inter-disciplinary research, it will lead to many fallacies in analyzing the phenomenon. Lastly, recognizing the accelerated pace of development and their interaction with bureaucracy, the ecological approach is the most suitable one in understanding the dynamic of the development process of the bureaucracy in countries with sudden wealth.

Most ecological models have focused mainly on the political dimension and the theme of power. However, our model emphasizes the economic, social and demographic factors, in addition to the political dimension.

12.3.3 The need for a model for bureaucracy development for countries with sudden wealth

As explained in Chapter Two, the review of a few contemporary models of comparative public administration revealed their non-applicability to the case of Kuwait. This suggests that either Kuwait is a unique case and therefore models which are universal are not applicable to it, or that these models are deficient in addressing the bureaucracy development in countries, such as Kuwait and fail in empirical testing.

From the above argument, the bureaucracy in Kuwait and countries with sudden wealth should be the focus of scientific enquiries in public administration at the regional level. The importance of studying such bureaucracies lies in understanding the dynamics of such societies and their role as monopolists of the energy market. Furthermore, by bridging the gap between the required role and the current deficient capacity, the development objectives of these countries will be better realized.

Furthermore, when a number of countries report the same sequences of major bureaucratic change, a pattern of development is at work. First, we observed that stages of bureaucracy development may be evolving, with each stage having its own peculiar combination of patterns of behaviour, structure and process. Such evolution justifies having a model for bureaucracy development. The second reason for having a special model, is that these countries have moved directly toward the higher consumption stage of Rostow without going through the ordinary stipulated stages. Because of this unique characteristic, most of the bureaucratic and organizational

models do not offer much assistance in this area⁽¹⁴⁾. A third factor at work is that these countries face pressure to change from both external and internal sources. Lastly, most existing models are static in their character and they provide us with nothing concerning "the motive force of changes, their direction or trend of development"⁽¹⁵⁾. Such static models can not explain bureaucracy development in these countries since dynamism is a critical factor in understanding its evolution.

Our basic assumption is that the similarity in the pattern of problems that face the countries with sudden wealth, justifies grouping them for meaningful analysis, generalization and model building. While evaluating bureaucracy in many Middle Eastern countries, Presthus observed the need for a middle-range theory and suggested that "for some time, such theories have to be applied only to small blocs of countries whose social contexts seemed relatively similar"⁽¹⁶⁾. Following Presthus' argument, countries with sudden wealth are a distinct group that could be treated as a single area of study, because of their common features and challenge⁽¹⁷⁾, which are:

1. The acquisition of sudden wealth in countries which lack the experience to manage it. This inheritance has shifted their limited traditional economy to a rentier economy with unlimited financial resources.
2. The existence of chronic problems, such as, lack of administrative capacity, insufficiency of indigenous labour force and the shortage of qualified

¹⁴ Alfred Diamont, "European Models of Bureaucracy and Development", op. cit., p.219.

¹⁵ Merle Fainsod, "Bureaucracy and Modernization: The Russian and Soviet Case", in Joseph La Palombara (ed.), Bureaucracy and Political Development, op. cit., p.239.

¹⁶ Robert Presthus, "Behaviour and Bureaucracy in Many Countries", op. cit., p.26.

¹⁷ For Qatar, see Abdullah Al-Malki, "Public Administration in the State of Qatar: Origin, Development, Problems and Current Direction", Ph.D. Thesis, Golden Gate Univ., 1989; For Saudi Arabia, see Ebrahim Al-Awaji, op. cit.; For Oman, see Nassef Abdelkhalik, Administrative Development Institutions in the Sultanate of Oman: An Evaluation Study, (Amman, Jordan: Arab Organization of Administrative Sciences, 1989); For GCC Countries, see Mohammed Al-Tawail, "Challenges of Administrative Development", op. cit.

administrators.

3. The evolution of many external and internal challenges due to the inheritance of wealth and the increased dependence on the international arena. Internal challenges have occurred due to changes in social structure and improvement in educational status.
4. The weakness of political systems and institutions and the overlapping between the pre-oil autocratic system and the post-oil participative system.
5. The continuation of the pre-oil social structure and values and their influence over the development of other systems in the post-oil era.
6. The expeditious process of evolution and the lack of modern population while unbalanced growth exists among the different systems. The bureaucracy and the economic sectors have developed more than the social and political sectors. Such unbalance has created environmental impact, inefficiency and resources slack.
7. The similarities in the administrative deficiencies faced by the bureaucracies of those countries such as low productivity.

In order to evaluate further bureaucracy development in countries with sudden wealth, there is a need for comparison. Comparison is one of the central methods used in social science to understand phenomena and construct and validate relationships. What makes comparison a challenging task is the complexity of the phenomenon under investigation and the environment surrounding it. The more complex the comparison is, the greater the need for tools to ensure consistency in evaluating the phenomenon under investigation and to provide the necessary means to understand it. In addition, comparison enables us not only to understand our own system better, but also to improve our understanding about the theoretical propositions and concepts employed.

The task of comparative analysis of bureaucracy in countries with sudden wealth is a difficult one. The difficulty arises from the different sources of variation

within and across the bureaucracy. Nevertheless, such complexity could be reduced by having comparative studies on one or more specific areas of analysis and establishing relationships which could be only done through model building. To structure the available data accumulated about countries with sudden wealth and to conduct comprehensive comparative studies, the utilization of a model is indispensable. Furthermore, the need for such a model arises from the fact that most distinctions between developed and developing countries (in relation to their bureaucracies) are made according to high/low per capita income⁽¹⁸⁾. Those countries with sudden wealth are among the highest in per capita income; nevertheless they are not developed.

In conclusion, since those countries share a common environment and characteristics, their administrations will develop in a similar way. The study of one country could lead to a generalization applicable to other countries. The outcomes of our study favour a model in which bureaucracy interacts with its environment through a pattern of stages. As a result, the researcher has suggested a model for such development, which will be discussed in the following section.

12.3.4 A model for countries with sudden wealth

Models are constructed to serve the purpose of formulating and testing specific hypothesis. Waldo defined a model as "the conscious attempt to develop and define concepts or clusters of related concepts, useful in classifying data, describing reality and hypothesizing about it"⁽¹⁹⁾. Riggs referred to a model as "any structure of symbols and operating rules". The main objective of a model is to help define, evaluate or explain the prevailing complexity⁽²⁰⁾. Those who are concerned with public administration may use such models to provide understanding and as a guide to the complex path of administrative improvement⁽²¹⁾. In addition, the model could be considered as a cross-cultured device by which to identify common themes across

¹⁸ See for example, Donald Rowat, op. cit., p.211.

¹⁹ Dwight Waldo, Comparative Public Administration: Prologue, Problems and Promise, (Chicago: CAG, American Society for Public Administration, 1964), p.15.

²⁰ Fred Riggs, op.cit., Administration, p.5.

