

in my view

REASONS BEHIND HIGH RENTS

By Suleiman Al-Dulajjan

The rent law in Kuwait organizes the relationship between the tenant and owner. The tenant can only demand rent decrease in accordance with the law, and so does the owner when it comes to rent increase. There are several Arab and Gulf states that lack a similar law, which led to irregular rent increases annually and many cases in court. After a notable hike in rents between 2003 and 2007 in Dubai, the local government set a limit for the annual rent increase. This helped stabilize, not reduce, rents until the global financial crisis.

In Kuwait, there is scarcity in researches or reports that point out the actual reasons behind increases of rents, which rose by at least 30 percent during the past three years. Merchants cannot be blamed here, as a person who offers part of his private home for rent to meet financial obligations, or someone who buys an investment land for a high price, often finds the need to increase the rent.

There are several reasons which, in my opinion, result collectively in rent increases in Kuwait:

- 1- Increased land prices. This reflects on the total cost of the property, leading to an increase in the rent value.
- 2- High cost of labor forces. This became a factor especially after local authorities activated residency regulations and deported illegal residents.
- 3- Lack of investment opportunities. Instead, investors shifted their funds to property (land or buildings).
- 4- Pay increases in the past 10 years, especially in the public sector (salaries and allowances). This resulted in inflation of prices, including property prices when the buyer's capability to take bank loans increased after they received a pay raise.
- 5- Population increase. The total population exceeded 3.8 million by the end of 2003, which raised demand on rental units (flats, houses and apartment buildings).
- 6- Shortage in supply met by increase in demand from local and expatriate tenants.
- 7- The government's inability to provide swift solutions for the housing crisis, which increased demand on rental units.
- 8- Lack of innovative real estate products, such as apartment ownership.

But what are the possible ways to achieve stability in rent values? To answer this question, we have to work on achieving the following:

- 1- Providing alternative and feasible investment opportunities other than real estate, which is something that the government must handle through its independent and subordinate authorities.
- 2- Provide true alternatives to tenants, especially Kuwaitis who do not wish to live in investment areas.
- 3- Provide new investment areas to the market, in order to take liquidity from housing areas.
- 4- Cut or reduce rent allowances, which can effectively drop rents.
- 5- Allow financing bodies, with support from the government, to help those who struggle to pay the monthly rent. —Al-Qabas

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EVERYBODY CLAIMS PATRIOTISM, BUT...

By Dr Shamlan Y Al-Essa

Democracy all over the world is a basic ingredient in the stability, prosperity and building of any country. It is also a main motivator for people to prove their loyalty and sincerity to their country, except in Kuwait as elections and wrong democratic practices and the misunderstanding of the meaning of freedom is an element of destruction and corruption, because when democracy exists in a backward society in the Third World, it becomes a destructive element for the most important bases of the modern state. There is no room to mention all aspects of corruption in our country in all state establishments due to the democratic practice and free elections. We will concentrate in this article on the spread of corruption, absence of credibility and theft of public funds in the field of sports.

Everybody knows that elections of members of the board in sports clubs are done through direct voting according to competing lists and for any list to win, candidates bribe members through payment of fees on behalf of the general assembly members, then when a certain list wins, the winners promise paybacks. Corruption here starts directly and indirectly, as unqualified persons are appointed administratively or technically in the sports associations councils, and remain in their jobs until the lists that appointed them fail.

The biggest dilemma is that members of the sports councils reward those who supported them in the elections from state funds, with what is called "partial professionalism", as players who do not know the basics of the concerned game at the clubs. They are in most cases old and register their names in any sports (volleyball, basketball, football, tennis, handball, etc) and they receive KD 400 from the government without exerting any effort or even attending training and matches. Some of those individuals are receiving salaries since tens of years without knowing where are the stadiums of the sport they selected!! Members of the board of clubs and association use their posts to appoint relatives and cousins from the tribe, sect and family without taking in consideration the appointment of qualified sportspeople needed by every sport - then we complain about the drop of sports level in our country.

In the absence of supervision by the Public Authority for Youth and Sports (PAYS) and the sports associations that turn a closed eye if the player is registered or not, trains or not and participates in matches or not. What is really regretful is that the bogus money-taking players are equal to our young champions who win local, Gulf and Arab championships, so the players who are committed to daily training and play in matches will feel injustice because their salaries are equal to those of bogus money-taking ones.

Finally, we ask: What to do? And how can the ministry of youth or PAYS correct matters and prevent the corruption that is widespread in sports? We need a strong supervisory body at PAYS to make sure that players, their ages and commitment to training are registered. It should also monitor their participation in local and regional championships. Such things will not become a reality in our country which that distorted democratic principles. Everyone wants to benefit from the lactating cow (the government) without feeding the cow (the country) with the necessary food, which is work, production and sacrifice for the sake of the country. Everybody claims patriotism, but in reality, there's nothing. —Al-Watan



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THE SPENDING INCREASE RISK

By Abdullah Al-Nibari

The increasing expenditure in the state's budget is and will continue to be a subject of main concern for Kuwaitis, as long as the budget relies mainly on oil revenues which make up over 90 percent of the national income. Oil revenues are affected by several factors, including domestic consumption and oil prices in the global market. And while oil production is destined to fall given the fact that oil is a depleting resource, local consumption continues to increase. This fact, in addition to the fluctuations in oil prices, show us the risks that the national budget faces.

