



**Congressional  
Research Service**

Informing the legislative debate since 1914

---

# Kuwait: Governance, Security, and U.S. Policy

**(name redacted)**

Specialist in Middle Eastern Affairs

May 15, 2017

**Congressional Research Service**

7-....

[www.crs.gov](http://www.crs.gov)

RS21513

## Summary

Kuwait remains pivotal to U.S. efforts to secure the Persian Gulf region because of its consistent cooperation with U.S. strategy and operations in the region and its proximity to both Iran and Iraq. Kuwait and the United States have a formal Defense Cooperation Agreement (DCA), under which the United States maintains forces and pre-positioned military equipment in Kuwait. These forces contribute to U.S. efforts to project power and otherwise operate in the region, including combatting the Islamic State. Kuwait receives no U.S. foreign assistance, and has offset some of the costs of U.S. operations in the region since Iraq's 1990 invasion of Kuwait.

On regional issues, Kuwait usually acts in concert with allies in the Gulf Cooperation Council (GCC: Saudi Arabia, Kuwait, UAE, Qatar, Bahrain, and Oman). In March 2011, Kuwait supported the GCC military intervention to help Bahrain's government suppress an uprising by the majority Shiite population, but it sent only largely symbolic naval ships and not ground forces. Kuwait is participating militarily in the Saudi-led coalition that is trying to defeat the Shiite "Houthi" rebel movement in Yemen, but has also worked to forge a diplomatic solution to that conflict. Kuwait's leadership, along with that of Saudi Arabia and UAE, supported the Egyptian military's July 2013 removal of elected president and senior Muslim Brotherhood leader Mohammad Morsi. Kuwait has supported U.S. efforts to contain Iran and has periodically arrested Kuwaiti Shiites that the government says are spying for Iran, but it also engages Iran at high levels, including on the Yemen conflict. As part of this engagement, in mid-February 2017, Iran's President Hassan Rouhani visited Kuwait and Oman - the GCC state that most consistently engages Iran.

Kuwait supports U.S.-led efforts to combat the Islamic State organization by hosting the operational command center for U.S.-led Operation Inherent Resolve (OIR) and allowing U.S. and partner forces to use its military facilities, but it is not participating militarily in OIR. The Kuwaiti government is not reported to be supporting any rebel groups in Syria, instead holding international donor conferences for civilian victims of the Syrian civil war. Some U.S.-Kuwait differences linger over Kuwait's apparent failure to prevent wealthy Kuwaitis from raising funds for extreme Islamist rebels in Syria or elsewhere.

Kuwait's political system and political culture has been widely viewed as a regional model. It has successfully incorporated secular and Islamist political factions, both Shiite and Sunni, for many decades. However, Kuwait experienced political turmoil during 2006-2013, initially manifesting as parliamentary opposition to Sabah family political dominance but later broadening to visible public unrest in 2012-2013 over the ruling family's power and privileges. Parliamentary elections in July 2013 produced a National Assembly amenable to working with the ruling family, but the elections held on November 26, 2016, saw a return to political strength of Islamist and liberal opponents of the Sabah family who held sway in earlier Assemblies. The government also has increasingly imprisoned and revoked the citizenship of social media critics for "insulting the Amir," tarnishing Kuwait's reputation for political tolerance. On the other hand, Kuwait has increased efforts to curb trafficking in persons, causing the State Department to upgrade Kuwait's rating in the 2016 report on that issue.

Years of political paralysis also have contributed to economic stagnation relative to Kuwait's more economically vibrant Gulf neighbors such as Qatar and the United Arab Emirates (UAE). As are the other GCC states, Kuwait is also struggling with the consequences of the sharp fall in oil prices since mid-2014.

## Contents

Government and Political Reform.....	1
Leadership Structure .....	1
Elected National Assembly .....	2
Political Factions in and Outside the National Assembly .....	2
Post-2006 Political Turmoil: Assembly Suspensions and Elections .....	3
Elections during 2006-2009 .....	3
Arab Uprisings Intensify Political Strife.....	3
Broader Human Rights Issues .....	6
Women’s Rights .....	7
Trafficking in Persons and Labor Rights .....	7
Status of Non-Citizens and “Stateless Persons“ (Bidoons).....	7
Freedom of Expression and Media Freedoms.....	8
Religious Freedom .....	8
U.S.-Kuwait Relations and Defense Cooperation .....	9
Defense Cooperation Agreement (DCA) and Major Non-NATO Ally Status .....	9
U.S. Troops in Kuwait and Facilities Used.....	10
Major Non-NATO Ally Status .....	10
Operational U.S.-Kuwait Defense Cooperation: 1987-2011.....	10
Defense Cooperation with Other Countries/NATO Center.....	11
U.S. Arms Sales to Kuwait.....	12
Major U.S. Arms Sales to Kuwait.....	12
International Military Education and Training (IMET) .....	13
Other Foreign Policy Issues.....	13
Bilateral Issues with Iraq.....	14
Kuwait-Iran Relations .....	16
Syria and the Islamic State.....	17
Yemen.....	18
Kuwaiti Policy on Other Regional Conflicts and Issues .....	18
Bahrain.....	18
Egypt/Muslim Brotherhood .....	18
Palestinian-Israeli Dispute .....	18
Other Regional Assistance .....	19
Counterterrorism Cooperation .....	19
Terrorism Financing Issues .....	20
Economic Issues .....	21

## Figures

Figure 1. Map of Kuwait .....	23
-------------------------------	----

## Tables

Table 1. Senior Leaders in Kuwait .....	1
Table 2. Composition of the National Assembly .....	6

Table 3. U.S. Aid to Kuwait ..... 13  
Table 4. Kuwait: Some Basic Facts ..... 23

**Contacts**

Author Contact Information ..... 24

## Government and Political Reform<sup>1</sup>

Kuwait's optimism after the 2003 fall of its nemesis, Saddam Hussein, soured after the January 15, 2006, death of Amir (ruler) Jabir Ahmad al-Jabir Al Sabah. From then until 2013, Kuwait underwent repeated political crises that produced economic stagnation.

### Leadership Structure

Under Kuwait's 1962 constitution, an Amir (Arabic word for prince, but which is also taken as "ruler") is the head of state and ruler of Kuwait. He is Commander-in-Chief of the Armed Forces, appoints all judges, and can suspend the National Assembly. The Amir appoints a Prime Minister as head of government, who in turn appoints a cabinet. The Prime Minister has always been a member of the Sabah family, and until 2003 the Prime Minister and Crown Prince/heir apparent posts were held by a single person. Some in the Sabah family argue that the Prime Minister and Crown Prince positions should again be combined because the National Assembly is not constitutionally able to question the Crown Prince. In typical Kuwaiti cabinets, most of the key ministries (defense, foreign policy, and finance) are led by Sabah family members.

At the time of Amir Jabir's death, his designated successor, Shaykh Sa'ad bin Abdullah Al Sabah, was infirm, and a brief succession dispute among rival branches of the ruling Al Sabah family ensued. It was resolved with then-Prime Minister Shaykh Sabah al-Ahmad al-Jabir Al Sabah, the younger brother of the late Amir, succeeding him on January 29, 2006. The succession dispute was unprecedented in Kuwait and the broader Gulf region for the first involvement of an elected legislature in replacing a leader. The resolution of the succession in 2006 produced a suspension of the tacit agreement to alternate succession between the Jabir and Salem branches of the family. Amir Sabah appointed two members of his Jabir branch as Crown Prince/heir apparent and as prime minister (Shaykh Nawwaf al-Ahmad Al Sabah and Shaykh Nasser al Muhammad al-Ahmad Al Sabah respectively). The Prime Minister is Shaykh Jabir al-Mubarak Al Sabah, who took office in December 4, 2011.

Kuwait's Amir can be as involved in or detached from day-to-day governance as he chooses, and Amir Sabah tends to be more directly involved in governance than was his predecessor. At about 86 years old, he remains actively engaged in governing. Still, there reportedly is growing discussion within Al Sabah circles about the potential succession.

**Table I. Senior Leaders in Kuwait**

Amir (Ruler)	Sabah al-Ahmad al-Jabir Al Sabah
Crown Prince	Nawwaf al-Ahmad Al Sabah
Prime Minister	Jabir al-Mubarak Al Sabah
Foreign Minister	Sabah al-Khalid al-Hamad Al Sabah
Defense Minister	Khalid al-Jarrah Al Sabah

<sup>1</sup> Much of this section is from the State Department's country report on human rights practices for 2016. <https://www.state.gov/documents/organization/265718.pdf>.

## Elected National Assembly

The National Assembly, established by Kuwait's November 1962 constitution, is the longest-serving all-elected body among the Gulf monarchies. Fifty seats are elected, and up to 15 members of the cabinet serve in the Assembly *ex-officio*. The government has expanded the electorate gradually: in the 1990s, the government extended the vote to sons of naturalized Kuwaitis and Kuwaitis naturalized for at least 20 (as opposed to 30) years. Kuwait women obtained suffrage rights when the National Assembly passed a government bill to that effect in May 2005. In recent elections, about 400,000 Kuwaitis have been eligible to vote.

Kuwait's National Assembly has more scope of authority than any legislative or consultative body in the GCC states. It can draft legislation, rather than merely act on legislation introduced by the government. The Assembly does not confirm cabinet nominees (individually or en bloc), but it frequently questions ministers ("grilling"). It can, by simple majority, remove ministers in a vote of "no confidence," and can oust a prime minister by voting "inability to cooperate with the government." The Assembly reviews government decrees issued during periods of Assembly suspension. Kuwait's Amirs have, on numerous occasions (1976-1981, 1986-1992, 2003, 2006, 2008, 2009, 2011, 2012, and 2016), used their constitutional authority to dissolve the Assembly. Suspension mandates new elections within 60 days.

Some oppositionists call for greater authority for the Assembly and a limitation of the powers of the government and the ruling family. Other oppositionists seek a constitutional monarchy in which an elected Assembly majority would name a Prime Minister, who would form a cabinet.