²¹ R.S. Milne, "Comparison and Models in Public Administration", op. cit., p.14.

different cultures and bureaucracies.

A methodological ambiguity in building the model is the relation between the bureaucracy which is the focus of inquiry and the environment surrounding it. The focus of our model is on the bureaucracy in the context of rapid environmental change. The model should be constructed to answer questions such as what are the major causes of growth, decline and other large scale change?

In any ecological model for countries with sudden wealth, the main factors that should be evaluated are:

1. The impact of historical development on both socio-economic and political areas;
2. The economic structure, which determines the economic role of the bureaucracy in addition to its impact and outputs;
3. The political system which facilitates and provides the bureaucracy with necessary policies;
4. The social structure and values which influence and direct bureaucrats' behaviour and attitudes;
5. The demographic factors which constrain or stimulate major change.

After reviewing the development of Kuwait's bureaucracy, a few assumptions of a model have evolved. The main features of the suggested model⁽²²⁾ are:

1. Bureaucracy in its interaction with its environment is an open system⁽²³⁾. The system's openness to receive all kinds of inputs varies with its nature, level and

²² In the formulation of the suggested model, I am indebted to Everett Hagen, On the Theory of Social Change, (Homewood, ILL: Dorsey Press, 1962); Daniel Katz and Robert Kahn, The Social Psychology of Organization, (New York: John Wiley and Sons Inc., 1966); Robert Dubin, Theory Building, (New York: The Free Press, 1969).

²³ Katz and Kahn advocated the importance of studying the human organization (such as bureaucracy) as an open system. Al-Buraey found that the system concept (model) is the most appropriate to the Muslim countries, since it offers a dynamic interaction with the environment. See Mohammed Al-Buraey, op. cit.

timeframe. Our model is a dynamic one, with progressive stages of bureaucracy development. Interdependence determines the relationships among the parts of the system.

2. The development process is a chain of interaction and stages. The interaction of the environment with the bureaucracy will initiate the first stage. This in turn, will lead to another interaction between the environment and the bureaucracy, etc.
3. The interaction occurs among systems (political, economic, demographic, social and cultural), among sub-systems (patterns of behaviour, process and structure) and between both system and sub-system.
4. The external systems (economic, political, social and demographic) have significant impact on bureaucratic development. The information which alerts the system to the impact of its actions and invites modification, is feedback. The ecology of the bureaucracy acts as negative feedback for the bureaucracy, which enables it to correct its deviation and reorient its priorities. For example, the increased inefficiency due to inflated bureaucracy, acted as negative feedback to invite environmental intervention to change the sub-system through administrative reform.
5. The impact of the external systems varies with the stage of bureaucracy development. The political factors are the leading system in the early stages while the economic factors were the leading system of later stages. Demographic factors act as constraint or stimulus to change. The social factor influence bureaucracy's development in all periods, and its impact is modest but stable. However, environmental impact increases with the progression of the stages.
6. The development of administrative stages is influenced by major environmental variables and the interaction among them, such as:
 - a) The level of sudden wealth (oil revenues);
 - b) The level and growth of indigenous labour force;

- c) The status of Manpower Planning;
- d) The pace of development⁽²⁴⁾;
- e) The degree of differentiation;
- f) The stability and maturity of the political system;
- g) The evolution of social values that are inimical to efficiency;
- h) Training capacity and management development.

The direction and magnitude of change of the above dominant factors may affect the degree of administrative development.

7. The administrative sub-system or the bureaucracy (patterns of behaviour, structure and process) interacts continuously with the external system (the environment). Such interaction influences the outputs of the internal system such as reduced efficiency, structure differentiations and evolution of values not conducive to development. Interdependence and interaction occur among the components of the internal system. Such interaction among the internal system led to formalism, overlapping, productivity decline and reduced effectiveness.
8. The output of the bureaucracy, is characterized by impressive coverage in principal services, with reduced efficiency. The impact of the bureaucracy on the environment is on the demographic and political aspects in the short term while its impact is felt in social and economic aspects in the long term.
9. Bureaucracy development follows four progressive distinct stages: imported bureaucracy, nationalization of bureaucracy, inflated bureaucracy and administrative reform. The stages are identified by dominance instead of boundaries. Even though the stages are treated separately, they are overlapping. The development (or change) in the model is measured in years rather than centuries or months. This allows more accurate and suitable analysis for countries which are changing at an expeditious pace.

²⁴ Thompson argued that many administrative problems that arose between experts and bureaucrats in the United States is attributed to the different pace of development between technological and cultural change. Victor Thompson, Modern Organization, *op. cit.*

10. Change and development in our model is a function of environmental intervention and internal interactions. Environmental intervention takes the form of a large-scale change which initiates a new stage, while internal interaction shifts the bureaucracy toward a tendency to equilibrium after the change has occurred. Ecological forces set boundaries and ranges within which alternatives are selected.

11. Does this model reach equilibrium? A system is in equilibrium when input more or less balances output, which is not the case in the Kuwaiti bureaucracy. The desired equilibrium is the bureaucracy rationalization (or the tendency toward it). In other words, as the external factors bring the initial disturbance (or tension) to the system (bureaucracy), it will initiate a new stage. Nevertheless, as the disturbance diminishes, the system has the tendency to return toward the muddling-through stage, where the administrative changes take place by small steps which signalize the lack of concrete objectives, values or directions. Thus, after each stage of development, the system returns to a new muddling-through stage, which is more complex. Furthermore, the distance to reach an acceptable rationality level gets wider, as the stages develop (Figure 12-1). The reason why the bureaucracy comes back to the muddling-through stage after each disturbance is attributed to the perpetuation and the dominance of forces of change, such as external and internal instability, the lack of economic sustainability, the immaturity of political institutions, low administrative capacity, dominance of particularistic values and lack of qualified administrators. The complexity of muddling-through increases with the magnitude of such forces.

