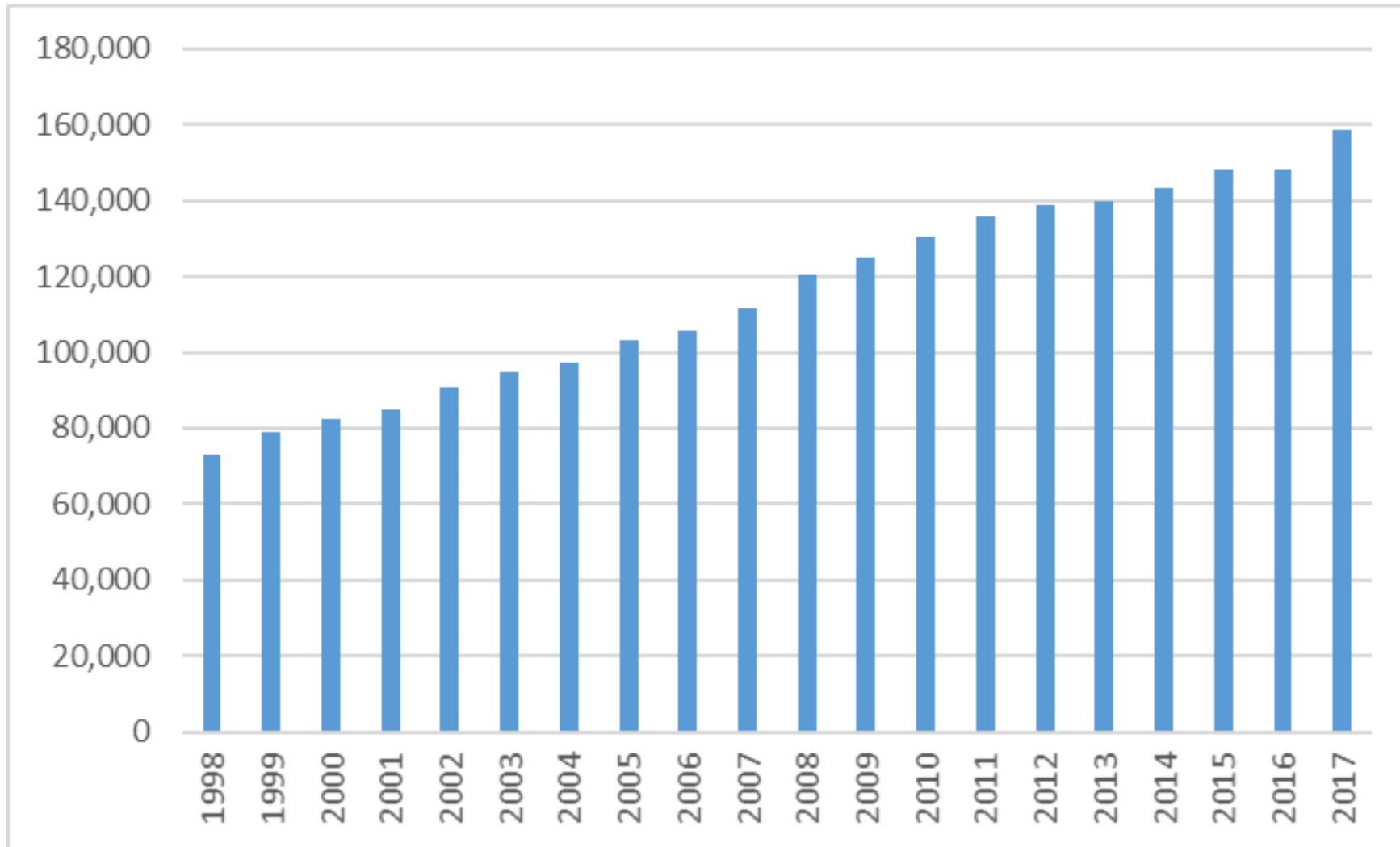


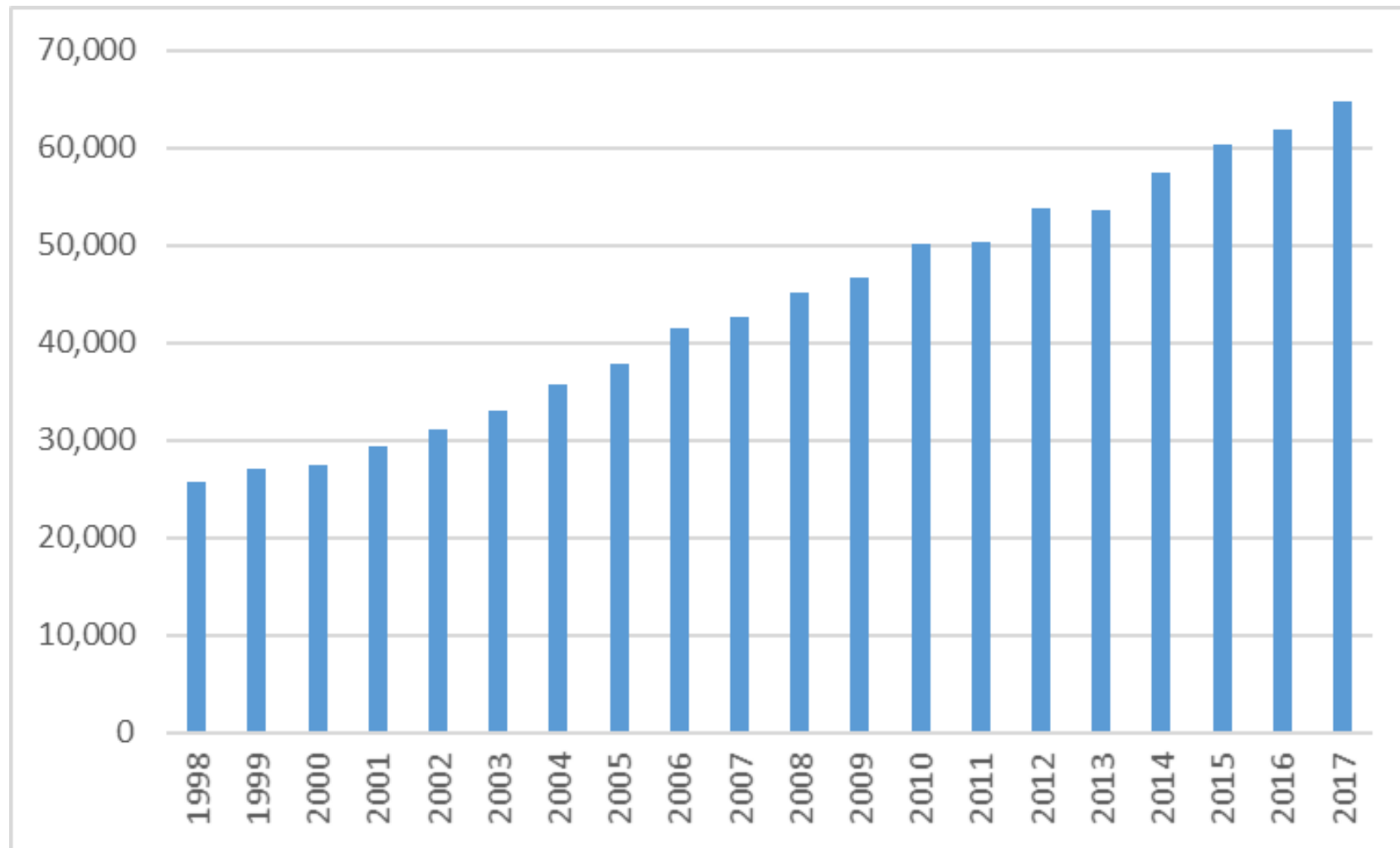
Reforming the Gulf rentier state: from patronage to cash grants?