## Political Factions in and Outside the National Assembly

Political parties are not permitted, and factions compete in Assembly elections as "currents," "trends," or "political societies." These factions also organize at a parallel traditional Kuwaiti forum called the *diwaniyya*—informal social gatherings, held at night, hosted by elites of all ideologies and backgrounds. Factions in Kuwait, both in and outside the National Assembly, are often fluid, but in general they group as follows.

### *The "Opposition"*

- *"Liberals."* Highly educated and mostly secular elites, many of whom supported Arab nationalist movements in the 1960s and 1970s. In prior years they had operated under the banner "Kuwait Democratic Forum."
- *Sunni Islamists.* Within this broad category, there are two major groupings: those linked to the Muslim Brotherhood, and harder-line Sunnis called "Salafists." Those linked to the Muslim Brotherhood have often operated under a banner called the Islamic Constitutional Movement (ICM). Brotherhood supporters in Kuwait have no history of violent activities. However, the government has sought to disband the Brotherhood's Kuwait charity arm, *Islah*.
- *Youths.* Since 2008, Kuwaiti youth groups have organized to support liberal deputies, using such names as the "Orange Movement" or "Fifth Fence." These groups became even more active, leading street protests, after the Arab uprisings began in early 2011.

### *Government Supporters*

- *"Tribalists."* Generally less educated but who dominate two out of the five electoral districts. At times, some tribalists in the Assembly have grouped into a

faction widely referred to as “service deputies”—members primarily focused on steering government largesse and patronage to their constituents.

- *Shiites*. Most Shiites in the Assembly are Islamists, organized in a bloc called the National Islamic Alliance. These deputies tend to side with the government, perhaps out of concern about Sunni Islamists.
- *Women*. When in the Assembly, female deputies, both Shiite and Sunni, have tended to align with the government.

## Post-2006 Political Turmoil: Assembly Suspensions and Elections

Disputes between the Al Sabah and oppositionists in the Assembly during 2006-2013 manifested as repeated Assembly suspensions and elections, none of which permanently resolved differences over the power balance between the executive and the Assembly.

### Elections during 2006-2009

- *June 29, 2006, Election*. Five months after taking power, Amir Sabah suspended the Assembly in May 2006 when opposition members demanded to question the Prime Minister over the government’s refusal to reduce the number of electoral districts to 5 (from 25). The proposal sought to reduce “vote buying” and the effects of intra-tribal politics. The opposition, backed by youths supporting the “Orange” banner, won 34 out of the 50 seats. The election was the first in which women could vote or run, but none of the 27 female candidates won. After the election, the Amir signed a law reducing the number of electoral districts to 5.
- *May 17, 2008, Election*. In March 2008, the government refused Assembly demands for government employee pay raises. The Amir dissolved the Assembly and set new elections for May 17, 2008. Sunni Islamists and conservative tribal leaders won 24 seats, an increase of 4, and the “liberals” won 7 seats. Pro-government and other independent tribalists and Shiites held the remaining 19 seats. No female candidates were elected.
- *May 16, 2009, Election*. After the Assembly insisted on questioning the Prime Minister for alleged misuse of public funds, the Amir suspended the Assembly and set elections for May 16, 2009. Turnout was 55% of the 385,000 eligible voters, and more than 20 new parliamentarians were elected, including 4 women (the first ever elected in Kuwait). Two votes of no confidence in the Prime Minister (in December 2009 and January 2011) failed, but the second was voted down only narrowly (22 of the 50 Assembly deputies voted no confidence).<sup>2</sup>

## Arab Uprisings Intensify Political Strife

The Arab uprisings that began in early 2011 broadened Kuwait’s opposition. In January 2011, opposition deputies, supported by youths using names such as the “Fifth Fence,” forced the Interior Minister to resign for failing to prevent the torture to death of a man in custody. In March 2011, a Shiite parliamentarian’s request to “grill” the Foreign Minister about Kuwait’s sending of naval forces to support Bahrain’s Sunni minority government against a Shiite-led uprising prompted a cabinet resignation and reshuffling. Tensions erupted again later in 2011 following

<sup>2</sup> “Kuwait’s Prime Minister Survives Parliament Vote.” *Al Jazeera TV*, January 5, 2011; Kristin Smith Diwan, “Kuwait: Too Much Politics, or Not Enough?,” *Foreign Policy* online, January 10, 2011.

reports that two Kuwaiti banks had deposited \$92 million into the accounts of several parliamentarians. Thousands protested in September 2011, calling for the resignation of the Prime Minister, and the protests compelled the cabinet to adopt an anti-corruption law.

On November 16, 2011, oppositionists in and outside the Assembly stormed the Assembly building, demanding the Prime Minister's resignation. On November 28, 2011, he did so, and the Amir subsequently replaced him with another royal family member, then-Defense Minister Shaykh Jabir al-Mubarak Al Sabah. He was sworn without first naming a new cabinet - technically a breach of Kuwait's constitution. On December 6, 2011, Amir Sabah dissolved the National Assembly and set new elections for February 2, 2012 (within the mandated 60 days).

- February 2, 2012, Election.* About 20 opposition deputies competed as one "Opposition Bloc," supported by youth leaders, advocating a fully elected government; legalization of political parties; and election law changes. As shown in **Table 2** below, opposition candidates won 32 of the 50 seats. None of the 19 women who ran was elected. Turnout was about 62%. A leading opposition figure, Ahmad al-Sadun, a previous speaker (1985-1999), returned to that post, replacing the pro-government Jassim Al-Khurafi. Prime Minister Jabir retained his post, but appointed only four oppositionists to the cabinet. In June 2012, when the Assembly requested to grill the Interior Minister, the Amir exercised his authority under Article 106 of the constitution to suspend the Assembly for one month (renewable for two months, with the concurrence of the Assembly).
- December 1, 2012, Election Triggered by Court Decision.* On June 20, 2012, the constitutional court voided the December 2011 Assembly suspension on technical grounds and reinstated the May 2009 Assembly. The Amir set new elections for December 1, 2012 under new election rules in which voters could vote for only one candidate per district (rather than four). The opposition called the decree an effort to complicate opposition efforts to forge alliances and, on October 21, 2012, an estimated 50,000-150,000 Kuwaitis protested it. The State Department "call[ed] on all sides to exercise restraint," and criticized a government imposition of a ban on future large public gatherings. In the December 1, 2012, vote, turnout was about 40%. The opposition's boycott produced a "pro-government" Assembly that included an unprecedented 17 pro-government Shiites (including five Islamists). Three women were elected. Some independent Sunni Islamists were elected—those not affiliated with the Sunni Islamist political societies that have been in the Assembly for decades.
- July 27, 2013: Another Court-Triggered Election.* On June 16, 2013, the Constitutional Court ruled that the Amir's decree that each person would vote for only one candidate per district (see above) was constitutional, but the court dissolved the Assembly on the basis of the improper technicalities in the Amir's election decree. New elections – the sixth in five years – were set for July 27, 2013. Of the 418 candidates registered, eight were women. Several opposition groups, including the Muslim Brotherhood, boycotted again, producing another pro-government Assembly. Pro-government deputies in the Assembly included a broad range of groups, including nine Shiites, and reflected successful government outreach to the tribalists. Two females initially won seats, but a constitutional court declared a miscount in one case and that woman lost her seat. The second female deputy resigned in May 2014. The Speaker is Marzuq al-Ghanim, the nephew of the late former speaker Jassim al-Khurafi.

A cabinet was named on August 4, 2013, with Shaykh Jabir continuing as Prime Minister. Among significant changes, Shaykh Sabah al-Khalid Al Sabah was promoted to first deputy prime minister and Minister of Foreign Affairs. A former head of domestic intelligence (National Security Bureau), Shaykh Mohammad Khalid Al Sabah, was made Minister of Interior and Lieutenant General Khalid Al Jarrah Al Sabah, formerly chief of staff of the Kuwaiti army, became Minister of Defense. The cabinet at first included two females but one was dismissed in January 2014, apparently to garner support from domestic Islamists. The remaining female, Hind Al Sabih, was given a second simultaneous cabinet appointment. The current cabinet includes one Shiite and four Sunni Islamists (Salafists, not Muslim Brotherhood members).

- *November 26, 2016, Election and Recent Developments.* After the 2013 election, public demonstrations and overt activism subsided. Minor unrest occurred in 2014 in connection with opposition calls for the release from jail of opposition leader/former parliamentarian Musallam al-Barrak, who has been repeatedly arrested and re-arrested for allegedly “insulting the Amir.” In anticipation of the elections originally scheduled for mid-2017, Islamist and other opposition groupings that had boycotted the past few elections announced they would participate. Citing “circumstances in the region” (an apparent reference to the Islamic State challenge and conflicts in Syria and Yemen), on October 16, 2016, the Amir suspended the Assembly and set new elections for November 26, 2016, more than six months earlier than originally planned. A total of 454 candidates, including 15 women, registered. The main opposition political societies participated, and the vote produced an Assembly roughly split between pro-government and opposition deputies. Two of three cabinet ministers who ran for reelection lost. The State Department human rights report for 2016 called the elections “generally free and fair.”

Reflecting its altered balance of factions, on May 11, 2017, the Assembly “grilled” the Prime Minister and the Minister of State for Housing on various grounds, including citizenship revocations (discussed below) and purported “administrative regularities.” The Assembly did not attempt to vote “no confidence” in the Prime Minister or seek to remove the Minister of State for Housing.

**Table 2. Composition of the National Assembly**

Ideology/Affiliation	2008 Vote	2009 Vote	Feb. 2012 Vote	Dec. 2012 Vote	July 2013 Vote	Nov. 2016 Vote
Sunni Islamist (opposition)	24	14	23	4	3	16
Muslim Brotherhood (ICM) and Salafi					(all Salafi, no ICM)	(roughly equal numbers of ICM and Salafi)
Liberals and allies (opposition)	7	10	9	1	9	8
Shiite (pro-government)	5	9	7	17	8	6
Sunni Independents (includes tribalists, pro-business deputies and women). Generally pro-government	14	17	11	28	30	20
Women (generally pro-government)	0	4	0	3	1	1
Included in categories above						

**Source:** CRS, based on articles and analysis from various observers.

**Notes:** Some members of the National Assembly might span several different categories and several sources often disagree on precise categorizations of the members of the Assembly.