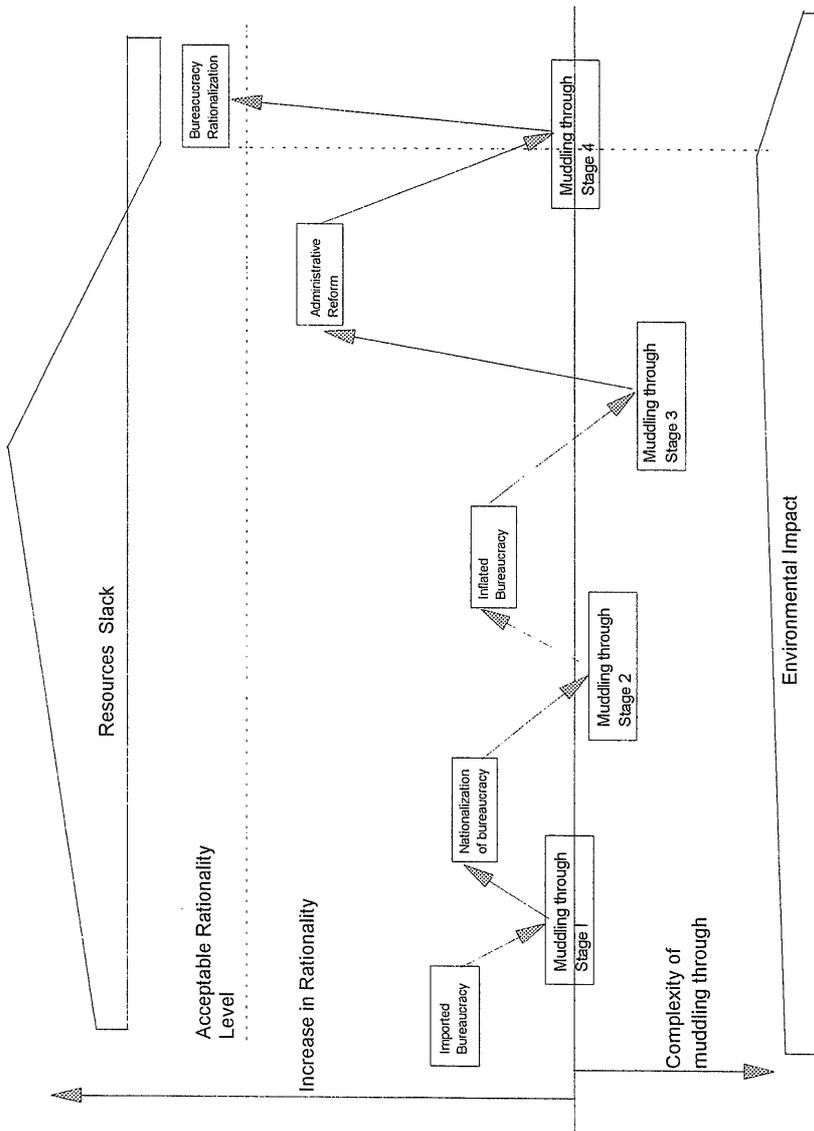


Fig 12-1 A suggested model for administrative Development. . stages in countries with sudden wealth.

12. The resources slack⁽²⁵⁾, which is the resources made in excess of what is required to maintain the bureaucracy, are used as a buffer to the system. Such mechanism will delay the impact of the environment until some later point in the process. In addition, it will weaken the links between environmental demand and the need for bureaucratic responses. The increased level of slack indicates low efficiency in the bureaucracy. In countries with sudden wealth, resources slack could be measured by comparing the level of total expenditure in relation to outputs. In addition, the surplus as a percentage of revenues is a good indication of resources slack.
13. On the one hand, the complexity of muddling-through increases with increases in resource slack and environmental factors such as, dominance of particularistic values and authoritarian attitudes, political instability, accelerated pace of development. On the other hand, it decreases with increases in the maturity of the political system, administrative capacity and the number of qualified administrators.
14. Understanding of the forces which are considered dominant in administrative development, their interaction and independence, will enable us to predict the future stages of administrative development. The future stages will develop toward more bureaucracy rationalization. As resources slack reduce and environment impact decline, bureaucracy moves toward rationalization. However, a muddling-through stages is expected due to environmental turbulence and tension. The ability to predict future stages will depend on our ability to identify the internal system of the bureaucracy in terms of its components and dimensions and the capability to identify the external system influences that generate successive stages and affect the direction of change. Figure 12-1 demonstrates stages progression in relation to resource slack and environmental impact.
15. The level of bureaucracy rationality is measured by evaluating the leading factors for such rationality. On the one hand, the level of rationality increases

²⁵ Modifying the notion of organizational slack used by Richard Cyert and James March, A Behavioral Theory of the Firm, (Cambridge, Mass: Blackwell Publishers, 1982), pp.41-3.

with the increase in maturity of the political system, training capacity and management development, the degree of differentiation, the level and growth of indigenous labour force and the institutionalization of manpower planning. On the other hand, the level of rationality declines with the increase in the acceleration of the pace of development, the level of revenues surplus and the evolution of social values that are inimical to efficiency.

16. In the model, countries with sudden wealth tend to maintain their basic character (steady state) such as social values and structures while attempting to adapt to change factors in a dynamic way through differentiation.

The model is supported by a synthetic framework of analysis which proves to be adequate to analyse the phenomenon under investigation (see Chapter Ten). In the framework, we selected three units of focus - patterns of behaviour, process and structures. On the process side, we investigated a valid set of generalizations which will offer a precise description of what the administration does. Patterns of behaviour focused on the evolution of behaviours which are not conducive to development. In analysing structure, we investigated structure differentiation and development, relationship among structures, and the deficiencies resulting from such development. However, when applying the framework to the case study, we found that it was essential to annex, delete and add to it other areas, such as technology. A revised framework is attached as Appendix 7. In establishing the framework of analysis, the researcher has tried to avoid including certain areas of analysis. For example, the personnel system, even though important, was not included because its components differ dramatically. This does not negate the importance of examining parts of the personnel system relevant to this research, i.e. recruitment and selection.

Any suggested model has inadequacies and ours is no exception⁽²⁶⁾. One deficiency is the over-simplification of a complex problem. We cannot claim that the model speaks for all real life situations in countries with sudden wealth. Nevertheless,

²⁶ Kaplan cited six shortcomings in models: Overemphasis on symbols, overemphasis on form, over-simplification, overemphasis on rigour and exactness, map reading (not all model features correspond to some characteristics of its subject matter) and pictorial realism (a model resembles what it models only in its structural properties). See Abraham Kaplan, *op. cit.*, pp.275-88.

the model could be raised to reality through empirical testing. The advantages of having such a model, which far outweigh the inadequacies in utilizing it, will be the subject of the next section.

12.3.5 Advantages of Having a Model for Countries with Sudden Wealth

The model which evolved from our analysis, could be used to evaluate the impact and interaction between the bureaucracy and its environment. The major contributions of the suggested model are:

1. The model will bring new awareness of critical interactions that occur between bureaucracy and environment in countries with sudden wealth. Heady argued that bureaucracies could be better understood if the factors that influence their development were identified and ranked according to their relative importance and if their reciprocal impact on the environment was analysed⁽²⁷⁾. Our model does this.
2. The model provides a framework of analysis which could be used as a tool to analyse bureaucracy development after enhancement and modification. The framework enables us to study the interaction among different components of the bureaucracy and integrate the behaviour aspect with structure and process characteristics. In addition, it provides a tool to evaluate the interaction between bureaucracy and its environment.
3. The model provides the basis for prediction of future stages of administrative development.
4. The model is concerned with change and it addresses adequately the transformation of a system.
5. The model could suggest certain bureaucracy trends or administrative behaviour that could be tested empirically.