Steffen Hertog, LSE

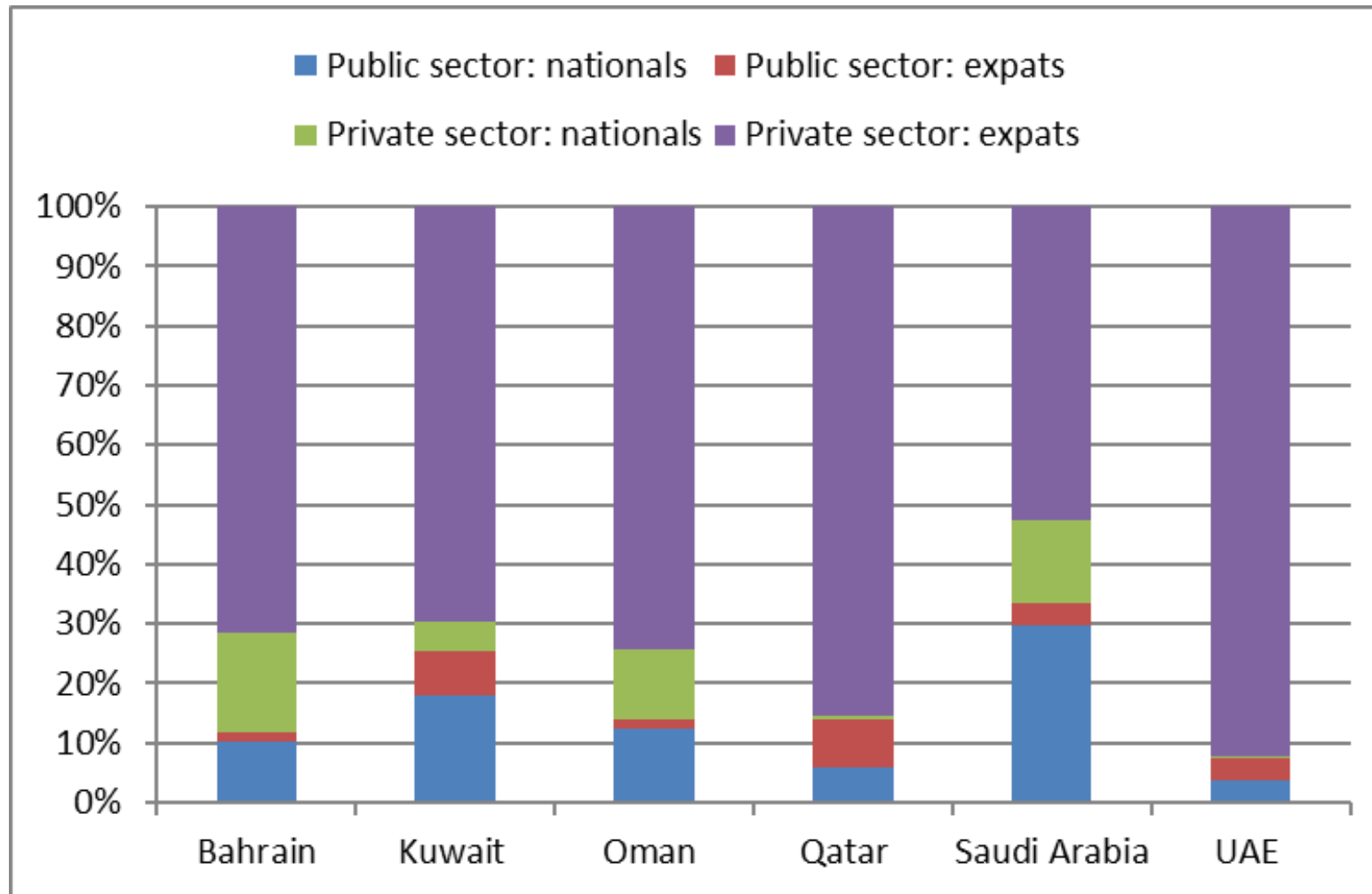
Total production of distilled water in Kuwait, 1998–2017 (million imperial gallons)