## Broader Human Rights Issues<sup>3</sup>

On broad human rights issues, the State Department report on human rights for 2016 identifies the principal human rights problems in Kuwait as limitation on citizens' ability to change their government; restrictions on freedom of speech and assembly, especially among foreign workers and stateless Arabs (called "bidoons"); and lack of enforcement of laws protecting workers' and labor rights within the foreign worker population. Other problems include security forces abusing prisoners and protesters and domestic violence against women. Kuwait's government also has increasingly imprisoned and revoked the citizenship of social media critics for "insulting the Amir"—somewhat tarnishing Kuwait's reputation for political tolerance. Of the 140 Gulf-based social and political rights activists identified in November 2016 by Human Rights Watch as struggling against government repression, 44 are from Kuwait.<sup>4</sup> In January 2017, Kuwait executed seven prisoners—one of which was a member of the ruling family—who were convicted of a variety of capital offenses. Most of those executed were expatriates. These were the first executions since 2013.

U.S. democracy programs in Kuwait continue, funded from the Middle East Partnership Initiative (MEPI) and other broad U.S. assistance accounts, comprising discussions with Kuwaiti leaders, public diplomacy, training civil society activists, enhancing the capabilities of independent Kuwaiti media, promoting women's rights, and providing a broad spectrum of educational opportunities. However, published readouts of most high-level U.S.-Kuwait meetings indicate that U.S.-Kuwait discussions focus mostly on security and regional issues.<sup>5</sup>

<sup>3</sup> Much of this section is from the State Department's country report on human rights practices for 2016. The text of the report can be found at: <https://www.state.gov/documents/organization/265718.pdf>.

<sup>4</sup> <https://www.hrw.org/news/2016/11/01/arab-gulf-states-attempts-silence-140-characters>.

<sup>5</sup> <http://www.whitehouse.gov/the-press-office/2013/09/13/remarks-president-obama-and-amir-sabah-al-sabah-kuwait-after-bilateral-m>.

## Women's Rights

Women enjoy substantial, but not equal, rights in Kuwait. Since 2006, they have been able to run and vote in National Assembly elections, and they have long served at high levels of Kuwait's government, including as public prosecutors. Women in Kuwait can drive, and many women own businesses. There are several nongovernmental organizations run by Kuwaiti women, such as the Kuwait Women's Cultural and Social Society, that are dedicated to improving rights for women. An estimated 16% of the workforce in the country's crucial energy sector is female.

Still, Kuwait remains a traditional society and Islamists who want to limit women's rights have substantial influence. The law does not specifically prohibit domestic violence, although courts try such cases as assault. Kuwaiti women who marry non-Kuwaiti men cannot give their spouses or children Kuwaiti citizenship. Numerous international reports assert that violence, particularly against expatriate women working in domestic service roles, is frequent.

## Trafficking in Persons and Labor Rights<sup>6</sup>

Kuwait was designated by the State Department's *Trafficking in Persons* report for 2015 (issued July 2015) as "Tier Three" (worst level) for the eighth year in a row, despite adopting an anti-trafficking law in March 2013. Kuwait's rating was upgraded in the 2016 report to "Tier 2: Watch List" on the grounds that it is making significant efforts to meet minimum standards for the elimination of trafficking in persons. Kuwait prosecuted 20 traffickers during the reporting period. The 2016 report notes that North Korea has sent over 4,000 workers to Kuwait to perform forced labor on construction projects there.

Kuwait's sponsorship laws make domestic workers particularly vulnerable to forced labor inside private homes, but in 2015, Kuwait enacted legislation (Law No. 68) that prohibits employers from confiscating their domestic workers' passports. In July 2016, Kuwait set a minimum monthly wage for maids working in Kuwait, almost all of whom are expatriate women.

The law protects the right of workers to form and join unions, conduct legal strikes, and bargain collectively, but contains significant restrictions. The government allows one trade union per occupation, but the only legal trade federation is the Kuwait Trade Union Federation (KTUF). Foreign workers, with the exception of domestic workers, are allowed to join unions, and the government has tended not to impede strikes. Since 2011, strikes have taken place among customs officers and employees of Kuwait Airways. In 2014, the government prevented a strike by Kuwait Petroleum Company employees by threatening to replace and possibly imprison strikers, but oil workers conducted a three-day strike in April 2016.

## Status of Non-Citizens and "Stateless Persons" (Bidoons)

Non-Gulf Arabs and Asians, and about 100,000 stateless residents continue to face discrimination largely because of the perception that they are seeking to take advantage of generous Kuwaiti social benefits. As one indication of a citizen backlash against non-citizens, later in 2017 the government is to open a hospital that will only be available to treat Kuwaiti citizens.

A long-standing problem has been legal and economic status of "bidoons" (the Arabic word for "without")—persons who do not have proof of any citizenship but claim that they have lived in Kuwait for many generations and deserve citizenship. In October 2010, the government promised

---

<sup>6</sup> The most recent State Department "Trafficking in Person" report for 2016 is at <http://www.state.gov/documents/organization/258880.pdf>.

to implement a plan to resolve the bidoon issue. In March 2011, the government set up a “Central System for Remediating the Status of Illegal Residents,” with a mandate to resolve the status of the bidoons within five years. A bill enacted by the National Assembly in March 2013 called on the government to give about 4,000 bidoons citizenship. Over the past few years, the government has been giving citizenship to small numbers of bidoons (about 100) who were children of soldiers killed fighting for Kuwait (in the 1990 Iraqi invasion of Kuwait).

## Freedom of Expression and Media Freedoms

Successive State Department human rights reports have asserted that the government does not always respect constitutional provisions for freedom of speech and the press. Governmental press censorship ended in 1992, fostering the growth of a vibrant press, but publishers must be licensed by the Ministry of Information. A trend that has attracted substantial criticism not only of Kuwait but of other GCC states is their increasing use of and enactment of laws against the use of social media to criticize the government and mobilize demonstrations. Kuwait’s penal code (Article 25) provides for up to five years in jail for “objecting to the rights and authorities of the Amir or faulting him”—wording that takes varying forms in charging documents and other announcements. In July 2015, Kuwait enacted a cybercrimes law that includes prison sentences and fines for insulting religious figures or criticizing the Amir, or for harming Kuwait’s relations with other countries. Since 2014, the government, as have those of several other GCC states, revoked the citizenship of some naturalized Kuwaitis for criticizing the government on social and through other media. (By law, Kuwait-born citizens cannot have citizenship revoked.) One whose citizenship was revoked is Ahmad Jabir al-Shammari, owner of *Alam al-Yawm* newspaper and a television station. In April 2014, a judge ordered his paper and another paper (*Al Watan*) closed temporarily for violating a court-ordered news blackout on a videotape purporting to show former senior officials plotting to try to remove the Amir from office.<sup>7</sup> Others whose citizenship has been revoked on similar grounds include an Islamist former member of the National Assembly, Abdullah al-Barghash, and Saad al-Ajmi, an opposition spokesman.

## Religious Freedom<sup>8</sup>

Recent State Department religious freedom reports have noted little change in Kuwait’s respect for religious freedoms. Of the 30% of Kuwait’s population that are Shiite Muslims, about half are Arabs, some of whom are originally from the eastern provinces of Saudi Arabia, and half are of Persian origin. Unlike in Bahrain, Shiites are well represented in the rank and file of the military and security apparatus as well as government institutions. However, Kuwaiti Shiites continue to report official discrimination, including limited access to religious education and the perceived government unwillingness to permit the building of new Shiite mosques. In 2012, the ministry that oversees religious institutions began monitoring Shiite mourning houses (*Husseiniyas*).

In contrast to some of the other Gulf states, there is no registration requirement for religious groups, although all non-Muslim religious groups must obtain a license to establish an official place of worship. Religious groups are able to worship without interference as long as they do not disturb neighbors, and 11 Hindus were deported in 2015 after neighbor complaints. Kuwait has seven officially recognized Christian churches to serve the approximately 750,000 Christians (mostly foreign residents) in Kuwait: Protestant, Roman Catholic, Greek Catholic (Melkite),

<sup>7</sup> “Kuwait Papers Closed for Violating ‘Plot’ Blackout.” BBC News, April 20, 2014.

<sup>8</sup> The State Department report on International Religious Freedom for 2015 can be found at <http://www.state.gov/documents/organization/256487.pdf>.

Coptic Orthodox, Armenian Orthodox, Greek Orthodox, and Anglican. Kuwaiti Islamists have sometimes sought to prevent the building of new churches in Kuwait.<sup>9</sup> Members of religions not sanctioned in the Quran—including about 400 Baha’i’s, 100,000 Buddhists, 100,000 Hindus, and 10,000 Sikhs—are mostly non-citizens working in Kuwait. Members of these groups report a lack of facilities for worship and difficulties obtaining permission to construct new facilities to worship in their homes. There are a few hundred Christian and some Baha’i citizens.

## **U.S.-Kuwait Relations and Defense Cooperation**

A U.S. consulate opened in Kuwait in October 1951 and was elevated to an embassy upon Kuwait’s independence from Britain in 1961. Kuwait was the first Gulf state to establish relations with the Soviet Union in the 1960s, perhaps reflecting the influence on Kuwaiti politics of relatively left-wing figures attracted to the ideologies of Gamal Abd al-Nasser of Egypt and his patron, the Soviet Union. Kuwait was not strategically or politically close to the United States until the Iran-Iraq War (1980-1988), when Kuwait—a backer of Iraq—sought U.S. help against Iranian attacks. Lawrence Robert Silverman is U.S. Ambassador to Kuwait.