Riggs said once that we lack the "consensus on what is the characteristic of the administrative situation in transitional societies, on possible stages or sequences in the process of administrative transformation, on relationships between administrative change and corresponding processes of economic, political, social and cultural

²⁷ Ferrel Heady, Comparative Perspective, *op. cit.*, p.73.

development"⁽²⁸⁾. I hope that the suggested model will bring more consensus among students of public administration toward this area.

12.4 The Contribution and Significance of this Research

The contribution and the significance of this research lies in the following:

1. It demonstrates that Kuwait and other countries with sudden wealth evolve differently in their administrative development from other developing countries.
2. It explains within the ecological context, the factors that influence administrative development. For example, it demonstrates that economic factors are the most critical factor in influencing bureaucracy development at later stages, while political factors are the most influential in the early stages.
3. It provides a model for comparative studies and framework for comprehensive analysis of administrative development stages. Such a model could predict the future stages of administrative development within an ecological context.

12.5 Areas for Future research:

Since the understanding of administrative development in countries with sudden wealth is still a relatively unexplored area, many topics need to be studied. Among them are the following:

1. The verification that our model of administrative stages is applicable to other countries with sudden wealth. Furthermore, the evaluation of future prediction of the stages against current observation to assess the empirical validity of the model.
2. The relationship and the equilibrium between different models of social and economic growth and their relationship with the growth and stage of bureaucracy development.
3. The factors responsible for the Government growth in countries with sudden wealth are different from those of developing countries. An empirical analysis of the bureaucracy growth in countries with sudden wealth, compared with developed countries is needed at this juncture.
4. The necessity to incorporate analytical tools, such as SOWT Analysis and risk-performance measures in evaluating future stages of administrative development. There is a need for systematic method to include risk analysis

²⁸ Fred Riggs, Administration, op.cit., p.3.

in the research design of bureaucratic development, identification and measurements of such risk and the assessment of risk-performance relationship.

5. One of the interesting hypothesis to explain governmental growth is "displacement effect" hypothesis⁽²⁹⁾. It suggests that occurrence of wars (or social upheavals) will create disturbance which will lead to increase in the bureaucracy's discretionary power allowing it to reach a continuous increase in size. After the crisis, the expenditure will not return to its previous level of expenditure. Kuwait, after the invasion by Iraq in 1990, could be an excellent case study to test such hypothesis.

It is my hope that this research can explain the evolution of bureaucracy in countries with sudden wealth. It is also my hope that conclusions reached which violate some established views, could stimulate research on this side of the world. I will be more than satisfied if the research provides new directions for inquiry, supplies expectations about the future and initiates critical questions about bureaucracy development. Furthermore, my greatest hope is that this research will make a modest contribution to the interdisciplinary understanding of how bureaucracy develops in Kuwait and in countries with sudden wealth.

²⁹ Alan Peacock and Jack Wisemen, op. cit.

APPENDIX-1

MINISTRIES AND AUTHORITIES EXCLUDED FROM THE STUDY:

1. Amiri Diwan
2. Diwan of H.H. Crown Prince and Prime Minister.
3. Department of Legal Advice and Legislation.
4. State Audit Bureau.
5. Ministry of Interior.
6. The National Guard.
7. University of Kuwait.
8. Ministry of Foreign Affairs.
9. The General Authority for the South and Arabian Gulf.
10. Higher Planning Council "General Secretariat".
11. Civil Service Commission.
12. Public Fire Administration.
13. Kuwait News Agency.
14. Kuwait Institute for Scientific Research.

APPENDIX-2MINISTRIES AND AUTHORITIES INCLUDED IN THE STUDY:

1. Council of Ministers "The General Secretariat"
2. Ministry of Awqaf and Islamic Affairs.
3. Ministry of Commerce and Industry.
4. Ministry of Communications.
5. Ministry of Defence.
6. Ministry of State for Service Affairs.
7. Ministry of Education.
8. Ministry of Higher Education.
9. Ministry of Finance.
10. Ministry of Electricity and Water.
11. Ministry of Oil.
12. Ministry of Public Health.
13. Ministry of Information.
14. Ministry of Justice and Legal Affairs.
15. Ministry of Public Works.
16. Ministry of Planning.
17. Ministry of Social Affairs and Labour.
18. Ministry of State for Municipal Affairs.
19. Ministry of State for Housing Affairs.
20. National Council for Culture and Arts and Literature.
21. Zakat House.
22. Ports Public Authority.
23. Directorate General of Civil Aviation.
24. The Public Authority for Applied Education and Training.
25. General Administration of Customs.
26. Public Authority of Minors Affairs.
27. Central Bank of Kuwait.
28. Kuwait Fund for Arab Economic Development.
29. Saving and Credit Bank.
30. The Public Institution for Social Security.
31. The Public Authority for Civil Information.
32. Kuwait Municipality.
33. National Housing Authority.
34. Kuwait Investment Authority.
35. The Public Authority for Agriculture and Fishing.
36. Shuaiba Area Authority.

APPENDIX-3**THE QUESTIONNAIRE:**

This is an English translation of the questionnaire which deals with the development of Kuwaiti Administration and the Factors of influence in its development. The original questionnaire is in Arabic language:

I. PERSONNEL INFORMATION:

Some basic information. Please put the number corresponding to your position/situation in the block on the right:

1. Present Grade/Job -
 1. Under Secretary or General Director or equivalent.
 2. Assistant Under Secretary or Deputy General Director or equivalent.
2. Educational Qualifications -
 1. Below University Degree
 2. University Degree
 3. Post Graduate Education (M.A or Ph.D.)
3. Periods of Training -
 1. No training
 2. Less than 3 months
 3. More than 3 months but less than 12 months
 4. More than one year.
4. Age -
 1. Less than 40 years
 2. From 40-50 years
 3. More than 50 years.
5. Experience on the current job -
 1. Less than 5 years
 2. From 5 to 15 years
 3. More than 15 years.
6. Work area -
 1. Ministry (public sector)
 2. Authority (public sector)

7. How were you selected for your current job?

1. From within the same Agency or Ministry
2. From other Ministry/Agency
3. Private Sector.

Give a List of countries from where you obtained higher and/or specialized education or where you were trained. Please put the country number corresponding to your position on the block in front of questions:

Kuwait & GCC	Egypt	Iraq	Arab & Islamic Countries	U.K.	European Countries	U.S.A.	Eastern Countries
1	2	3	4	5	6	7	8

8. Name of the country you got your highest degree from -
9. Name of the country in which you got most of your training -

II. The following questions deal with the passing of Kuwait through different stages of administrative development. Please define your position according to the following gradual scale:

Strongly agree	Agree	I didn't think about it	Disagree	Strongly disagree
1	2	3	4	5

II. In the area of administrative development stages:

10. Do you believe that Kuwait went into multiple stages of administrative development?

The researcher believes that Kuwait has been going on through different stages of administrative development. Please give your views on each stage:

11. "Imported bureaucracy" as reflected in the importation of administrative procedures, structures, regulations, laws, experts, staff and technicians required to run services related to the development activities.

