

COMPARABLE DIFFERENTIALS, DISTINCT ARCHITECTURES

PARLIAMENTARY MEDIATION, EMIRI CONCENTRATION, AND THE CITIZENSHIP
DIFFERENTIAL IN KUWAIT AND QATAR

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Abstract

Kuwait and Qatar allocate to their citizens similar income entitlement over non-citizens; however, they constitute it in different ways. This thesis examines that entitlement, which it conceptualizes it as the citizenship differential, across two closely paired, resource-dependent Gulf monarchies distinguished by one institutional variable, given that Kuwait maintained an active elected Assembly during the period studied, while Qatar did not. Disaggregating official household survey data through five distinct channels (employment, asset income, government transfers, subsidies and legal restrictions on non-citizens), using four Kuwaiti survey waves (1999/2000 – 2019/2021) and one Qatari survey for 2006/07, the analysis inclusive of imputed rent yields disparities of 2.72 times in Qatar and 2.91 times in Kuwait. Qatar's differential is driven from state transfers and subsidies and Kuwait's stems from employment. Therefore, their near-identical totals are the product of arithmetic cancellation rather than a shared institutional design. Meanwhile, non-citizens across both jurisdictions converge on the same floor due to the *kafāla* system. Due to Qatar's limited data disclosure constituted of only one survey, the comparison rests on the two closest survey waves. This study advances a channel-by-channel disaggregation of the income gap, while extending existing institutional frameworks of welfare stratification from class cleavages to the divide between citizens and expatriates.

Résumé

Le Koweït et le Qatar accordent à leurs citoyens des avantages similaires en matière de droits au revenu par rapport aux non-citoyens ; cependant, ils les établissent de manières différentes. Cette thèse examine ces droits, qu'elle conceptualise sous le terme de « différentiel de citoyenneté », à travers deux monarchies du Golfe étroitement apparentées, dépendantes des ressources naturelles, mais qui se distinguent par une variable institutionnelle, le Koweït ayant maintenu une Assemblée élue active pendant la période étudiée, ce qui n'était pas le cas pour le Qatar. En désagrégeant les données officielles issues auprès des ménages selon cinq axes distincts (emploi, revenus du patrimoine, transferts publics, subventions et restrictions légales imposées aux non-citoyens) et en s'appuyant sur quatre vagues de sondages koweïtiens (1999/2000 – 2019/2021) ainsi qu'un unique sondage qatari pour 2006/07, l'analyse, incluant les loyers imputés, fait ressortir des disparités de 2,72 fois au Qatar et de 2,91 fois au Koweït. L'écart observé au Qatar s'explique par les transferts publics et les subventions, tandis que celui du Koweït provient de l'emploi. Par conséquent, leurs résultats quasi identiques résultent d'une annulation arithmétique plutôt que d'une architecture institutionnelle commune. Par ailleurs, les non-citoyens des deux juridictions convergent vers le même seuil minimal en raison du système de la *kafāla*. Les données du Qatar étant limitées à un seul sondage, la comparaison repose sur les deux phases de sondage les plus rapprochées. Cette étude propose une désagrégation par canal de l'écart de revenus, tout en élargissant les cadres institutionnels existants de la stratification sociale, passant des clivages de classe à la répartition entre citoyens et expatriés.

المخلص

تمنح الكويت وقطر لمواطنيهما حقوقاً متشابهة فيما يتعلق بالدخل مقارنةً بغير المواطنين؛ إلا أنهما تمنحانهما بطرق مختلفة. تتناول هذه الأطروحة دراسة تلك الحقوق، التي تحددها كمفهوم «الفارق المرتبط بالمواطنة»، عبر مقارنتين متقاربتين بين مملكتين خليجيتين تعتمدان على الموارد وتتميزان بمتغير مؤسسي واحد، حيث حافظت الكويت على وجود مجلس منتخب نشط خلال الفترة قيد الدراسة، في حين لم تحقق قطر ذلك. وبتفصيل بيانات المسوحات الرسمية للأسر المعيشية عبر خمسة مجالات مختلفة (التوظيف، ودخل الأصول، والتحويلات الحكومية، والدعم، والقيود القانونية المفروضة على غير المواطنين)، باستخدام أربع مسوحات كويتية (2000/1999 – 2021/2019) ومسح قطري واحد لعام 2007/2006، أظهر التحليل، الذي شمل الإيجار المفترض، تباينات في العائدات تبلغ 2.72 مرة في قطر و 2.91 مرة في الكويت. وينبع التباين في قطر من التحويلات الحكومية والدعم، بينما ينبع التباين في الكويت من التوظيف. ولذلك، فإن معدلاتهما المتطابقة تقريباً هي نتاج إلغاء حسابي وليس نتيجة لوجود تنظيم مؤسسي متشابه. وفي الوقت نفسه، يتقارب غير المواطنين في كلا البلدين عند نفس الحد الأدنى بسبب نظام الكفالة. ونظراً لمحدودية الكشف عن البيانات في قطر، التي تقتصر على مسح واحد فقط، فإن المقارنة تستند إلى دورتي المسح الأكثر قرباً. تقدم هذه الدراسة تصنيفاً تفصيلياً للفجوة في الدخل بناءً على القطاعات، مع توسيع الأطر المؤسسية الحالية لتقسيم الرعاية الاجتماعية من الانقسامات الطبقية إلى الفجوة بين المواطنين وغير المواطنين.

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To my mother, to my father, to my grandfather, to my great-grandmother, to the rest of my small family, and to those whose voices go unheard.

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Statement on the Use of Generative Artificial Intelligence

In preparing the thesis, I used Claude (Anthropic), as research and editing aid. I used it to help find and review secondary literature, to check quotations and page references against the original sources, and to suggest corrections to the structure, clarity and wording of the text. Where the tool proposed wording, I revised it in my own words. I verified every source, quotation and figure against the original documents. The research questions, the analysis, the arguments and the conclusions are my own, and I take full responsibility for the content of this thesis, including any errors.

Déclaration sur l'utilisation de l'intelligence artificielle généralive

Dans la préparation de cette thèse, j'ai utilisé Claude (Anthropic), comme aide à la recherche et à la révision. Je l'ai utilisé pour m'aider à trouver et à examiner la littérature secondaire, pour vérifier les citations et les références de pages par rapport aux sources originales, et pour proposer des corrections portant sur la structure, la clarté et la formulation du texte. Lorsque l'outil proposait une formulation, je l'ai réécrite dans mes propres mots. J'ai vérifié chaque source, citation et donnée par rapport aux documents originaux. Les questions de recherche, l'analyse, les arguments et les conclusions sont les miens, et j'assume l'entière responsabilité du contenu de cette thèse, y compris de ses éventuelles erreurs.

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Introduction

This thesis asks how Kuwait's parliamentary mediation and Qatar's emiri concentration shape the channels through which each state produces its citizenship differential, the gap between what citizens receive and what non-citizens receive, and how far the two distributional regimes diverge despite the rentier logic they share.

This question matters because the Gulf monarchies sustain some of the largest distributional gaps in the world and publish some of the least data with which to study them. Alvaredo, Assouad and Piketty (2019, p. 686) find that the Middle East remains one of the regions whose inequality is hardest to document, and that the Gulf states in particular have drawn almost no research on how income is distributed (p. 688), since the household micro-data such research depends on were until recently beyond reach (p. 690). The constraint persists, with the IMF recording in 2025 that Kuwait's statistical capacity has weakened further from a low base (IMF, 2025, "Kuwait Staff Concluding Statement") and pressing Qatar to close its remaining data gaps (IMF, 2025, "Qatar Executive Board"). What the thin record obscures is not only the scale of this inequality but how it is composed. In the oil monarchies the primary distributive boundary falls between citizens and non-citizens, because once the state becomes the principal distributor of oil rent, citizenship becomes an economic entitlement from which non-citizens are excluded (Beblawi, 1987, pp. 53, 59), and Marshall (1992 [1950], p. 28) gives this its general form, in which social rights attach an income to membership rather than to market value. The scale of the divide is clear from the workforce that built Qatar's 2022 World Cup, whose stadiums and transport links were the work of migrant labourers, not citizens (Ganji, 2016, p. 222), under the *kafāla* sponsorship regime that governed migrant employment throughout the construction period (Babar, 2015, pp. 142-143). This thesis conceptualizes the disparity between citizens and non-citizens, which it terms the citizenship differential, and, where the available data permit, investigates how that differential is distributed within the citizen population.

Classical rentier theory gives this order a single political logic, in which the allocation state, funded by oil rather than taxation, owes its citizens no representation, treats representative institutions as decorative, and renders inequality among citizens politically inert (Luciani, 1987, pp. 74-75). On

that account a legislature should not change how rent is distributed. Kuwait is the exception, the one Gulf monarchy with a substantive parliament, an elected National Assembly rooted in the 1938 Majlis Movement and the 1962 constitution that can interpellate and unseat ministers, and that functions as a contested arena in which organised constituencies and merchant interests press competing distributional claims (Herb, 2014, p. 71; Freer, 2024, pp. 15, 23; Nosova, 2018, pp. 182-183), while Qatar distributes through an emiri system whose Shura Council, an advisory body whose elected seats, first contested in 2021 (Admoni, 2022), were eliminated by referendum in November 2024 (Qatar, Permanent Constitution, Article 77, 2024; QNA, 2024), and whose legislation the emir can veto, thus holds only limited powers (Kamrava, 2013, p. 125). In every other respect the two are closely matched, both hydrocarbon-dependent monarchies with citizen minorities and extensive oil-financed welfare, which isolates the institutional difference for comparison (Collier, 1993, p. 112). The puzzle this comparison takes up is what that institutional contrast makes of the citizenship differential, in its magnitude and in the channels that compose it, and what the rentier logic common to both states cannot by itself explain. The structural scope conditions shared by both cases are held constant and they are apparent in the mutual reliance on external hydrocarbon rents, a national citizen minority, comprehensive oil-financed welfare systems, and the *kafāla* framework. These commonalities form the baseline control environment, whereas the term “institutional” pertains to the variable on which the two cases diverge. It is the formal rules that governs distribution and which is constituted of an elected Assembly capable to interpellate ministers and issue votes of no confidence in Kuwait, at least until its suspension in 2024, contrasted with emiri decree and an appointed Shura Council in Qatar.

Two specific questions follow, both left open by the existing literature. Eibl and Hertog (2024, p. 1324) explain why Gulf states provide generous welfare at all, but their measures run across the resident population without separating citizens from non-citizens, so the size of the citizen and non-citizen gap, its movement over time, and the channels that produce it remain unmeasured. The four waves of Kuwait's Household Income and Expenditure Survey and Qatar's 2006/07 Household Expenditure and Income Survey make that measurement possible. A second gap lies within the citizen population, where benefits are known to be distributed regressively (Hertog, 2020, p. 22) and selectively rather than as a uniform entitlement (Gengler, 2015, pp. 119-120). The first specific question is how large the citizenship differential is in each state, how its channels move over time, and how the channel architecture that produces it differs between Kuwait and

Qatar. The second specific question is how that advantage is distributed within the citizen population. The thesis answers the first question for both states, and the second more fully for Kuwait than for Qatar, where four survey waves and published inequality figures have no counterpart in Qatar's single cross-section.

The answer is framed as an institutional mediation hypothesis, which expects the contrast to register asymmetrically across the two populations. Among citizens it expects divergence, since parliamentary mediation delivers the differential through welfare programs, employment quotas and wage subsidies ruled by legislation that the National Assembly challenges and revises (Thafer, 2024, pp. 537-539), whereas emiri concentration delivers it through discretionary rents allocated by emiri decree at the ruler's discretion rather than negotiated through any legislative channel. Among non-citizens it expects convergence, because both states set the differential's floor through the same Gulf-regional framework of sponsorship, the *kafāla* system that ties a non-citizen's right to reside and work to a citizen sponsor, alongside labour-market segmentation and ownership restriction (Babar, 2015, pp. 142-144). The thesis delivers a dual contribution to the literature. First, its empirical contribution breaks down the household survey bulletins' consisting of citizen and non-citizen's figures, channel-by-channel, tracked longitudinally across different survey waves, or assessed against the comparative institutional frameworks of the two states. The study reveals that parallel aggregate disparities mask divergent distributive systems. Second, on a theoretical level, the study offers a conceptual refinement, notably to the argument that welfare states shape the parameters of stratification rather than only allocative baselines (Esping-Andersen, 1990, pp. 21, 23) and to Marshall's thesis advancing that citizenship provides individuals with a right to income unlinked to competitive market value (Marshall, 1992, p. 28). Concurrently, the study examines the national-expatriate disparity and deconstructs Eibl and Hertog's conceptualization of resource-rent regimes into its constituent distributive channels (2024, pp. 1324, 1331).

The study pursues this through a structured focused comparison (George and Bennett, 2005, ch. 8) governed by the logic of equifinality, which decouples the assumption that comparable outcomes must share a common cause and directs the analysis instead toward the distinct pathways by which each case reaches its result (Goertz and Mahoney, 2012, pp. 58-59). Within each case the differential is traced through explaining-outcome process tracing (Beach and Pedersen, 2016,

p. 305), applied across a common grid of five channels: employment, asset income, government transfers, subsidies, and restrictive legal frameworks applied to non-citizens, built on the income concept of the Canberra Group Handbook (2011, pp. 36-38). Examining each channel separately in each country yields ten channel-level observations, which widens an inferential base that two country-level cases alone could not support (Collier, 1993, p. 112). The evidence is the published household survey record, four waves of Kuwait's Household Income and Expenditure Survey from 1999/2000 to 2019/21 (Kuwait Central Statistical Bureau) against Qatar's single Household Expenditure and Income Survey of 2006/07 (Qatar Statistics Authority), with the 2007/08 Kuwait wave and the 2006/07 Qatar survey serving as the matched temporal anchor. The asymmetry between four waves and one cross-section is a constraint of what Qatar publishes rather than a design choice, and the analysis states its limits where they bear on the comparison.

Theoretically, this study adopts a historical-institutionalist framework, relying on rational-choice principles to determine how institutions form behaviour (Hall and Taylor, 1996, pp. 940, 950). It attributes the institutional divergence between the two states to foundational political compromises, which were bargained in Kuwait by an organized merchant class with the rulers but absent in Qatar. This study operationalizes that period as a critical juncture, a relatively brief temporal window during which agentic decisions had a high chance of formatting future institutional pathways (Capoccia and Kelemen, 2001, p. 348). The pre-oil organization of the merchant elite predetermined the limits of those critical decisions. In Kuwait, the cohesive merchant elite provided the post-independence elected Assembly a strong and durable socio-political constituency. In contrast, Qatar's absence of a mobilized mercantile class able to counterweight the ruler's power, contributed to the anchoring of a resource allocation dominated by a ruler-executive decision (See Section 1.6). The resulting institutional arrangements established during that era became self-reinforcing, thereby historical progression within a successive trajectory made the cost of returning to previous alternatives costly (Pierson, 2000, p. 252; Mahoney, 2000, pp. 508, 512), a path-dependent trajectory that persisted in Kuwait until the legislature's suspension in 2024. Operating within this framework, the political actors continuously measure the utility of the institutional legacy they inherit (Mahoney, 2000, p. 517). For example, Kuwait's state-employed majority predominates the electorate, prompting deputies to give precedence to public sector interests, and the threat of interpellation grants the Assembly an institutional check over government policy (Herb, 2014, ch. 5)

The comparison yields a result that neither the structural nor the institutional prediction fully anticipates. The two states produce citizenship differentials of comparable aggregate magnitude, 2.91 times in Kuwait and 2.72 times in Qatar on the income measure including imputed rent, but they build them through opposite channel architectures, Kuwait concentrating its advantage in employment and Qatar in transfers and subsidies, while both non-citizen populations converge on near-total exclusion from property and state transfers. The comparable totals are a sign of arithmetic cancellation rather than institutional similarity, Kuwait's employment advantage counterbalancing Qatar's far larger benefits on transfers, assets and subsidies. This is the first of the four possible outcomes the equifinality test allows, divergence within the citizen population combined with convergence at the non-citizen floor, and it is the central finding the thesis defends.

The thesis proceeds as follows. Chapter 1 asks why the existing rentier and welfare-state literatures, for all they explain about why Gulf states are generous, leave the citizen and non-citizen gap and its internal distribution unassessed, and locates the study in that gap. Chapter 2 asks how two similar cases in rentier structure can yield a valid comparison, and answers with the equifinality framework, the five-channel grid, and the structured, focused design that holds the analytical framework constant across both. Chapter 3 asks how Kuwait's parliamentary mediation builds its citizenship differential channel by channel across four survey waves, and Chapter 4 asks the same of Qatar's emiri concentration from a single cross-section. Chapter 5 asks how the same aggregate outcome emerges from opposite institutional architectures, and develops the account of that divergence. The conclusion asks what the comparison establishes, what its data cannot support, and what it leaves for future work. The detailed household survey tables for each Kuwaiti wave are reported in Appendix A.

CHAPTER 1 - Literature review

1.1 Data Scarcity in Gulf Inequality Research

Inequality in the Middle East remains among the least studied in the world. Alvaredo, Assouad, and Piketty (2019) observe that accessible data on inequality in the Middle East and the possibility to compare it on a global scale is relatively limited. (p. 686) The observed challenge is specifically critical in the Gulf countries, “for which very few studies on income distribution exist” (p. 688). Household survey data, when collected at all, is scarcely accessible. “Until recently, it was almost impossible to obtain micro-data” (p. 690). This data gap persists. The International Monetary Fund's 2025 Article IV mission to Kuwait stated that “statistical capacity has weakened further from a low base, hampering IMF surveillance” and that considerable gaps remain in the prices, government finance, national accounts and external sector statistics (IMF 2025, "Kuwait Staff Concluding Statement"). In Qatar, the IMF Executive Board similarly incited authorities to “(...) close remaining data gaps” (IMF 2025, "Qatar Executive Board").

1.2 Classical Rentier State Theory

The goal of the classical rentier state theory was to elucidate the initial oil boom of the 1970s-80s. Rentier state theory was established within the timeline between 1970 and the late 1980s, its classical publications studied oil states in that period. Mahdavy (1970) defines Rentier States as “countries that receive on a regular basis substantial amount of external rent” (p. 428). As for external rents, he defined them as “rentals paid by foreign individuals, concerns or governments to individuals, concerns or governments of a given country.” (p. 428) What distinguishes oil-exporting countries, according to Mahdavy, is that the wealth they generate through oil bears almost no relationship to what their domestic economies actually produce; the oil industry demands so little from local labour and services that its revenues effectively bypass the national economy entirely. (p. 429) He considered “the oil revenues almost as a free gift of nature or as a grant from foreign sources” (p. 429).

Kuwait and Qatar represent what Mahdavy describes as “extreme cases” (p. 431) In 1958, Kuwaiti oil revenues amounted to 87% of total government revenues and in 1950 Qatari oil revenues

constituted 90% of total government revenues. (Mahdavy, 1970, Table 2, p. 430) A state that finances itself through external rent rather than domestic taxation, has no fiscal need to seek the consent of its population in exchange for revenue, and therefore benefits from a degree of autonomy from its own people that productive states rarely possess. (pp. 466-467) Approaching two decades later, after the 1970s resource surges fundamentally reconstituted the Gulf region, Beblawi (1987) asked about the institutional impacts of the state autonomy identified by Mahdavy manifested at the level of socio-political dynamics. In fact, Beblawi argues that the government in a rentier state stands as the primary receiver of externally generated wealth which is a position that enables it to reorganise the state's relationship to the different actors in the economy. (p. 52) The government's control over oil revenues turns it from a regulator of economic activity into its animating force, where redistribution becomes the state's defining function. (p. 53) Social and economic life is structured around access to government rent, with citizenship operating as an entitlement to access it (p. 53). The outcome of this structure is a stratified social order in which the government leads a layered hierarchy of beneficiaries and rent seekers. (ibid) Moreover, Beblawi explains that the rent economy produces confines regarding nationality given the relationship between citizenship and the receipt of benefits. Unlike the nationals' entitlement that procures access to benefits, expatriates, who provide the productive work that citizens largely do not occupy, are limited to the labour market and left out of the distributive order. (p. 59) Beblawi argues that the rentier economy engenders a specific mentality in which reward is disconnected from work. In contrast to the conventional economic culture in which reward is linked to productive effort, in the rentier economy income and wealth is not the outcome of work and accepting to take risks but one of circumstance and position. (p. 52). For Luciani (1987, p. 69), the analytically decisive question is not what the state earns but the source of its revenue, does it stem from foreign or domestic economy, which identifies the state's function. For him, there are two types of states: "allocation states" and "production states". Allocation states distribute income that arrives from abroad; production states extract income from the domestic economy and redistribute it. In an allocation state, the relationship between the state and its domestic economy is contingent rather than necessary since a strong domestic economy is not a prerequisite for the state's survival (p. 69). Luciani explains allocation states (p. 70) as "all those states whose revenue derives predominantly (more than 40 per cent) from oil or other foreign sources and whose expenditure is a substantial share of GDP." The allocation state's fiscal independence from its domestic economy

enables the state to dispense with elaborating efficient economic policy, since the management of expenditure rather than the extraction of revenue defines its fiscal posture. Since state revenue constitutes the largest share of GDP, spending domestically induces economic growth. (pp. 73-74) The absence of taxation in allocation states generates a one-sided fiscal relationship in which citizens are permanently positioned as recipients rather than contributors; therefore, since the state is seen as a giver rather than a taker, it makes its distributional choices improbable to confront collective contestation (p. 74). Luciani uses Kuwait as a principal example to demonstrate how its state revenue relies in its entirety on external sources (“the share of total revenue accruing from foreign sources reaches as high as 94 per cent” (p. 71) in 1982), particularly oil revenues and sovereign investment income, rather than taxing its domestic economy. This setup leaves the population fiscally unencumbered and the state unaccountable to it (pp. 70-74) Luciani explicitly states that “there is ‘no representation without taxation’ ” (p. 75) and this rule doesn’t know any exceptions. Luciani further contended that inequality among citizens was politically passive, because from a disaffected individual’s perspective, strategizing for individual interest within the order in place is more advantageous than getting mobilised with others, given that no individual’s negligible economic input to the regime’s rent-based windfalls provided political leverage for an expanded allocative returns. Using Hirshman’s concepts of exit, voice, and loyalty, Luciani contended that disaffected citizens who chose to emigrate would face financial penalties because of the benefits related to state-backed distributions. Therefore, given the financial losses that can be incurred by choosing the exit option and the danger related to being politically vocal, displaying loyalty emerges as the optimal and dominant choice adopted by the big majority of the domestic population (p. 74) As for representative institutions in allocation states, according to Luciani, they are decorative, designed to vent and control resentment, given their disconnect from their nominal constituencies and because these latter are tolerated by the state only when the state sees it convenient and dissolve it when not. (p. 74)

Produced roughly forty to fifty-five years ago, this timeline influences their contemporary explanatory relevance. Gray (2011, p. 9) noted that even though rentier state theory correctly captured the socio-political dynamics of resource-dependent regimes during the mid-to-late twentieth century, it cannot successfully explain contemporary Gulf complexities. The first-phase rentier state theory gets criticized for essentializing politics to the dimension of rents and claimed a state entirely independent from society, an autonomy that “was never complete” (p. 10) That

being said, Gray also acknowledges that its premises keep a string soundness at the wider level (p.1). Consequently, this study draws on classical literature to analyse permanent features like fiscal mechanisms of distribution and the function of citizenship and an allocative entitlement. Although, its assumptions about political outcomes, notably Luciani's, are treated as hypotheses to be evaluated against subsequent evidence, as reviewed in Section 1.5.

The rentier literature that we analyzed along with this study's contention, depend on three terminologies that need to be differentiated. In addressing rentier theory, this study deploys the term "structural" to refer to the variables Kuwait and Qatar share, most of all the fiscal status of the rentier state, whose revenue comes from overseas and unburden it from its domestic economic foundation (Luciani, 1987, pp.69-70), thus it "only spends and does not tax" (p. 74). A premise that focuses only on this fiscal status expects every allocation state to engender the same outcome regardless of what its citizens believe and whatever institutions it has. The term "cultural" means the attitudes and expectations that citizens adopt regarding the association between work and reward, which is explained through Beblawi's "rentier mentality" (Beblawi, 1987, p. 52). As for the term "institutional", it means the formal rules and institutions through which distributive decisions are elaborated, as a matter of fact, constitutions, and an elected assembly able to question ministers, or an emiri decree. The three terms are connected in practice, because Beblawi's concept operates under the premise that rentier economy engenders a "specific mentality" (p. 52), and institutions can structure attitudes and restrain behavior. Consequently, the difference is analytical, determining which instrument the account views as determinative. Luciani's argument, as explained above, is a rational-choice one, arguing from the motives that the state's fiscal status provides individual citizens and considering institutions as not contributing to them. The institutional mediation hypothesis agrees that Qatar and Kuwait share this fiscal structure, but argues that it operates through distinctive institutions, and that those institutions mold the channels through which each state generates its citizenship differential.