### **Defense Cooperation Agreement (DCA) and Major Non-NATO Ally Status**

The Iraqi invasion of Kuwait in August 1990, and the U.S. role in ending the Iraqi occupation, brought Kuwait and the United States into a close defense relationship. The formal cornerstone of the relationship is a Defense Cooperation Agreement (DCA), signed on September 19, 1991, seven months after the U.S.-led expulsion of Iraqi forces from Kuwait in the 1991 Persian Gulf War (Operation Desert Storm). The DCA had an initial duration of 10 years, but remains in effect.<sup>10</sup> The text is classified, but reportedly provides for mutual discussions in the event of a crisis; joint military exercises; U.S. evaluation of, advice to, and training of Kuwaiti forces; U.S. arms sales; prepositioning of U.S. military equipment; and U.S. access to a range of Kuwaiti facilities.<sup>11</sup> The DCA includes a Status of Forces Agreement (SOFA) that provides that U.S. forces in Kuwait be subject to U.S. rather than Kuwaiti law—a common feature of such arrangements.

Kuwait’s military has regained its pre-Iraq invasion strength of 17,000. U.S. officials say that the U.S. training and mentorship provided for in the DCA has improved the quality of the Kuwaiti military, particularly the Air Force. In 2008, U.S. Central Command (CENTCOM) established in Kuwait a platform for “full spectrum operations” in the region—among its objectives has been to help Kuwait establish a more capable navy.

---

<sup>9</sup> Middle East Media Research Institute. “In Kuwait, Public Debate Over Demand to Demolish Churches,” April 10, 2012.

<sup>10</sup> <http://www.whitehouse.gov/the-press-office/2013/09/13/remarks-president-obama-and-amir-sabah-al-sabah-kuwait-after-bilateral-m>.

<sup>11</sup> Hajjar, Sami. *U.S. Military Presence in the Gulf: Challenges and Prospects*. U.S. Army War College, Strategic Studies Institute. p. 27.

## U.S. Troops in Kuwait and Facilities Used

Since 2011, there have been about 13,500 U.S. troops in Kuwait under the DCA<sup>12</sup>—constituting more than one-third of the 35,000 total U.S. forces in the Gulf. The U.S. force includes Army combat troops, not purely support forces, giving the United States the capability to project ground force power in the region.<sup>13</sup> Each spring, these forces participate in an annual three week “Eagle Resolve” military exercise with forces from Kuwait and other GCC states. The latest such exercise concluded on April 6, 2017. As discussed further below, Kuwait hosts the headquarters for the U.S.-led operations against the Islamic State (Operation Inherent Resolve) and has made its military facilities available to coalition partners in that military campaign.

U.S. forces in Kuwait are stationed at several facilities that include Camp Arifjan (the main U.S. headquarters in Kuwait, 40 miles south of Kuwait City); a desert training base and firing range called Camp Buehring (in the desert near the border with Saudi Arabia); Ali al-Salem Air Base; Shaykh Ahmad al-Jabir Air Base; and a naval facility called Camp Patriot. Under the DCA, the United States maintains 2,200 Mine Resistant Ambush Protected (MRAP) vehicles in Kuwait.<sup>14</sup> U.S. armor pre-positioned in Kuwait was used for the 2003 invasion of Iraq. (In December 2005, U.S. forces vacated Camp Doha, the headquarters for U.S. forces in Kuwait during the 1990s.)

## Major Non-NATO Ally Status

Recognizing Kuwait’s consistent and multi-faceted cooperation with the United States, on April 1, 2004, the Bush Administration designated Kuwait as a “major non-NATO ally (MNNA),” a designation held by only one other Gulf state (Bahrain). The designation opens Kuwait to increased defense-related research and development cooperation with the United States. The designation does not expedite consideration of U.S. arms sales to Kuwait or automate U.S. approval of such sales.

## Operational U.S.-Kuwait Defense Cooperation: 1987-2011

The following sections discuss U.S.-Kuwait defense cooperation in recent regional conflicts.

***Iran-Iraq War.*** During the Iran-Iraq War, Iran had sought to compel Kuwait to end its financial and logistical support for Iraq by striking Kuwaiti oil facilities, such as the Al Ahmadi terminal, with cruise missiles. In 1987-1988, the United States established a U.S. naval escort and tanker reflagging program to protect Kuwaiti and international shipping from Iranian naval attacks (Operation Earnest Will). As part of the skirmishes between the United States and Iran in the course of that operation, Iran attacked a Kuwaiti oil installation (Sea Island terminal).

***Operation Desert Storm.*** Asserting that Kuwait was one of Iraq’s key financiers during its fight against Iran in the Iran-Iraq War, Kuwait’s leaders were shaken by the August 2, 1990, Iraqi invasion of Kuwait. Iraq asserted that Kuwait was committing “economic war” on Iraq by overproducing oil and harming Iraq’s ability to repay its debts and recover economically from the war with Iran. However, most experts believe that the invasion was a result of Saddam Hussein’s intent to dominate the Persian Gulf. Iraq’s occupation lasted until U.S.-led coalition forces of

---

<sup>12</sup> Thom Shanker. “In Kuwait, Panetta Affirms U.S. Commitment to Middle East. *New York Times*, December 11, 2012.

<sup>13</sup> Michelle Tan. “15,000 in Kuwait, At Least For Now.” *Army Times*, January 16, 2012.

<sup>14</sup> State Department Fact Sheet on Security Cooperation with Kuwait. <http://www.state.gov/t/pm/rls/fs/2016/253849.htm>.

nearly 500,000 expelled Iraqi forces from Kuwait in “Operation Desert Storm” (January 16, 1991-February 28, 1991). Kuwait’s leaders, who spent the occupation period in Saudi Arabia, were restored to power. Kuwait paid \$16.059 billion to offset the U.S. incremental costs of Desert Shield/Desert Storm.

***Iraq Containment Operations (1991-2003).*** After the 1991 war, about 4,000 U.S. military personnel were stationed at Kuwaiti facilities to conduct containment operations. Most prominent among them were the 1992-2003 enforcement of a “no fly zone” over southern Iraq (Operation Southern Watch, OSW), which involved 1,000 U.S. Air Force personnel deployed at Kuwaiti air bases. The containment strategy included the prepositioning of enough armor in Kuwait to outfit two combat brigades. Kuwait contributed about \$200 million per year for U.S. costs of these operations,<sup>15</sup> and two-thirds of the \$51 million per year U.N. budget for the 1991-2003 Iraq-Kuwait Observer Mission (UNIKOM) that monitored the Iraq-Kuwait border. Kuwait also hosted U.S. forces en route to participate in Operation Enduring Freedom in Afghanistan.

***Operation Iraqi Freedom (OIF) and Post-Saddam Iraq.*** Kuwait supported the George W. Bush Administration’s decision to militarily overthrow Saddam Hussein (Operation Iraqi Freedom [OIF]) by hosting the bulk of the U.S. invasion force of about 250,000 forces, as well as the other coalition troops that entered Iraq in March 2003. Kuwait closed off its entire northern half for weeks before the invasion. It also allowed U.S. use of two air bases, its international airport, and sea ports and provided \$266 million to support the combat. Kuwaiti forces did not enter Iraq. During 2003-2011, there were an average of 25,000 U.S. troops based in Kuwait, not including those rotating into Iraq at a given time. Kuwait was the key gateway for U.S. troops entering and exiting Iraq. The United States and Iraq had discussed retaining 3,000-15,000 U.S. troops in Iraq beyond 2011 to continue training Iraqi forces, but Iraq and the United States were unable to reach agreement and all U.S. troops left Iraq by the end of 2011.

According to Defense Department budget documents, Kuwait contributed about \$210 million per year in similar in-kind support to help defray the costs incurred by the U.S. military personnel that rotated through Kuwait into or out of Iraq for operations in Iraq during 2003-2011. In FY2012, the year U.S. troops completed a withdrawal from Iraq. Kuwait contributed \$350 million for these purposes, as stipulated in the FY2012 Consolidated Appropriation (P.L. 112-74).

## **Defense Cooperation with Other Countries/NATO Center**

Kuwait supports Saudi-led efforts to promote greater military coordination among the GCC countries. The GCC decision to form a joint military command was announced at the GCC summits in December 2013 and reiterated at each annual GCC summit since, but has not apparently been implemented to date.

Kuwait has also sought cooperation with other non-Arab U.S. partners. In December 2011, NATO and Kuwait began discussing opening a NATO center in Kuwait City as part of the Istanbul Cooperation Initiative (ICI) initiated in 2004. Kuwait joined the ICI in December 2004. The NATO center, formally titled the NATO-ICI Regional Center, opened on January 24, 2017 in a formal ceremony attended by NATO Secretary-General Jens Stoltenberg.<sup>16</sup>

<sup>15</sup> Author conversation with U.S. military official in Kuwait. February 2014.

<sup>16</sup> [http://www.nato.int/cps/en/natohq/news\\_140308.htm](http://www.nato.int/cps/en/natohq/news_140308.htm).

As do the other manpower-short GCC states, Kuwait has enlisted some military help from Pakistan. In April 2014, Kuwait set up an office in Pakistan to recruit Pakistani trainers for Kuwaiti soldiers.<sup>17</sup>

## U.S. Arms Sales to Kuwait

U.S. arms sales to Kuwait are intended, at least in part, to promote interoperability with U.S. forces. Kuwait is considered a wealthy state that can fund its own purchases; in some past years, Kuwait received some very small amounts of U.S. assistance in order to qualify Kuwait for a discount to send its officers for training in the United States. As part of the U.S. effort to promote U.S. defense relations with the GCC as a whole, rather than individually, a December 16, 2013, Presidential Determination authorized U.S. defense sales to the GCC.