12. "Nationalization of Bureaucracy" as the stage in which there is increasing growth in the public demand for nationalization of jobs and assumption of supervisory and executive responsibilities by natives in all fields.

13. "Inflated Bureaucracy" as reflected in an undue increase of a number of ministries, government institutions and organizations and consequently in a large increase in the number of staff at a rate which does not correspond to the demand for services and in a way which contributed largely to a decline in efficiency, productivity and complexity of procedures.

14. "Administrative Reforms" as the stage where public demand increases for a bureaucracy reform to improve its performance and efficiency and provide better services to the citizens".

15. Do you think that other countries similar to Kuwait (where wealth and prosperity appeared suddenly) have gone or are going through the same stages of administrative development?

III. IN THE AREA OF INFLATED BUREAUCRACY:

16. Increase in oil revenues contributed to overstaffing in all fields without sufficient planning.

17. The increase in the number of graduates has contributed to overstaffing by creating strong pressure on the State to provide them with suitable jobs.

18. The lack of complementarity between graduates' specialization and job needs contributed to reduced efficiency and overstaffing.

19. Numerous changes in the responsibilities of Ministries without prior planning, contributed to bureaucracy inflation.

20. Establishment of new Ministries and bodies contributed to overstaffing.

21. The selection of women for certain jobs in limited occupational fields like teaching and nursing contributed to the overstaffing in these jobs.

22. Intervention of family relations and subsequent pressures for appointments to senior and supervisory positions contributed to inefficiency and overstaffing.

23. Lack of devotion to work in the part of Kuwaiti employees and the dependence on non-Kuwaitis contributed to overstaffing, inefficiency and reduced productivity.

24. The expatriate experts played a limited role in administrative development.

IV. IN THE AREA OF ADMINISTRATIVE REFORM:

25. Decrease in oil revenues and the consequent streamlining of expenditure is a factor which called for administrative reforms.

26. Complaints of citizens about the handling of their affairs is factor for initiating administrative reforms.

27. Planning of education outputs and guided specialization would help towards effective administrative reforms.
28. Current political attitudes would support the administrative reform efforts.
29. Continuous changes of top management levels hindered administrative reforms.
30. The negative behaviors and values of the Kuwaiti civil servants are some of the basic factors which contribute to ineffectiveness of administrative reform efforts.
31. To ensure an integration of administrative reform, attention should also be focused on developing the potential of expatriate civil servants.
32. Expatriate experts contributed little towards laying down an effective system for administrative reform.
33. Specific programmes for the implementation of administrative reforms to end within a fixed time should be formulated.
34. Direction and content of administrative reforms should be inspired by views of personalities, interest group and sectors that have impact on the society.
35. Social and family relations hinder administrative reforms.
36. The existence of an independent body for administrative reform would contribute considerably towards its effectiveness.
37. The National Press played a fundamental role in initiating the administrative reform process, in outlining guidelines and orientation of its policies and targets.
38. The Parliament played a leading role in drawing up the guidelines for administrative reforms and in outlining objectives, policies and targets.
39. Social gatherings (Diwwanyah) had a role in initiating the administrative reform process and in laying down the policies and its objectives.

V. THE FUTURE OF THE ADMINISTRATION IN KUWAIT:

40. The State should privatize some of its public services.
41. The excess number of Kuwaiti graduates should be guided towards vocational jobs and crafts under suitable planning and programmes.
42. The State should encourage and promote the role of private sector in development projects to absorb the excess Kuwaiti graduates.
43. The Government should take urgent steps towards gradual decentralization of most of its services.

44. The future of the administration would depend on the efficiency of education outputs achieved by reviewing the curricula of the universities and institutions.

45. The efficiency of the administrative reforms increase in the presence of participatory bodies like Parliament.

APPENDIX-4The Reliability Test

Reliability means the consistency between measurement⁽¹⁾. In our case, the most appropriate measure is the Cronbach's alpha which measure the average correlation of items within a test.

The internal consistency of the questionnaire were calculated for each part using α -coefficient.

The α -coefficient for each part of the questionnaire and its values are shown in table 1. From the values of α -coefficient which varies from (0.687 to (0.731), we can consider the parts of the questionnaire are reliable and we can depend on its results.

Questionnaire Section	Sum of variance	Total variance	α -coefficient
Part B	3.608	11.639	0.699
Part C	8.369	30.104	0.731
Part D	19.528	65.751	0.712
Part E	2.437	7.568	0.687

Table-1: The values of α -coefficient for the questionnaire parts.

¹ Stephen Isaac and William B. Michael, Handbook in Research and Evaluation, (San Diego, California: Robert R. Knapp, 1971), pp.87-9 and C. Hadlai Hull and Norman Nic, SPSS Update, 7-9 (1981), p.259.

APPENDIX- 5**Name and brief background about the interviewee persons**

1. **Mr. Mohammad Al-Adsani** - former Chairman of Municipality Board (1964-68); former Minister of Planning and former Minister of Public Works (1976-1980); former Amassador to Lebanon and Saudi Arabia; former Chairman of National Assembly (1981-1985);
2. **Mr. Hamed Yousef Al-Essa** - Attorney of Law, former Commissioner of Civil Service Authority (1960-1966); Principal contributor for drafting of early Kuwait laws.
3. **Mr. Abdul Latif Y. Al-Hamad** - former General Director of Kuwait Fund for Economic Development (1968-1981); former Minister of Finance (1981-1985); President and General Director of Arab Fund for Social and Economic Development (1986-till now).
4. **Mr. Hazaa Al-Hosyan** - Civil Servant - different positions (1958-1975); General Director, Public Authority for Minor Affairs (1975-1989).
5. **Mr. Yousif Ibrahim Al-Ghanim** - prominent Businessman; Member, Council of Planning since inception; Chairman, Human Resources Committee.
6. **Mr. Ahmad Al-Jasser** - Under Secretary, Ministry of Education (1969-1981); Minister of Awqaf and Islamic Affairs (1981-1985); Member of Planning Council (1986 until now).
7. **Mr. Mohammad S. Al-Moasharji** - General Director of Kuwait Municipality (1972-1980); Deputy Chairman of Kuwait Municipality (1980-1986); former Minister of Awqaf and Islamic Affairs (1991-1992).
8. **Mr. Ali Al-Musa** - Asstant Under Secretary, Ministry of Planning (1972-1980); Auditor General, Kuwait Petroleum Corporation (1985-1991); Deputy Governor, Central Bank of Kuwait (1991-till now).
9. **Mr. Abdul Aziz Al-Sarawi** - former Minister of PT&T; Director General of Social Affairs and Labour; former Ambassador to Morocco. Currently Director of Legal Affairs, Ministry of Foreign Affairs.