1.3 Late Rentierism and Path Dependence

The objective of the classical rentier state theory was to explain the initial oil boom of the 1970s–80s but it didn't provide an explanation as to why the citizenship privileges have persisted and entrenched across four decades of surface reform in Gulf political economies.

Gray (2011) introduced late rentierism as a third phase of Rentier State Theory (RST). He argued that the Gulf states had transformed significantly through further international integration and new social contracts. However, the political logic of the rentier state had remained the same. Democratic accountability remains absent, the limits of tolerated political contestation are closely policed, and wealth remains centralised in the hands of ruling elites. (p. 2) Late rentierism therefore merged considerable change with the retention and entrenchment, of governing family and elite actions and entitlements (p. 2). Gray charts this evolution across three sequential phases, namely, the classical phase which presents the Gulf states of the 1950s through the 1980s, a second phase of revised and conditional RST from the 1980s through the 2000s with considerable overlap, and a third phase of late rentierism from the 1990s to the present, in which surface transformation coincides with structural entrenchment (Gray, 2011, Table 1, p. 24). The basic features of rentierism, which Mahdavy, Beblawi and Luciani had well analyzed, are still existent in the Gulf region since these latter have not undergone genuine democratisation, the power is centralized and citizens are not taxed. However, the system has become more sophisticated, and this complexity cannot be captured by the RST framework (p. 23). Consequently, although Gray's framework advances RST, it reaches its own limit at the point most relevant to this study which is the institutional divergence between Kuwait and Qatar. In fact, Gray identifies Kuwait's parliamentary exceptionalism as an explanatory gap within the first-phase RST (2011, p. 11); he cautiously ascribes it to Kuwait's parliamentary history and the common social roots of its elites (pp. 23, 25) but he does not elaborate the argument, and it is the mechanism behind that gap that the institutional mediation thesis theorises.

Gray notes a pattern transformation outwardly and entrenchment at the root, but he did not elucidate why oil booms-induced citizen entitlements have been hard to dismantle. This study outlines the rationale in path dependence, which operates in three steps. First, entitlements that were generated when revenues were at a peak, notably, public employment, housing benefits and transfers, producing considerable numbers of citizens that rely on them. Second, the beneficiaries turned to constituencies incentivized to resist retrenchment. Third, Gulf regimes rely on the allegiance of their citizens which renders the rollback of entitlements politically costly for rulers

to carry even when resource revenues subside, the self-perpetuating dynamic that Pierson terms increasing returns (Pierson, 2000, pp. 252, 259)

Karl (1997, ch.7) provides an explanation for this resistance from the Venezuelan case. The oil boom of the 1970s, she asserts, did not engender the rent-seeking and state fragmentation of the petro-state but compounded “this cycle acutely” (p. 139). The boom, coupled with President Pérez’s statist inclinations prompted a massive expansion of state-owned enterprises and administrative entities (p. 140), and the administrative reform Pérez initiated amid the boom motivated rent-seeking behavior, engendering a new network of private interests and high-level authorities aligned to divert state funds (p. 139). The ensuing cycle of corruption and partisanship provided party militants with an incentive within the patronage system, leading to the blocking of grassroots pressure meant to resist corruption (p. 159). Reform initiatives did not succeed in changing this cycle, it has rather entrenched it (p. 140). Although Karl’s empirical focus highlights administrative reform and patronage instead of welfare systems, the pathway that she articulates which consist of an economic boom that engenders interest-based entrenchment, leading to the obstruction of reforms, aligns with how this study explains citizenship disparities within Kuwait and Qatar.

In the Gulf, the entitlements are kept by citizens. Kuwait’s citizenship differential, consolidated over the course of the oil booms of the 1970s, has not been retrenched, attributable not to the sustained high resource revenues, but by the fact that boom-era entitlements established interest groups whose allegiance is important to state survival. The four Kuwait HIES waves extending across the period under review (Kuwait Central Statistical Bureau 1999/2000; 2007/08; 2013; 2019/2021) note the constant raising movement of the bottom Kuwaiti citizen quintile amid two oil-price downturns and a decade of explicit commitment to fiscal reform, with the exact scope of that movement documented in Chapter 3. Nevertheless, it should not be inferred that social entitlements cannot be retrenched. Governments have the ability to reduce benefits at the margins under the rationale of fiscal discipline, and Ben Brik and Brown (2025) note that Kuwait started phasing out most of its temporary pandemic measures in late 2021, with its emergency fund for impacted families terminating in November 2021 (p. 937). Those measures, however, were deployed to mitigate a specific shock, and Ben Brik and Brown themselves deduced that the emergency engendered only a momentary policy window, leaving the foundational exclusionary

framework defining Gulf distributive regimes unaltered (p. 919), whereas Kuwait's constant and institutionalized entitlements such as housing grants and parliamentary transfers, have so far remained uncompromised. The challenge for Gulf rulers lies in the rolling back of foundational benefits rather than the marginal trimming of benefits. Therefore, Ben Brik and Brown delineate the scope of the path-dependent mechanism instead of invalidating it.

Qatar demonstrates the same entrenchment through a different framework. Non-Qatari household income is almost completely wage-based, at 95.9 percent, excluding non-citizens from state-mediated income distribution, at the time when Qatari households obtain over 40 percent of their income from non-wage sources, mainly government transfers and enterprise income (Qatar Statistics Authority 2006/07; see Chapter 4). Part of that income stands on entitlements that citizenship provides. Under the *kafāla* system, citizen sponsors benefit from low-wage expatriate labor, and some gain income by commercializing surplus sponsored visas to expatriates who then find work independently (Babar, 2015, pp. 144-145), while the state reserves the distribution of governments contracts to Qatar's business elite families (Thafer, 2024, p. 540). Given that rents and non-wage income constitute a big share of Qatari household's income, scaling it back would impact household finance, as opposed to a marginal adjustment, which will lead to a direct impact that will be borne by the clientelist networks engendered by the boom era.

Path dependence elucidates why the differential stays, but not the reason why it was established in the outset, a question that requires a different theoretical framework in which welfare expansion is a strategic instrument of mass co-optation rather than an institutional residue of past commitments. Eibl and Hertog (2024) introduce that argument. Two bodies of literature make different predictions about the relationship between oil wealth and welfare provision. Rentier state theory expects generous provision as the quasi-automatic mechanism of mass co-optation whereas formal models of resource politics expect minimal provision as rulers funnel rents into narrow elite coalitions (Eibl and Hertog, 2024, pp. 1324-1325). The contradiction's resolution requires the identification of the conditions under which each prediction occurs. Eibl and Hertog's (2024, pp. 1326-1327) resolution argues that oil wealth does not engender welfare, it rather generates the fiscal latitude that makes welfare a rational political choice when survival requires it. In fact, ruling elites resort to kleptocracy unless they face anti-systemic, centre-seeking, organised subversion that makes mass co-optation a preferred survival strategy. When threats are based on movements

contesting control of the state itself, not seeking territorial separation. The state uses discretionary control over rents and allows simultaneous investment in security and social development, thus defusing the subversion without exposing elite rent streams to taxation or expropriation. Oman illustrates the core theoretical claim (Eibl and Hertog, 2024, pp. 1328-1330). In Oman, oil revenue after 1964 was not sufficient to produce solid welfare provisions. Social welfare was rather the result of a surge of a domestic rebellion, which prompted the new ruler to deploy the state's growing resource revenues as a counter insurgency strategy. Sultan Said's 1968 budget allocated 75% to defence and under 2% combined with health and education, the allocation of a ruler who faced no centre-seeking challenge and had no political incentive to distribute. By the time Sultan Said's son, Qaboos assumed power in July 1970, that incentive existed through a centre-seeking subversive movement that had made welfare expansion a survival imperative, and the rents already in place made acting on it immediately feasible. Using synthetic control and difference-in-difference methods on a global sample, Eibl and Hertog (2024, p. 1325) find that welfare improvements in oil-rich are confined to those facing centre-seeking subversion, secondary enrolment, for example, is 15 percentage points higher in the fifteen years following the surge of the threat compared to resource-rich states facing no such threat. Eibl and Hertog (2024, pp. 1327; 1339) assume that the processes of welfare regimes are self-generating once established because of anchored effects and because the inversion of welfare programmes engenders organized dissent (p. 1327). Oman is their own evidence where the leftist movements that triggered Qaboos's welfare expansion had been militarily defeated by 1976 (p. 1330), yet generous public provision has continued to the present day. Karl's entrenchment and Eibl and Hertog's threat-cooptation model are therefore not competing arguments, they are sequential ones. The threat explains why the citizenship differential was built; the irreversibility explains why it has never rolled back. Eibl and Hertog (2024, p. 1324) resolve the foundational question of why some oil-rich states provide generous welfare at first place, relying on population-level outcome measures that treat citizens and non-citizens as an undifferentiated whole.

The variables left out by Eibl and Hertog's model are the socio-economic disparity between nationals and expatriates, its internal distribution among the national population, and the institutional channels that distribute it, and this is the gap that the present study fills. It does not ask whether Kuwait and Qatar are generous to their citizens, given that both are and Eibl and Hertog's model explains why. However, what it does ask is why the architecture through which

that generosity is distributed among citizens diverges so sharply between the two cases, and where non-citizens stand within it. Understanding why the citizenship privilege takes the form it does requires first establishing why citizenship functions as a distributive category. Beblawi (1987) provides that foundation, translating the rentier state's economic logic into a political sociology in which national status determines access to rent and the citizen/non-citizen divide becomes the constitutive boundary of the Gulf social order.

1.4 Citizenship as a Distributive Category

The rentier state reconfigures citizenship itself. Beblawi (1987, p. 53) observes that once governments become the primary distributors of oil rent, citizenship ceases to be only a legal or political status, it rather becomes “a source of economic benefit”, conferring entitlement to a share of the state's rental income. The social hierarchy in oil states is accordingly organised not around productive class positions but around differential access to government-distributed rent. Beblawi (p. 59) identifies the citizen/non-citizen divide as the constitutive boundary of the Gulf social order. Nationals access the rentier economy and its financial benefits through citizenship; however, expatriates earn through work and remain excluded from the rental income that nationals receive as a birthright. The gap between the two communities is the direct consequence of a distributive system organised around national status rather than productive contribution.

In the terms defined in Section 1.2, Beblawi's argument has both a cultural and a structural dimension. The cultural dimension is reflected in the “rentier mentality” (p. 52), which undermines the connection between effort and reward that is determined under conventional economic behaviour. Based on the rentier perspective, reward turns into a “windfall gain” rather than the outcome of organised production (p. 52). This study outlines a political implication that Beblawi does not consider, particularly, that income obtained through citizenship entitlement instead of productive effort may debilitate the incentive for joint political action. Nevertheless, his argument about political participation sits on the state's fiscal position. Beblawi (pp. 53-54) links the rentier state's fiscal structure to political containment. The rentier state reverses the historical rationale of representative government, where conventional fiscal pact allows the contributing citizens to demand accountability from the state, the oil state operates inversely. The state distributes benefits without withdrawing contributions, and citizens who obtain income without participating have

accordingly weaker motivation to request political representation. Government budgets in oil states are representing expenditure plans rather than fiscal pacts, a commitment to distribute benefits rather than bargaining over contribution, and the democratic standards of citizens are molded correspondingly. Luciani, as explained in Section 1.2, elaborates this fiscal argument into a general analysis of the allocation state, and it is based on his conceptual theory that the next section analyses against the evidence from Kuwait and Qatar.

1.5 Empirical Challenges to the Allocation-State Thesis

According to Nosova (2018, p. 177), the classic rentier state literature on Kuwait's business argues that merchant's political action, and their ability to contest governing authorities, stopped once the government obtained the oil rents and could buy off merchants as a social class. A more current aspect of analysis, which Nosova examines, views Kuwaiti politics instead as a competition between two types of wealth distribution. On the one hand, there is the public spending which is preferred by public-sector employed middle class represented in parliament. On the other hand, there is the spending on infrastructure and development which is appreciated by the capitalist class constituted of the main private sector actors that often includes the elite in power (pp. 176-177). Nosova argues that neither argument entirely explains the merchant's political choices (p. 177). Nosova compares the roles of the two classes through the 1989 Constitutional Movement and the 2011 protests, she notes that the merchant elite stays politically engaged, alternating between opposition and alliance with the government, and that it appreciated parliament as a "crucial guarantee of leverage vis-à-vis the ruling powers" (p. 183).

Therefore, Nosova's conception opposes the claim that rent renders apolitical Kuwait's merchants, but its impact on Luciani is smaller than a direct rebuttal. Luciani already expected "a lot of scheming" in allocation states "along the time-honoured pattern of court politics" (Luciani, 1987, p. 74), and argues that substantial contestation may emerge where the government is perceived to be failing to capture the full potential economic rent, which grants political importance to corruption (p. 75). Nosova's description is positioned partly with these allowances, by explaining that the merchants deployed their special access to the ruler (Nosova, 2018, p. 181), and the injustices that anteceded the 2011 protests involved unsanctioned siphoning from the sovereign wealth fund and unaccountable investment and oil policies (p. 184). Her findings contradict

Luciani on the matter of distribution itself. Luciani on the other hand notes that “inequality of distribution is not an issue” (p. 75), although Nosova perceives wealth distribution among the lingering issues of Kuwaiti discord (p. 191), she points out that the “so-called class conflict over resources is as old as Kuwait’s rentier economy and political system itself” (p. 192), and outlines the opposition majority that raised from the 2011 contests leveraging assistance from peripheral tribal regions by focusing on “inequality and discrimination in wealth distribution” (p. 188). She advises that this competition delivers the basis for parliament’s animosity towards the government instead of a real class struggle between the middle class against the elite (p. 192). Consequently, her findings treat an institutional challenge by showing that Kuwait’s parliament is the field in which distributional injustices become open political contention. Mitchell and Gengler (2019) address the issue from a citizen’s attitudes’ perspective, by inquiring whether observed inequality lowers citizen’s satisfaction with the benefits they obtain.

Mitchell and Gengler (2019, p. 76) observe that the nascent formulations of rentier state theory clearly refuted the political pertinence of disparities in distribution. Luciani (1987, p. 74) argues that unequal distribution does not give citizens a motivation to mobilise, given that navigating for individual advantage within the order in place is more profitable than collective mobilisation. Mitchell and Gengler examine a closely related premise which assumes that distributed wealth ensures citizen’s economic satisfaction. They have studied Qatar, employing a nationally representative survey of Qatari citizens, they found that observed inequality in allocation lowers satisfaction with state-distributed benefits over all socioeconomic strata (pp. 83-85). Moving from a negligible to a pronounced perception of inequality within citizens, assessed through the apparent need of *wasta*, reduces satisfaction by 0.45 standard deviations, and proceeding from the premise that non-citizens are privileged in hiring reduces it by 0.60 standard deviations, both significant at $p < 0.001$, nevertheless household income enhances satisfaction by only 0.17 standard deviations, a marginally significant effect ($p = 0.054$) (p. 83)

Mitchell and Gengler (p. 77) also outlined that the dissatisfaction observed in rentier societies should not be conflated with a push for systematic change, given that rentier citizens compete with each other and with white-collar expatriates to be the most privileged receivers of state benefits. Consequently, their findings do not oppose Luciani’s analysis, aligning with his premise that discontented individuals act strategically for personal benefit rather than mobilise collectively (Luciani, 1987, p. 74); the idea that they challenge is the claim that distributed wealth can uniquely

ensure citizen's satisfaction. Mitchell and Gengler study that dissatisfaction in Qatar; Nosova explains how distributional dissatisfaction operates in Kuwait and meets institutional expression in parliament.

Freer (2024) addresses the prior question that both studies presuppose, namely, why does Kuwait have a parliament capable of channeling distributional demands, and why has it survived against the structural predictions of the allocation state framework?

Kuwait's parliament was built by citizens, not granted by the ruling family. Freer (2024, p. 15) traces the institution to the 1938 Majlis Movement, a citizen-driven legislative body formed to contest executive control over state finances, dissolved by force after six months but leaving behind an institutional tradition that persisted. The 1962 constitution and parliament emerged from the same domestic political pressure, driven by citizen activism rather than ruling family initiative (Freer, 2024, p. 23, citing Tétreault). Two competing explanations exist for why Kuwait established its parliament. Herb (2014) argues that the institution was created to provide the al-Sabah family with legitimacy in the face of Iraqi irredentist claims following independence. Freer (2024, p. 17) contests this, arguing that the Iraqi threat never explicitly challenged the monarchy and that the ruling family had coercive means available to consolidate control without institutionalising an elected legislature. The extent of domestic political demand for representative governance, in Freer's account, is what the external threat explanation cannot adequately capture. Kuwait's parliament survived two unconstitutional suspensions, in 1976 and between 1986 and 1992, both generating popular agitation that demanded constitutional restoration (Freer, p. 22). Citizens treated the institution as a political entitlement rather than a ruling family concession. Following its unconstitutional dissolution in 1986, the Assembly was not dissolved unconstitutionally again for almost four decades, and it functioned persistently from its restoration in 1992 until May 2024, when the emir dissolved it and suspended several constitutional provisions for up to four years (Freedom House, 2025). Luciani predicts representative bodies in allocation states are dissolved without meaningful resistance. Kuwait's record says otherwise. Kuwait's parliament has functioned as a distributional arena from its origins. Freer (pp. 40; 43) traces this to the 1938 Majlis Movement, formed to challenge executive control over oil revenues, and documents its continuation through parliamentary interpellations that contest government spending and force distributional accountability. The institution is precisely what Luciani's

framework declares impossible in an allocation state; it is an organised arena through which citizens collectively contest how oil wealth is distributed. What Freer establishes at the empirical level, Marshall (1992 [1950]) grounds at the theoretical level. The question is not only that Kuwait's parliament delivers social rights but why the institutional form of that delivery matters for the character and distribution of those rights among citizens. How a right reaches citizens determines what kind of right it is in practice.

Marshall (1992 [1950], p. 8) identifies three elements of citizenship, civil, political, and social, each delivered through specific institutions. Courts deliver civil rights, parliament delivers political rights, and social services deliver social rights. The delivering institution defines the right, not just its reach. The incorporation of social rights into citizenship status creates, in Marshall's account (p. 28), a universal entitlement to income decoupled from market value. Citizens receive by virtue of belonging rather than by virtue of producing. This gap between citizenship entitlement and market-determined income is precisely what the national citizenship differential in Kuwait and Qatar quantifies. For Marshall (p. 40), social citizenship restructures the relationship between rights and market outcomes by subordinating market price to social justice. Status overrides contract, and citizens receive on the basis of what national membership entitles them to rather than what their labour is worth in the market. The gap between these two principles of allocation is precisely what this study measures as the national citizenship differential. Marshall establishes that the delivering institution shapes the right. Esping-Andersen (1990) shows that the delivering institution varies systematically across political economies and that this variation produces different distributional outcomes. The Gulf states fall outside his typology entirely, and it is that absence which motivates the theoretical extension this study develops.

Esping-Andersen (pp. 21-22) operationalises Marshall's insight through the concept of decommodification. Social rights decommodify citizens when they are granted on the basis of citizenship rather than market performance, allowing individuals to maintain a livelihood without dependence on what the market pays for their labour. The national citizenship differential in Kuwait and Qatar is the quantitative expression of this decommodification, measuring the degree to which citizen income exceeds what market participation alone would determine. Esping-Andersen (pp. 21; 23) argues that the welfare state is not simply a corrective mechanism for market inequality but a system of stratification in its own right, actively constituting a distributional order rather than adjusting one that already exists. Different institutional architectures of welfare

delivery produce different patterns of stratification, not just different scales of distributional output. This is the analytical move that connects Esping-Andersen's framework to the present study's central question. Esping-Andersen (pp. 26-27) identifies three welfare state regime clusters, liberal, corporatist-conservative, and social democratic, all of which assume that class is the primary axis of welfare distribution within nationally homogeneous populations. The Gulf falls outside all three. Where Esping-Andersen's three regimes determine welfare access through class position (pp. 21; 27), Gulf citizen welfare grants access on the basis of national status regardless of class standing. Class operates not at the level of access but at the level of internal distribution, shaping how the entitlement reaches different citizens through different institutional channels. Nosova (2018, p. 192) documents the institutional dimension in Kuwait, where competition over resources is manifested through the Assembly's contention towards the government. Mitchell and Gengler (2019, pp. 83-85) document the individual dimension in Qatar, finding that citizens who perceive the distribution as unfair report substantially lower satisfaction with state benefits across all income levels of the socioeconomic spectrum, even though the impact is less pronounced among the wealthiest. Gulf welfare is not universalist in the social democratic sense, since social democratic universalism extends decommodification to the entire resident population (pp. 25; 27) while Gulf welfare covers recognised citizens comprehensively and excludes the non-citizen majority entirely. It is not residual in the liberal sense either, since the residual model limits provision to those for whom the market has failed (pp. 20; 43) while Gulf citizen welfare requires no demonstrated need. The Gulf's distributional architecture is organised around the citizen and non-citizen divide, a configuration that Esping-Andersen's typology has no category for and that the present study's theoretical framework addresses. Establishing that institutional form determines distributional character raises the prior question of why Kuwait and Qatar developed different institutional forms in the first place. Crystal (1989) addresses that question, tracing the divergence to the pre-oil political economy of each state and the different coalitions that formed between ruling families and merchant classes before oil revenues emerged.

1.6 Origins of the Kuwait–Qatar Institutional Divergence

Crystal (1989, p. 427) traces the foundational transformation in both cases to the same source. Oil revenues gave ruling families direct access to external income, enabling them to offer merchants a tacit deal in which guaranteed economic privilege replaced formal political participation.

Merchants who had once entered politics to protect their economic interests now protected those interests by leaving politics. The institutional divergence between the two cases has its roots in the period before oil. Crystal (pp. 429-430) attributes the difference to their contrasting pre-petroleum commercial histories. Kuwait's role as a regional trading center produced a cohesive and politically experienced business community that had mounted repeated collective challenges to ruling family authority before oil emerged. Qatar's narrower economy, built entirely around a single maritime industry, produced no comparable social formation. Just before the arrival of oil, Qatar possessed no business community capable of collective pressure on the ruler; only two rival households whose mutual competition for patronage left both in a position of dependence. Kuwait's traders entered the petroleum era with the collective strength and political experience to secure institutional concessions from the ruling family. On the contrary, their Qatari counterparts entered it with neither. Oil's most consequential political effect, in Crystal's perspective (p. 430), was to give Gulf rulers direct access to external revenues for the first time, severing their fiscal dependence on the merchant coalition that had historically extracted a political price for channeling those revenues. Both ruling families used this independence to reconstruct their political arrangements, but not in the same way. Kuwait's merchant class was organisationally coherent to be bypassed entirely, forcing the ruling family to accommodate it. Qatar's pre-oil merchant community had been smaller and less politically experienced, giving the ruling family considerably more freedom to favour new families tied through tribal patron-client relationships rather than the remnants of the old trading order (p. 432). Qatar's new merchant class thus emerged as a dependent creation of ruling family patronage rather than an independent force capable of contesting distributional arrangements. Crystal (p. 441) states the comparative conclusion which is that oil foreclosed different institutional trajectories in each case, preserving some participatory space in Kuwait while producing a more authoritarian arrangement in Qatar. The pre-oil divergence in merchant class organisation explains why Kuwait's cohesive business community retained enough collective leverage to sustain participatory institutions while Qatar's fragmented and patronage-dependent merchants could not. Crystal explains what made Kuwait's participatory architecture structurally sustainable. Herb (2014) explains why it was established in the first place, locating the origin of Kuwait's parliament not in domestic merchant pressure but in the ruling family's strategic response to external threat.

Herb (2014, p. 71) challenges Crystal's structural explanation with a strategic one. The origin of Kuwait's parliament lies outside its borders, namely because the threat of Iraqi irredentism compelled the al-Sabah to institutionalise popular representation not as a concession to domestic class pressure but as a survival instrument against an external security threat. The mechanism, as Herb (p. 74) describes it, operates externally rather than internally. Parliament gives foreign powers a publicly defensible basis for protecting Kuwait, since visible political participation makes intervention easier to justify to outside audiences. It also signals to potential aggressors that Kuwait's citizens stand behind their ruling family, making territorial annexation politically unviable. Kuwait's parliament was designed primarily as an instrument of external relations rather than domestic representation. The Iraqi threat accounts for the parliament's creation but its persistence demands a separate explanation. Herb (2014, p. 75) advances a path-dependent argument, demonstrating that once established the National Assembly restructured Kuwaiti political life in ways that circumscribed the ruling family's capacity to return to absolutism. The constituencies and entrenched expectations the institution generated rendered retrenchment costly regardless of whether the conditions that had initially motivated its establishment remained in force.