### Major U.S. Arms Sales to Kuwait

U.S. arms sales have sought to enhance Kuwait's capability and the interoperability of its military with U.S. forces. Because of its ample financial resources, Kuwait is not eligible to receive U.S. excess defense articles. Major U.S. Foreign Military Sales (FMS) include

- *Missile Defense Systems.* In 1992, Kuwait bought five Patriot anti-missile fire units, which were delivered by 1998. The system intercepted Iraqi missiles during the 2003 Iraq War. In July 2012, the Administration notified a sale of 60 Patriot Advanced Capability ("PAC-3") missiles and 20 Patriot launching stations, plus associated equipment, valued at \$4.2 billion. Kuwait has not announced whether it will buy the more sophisticated Theater High Altitude Air Defense (THAAD) missile defense system that the United States has sold to the UAE, and which Qatar and Saudi Arabia are considering buying.
- *Combat Aircraft/F-18s.* The core of Kuwait's fleet of combat aircraft is 40 FA-18 combat aircraft Kuwait bought in 1992. In mid-2015, Kuwait asked to buy at least 28 more F-18s, with an option to buy 12 more, and reportedly expressed frustration at delays in the DOD approval process for that sale. In February 2016, Kuwait announced it might buy 28 Eurofighters instead.<sup>18</sup> Some in Congress have suggested the Administration would approve the sale after it completes a 10-year Memorandum of Understanding (MoU) on U.S. security assistance to Israel.<sup>19</sup> With that agreement completed in early September, the Administration notified to Congress on November 17, 2016, the potential sale of up to 32 F-18s to Kuwait along with support, equipment, and training, with an estimated value of \$10.1 billion.<sup>20</sup> On November 28, 2016, U.S. officials stated that Kuwait had proceeded to order 28 of the jets.
- *Tanks.* In 1993, Kuwait bought 218 M1A2 tanks at a value of \$1.9 billion. Delivery was completed in 1998.

<sup>17</sup> Middle East Media Research Institute. April 22, 2014.

<sup>18</sup> "Kuwait Says Sticks to F-18 Jets Despite Approval Delays." Reuters, January 21, 2016; "Kuwait to Sign Eurofighter Jet Deal with Italy: Minister." Gulf News, February 12, 2016. Defense Security Cooperation Agency, The Government of Kuwait – F/A-18E/F Super Hornet Aircraft with Support. Transmittal No. 16-21. November 17, 2016.

<sup>19</sup> "U.S. Lawmakers Urge Action on Jet Sales to Qatar, Kuwait, and Bahrain." Defense News, July 13, 2016.

<sup>20</sup> <http://www.reuters.com/article/us-boeing-fighters-gulf-idUSKCN11Y2TX>.

- *Apache Helicopters.* In September 2002, Kuwait ordered 16 AH-64 (Apache) helicopters equipped with the Longbow fire-control system, valued at about \$940 million. Kuwait reportedly is seeking to buy additional Apaches.
- *Air-to-Air Missiles.* In 2008, Kuwait bought 120 AIM-120C-7 Advanced Medium Range Air-to-Air Missiles (AMRAAM), along with equipment and services, with a total value of \$178 million. In February 2012, the Administration notified Congress of a sale of 80 AIM-9X-2 SIDEWINDER missiles and associated parts and support, with an estimated value of \$105 million.
- DSCA announced on June 30, 2014, that the U.S. Army Corps of Engineers would build a Kuwait Armed Forces Hospital in Kuwait at a cost to Kuwait of \$1.7 billion.

In December 2015 Kuwait's government asked the National Assembly to approve \$20 billion in additional funds for arms purchases. The funds will presumably pay for the F-18s Kuwait has ordered, as well as for additional U.S. Apache helicopters, French naval vessels and light armored vehicles, and Russian-made missile systems and heavy artillery.<sup>21</sup>

**Table 3. U.S. Aid to Kuwait**  
(dollars in thousands)

	FY06	FY07	FY08	FY09	FY10
International Military Training and Education (IMET).	-	19	14	0	10
Non-Proliferation, Anti-Terrorism, De-Mining and Related (NADR).	628	1,025	0	0	0

**Source:** Department of State. No U.S. assistance to Kuwait has been requested or provided since FY2010.

### International Military Education and Training (IMET)

As noted in **Table 3**, in some past years Kuwait received very small amounts of funding under the International Military Education and Training (IMET) program to qualify Kuwait for a discount in the rate it pays for Kuwait-funded trainees to participate in U.S. programs. Approximately 200 Kuwaiti military personnel study intelligence, pilot training, and other disciplines at various U.S. military institutions. Kuwait spends approximately \$10 million per year on the program.

## Other Foreign Policy Issues

After the United States, Kuwait's most important alliances are with the other GCC states. In May 2012, Saudi Arabia proposed a close political union among the GCC states—a proposal opposed by several GCC states, including Kuwait, and not adopted. Kuwait has a much longer and more extensive experience with elections and parliamentary process than does Saudi Arabia or the

<sup>21</sup> "Kuwait Planning to Boost Military Capabilities—US, GCC States Eye Boots on the Ground Against ISIS." Arab Times, December 9, 2015.

other GCC states, and Kuwait's leadership apparently does not want to jeopardize that political tradition. However, the issue continues to receive discussion at the annual GCC summits.<sup>22</sup>

## Bilateral Issues with Iraq

Kuwait has built political ties to the Shiite-dominated government in Iraq in order to move beyond the legacy of the Saddam era and to prevent any Iraqi Shiite-led violence in Kuwait such as occurred in the 1980s. On July 18, 2008, Kuwait named its first ambassador to Iraq since the 1990 Iraqi invasion. On January 12, 2011, then-Prime Minister Nasser became the first Kuwait Prime Minister to visit Iraq since the 1990 invasion. Then Iraqi Prime Minister Nuri al-Maliki visited Kuwait in 2011 and 2012, paving the way for Amir Sabah's attendance at the March 27-29, 2012, Arab League summit in Baghdad. Iraq's hosting that summit was crucial to its return to the Arab fold.

As part of its outreach to post-Saddam Iraq, Kuwait built a water line into Iraq and ran a humanitarian operation center (HOC) that gave over \$550 million in assistance to Iraqis from 2003 to 2011. A Kuwaiti company, First Kuwaiti General Trading and Contracting, was lead contractor on the large U.S. embassy in Iraq that opened in January 2009. On April 22, 2008, Kuwait hosted a regional conference on Iraq's stability, which included the United States, Iran, and other neighboring countries.

Most of the residual issues from the Iraqi invasion have been resolved. In August 2012, the Iraqi government vowed to "end all pending issues with Kuwait before the start of [2013]"—a statement that furthered Iraq's argument that the U.N. Security Council should remove any remaining "Chapter 7" (of the U.N. Charter) mandates on Iraq stemming from the invasion. During a visit to Iraq by Kuwait's Prime Minister Jabir on June 12, 2013, the two countries agreed to take the issues of still missing Kuwaitis and Kuwaiti property out of the Chapter 7 supervision of the United Nations and replace them with alternative mechanisms, as discussed below. On December 15, 2010, the U.N. Security Council passed three resolutions—1956, 1957, and 1958. These resolutions ended Saddam-era sanctions against Iraq, but did not end the "Chapter 7" U.N. mandate on Iraq and continued the 5% automatic revenue deductions for reparations payments, discussed below.

*Reparations Payments.* Until 2014, 5% of Iraq's oil revenues were devoted to funding a U.N. escrow account that, since 1991, has been compensating the victims of the Iraqi invasion of Kuwait. The U.N. Compensation Commission (UNCC), created by the post-Desert Storm U.N. resolutions, paid out about \$52 billion awarded to over 100 governments and 1.5 million individual claimants by the time it ended in April 2015. As of that time, the process had paid \$48 billion of that amount, leaving only about \$4.6 billion left to be paid—the last remaining amount due from the \$14.7 billion awarded for damage to Kuwaiti oilfields during the Iraqi occupation. In 2014, the UNCC, accounting for Iraqi budget shortfalls, extended the deadline for Iraq to make the final payments to early 2016.<sup>23</sup> In 2015, Kuwait extended that deadline until 2018.<sup>24</sup>

*Missing Kuwaitis and Kuwaiti National Archives.* The U.N. resolutions adopted in December 2010 also continued the effort, required under post-1991 war U.N. Security Council resolutions (primarily 687), to resolve the fate of the 605 Kuwaitis and third party nationals missing and

<sup>22</sup> <http://bna.bh/portal/en/news/700828>.

<sup>23</sup> <http://www.reuters.com/article/2014/12/18/us-mideast-crisis-iraq-un-idUSKBN0JW1DH20141218>.

<sup>24</sup> <http://news.kuwaittimes.net/website/kuwait-delays-iraq-reparations-payment-to-2017/>; Author conversations with Kuwaiti diplomats, July 2016.

presumed dead from the 1991 war, as well as that of the missing Kuwaiti national archives. A special U.N. envoy, Gennady Tarasov, was U.N. High-Level Coordinator for these issues. In September 2011 and in June 2012, Iraq called for an end to the mandate of that post and for Iraq and Kuwait to pursue the issue bilaterally. The June 16, 2013, visit of the Kuwaiti Prime Minister to Iraq—which followed progress on border demarcations issues—resulted in an Iraq-Kuwait joint recommendation to remove these issues of missing property and persons from the Chapter 7 U.N. mandate, a recommendation that was endorsed in the U.N. Secretary-General’s report of June 17, 2013. U.N. Security Council Resolution 2107 of June 27, 2013, abolished the High-Level Coordinator mandate and transferred the supervision of these issues to the U.N. Assistance Mission—Iraq (UNAMI)—under Chapter VI of the U.N. Charter.<sup>25</sup>

The search process has resulted in finding the remains of 236 Kuwaitis. The cases of 369 Kuwaitis remain unresolved. Kuwait has been a donor to the Iraqi Ministry of Human Rights, which is the lead Iraqi agency trying to determine the fate of the Kuwaitis. To date, more than 10,000 trenches have been dug to search for remains, and former members of Saddam’s regime have been interviewed. No progress on these issues has been reported in recent years.

As far as the Kuwaiti National Archives, U.N. reports on December 14, 2012, and June 17, 2013, say there has been no progress locating the archives. However, Annex I to the June 17, 2013, report (U.N. document S/2013/357) contains a list of all the Kuwaiti property returned to Kuwait by Iraq since 2002. In June 2012, Iraq returned to Kuwait numerous boxes of tapes from Kuwait’s state radio, books belonging to Kuwait University, and keys to Kuwait’s Central Bank.

