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## **Kuwait is a complex country planning for a future without oil money**

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We went to Kuwait to examine the differences in their financial system, and discovered it to be very complex.

The financial industry in Kuwait offers a mix of conventional and Islamic financial services. The conventional system is what we have in the West whereas the Islamic system avoids interest rates and fees. The country's central bank must regulate both systems with a light touch so that they can prosper in a competitive world market. The existence of this dual system also shows the ability of the Kuwaitis to operate smoothly in a complex world.

Oil dominates everything in this wealthy country. Yet the leaders of Kuwait are planning for the future when oil is not sufficient to pay for everything. We met with the head of the Kuwaiti Direct Investment Promotion Authority, which is spearheading the development of three economic zones outside the city that reminded me of the Research Triangle Park in North Carolina. Foreign companies are being encouraged to make direct investments into these areas. This organization is supposed to help reduce the red tape in getting investments made quickly. The goal is to diversify the economy of Kuwait.

One strength the country offers is a highly educated work force that speaks English. The folks we interviewed repeatedly mentioned that foreign firms would bring their expatriates with them but would soon find that Kuwaitis were often educated in the United States. It's difficult for us to imagine that Kuwaitis are given free university education including in the United States. It was not surprising to find that English is commonly spoken in the streets.

It was a great trip that offers many fond memories of a country with friendly, generous people. The memories also are those of people who have been blessed with oil wealth and whose leaders are now trying to prepare for a more diversified economy.

Gary Patterson, Ph.D.  
Professor of Finance