Thafer (2024, pp. 537-539) documents the contemporary institutional manifestation of Kuwait's pre-oil merchant legacy. Kuwait's business elite, historically the most economically empowered in the Gulf, entrenched their distributional interests in parliament from the inception, making the National Assembly the primary place through which competing claims over oil wealth are organised and contested. Distributional decisions in Kuwait are negotiated through parliamentary conflict rather than determined by executive discretion. Qatar's distributional order is determined from above rather than contested from below. Thafer (pp. 539-540) attributes this to the timing of Qatar's institutional development, since governing structures took shape after oil had transformed the economy with no organised commercial class present to participate in their design. Resources flow through state-owned enterprises and executive appointments rather than competitive parliamentary processes, and business elites operate within boundaries the state establishes rather than constraining it from without. The contrast with Kuwait is structural, since Kuwait's commercial class actively shapes distributional outcomes through parliament while Qatar's remains subject to executive authority. Thafer (p. 541) concludes that business elite influence over political institutions determines the character of each state's distributional architecture. In Kuwait,

distributional reform measures are regularly contested through parliamentary channels and reversed when parliamentary composition shifts toward business elite interests. In Qatar, reforms encounter minimal organised resistance and are implemented without reversal. The two cases represent structurally opposite distributional configurations produced by different degrees of state autonomy from business elite pressure. Thafer establishes the institutional divergence between the two cases at the level of state-business relations. Babar (2015) extends the analysis to the demographic dimension, examining how Qatar's management of its non-citizen majority functions as a constitutive distributional instrument rather than a neutral labour policy.

Babar (2015, pp. 138; 140) challenges the assumption that Qatar's demographic structure is a natural economic outcome, arguing that it also reflects deliberate state policy choices. Labour recruitment policies have been designed not only to meet workforce requirements but to ensure that citizens access state resources without competing in the open labour market. The citizen/non-citizen demographic divide is a political construction through which the state actively reproduces the boundary of distributional entitlement. Babar (pp. 142; 144) identifies the *kafāla* system as a distributional instrument embedded within Qatar's labour market architecture. By assigning non-citizen workers to citizen sponsors, the state places nationals in a privileged position within the labour hierarchy and transfers regulatory authority over labour migration to its citizenry. Citizens benefit directly from access to low-cost labour and indirectly from the structural income advantage that the sponsorship arrangement confers, an advantage that operates through labour market control rather than through formal welfare transfers. Qatar's public employment policy, Babar (2015, p. 152) argues, serves three simultaneous functions. First, it transfers income to citizens, second, integrates them into the state's governing apparatus, and finally, it consolidates their superior position within a labour market organised along national regulations. Government jobs confer on citizens not only financial reward but institutional belonging and social rank within a hierarchically structured workforce. The distributional significance of public employment in Qatar consequently exceeds its wage component, extending to the political and social reproduction of the citizen/non-citizen boundary as a structural distributional arrangement.

Babar's account of Qatar's demographic and employment policies completes the institutional origins section. The existing literature has established why welfare regimes exist, why they persist, and why Kuwait and Qatar diverged institutionally. The following section states the gap these accounts leave open and announces the study's contribution.

1.7 The Research Gap and the Study's Contribution

Eibl and Hertog (2024, p. 1324) resolve the question of why Gulf states provide generous welfare, but their dependent variables measure outcomes across the resident population without distinguishing between citizens and non-citizens. The authors themselves concede that alternative channels of co-optation, such as subsidies and public sector hiring, fall outside their empirical purview (Eibl and Hertog, 2024, p. 1331). These subsidies and public sector employment form two of the five allocative channels analysed within the present study. The income gap between the two groups, including how large it is, how it has changed over time, and through which channels it is produced, lies beyond the reach of their model and remains unmeasured in the existing literature. The gap has been theorised in two complementary ways. Beblawi (1987, p. 53) argues that citizenship in the Gulf confers an economic entitlement to state-distributed income, making national status a distributive category that determines access to rent independently of productive contribution. Marshall (1992, p. 28) establishes that social citizenship more broadly creates a universal right to income that is not proportionate to a citizen's market value, producing a structural gap between what citizenship entitles and what the market would pay. What neither the RST tradition nor welfare state theory has provided is a systematic empirical measurement of that gap across time and channels. The four successive waves of Kuwait's Household Income and Expenditure Survey (1999/2000, 2007/08, 2013, 2019/2021) and Qatar's Household Expenditure and Income Survey of 2006/07 make that measurement possible. A second unmeasured gap exists within the citizen population itself. The existing literature has documented that Gulf states provide generous welfare to citizens but has not examined how that welfare is distributed among them, whether the internal distribution differs between Kuwait and Qatar, or which institutional channels produce the divergence. Addressing this gap alongside the citizen/non-citizen measurement gap constitutes the core empirical task of the study.

This study fills that literature gap by expanding Marshall's (1992) concept of social citizenship. Marshall argues that citizenship does not just mitigate inequality but can also legitimize it, providing formal equality among all members of a polity while keeping class stratification unresolved (p. 7). In the Gulf context, where citizenship fragments the resident population, it means that civic status institutionalizes and legitimizes the gap between citizens and non-citizens. This study posits that the institutional design of the political authority shapes the mechanisms

through which the disparity impacts the population, elaborating this premise as the institutional mediation hypothesis delineated below.

The institutional mediation hypothesis carries a directional implication that distinguishes it from a generic claim that institutional architecture matters. The hypothesis predicts an asymmetry between how the institutional contrast registers in the citizen population and how it registers in the non-citizen population.

At the citizen level, the study expects the intra-citizen distributional pattern in Kuwait and the intra-citizen distributional pattern in Qatar to diverge. However, the predicted divergence focuses on how the citizenship differential is allocated to citizens and not necessarily on the inequality measurement within them. Where parliamentary mediation operates, the differential gets allocated to citizens through welfare programmes, wage subsidies and employment guarantees structured by legislation that is contested and revised through the National Assembly (Thafer, 2024, pp. 537-539). Where emiri concentration operates, the differential reaches citizens through institutional rents and discretionary transfers allocated by emiri decree and adjusted to the ruler's political judgement rather than settled through legislative bargaining. Therefore, the hypothesis posits that these two states deploy distinct allocative distributive modes to deliver the differential to their citizens, it is discretionary in Qatar and negotiation-based in Kuwait. The discretionary mode of allocation can be more prone to favouritism within citizens compared to negotiated-based allocation, but the hypothesis does not stand on that assumption. Furthermore, since the Qatari survey covers only a single expenditure-based measure of disparity among citizens, it cannot determine if the favouritism is more pronounced in Qatar or in Kuwait (see Chapter 4). At the non-citizen level, the institutional architectures of Kuwait and Qatar both shape how non-citizens are treated, but they do so through a Gulf-regional framework of labour-market segmentation, sponsorship, and a *kafāla* system which links expatriate workers to citizen sponsors and which is adopted by almost all GCC states in some form (Babar, 2015, pp. 142-143). The institutional contrast and the regional framework are intertwined, not parallel. One of the channels through which citizens receive their differential is the regional framework that simultaneously structures non-citizen access. Because both architectures draw on the same regional framework, the study expects the configuration within the non-citizen population to look the same both in Qatar and Kuwait even when the allocative channels through which citizens obtain the differential diverge.

The asymmetric prediction is consistent with the literature it builds on. Even Hertog (2010, p. 268, n. 51), whose principal argument treats Gulf states as fragmented patrimonial structures, acknowledges that Kuwait possesses pockets of rational and competently managed administration while extending no equivalent qualifier to Qatar. The asymmetry the study theorizes is not imposed on the literature; it is already legible within it.

The design follows the Structured Focused Comparison method of George and Bennett (2005), which requires the same set of research questions to be asked of each case in identical sequence, so that findings across cases can be directly compared rather than remaining country-specific narratives. Within each case, process tracing is used to identify the institutional mechanisms through which each of the five distributional channels operates: wages, asset income, government transfers, subsidies, and labour mobility constraints imposed on non-citizen workers. This moves the analysis beyond the measurement of outcomes to an account of how those outcomes are produced and sustained. The study is transparent about an imbalance in its data foundation. The Kuwait analysis draws on four successive waves of the Household Income and Expenditure Survey spanning 1999 to 2021, all obtained through direct primary access to the published survey documents. The Qatar analysis rests on the single Household Expenditure and Income Survey of 2006/07, accessed through direct primary documentation from the Qatar Statistics Authority. This asymmetry means that a longitudinal citizenship differential trajectory can be established only for Kuwait and that the channel decomposition for Qatar relies on within-case process tracing where the single-wave structure does not support a longitudinal quantitative decomposition.

CHAPTER 2 - Methodology

2.1 Research Questions and Analytical Design

The core question this study addresses is why Kuwait and Qatar, two structurally similar Gulf monarchies, produce citizenship income differentials through different channel configurations, and what institutional conditions account for that divergence. A secondary question asks how welfare is distributed within both the citizen and non-citizen populations in each country and whether those internal distributional patterns reflect the same institutional logic that governs the inter-citizen gap. Answering these questions requires a research design that can hold the analytical framework constant across cases while leaving space to trace variation in mechanisms within each. George and Bennett's method of structured focused comparison is designed precisely for this purpose (2005, p. 85). The method is structured in that the researcher poses the same set of general questions to each case in identical sequence, so that findings accumulate rather than remaining case-specific narratives. It is focused in that it examines only the aspects of each case that bear on the research objective, rather than producing a full country account. Together these two features make it possible to compare Kuwait and Qatar systematically without reducing either case to a set of variables or expanding the analysis into an open-ended historical study.

The common framework applied to both Kuwait and Qatar comprises five questions, each corresponding to a distinct stage of the empirical analysis.

- The first asks what the magnitude of the citizenship income differential is and how it has changed over time, establishing the quantitative baseline for comparison.
- The second asks through which distributional channels, namely wages, asset income, government transfers, subsidies, and labour mobility constraints, the differential is produced and in what proportions.
- The third asks what institutional mechanisms govern each channel.
- The fourth asks, where data permit, how welfare is distributed within the citizen population in each country and whether that internal distribution reflects the same institutional logic that governs the inter-citizen gap, treating this as a secondary question whose full quantitative resolution is possible only for Kuwait.

- The fifth asks whether and why the two countries diverge in their overall distributional architecture across all five channels.

These questions are addressed for Kuwait in Chapter 3 and for Qatar in Chapter 4, and their answers are compared directly in Chapter 5.

2.2 Mixed-Method Design

The design is mixed in method, and necessarily so for both analytical and empirical reasons. Analytically, household survey microdata can establish the magnitude, trajectory, and channel composition of the citizenship income differential, but they cannot explain why the channel composition takes the form it does or how institutional arrangements produce and sustain it. Conversely, qualitative institutional analysis can identify mechanisms and trace causal pathways, but without the quantitative decomposition it cannot demonstrate that those mechanisms produce the differential outcomes the study attributes to them. Empirically, the Qatar case presents an additional constraint, unlike Kuwait, for which four primary-access survey waves are available (1999/2000, 2007/08, 2013, 2019/2021), Qatar's quantitative data derive from a single primary-access cross-section, the 2006/07 Household Expenditure and Income Survey published by the Qatar Statistics Authority. The single-wave structure does not support a longitudinal quantitative channel decomposition. The qualitative strand compensates for this constraint, using institutional and archival secondary literature to reconstruct the distributional logic of the asset income, transfer, and subsidy channels where the single-wave survey is insufficient on its own. The mixed design is therefore not simply a methodological preference but a response to the asymmetric data structure the two cases present.

2.3 Case Selection: small-N logic

The selection of two cases is methodologically considered rather than imposed by data scarcity. Collier (1993, p. 105) identifies the foundational difficulty of small-N research as a structural disproportion between the range of plausible rival explanations and the number of observations available to discriminate among them. Rather than invalidating small-N comparison, this condition specifies the analytical territory in which the design carries its justification. Where the variables of theoretical interest operate through historically situated institutional arrangements, statistical

analysis of many cases tends either to miss them altogether or, following Sartori (1970), to dilute their meaning by extending a single concept across settings that do not share its institutional substance. The institutional mediation of the citizen income differential in Kuwait and Qatar falls squarely within this analytical territory.

Within this methodological frame, the selection of Kuwait and Qatar follows the case selection strategy Collier (1993, p. 112) proposes as a productive synthesis of the two principal small-N research designs. The underlying principle is straightforward: cases are chosen so that they resemble one another on the structural conditions the relevant theoretical literature treats as constitutive of the phenomenon under study, while differing sharply on the specific variable the research seeks to investigate. Kuwait and Qatar fit this logic precisely. Both are hydrocarbon-dependent constitutional monarchies operating within the Gulf Cooperation Council framework, both command comparable per-capita hydrocarbon wealth, both have citizen populations that form a demographic minority relative to non-citizen residents, and both maintain extensive citizen welfare entitlements financed from hydrocarbon revenues. These shared features establish the rentier-state structural conditions that classical and contemporary scholarship identifies as constitutive of Gulf welfare regimes (Beblawi, 1987; Luciani 1987; Eibl and Hertog, 2024). The two cases nonetheless diverge on the variable this study theorizes as constitutive of the internal distributional architecture, namely the presence of an elected legislature with substantive distributional authority, which Kuwait possesses and Qatar does not. The shared structural conditions ensure that the comparison rests on analytically equivalent ground, since both cases produce the citizenship differential through the same broad rentier mechanisms, while the institutional contrast isolates the variable whose causal effect the analysis seeks to identify. The pairing thereby combines the matched-case logic Lijphart (1971) defends with the inferential leverage Przeworski and Teune (1970) argue that matched-case designs alone cannot deliver, producing the configuration in which, as Collier (1993, p. 112) describes it, the shared structural background allows the institutional difference and its distributional consequences to emerge with analytical clarity.

Mahdavy (1970, p. 431) already established Kuwait and Qatar distinctly as “extreme cases” of resource dependence, and half a century later they persist among the countries most dependent on resource rent (Fromherz, 2017, p. 111).

A two-case design of this kind would nonetheless rest on a narrow inferential basis if the analysis stopped at the comparison between Kuwait and Qatar. Collier (1993, p. 112), drawing on Lieberman (1991), notes that a two-case comparison conducted only at the country level cannot, on its own, establish which variable is causally responsible for an observed difference between the cases, since the number of observations remains too small to discriminate among the rival explanations the comparison generates. The systematic use of process tracing internal to each case substantially widens the inferential base of the analysis. In this study the within-case procedure is structured around the five distributional channels through which the citizenship differential is constructed and reproduced, namely public sector employment, asset income, government transfers, subsidies, and the legal restrictions placed on non-citizens. Each channel is examined separately within Kuwait and within Qatar, producing ten channel-level observations against which the institutional mediation thesis can be assessed. The analytical reach of the analysis is therefore considerably wider than the two-country framing suggests.

2.4 Historical Origins of the Institutional Contrast

The historical roots of the institutional contrast lie in the divergent social formations the two countries inherited from the pre-oil period. Crystal (1989) demonstrates, drawing on the Moore tradition of class-based historical analysis, that Kuwait entered the oil era with a long-established, internally cohesive merchant elite whose entrepot economy had generated decades of organised political activity. By the time oil revenues began transforming the regional political economy, Kuwait's trading families had repeatedly mobilised against the ruler through educational councils, municipal institutions, and successive opposition movements, culminating in the majlis movement of 1938 and its short-lived consultative assembly (Crystal, 1989, p. 429). Qatar's pre-oil trajectory was structurally different. Its location away from the principal regional trade corridors and its dependence on pearling produced a merchant community that was smaller, more economically vulnerable, and politically unorganised; the interwar pearling crisis prompted a substantial portion of the population, including most merchants, to emigrate, leaving Qatar at the start of the oil era with what Crystal (1989, p. 430) characterises as no merchant class capable of constituting a political counterweight to the amir. When oil revenues subsequently allowed both rulers to dispense with their reliance on the trading families as a source of state finance, the settlement that emerged in each country reflected this initial asymmetry. In Kuwait, the merchants were absorbed

into the new distributive order collectively, retaining the corporate identity that would later allow them to re-enter formal politics through the National Assembly. In Qatar, the much weaker merchant community was absorbed into the ruling family's patronage networks individually, as newly enriched but politically dependent clients with no comparable institutional foothold (Crystal, 1989, pp. 431-432). The institutional difference between the two cases is therefore not the product of contingent post-oil political choices but the institutional sediment of pre-oil social structures that the oil revenue conjuncture preserved in different forms

The institutional contrast that pre-oil social formations made possible has not only persisted into the contemporary period but become the defining feature of Kuwait's political-economic distinctiveness within the Gulf. Herb (2014, p. 71), in the most systematic comparative study of Kuwaiti political institutions to date, opens his chapter on Kuwaiti exceptionalism with the question that frames this study's case selection, asking why Kuwait possesses a substantive parliament when no comparable institution exists in any other Gulf monarchy. His answer treats the National Assembly as a causally consequential body, one that produces political and economic outcomes substantively different from those generated in Gulf states whose rulers face no comparable legislative constraint (p. 71). Herb positions this contrast in time. Up to the late 1950s, Kuwait did not yet stand out from the other Gulf shaykhdoms; by the late 1990s, however, Kuwaiti politics had begun to diverge in patterned ways with the political trajectories of the United Arab Emirates and Qatar, the Gulf's other high-rent monarchies, and the divergence registered at the level of formal institutions, the composition of the political elite, and the discourse through which Kuwaiti citizens articulated their political identity (p. 98). The contrast is durable as well as contemporary. The persistence of the 1962 constitution, particularly after its restoration following the 1990 Iraqi invasion, has reshaped the expectations of Kuwaiti citizens and the political constraints under which the ruling family operates, making a reversion to the absolutist pattern characteristic of Qatar substantially more difficult than it would have been in the absence of these institutional and ideational legacies (pp. 98-99).

The Qatar-side counterpart to this contrast has been documented by Thafer (2024), whose study compares how rentier executives in the Gulf differ in their independence from organised business interests when shaping economic policy. Thafer (p. 536) shows that the Qatari state holds majority ownership across most of the country's leading enterprises, while in Kuwait the equivalent share is small and the private sector is largely beyond direct executive control. This ownership structure

has direct consequences for distributional governance. The Qatari executive allocates rents and directs economic policy primarily by placing members of the business elite in senior positions within state-owned firms, an arrangement that insulates executive decision-making from the kind of organised economic resistance Kuwait's parliamentary architecture permits. Reforms initiated by the Qatari executive typically advance with limited contestation and are rarely overturned, whereas comparable measures in Kuwait have repeatedly been reversed when the National Assembly has shifted toward business-aligned blocs (p. 541). The contrast therefore operates at the level of distributional capacity itself rather than at the level of formal political institutions alone. The institutional variable on which this study's case selection turns is therefore not a transient or formal distinction but a structural feature of contemporary Kuwaiti and Qatari political economy.

The methodological framework most closely associated with the demand for stronger inferential leverage in qualitative research is that advanced by King, Keohane and Verba (1994), whose treatment of small-N research design has shaped how comparative work is evaluated in the discipline. Their position requires direct engagement here. They argue that designs based on a single observation are unlikely to support credible causal inference, since the number of plausible rival explanations almost always exceeds the inferential traction that a single observation can provide (p. 209). Their argument is, however, constructive rather than restrictive. They contend that the inferential limits of small-N research are almost always remediable by reframing the research design to incorporate many observations within the cases under study, an exercise that typically requires no new data collection but only the systematic identification of observable implications that the existing evidence already supports (p. 208). They view process-tracing as methodologically aligned with their paradigm, conceptualizing it essentially as a strategy that changes the delineation of causal pathways into theoretically relevant observations and thus as a mechanism to mitigate inferential limitations typical to low-N research designs (p. 227). The design defended in the preceding paragraphs is constructed on precisely this principle. Each of the five distributional channels constitutes a separate site of mechanism identification within each case, generating ten channel-level observations of the institutional mediation argument. The design therefore aligns with the inferential strategy King, Keohane and Verba recommend rather than departing from it.

The estimates that anchor this study are produced from household income and expenditure surveys, and these surveys carry specific limitations in the Gulf context that warrant explicit acknowledgement before the figures can be interpreted. Alvaredo, Assouad and Piketty (2019, p. 8) provide the most systematic comparative measurement of inequality across the Middle East. They document that the share of national income reflected in household survey reports is substantially smaller in the Gulf states than elsewhere in the region. The figure falls to approximately twenty to thirty percent in Kuwait and Qatar, against forty to fifty percent in the non-Gulf countries that anchor most international comparisons. Behind this gap lies a structural feature of the rentier political economy. The income components that household surveys cannot capture include the retained earnings of national oil companies and the investment returns of sovereign wealth funds, both of which flow disproportionately to citizens rather than to non-citizen residents (p. 8). The implication for measurement of the citizen income ratio is direct. Nationals receive a disproportionate share of these excluded components compared with foreign residents. As a result, the ratio estimates produced from household survey data alone are biased downward.

The empirical evidence for this study's central comparative claim is drawn from the published household income and expenditure survey tabulations released by the national statistical authorities of Kuwait and Qatar. The Kuwait Central Statistical Bureau has published four waves of the surveys within the analytical window spanning from 1999/2000, 2007/08, 2013 to 2019/2021. The Qatar Statistics Authority has published the 2006/07 iteration of its Household Expenditure and Income Survey. Both surveys identify whether each respondent household is composed of citizens of the country in question or of non-citizen residents, which is the methodological feature that makes the citizen-to-non-citizen income ratio calculable from group-level figures. The averages calculated across the citizens and non-citizens separately, and the ratio between them, constitute the central quantitative reference points of the analysis developed in subsequent chapters. The empirical conditions enabling this comparison have until recently been rare. Alvaredo, Assouad and Piketty (2019, p. 6) describe the broader Middle Eastern landscape as one in which inequality data are unusually difficult to obtain, particularly at the wealth extremes of the regional distribution, and in which microdata access has become possible only recently. The study operates within this recently opened evidentiary horizon, and its disaggregation by citizenship status extends beyond standard practice in comparative regional inequality work.

One response to this measurement constraint is the imputation strategy that Alvaredo, Assouad and Piketty (2019, p. 8) themselves adopt for their corrected estimates of Middle Eastern inequality. They reassign the difference between aggregate national income and the income captured in household surveys exclusively to citizens, producing alternative corrected distributions calibrated against benchmarks at which household-recorded income reaches thirty, fifty, seventy, or one hundred percent of national income. Their preferred series for the Gulf states uses the fifty-percent benchmark, with the Qatari case alone calibrated against the thirty-percent benchmark. This study does not follow this approach. The imputation strategy is appropriate to the question Alvaredo, Assouad and Piketty pursue, namely the absolute scale of regional and global inequality. The question pursued here is different, concerning the institutional mediation through which two formally similar rentier states convert hydrocarbon wealth into systematically different distributional outcomes. For this question, what is needed is the directly observed flow of income to households as recorded in survey responses, not a reconstruction of that flow under imputation-rate assumptions whose variation across the two cases would itself become a source of measurement uncertainty in the comparative argument. The conservative measurement strategy adopted here therefore preserves the integrity of survey-based observation. It also strengthens the comparative argument structurally. The systematic underestimation documented in the previous paragraph operates on both cases under examination, which means the contrast between the Kuwaiti and Qatari ratios is preserved by the measurement constraint rather than confounded by it.

The temporal coverage of the data available for the two cases is asymmetric, and this asymmetry shapes the inferential architecture of the analysis that follows. The Kuwait Central Statistical Bureau has fielded four Household Income and Expenditure Survey waves within the analytical window of this study (1999/2000, 2007/08, 2013, and 2019/2021), all obtained through direct primary access to the published survey bulletins. The Qatar Statistics Authority has published a single Household Expenditure and Income Survey wave at primary-source level for 2006/07; subsequent Qatari rounds were considered and excluded from the synchronous comparison on documentation-quality grounds, with the rationale set out in the transfer-channel methodology section below. The two cases meet at a synchronous cross-section: the Qatar 2006/07 survey was fielded in close temporal proximity to the Kuwait 2007/08 wave, and this temporally proximate pair carries the cross-country comparison developed in Chapter 5. The remaining three Kuwait

iterations (1999/2000, 2013, 2019/2021) do not enter the synchronous comparison; they support the within-Kuwait longitudinal analysis presented in Chapter 3, where the persistence of the citizenship differential across two oil-price collapses and the post-2011 political conjuncture is documented as evidence of structural entrenchment internal to the Kuwait case. The four-wave Kuwait series permits a within-case analytical operation that the single Qatar cross-section does not. The 2013 and 2019/2021 Kuwait waves bracket the Arab Spring period and document the post-2011 widening of the citizen ratio. This longitudinal operation is analytically distinct from the same-period cross-country comparison developed in Chapter 5, which uses only the temporally proximate 2007/08 Kuwait and 2006/07 Qatar iterations. The asymmetry between four Kuwait waves and one Qatar wave is principled, not opportunistic. It reflects the regional empirical environment Alvaredo, Assouad and Piketty (2019, p. 6) document, in which household-level inequality data across the Middle East are unusually scarce and microdata access has become available only recently. The Qatar 2006/07 wave is the iteration for which complete primary-source documentation has been verified for this study. The single-Qatar-wave constraint shapes the design rather than weakens it: it makes the within-case explaining-outcome process tracing developed in the methodology that follows not optional but central to the inferential architecture, with the qualitative reconstruction of the contemporary Qatari distributional architecture providing evidence of structural continuity in the period surrounding the survey. The study operates within these data conditions and does not assert comparative claims that the data cannot support.

