

# Kuwait and Britain: lasting ties

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The alliance with Britain allowed Mubarak the Great to lay down the foundations of a modern state

The relationship between Britain and Kuwait dates back to the middle of the 18th century and the activities of the British East India Company, which eventually set up an office in the country in 1793, and which by 1821 had moved its trading post to Kuwait from the city of Basra, then part of the Ottoman Empire.

Throughout the nineteenth century, the Al Sabah family oversaw the growing trade and pearling settlement in Kuwait. Aware of their vulnerable position, Kuwait's rulers quickly developed considerable diplomatic skills, maintaining a policy of neutrality that enabled them to work with the British, the Wahhabis in Arabia, and the Turks.

In the last quarter of the nineteenth century Kuwait developed close ties with the Ottomans, but fearing a direct takeover by the Ottomans, decided to establish a formal alliance with Britain under Mubarak the Great in 1899 that gave Britain control of Kuwait's foreign policy.

The Kuwaitis and the British were natural allies in many regards. From the 1770s the British had been contracted to deliver mail between the Gulf and Aleppo in Syria. Kuwait, meanwhile, handled all the transshipments of textiles, rice, coffee, sugar, tobacco, spices, teak and mangrove to and from India, and played a pivotal role in the overland trade to the Mediterranean.

The alliance with Britain allowed Mubarak the Great to lay down the foundations of a modern state. Under his reign, government welfare programmes provided for public schools and medical services. In 1912, postal and telegraphic services were established, and water-purification equipment was imported for the American Mission Hospital. According to British surveys from this time, the population of Kuwait City numbered 35,000 people, with 3,000 permanent residents, 500 shops and three schools, and nearly 700 pearling boats employing 10,000 men.

In the 1920s a new threat to Kuwait's peaceful prosperity in the guise of the ikhwan (brotherhood) from the Najd, the interior of Arabia. This army of Bedouin warriors was commanded by Abdul Aziz bin Abdul Rahman Al-Saud (Ibn Saud), the founder of modern Saudi Arabia and who believed that Kuwait belonged to the new kingdom of Saudi Arabia. The Red Fort, currently being restored at Al-Jahra, was the site of a famous battle in which the Kuwaitis put up a heroic defence. They also hurriedly constructed a new

city wall, the gates of which can be seen today along Al-Soor Street in Kuwait City. In 1923 the fighting ended with a British-brokered treaty under which Abdul Aziz recognised Kuwait's independence, albeit at the price of two-thirds of the emirate's territory.

At the outbreak of the First World War in 1914, Britain confirmed that Kuwait was a British Protectorate, and in the Second World War Sheikh Ahmad Al-Jaber allowed Britain to station aircraft in Kuwait to counter the interests of the axis countries in Iraq. The Anglo-Kuwaiti Friendship Agreement remained in place for 62 years, and was ended at the request of Sheikh Abdullah Al-Salem on 19 June 1961, when Kuwait gained its independence.

The depression of the 1930s coincided with the demise of Kuwait's pearling industry as the market became flooded with Japanese cultured pearls. In the 1930s the British Anglo-Persian Oil Company (APOC) sent a representative to Kuwait to negotiate a concession to explore for oil, and in 1934 the Kuwait Oil Company was formed and registered as a joint enterprise with the APOC, which later became BP. Oil was then discovered in the south of Kuwait City in 1938. The first oil exports began in the 1950s.

WWII forced the Kuwait Oil Company to suspend its operations, but when oil exports took off after the war, Kuwait's economy was launched on an unimaginable trajectory of wealth. Thus Britain secured a new energy source and Kuwait ushered in a new era of progress and prosperity.

In 1950, Sheikh Abdullah Al-Salem Al-Sabah became the first 'oil sheikh'. His reign was not, however, marked by the kind of profligacy with which that term later came to be associated. Using the country's new-found wealth, he invested in healthcare, education, and infrastructure, modernising the state, and improving the general standard of living dramatically: in 1949 Kuwait had only four doctors; by 1967 it had 400. Kuwait sent students and delegates to the UK to deepen their knowledge in specialist areas related to the oil industry and civil administration. In 1955, Sheikh Al-Salem visited Britain in his capacity as head of the national police, later importing many procedures and practices from the UK.

On 19 June 1961, Kuwait became an independent state: the obsolete agreement with Britain was dissolved by mutual consent. However, the President of Iraq,

Abd Al-Karim Qasim, immediately claimed Kuwait as Iraqi territory. British forces, later replaced by those of the Arab League (which Kuwait joined in 1963), faced down the challenge, but as subsequent tragic events would prove, the precedent was to be repeated.

British forces played a vital role in the liberation of Kuwait by the coalition in 1991. The UK/Kuwait Memorandum of Understanding was signed in February 1992. It builds on the close historical ties and provides a modern basis for the traditionally strong defence relationship.

**Trade to the fore**

Today, the United Kingdom is one of Kuwait's most important trade partners, ranked 10th among the exporting countries to Kuwait and 17th among countries importing from Kuwait, excluding oil. Kuwait is the fourth largest commercial partner in the Gulf to the UK.

Britain is keen to further improve trade ties, and the current government has made the Gulf region a priority investment and trade area, sending several senior ministers to Kuwait over the last three years.

In February last year, during UK Prime Minister David Cameron's visit to Kuwait, he announced an agreement to double bilateral trade and investment from £2 billion to £4 billion by 2015. The trade agreement positions the UK as Kuwait's partner of choice for delivering much of its US\$140 billion development plan, involving more than 1,000 projects covering infrastructure, healthcare, housing and education.

British companies are currently working on projects such as the Kuwait International Airport building, while British Telecom is helping in the development of the telecommunications sector.

Furthermore, both governments have established a new Kuwait-UK Trade & Investment Task Force. Chaired by Ministers, this important forum will play a key role in helping to achieve the new trade targets.

Trade relations between Britain and Kuwait are today worth millions of pounds and provide employment for thousands of people in both countries. The London office of the Kuwait Investment Authority manages significant investments in Britain. There are currently around 50 British companies in Kuwait, working mainly in the oil sector, defence, construction, shipping, banking, and property sectors.

There is a vibrant British community in Kuwait that dates back to the 1960s when UK companies helped to develop Kuwait's oil industry, and build the country's infrastructure. Since then more British companies have set up in the country.

Today around 6,000 British nationals live and work in Kuwait. Similarly, generations of Kuwaitis have been educated and trained in Britain. Large numbers of

Kuwaitis visit Britain each year to spend their holidays, do business or to receive medical treatment. Many own property in Britain.

Aside from strong trade links, the UK works closely with the State of Kuwait on a range of geo-strategic matters. In February 2011 Foreign Secretary William Hague announced the UK's Arab Partnership, an initiative in response to the Arab Spring, working with governments and organisations in the region to lay the foundations for more open, free societies, underpinned by free market economies.

The Arab Partnership works with the G8 and the EU, as well as multilateral lending agencies, to support the region. Through a £110 million fund, over the next four years, the UK will support political and economic reform across the region. In May, the British Embassy and Kuwait Transparency Society held a conference to raise awareness about parliamentary ethics and codes of conduct within the Kuwaiti parliamentary system.

Similarly, the Gulf Prosperity Fund Programme was launched in April 2011 to support projects in the Gulf countries and Iraq, which will lead to policy change in the areas of economic reform, climate change, and energy security in line with the UK's development objectives of promoting sustainable development, an open global economy and improving welfare. **F**

**Today, the United Kingdom is one of Kuwait's most important trade partners**

His Highness, the late Sheikh Abdulla Al-Saleem Al-Sabah, Amir of Kuwait with British representatives in 1953