APPENDIX-6

This is an English translation of Interview questions concerning the Administrative Stages of Kuwait. The original questions are in Arabic language.

Purpose of the Interview:

To obtain in depth information and views on the various stages of administrative development in Kuwait after the discovery of oil in order to show the positive and negative aspects of each stage and thus propose an appropriate model for future administrative stages so as to achieve the targets of development in Kuwait. The said exercise is part of academic research presently under preparation by the researcher.

Clarifications:

1. What is contained in this interview shall be utilized only for academic research purposes.
2. The interview shall be recorded to enable the researcher to analyze carefully its contents and to guarantee precision in understanding meanings and ideas. The researcher shall destroy the recording or return it, upon request, to the person interviewed.
3. The researcher shall not mention the name of the person interviewed during the research, if so desired.
4. The following questions have been prepared to ensure the effectiveness of the interview. At the same time, they leave room for further elaboration, if necessary.

1. Questions:

Stages of administrative development in Kuwait:

- 1.1 The researcher believes that Kuwait has gone through four stages of administrative development, kindly give your opinion on each stage.

Stage 1:

- 1.1.1 "Imported bureaucracy" as reflected in the importation of administrative procedures, regulations, laws, experts, staff and technicians required to run services related to development activities.

What is your opinion on this stage?

Stage 2:

1.1.2 "Nationalization of Bureaucracy" as reflected in the call for Kuwaitisation of posts and to assume supervisory and executive responsibilities by Kuwaitis in all fields.

What is your opinion on this stage?

Stage 3:

1.1.3 "Inflated Bureaucracy" as reflected in the increase of a number of ministries, government institutions and organizations and staff at a rate which does not tally with the demand for services and in a way which led to a decline in productivity and complexity of procedures.

What is your opinion on this stage?

Stage 4:

1.1.4 "Administrative Reform" as reflected in the call for a reform of the bureaucracy to improve performance and provide better services to the citizens.

What is your opinion on this stage?

1.2.4 Do you think that countries similar to Kuwait (where wealth and prosperity appeared suddenly) have gone or are going through the same stages?

2. Imported Bureaucracy Stage:

It is represented in the importation of administrative systems laws, experts and technicians necessary to run services related to development activities in the initial period of the establishment of Kuwait.

2.1 What, in your opinion, are the reasons for the beginning of this stage (growth of financial resources ... increased awareness... the country's need for development)?

2.2 Importation of Administrative Regulations, Systems and Structures:

2.2.1 Did Kuwait import administrative regulations, systems and structures in the beginning of its period of revival?

2.2.2 What are the main aspects and fields from which these matters have been drawn?

2.2.3 From what countries have these administrative regulations, systems and structures been mainly drawn?

2.2.4 Some find that most of the administrative regulations and systems have been drawn from Egypt because there are many similar basic characteristics and because of a large number of Kuwaiti graduates from Egypt... What is your opinion on this?

2.2.5 Some also find that most of these administrative regulations and systems have been imported because most of the experts who participated in the first revival of Kuwait were from Egypt.

2.2.6 Were there obvious reasons for the importation of such systems and regulations at that time? What are these reasons?

2.3 Recruitment of Experts

2.3.1 Did Kuwait, in the beginning of its revival, recruit some experts? In what fields did the activities of these experts focus (laying down of regulations and systems... project evaluation ... training... planning... development... building up of administrative structures)?

2.3.2 What, in your opinion, are the reasons which led to the recruitment of such experts?

2.3.3 How was the recruitment of these experts made (personal acquaintance, nomination by the expert's own country, the U.N and International Organizations)? Other reasons?

2.3.4 What, in your opinion, were the relations between these experts and Kuwaiti as well as non-Kuwaiti staff members? Positive and constructive... or negative?

2.3.5 Did these experts participate in the training of national cadres and the development of their skills? In what fields?

2.3.6 Some believe that most of these experts were of Egyptian nationality and this is what gave the Kuwaiti administration a style of Egyptian administration... as regards modes of work, ways of thinking and patterns of performance. What are your views on this?

2.3.7 One ex-top official finds that "the recruitment of experts was not without costs, because they put forward solutions remote from the social reality and this led to unacceptable results" and Kuwait consequently suffered from many of these barren solutions. What are your views on this?

2.4 The Society's Values Before the Advent of Oil:

2.4.1 Kuwaitis deal with the new administrative system with values of the past and this has led to some negative traits. For example, before the discovery of oil the Kuwaiti citizen had been used to direct contact with the Ruler or a responsible official and this is in contradiction with the administrative bureaucratic system which was introduced in the beginning of the revival of Kuwait. This led many people to resort to the principle of nepotism to channel their transactions to the officials. What is your opinion on this?

2.4.2 An informed source finds that "one of the prevailing values in Kuwait is to choose a person and place confidence in him without giving him details of his responsibility (or job description). When the administrative system was set up in Kuwait, the selection of a person was made with these values in mind but the loss of these values by some of those officials played an important part in the centralization of power, laxity in implementation of regulations and contradiction and confusion of

responsibilities. What are your views on this?

2.5 Human Resources:

2.5.1 The lack of Kuwaiti skilled labour was a reason for the importation of numerous administrative skills from neighbouring countries (like accountants, managers, foremen etc...).

2.5.2 In what fields did the recruitment of these administrative skills focus?

2.5.3 Which nationalities were more recruited and what was the reason for this?

2.5.4 What was the state policy in dealing with Kuwaiti unskilled labour?

2.5.5 In what fields were they employed? Was it possible to utilize them in a better way?

2.5.6 Were some laws amended or relaxed to accommodate them (like foregoing the conditions concerning qualifications... existence of exceptional provision(s) in the laws)?

2.5.7 The relations between the Kuwaiti unskilled workers and the efficient non-Kuwaiti director led to positive results (like development of skills of the Kuwaiti employees) and it also led to negative results (like the Kuwaiti's liberal devotion to work as long as there was a non-Kuwaiti who was performing it). What are your views on this?

2.5.8 What is the role of women in that period (Was it limited and in specific sector(s)... What are these sectors?...Are there restrictions laid down by society on women's work)?

2.6. Kuwaiti Administration:

2.6.1 Did the educated Kuwaitis have a role in the establishment of the administrative system in the beginning of the revival of Kuwait? In what fields did their efforts centre? And at what level (leadership, supervisory, executive)? What are the reasons for the weakness of their role (if it is weak)?

2.6.2 One top official believes that "Kuwait's administrative experiences in the beginning of its revival were few". What are the reasons for this? Did the non-Kuwaiti experts have a part to play in this in view of their apprehensions that their proposed solutions might fail and thus lead to a termination of their contracts?

2.7. The Kuwaiti Administration and the Society:

2.7.1 Did political developments affect the establishment of the administrative system (existence of councils for government departments, declaration of the constitution). What are these influences... and what is their impact on the administrative setup?