Within these data conditions, this study pursues three complementary descriptive strategies. The first is headline-ratio comparison across waves. For each Kuwait round and for the single Qatar round, the per-household monthly income of citizens is divided by the per-household monthly income of non-citizens. This produces the study's primary inter-group inequality measure, the citizenship differential, expressed as the multiplier by which average citizen household income exceeds average non-citizen household income. Without this measure there is no quantitative anchor for the comparative claim. The second strategy is income composition analysis by source. Each household's income is allocated to its constituent components, that is wages, self-employment, asset returns, transfers, and non-periodic revenue. The share of each component in total household income is then reported separately for citizens and non-citizens. The approach is descriptive and is calculated at the group-mean level reported in the published bulletins. An alternative inferential approach would decompose the within-population Gini coefficient by

income source, assigning each component a share of total inequality through its within-source dispersion and its correlation with total income. The Kuwait Central Statistical Bureau does not release the household-level microdata required for this approach, therefore the approach cannot be applied in this case.

The third strategy is direct comparison of the within-population Gini coefficients reported in the published bulletins. Each wave's bulletin calculates a within-Kuwaiti and a within-non-Kuwaiti Gini coefficient from the underlying microdata internally, and these published coefficients are assessed for quality against the criteria of Deininger and Squire (1996).

The case-centric posture the study adopts is not a-theoretical. Rentier state theory shapes what the study expects from the relationship between oil wealth and citizen entitlements. Comparative welfare state research frames the analysis of the employment and transfer channels. Citizenship studies and the political economy of migration frame the analysis of restrictions of non-citizens. The cases are what the study seeks to explain. Theory is the tool it uses to explain them. Chapter 3 traces the Kuwait outcome through the five channels. Chapter 4 traces the Qatar outcome through the same five channels. Chapter 5 brings the two case-level explanations together into the comparative argument the study advances. The five-channel architecture is applied to both cases as a common analytical grid, and the empirical chapters report which channels carry the citizenship differential in each case and through which institutional mechanisms.

As the case-selection logic established, the two cases share the structural conditions of hydrocarbon rentier monarchy and diverge in one institutionally consequential respect. Kuwait routes distribution through an elected legislature with substantive distributional authority, while Qatar routes it through an emiri apparatus (Hertog, 2010, p. 268, n. 51) in which the Shura Council, with its constitutional powers limited and the emir retaining veto authority over its legislation (Kamrava, 2013, 125), has played no equivalent budgetary role. The study's analytical posture it is one of equifinality testing, a concept originating in general systems theory and developed for case-study methodology by George and Bennett (2005, ch. 8) and Goertz and Mahoney (2012, p. 58-59). Equifinality testing severs the assumption that comparable outcomes must share a common cause, and reorients the analytical task from searching for a shared causal antecedent to identifying the distinct institutional pathways through which each case produces the outcome it produces.

Applied to the Kuwait and Qatar comparison, the test operates at the level of the distributional patterns the two cases produce, and the comparative argument the study builds is structured around what it reveals at two analytical levels. The first level concerns the distribution of the citizenship differential among citizen households across income groups, asking whether the intra-citizen distributional pattern in Kuwait diverges from the intra-citizen distributional pattern in Qatar, and if so along what dimensions. The second level concerns the distribution of income and expenditure among non-citizen households, asking whether the non-citizen distributional pattern in Kuwait diverges from the non-citizen distributional pattern in Qatar, and if so in which regards. Both levels are addressed through the same analytical apparatus, namely the five-channel architecture set out in Chapter 2, applied to each case in turn through explaining outcome process tracing, with the case-level analyses brought together in the comparative argument developed in Chapter 5.

2.5 Process Tracing and Equifinality

Process tracing is not a single method but a family of related procedures. Beach and Pedersen (2016, p.303) sort it into four variants according to the function of each one. Three are theory-centric. They build, test, or refine a generalisable claim about a causal mechanism. The fourth is case-centric and aims to explain a specific historical outcome rather than to generalise. The four variants split into two analytical postures (Beach and Pedersen, 2016, p. 305). Theory-centric process tracing uses cases to advance a generalisable claim about how a mechanism operates across a defined set of similar cases. Case-centric process tracing reverses the priority. The case is what the analysis seeks to explain, and the analysis brings together the theoretical resources that are required to account for why that particular outcome occurred. Beach and Pedersen ground the case-centric posture in two closely related literatures, namely analytic eclecticism (Sil and Katzenstein, 2010) and pragmatist research strategy (Friedrichs and Kratochwil, 2009). Both authorise drawing on multiple research traditions when a single research approach cannot exhaust the explanation. The pragmatist research strategy that Friedrichs and Kratochwil (2009, p. 714) develop gives the case-centric posture an epistemological foundation. Rather than seeking secure foundations on which a universal scientific methodology could rest, pragmatist research starts from the way knowledge is generated in social practice and builds methods modelled on that practice. The reasoning moves from observed outcomes back to the most plausible explanation, and the resulting claims remain open to revision as further evidence accumulates. Applied to process tracing, this

orientation authorises an explanation that combines theoretical resources from several schools of thought to account for a particular outcome, without requiring that the explanation generalise to a wider set of cases.

The study uses the explaining-outcome variant of process tracing. Beach and Pedersen (2016, pp. 308-309) describe this variant as a single-outcome study, meaning the analysis seeks the causes of a specific outcome in a specific case rather than testing a general theory or generalising from the case to a wider population. The case is treated as a historical event in its own right, not as an instance of a broader concept. The goal is to produce an explanation sufficient to account for that case, drawing on the theoretical resources that are required. The form of mechanism that does this work has a specific name in Beach and Pedersen's framework. They call it an eclectic conglomerate mechanism (2016, p. 309). The term is technical but the underlying idea is straightforward. A single mechanism drawn from a single school of thought is rarely sufficient to explain a particular historical outcome. The explanation usually requires combining several mechanisms, drawn from several schools, together with factors specific to the case at hand. The result is a single composite causal account, calibrated to that case, rather than a single mechanism intended to apply across a wider set of cases. An eclectic conglomerate mechanism is built up from smaller parts, and Beach and Pedersen (2016, p. 80) specify the form those parts take. Each part has two elements. The first is the entity, which is the institutional actor, organisation, or structure that does the causal work. The second is the activity, which is what that actor or organisation actually does to carry the causal connection from one part of the mechanism to the next. Entities are nouns. Activities are verbs. A complete mechanism is a sequence of entity-activity pairs that traces the route from initial cause to final outcome.

The case-centric variant of process tracing fits the study's analytical posture for a further reason beyond its accommodation of theoretical eclecticism. As the core question of the study established, this study tests for equifinality at the level of distributional patterns. Equifinality argues that similar outcomes can arise through different causal paths (George and Bennett, 2005, pp. 175-177; Goertz and Mahoney, 2012, pp. 58-60). When this condition applies, the analytical task is to identify which path each case follows, rather than to search for a single causal pattern shared across the cases. Explaining-outcome process tracing is the variant designed to serve this role. Each case's

mechanism is traced separately. The two case-level mechanisms are then compared in the comparative chapter.

The equifinality test the study applies has two analytical levels. At the intra-citizen level, the distributional pattern in Kuwait and the distributional pattern in Qatar can either diverge or converge. At the intra-non-citizen level, the same two outcomes are possible. Combining the two levels yields four possible findings, each corresponding to a different empirical conclusion about how the institutional contrast operates. The first finding combines citizen-side divergence with non-citizen-side convergence. This is the predicted finding, derived from the institutional mediation hypothesis stated in Chapter 1. It would indicate that the institutional contrast between parliamentary mediation and emiri concentration produces different distributional architectures within the citizen population, while both architectures generate structurally similar non-citizen patterns by drawing on the same Gulf-regional framework of labour-market segmentation, sponsorship, and ownership restriction. As set out in the institutional mediation hypothesis, the institutional contrast does affect non-citizens, but because both architectures draw on the same regional framework, the convergence prediction requires only that it affect them in structurally similar ways across Kuwait and Qatar. The second finding combines divergence at both levels. This would indicate that the institutional contrast produces categorically different patterns within both populations. It would not falsify the institutional mediation hypothesis at the citizen level, but it would require revising the account of how the regional framework operates. Specifically, it would suggest that Kuwait and Qatar deploy different approaches to the regional framework, rather than drawing on a shared one. The convergence prediction at the non-citizen level would fail, but the institutional mediation argument at the citizen level would still stand. The third finding combines convergence at the citizen level with divergence at the non-citizen level. This is the inversion of the predicted hypothesis. It would indicate that the institutional contrast does not produce different distributional architectures within the citizen population, but does produce different non-citizen patterns. This finding would be the most damaging to the institutional mediation hypothesis. It would suggest that the contrast between parliamentary mediation and emiri concentration shapes how non-citizens are treated, but does not shape how the differential is distributed among citizens themselves. The study's central argument concerns how citizens distribute the differential among themselves. A finding that placed the institutional contrast elsewhere would force a substantial rewrite of the argument. The fourth finding combines

convergence at both levels. This would indicate that the institutional contrast does not produce different distributional patterns at either level. The aggregate citizenship differential would still differ across the two cases, but the institutional mediation argument would not be supported at the level of distributional architecture. The study would need to look elsewhere for the explanation of the aggregate difference. The four findings cover all possible outcomes of the test and do not overlap with one another. The empirical chapters report which finding the data delivers. The framework is testable because the predicted finding can fail, and three different alternative findings are available, each of which would mean something different for the study's argument.

2.6 Operationalising the Citizenship Differential

The study adopts the operational definition of household income set out in the Canberra Group Handbook (2011, p.10), the international standard for household income statistics produced under the auspices of the United Nations Economic Commission for Europe. The handbook specifies four components of household income. The first is “income from employment (both paid and self-employment)”. The second is property income, meaning returns to financial and non-financial assets. The third is “income from the production of household services for own consumption”, an item that the operational definition treats narrowly because of valuation difficulties. The fourth is current transfers received, which is the component most directly relevant to the citizenship differential and is developed in the next paragraph. Current transfers received are the component of household income most analytically central to the citizenship differential, and the handbook (Canberra Group Handbook, 2011, p. 15) specifies their treatment in some detail. A transfer is “a receipt for which the recipient does not provide anything to the donor in direct return”. Transfers may be in cash, in goods, or in the form of services, and may flow between households, between households and government, or between households and charitable institutions. In the Gulf rentier setting, government-to-household cash transfers carry most of the weight of the citizenship differential. These include social security pensions, social assistance benefits, and other government cash receipts. The study's measurement of the transfer gap follows this categorisation, with the specific sub-categories included reported in the empirical chapters where the underlying surveys are described. Two further specifications complete

the operational definition. The first concerns social transfers in kind, defined in the handbook as “goods and services provided by government and non-profit institutions that benefit individuals but are provided free or at subsidised prices” (Canberra Group Handbook, 2011, p. 16). Common examples include free or subsidised healthcare, government-provided education, rental allowances, and the subsidy element of publicly provided housing. Social transfers in kind are excluded from the operational definition of income because of valuation difficulties. The study follows this exclusion in the income-side measurement of the citizenship differential. However, social transfers in kind are theoretically central to the citizenship differential in the Gulf rentier setting, where citizens receive substantial in-kind benefits that non-citizens are largely excluded from. The study therefore captures social transfers in kind through Channel 4 of the five-channel architecture, where they are analysed alongside cash subsidies, rather than through the income measurement directly. The second specification concerns exclusions from income proper. The handbook excludes from income any receipts that derive from changes in net worth rather than from current economic activity (Canberra Group Handbook, 2011, p. 16). The exclusions cover three categories. Holding gains and losses on financial and non-financial assets are excluded because they reflect changes in asset value rather than current income. Windfall and one-time lump sum receipts such as inheritances, lottery winnings, lump sum retirement payouts, and most insurance claims are excluded. And receipts that result directly from a reduction in net worth, such as the sale of assets, loans obtained, and withdrawals from savings, are excluded. The study calculates the income side of the citizenship differential from what the underlying surveys measure as income. The Canberra exclusions stand as the international reference standard, and the surveys' specific exclusion practices are reported in the empirical chapters where each survey is described. The third specification concerns income from household production of services for own consumption. The handbook (Canberra Group Handbook, 2011, pp. 36-38) includes imputed rent on owner-occupied homes as part of household income, because people who own their home receive housing services that renters pay for in cash. The recommended valuation method is the rental-equivalence approach, which sets the imputed rent at the market rent for a similar rented home. Imputed rent carries particular weight in the Gulf rentier setting. Citizens of Kuwait and Qatar mostly own their homes fully, having received land grants and

construction subsidies under state housing programs. Non-citizens almost universally rent and face strict limits on owning property. Including imputed rent in income therefore raises citizen income relative to non-citizen income by an amount that depends on local rents and on how the imputed rent is calculated. The Kuwait Central Statistical Bureau publishes parallel sets of statistical tables for each survey wave, one set with imputed rent on owner-occupied housing included and one set with it excluded. The study draws on both, so the size of the imputed-rent contribution to the citizenship differential can be read directly from the comparison. The Qatar survey bulletin is read the same way where it follows the same publishing convention. Unpaid domestic services and the imputed value of consumer durables are excluded from the income measurement throughout, in line with the operational definition.

The fourth specification concerns the conceptual framework that turns the citizenship differential from a raw income gap into an analytically meaningful measurement. Esping-Andersen (1990, pp. 21-22) developed the concept of decommodification, which he later restated (1990, p.37) as the degree to which individuals or families can “uphold a socially acceptable standard of living independently of market participation”. The framework is graduated, not binary. Populations are not simply commodified or decommodified. The question is what degree of welfare access exists outside market participation, and which population groups receive that access on what terms. Applied to the Gulf rentier setting, citizenship is the condition that governs access to substantial decommodification. Gulf citizens receive welfare resources through formal institutional channels that operate independently of their participation in the labour market. These include free or subsidised healthcare and education, public-sector employment guarantees, transfer programs, and the housing benefits captured in the imputed rent specification. Gulf non-citizens face a regime structured around the opposite logic. Residency has historically been tied to employment through the *kafāla* system, transfer access is minimal, and labour is fully commodified. The study acknowledges that the Qatar *kafāla* system has undergone substantial reform and frames its analysis at the survey periods covered by the underlying data. The citizenship differential measures the extent to which citizenship status produces this asymmetry between partially decommodified and fully commodified populations. Esping-Andersen developed the framework for welfare states in member countries of the Organisation for Economic Co-operation and Development (OECD), with particular institutional histories, where decommodification was the outcome of labour-

movement contestation. The application to Gulf rentier monarchies is an analytical extension. The decommodification outcome resembles the OECD pattern but the mechanism is different. In the Gulf, decommodification flows from rentier distribution and citizenship gatekeeping rather than from collective bargaining.

The fifth specification concerns the classification of Kuwait's stateless population, the Bidun, in the citizenship differential calculation. The Bidun are long-term residents of Kuwait, often for several generations, who hold no documented nationality. They are not Kuwaiti citizens because they were never registered as such during the relevant historical windows. They are not foreign residents because they have no other national community. Beaugrand (2011, p. 229) traces the Bidun population from a peak of 200,000 in 1984, to 122,000 in 1995, to 105,000 in 2006, the latter figure representing 10.4 per cent of the Kuwaiti national population. The Bidun engenders a coding question for the citizenship differential. If the underlying survey treats Bidun households as Kuwaiti nationals, the average citizen income is pulled down by a population that is systematically excluded from public-sector employment and welfare programs. If the survey treats Bidun households as non-citizens, the average non-citizen income is pulled up by a population that has Arabic-language labour-market access and longer residence than expatriates. The direction of the bias depends on the survey's coding convention. The study reports the citizenship differential as the underlying surveys publish it. The coding decisions are the survey authority's rather than the study's, and the empirical chapters note the convention each survey adopts where the methodology is documented.

The study operationalises the citizenship differential as the ratio of average monthly household income for nationals to that of non-nationals, with the household rather than the individual as the unit of measurement. The household level is preferred because nationals and non-nationals in both Kuwait and Qatar have systematically different household sizes, and per-individual figures consequently understate the structural gap that arises from differential rights to public sector employment, transfers, and housing. The Kuwaiti analysis follows the central statistical bureau's parallel reporting convention by presenting two specifications, one that includes the imputed rental value for owner-occupied dwellings and one that excludes it. The Qatari analysis follows the equivalent convention adopted in the QSA bulletin, which incorporates imputed rent in the published expenditure totals while reporting it as a separable line item that permits a comparable

specification. Ratios are derived from monthly aggregates that the survey authorities publish; where a reported ratio combines published components rather than reading directly off a single published cell, the components and the combination are disclosed in the relevant note. The study undertakes no microdata recomputation. For Kuwait, the differential is reported across all four available rounds so that its temporal trajectory becomes visible; for Qatar, the single available cross-section permits a static reading only. Where the institutional content of a distributional channel bears on the interpretation of the published figures, supplementary legal and regulatory sources are drawn on as needed in the empirical chapters.

CHAPTER 3 - Kuwait

3.1 Introduction and Methodological Framework

This chapter documents the Kuwait citizenship differential as the first of two empirical cases in a comparative study whose central question is whether parliamentary mediation and emiri concentration produce meaningfully different distributional regimes despite the structural similarities between Kuwait and Qatar as hydrocarbon-dependent Gulf monarchies. To answer that question comparatively, the distributional architecture of each case must first be established on its own terms, in its own data, and at sufficient granularity to support the comparison that follows. This chapter does that for Kuwait. It draws on four waves of the Household Income and Expenditure Survey (HIES), conducted by the Kuwait Central Statistical Bureau (CSB) in 1999/2000, 2007/08, 2013, and 2019/21, and decomposes the income gap between Kuwaiti citizens and Non-Kuwaiti residents across five institutional channels. Those channels are employment, asset income, government transfers, subsidies, and legal restrictions on non-citizens. Each is traced longitudinally across all four waves. The quantitative record is complemented by qualitative analysis that draws on institutional sources to bring out the connections between the distributional patterns and the political arrangements that produce them, with particular attention to how Kuwait's parliamentary framework has shaped the specific form each channel takes. Chapter 5 brings these findings into direct comparison with the Qatar evidence, using the 2007/08 Kuwait survey and the 2006/07 Qatar survey as the common temporal anchor for the cross-country analysis.

The chapter proceeds as follows. It opens with a historical baseline drawn from the 1972/73 Kuwait Household Survey, reproduced in Ismael (1993, Tables 22 and 23) from the Annual Statistical Abstract of Kuwait (1977, p. 224), before presenting survey design and population coverage across all four waves. The quantitative evidence is then presented chronologically, one wave at a time, covering 1999/2000, 2007/08, 2013, and 2019/21 in sequence. Within each wave, the analysis provides the key income and expenditure figures, each sourced to the primary CSB bulletin, and pulls out the essential patterns and findings, while the full tables for each wave, with their sources and notes, are reported in Appendix A. The chapter closes with a cross-wave synthesis that

assembles all multipliers into a single comparative table and identifies the principal findings from the longitudinal record.

Throughout this chapter, cross-population comparisons are expressed as multipliers. A multiplier is a ratio used to capture how much larger one group's income is relative to another. A multiplier of 2.93 means that a Kuwaiti household received nearly three times the income of a Non-Kuwaiti household in the same period. By way of illustration, if a Non-Kuwaiti household received 100 dinars, a Kuwaiti household received approximately 293 dinars. A multiplier of 1.71, reported for per-individual income in the same wave, means a Kuwaiti individual received approximately 1.71 times what a Non-Kuwaiti individual received, which in the Wave 1 data corresponds to roughly 235 dinars against 137 dinars per month (CSB, 2000, Table 7, p. 23).

This is an analytical choice this study makes, not a convention the CSB adopts. The source bulletins publish raw monetary values and, when they make comparative statements, express the smaller value as a percentage of the larger, which is the opposite direction to a multiplier. The Wave 1 bulletin (1999/2000) describes Non-Kuwaiti per-earner income as “a ratio of 52 percent” relative to the Kuwaiti figure (CSB, 2000, p. 23), a statement confirmed by the verified values of 467 and 895 dinars per earner per month, where 467 divided by 895 gives 52.2 percent. Similarly, the same bulletin describes Non-Kuwaiti per-individual income as “a ratio of 58 percent,” which the verified figures of 137.4 and 235.0 dinars per individual per month confirm, with 137.4 divided by 235.0 giving 58.5 percent (CSB, 2000, p. 23). The multiplier form is preferred here because it is more legible when the gap exceeds twice the baseline and because it sustains a single unit of comparison across four waves and two countries without requiring the reader to invert the ratio. All underlying raw values appear in the data tables throughout this chapter.

Where the source surveys make the distinction available, figures are reported in two specifications, one including imputed rent and one excluding it. Imputed rent is the estimated rental value assigned to owner-occupied housing. This distinction matters in the Kuwait data because homeownership is significantly concentrated among Kuwaiti citizens while Non-Kuwaiti households record no ownership in the Wave 2 (2007/08) and Wave 3 (2013) survey data, and the 2.7 percent ownership figure recorded in Wave 4 (2019-2021) reflects mixed-nationality households whose Kuwaiti spouse provides the legal ownership basis, as the Wave 4 (2019-2021) bulletin's own footnote

clarifies (CSB, 2022, PDF p. 20, footnote 4). As a result, the imputed rent component adds substantially to Kuwaiti figures while leaving Non-Kuwaiti figures unchanged, and the gap between the two specifications is large enough to alter the multiplier materially. The treatment of imputed rent is not uniform across the four waves. In Wave 1 (1999/2000), it is embedded in a combined housing line and cannot be separately identified. In Wave 2 (2007/08), it appears on the income side as part of non-financial asset income at 52.3 KD per Kuwaiti household per month (CSB, 2009, Vol. G, Table No. 3-7, PDF p. 12). In Wave 3 (2013), it is recorded on the expenditure side and is derived by subtracting expenditure without imputed rent from expenditure with imputed rent across the published tables, yielding a figure of 940.4 KD per Kuwaiti household per month (CSB, 2014, Table No. 1-1, PDF p. 22 and Table No. 1-2, PDF p. 34). In Wave 4 (2019/21), the bulletin explicitly states an imputed rent value of 842.2 KD per Kuwaiti household per month (CSB, 2022, PDF p. 24, footnote 9). The wave-by-wave handling is disclosed in each wave section as the figures are introduced. This study does not estimate or model any imputed rent figure beyond what can be directly read from or arithmetically derived from the published survey tables.

3.2 Historical Background: The 1972/73 Household Survey

The citizenship differential this chapter documents across four survey waves did not emerge with the surveys that measured it. The earliest systematic evidence of income stratification by citizenship in Kuwait derives from the 1972/73 Household Survey, whose distributional data Ismael (1993, Tables 22 and 23) reproduces from the Annual Statistical Abstract of Kuwait (1977, p. 224). These data predate the four survey waves on which this chapter's analysis rests by more than a quarter of a century and capture the distributional landscape of Kuwait during the first sustained phase of its oil-driven expansion. Table 4.1 presents the income distribution by bracket for Kuwaiti and Non-Kuwaiti households in 1972/73. Since the source publishes percentage shares rather than mean incomes, and because the top bracket is open-ended, no mean income multiplier can be calculated from these data. The distributional contrast between the two populations is nonetheless analytically clear.

Table 22
Distribution of Kuwaiti Income Levels by
Proportion of Income Captured, Persons,
Households, 1972/73

Income Per Month (KD)	Income	Percentage Persons	Households
Less than 50	0.5	3.5	5.4
50-99	1.5	4.7	7.0
100-149	4.9	9.9	13.6
150-199	9.2	17.3	18.7
200-249	7.9	12.9	12.8
250-299	7.2	9.7	9.4
300-399	10.0	11.7	10.3
400-599	15.4	13.8	11.5
600-999	11.8	8.3	5.8
1000+	31.6	8.2	5.5
	100.0	100.0	100.0

SOURCE: *Annual Statistical Abstract*, 1977, p. 224.

Reproduced from Ismael (1993), Table 22, p. 130

Original source: *Annual Statistical Abstract*, Kuwait, 1977, p. 224

Table 23
Distribution of Non-Kuwaiti Income Levels
by Proportion of Income Captured, Persons, Households,
1972/73

Income Per Month (KD)	Income	Percentage Persons	Households
Less than 50	1.1	4.9	5.5
50-69	2.2	7.3	7.5
70-99	6.0	14.7	14.6
100-149	12.6	22.2	20.9
150-199	13.8	16.3	16.1
200-249	11.2	10.2	10.3
250-299	10.2	7.3	7.6
300-399	13.8	7.8	8.1
400-599	15.1	6.5	6.5
600-999	7.8	2.2	2.2
1000+	6.2	0.6	0.7
	100.0	100.0	100.0

SOURCE: *Annual Statistical Abstract*, 1977, p. 224.