Current spending continues to increase on an annual basis. It reached over KD 21 billion in the 2013/2014 fiscal year, which is considered four times as much as it was a decade before. Official statistics indicate that payrolls, allowances and subsidies take around 75 percent of the total spending in the state's budget. Public sector's salaries tripled in the period between 2003/2004 and 2013/2014.

These concerns encouraged efforts to examine the burden that payroll and subsidies leave on the state's budget, especially after payrolls recorded a 22.7 percent increase in the 2008/2009 budget. Examination started by focusing on the disparity in public sector salaries, which has become a distinctive feature for this type of spending.

MP Adnan Abdulsamad, the head of the parliament's budgets committee, commented on this in a press state-

ment in which he explained that the average salary of an oil sector's employee reaches KD 5,476, which is four times the average salary of a public sector employee. The issue of salary discrepancy was raised multiple times before that. A study presented in 2011 by then parliament speaker Ahmad Al-Saadoun points out the wide gap in payrolls not only between the oil and public sectors, but also between state departments.

The disparity in salaries creates flaws that leads to two results - the first is labor demands for equal pay, and the second is a wave of labor forces' exodus from certain departments to others with higher pay. The fact that employment in Kuwait is based on wasta (connection) instead of qualifications further adds to those problems. Allowances, which vary in their numbers, shapes and forms, are a main factor behind the differences in payroll. Financial privileges awarded to a group of staff become with time 'gains' that cannot be easily eliminated, which is exactly the problem currently faced in the oil sector.

The best solution to end the chaotic employment method in the public sector is to establish a system that addresses employees' situation and salaries based on subjective standards. The system must include fixed measures to assess salaries and allowances based on qualifications and job requirements in order to achieve equality. Otherwise, the current system will continue to lead to more labor demands and conflicts, as well as failure to achieve justice and equality. —Al-Qabas

in my view

IS BASHAR ASSAD THE SOLE BASHAR ASSAD?

By Harun Yahya



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The optimistic predictions that the Arab Spring would bring forth democracy in the dictatorial Arab geography has turned into a nightmare in Syria. The most innocent demands for human rights by the general public were suppressed with the most ruthless methods. The Baathists, believing that differences of opinion and sects between the majority of the public and the state would be detrimental for the regime in Syria, began crushing the opposition in the most brutal way.

Meanwhile, the Syrian community was already fragile and removed from the consciousness of being a united nation and therefore the opposition consisted of largely fragmented groups. During the Baath regime, social groups were differentiated between their closeness to the regime or not, but divergences routinely multiplied due to religious, ethnic or sectarian differences. A low-level conflict has been going on for years amongst Christians, Sunni Muslims who are much or less in opposition to the regime, as well as social groups including merchants and students seeking democracy, and particularly Kurds and Turkmen residing close to the Turkish border with no citizenship rights.

The Syrian state presumes it is punishing the opposition through devastating the country's cities by means of recurrent bombardments. The opposition, which initially appeared as one body, started to disintegrate gradually. Maybe there is only one Baath Party and one Assad, but there are far more than one opposition group and of course, there are innumerable armed organizations. The significance of foreign support to either the regime or the opposition defines the impact any particular group will make.

For that reason since Russia, Iran and China fortify the Baath regime, it is almost impossible to counter the ongoing massacres with an adequate or credible response in the international arena. To this very day, the civil war that began in March 2011 and has resulted in the death of hundreds of thousands of civilians, led to millions of others forced to seek protection in neighboring countries, persists in the most bloody way.

There are various complicated reasons why such incidents do not receive much reaction from the international community. First and foremost, China and Russia, countries that possess veto rights in the UN Security Council, consider the perpetuation of the Syrian regime to be crucial, and Shiite Iran gives support in terms of its sectarian advocacy; the passive politics of the West along with the general weakness of the US position to influence events in Syria has brought the conflict to a bloody stalemate.

The initial meetings between the opposition and the Baath regime along with the UN permanent member states were held on June 30th, 2012 in Geneva. The consensus was to end the bloodshed in the country, but with no path to a resolution an impasse formed when deciding who would be on the

expected transitional government. Russia interfered with a diplomatic move that impeded the discussions and a general consensus was made for resolving the matter at the Geneva II Conference.

What was Geneva II Conference heading for? The purpose of the conference was to find a resolution for ending the violence and to put an end to the war that has resulted in the death of more than 130 thousand people, and for opening humanitarian aid corridors and to establish a transitional government in the country. The UN Special Advisor, Lakhdar Brahimi, carried out intermediation on these topics. The major conflict that arose at this conference was whether President Assad should resign or not.

The Syrian regime, backed by its powerful allies, claimed that 44 members of the Syria National Coalition did not represent the entire opposition in the country, and insisted the government should definitely involve Assad or the Baath Party; as a result, the conference was pulled back from its initial position. Following an almost half hour assembly with the parties, Brahimi made an apology to the Syrian people, reluctantly announcing that conference closed with no resolution, and the parties went back to their respective countries.