*Kuwait-Iraq Border.* Disputes over the Iraq-Kuwait border, some of which apparently were a factor in Iraq’s 1990 invasion of Kuwait, have been mostly resolved. Under post-1991 Gulf War U.N. Security Council Resolution 833, the Council accepted the U.N.-demarcated border between them. Kuwait insisted that post-Saddam Iraqi governments formally acknowledge Iraq’s commitments under that resolution to pay some of the costs of border markings and signs. As a consequence of the March 15, 2012, Maliki visit to Kuwait, Iraq agreed to pay its portion of the costs of maintaining the border markings and the issue of the sea border markings and related issues were resolved in 2013. However, in early 2017, some Iraqi parliamentarians criticized the outcome of Iraq-Kuwait negotiations, in which Iraq ceded to Kuwait greater access to their shared Khor Abdullah waterway.<sup>26</sup>

*Other Outstanding Bilateral Disputes/Iraqi Airways.* Kuwait has not written off about \$25 billion in Saddam-era debt. In addition, Kuwait Airways alleged that Iraq owed Kuwait \$1.2 billion for planes and parts stolen during the Iraqi invasion and several Iraqi Airways jets were impounded for many years by various countries where those jets had last traveled. The March 15, 2012, Maliki visit resolved the aircraft issue with agreement for Iraq to pay Kuwait \$300 million in compensation, and to invest \$200 million in an Iraq-Kuwait joint airline venture. Subsequent to the visit, Iraq-Kuwait direct flights resumed.

*Remaining Threat from Iraqi Extremist Groups.* Kuwaiti leaders say they remain wary of pro-Iranian Shiite militia groups operating in Iraq – most of which grew out of pro-Iranian anti-Saddam elements in Iraq that were particularly active during the Iran-Iraq War. The December 1983 bombings of the U.S. and French embassies in Kuwait and an attempted assassination of the Amir in May 1985 were attributed to the Iran-inspired Iraqi Da’wa (Islamic Call) Party, composed of Shiites. Seventeen Da’wa activists were arrested for those attacks, and Da’wa

<sup>25</sup> Actions under Chapter VI do not carry the enforcement mechanisms of those adopted under Chapter VII.

<sup>26</sup> <http://www.iraq-businessnews.com/2017/02/08/renewed-tensions-over-kuwait-iraq-border/>.

activists hijacked a Kuwait Airlines plane in 1987. Da'wa is the party that Maliki and current Iraqi Prime Minister Haydar Al Abadi head, although the party no longer has a militia wing. In July 2011, the Iran-supported militia of Shiite cleric Moqtada Al Sadr rocketed Kuwait's embassy in Iraq and caused Kuwait to temporarily recall its diplomats.

## **Kuwait-Iran Relations**

Unlike some of the other GCC states, Kuwait has undertaken consistent high-level engagement with Iran. This approach could represent, in part, a legacy of Kuwait's positive orientation toward Iran as a counterweight to Iraq when Saddam Hussein was in power there. Kuwait often hosted pro-Iranian anti-Saddam Iraqi Shiite oppositionists, even though some of these same groups had conducted attacks in Kuwait in the 1980s. Amir Sabah visited Iran in June 2014, including meetings with Iran's Supreme Leader, Ayatollah Ali Khamene'i. Iran's President Hassan Rouhani visited Kuwait and Oman—the other GCC state that conducts consistent high-level diplomacy with Iran—in mid-February 2017. The visit came in conjunction with Kuwait's role as a mediator in attempting to establish a broader Iran-GCC dialogue. Subsequent to the Rouhani visit, Amir Sabah visited Oman for three days (late February) to discuss with Oman's Sultan Qaboos the potential to assuage skepticism among Saudi Arabia, UAE, and Bahrain about an Iran-GCC dialogue.

While maintaining engagement with Iran, Kuwait has in recent years joined the other GCC states in expressing concern about Iran's nuclear intentions. Kuwait and the other GCC states have publicly expressed support for the 2015 Iran nuclear agreement - and for its implementation by the Trump Administration - as curbing Iran's nuclear program, while calling on the United States and the GCC countries to work effectively to reduce Iran's efforts to expand its influence in the region. Amir Sabah represented Kuwait at the May 13-14, 2015, and April 21, 2016, U.S.-GCC summits in Camp David and in Riyadh respectively. At these meetings, President Obama reportedly assured the GCC states of the continuing U.S. commitment to Gulf security despite forging a nuclear agreement with Iran (Joint Comprehensive Plan of Action, JCPOA). Kuwait has also purchased missile defense equipment that supports U.S. efforts to forge a joint GCC missile defense network against Iran, and it participates in all U.S.-led military exercises in the Persian Gulf that signal to Iran the strength of the U.S.-GCC alliance. In January 2016, Kuwait downgraded relations with Iran over the sacking of Saudi diplomatic facilities in Tehran and Mashhad by demonstrators protesting the Saudi execution of dissident Saudi Shiite cleric Nimr al Baqr Al Nimr. Kuwait recalled its Ambassador from Iran but it did not follow Saudi Arabia and Bahrain in breaking relations.

During 2010-2016, Kuwait enforced U.S. sanctions against Iran, most of which have been suspended as of January 2016 pursuant to the implementation of the nuclear agreement. After enactment in July 2010 of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (CISADA), which subjects to penalties firms that supply gasoline to Iran, a Kuwaiti gasoline trading firm, Kuwait's Independent Petroleum Group, stopped supplying gasoline to Iran.<sup>27</sup> The lifting of sanctions on Iran could pave the way for Kuwait and Iran to eventually proceed with a long-discussed plan under which Iran might export natural gas to Kuwait.<sup>28</sup>

Kuwait has also been vigilant in preventing Iran from exerting influence inside Kuwait. In 2010, Kuwait arrested some Kuwaiti civil servants and stateless residents for allegedly helping the Qods

<sup>27</sup> [http://www.defenddemocracy.org/index.php?option=com\\_content&task=view&id=11788115&Itemid=105](http://www.defenddemocracy.org/index.php?option=com_content&task=view&id=11788115&Itemid=105).

<sup>28</sup> <http://en.trend.az/business/energy/2482129.html>.

Force of the Islamic Revolutionary Guard Corps (IRGC-QF) of Iran (the IRGC unit that supports pro-Iranian movements in the region) plot to blow up Kuwaiti energy facilities.<sup>29</sup> In September 2015, Kuwait arrested 25 Kuwaiti Shiites and one Iranian who had reportedly hidden large amounts of weapons and explosives near the border with Iraq, on charges of planning attacks in and spying on Kuwait.<sup>30</sup> On January 12, 2016, a court found all but three Kuwaitis guilty of acting as “agents for Iran and being members of Lebanese Hezbollah.” Two of the defendants, including the Iranian (who was tried in absentia) were sentenced to death. The verdict prompted the Shiites in the National Assembly to boycott sessions of the body, arguing that the government does not prosecute Kuwaiti Sunnis who support the Islamic State organization with equal rigor.

## Syria and the Islamic State

Kuwait joined the U.S.-led coalition against the Islamic State along with the other GCC states in September 2014. Kuwait has placed its military facilities at the disposal of the U.S.-led coalition, including allowing Canada and Italy to base reconnaissance and combat aircraft in Kuwait for their participation in Operation Inherent Resolve.<sup>31</sup> Kuwait hosts the headquarters of “ARCENT”—the U.S. Army component of U.S. Central Command—and the ARCENT commander, who is based in Kuwait, serves as overall U.S. commander of Operation Inherent Resolve (OIR). Unlike Saudi Arabia, Bahrain, UAE, and Qatar, Kuwait has not flown air strikes or air support missions against Islamic State forces in Syria. Neither Kuwait nor any GCC states has deployed ground forces to Syria or Iraq under OIR.

Kuwait’s leaders assert that Syrian President Bashar Al Asad’s policies have caused many Syrians to support the Islamic State and Kuwait, along with the other GCC states, closed its embassy in Damascus in 2012. However, in December 2014, Kuwait allowed Syria to reopen its embassy in Kuwait to perform consular services for the approximately 140,000 Syrians living and working in Kuwait,<sup>32</sup> but Kuwaiti diplomats insisted the reopening did not represent a warming toward the Asad regime. Kuwaiti officials say the government has not provided funds to any armed rebel groups fighting in Syria.

Kuwait has instead focused only on efforts to help the civilian victims of the conflicts in Syria and Iraq. Kuwait has hosted several major donors’ conferences at which Kuwait has pledged a total of over \$1 billion for that cause. Kuwaiti was a co-chair of the donors’ conference for victims of the Syria conflict, held on April 4 – 5, 2017 in Brussels, and pledged \$100 million for 2017 and each of the subsequent three years for those purposes.<sup>33</sup> In 2016, Kuwait separately pledged \$375 million to help displaced persons in Iraq, particularly in the course of the Iraqi attempts to recapture the city of Mosul. All of Kuwait’s donations have been composed mostly of donations to nine U.N. agencies and to the International Committee of the Red Cross (ICRC). Of the Kuwaiti government’s pledges, about 10% is channeled through Kuwaiti agencies such as the Kuwait Fund for Arab Economic Development and the Kuwait Red Crescent Society. Kuwait also is hosting more than 145,000 Syrian citizens who left the country since the war there began.

---

<sup>29</sup> “Iran Spy Cell Dismantled in Kuwait.” Associated Press, May 6, 2010; “Iran Cell Planned Attacks in Kuwait, Minister Says. *Reuters*, April 21, 2011.

<sup>30</sup> <http://www.aljazeera.com/news/2015/09/kuwait-charges-terror-cell-tied-iran-hezbollah-150901134517950.html>.

<sup>31</sup> “Kuwait Plays Uneasy Host as Canadian Jets Join Anti-ISIS Campaign.” Canada Television News, October 29, 2014.