Reproduced from Ismael (1993), Table 23, p. 131

Original source: *Annual Statistical Abstract*, Kuwait, 1977, p. 224

The two tables establish one finding that matters for the interpretation of the data that follows. The citizenship differential was structurally present in Kuwait's income distribution before the modern

survey era began, and its character in 1972/73 is recognisably similar to what the HIES waves document three decades later. The distributional separation between Kuwaiti and Non-Kuwaiti households is concentrated at the extremes of the income scale. At the top, 5.5 percent of Kuwaiti households account for 31.6 percent of all Kuwaiti income through earnings above 1,000 KD per month, a level reached by only 0.7 percent of Non-Kuwaiti households, who collectively hold 6.2 percent of Non-Kuwaiti income at that bracket (Ismael, 1993, Tables 22 and 23). The income composition at this level differs sharply between the two populations. Among Kuwaiti households in the top bracket, wages account for only 17.4 percent of income, with private business providing 42.2 percent and rents and investment income 40.0 percent; among Non-Kuwaiti households in the same bracket, wages account for only 12.6 percent, but private business is the dominant source at 58.4 percent, with investment income contributing 29.0 percent (Ismael, 1993, pp. 129-132, citing Annual Statistical Abstract, Kuwait, 1977, p. 225). At the bottom of the distribution, 27.6 percent of Non-Kuwaiti households report incomes below 100 KD per month, capturing 9.3 percent of total Non-Kuwaiti income, with 80.5 percent of that income derived from wages, against approximately 12.5 percent of Kuwaiti households in the same bracket, where welfare assistance accounts for 34.5 percent of income (Ismael, 1993, pp. 129-132, citing ASA 1977, p. 225). In the middle range of 100 to 399 KD per month, the two populations occupy broadly similar territory: 64.8 percent of Kuwaiti households and 63.0 percent of Non-Kuwaiti households fall in this range, capturing 39.2 percent and 61.6 percent of their respective populations' total income, with wages constituting 80.2 percent and 75.5 percent of income in this stratum for each group (Ismael, 1993, pp. 129-132, citing ASA 1977, p. 225).

The most analytically consequential finding, however, is the aggregate income-source contrast between the two populations. Wages constitute 70.0 percent of total Non-Kuwaiti household income but only 53.8 percent of total Kuwaiti household income (Ismael, 1993, p. 132). In 1972/73, Non-Kuwaiti residents were already significantly wage-dependent while Kuwaiti households drew substantially from business income, rents, and investments. It is the same structural contrast that the HIES waves document in granular detail across the five channels that follow. No mean income multiplier can be calculated from these data since the source reports percentage shares and the top bracket is open-ended, but the structural character of the citizenship differential is clear from the distributional and income-source evidence combined.

Table 4.1

3.3 Survey Design and Sample Composition

Survey Design and Sample Composition, Kuwait Household Income and Expenditure Survey (HIES), All Four Waves

Parameter	Wave 1 1999/2000	Wave 2 2007/08	Wave 3 2013	Wave 4 2019/21
Survey period	1 Apr 1999 - 31 Mar 2000	Oct 2007 - Sep 2008	Jan - Dec 2013	2019 - 2021
Total household selected	3,000	4,048	4,048	4,032
Total household responded	2,884	3,766	2,961	3,470
Kuwaiti household	1,488	1,577	1,226	Not published ^a
Non-Kuwaiti household	1,396	2,189	1,735	Not Published ^a
Kuwaiti share of sample	51.6% (derived)	41.9% (derived)	41.4% (derived)	33.3%
Non-Kuwaiti share of sample	48.4% (derived)	58.1% (derived)	58.6% (derived)	66.7%
Kuwaiti average household size	8.4	8.63 (derived)	7.70 (derived)	Not published
Non-Kuwaiti average household size	4.9	5.16 (derived)	4.32 (derived)	Not published
Response rate	96.1% (derived) ^b	93.0% (derived) ^c	72.2%	86.1%

Sources: CSB Kuwait HIES, 2000, PDF p. 5, 6 and p. 16; CSB Kuwait HIES 2009 (main bulletin), PDF pp. 10, 12, 28, and 29; Vol. G, Table No. (4-7), PDF pp. 19 and 21; CSB Kuwait HIES, 2014, Arabic bulletin PDF pp. 46-47 and English Metadata PDF p. 20; CSB Kuwait HIES, 2023, PDF p. 15

^a Wave 4 publishes weighted population shares only. The shares of 33.3% and 66.7% refer to the weighted universe of 40,230 households (CSB, 2023, p. 13). Absolute sample household counts by nationality are not published in the Wave 4 bulletin.

^b Wave 1 response rate is derived from counts stated in the bulletin: 2,884 responded of 3,000 selected. The bulletin does not state a response rate percentage (CSB, 2000, PDF p. 5).

^c Wave 2 response rate is derived against the stated target of 4,000 households ($3,766/4,000 = 94.2\%$). The bulletin explicitly states that the non-response rate was less than 10 percent. The denominator carries some ambiguity due to the bulletin's description of a 10 percent contingency addition; the derived figure should be read alongside the explicit bulletin statement (CSB, 2009, main report PDF p. 10).

* Wave 3 response rate explicitly stated: "The total response rate in this survey has reached 72.2%" (CSB, 2013 English Metadata, PDF p. 20). Total selected = 4,048; responded = 2,961; confirmed by four-cycle breakdown: $696 + 750 + 755 + 760 = 2,961$.

** Wave 4 response rate explicitly stated (CSB, 2023, PDF p. 15). Cross-check: $3,470/4,032 = 86.1\%$.

- Wave 4 average household sizes not published in the 2019/21 bulletin.
- Kuwaiti share and Non-Kuwaiti share of sample for Waves 1-3 are derived from the household counts. For Wave 4 the published figure is the weighted percentage share; household counts are estimated (see ^a above).

Two patterns in Table 4.1 shape the interpretation of the data that follows. The Non-Kuwaiti share of the sampled population grows monotonically across waves, from 48.4 percent in Wave 1 to 58.1 percent in Wave 2, 58.6 percent in Wave 3, and 66.7 percent of the weighted population estimate in Wave 4 (CSB, 2000, PDF p. 5; CSB 2009, main bulletin, PDF p. 28; CSB 2014, English Metadata, PDF p. 20; CSB 2023, PDF p. 15). This growth means that cross-wave changes in aggregate averages partly reflect compositional change in the Non-Kuwaiti population rather than changes within each group, which is why all multipliers in this chapter are calculated from group-specific means rather than from aggregate averages. Compounding this, Kuwaiti households are consistently and substantially larger than Non-Kuwaiti households across the three waves for which household size data are published. Average household sizes stand at 8.4 against 4.9 in Wave 1, 8.63 against 5.16 in Wave 2, and 7.70 against 4.32 in Wave 3 (CSB, 2000, PDF pp. 6 and 16; CSB 2009, Vol. G, Table No. 4-7, PDF pp. 19 and 21; CSB 2014, Table No. 3-3, PDF pp. 52 and 53). A per-household multiplier therefore does not tell the full story on its own. Kuwaiti

households contain on average nearly twice as many members as Non-Kuwaiti households, with 8.4 persons against 4.9 in Wave 1 for instance, which means a larger total household income is partly a function of more people living under the same roof rather than each person receiving more. The per-individual multiplier controls for this difference by dividing total household income by the number of household members, and it consistently produces a more conservative measure of the citizenship differential. Both measures are reported throughout this chapter because they answer different questions and neither alone is sufficient.

3.4 Wave 1 (1999/2000)

Wave 1, covering the twelve months from 1 April 1999 to 31 March 2000, establishes the distributional baseline from which this chapter traces the citizenship differential across two decades of survey evidence. The integrity of the tables for this wave are reported in Appendix A, Sections A.1.

Channel 1 Employment:

Wage income is the dominant income source for both populations in Wave 1, but its relative weight differs sharply between them. Among Kuwaiti households, wages account for 60.4 percent of total income; among Non-Kuwaiti households, the share reaches 84.2 percent (CSB 2000, Table 6A/B, PDF pp. 20-22). Non-Kuwaiti households are therefore substantially more dependent on wage income than Kuwaiti households, whose income base is more diversified across enterprise, property, and transfer sources. The wage income multiplier stands at 2.10 in Wave 1, meaning Kuwaiti households receive approximately 2.10 dinars in wage income for every 1 dinar received by Non-Kuwaiti households. At the per-earner level, the total income multiplier is 1.92, with Kuwaiti earners receiving 895 KD per month against 467 KD for Non-Kuwaiti earners (CSB 2000, PDF p. 23). The sectoral structure amplifies this gap on the Kuwaiti side. With 96 percent of Kuwaiti earners in the government sector, public employment functions as the primary wage mechanism for the citizen population, delivering 1,589 KD per month per government-sector earner against 543 KD for Non-Kuwaiti government-sector earners, a ratio of 2.93 (CSB 2000, PDF p. 24). The private sector gap is smaller at 2.06, with Kuwaiti private-sector earners receiving

879 KD against 426 KD for their Non-Kuwaiti counterparts. The Non-Kuwaiti sectoral distribution is not published in the Wave 1 bulletin, which limits the sectoral comparison to the Kuwaiti side.

Channel 2 Asset income:

The enterprise and property income channel produces the largest single-channel multiplier in Wave 1 at 5.50. Kuwaiti households receive 424.0 KD per month from this source against 77.1 KD for Non-Kuwaiti households (CSB 2000, Table 6A/B, PDF pp. 20-22). This channel accounts for 21.6 percent of Kuwaiti income, more than one fifth of the total while contributing only 11.5 percent of Non-Kuwaiti income. The Wave 1 bulletin combines business income, liberal professions, and all property income in a single line and does not publish housing tenure data, which means the imputed rent component cannot be separately identified. The 5.50 multiplier is therefore a lower bound on the full asset channel differential as it captures the measurable enterprise and property income gap but excludes the housing ownership advantage whose scale only becomes quantifiable in later waves.

Channel 3 Transfers:

The transfer channel generates a multiplier of 12.3 in Wave 1, but the composition of that multiplier requires careful reading. The government transfers sub-category shows a relatively modest gap of 1.73, with Kuwaiti households receiving 41.2 KD per month against 23.8 KD for Non-Kuwaiti households (CSB 2000, Table 6A/B, PDF pp. 20-22). The dominant transfer component is "current transfers from others," which the bulletin explicitly defines to include retirement pensions and end-of-service indemnities (CSB 2000, PDF p. 21). Kuwaiti households receive 312.5 KD per month from this source against 4.9 KD for Non-Kuwaiti households, a ratio of 63.8 to one. This 63.8 multiplier is the sharpest single sub-channel ratio in the Wave 1 data and reflects the concentration of pension entitlements among the citizen population. From Wave 2 onward, the CSB reclassifies pensions as government transfers, which produces a large apparent increase in the government transfer multiplier between Wave 1 and Wave 2 that is partly

definitional rather than real. The cross-wave comparison of the transfer channel must account for this reclassification.

Channel 4 Subsidies:

The Classification of Individual Consumption According to Purpose expenditure data document the subsidy channel by revealing where the two populations spend differently and why. The aggregate expenditure multiplier of 2.60, with Kuwaiti households spending 1,604.0 KD per month against 617.8 KD for Non-Kuwaiti households, is lower than the income multiplier of 2.93, reflecting higher Kuwaiti saving rates (CSB 2000, PDF p. 23) and a narrower gap in actual consumption than in available resources (CSB 2000, Table 2, PDF p. 10; Table 4, PDF p. 17). Within the aggregate, the housing category accounts for the largest absolute expenditure gap in KD terms, at 413.3 KD against 138.4 KD per month, producing a multiplier of 2.99, but this figure embeds an imputed rent component that cannot be separately identified in Wave 1 data. Removing imputed rent from the housing comparison, as becomes possible in Waves 3 and 4, reduces the housing multiplier to near parity, a finding that fundamentally recharacterises the nature of the housing expenditure gap. The furniture and maintenance multiplier of 4.09 is the highest among individual categories and reflects the larger and more fully equipped dwellings of Kuwaiti households. The most analytically distinctive finding in Table W1.2 is the education multiplier of 0.73, the only inversion in the entire table. Non-Kuwaiti households spend 39.6 KD per month on education against 29.1 KD for Kuwaiti households, more in absolute terms. This is not evidence of greater Non-Kuwaiti educational investment but of the structure of the education subsidy itself as Kuwaiti children attend state schools at no direct charge while Non-Kuwaiti families purchase equivalent provision in the private market.

Channel 5 Restrictions:

The restrictions channel cannot be directly quantified from Wave 1 data because the bulletin does not publish housing tenure tables for this wave. The distributional consequences of property exclusion which are visible in Waves 2, 3, and 4 through the homeownership gap and the growth

of annex housing among Non-Kuwaiti residents are therefore inferred rather than measured at this baseline point. What the Wave 1 data do establish is that the enterprise and property income gap of 5.50 and the housing expenditure differential of 2.99 are consistent with a pattern of Non-Kuwaiti exclusion from asset ownership that the later waves confirm directly.

The three-level expenditure distribution in Table W1.3 documents the shape of the citizenship differential rather than its aggregate magnitude. Non-Kuwaiti households are disproportionately concentrated at the bottom of the distribution: 35 percent fall in the lowest bracket (below 950 KD per month) against 24 percent of Kuwaiti households (CSB 2000, PDF pp. 6 and 16). At the top bracket (1,850 KD and above), the proportions are almost identical, 26 percent of Kuwaiti households and 25 percent of Non-Kuwaiti households, but the average expenditure levels within that bracket differ substantially: 2,892 KD for Kuwaiti households against 1,104 KD for Non-Kuwaiti households, a ratio of 2.62. The citizenship differential is therefore not simply a matter of bracket access as Non-Kuwaiti households reach the top bracket in nearly the same proportion as Kuwaiti households, but of the expenditure levels achieved within each bracket. Kuwaiti households spend more at every level of the distribution, and the gap is largest in absolute terms at the top.

Intra-Group Inequality, where measurable:

A notable feature of the Wave 1 distributional data is that Kuwaiti households are more internally unequal than Non-Kuwaiti households, not less. The expenditure-based Gini coefficient stands at 30.94 percent for Kuwaiti households against 29.91 percent for Non-Kuwaiti households in 1999/2000 (CSB 2000, PDF p. 30). The transfer channel, generating 18.0 percent of Kuwaiti household income overall, and the enterprise and property income channel, accounting for 21.6 percent, are the two components most likely to drive this internal dispersion, since both tend to be unevenly distributed across income levels, though the Wave 1 bulletin does not publish income source breakdowns by expenditure level and the distribution within each channel cannot be directly confirmed from this data alone. The within-Kuwaiti inequality has in fact declined from the previous survey period; the 1986/87 household survey recorded a Kuwaiti Gini of 32.84 percent (CSB 2000, PDF p. 30), which had fallen by 1.9 percentage points to 30.94 percent by 1999/2000. The three expenditure levels in Table W1.3 show the distribution in concrete terms. On a per-

individual basis, the top Kuwaiti level spends 278 KD per person per month against 127 KD for the bottom level, a within-Kuwaiti expenditure ratio of 2.19 that is lower than the Kuwaiti/Non-Kuwaiti expenditure multiplier of 2.60.

3.5 Wave 2 (2007/08)

Wave 2, covering October 2007 to September 2008, captures the distributional structure of Kuwait at the height of its pre-crisis oil revenues, when government transfer expenditure had expanded substantially and the Non-Kuwaiti share of the surveyed population had grown from 48.4 percent to 58.1 percent since Wave 1. The integrity of tables for this wave are reported in Appendix A, Section A.1.

Channel 1 Employment:

Wage income remains the dominant income source for both populations in Wave 2, accounting for 70.1 percent of Kuwaiti household income and 88.2 percent of Non-Kuwaiti household income (CSB 2009, Vol. G, Table No. 3-7, PDF pp. 12 and 14). Both wage shares are higher than their Wave 1 equivalents of 60.4 percent and 84.2 percent. Part of this shift is an artefact of Wave 2 disaggregating asset income into components that were bundled under a single enterprise and property line in Wave 1, and part reflects real structural change in each population's income composition. The wage income multiplier stands at 2.31 in Wave 2, a modest increase from 2.10 in Wave 1. At the per-earner level the total income multiplier is 1.96, with Kuwaiti earners receiving 1,084.655 KD per month against 553.842 KD for Non-Kuwaiti earners. At the per-individual level the multiplier is 1.74, with Kuwaiti individuals receiving 298.256 KD against 171.106 KD per month (CSB 2009, Vol. G, Table No. 2-7, PDF pp. 6 and 8; Table No. 4-7, PDF pp. 18 and 20).

The sectoral structure shows a sharp contrast between the two populations. Among Kuwaiti active earners, 85.6 percent work in the government sector and 13.8 percent in the private sector. Among Non-Kuwaiti active earners, 28.3 percent work in the government sector and 70.6 percent in the private sector (CSB 2009, Vol. E, Table No. 5-5, PDF p. 12). Per-earner income in the government sector stands at 1,192 KD for Kuwaiti earners against 651 KD for Non-Kuwaiti earners, a ratio of

1.83. In the private sector the ratio is wider at 2.94, with Kuwaiti earners receiving 1,517 KD against 516 KD for their Non-Kuwaiti counterparts. An additional 2,108 Kuwaiti earners fall in the Not Applicable sector, which includes earners whose income source does not fall under the Government, Private, or Joint classifications and whose average government transfers reach 366 KD per earner per month. One methodological note applies to any cross-wave comparison at the sector level, Wave 1 per-sector figures reported wage-income components only, while Wave 2 Vol. E reports total income per earner including transfers and non-periodic revenues. The two waves are therefore not directly comparable at the sector level on a like-for-like basis.

Channel 2 Asset income:

Wave 2 disaggregates the asset income channel into three components that were bundled in Wave 1: net income from business activities, net income from financial assets, and net income from non-financial assets. The disaggregation allows imputed rent to be separately identified for the first time. Non-financial asset income for Kuwaiti households stands at 52.322 KD per month and consists primarily of imputed rent on owner-occupied housing. The equivalent figure for Non-Kuwaiti households is 0.183 KD, producing a multiplier of 286x (CSB 2009, Vol. G, Table No. 3-7, PDF pp. 12 and 14). This near-zero Non-Kuwaiti figure is consistent with the housing tenure data in Table W2.3a, which records zero Non-Kuwaiti homeownership in this wave. Financial asset income produces a multiplier of 4.19x, with Kuwaiti households receiving 40.853 KD against 9.749 KD. Business income produces the smallest multiplier among the asset components at 1.27x, with Kuwaiti households receiving 80.987 KD against 63.867 KD, reflecting broader Non-Kuwaiti participation in commercial activity. The 52.322 KD imputed rent figure is a lower bound on the full housing ownership advantage because it captures only the estimated rental value of owner-occupied dwellings and does not include rental income received by Kuwaiti households from Non-Kuwaiti tenants, which appears in the financial and business income lines.

Channel 3 Transfers:

The transfer channel undergoes the most dramatic structural change between Wave 1 and Wave 2. The government transfer multiplier rises from 1.73x in Wave 1 to 88.0x in Wave 2, with Kuwaiti households receiving 532.443 KD per month from this source against 6.051 KD for Non-Kuwaiti households (CSB 2009, Vol. G, Table No. 3-7, PDF pp. 12 and 14). This increase must be read

carefully. In Wave 1 the bulletin explicitly classifies retirement pensions and end-of-service indemnities under current transfers from others rather than government transfers (CSB 2000, PDF p. 21). In Wave 2 government transfers account for the dominant share of the total transfer line, producing the 88.0x multiplier. Whether this reflects a reclassification of pensions, a genuine expansion of state transfers to Kuwaiti citizens over the eight-year interval, or both, cannot be determined from the published bulletin text alone. The two effects cannot be cleanly separated and the cross-wave comparison of the transfer channel must be treated with corresponding caution. Government transfers account for 20.7 percent of total Kuwaiti household income and only 0.7 percent of Non-Kuwaiti household income. The total transfer multiplier across all sub-categories stands at 59.4x, with Kuwaiti households receiving 543.659 KD per month from transfers against 9.157 KD for Non-Kuwaiti households. Transfers account for 21.1 percent of Kuwaiti household income and only 1.0 percent of Non-Kuwaiti household income. This compositional contrast is the starkest channel-level difference in the Wave 2 data and will require careful interpretation in the cross-wave synthesis, where the reclassification effect must be explicitly accounted for.

Channel 4 Subsidies:

The aggregate expenditure multiplier stands at 2.93x in Wave 2, with Kuwaiti households spending 2,054.567 KD per month against 700.781 KD for Non-Kuwaiti households, broadly in line with the income multiplier of 2.91x (CSB 2009, Vol. B, Table No. 2-2, PDF pp. 36 and 72). Unlike Wave 1, where the income multiplier substantially exceeded the expenditure multiplier, the two ratios are near-equal in Wave 2, reflecting a convergence in saving rates. Kuwaiti households save 20.2 percent of income and Non-Kuwaiti households save 20.7 percent, compared with 18.4 percent and 7.9 percent respectively in Wave 1.

The Classification of Individual Consumption According to Purpose expenditure data for Wave 2 allows a more granular decomposition of the subsidy channel than was possible in Wave 1, because Vol. B disaggregates expenditure into sub-items at a level that reveals specific service differentials. The housing, water, electricity and gas category produces a multiplier of 4.35x, with Kuwaiti households spending 596.121 KD per month against 136.917 KD for Non-Kuwaiti households (CSB 2009, Vol. B, Table No. 2-2, PDF pp. 9 and 45). The Kuwaiti section 3 figure embeds imputed rent of 52.322 KD per month, the same figure recorded on the income side in Table W2.1,

while the Non-Kuwaiti figure consists of actual rents paid. Within the utilities sub-categories, water produces a multiplier of 4.80x (17.022 KD against 3.548 KD) and electricity a multiplier of 4.21x (7.218 KD against 1.713 KD).

The domestic services sub-category produces the largest multiplier in the Wave 2 sub-channel data at 6.24x, with Kuwaiti households spending 72.410 KD per month against 11.599 KD for Non-Kuwaiti households (CSB 2009, Vol. B, Table No. 2-2, PDF pp. 15 and 51). The most analytically distinctive finding in the Wave 2 sub-channel data is the health insurance inversion. Non-Kuwaiti households spend 2.041 KD per month on sickness and accident insurance against 0.223 KD for Kuwaiti households, a multiplier of 0.11x meaning Non-Kuwaiti households spend approximately nine times more than Kuwaiti households on this single item (CSB 2009, Vol. B, Table No. 2-2, PDF pp. 18 and 54). Education produces near-parity at 1.02x (39.466 KD against 38.880 KD), a narrowing of the 0.73x inversion recorded in Wave 1 (CSB 2009, Vol. B, Table No. 2-2, PDF pp. 27 and 63).

Cross-population Expenditure Distribution

The fifteen-bracket expenditure distribution in Table W2.2c documents a pattern of separation between the two populations that is more pronounced than the Wave 1 three-level data suggested. In Wave 1, the proportions reaching the top expenditure level were nearly identical at 26 percent for Kuwaiti households and 25 percent for Non-Kuwaiti households, with the citizenship differential operating primarily within brackets rather than across them. In Wave 2 the picture is categorically different. 59.1 percent of Non-Kuwaiti households (1,294 of 2,189) fall in brackets below 650 KD per month, against 2.9 percent of Kuwaiti households (46 of 1,577) (CSB 2009, Vol. B, Table No. 2-2, PDF pp. 34, 35, 36, 70, 71 and 72). At the upper end, 56.1 percent of Kuwaiti households (885 of 1,577) spend 1,850 KD per month or more, against 3.7 percent of Non-Kuwaiti households (81 of 2,189). The top bracket (2,850 KD and above) contains 278 Kuwaiti households (17.6 percent) and only 11 Non-Kuwaiti households (0.5 percent), a ratio of approximately 25 to one in absolute counts. At the bottom of the distribution, zero Kuwaiti households fall below 250 KD per month while 86 Non-Kuwaiti households (3.9 percent) do. The two distributions barely overlap. The citizenship differential in Wave 2 operates not only within brackets, as in Wave 1, but across the distribution as a whole. Non-Kuwaiti households are

concentrated in its lower half and Kuwaiti households in its upper half. The two distributions converge only in the 650 to 1,250 KD range, where both populations have meaningful representation. Above 1,250 KD Non-Kuwaiti households effectively disappear from the distribution, and below 650 KD Kuwaiti households are almost entirely absent.

Channel 5 Restrictions:

Wave 2 is the first wave in which housing tenure data are published, enabling direct quantification of the restrictions channel. Of 1,577 Kuwaiti households in the sample, 1,263 (80.1 percent) own their dwelling: 199 in state-provided Housing Care units and 1,064 in privately owned properties. Of 2,189 Non-Kuwaiti households, zero own their dwelling (CSB 2009, main bulletin, Table No. 2, PDF p. 29). The dwelling type data provide a complementary dimension. Seventy percent of Kuwaiti households occupy complete villas, a dwelling type held by only 1.5 percent of Non-Kuwaiti households. Non-Kuwaiti households are concentrated in apartments (82.9 percent), with a further 4.0 percent in annexes attached to Kuwaiti-owned villas (CSB 2009, main bulletin, Table No. 1, PDF p. 28). The two tables together are consistent with the inference drawn from the Wave 1 asset income gap: the 286x non-financial asset multiplier and the 4.35x housing expenditure differential are both consistent with a pattern of zero Non-Kuwaiti residential ownership, which the tenure data now confirm directly for the first time. The legal and institutional framework producing this outcome is addressed in the qualitative section of this chapter. Wave 2 quantifies directly what Wave 1 could only establish by implication.