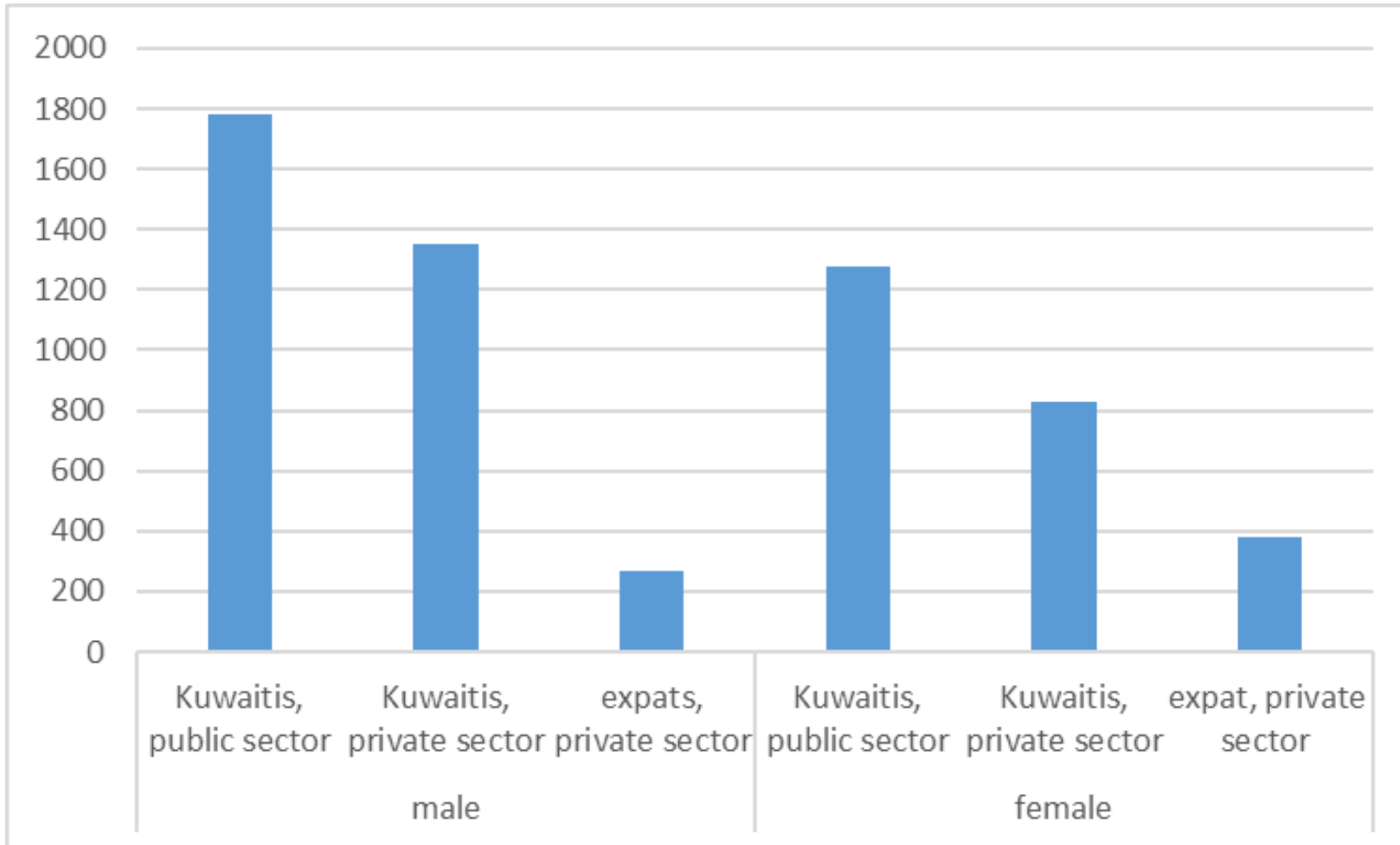
Electricity produced by Kuwaiti power stations under the MoEW, 1998–2017 (million kWh)