<sup>32</sup> <http://www.presstv.ir/Detail/2015/01/06/391924/Syria-embassy-in-Kuwait-resumes-services>.

<sup>33</sup> <http://www.consilium.europa.eu/en/meetings/international-summit/2017/04/05/>.

## **Yemen**

After an uprising in Yemen emerged in 2011, Kuwait and its GCC allies brokered a transition that led to the departure of longtime President Ali Abdullah Saleh in January 2012. However, Saleh's successor Abdu Rabbu Mansour Al Hadi fled Yemen in January 2015 under pressure from Iran-backed Zaydi Shiite Houthi rebels. Kuwait has participated in the Saudi-led coalition against the Houthis with air strikes and small numbers of ground forces as well<sup>34</sup>—the intent of which is to compel the Houthi rebels to agree to a restoration of the Hadi government. In part because of its willingness to engage diplomatically with Iran, the key backer of the Houthis, and its membership in the GCC, Kuwait hosted U.N.-mediated talks between the warring sides that began in April 2016. On July 21, 2016, Kuwaiti officials expressed frustration that the talks had not produced a settlement, publicly giving the two sides until early August to resolve all outstanding issues. That deadline was not met, talks ended, and fighting resumed. Rouhani's visit to Kuwait (and Oman) in February 2017 was intended, at least in part, to explore potential cooperation between Iran and the GCC countries to resolve the conflict in Yemen.

## **Kuwaiti Policy on Other Regional Conflicts and Issues**

Kuwait has generally acted in concert with—although not always as assertively as—other GCC states on regional issues that have stemmed from post-2011 unrest in the region.

### **Bahrain**

Of all the countries affected by “Arab spring” uprisings, Kuwait has the most direct stake in fellow GCC member Bahrain. Kuwait sent a naval unit to support the March 14, 2011, intervention of the GCC's “Peninsula Shield” unit to assist Bahraini security forces, but did not send ground troops into Bahrain. The Kuwaiti naval unit departed in July 2011. Kuwait's involvement came despite opposition from some Kuwaiti Shiites.

### **Egypt/Muslim Brotherhood**

Kuwait adopted a position on Egypt's internal struggles that was similar to that of Saudi Arabia and UAE, but at odds with Qatar, which was a major benefactor of Egypt during the presidency of Muslim Brotherhood senior figure Mohammad Morsi. Kuwait, Saudi Arabia, and the UAE assert that the Brotherhood in Egypt supports Muslim Brotherhood oppositionists in the Gulf states. Since Morsi was deposed by the Egyptian military in July 2013, Kuwait has given at least \$8 billion to Egypt in grant, loans, and investments. Kuwait also has arrested and deported some Egyptians in Kuwait for conducting political activities in Kuwait for or against various Egyptian leaders. Kuwait did not join Saudi Arabia, Bahrain, and UAE in withdrawing their ambassadors from Qatar over the Egypt/Muslim Brotherhood dispute, a rift that was resolved in November 2014.

### **Palestinian-Israeli Dispute**

For many years after the 1990 Iraqi invasion, Kuwait was at odds with then-Palestinian leader Yasir Arafat and with Jordan for opposing war to liberate Kuwait. Kuwait expelled about 450,000 Palestinian workers after liberation, viewing them as disloyal, and subsequently built ties to Hamas, the main competitor of Arafat's Palestine Liberation Organization (PLO). In part because

<sup>34</sup> <http://www.criticalthreats.org/gulf-aden-security-review/gulf-aden-security-review-september-10-2015>.

of Kuwait's antagonism to the PLO, the faction that dominates the Palestinian Authority (PA), Kuwait has not sought to mediate intra-Palestinian disputes or advanced any of its own proposals for resolving the Israeli-Palestinian dispute. However, in line with the positions of the other GCC and Arab states, Kuwait supports U.N. recognition of a Palestinian State.

As part of U.S.-led Israeli-Palestinian peace process negotiations, during 1992 to 1997, Kuwait attended multilateral working group talks with Israel on arms control, water resources, refugees, and other issues. Kuwait did not host any sessions of the multilaterals. In 1994, Kuwait was key in persuading the other Gulf monarchies to cease enforcement of the secondary (trade with firms that deal with Israel) and tertiary (trade with firms that do business with blacklisted firms) Arab boycotts of Israel. However, Kuwait did not, as did Qatar and Oman, subsequently exchange trade offices with Israel and therefore retained the Arab League boycott on trade with Israel ("primary boycott"). On the other hand, potentially signaling that Kuwait might join other GCC states such as UAE in cultivating private ties to Israel, Kuwait's foreign minister visited the Old City of Jerusalem in September 2014. The Kuwaiti government asserted it did not coordinate the visit with Israeli officials and that the Old City represents a part of Palestine that is occupied.

### **Other Regional Assistance**

In July 2011, Kuwait contributed \$1 million to help relieve the effects of drought in Somalia. In November 2013, Kuwait donated \$10 million in relief aid to the Philippines following a destructive typhoon there.

### **Counterterrorism Cooperation<sup>35</sup>**

Even though Kuwaiti forces are not participating militarily in OIR, the largest terrorist attack in Kuwait in many years took place on June 26, 2015. A mosque in Kuwait City was bombed, resulting in 27 deaths. A local branch of the Islamic State called "Najd Province," named after the central region of the Arabian Peninsula, claimed responsibility for the action. In July 2016, Kuwait said its security forces thwarted three planned Islamic State terrorist attacks in Kuwait, including a plot to blow up a Shiite mosque.<sup>36</sup> On August 6, 2016, Kuwaiti authorities announced that they arrested a Filipina woman who entered Kuwait to work as a maid but who had joined the Islamic State and was planning a terrorist attack. Kuwaiti and U.S. authorities asserted that an October 10, 2016, incident in which a driver of Egyptian origin drove a truck into a vehicle carrying U.S. military personnel was a terrorist attack inspired by the Islamic State.<sup>37</sup> In April 2017, Hussein Azo Al Dhafiri, a suspected mid-ranking leader of the Islamic State, and a brother of a deceased senior leader of the group, was deported from the Philippines to Kuwait. Al Dhafiri was allegedly involved in operational planning to attack Kuwait.<sup>38</sup>

---

<sup>35</sup> Some information in this section is taken from the State Department country report on terrorism for 2015. The report can be found at <http://www.state.gov/j/ct/rls/crt/2015/257517.htm>.

<sup>36</sup> "Kuwait Says It Thwarted 3 Planned ISIS Attacks." Reuters, July 3, 2016.

<sup>37</sup> <https://english.alarabiya.net/en/News/middle-east/2016/10/10/US-embassy-Troops-in-Kuwait-came-under-terrorist-attack.html>.

<sup>38</sup> Philippine Daily Inquirer, April 14, 2017.

## Terrorism Financing Issues

U.S. officials continue to urge greater efforts by Kuwait's government to prevent wealthy Kuwaitis from raising funds for terrorist groups in Syria or elsewhere.<sup>39</sup> Kuwaiti donors have used social media and other methods to collect funds for such Syrian factions, including the Al Qaeda affiliate Al Nusra Front (which publicly severed its connection to Al Qaeda and changed its name in August 2016).<sup>40</sup> The amounts of Kuwaiti donations to such groups are not known, but the private donor effort reportedly has been highly organized. Then-Under Secretary for Terrorism and Financial Intelligence of the Department of the Treasury David Cohen said on March 4, 2014, that the appointment of a leading Kuwaiti donor to Al Nusra, Nayef al-Ajmi, as Minister of Justice and Minister of Islamic Endowments (Awqaf), was “a step in the wrong direction.”<sup>41</sup> Subsequently, Ajmi resigned his government posts.<sup>42</sup> On August 6, 2014, the Department of the Treasury imposed sanctions on two Ajmi tribe members and one other Kuwaiti (Shafi Sultan al-Ajmi, Hajjaj al-Ajmi, and Abd al-Rahman al-Anizi)<sup>43</sup> under Executive Order 13224 sanctioning support for international terrorism. Hajjaj al-Ajmi and another Kuwaiti, Hamid Hamad Al Ali, were sanctioned by the United Nations Security Council for allegedly providing financial support to the Al Nusra Front. In October 2014, Cohen reiterated his earlier criticism, saying Kuwait was still a “permissive jurisdiction” for terrorism financing.<sup>44</sup> On March 14, 2017, the Treasury Department sanctioned Kuwait-based Muhammad Hadi al-Anizi, under Executive Order 13324, for providing financial and logistical support to Al Nusra Front and Al Qaeda. Earlier, in June 2008, the Department of the Treasury froze the assets of a Kuwait-based charity—the Islamic Heritage Restoration Society—for alleged links to Al Qaeda, under E.O. 13224. On October 13, 2016, Assistant Secretary of the Treasury Daniel Glaser told a Washington, DC, audience that Kuwait has made progress on this issue, but not as much as Saudi Arabia has.

Despite the Treasury Department criticisms and sanctions announcements, recent State Department reports (including the one on global terrorism for 2015, the latest available),<sup>45</sup> credit Kuwait with improving oversight and regulation of charitable fundraising, including monitoring transfers to international beneficiaries and regulating online donations. A law Kuwait enacted in 2013 provided a legal basis to prosecute terrorism-related crimes and freeze terrorist assets and created a Financial Intelligence Unit (FIU), which investigates terrorism financing and money laundering. In May 2014, the Ministry of Social Affairs warned Kuwaiti citizens that the fundraising campaigns for Syrian factions were unauthorized and a violation of Kuwait law on financial donations, which limits fundraising to only authorized charity organizations. Authorized charities include the Social Reform Society, Islamic Heritage Restoration Society, Direct Aid, Sheikh Abdullah al-Nuri Charitable Society, Prisoners Solidarity Society, Sunna Sciences Society, Kuwait Relief, Al-Najat Charitable Society, Good Tidings Charity, and Patients Helping Fund

---

<sup>39</sup> Department of the Treasury. Remarks of Under Secretary for Terrorism and Financial Intelligence David Cohen before the Center for New American Security on “Confronting New Threats in Terrorist Financing.” March 4, 2014.