Intra-Group Inequality, where measurable:

Gini coefficients are not published in the Wave 2 bulletin and no equivalent of the Wave 1 expenditure-level distribution table is available in a form that allows a direct Gini calculation. The intra-group inequality section that was possible for Wave 1 cannot be replicated for Wave 2 on the same basis. What the sectoral employment data do reveal is that the 2,108 Kuwaiti earners in the Not Applicable sector, who represent 56.3 percent of all Kuwaiti earners and receive average government transfers of 366 KD per month, form a distinct sub-group within the Kuwaiti income distribution whose income composition differs fundamentally from the 1,635 active Kuwaiti earners. This internal heterogeneity within the Kuwaiti population is noted here but cannot be quantified as a Gini coefficient from available Wave 2 data.

3.6 Wave 3 (2013)

Wave 3, covering the calendar year 2013, records the widest citizenship differential observed across the four waves. The integrity of tables for this wave are reported in Appendix A, Section A.3. The overall income multiplier stands at 3.56x, a substantial increase from 2.91x in Wave 2 driven by Kuwaiti household income growing 32.9 percent over the six-year interval against Non-Kuwaiti income growth of only 6.4 percent over the same period. One methodological caveat applies to this comparison; Wave 2 Kuwaiti income included imputed rent of 52.322 KD per household on the income side, while Wave 3 records imputed rent on the expenditure side only. On a like-for-like basis, excluding imputed rent from the Wave 2 income figure, the multiplier widened from approximately 2.86x to 3.56x. The widening is driven primarily by the government transfer channel, where Kuwaiti households receive 700.424 KD per month against 9.374 KD for Non-Kuwaiti households.

Channel 1 Employment:

Wage income remains the dominant income source for both populations in Wave 3, accounting for 72.1 percent of Kuwaiti household income and 91.4 percent of Non-Kuwaiti household income (CSB 2014, Table No. 4-3, PDF p. 55). The Non-Kuwaiti wage share rises from 88.2 percent in Wave 2 to 91.4 percent in Wave 3, reinforcing the structural dependence of Non-Kuwaiti households on employment income to a degree that leaves them with virtually no safety margin from other income sources. The wage income multiplier widens from 2.31x in Wave 2 to 2.81x in Wave 3, with Kuwaiti households receiving 2,416.852 KD per month in wages against 858.899 KD for Non-Kuwaiti households. At the per-earner level the total income multiplier reaches 2.71x, for Kuwaiti earners receiving 1,410 KD per month against 521 KD for Non-Kuwaiti earners, and at the per-individual level 2.00x; Kuwaiti individuals receiving 435 KD against 218 KD. Both are substantially wider than their Wave 2 equivalents of 1.96x and 1.74x respectively.

Unlike Wave 2, the Wave 3 bulletin does not publish a sectoral employment breakdown equivalent to Vol. E Table No. (5-5), and the government and private sector shares of active earners and the per-sector per-earner income differentials reported for Wave 2 cannot therefore be replicated for Wave 3 from the available bulletin data. The Channel 1 analysis for Wave 3 is accordingly limited

to the aggregate wage shares and per-unit income multipliers drawn from Table No. (4-3). Cross-wave inference about whether the sector-level wage gap widened or narrowed between Wave 2 and Wave 3 is not supported by the available data.

Channel 2 Asset income:

The asset income channel in Wave 3 presents a structural difference from Wave 2 in the treatment of imputed rent. Wave 3 combines financial and non-financial property income in a single line, recording 63.818 KD per month for Kuwaiti households and 2.617 KD for Non-Kuwaiti households, a multiplier of 24.4x (CSB 2014, Table No. 4-3, PDF p. 55). This figure reflects actual financial returns on the income side only. Imputed rent on owner-occupied Kuwaiti dwellings is captured on the expenditure side as 940.440 KD per Kuwaiti household per month, derived as the difference between Table No. (1-2) (total expenditure with imputed rent: 3,071.958 KD) and Table No. (1-1) (total expenditure without imputed rent: 2,131.518 KD). The two imputed rent figures across waves: 52.322 KD in Wave 2 on the income side and 940.440 KD in Wave 3 on the expenditure side are not directly comparable. Wave 2 applied an income-side estimate while Wave 3 applies a market rental value, and the two approaches produce figures of very different magnitude. Business income produces a multiplier of 1.94x, with Kuwaiti households receiving 93.227 KD against 47.942 KD for Non-Kuwaiti households. The near-zero Non-Kuwaiti property income (2.617 KD) is consistent with Table W3.3a, which records zero Non-Kuwaiti homeownership in Wave 3.

Channel 3 Transfers:

The government transfer channel is the dominant driver of the widening citizenship differential in Wave 3. Kuwaiti households receive 700.424 KD per month from government transfers against 9.374 KD for Non-Kuwaiti households, a multiplier of 74.7x (CSB 2014, Table No. 4-3, PDF p. 55). Government transfers account for 20.9 percent of total Kuwaiti household income and only 1.0 percent of Non-Kuwaiti household income. The government transfer multiplier falls from 88.0x in Wave 2 to 74.7x in Wave 3. This apparent narrowing does not reflect a reduction in the absolute gap. Kuwaiti government transfers grew from 532.443 KD in Wave 2 to 700.424 KD in Wave 3, an increase of 31.5 percent while Non-Kuwaiti government transfers grew from 6.051 KD to 9.374 KD, an increase of 54.9 percent from a very low base. The multiplier falls because

the Non-Kuwaiti base grew faster in percentage terms, while the absolute gap in KD terms widened from 526.392 KD to 691.050 KD. The total transfer multiplier rises marginally from 59.4x to 61.5x, with Kuwaiti households receiving 707.186 KD in total transfers against 11.490 KD for Non-Kuwaiti households. The pension reclassification caveat applied to the Wave 1 to Wave 2 comparison does not apply here, as both Wave 2 and Wave 3 are on the same definitional basis for government transfers.

Channel 4 Subsidies:

The aggregate expenditure multiplier stands at 2.81x in Wave 3 when imputed rent is excluded, with Kuwaiti households spending 2,131.518 KD per month against 757.926 KD for Non-Kuwaiti households (CSB Kuwait, 2014, Table No. 1-1, PDF pp. 22 and 23). When imputed rent of 940.440 KD per Kuwaiti household is included, the multiplier rises to 4.05x (CSB Kuwait, 2014, Table No. 1-2, PDF pp. 34 and 35). Kuwaiti households save 36.4 percent of income in Wave 3, compared with 20.2 percent in Wave 2, reflecting income growth that substantially outpaced expenditure growth over the six-year interval. The Non-Kuwaiti saving rate of 19.4 percent remains close to its Wave 2 level of 20.7 percent.

Wave 3 publishes expenditure data at the section level only, across twelve COICOP sections. The standalone table files accompanying the bulletin (Table No. 1-1, Sections A and B) confirm these section-level figures and extend the data to household size breakdowns, but do not provide sub-item detail. The sub-item multipliers available for Wave 2 such as water (4.80x), electricity (4.21x), domestic services (6.24x), and health insurance (0.11x) cannot be replicated for Wave 3 from the available data. Cross-wave sub-item comparisons for these specific channels are therefore limited to Wave 1 and Wave 2. Within the available section-level data, the most analytically distinctive finding is the housing section without imputed rent. Non-Kuwaiti households spend more in cash on housing (215.024 KD) than Kuwaiti households (209.171 KD), a ratio of 0.97x (CSB Kuwait, 2014, Table No. 1-1, PDF pp. 22 and 23). This reflects Kuwaiti owner-occupiers bearing no cash housing cost while Non-Kuwaiti renters pay market rents. When imputed rent is added, the ratio reverses to 5.35x. Health produces a multiplier of 4.42x (42.649 KD against 9.645 KD) and education continues its trajectory from the Wave 1 inversion of 0.73x through Wave 2 near-parity of 1.02x to 1.20x in Wave 3.

Cross-population Expenditure Distribution:

The seven-bracket expenditure distribution in Table W3.2c documents a pattern of separation consistent with Wave 2 but not directly comparable in bracket-level precision, since Wave 3 uses seven brackets against the fifteen brackets available in Wave 2. 80.1 percent of Non-Kuwaiti households (1,390 of 1,735) fall below 1,050 KD per month, against 11.7 percent of Kuwaiti households (144 of 1,226) (CSB 2014, Table No. 1-1, PDF pp. 22 and 23). At the upper end, 61.1 percent of Kuwaiti households (749 of 1,226) spend 1,650 KD or more per month, against 5.1 percent of Non-Kuwaiti households (88 of 1,735). The top bracket (3,450 KD and above) contains 113 Kuwaiti households (9.2 percent) and only 7 Non-Kuwaiti households (0.4 percent), a ratio of approximately 16 to 1 in absolute counts. Only 1 Kuwaiti household falls below 450 KD per month while 493 Non-Kuwaiti households (28.4 percent) do. The directional finding is consistent with Wave 2 as the two populations continue to occupy almost entirely different parts of the expenditure distribution, with the upper brackets significantly Kuwaiti and the lower brackets overwhelmingly Non-Kuwaiti.

Channel 5 Restrictions:

Wave 3 continues and deepens the restrictions pattern established in Wave 2. of 1,226 Kuwaiti households, 993 (81.0 percent) own their dwelling, 111 in Housing Care units and 882 in privately owned properties. Of 1,735 Non-Kuwaiti households, zero own their dwelling (CSB 2014, Table No. 2-4, PDF p. 57). The ownership rate rises fractionally from 80.1 percent in Wave 2, with the shift occurring within the ownership category. Housing Care falls from 12.6 percent to 9.1 percent while private ownership rises from 67.5 percent to 71.9 percent, suggesting a continuing shift toward private property acquisition within the citizen population.

The dwelling type data record two notable structural changes from Wave 2. First, the annex category grows from 4.0 percent of Non-Kuwaiti households in Wave 2 (87 of 2,189) to 15.0 percent in Wave 3 (260 of 1,735), representing almost a four times increase in the share of Non-Kuwaiti households living in structures attached to Kuwaiti-owned villas (CSB 2014, Table No. 1-4, PDF p. 56). Second, Kuwaiti villa occupancy declines from 70.0 percent to 60.9 percent, while floor or apartment in villa rises from 10.6 percent to 20.1 percent, consistent with subdivision of large Kuwaiti properties as household units multiply.

Intra-Group Inequality, where measurable:

As in Wave 2, Gini coefficients are not published in the Wave 3 bulletin and cannot be derived from the available tables. The intra-group inequality analysis for Wave 3 is therefore limited to what can be inferred from the household size group rows in Table No. (4-3). Per-household income varies substantially across Kuwaiti household size groups, from 1,897 KD for households of one to three members to 5,498 KD for households of fourteen to fifteen members (CSB Kuwait, 2014, Table No. 4-3, PDF p. 55). A parallel gradient appears on the expenditure side. Kuwaiti household expenditure rises from 1,459.570 KD per month for households of 2 to 3 members to 3,185.144 KD for households of 14 to 15 members. (CSB Kuwait, 2014, Table No. 3-1, Kuwaiti standalone file). These differences reflect household composition, specifically the number of earners and transfer recipients per household, rather than within-group inequality in the distributional sense, and cannot be interpreted as Gini-equivalent measures. The internal heterogeneity of the Kuwaiti income and expenditure distribution in Wave 3 is noted here but cannot be quantified further from the available bulletin data.

3.7 Wave 4 (2019/2021)

Wave 4, covering the period October 2019 to March 2021 with a suspension of field work in February and March 2020 due to the COVID-19 pandemic, records an overall citizenship differential of 3.53x without imputed rent and 4.27x with imputed rent. The latter figure reflecting the reintroduction of imputed rent on the income side for the first time since Wave 2 (CSB Kuwait, 2023, Table 7, printed p. 28). The integrity of tables for this wave are reported in Appendix A, Section A.4. The near-stability of the without-IR multiplier relative to Wave 3 (3.56x) conceals substantial channel-level restructuring. Kuwaiti household income grew 19.2 percent in nominal terms between the two waves, while Non-Kuwaiti household income grew 20.4 percent, producing a near-identical overall ratio from very different underlying dynamics. The COVID-19 disruption and the split-phase survey design, four months of fieldwork in 2019, eight months in 2021, with no data collection during the intervening period, affect the comparability of Wave 4 expenditure and saving figures with earlier waves and should be borne in mind throughout this section.

Channel 1 Employment:

Wage income remains the structurally dominant source for both populations, accounting for 58.5 percent of Kuwaiti household income and 87.8 percent of Non-Kuwaiti household income on a without-IR basis (CSB Kuwait, 2023, Table 7, printed p.28). The wage multiplier narrows from 2.81x in Wave 3 to 2.35x in Wave 4. This represents the first contraction in the wage differential across the four waves, driven by opposite nominal trajectories. Kuwaiti wages fell 3.2 percent in nominal terms from Wave 3 to Wave 4 (2,416.9 KD to 2,338.9 KD), while Non-Kuwaiti wages grew 15.7 percent (858.9 KD to 993.6 KD). The wage contraction on the Kuwaiti side is consistent with the COVID-19 period disruption to the public sector salary structure, though the bulletin provides no sectoral decomposition for Wave 4. As in Wave 3, the absence of a sectoral employment table equivalent to Wave 2's Vol. E means that the government-private sector wage differential cannot be separately calculated for Wave 4. At the per-unit level, the per-individual differential without imputed rent widens marginally from 2.00x in Wave 3 to 2.06x in Wave 4, with Kuwaiti individuals receiving 580.4 KD against Non-Kuwaiti individuals' 281.8 KD per month (CSB Kuwait, 2023, Table 6, printed p.27). The per-earner differential without imputed rent narrows from 2.71x to 2.44x, with Kuwaiti earners receiving 1,261.3 KD against Non-Kuwaiti earners' 517.7 KD (CSB Kuwait, 2023, Table ٤-2, printed p.328). The latter figure is virtually unchanged from Wave 3 (521 KD). With imputed rent included, the per-individual differential rises to 2.49x (702.8 KD against 281.8 KD) and the per-earner differential to 2.95x (1,527.2 KD against 517.7 KD) (CSB Kuwait, 2023, Tables 8 and ٤-1, printed pp.28 and 326).

Channel 2 Asset income:

Wave 4 reintroduces imputed rent on the income side following its absence from the income accounts in Wave 3, where it appeared on the expenditure side only. The imputed rental value of owner-occupied Kuwaiti dwellings is estimated at 842.2 KD per household per month, stated in the footnote to Table 3 (printed p.21) and embedded within the non-financial asset income line of Table 7. Without imputed rent, non-financial asset income stands at 110.3 KD for Kuwaiti households (derived as 952.5 KD minus 842.2 KD) against 6.5 KD for Non-Kuwaiti households, a multiplier of 17.0x (CSB Kuwait, 2023, Table 7, printed p.28). Financial asset income produces the widest multiplier in the asset channel at 38.1x (64.8 KD against 1.7 KD), reflecting the near-total exclusion of Non-Kuwaiti households from investment and capital income. Business income stands at 135.0 KD for Kuwaiti households against 70.3 KD for Non-Kuwaiti households, a

multiplier of 1.92x, the narrowest in this channel and consistent with the relative access of Non-Kuwaiti residents to private sector enterprise. The zero Non-Kuwaiti financial asset income in practical terms, together with near-zero non-financial asset returns, is consistent with the housing tenure data in Table W4.3a showing Non-Kuwaiti ownership at 2.7 percent against Kuwaiti ownership at 76.0 percent.

Channel 3 Transfers:

Wave 4 introduces a new disaggregation of government transfers into pensions and other periodic government transfers, enabling a more precise analysis of the citizenship differential embedded in public transfer programmes. Pensions account for 943.4 KD per Kuwaiti household per month against 22.3 KD for Non-Kuwaiti households, a multiplier of 42.3x, the largest single-component multiplier in the income decomposition and reflecting the near-exclusive citizenship requirement governing Kuwait's pension system (CSB Kuwait, 2023, Table 7, printed p.28). Other periodic government transfers stand at 306.4 KD for Kuwaiti households against 17.3 KD for Non-Kuwaiti households, a multiplier of 17.7x. Combined, total government transfers reach 1,249.8 KD per Kuwaiti household per month against 39.6 KD for Non-Kuwaiti households, a multiplier of 31.6x. The apparent contraction from Wave 3's government transfer multiplier of 74.7x requires careful interpretation; it does not reflect a narrowing in absolute terms. The absolute gap widened from 691.0 KD in Wave 3 to 1,210.2 KD in Wave 4. The multiplier falls because Non-Kuwaiti government transfers grew 322 percent in nominal terms between waves, from 9.4 KD to 39.6 KD, albeit from an extremely low base, while Kuwaiti government transfers grew 78.4 percent. Transfers account for 32.5 percent of total Kuwaiti household income without imputed rent and only 4.6 percent of Non-Kuwaiti household income, a structural asymmetry that has widened consistently across all four waves (CSB Kuwait, 2023, Table 7, printed p.28).

Channel 4 Subsidies:

The aggregate expenditure multiplier stands at 3.08x without imputed rent in Wave 4, with Kuwaiti households spending 3,296.6 KD per month against 1,071.3 KD for Non-Kuwaiti households (CSB Kuwait, 2023, Table 3, printed p.21). With imputed rent of 842.2 KD added to Kuwaiti expenditure, the multiplier rises to 3.86x (CSB Kuwait, 2023, Table 4, printed p.22). The most analytically significant development in Wave 4 is the sharp decline in saving rates for both

populations. Kuwaiti households save 17.5 percent of income without imputed rent (698.2 KD per month), down from 36.4 percent in Wave 3; Non-Kuwaiti households save 5.3 percent (60.2 KD per month), down from 19.4 percent in Wave 3. Both declines are consistent with the COVID-19 disruption to incomes and the split-phase survey design, which spans a period of significant economic contraction and recovery. Non-Kuwaiti outgoing transfers (section 14) stand at 151.5 KD per month, a near-tripling from Wave 3's 51.2 KD and now exceed the Non-Kuwaiti saving of 60.2 KD, indicating that remittances in Wave 4 are partly financed from dissaving or from income components not reflected in the without-imputed rent total. The housing section inversion persists, Non-Kuwaiti households spend more on housing in cash terms (209.0 KD) than Kuwaiti households (202.4 KD), a ratio of 0.97x without imputed rent, reversing to 5.00x when imputed rent is included (CSB Kuwait, 2023, Table 3, printed p.21). The education multiplier continues its trajectory from 0.73x in Wave 1 through 1.02x in Wave 2 and 1.20x in Wave 3 to 1.21x in Wave 4, now stable at near-parity for three consecutive waves, suggesting convergence in educational expenditure across citizenship groups.

Cross-population Expenditure Distribution:

The ten-bracket expenditure distribution in Table W4.2c documents a pattern of separation that exceeds any previous wave in its starkness. 60.1 percent of Non-Kuwaiti households fall below 1,000 KD per month, and 81.3 percent below 1,500 KD. At the upper end, 42.2 percent of Kuwaiti households spend 4,000 KD or more per month, the highest bracket in the Wave 4 distribution against 1.2 percent of Non-Kuwaiti households (CSB Kuwait, 2023, Table 1-أ, printed p.76). Wave 4's ten-bracket structure is not directly comparable with Wave 3's seven brackets, but the directional finding is consistent across all four waves; the two populations occupy virtually non-overlapping segments of the expenditure distribution.

Channel 5 Restrictions:

Kuwaiti household ownership falls from 81.0 percent in Wave 3 to 76.0 percent in Wave 4, with Housing Care declining from 9.1 percent to 8.6 percent and private ownership from 71.9 percent to 67.4 percent (CSB Kuwait, 2023, Table No. 2-ب, printed p.49). The endowment and gift category rises from 1.8 percent to 7.2 percent. Non-Kuwaiti ownership, zero across all previous waves, registers a non-zero figure for the first time: 1.8 percent in Housing Care and 0.9 percent

in private ownership. The analytical implications of Non-Kuwaiti presence in the Housing Care category is unexpected given that this programme has historically served Kuwaiti households exclusively . The dwelling type data record the continuation of two unbroken structural trends across all four waves. Kuwaiti villa occupancy falls to 52.7 percent, completing a monotonic decline from 70.0 percent in Wave 2 through 60.9 percent in Wave 3, while floor or apartment in villa rises to 31.0 percent from 20.1 percent in Wave 3 and 10.6 percent in Wave 2, consistent with ongoing subdivision of large residential properties (CSB Kuwait, 2023, Table No. 1-ب, printed p.48). Non-Kuwaiti annex residence reaches 22.0 percent, continuing the unbroken trend from 4.0 percent in Wave 2 through 15.0 percent in Wave 3. More than 1 in 5 Non-Kuwaiti households now live in a structure attached to a Kuwaiti-owned villa. Total Non-Kuwaiti rental stands at 92.2 percent of households.

Intra-Group Inequality, where measurable:

Wave 4 is the first of the four HIES waves to publish Gini coefficients. The Kuwaiti Gini stands at 32.54 percent and the Non-Kuwaiti Gini at 35.97 percent, both calculated with imputed rent (CSB Kuwait, 2023, printed pp.26-27). The higher Non-Kuwaiti Gini is notable given the considerably lower Non-Kuwaiti mean income, it indicates that inequality within the Non-Kuwaiti population is not compressed by the floor-level wages of lower-income workers to the degree one might expect, and reflects the substantial heterogeneity of the Non-Kuwaiti resident population across skill levels, nationalities, and income sources. The Kuwaiti Gini of 32.54 percent places the citizen population in a moderate inequality range, consistent with the redistributive effect of uniform government transfers and pension entitlements that raise the incomes of lower-income Kuwaiti households proportionally more than those of higher-income households. Without Gini data for Waves 1 through 3, cross-wave intra-group inequality trends cannot be established from the available bulletin data.

3.8 Cross-Wave Synthesis: Evolution of the Citizenship Differential Across Four HIES Waves

Table 4.2

Channel / Measure	Wave 1 1999/2000	Wave 2 2007/08	Wave 3 2013	Wave 4 2019/21
OVERALL CITIZENSHIP DIFFERENTIAL				
Household income multiplier (no imputed rent)	2.93	2.86 ^a	3.56	3.53
Household income multiplier (with imputed rent)	—	2.91	— ^b	4.27
Household expenditure multiplier (no imputed rent)	2.60	2.93	2.81	3.08
Household expenditure multiplier (with imputed rent)	—	— ^c	4.05	3.86
CHANNEL 1 - EMPLOYMENT				
Household wage income multiplier	2.10	2.31	2.81	2.35
Per-earner income multiplier	1.92	1.96	2.71	2.44
Govt sector per-earner (Kuwaiti/Non-Kuwaiti)	2.93 ^d	1.83	N/A ^e	N/A ^e
Private sector per-earner (Kuwaiti/Non-Kuwaiti)	—	2.94	N/A ^e	N/A ^e
CHANNEL 2 - ASSET INCOME				
Property / asset income multiplier	5.50 ^f	286× ^g	24.4×	17.0× ^h
CHANNEL 3 - TRANSFERS				

Government transfer multiplier	1.73 ⁱ	88.0×	74.7×	31.6×
Pension multiplier (Wave 4 only)	—	—	—	42.3×
CHANNEL 5 - RESTRICTIONS (HOMEOWNERSHIP)				
Kuwaiti homeownership rate	N/A ^k	80.1%	81.0%	76.0%
Non-Kuwaiti homeownership rate	N/A ^k	0%	0%	1.8% ^l
Non-Kuwaiti households in annex dwellings	N/A ^k	4.0%	15.0%	22.0%
INTRA-CITIZEN INEQUALITY				
Kuwaiti Gini coefficient	30.94% ^m	N/A	N/A	32.54%
Non-Kuwaiti Gini coefficient	29.91% ^m	N/A	N/A	35.97%

Sources: CSB Kuwait (2000); CSB Kuwait (2009); CSB Kuwait (2014); CSB Kuwait (2023).

Notes: All multipliers are Kuwaiti over Non-Kuwaiti. “—” indicates the measure is not applicable or not separately published for that wave. “N/A” indicates data not published in the bulletin.

^a Wave 2 income without imputed rent derived as total income (2,574.4 KD) minus non-financial asset income (52.3 KD imputed rent) / Non-Kuwaiti income (883.5 KD) = 2.86×. The published Wave 2 figure of 2.91× includes imputed rent on the income side.

^b Wave 3 does not publish income with imputed rent. Imputed rent (940.4 KD) appears on the expenditure side only. The 4.05× figure in the expenditure row reflects this treatment.

^c Wave 2 sub-channel data embeds imputed rent within the housing expenditure section (Section 3). A separate with-imputed rent expenditure total is not published for Wave 2.

^d Wave 1 does not publish sectoral income separately. The 2.93× figure is the overall government sector figure derived from the narrative (1,589 KD Kuwaiti vs 543 KD Non-Kuwaiti government sector per-earner).

^e Wave 3 and Wave 4 bulletins do not publish a sectoral employment breakdown equivalent to Wave 2 Vol. E Table No. (5-5). Sectoral per-earner multipliers cannot be calculated.