Public sector bias of national employment in GCC

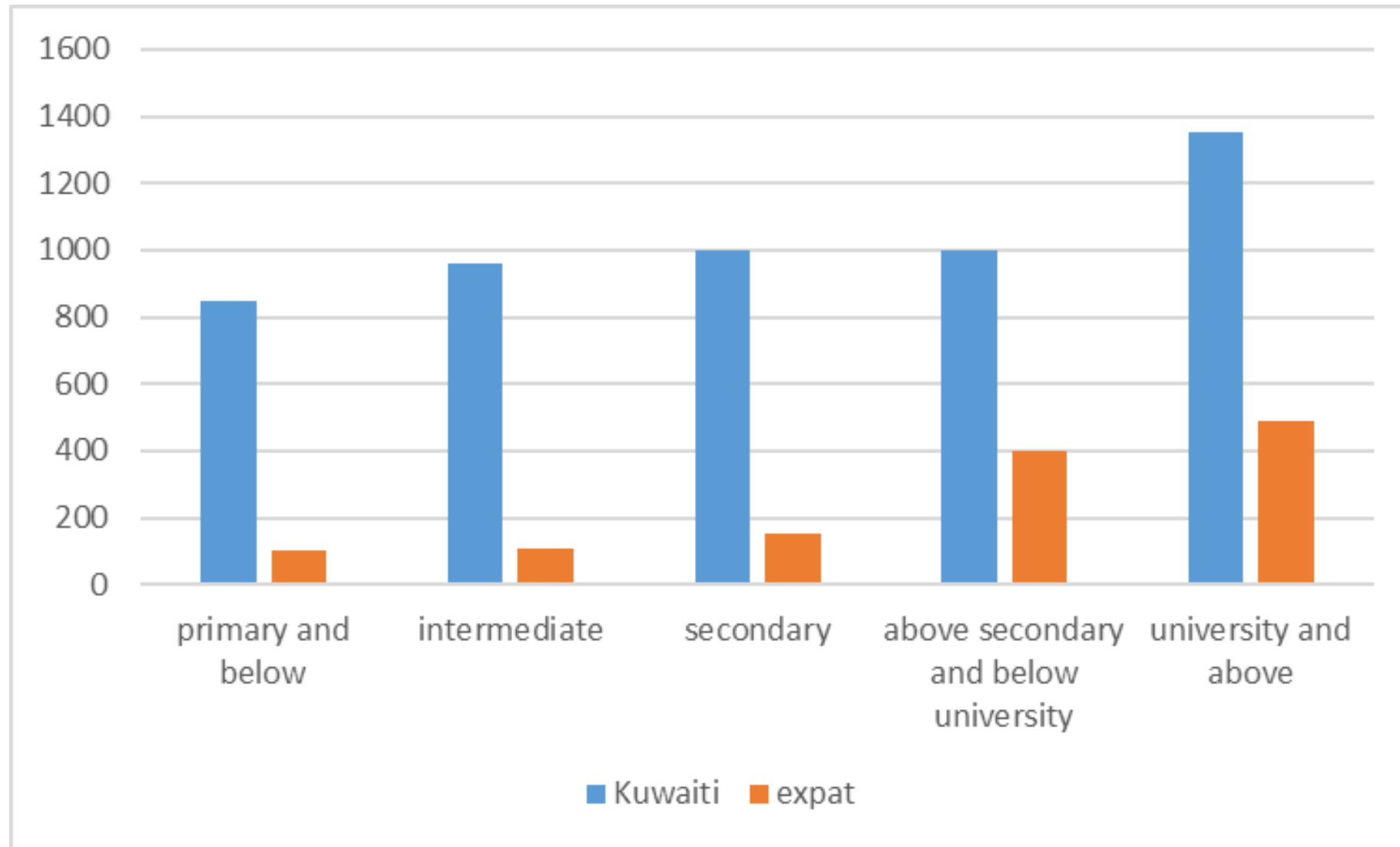


Average monthly salaries by sector, gender and nationality in Kuwait, Q3/2018 (KD)