<sup>40</sup> Ben Hubbard. “Donors’ Funds Add Wild Card to War in Syria.” *New York Times*, November 13, 2013; and <http://www.newsweek.com/2014/11/14/how-does-isis-fund-its-reign-terror-282607.html>.

<sup>41</sup> Department of the Treasury. Remarks of Under Secretary for Terrorism and Financial Intelligence David Cohen before the Center for New American Security on “Confronting New Threats in Terrorist Financing.” March 4, 2014.

<sup>42</sup> Karen DeYoung. “Kuwait Cabinet Minister Resigns After Allegations.” May 13, 2014.

<sup>43</sup> Department of the Treasury, Office of the Press Secretary. August 6, 2014.

<sup>44</sup> Remarks by Under Secretary for Terrorism and Financial Intelligence David Cohen. “Attacking ISIL’s Financial Foundation.” October 23, 2014.

<sup>45</sup> State Department Bureau of International Narcotics and Law Enforcement Affairs, “2015 International Narcotics Strategy Report (INCSR), Countries/Jurisdictions of Primary Concern—Kuwait. June 2015.

Society. In June 2015, the National Assembly passed a law that criminalized online fundraising for terrorist purposes. Earlier, in April 2011, Kuwait introduced biometric fingerprinting at Kuwait International Airport and has since extended that system to land and sea entry points.

*Cooperation with the FATF.* Kuwait is a member of the Middle East North Africa Financial Action Task Force (MENAFATF). Many of the steps Kuwait has taken in the past several years apparently were the product of an action plan Kuwait developed with the broader FATF to address Kuwait's weaknesses on anti-money laundering and counterterrorism financing (AML/CTF). As of mid-2014, Kuwait was no longer considered deficient on AML/CFT by the FATF.

Although Kuwait has not received U.S. aid in recent years, U.S. agencies have helped Kuwait with counterterrorism efforts, border control, and export controls. The State Department fact sheet on security cooperation with Kuwait, referenced earlier, states that Kuwait's Ministry of Interior and National Guard participate in U.S. programs to work with local counterterrorism units via training and bilateral exercises. Kuwait also has ratified a Saudi-led GCC "Internal Security Pact" to enhance regional counterterrorism cooperation.

*Countering Violent Extremism.* State Department terrorism reports also praise Kuwait's programs to encourage moderation in Islam in Kuwait. The government supports a number of local counter-messaging campaigns on radio, television, and billboards. In late 2015, the government moved a "Center for Counseling and Rehabilitation" from Central Prison to a new facility with an expanded faculty and broadened mandate.

Kuwait long sought the return of two prisoners (Fayez al Kandari and Fawzi al-Udah) held at the U.S. facility in Guantanamo Bay, Cuba, under accusation of belonging to Al Qaeda. Amir Sabah reportedly raised the issue with President Obama during their September 13, 2013, White House meeting. Kuwait built a rehabilitation center to reintegrate them into society after they return. Fawzi al-Udah was returned to Kuwait in November 2014 and Al Kandari in January 2016.

## Economic Issues

Political infighting and the drop in oil prices since 2014 have affected Kuwait's economy significantly. Oil and other hydrocarbon sales still represent about 90% of government export revenues and about 60% of its gross domestic product (GDP). To achieve a balanced budget, Kuwait requires that crude oil sell for about nearly \$75 per barrel. Because prices have been far lower than that, Kuwait ran a budget deficit of about \$15 billion for its 2015-2016 budget year that ended March 31, 2016—the first such deficit in its history. It ran a deficit of about \$29 billion for the 2016-2017 budget year ended March 31, 2017. The adopted 2017-2018 budget, which assumes an average price per barrel of oil of about \$45, projects a deficit of about \$22 billion. To cope with its deficits, Kuwait has deferred capital infrastructure investment and reduced public sector salaries and subsidies, according to the IMF and other observers. On the other hand, Kuwait still has a large sovereign wealth fund, managed by the Kuwait Investment Authority, with holdings estimated at nearly \$600 billion.<sup>46</sup> Kuwait, which produces about 3 million barrels per day of crude oil, agreed to slightly reduce its crude oil production (130,000 barrels per day reduction) as part of a November 30, 2016, OPEC production cut agreement.

Even before the decline in oil prices, Kuwaiti leaders were foreshadowing changes to economic policy. In October 2013, Prime Minister Jabir said the subsidies system—which cost the

<sup>46</sup> <http://www.swfinstitute.org/fund-rankings/>.

government about \$17.7 billion annually—had produced a “welfare state” and was “unsustainable” and must be reduced. In 2015, Kuwait considered IMF and other recommendations to reduce subsidies, such as for electricity; to raise fees for services; to diversify the economy; and to increase taxes, including by introducing a value-added tax (VAT). A VAT would come in concert with a GCC-wide move to apply that tax by sometime in 2017. Kuwait has taken modest action on these recommendations; in April 2017, a Kuwaiti court upheld a government decision to reduce subsidies for gasoline.

Using National Assembly legislation that took effect in 2010, the government has moved forward with long-standing plans to privatize some state-owned industries. However, the privatization of Kuwait Airways was cancelled, despite the passage of legislation in January 2014 authorizing that privatization, in part because of opposition from the airline’s workforce,

Political disputes have also prevented movement on several major potential drivers of future growth, the most prominent of which is Project Kuwait. The project, backed by the Kuwaiti government, would open Kuwait’s northern oil fields to foreign investment to generate about 500,000 barrels per day of extra production. The Assembly has blocked the \$8.5 billion project for over 15 years because of concerns about Kuwait’s sovereignty. However, a fourth oil refinery, estimated to cost \$8 billion, is under construction and is scheduled to open in 2019.

The 2008 financial crisis, coupled with the political infighting, earlier caused Kuwait to shelve a joint venture with Dow Chemical to form the largest maker of polyethylene. In late 2008, the government cancelled the venture, which was to have required a Kuwaiti investment of \$7.5 billion by state-run Petrochemical Industries Co.-Kuwait. In May 2013, an arbitrator decided in favor of Dow Chemical, ordering the Petrochemical Industries Co.-Kuwait to pay Dow \$2.2 billion in damages for severing the venture.

Like other Gulf states, Kuwait sees peaceful uses of nuclear energy as important to its economy, although doing so always raises fears among some in the United States, Israel, and elsewhere about the ultimate intentions of developing a nuclear program. In 2012, Kuwait formally abandoned plans announced in 2011 to build up to four nuclear power reactors. The government delegated any continuing nuclear power research to its Kuwait Institute for Scientific Research (KISR). Kuwait is cooperating with the International Atomic Energy Agency (IAEA) to ensure international oversight of any nuclear work in Kuwait.

In 1994, Kuwait became a founding member of the World Trade Organization (WTO). In February 2004, the United States and Kuwait signed a Trade and Investment Framework Agreement (TIFA), often viewed as a prelude to a free trade agreement (FTA), which Kuwait has said it seeks. Kuwait gave \$500 million worth of oil to U.S. states affected by Hurricane Katrina.

The United States’ imports of oil from Kuwait have been declining as U.S. oil imports have declined generally. The United States imports about 200,000 barrels per day of crude oil from Kuwait, lower than the approximately 300,000 barrels per day imported during 2012-2014. Total U.S. exports to Kuwait were about \$3.3 billion in 2016, higher than the \$2.75 billion in 2015. Total U.S. imports from Kuwait in 2016 were about \$3.3 billion as well—lower than the \$4.68 billion in imports in 2015, and dramatically lower than the \$11.4 billion in imports in 2014. U.S. exports to Kuwait consist mostly of automobiles, industrial equipment, and foodstuffs.

**Table 4. Kuwait: Some Basic Facts**

Leadership	Amir: Shaykh Sabah al-Ahmad al-Jabir Al Sabah. Crown Prince/heir apparent: Shaykh Nawwaf al-Ahmad al-Jabir Al Sabah. Prime Minister: Shaykh Jabir al-Mubarak Al Sabah
Population	About 2.7 million, of which 1.2 million are citizens.
GDP (purchasing power parity, PPP)	\$300 billion (2016)
Religions	Muslim 85% (of which: Sunni 70%, Shiite 30%); other (Christian, Hindu, Parsi) 15%
GDP per capita (PPP)	\$71,300/yr. (2016)
GDP growth rate	2.5% (2016)
Unemployment	3% (2016)
Inflation	3.3% (2016)
Oil (proven reserves)	102 billion barrels (6% of world proven reserves)
Oil production	2.8 million barrels per day (mbd)
Oil exports	2.15 mbd

**Sources:** CRS; CIA, *The World Factbook* reports; IMF.

**Figure I. Map of Kuwait**

**Source:** Graphic created by CRS. Boundaries and cities generated by (name redacted) using data from Department of State, Esri, and Google Maps (all 2013).

## **Author Contact Information**

(name redacted)  
Specialist in Middle Eastern Affairs  
[redacted]@crs.loc.gov , 7-....

# EveryCRSReport.com

The Congressional Research Service (CRS) is a federal legislative branch agency, housed inside the Library of Congress, charged with providing the United States Congress non-partisan advice on issues that may come before Congress.

EveryCRSReport.com republishes CRS reports that are available to all Congressional staff. The reports are not classified, and Members of Congress routinely make individual reports available to the public.

Prior to our republication, we redacted names, phone numbers and email addresses of analysts who produced the reports. We also added this page to the report. We have not intentionally made any other changes to any report published on EveryCRSReport.com.

CRS reports, as a work of the United States government, are not subject to copyright protection in the United States. Any CRS report may be reproduced and distributed in its entirety without permission from CRS. However, as a CRS report may include copyrighted images or material from a third party, you may need to obtain permission of the copyright holder if you wish to copy or otherwise use copyrighted material.

Information in a CRS report should not be relied upon for purposes other than public understanding of information that has been provided by CRS to members of Congress in connection with CRS' institutional role.

EveryCRSReport.com is not a government website and is not affiliated with CRS. We do not claim copyright on any CRS report we have republished.