^f Wave 1 bundles enterprise income, liberal professions, and all property income (financial and non-financial) in a single line. The imputed rent component cannot be separately identified.

^g Wave 2 non-financial asset income multiplier of 286× reflects imputed rent on owner-occupied Kuwaiti dwellings (52.3 KD) against near-zero Non-Kuwaiti non-financial asset income (0.18 KD). Not directly comparable with Wave 3 and Wave 4 figures.

^h Wave 4 non-financial asset income WITHOUT imputed rent: 110.3 KD (Kuwaiti) vs 6.5 KD (Non-Kuwaiti) = 17.0×. With imputed rent (952.5 KD / 6.5 KD = 146.5×) not shown as imputed rent is already reflected in the overall income multiplier.

ⁱ Wave 1 government transfer multiplier of 1.73× reflects only direct government transfers in the Wave 1 classification. Pensions and end-of-service indemnities are classified under "current transfers from others" in Wave 1, producing a combined transfer multiplier of 12.3×. The structural break at Wave 2 (1.73× → 88.0×) reflects reclassification of pensions to government transfers, not a real increase of that magnitude.

^j Wave 4 combined government transfer multiplier of 31.6× reflects a 322% increase in Non-Kuwaiti government transfers from Wave 3 (9.4 KD → 39.6 KD), not a reduction in Kuwaiti entitlements. The pension sub-component multiplier of 42.3× is separately shown.

^k Wave 1 bulletin does not publish housing tenure or dwelling type tables.

^l Wave 4 Non-Kuwaiti homeownership of 1.8% (Housing Care) and 0.9% (private) is the first non-zero figure across the four waves. The analytical interpretation of Non-Kuwaiti presence in the Housing Care category is discussed in the main text.

^m Wave 1 Gini coefficients are expenditure-based. Wave 4 Gini coefficients are income-based with imputed rent (CSB Kuwait, 2023, pp.26-27). Direct cross-wave comparison is limited by the difference in base measure.

3.9 The Institutional Architecture of the Citizenship Differential

The distributional pattern documented in the preceding section cannot be read as the automatic output of oil wealth. The citizenship differential has remained remarkably stable across four survey waves at approximately 3.5 times on a without-imputed-rent basis, widening to 4.3 times when the rental value of citizen-owned housing is included, and producing near-total separation of the two populations across every dimension of the expenditure distribution. Kuwait's per-capita hydrocarbon income is not unique in the Gulf, and resource wealth alone does not determine how rents are channelled, to whom entitlements accrue, or through what institutional mechanisms the boundary between citizen and non-citizen is reproduced across decades and across survey waves. What the HIES data documents is the outcome of a specific institutional architecture, one in which Kuwait's parliamentary system has played a constitutive rather than simply permissive role in shaping who receives what, on what terms, and with what degree of protection from reform. Understanding that architecture is not a supplementary exercise to the quantitative analysis. It is the analytical core of the first case in this comparative study, and it is what allows the relationship between institutional form and distributional outcome to be examined with the precision the research question demands, before the Qatar evidence is examined.

Citizenship in the Gulf is a political category from its inception, because the scope of franchise is decided by the state through legal parameters and nationality statutes. Beblawi's analysis of Arab petro-states advances this idea by explaining that rentier state uses legal scope as the main vector through which state resources are allocated. Once the state becomes the principal distributor of externally derived rent, citizenship becomes a source of economic benefit, and a stratified hierarchy of entitlement is organised around the boundary between those who hold it and those who do not (Beblawi, 1987, p.53). This hierarchy operates across every register of economic life, namely, the government functions as the ultimate employer, such that every citizen holds a legitimate expectation of public sector absorption regardless of productive contribution (Beblawi, 1987, p.55); the *kafāla* (the migrant sponsorship system) sponsorship system transforms the legal status of citizenship itself into a monetised asset from which nationals derive income by lending their standing to non-nationals who cannot operate independently (Beblawi, 1987, p.56); and the residential and professional exclusion of expatriates from the distributive circuits of the state is not incidental but built into the system, since rent is normally confined to nationals (Beblawi, 1987, p.59). The political architecture that sustains this arrangement derives from the absence of taxation, where citizens contribute no revenue to the state, the fiscal foundation of political accountability is severed, and the government budget functions as a distributive instrument rather than a contract, consolidating the entitlement hierarchy rather than subjecting it to negotiation (Beblawi, 1987, pp.53-54). What compounds this dynamic is that, this differential is not internally corrective, the political cleavage between the two communities widens as the economic rent to citizens increases, with restrictions on expatriate professional mobility and political integration tightening precisely when oil wealth is most abundant (Beblawi, 1987, p.59).

Luciani's framework generates a specific prediction about political institutions in allocation states. It states that representative bodies, where they exist at all, will have a tenuous link to their constituency, their deliberations will be followed with indifference, and the ruler will be able to dissolve them without consequence (Luciani, 1987, p.74). The inversion of the classical taxation-representation link, there is, in Luciani's formulation, “ ‘no representation without taxation’ and there are no exceptions to this version of the rule” (Luciani, 1987, p.75), it means that where citizens bear no fiscal burden, they have no structural basis for claiming a governing role. The allocation state accordingly does not need to develop an economic policy in the productive sense; its governance task is exclusively expenditure, and the distributive inequality this produces does

not constitute a sufficient incentive for citizens to coalesce around demands for institutional change (Luciani, 1987, pp.69, 74). The patrimonial form of government is in this sense structurally adapted to the allocation state, while democracy introduces the friction of entitlement claims that can be pressed upward and that the allocation function cannot easily accommodate (Luciani, 1987, p.77). Kuwait's National Assembly, which has proven neither disbandable without consequence nor followed with indifference, stands as an anomaly within this framework. Understanding how a genuinely active parliament came to sit within an allocation state and what distributive consequences that institutional deviation has produced over four survey waves, is the organising problem of this section.

Both Qatar and Kuwait entered the oil era with pre-oil preconditions, but of contrasting types, at the time Qatar favoured revenue distribution, Kuwait advanced bargaining. Crystal (1990) documents that the Al-Sabah established their preeminence on political and diplomatic functions rather than on commercial wealth, with the result that the ruling family did not also constitute the leading mercantile elite (Crystal, 1990, p. 20). The Shaikh's revenues depended on customs duties levied on merchant trade, while the merchants retained financial autonomy. Since mercantile wealth was movable and refuge was available in neighbouring shaikhdoms, the threat of departure remained credible enough to translate economic position into political voice (Crystal, 1990, p. 21). This separation between political authority and commercial wealth distinguished Kuwait at the outset from Qatar. Kuwait's merchants constituted "the most diversified and economically empowered elite class in the Gulf" (Thafer, 2024, p. 537), conversely, in Qatar, the merchant class was not powerful or sized, and the ruler introduced his family members into the business elite's landscape (Kamrava et al., 2016, p. 4). The political institutions in Qatar were established only after the emergence of oil, with the business class" conspicuously absent from the negotiating table" (Thafer, 2024, p. 539). Thus, Qatar's precondition consists of the non-existence of a countervailing bourgeoisie, which is a condition that inconveniences bargaining over distribution that was adopted by Kuwait and that would eventually institutionalize it. Through the interwar period the Kuwaiti merchants converted the informal counterweight into institutional capacity. Economic pressures of the 1920s and 1930s intensified rather than dispersed their political organisation, and three new institutions consolidated it, namely, the Municipality of 1930, the Education Council of 1936, and the elected Legislative Assembly of June 1938 (Crystal, 1990, pp.

45-47). The Assembly enacted a basic law that claimed popular sovereignty through elected representatives, assumed legislative competence across budgetary, judicial, internal-security, and educational domains, and in October 1938 took over the receipt and disbursement of oil and customs revenues, distributing allowances to the ruler and his relatives from the same pool (Crystal, 1990, p. 48). The episode lasted six months. Sheikh Ahmad disbanded the Assembly on 17 December 1938 and crushed a reconstituted body in March 1939 (Crystal, 1990, p. 49). The merchants failed to retain external support and could not extend their coalition beyond the 150 Bani Utub families that defined the movement (Crystal, 1990, pp. 50, 54). They entered the oil era defeated politically but cohesive socially, with an institutional template whose significance would become legible only after the rentier transition began.

The rentier transition of the late 1940s produced the settlement around which the citizenship differential of the four survey waves is organised. Crystal (1990) characterises it as a tacit arrangement that resolved the political problem the interwar period had left open; in exchange for a substantial share of the new hydrocarbon revenues, the merchants withdrew from the pressing of formal demands they had pressed in 1921 and 1938, while the rulers secured the political quiescence they required without recourse to repression (Crystal, 1990, pp. 1, 8-9). The economic basis of the historical alliance was severed by oil itself, since external rents reached the rulers directly through concession payments and removed the structural need to extract revenue through merchant-mediated customs (Crystal, 1990, p. 6). What replaced the old alliance was not the dispersal of the merchants but their re-incorporation through distinct distributive mechanisms. The first was the land acquisition programme of the 1950s and 1960s, through which downtown holdings of the merchant class were acquired by the state at above-market prices and transferred back to the same class at submarket rates, with land purchases on this basis becoming the leading category of state spending during the period (Crystal, 1990, p. 8). Statutory restrictions reserved ownership of property and businesses to citizens, embedding the merchant base of accumulation as a citizenship-specific privilege that the asset and restrictions channels of this study will document (Crystal, 1990, pp. 8, 10). For the population beyond the merchant elite, the settlement operated through a distributive apparatus whose growth proceeded by expenditure rather than by extraction, with schooling and medical care provided at no cost, housing and other goods subsidised, public employment held open to nationals, and pay scales calibrated to favour them (Crystal, 1990, p. 10). This settlement, in Crystal's reading, would in time generate institutional

dynamics of its own (Crystal, 1990, p.14), dynamics that worked through the National Assembly re-established by the 1962 constitution and that the next section examines.

The structural divergence between Kuwait and Qatar in the distributional politics of the early oil era traces to the differential capacity of their respective merchant classes to negotiate the terms of their incorporation into the rentier settlement. As Herb (2014) establishes in his engagement with Crystal's comparative analysis, Kuwait's merchant community was large, cohesive and politically organised enough that the ruling family was compelled to negotiate its incorporation as a class, producing a settlement in which merchants retained collective distributional leverage even after oil revenues removed their fiscal leverage over the ruler. In Qatar, by contrast, the merchant community was too small and too weakly organised to impose comparable terms, leaving the ruler with considerably more discretion over which nationals to favour (Herb, 2014, p. 72). The parliamentary institution that emerged from the Kuwaiti settlement carried this multi-constituency logic into formal politics. As Herb (2014) documents, drawing on Crystal and al-Shayehji, the ruling family opened the National Assembly partly as an instrument for cultivating non-merchant citizen constituencies through the offer of economic and political benefits, using parliamentary participation to reduce merchant dominance over distributional outcomes (Herb, 2014, p. 73). From its inception, the National Assembly served as a venue where different interest groups competed for material benefits. What made it special among Gulf monarchies was its ability to structure that pluralistic competition into a legislative power.

Kuwait's National Assembly derives its distributional authority from a constitutional provision whose mechanics warrant transparent description before their consequences are interpreted. At the heart of the assembly's power lies the ability of a majority of elected members, excluding those appointed to the cabinet, to interpellate ministers and to vote no confidence in them individually, with interpellation defined as the formal parliamentary questioning that must precede any confidence vote (Herb, 2009, p.379). The provision does not extend to direct removal of the prime minister; following an interpellation, the assembly may instead declare that it cannot work with the prime minister, upon which the Emir must either dismiss him or call new elections (Herb, 2009, p.393). While no formal confidence vote has been carried to completion, the mechanism has produced ministerial resignations through the credible threat of its exercise, first documented in 1985 when opposition pressure forced a minister's departure, and extending by 2011 to the forced

resignation of a prime minister who was a senior member of the ruling family itself (Herb, 2014, printed p.96; Herb, 2014, printed p.97). As Herb (2009) demonstrates, that threat shapes governance through two pathways. First, the ruling family pre-screens ministerial appointments to avoid candidates vulnerable to a confidence challenge, a filter that extends to members of the ruling family itself. Second, ministers in office face a structural incentive to pursue policies acceptable to the dominant parliamentary blocs to protect their tenure (Herb, 2009, p.379). As Freer (2024) shows, this dynamic intensified after the Arab Spring into a sustained contest between the cabinet and the elected chamber that reached the head of government itself (Freer, 2024, p.25). The institution carrying this mechanism has demonstrated structural durability not reducible to inertia. Parliamentary life since the 1992 elections has generated a political class whose power, authority, and social status derive entirely from electoral competition, a class whose members are drawn from every major political current and communal grouping in Kuwaiti society and whose standing as accepted community leaders makes organised resistance to any assembly closure a near-certainty (Herb, 2009, p.380). The ruling family would today find it difficult to construct an authoritarian coalition capable of sustaining a long-term parliamentary suspension (Herb, 2009, p.380).

Kuwait's interpellation mechanism carries distributional weight only because the citizen constituencies it serves have a concrete social base, one that has shifted over time from the merchant elite toward a majority of state-employed nationals. The social base of Kuwait's parliamentary politics has shifted over time from the merchant elite toward a numerically dominant constituency of state-employed nationals, producing a legislative space in which Channel 1 entitlements, namely public sector employment and the wage privilege it carries, have become the primary distributional stake defended through legislative leverage (Herb, 2016, p.19). The HIES data documented across the four preceding waves confirms this shift. The Channel 1 wage multiplier widened from 1.92 times per earner in Wave 1 to 2.71 times in Wave 3, while the transfer channel, whose growth reflects the parliament-mediated expansion of pension and allowance entitlements, reached a multiplier of 74.7 times at its Wave 3 peak before structural restructuring in Wave 4.

Public sector employment is the primary channel through which oil revenues reach citizen households in the richest Gulf rentier states. As Herb (2009) establishes, state and parastatal

institutions absorbed the significant majority of the citizen workforce across Kuwait, Qatar and the UAE from the 1970s onward, reaching a share of approximately 90 percent that has remained broadly stable, with the wages and retirement benefits attached to those positions functioning as the principal mechanism through which Gulf states channel oil revenues to citizen households (Herb, 2009, p.382). In Kuwait this Gulf-wide pattern takes a specific and precisely documented form. As El-Katiri, Fattouh and Segal (2012) establish, 91 percent of the Kuwaiti national labour force holds public sector positions while non-Kuwaitis fill 98 percent of private sector positions, a segmentation that reflects the implicit guarantee of state employment extended to every national labour market entrant (El-Katiri, Fattouh and Segal, 2012, p.178). The wage levels set by public employment perform a structural function beyond income transfer. They establish what economists term a “reservation wage”, a wage floor that renders private sector employment economically unattractive to nationals, whose reference point for acceptable remuneration is anchored to the more generous public sector scale (Herb, 2009, p.382; El-Katiri, Fattouh and Segal, 2012, p.178). Over time the sustained wage differential between the two sectors has reinforced among nationals a perception that access to public sector work constitutes a citizenship right rather than a return on productive contribution (El-Katiri, Fattouh and Segal, 2012, p.178). Kuwait's parliament represents citizens whose livelihoods are organised around state employment and in doing so defends the distributional channel on which the majority of its constituency depends (Herb, 2009, p.384).

The parliamentary defence of Channel 1 entitlements rests on a representational logic that reflects the structural composition of the Kuwaiti electorate. As Herb (2014) documents, state employees constitute the majority of Kuwaiti voters, and Kuwaiti business leaders observe that the National Assembly functions as a union for the employees of the government and its enterprises, with no comparable organised voice representing the private sector or the merchant elite (Herb, 2014, p.159).

The distributional stakes that organise this parliamentary majority are not uniformly distributed across citizen society. Kuwait's primary intra-citizen identity cleavage separates the *ḥaḍar* (the long-settled urban families), Kuwaitis descended from families of long-established urban settlement whose merchant elite forms the bulk of the large business class, from the *badū* (Kuwaitis of tribal origin), more recently settled Kuwaitis of tribal origin who entered the oil era with fewer

commercial and educational advantages and today depend more heavily on state employment (Herb, 2014, p.161). Deputies representing less affluent *badū* constituencies channel this structural dependence into legislative action, pushing explicitly for policies that deliver Channel 1 and Channel 3 benefits, across-the-board public sector salary increases and consumer debt forgiveness, that directly serve their electoral base (Herb, 2014, p.161).

The distributional architecture of Channel 2 in Kuwait has its historical foundation in the *tathmīn* (the state programme of assessing, valuing, and purchasing land, initiated in 1952) programme, a land acquisition policy initiated in 1952 in which the government purchased land from private holders at highly inflated prices and redistributed portions back to the population at below-market rates. El-Katiri, Fattouh and Segal (2012) characterise Kuwait's land purchase programme as a transfer system designed to channel expanding hydrocarbon revenues toward the national population while redistributing land ownership on a large scale; Herb (2014) documents its distributional consequences in precise terms (El-Katiri, Fattouh and Segal, 2012, p.171). In its early years the programme operated with spectacular concentration at the top of the citizen distribution, 60 percent of payments in the first two years went to members of the ruling family, and across the full period from 1952 to 1982, half of all disbursements were absorbed by the ruling family and prominent merchant families, with the ruling family's share totalling 339 million KD and the merchants' share approximately 783 million KD (Herb, 2014, p.164). The *tathmīn* programme was therefore not a universal citizenship benefit but an asset transfer concentrated among those with land, political connections, and prior knowledge of government acquisition decisions at the opening of the oil era.

The evolving trajectory of Channel 2 reflects a reorientation produced by parliamentary mediation rather than a simple continuation of the elite-concentration pattern the *tathmīn* era established. By the time the *tathmīn* programme was phased out in the 1990s, the Kuwaiti state held approximately 90 percent of the country's total land area, a consequence of decades of government acquisition (Herb, 2014, p.168). The National Assembly deployed this state ownership as a distributional instrument. Following the restoration of the 1962 constitution after liberation, the assembly asserted systematic oversight of land disposal, and the established political and merchant elite lost the capacity to expropriate state land for private gain through the informal channels that had operated during periods of parliamentary suspension (Herb, 2014, p.169). Interpellations targeting

land ministers became a regular feature of parliamentary life from the 1990s onward, with deputies challenging transfers that appeared to benefit private investors at the expense of the national patrimony (Herb, 2014, p.168). Parliamentary mediation therefore progressively redirected Channel 2 away from elite capture and toward a norm of citizen stewardship over state assets.

Channel 3 transfer entitlements in Kuwait extend beyond the pension and cash transfer system documented by El-Katiri, Fattouh and Segal (2012) to encompass a structured housing programme that commits the state to direct asset and income support for citizen households. As Herb (2014) documents, the programme operates through three distinct mechanisms, the construction and allocation of free houses to eligible citizens, interest-free loans of approximately 250,000 US dollars for self-build on state-supplied serviced land, and a monthly housing stipend of approximately 500 US dollars for citizens who rent rather than own (Herb, 2014, pp.180-181). The three tiers produce substantially different transfer values that map onto different positions in the citizen income distribution with ownership-track households receiving capital transfers of a different order of magnitude from stipend recipients. The distributional pattern across all five channels that parliamentary mediation produces is captured in Herb's (2014) synthesis. Herb states that Kuwaiti citizens have declared through the National Assembly that public funds and public resources should be distributed in a manner that does not serve to further enrich the ruling family and the established merchant elite, establishing a redistributive norm whose enforcement the assembly's interpellation powers make credible (Herb, 2014, p.182).

Kuwait's parliamentary institution introduced a structural complication into the distributional politics of oil wealth that distinguishes it from the other Gulf monarchies. As Freer (2024) observes, Kuwait's earlier independence relative to Qatar and the UAE, which became independent a decade later, generated democratic pressures that produced a parliamentary settlement absent in states where independence and the oil boom arrived simultaneously and where rulers faced no equivalent demand for electoral accountability (Freer, 2024, p.40). The consequence is that Kuwait's distributive politics operate through a more complex institutional architecture than the standard allocation-state model assumes. Parliamentary interpellations extend beyond citizen oversight of government into the internal politics of the ruling family itself. As Freer (2024) documents, drawing on Herb, members of the ruling family who are dissatisfied with the allocation

of cabinet posts have used interpellations to contest those allocations and press for redistribution, demonstrating that distributional competition within Kuwait's institutional setting operates across multiple axes simultaneously and cannot be characterised as a straightforward contest between monarchy and parliament (Freer, 2024, pp.43-44).

The public sector employment guarantee that anchors Channel 1 is not a policy choice subject to revision by successive governments but a constitutional obligation binding on the Kuwaiti state. As Freer (2024) establishes, the Kuwaiti constitution formally obliges the state to assist citizens in securing employment, granting the public sector hiring guarantee a legal foundation that elevates it above ordinary policy and makes its removal constitutionally as well as politically costly (Freer, 2024, p.58). The constitutional settlement was accompanied by commercial legislation that extended citizenship-specific economic privilege into the private sector simultaneously. A 1960 law, which remains in force, requires all firms to be 51 percent Kuwaiti-owned and obliges non-Kuwaitis to retain a Kuwaiti partner to engage in commercial activity or acquire property (Freer, 2024, p.58). The effect was to protect the established position of the merchant elite in trade and services while Channel 1 absorbed the broader citizen workforce into public employment, producing a dual-track distributional structure whose two components served different citizen constituencies from the outset.

The merchant elite's ability to defend its Channel 2 and 4 entitlements does not depend solely on parliamentary representation and has never done so. As Moore (2002) establishes, the Kuwait Chamber of Commerce and Industry (KCCI), founded in 1961 on the eve of independence, was deliberately structured as an institution independent of state patronage, financed entirely through membership fees and governed by an elected executive whose composition reflected the internal hierarchy of the merchant community (Moore, 2002, pp.39-40). The strategic logic behind this design was explicit, the intermittent nature of representative politics in Kuwait had demonstrated that any institution dependent on state goodwill could be neutralised at will, whereas one with autonomous financing and internal governance could survive parliamentary suspensions and sustain merchant collective capacity across political cycles. Moore (2002) characterises the state's response to this entrenched autonomy as a dual strategy of accommodation and displacement, providing merchants with controlled access to distributional decisions through Channels 2 and 4 while cultivating tribal, Shi'i and Islamist constituencies as parliamentary rivals capable of diluting merchant legislative influence (Moore, 2002, p.42).

The distributional leverage of the merchant elite over Channels 2 (assets) and 4 (subsidies and private sector regulation) has not been static but has contracted and expanded in response to shifting political conditions. As Moore (2002) documents, the fiscal contraction that followed the collapse of oil revenues in the early 1980s reversed the marginalisation the merchant class had experienced in the preceding decade. State officials, confronting a financial crisis whose resolution required the analytical and institutional resources the Chamber had accumulated, formalised business-state coordination through two new bodies. First, a Supreme Planning Council that was established in 1985 in which seven of ten independent seats were nominated by the Chamber. Second, an Economic Reactivation Committee created the following year as a standing forum for joint deliberation between Chamber board members and government technocrats (Moore, 2002, p.44). Simultaneously, the ruling family reversed the ministerial appointment strategy of the 1970s by placing Chamber-aligned figures at the head of the economic ministries through which Channel 2 and 4 distributional decisions were made. Merchant leverage, diminished through electoral engineering in the 1970s, was partially restored through institutional access during the crisis period.

Alongside the formal parliamentary mechanism through which Kuwait's citizenship differential is mediated sits an informal institution whose political consequences are equally consequential for distributional outcomes. As Segal (2012) documents, the *dīwāniyya* (informal political gathering), an informal gathering embedded in Kuwait's pre-parliamentary political tradition, was historically the space in which leading community figures pursued politically and economically motivated objectives (Segal, 2012, p.130). Its authority derived from the social standing of its host and participants, generating political pressure that the ruling family could not disregard when convened by figures of sufficient community standing. (Segal, 2012, p.130). The institution has never been formally recognised as a political body, retaining instead the character of an unofficial expression of Kuwaiti civil culture operated by the country's most established families (Segal, 2012, p.131). Its informal status, however, has proven to be a structural advantage. When the constitution was suspended in 1986 and formal political spaces were closed, citizens transferred their political activity to the *dīwāniyya* network, sustaining the distributional pressure that eventually convinced the ruling family that a contentious parliament was a more manageable institution than its absence (Segal, 2012, p.137). The network also enforces direct accountability on deputies, those who cease

attending *dīwāniyyāt* regularly find their constituent support eroding ahead of the next election cycle (Segal, 2012, p.138).

The most direct recent contribution to the puzzle of oil-state welfare provision is Eibl and Hertog (2024), who challenge the assumption that generous welfare is a structural feature of resource abundance, demonstrating instead that rulers in oil-rich states expand welfare provision in conditional response to centre-seeking political threats, deploying material distribution as a tool of mass co-optation that is fiscally less costly than either repression or the grant of genuine representative institutions (Eibl and Hertog, 2024, p.1339; p.1326). Their argument resolves a tension in the rentier state literature as they note that the theory has not specified the elite calculus behind welfare generosity in any detail, nor documented the historical decisions through which welfare systems in MENA rentier states took their particular forms (Eibl and Hertog, 2024, p.1325). The regime type their analysis identifies is analytically different, a state capable of delivering generous welfare without the infrastructural capacity characteristic of developmental states (Eibl and Hertog, 2024, p.1325). This study extends their argument to a level of disaggregation they do not reach. The two cases at the centre of this study both meet the conditions Eibl and Hertog identify as welfare-generating, yet they distribute that welfare through fundamentally different institutional mechanisms which is a divergence that falls outside the explanatory scope of a framework designed to explain the level of provision rather than its internal architecture.