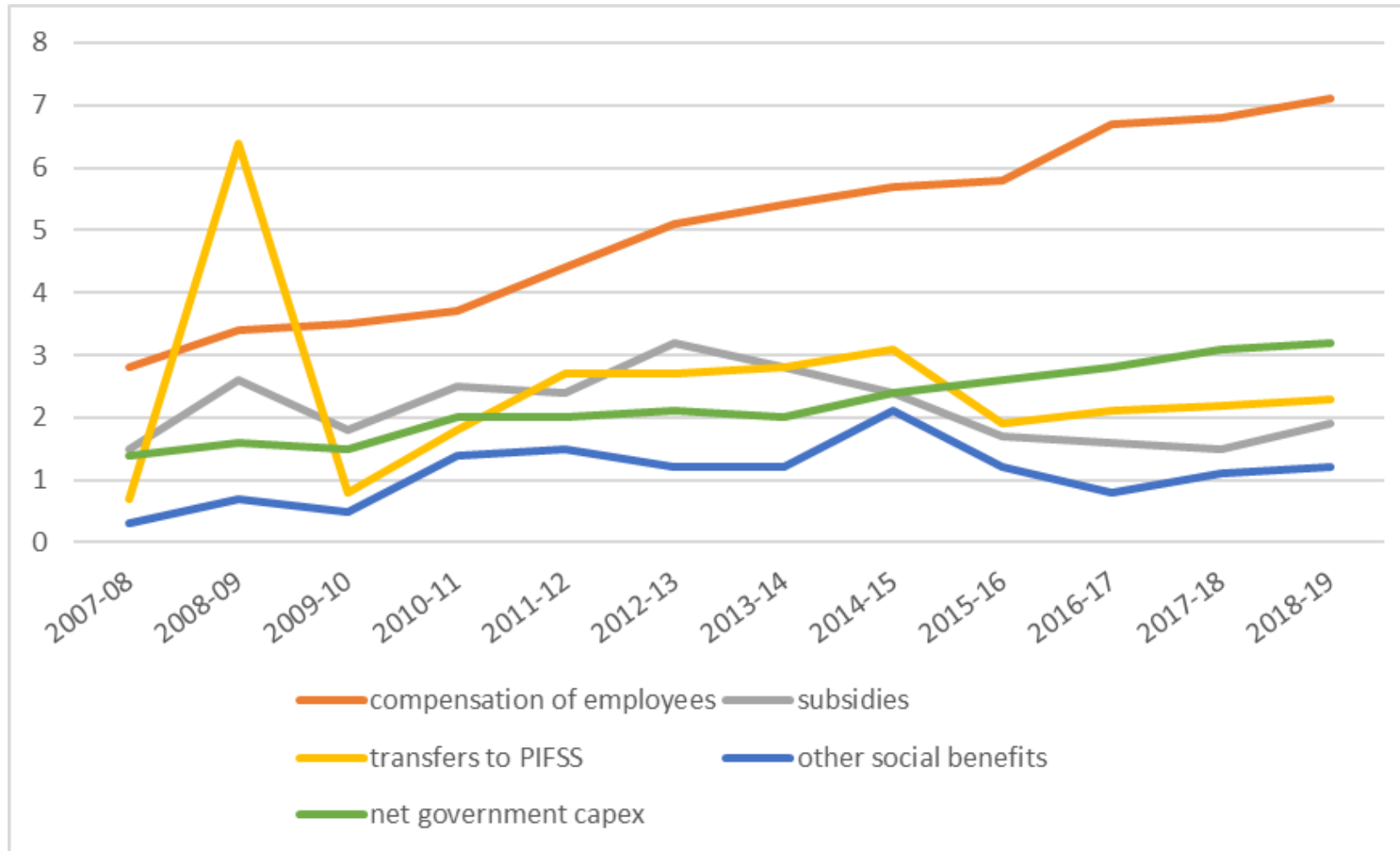


- 335,000 Kuwaitis worked in the public sector in 2018
- only 64,000 in the private sector

Average monthly wages by level of education and nationality, (all sectors, 2015, KD)



Kuwaiti government expenditure, 2007/08 to 2018/19 (KD billion)



Monthly KD cash grants that could be financed out of reduction of energy subsidies by 1.8b KD

	Monthly	Annual
UCG per Kuwaiti, flat	111.99	1343.87
UCG adults, flat	143.81	1725.75
UCG children, flat	71.91	862.87
UCG adults in government	60.00	720.00
UCG other adults	212.52	2550.22

Per capita annual net gains under UCG by household expenditure level (KD)

Monthly household expenditure	450–1049	1050–1649	1650–2249	2250–2849	2850–3349	3450+
Average household size (adults and children)	3.9	6.1	6.4	7.8	8.0	9.2
Reference: per capita extra cost of new utility tariffs*	318.90	325.01	442.89	501.15	657.44	805.80
Net annual per capita income effects at 100% consumption						
Two adults, none in public sector	1409.28	1091.10	947.28	794.38	627.27	423.89
Two adults, one in public sector	939.99	791.06	661.31	559.73	398.49	224.96
Two adults, both in public sector	470.70	491.02	375.33	325.09	169.71	26.02
Net annual per capita income effects at 70% consumption						
Two adults, none in public sector	1511.75	1195.53	1089.59	955.41	838.53	682.82
Two adults, one in public sector	1042.46	895.50	803.62	720.77	609.75	483.88
Two adults, both in public sector	573.18	595.46	517.65	486.12	380.97	284.95

- All categories of citizen households gain
- Poorer households gain disproportionately
- Households without government employees gain disproportionately

Surpluses/deficits under business as usual vs. UCG scenarios, 2007/08 to 2033/34