2.7.2 Did social and family values have an impact on the establishment of the administrative system?... What are these influences (for example, most leading positions are filled on a family or tribal basis... commitment by the State to employ Kuwaiti citizens)

2.7.3 Did economic conditions have an impact on the establishment of the administrative system? The availability of financial resources facilitated the possibility of employing experts in all fields... Did the growth of financial resources have an impact (negative or positive) on the establishment of the administrative system?

2.7.4 Was the development of the Kuwaiti administration meant to serve development in Kuwait? Or did other factors have an impact on its development (policy of distributing the wealth among the people).

2.7.5 What, in your opinion, was the period during which the imported bureaucracy stage lasted?

2.8 Positive and Negative Results of the import of Bureacracy stage:

2.8.1 Some find that the negative results of this stage are as follows:

- start resorting to the principle of mediation
- overlapping between the responsibilities of various ministries and authorities
- emergence of negative administrative values in the administrative setup (like Kuwaitis' dependence on non-Kuwaitis in work, dependence on experts for everything, delegation of authority to the top executives in the unit, escape from work).
- inefficiency, low productivity and poor control

2.8.2 Some also find that this stage had some positive results, like:

- the society moved to an advanced stage of development
- establishment of the main sectors of the State.

3. Bureaucracy Nationalization Stage

This phase is represented by a call for the Kuwaitization of posts and to assume supervisory and executive responsibilities in all fields.

3.1 The call for Kuwaitization was due to many reasons, among which were the following:

- development of the educational system and increasing the number of graduates from it
- the state policy of employment as a substitute for social insurance

- the feeling that non-Kuwaiti experts were not able to solve the problems of the society.
- What is your opinion on these reasons, and do you think that there are other reasons?

3.2 Regulations and Procedures:

3.2.1 Some find that these regulations and procedures were not amended adequately to implement the decision to nationalize the administration...What are the reasons (for example, the resistance of non-Kuwaiti experts...linkage between the call for nationalization of administration and any specific political groups).

3.2.2 A top official finds that the call for the Kuwaitization of positions focused on specific fields (for example, administrative positions) and on specific levels (leadership and supervisory positions or positions which do not require skills). What are your views on this statement?

3.2.3 What is your assessment of the view that the Kuwaitization movement was confined to a change of persons and did not extend to administrative procedures and regulations.

3.2.4 This period witnessed the emergence of the phenomenon of corruption and even Parliament set up a Committee to investigate the matter and reform the administrative situation... Was corruption an obvious phenomenon and in what fields? What are the reasons? Can we say that it ingrained itself in the administrative set up in that stage?

3.4 Social Values

3.4.1 Some find that features of nepotism became widespread in that stage because there were no standardized regulations and because the authority was centralized in the hands of senior officers... What is your opinion on this statement? What, in your opinion, were the reasons for the widespread existence of nepotism?

3.4.2 One official said on this stage, "emphasis was on the Kuwaitization of positions and not on productivity"... What was required was increasing the percentage of Kuwaitis and not their productivity. This led to the emergence of unique traits, namely, the existence of an unproductive Kuwaiti side by side with a non-Kuwaiti employee who performs his work. What is your opinion on this statement?

3.4.3 A World Bank mission finds that "the keen interest in the Kuwaitization of positions led the directors to be lenient with Kuwaitis by not insisting that they should devote all their time to their administrative work. This made it easy for them to undertake other work, like trade and other activities, thus bringing out the trait of combining two roles or jobs ... what is your opinion on this?"

3.5 Human Resources

3.5.1 Did the importation of non-Kuwaiti skilled labour continue in this stage because of the increased need for work with limited Kuwaiti skilled potentials... Why did this shortage continue (poor training facilities... lack of a human resources plan ... poor standards of graduates and their unsuitability for the job needed).

3.5.2 Was there a change in the nationality and level of the non-Kuwaiti labour force compared with the previous stage? What are the reasons for this?

3.5.3 Some find that women benefitted from the call for the Kuwaitization of positions because this gave them a great impetus to join the labour force... What is your appraisal of the benefits which women obtained from the Kuwaitization process? What are the fields in which they participated?

3.6 Role of Experts

3.6.1 Did experts have a positive or obstructive role in the Kuwaitization process?

3.6.2 Some find that the assumption by some Kuwaitis of high positions before they completed their experience and practical performance made them depend on experts or technical assistance in running any administrative activities with a tendency to resist any Kuwaiti trying to assume any senior position... What is your opinion on this?... Moreover, some find that the role of the expert had shifted from concentration of his efforts to develop the administrative structure and procedures into support for his Kuwaiti superior, and thus preserve the status quo setting?

3.7 The Kuwaiti Administration

3.7.1 In this stage, Kuwait started with some administrative experiments among which was the establishment of an organ with an independent budget as well as the establishment of a unit with an attached budget... Were there other administrative experiments and in what fields? What is your evaluation of these experiments?

3.7.2 Some observe that this period witnessed the merger or transfer or abolition of a number of ministries and authorities... What is your evaluation of this trend?

3.7.3 One official says that "the call for the Kuwaitization came at the same time as the emergence of a number of control and supervision organs (like the accounts bureau) with the aim of making the administrative process more standard and to control growth in the administration". What are your views on the establishment of these organs? Was there any relationship between the Kuwaitization process and the establishment of these organs?... Some find that the establishment of these organs lengthen the decision-making time...What is your assessment of this issue?

3.8 Private Sector

3.8.1 During this period the State tried to benefit from the efforts and the experiences of the private sector through the creation of mixed sector companies... What is your evaluation of this arrangement?

3.9 Senior Position

3.9.1 "Abundant supply with shortage of senior administrative positions in this period led to nepotism in the course of social relations and ties". What is your opinion on this statement?

3.9.2 One official says that "top executives were unable to face the challenge of this stage and did not have the ability for innovation, thus affecting many of the important sectors". For example, in the education sector it was observed that most of the distinguished students were foreigners. Moreover, it was noted that there was an inflation of Art College students in the university... What is your evaluation of the ability of top officials at that time?

3.9.3 Some find that many qualified senior government officials joined the private sector because of the existence of attractive incentives there, specially as that period experienced the establishment of several companies... What are your views on this?

3.10 The Kuwaiti Administration and the Society:

3.10.1 Political trends and conditions have a role to play in the call for nationalization of administration.

3.10.2 The influence of social values and family structure have a role to play in the administrative setup, specially with regard to appointments in senior positions... provision of services and facilities to relatives and friends... leniency in the application of rules and regulations... What are your views on this?

3.10.3 Increase in the financial resources of the State played an important role in lack of control and leniency with regard to the administrative setup and its productivity and thus led to a lack of attention in the performance of work.

3.11 Negative and Positive Results:

3.11.1 Some find that among the positive results of this stage were:

1. confirmation of the role of women in development and their entry into the work force.
2. creation of control organization(s).
3. Do you think that there are other positive results?