While such lengthy diplomatic conferences are held, thousands of people are still being murdered, wounded, maimed and seeking shelter in bordering countries. Turkey's efforts for uniting the opposition in Syria under the framework of the 'Friends of Syria' group and its aspirations for their international recognition is again far from bringing a resolute outcome. Turkey, the neighbor of Syria with the longest border, has been actively involved in the affairs for the unity of Syria and in securing the democratic rights of its people.

Moreover, Turkey has opened its borders to 700,000 people of a variety of ethnicities and faiths not as refugees, but as guests and employed its own resources to provide relatively better accommodation when compared to other countries as noted by UN representatives. However, the conundrum of the Syrian people is dreadful, and it is exceedingly difficult to correct it from outside.

The settlement of the Syrian crisis could be accomplished with Turkey acting as a catalyst for convincing the major powers; in particular, at a time when the international isolation of Iran is lessening, that could be an important opportunity. The right set of circumstances allowing Iran to open up globally to the world would lead the country to change its policies regarding Syria. That would mean the most important obstacle before a solution without Assad could be put aside. Surely, Russia must be won over by giving assurances regarding its interests in Syria. Only then can the EU and US contribute to a resolution with a degree of ease.

NOTE: The writer has authored more than 300 books translated in 73 languages on politics, religion and science.

in my view

'OUTBREAK' OF CORRUPTION

By Labeed Abdal



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The demonstrations in Ukraine, Turkey and Arab Spring countries share something in common, which is corruption that has become an epidemic spreading through the world. The 'outbreak' of corruption is met in the meantime with extensive collaborative efforts worldwide, and we have seen efforts in that direction within our Gulf region. These efforts give the impression that the entire world agrees on the need of eliminating corrupt cells from all countries in order to protect them and maintain their presence in the international community.

There is no doubt in my opinion that global organizations such as Transparency International benefit a lot from how countries are listed in the corruption index. The countries' authorities lay down better foundations for land evaluation for investment, as well as requirements of decision making and transportation of capitals. In the end, countries with 'safer' investment environments and those more attractive for local and foreign investors always remain on top.

Many countries around the world fight corruption by activating and improving the investment environment. Gulf states, for example, have always been keen on guaranteeing luxurious living for their citizens.

Many countries around the world fight corruption by activating and improving the investment environment. Gulf states, for example, have always been keen on guaranteeing luxurious living for their citizens. But this approach, however, must be controlled so that it does not create an increasing consumer and unproductive pattern. Therefore, investment should be opened to Gulf states' citizens by allowing them to invest in state-owned firms as well as own shares in investments carried out by the public or private sectors.

It is important to point out however that while improving investment opportunities is required, efforts in this regard should go in parallel with cooperation to fight corruption and money laundering, in addition to applying international regulations with regards to governance of public funds' usage. These regulations are required to prevent misuse of funds that can go to finance terrorism either directly or indirectly.

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TOP PRIORITY TO ROAD SAFETY

By Dr Najj Saud Al-Zaid

Each time a statement is made by any ministry that it is serious about implementing a certain law, we feel happy because this decisiveness makes us optimistic about implementing the law, even if it is not done as it is supposed to be. But we wonder if these laws do exist in the first place, then why wasn't there decisiveness and enthusiasm to implement them? The law of banning the use of mobile phones while driving does exist! The law of the use of seatbelts does exist!

Suddenly, the Interior Ministry decided to strictly implement this law starting from 15/2/2014, as if it was saying that we were not strict with its implementation before, and decided to implement it now, so was the implementation of the law linked with seriousness and conviction?

We know that the assistant undersecretary for traffic affairs is a serious person, and we thank him for his enthusiastic efforts to prevent violations and challenge wasta, and the media is full of his achievements, such as publication of statistics about traffic violations, but most of them, with regret, are for wrongly parking in places short of enough parking areas, such as hospitals, universities, schools, cooperatives, ministries, service centers and many other places. So is this problem that of the citizen and expatriate, or it is the problem of planning in general in the state? There is no chance to park at important facilities, other than in no-parking areas, and circumstances make the patron break the law because he has to.

Let us go back to the law banning the use of mobile phones while driving, as there is no doubt the implementation of that law will limit what are sometimes fatal accidents. Also, not fastening seatbelts while driving is an important law to protect the driver, but what is the punishment set by the law for those violations? The amount is considered small regardless of any increase, and in most cases parents are the ones who pay and it is not a big loss for any reckless driver, rather he may ridicule it when his car's registration is re renewed.

The reasons behind basic traffic accidents such as crossing a red light, over-speeding and use of the mobile phone while driving are known by all, but implementing the law will be more strict and deterring than publishing statistics about no-parking citations for example, because available parking spots are not enough even for half of the users' needs. So, why not increase the amount of fines for over-speeding, running red lights and using mobile phones while driving, and a driver who repeats offences should end in jail and his license suspended for a long time to be a real deterrent, not a fine ridiculed by the violator who laughs while dealing with the law. —Al-Qabas