3.11.2 Negative results:

1. Low standard of performance and productivity in some sectors because of the speedy process of Kuwaitization (for example, poor performance of the education sector because of the appointment of Kuwaiti teachers after they obtain their elementary qualifications, with no training).

2. Appearance of the phenomenon of the unproductive Kuwaiti employee alongside his non-Kuwaiti productive counterpart.

4. Future of the Administration in Kuwait

4.1 The State should hand over some government services to the private sector in the future... What is your opinion on this approach?

4.2 The surplus of graduates will in the near future lead the Kuwaiti to accept technical jobs. What are your views on this ?

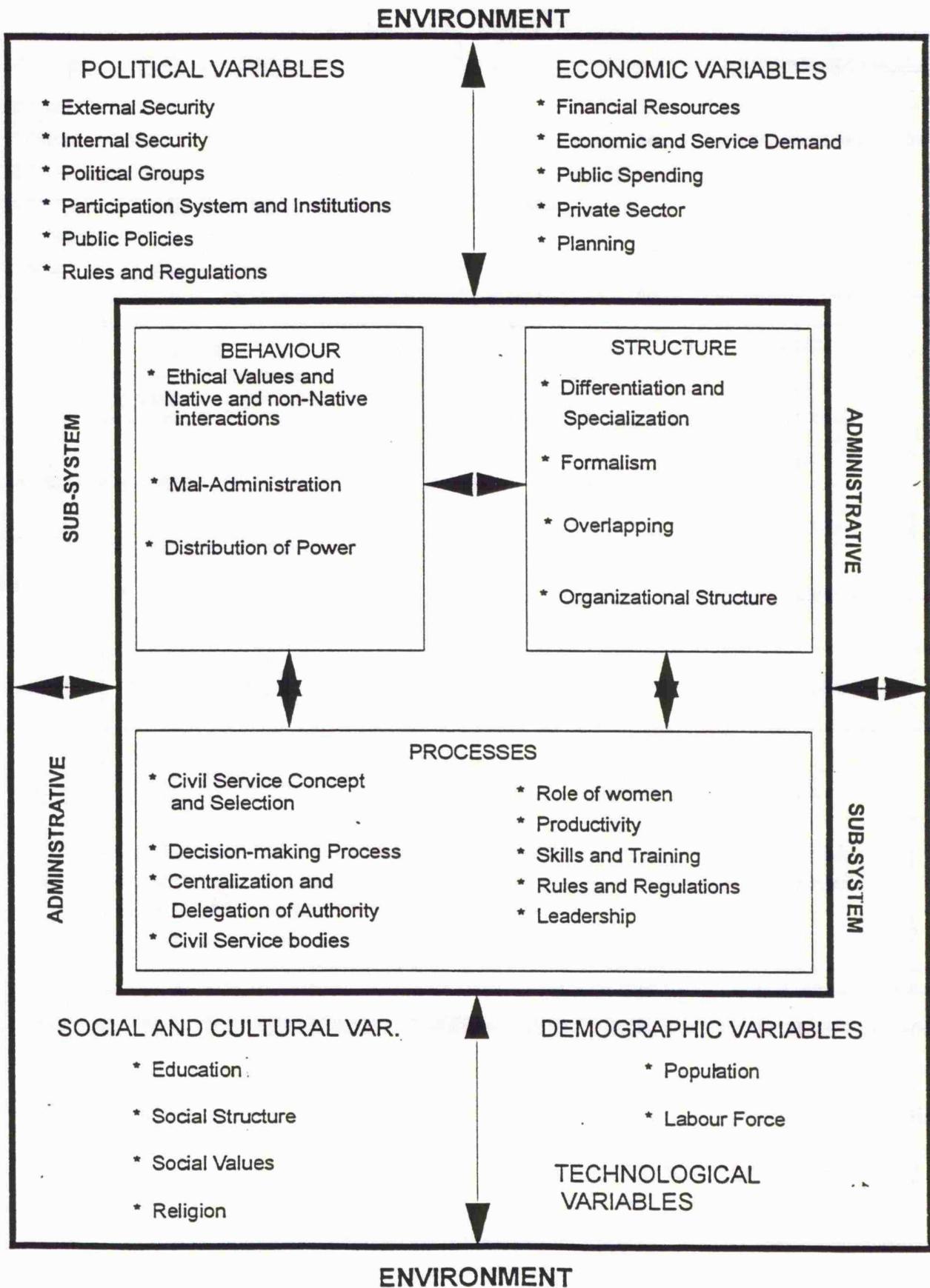
4.3 The State should encourage the private sector in handling development projects to employ Kuwaitis. What is your view on this?

4.4 The government administration will increase its efforts towards a decentralization of many of its services. What is your opinion on this trend?

In conclusion, the researcher would like to thank you for your kind cooperation in agreeing to hold this interview which it is hoped will be a means of evaluating the administrative process and prove instrumental in designing the future stage, so that it can be more effective and successful.

The researcher will provide you with a copy of the research as soon as it is completed (in English or Arabic), if you so desire.

APPENDIX 7 : FRAMEWORK FOR ECOLOGICAL ANALYSIS OF ADMINISTRATIVE DEVELOPMENT STAGES IN THE COUNTRIES WITH SUDDEN WEALTH



LIST OF ABBREVIATION

CAG	:	Comparative Administrative Group
COPA	:	The Committee for the Organization of the Public Administration (1973)
CPB	:	The Central Personnel Bureau
CRGA	:	The Committee for Reorganization of the Government Administration (1971)
CRGE	:	The Committee for Reviewing the Government Employees (1971)
CSC	:	Civil Service Commission
KFAED	:	Kuwait Fund for Arab Economic Development
KFAS	:	Kuwait Fund for Advancement of Sciences
KNPC	:	Kuwait National Petroleum Company
KOC	:	Kuwait Oil Company
KPC	:	Kuwait Petroleum Corporation
GAB	:	General Audit Bureau
GDP	:	Gross Domestic Product
GCC	:	The Gulf Council Countries
IBRD	:	International Bank for Reconstruction and Development
IPA	:	Institute of Public Administration (Riyadh, Saudi Arabia)
MDI	:	Management Development Institution
MOPH	:	Ministry of Public Health
MOE	:	Ministry of Education
NGO	:	Non-Governmental Organization
OAPEC	:	The Organization of Arab Petroleum Exporting Countries
OPEC	:	The Organization of Petroleum Exporting Countries
PCIAR	:	The Parliament Committee for Investigation and Administrative Remedy (1964-1965)
PSC	:	Performance Standard Committee (1984)
PISS	:	The Public Institute for Social Security
SCAMD	:	The Supreme Committee for Administrative Modernization and Development
SD	:	Standard Deviation
SRI	:	Stanford Research Institute
TAC	:	Training Affairs Committee (1984)
WMPC	:	Work Methods and Procedures Committee (1984)

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