Kuwait and Qatar belong to what Hertog (2016) defines as high-rent countries, a category of states with very high per capita hydrocarbon rents that distribute oil revenues to their populations through two structural channels specific in their combined form to this category of state (Hertog, 2016, p.6). The first is the provision of heavily subsidised domestic energy at prices far below international market levels, a mechanism that concentrates benefits among wealthier households. The second is the absorption of the national workforce into an overstaffed public sector at wages and conditions that private employers cannot match, a pattern magnified by the simultaneous importation of large volumes of low-cost migrant labour to staff the private economy that nationals withdraw from (Hertog, 2016, p.6). The combination produces a structural distributional conflict between the state-employed citizen majority, whose economic position depends on the continuation of public sector generosity, and the domestic capitalist class, whose interests lie in private sector development that the same distributional architecture actively discourages (Hertog,

2016, p.6). Both channels are regressive in their incidence and exclusive in their scope, with consequences that compound over time into an obstacle to any productive alignment between national labour and domestic capital (Hertog, 2016, p.8). The degree of public sector concentration among nationals in high-rent countries has no parallel in the broader rentier world. A national's likelihood of being publicly employed runs approximately ten times higher than in other economies, including those of less wealthy oil exporters (Hertog, 2016, p.12).

Within-Kuwaitis Distribution:

Hertog's (2020) Kuwait-specific analysis introduces a multi-channel intra-citizen distributional dimension that the publicly accessible HIES bulletins do not permit this study to directly replicate across four waves. The regressivity Hertog documents is not confined to a single wealth-sharing channel but runs through the full architecture of Kuwait's distributional system. On the energy subsidy channel, Hertog establishes that below-cost provision of electricity, water and fuel operates as a regressive wealth transfer rather than a welfare mechanism, since higher-income households consume more energy and therefore capture a disproportionately large share of the subsidy value (Hertog, 2020, p.12). The fiscal magnitude of this misallocation is substantial; had the energy consumed domestically been sold at international prices of 65 USD per barrel, the foregone revenue would have reached KD 3.25 billion annually, equivalent to nearly 8 percent of GDP (Hertog, 2020, p.12). The IMF's 2023 Article IV consultation corroborates this assessment at the institutional level, recommending that Kuwait phase out energy subsidies while simultaneously improving the targeting of income support toward lower-income nationals, a reform agenda whose premise is the current architecture's failure to direct resources toward those citizens who need them most (IMF, 2023, p.22). On the social assistance channel, the formal means-testing framework, which in principle disqualifies households earning above KD 559 per month from eligibility, is not enforced in practice, with the result that households well above the income threshold routinely draw payments to which they have no entitlement under the scheme's own rules (Hertog, 2020, p.10). The MoSAL allowance system that administers these payments is deficient across multiple dimensions as it concentrates benefits regressively, operates without the

activation mechanisms that would help recipients move toward employment, and lacks the data analysis and monitoring capacity needed to track its own distributional impact (Hertog, 2020, p.20). The scale of within-citizen transfer regressivity is quantified through 2013 household survey data accessed via an inaccessible World Bank advisory report: Kuwaiti households in the poorest quintile draw total average government transfers of KD 90 per adult equivalent per month while those in the wealthiest quintile draw KD 180, a two-to-one ratio within the citizen population alone (Hertog, 2020, p.22). Hertog identifies this pattern as distinctive to Kuwait because across most countries cash welfare payments flow predominantly toward lower-income households, but in Kuwait the distributional direction is reversed, with no defensible basis for a system that shares natural resource wealth in a manner that predominantly advantages the already affluent (Hertog, 2020, pp.22-23). The pension channel adds a further layer of intra-citizen concentration. Of the citizens receiving pensions in 2018, 15,275 received KD 2,000 or more per month, 73,057 received between KD 1,000 and KD 2,000, and 34,356 received below KD 1,000 (Hertog, 2020, p.19). This distribution places approximately one in eight pensioners in the uppermost bracket at a monthly amount more than twice that of the bottom cohort, a pattern the Wave 4 pension multiplier of 42.3 times between Kuwaiti and non-Kuwaiti households independently reflects at the household level. The private sector wage subsidy channel adds a further regressive layer. The *da'm al-'amāla* (private-sector wage subsidy for Kuwaitis; the “workforce support allowance”) programme scales its monthly payments to educational attainment, channelling larger amounts to more educated Kuwaiti workers who already occupy higher income positions, meaning that higher-paid workers receive larger subsidies than lower-paid ones (Hertog, 2020, p.23). Hertog's aggregate conclusion is that across all channels of Kuwait's distributional system, wealth-sharing mechanisms generate incentive distortions and direct proportionally larger benefits toward higher-income citizen households than toward lower-income ones, with a system that is fiscally unsustainable in addition to being inequitable in its incidence (Hertog, 2020, p.29).

The parliamentary system that the preceding sections identify as the primary institutional vehicle for citizen distributional claims simultaneously functions as the principal barrier to correcting this architecture, since the organised political capacity of Kuwait's middle class operates through formal and informal channels in ways that prevent consolidation of spending and perpetuate the patterns Hertog documents (Hertog, 2020, p.29). The HIES data this study has documented across four waves is directionally consistent with these findings, though the publicly released bulletins

do not permit direct replication of the quintile decomposition Hertog presents. The most informative indicator available is the Gini coefficient. In Wave 1, the Kuwaiti household Gini of 30.94 percent already exceeds the Non-Kuwaiti Gini of 29.91 percent. The citizen population, which receives combined government transfers including reclassified pensions at a multiplier of 12.3 times over non-citizens, is nevertheless more unequally distributed than the non-citizen population that receives almost no transfers. This inversion is the clearest quantitative signal in the available bulletin data that Kuwait's transfer system concentrates resources toward higher-income citizens rather than equalising the distribution from below, and it is fully consistent with Hertog's finding. By Wave 4, the Kuwaiti Gini has widened to 32.54 percent, an increase of 1.60 percentage points over two decades, while the Non-Kuwaiti Gini stands at 35.97 percent. The Wave 3 per-household income data provides a further directional indicator as income among Kuwaiti households ranges from 1,897 KD per month for one-to-three member households to 5,498 KD per month for fourteen-to-fifteen member households, a 2.90 times within-citizen income gradient that, while a household size effect rather than a quintile measure, is consistent with the multi-channel regressivity Hertog documents. Taken together, the convergence of Hertog's microdata evidence, the IMF's institutional assessment, and the study's own Gini trajectory establishes a result that the available bulletin data corroborates but cannot fully quantify. Kuwait's intra-citizen distributional architecture is regressive across all documented channels, concentrating the benefits of public employment, energy subsidies, social assistance, pension entitlements, and wage support disproportionately among higher-income citizen households, with the Gini trajectory suggesting that this concentration has deepened modestly but consistently across the study period. That the underlying microdata confirming this result at the quintile level remains inaccessible through the CSB's publicly released bulletins, none of which publishes quintile-level income or transfer data within the citizen population across any of the four waves is itself consistent with the broader pattern of restraint around distributionally sensitive findings that characterises statistical publication in Gulf hydrocarbon monarchies.

The citizenship differential that Kuwait's household survey data documents reflects an institutional and conceptual architecture that Longva (1997) identifies as foundational to Kuwaiti economic life. As Longva establishes, the public sector's primary social function was distributive rather than productive as the government's central commitment was not to deploy citizens in meaningful

economic activity but to ensure that hydrocarbon revenues reached the national population through the wage bill, with the salary attached to a public sector position constituting a citizenship entitlement rather than a return on a precisely defined productive contribution (Longva, 1997, p.64). This distributive logic shaped the broader structure of economic participation. Kuwaiti nationals came to understand employment as access to a welfare distribution system to which citizenship conferred an inherent right, while labour in the sense of work performed in exchange for wages as a means of subsistence remained conceptually and practically associated with the migrant population (Longva, 1997, p.65). The state entrenched this distinction institutionally by directing nationals into public sector positions and private sector ownership roles while concentrating non-Kuwaitis in private sector employment, ensuring that both the public and private sectors served the common purpose of redistributing oil revenues to citizens through distinct but complementary channels (Longva, 1997, p.67).

The institutional mechanism through which non-Kuwaiti workers are systematically positioned at the base of the labour market hierarchy is the *kafāla*, a sponsorship system that Longva (1997) identifies as the defining legal architecture of Channel 5. As Longva documents, the *kafāla* is a Gulf-specific institution that by the 1980s had become a universal and absolute condition of non-Kuwaiti residence through which every foreigner from outside the Gulf Cooperation Council states was required to be attached to a Kuwaiti citizen or institution as their sponsor, and the right to reside legally in Kuwait was contingent on the employer's written declaration to the immigration authorities confirming the employment relationship (Longva, 1997, p.79). The system produced a structural power asymmetry in which the sponsor held decisive authority over the migrant's employment trajectory and therefore over the material circumstances of their life, while the migrant's available choices were narrowly circumscribed by the sponsor's willingness to act (Longva, 1997, p.80).

Labour mobility was effectively eliminated since workers who wished to change employers required a written release from their current sponsor, and the absence of such a release made the development of any form of competitive labour market in which workers could influence wages or conditions structurally impossible (Longva, 1997, p.101). Most consequentially, the sponsor held authority across three distinct domains simultaneously, as the migrant's employer, as the state's delegate for purposes of alien surveillance and control, and as the migrant's legal

representative before the state. This concentrates in a single private actor a degree of institutional power over another person's life that has no equivalent in standard employment relationships (Longva, 1997, p.101). Kuwait's most substantive migration reform during the study period was the 2015 domestic workers law, which extended formal legal coverage to a previously unprotected category of migrant workers for the first time. Subsequent policy moved in the opposite direction, with the National Assembly passing measures in 2020 aimed at significantly reducing the expatriate population rather than advancing compliance with international labour standards, leading Bartoszewicz and Lang (2024) to conclude that Kuwait's parliamentary system produced no more liberal migration outcomes than Qatar's (Bartoszewicz and Lang, 2024, pp.156, 166, 167-168).

Kuwait's parliamentary distributional politics cannot be understood as a bilateral contest between citizens and the ruling family. As Gengler (2015) establishes, a longstanding urban-tribal divide in Kuwait has since the Arab Spring become entangled with sectarian tensions, producing a series of constitutional crises and parliamentary dissolutions whose underlying dynamic is intra-citizen competition over distributional entitlements (Gengler, 2015, p.20). The parliamentary blocs through which this competition is institutionally organised do not direct themselves primarily against the ruling family but against one another, competing for their respective shares of state benefits and, beyond that, for competing visions of Kuwaiti national identity (Gengler, 2015, p.21). Three characteristics of the Kuwaiti system provide an explanation to this. The Kuwaiti constitution stipulates that the emir's person is legally unassailable (Constitution of Kuwait, 1962, Art. 54), while the power of interpellation reaches to the Prime Minister and ministers (Art. 100), thus the government is targeted by the parliamentary accountability but not the ruler. Moreover, the ruling family's segmented distribution of benefits, as will be further discussed below, provides each group of interest a motivation to compete for the ruler's privilege rather than defy him. Accordingly, defiance is politically perilous, for instance, in 2012 the merchants and parts of the wider population were estranged as a result of an opposition leader's speech directed towards the ruling powers (Nosova, 2018, p. 189). The Kuwaiti ruling family is also part of the political contest. (Nosova, 2018, p.p. 185-187). Kuwaiti parliamentary competition is structured around descent-based social blocs, including a dominant Sunni tribal coalition, separate Shi'i formations representing the mainstream and Shirazi schools, and distinct Islamist groupings representing

Muslim Brotherhood and Salafist orientations (Gengler, 2015, pp.22-23). The ruling family's strategic response to this multi-bloc competition is to distribute resources selectively to identifiable supporters rather than to potential opponents, drawing on what Corstange, cited by Gengler, terms an “ethnic subsidy”, a mechanism that makes group-based distributional patronage cheaper and more targeted than universal co-optation (Gengler, 2015, p.21). One of rentier state theory's foundational assumptions is that citizens in allocative regimes hold equal claims to public benefits, that the basis of entitlement is citizenship itself rather than any personal attribute, producing a distributional system that operates, in Beblawi's formulation, as a politically neutral parallel job market open in principle to all (Gengler, 2015, p.108). As Gengler (2015) demonstrates through survey-based analysis of Gulf distributional politics, this assumption of political agnosticism does not withstand empirical scrutiny. Public employment and other state benefits are not distributed uniformly across the citizen population but selectively, with the pattern of allocation reflecting group-based political calculations rather than neutral entitlement (Gengler, 2015, p.119). Benefits function not as inducements to win over potential opponents but as rewards directed at identifiable supporters, with observable descent-based characteristics serving as the primary criterion for distinguishing those whom the state intends to compensate from those it does not (Gengler, 2015, p.120). The conclusion Gengler draws from this evidence is directly consequential for the study, there is no universal rentier bargain, and the citizenship differential is therefore not a uniform entitlement distributed equally across the citizen category.

The intra-citizen distributional competition that Gengler (2015) theorises takes a concrete institutional form in Kuwait's parliamentary space. The two types of wealth distribution mentioned in Section 1.5, public spending privileged by the public sector-employed middle class and development and infrastructure spending appreciated by a capitalist class (Nosova, 2018, pp. 176-177), refers in the context of this study to the welfare expenditure of Channel 1 and to the allocations that maintain Channels 2 and 4, even though Nosova analysis this competition as the foundation of parliament's animosity towards the government rather than as a class contention (p. 192). For the merchants, the parliament represents the arena where they protect their class interests the incentive to preserve it is “ultimately about the distribution and power-sharing” that maintains their rent-seeking advantages (p. 183). The opposition majority constituted after 2011 used the same vehicle against them, demanding legislative checks in merchant interests (p. 188). The capitalist class had already perceived the Build-Operate-Transfer law of 2008 and the Privatisation

law of 2010 as intentionally contorted by parliament to compromise those interests, and the February 2012 Assembly pressed for more rigorous bidding regulations and for incomers in the business landscape (p. 188, n. 43).

Kuwait's distributional architecture rests on a state whose primary function is to distribute rather than extract resources, financing a comprehensive system of citizen-exclusive entitlements that are constitutionally enshrined under Article 11 as legal rights of Kuwaiti citizenship, encompassing free healthcare, free education, guaranteed public employment, interest-free housing loans, subsidised utilities, and food ration cards, and categorically unavailable to the expatriate majority of the resident population (Palier et al., 2021, p. 12).

In the employment channel, public sector employment is the state's primary instrument of wealth redistribution, absorbing approximately 85 percent of the national workforce and accounting for over a third of the state budget, while 95 percent of expatriates are confined to the private sector (Palier et al., 2021, pp. 7, 17). The wage differential this produces is structural across all education levels, at the mean, Kuwaiti nationals in the 25-45 bracket earned between 1,116 and 1,352 KWD per month in 2015 against 176-188 KWD for expatriates in the same bracket; at the median, a Kuwaiti with only primary schooling earned 850 KWD against 100 KWD for a non-Kuwaiti equivalent, and a Kuwaiti university graduate earned 1,350 KWD against 490 KWD for an expatriate graduate (Palier et al., 2021, pp. 8-9). At the population level, approximately half of all employed nationals earned above 1,200 KWD per month compared to 1.2 percent of private sector expatriates (Palier et al., 2021, p. 9). Beyond the sectoral divide, the *da'm al-'amāla* wage subsidy further widens the effective income differential since a single Kuwaiti engineering graduate employed in the private sector received 790 KWD per month in state supplement on top of a base private sector salary of approximately 300 KWD, with married nationals receiving 898 KWD in supplement, thus that national total compensation consistently exceeds expatriate compensation in equivalent posts by a substantial margin (Palier et al., 2021, p. 24). The *kafāla* system is the institutional mechanism that sustains the non-national side of this differential in place by making expatriate workers legally dependent on employer approval to change jobs, it suppresses bargaining power and sustains a permanently cheap private sector labour supply, generating what Palier et al. describe as a structural race to the bottom in private sector wages and conditions that

public sector workers, protected by civil servant unions and strong parliamentary representation, are entirely insulated from, while Kuwaiti nationals retain full labour market mobility (Palier et al., 2021, p. 33).

Regarding the transfer channel, the constitutional framework makes state transfers an exclusive function of citizenship. Article 11 inscribes aid for citizens in old age, sickness, and incapacity as a legal right, while social insurance coverage is obligatory for nationals and categorically inaccessible to the expatriate population, who receive only employer-funded end-of-service indemnity payments contingent on completing three years of service (Palier et al., 2021, pp. 12, 20). The state directs the majority of its social assistance toward Kuwaiti citizens, with the expatriate population receiving aid almost exclusively through private charities (Palier et al., 2021, p. 10). Citizen transfers operate simultaneously across multiple layers, namely, contributory pensions and disability coverage through the social insurance system; non-contributory social assistance to 15 categories of vulnerable citizens at 559 KWD per person per month; monthly student allowances of 200-400 KWD for all enrolled nationals; marriage grants; and overseas scholarship packages covering both tuition and living expenses. Everything is funded from oil revenues and all unavailable to Non-Kuwaiti residents (Palier et al., 2021, pp. 13, 18, 20).

As for the subsidy channel, citizen entitlements extend across every major consumption category, notably, public education is free for nationals while expatriates are required to use fee-paying private schools; public healthcare is free for citizens while expatriates pay annual access fees plus supplementary charges for specialised services; electricity and water are virtually free for Kuwaiti citizens in private houses, with water tariffs covering under 10 percent of actual cost, while foreign residents in apartment buildings face higher and rising tariff structures from which citizen-owned residential properties are explicitly shielded. Regarding food ration cards, they serve to distribute subsidised staples that are provided to all citizens without income limitation (Palier et al., 2021, pp. 13, 14, 15, 17). In the restrictions channel, housing access is legally structured as a citizenship entitlement, every Kuwaiti family holds a statutory right to a house and to an interest-free state loan of 70,000 KWD repayable over 57 years, a provision Palier et al. identify as one of the two institutional cornerstones of Kuwait's welfare system alongside guaranteed public employment; while citizens awaiting housing allocation receive a transitional rent replacement allowance from

the state, and no equivalent mechanism exists for the expatriate population, who are confined to private rental markets throughout their residence (Palier et al., 2021, pp. 15-16, 37).

3.10 Conclusion of the Chapter

The institutional architecture documented in this chapter generates testable predictions about the distributional pattern the HIES data reveals. Kuwait's citizenship differential is not the automatic output of hydrocarbon wealth but the accumulated outcome of a parliamentary settlement whose historical foundations precede the oil era, whose constitutional entrenchment makes reform politically and legally costly, and whose distributional consequences have persisted and in key channels intensified across four survey waves spanning more than two decades. The settlement organises five distinct channels through which oil revenues reach citizen households at different rates and through different institutional instruments. Parliament shapes the citizenship differential through a specific institutional pathway. The credible threat of interpellation disciplines ministerial behaviour toward citizen constituencies, entrenching Channel 1 public sector wage guarantees and Channel 3 transfer entitlements at levels the HIES data confirms are sustained across all four survey waves regardless of fiscal conditions, oil price cycles, or reform pressures, a structural persistence that the institutional analysis in this chapter explains and that the quantitative record documents. Public sector employment is defended by a constitutionally entrenched guarantee and by parliamentary blocs representing the state-employed majority. Asset and private sector entitlements are defended by the KCCI's autonomous institutional capacity operating outside but alongside parliament. The *dīwāniyya* sustains both channels through informal political infrastructure that survives parliamentary suspension, while the *kafāla* confines the non-citizen population to the lower stratum of a segmented labour market that defines the differential's lower bound. Within the citizen population, the *ḥaḍar-badū* and sectarian cleavages documented by Herb, Gengler, and Nosova predict that the distributional gradient should not be uniform but graduated, with different citizen constituencies concentrated at different points in the income distribution. The HIES data confirms these predictions. The overall citizenship differential remains stable at approximately 3.5 times on a without-imputed-rent basis across all four waves, widening to 4.3 times when the rental value of citizen-owned housing is included. The transfer channel produces the sharpest separation, with government transfers favouring Kuwaiti over non-Kuwaiti households at a multiplier of 74.7 times at its Wave 3 peak, while the asset channel documents

near-total exclusion of non-citizen households from property and financial income across all four waves. The expenditure distribution confirms near-complete population separation, with 42.2 percent of Kuwaiti households at the 4,000 KD and above bracket in Wave 4 against 1.2 percent of non-Kuwaiti households. Within the citizen population, the Wave 4 Kuwaiti Gini of 32.54 percent places citizen inequality in a moderate range, consistent with the redistributive compression produced by uniform transfer entitlements but also consistent with the graduated intra-citizen gradient the institutional analysis predicts. The citizenship differential in Kuwait is not a homogeneous entitlement uniformly distributed across an undifferentiated citizen category. It is a structured architecture whose channel composition, institutional defences, and intra-citizen gradients are the product of the parliamentary settlement this chapter has documented.

CHAPTER 4 - Qatar

4.1 Introduction and Data Limitations

This chapter documents the Qatar citizenship differential as the second of two empirical cases in a comparative study whose central question is whether parliamentary mediation and emiri concentration produce meaningfully different distributional regimes despite the structural similarities between Kuwait and Qatar as hydrocarbon-dependent Gulf monarchies. Where Chapter 3 established the Kuwait distributional architecture across four longitudinal survey waves spanning more than two decades, this chapter rests on a single cross-sectional source, the Household Expenditure and Income Survey (HEIS) conducted by the Qatar Statistics Authority (QSA) and published in July 2008 under the title “Analytical Summary”, a designation that is itself analytically significant, as it signals that the publicly available document is a summary bulletin rather than the full microdata publication. To the best of this study's knowledge, this is the only HEIS bulletin for Qatar that is publicly and accessibly published in a bilingual English-Arabic format. Prior surveys in the series, conducted in 1982/83, 1988, and 2000/01 exist in the QSA's records but are not available. This data constraint directly shapes the comparative design. Chapter 5 uses the 2006/07 Qatar survey alongside the 2007/08 Kuwait wave as the temporal anchor for the cross-country comparison, a pairing chosen because the two surveys are the closest available in time across the two countries and because their survey periods overlap sufficiently. The Qatar survey runs from approximately March or April 2006 to April 2007 and the Kuwait wave covers 2007/08 to permit a meaningful distributional comparison under broadly comparable oil price and macroeconomic conditions. The choice of this pairing is not a claim of full methodological equivalence between a single cross-section and one wave of a longitudinal series; it is a best available approximation whose limitations this chapter states explicitly.

4.2 Survey Design and Sample Composition

The HEIS 2006/07 covers all households meeting the QSA's definition of a resident family across all municipalities and areas of Qatar. One exclusion carries particular analytical weight. Workers living in labour camps and compounds are explicitly excluded from the survey scope because, in the QSA's formulation, the definition of family does not apply to them (QSA, 2008, p.11). The

bulletin does not document the size of this excluded population. What it confirms is that among the 64,885 Non-Qatari family households captured in the survey, 34.1 percent live in employer-provided accommodation, a figure that itself reflects only the family-resident segment of Qatar's expatriate workforce (QSA, 2008, p.39). Every multiplier reported in this chapter should be read as a lower bound. This study treats the exclusion not as a limitation but as a finding consistent with the study's institutional argument, which acknowledges that data opacity in Qatar is endogenous to the emiri concentration of distributional authority rather than incidental to it.

The HEIS 2006/07 carries additional data limitations that must be stated explicitly before the evidence is presented. First, the survey covers a single cross-section and permits no trend analysis. The distributional patterns this chapter documents reflect one year only and cannot be assumed to be representative of Qatar's distributional architecture across the broader period in which the citizenship differential evolved. Second, the bulletin does not publish a sectoral employment breakdown equivalent to the Kuwait CSB's government and private sector per-earner decomposition, which limits the Channel 1 analysis to household-level wage aggregates without the within-sector granularity available for Kuwait. Third, the bulletin does not publish income-based Gini coefficients. The Gini coefficients reported for Qatari (0.355) and non-Qatari (0.375) households are expenditure-based, making them not directly comparable with the income-based Gini published for Kuwait in Wave 4. Fourth, the survey period is stated inconsistently within the bulletin itself, the Preface (p.5) gives March 2006 to April 2007 while the Introduction (p.6) gives April 2006 to April 2007. This study uses the Introduction's formulation of April 2006 to April 2007 but flags the discrepancy as a source-level ambiguity. Fifth, the bulletin provides no breakdown of government transfers by type equivalent to the Kuwait CSB's pension and current transfer decomposition, which limits the Channel 3 analysis to a single aggregate government transfer figure. Sixth, the QSA microdata underlying this bulletin is not publicly deposited in any international repository, meaning that the quintile-level intra-citizen distributional analysis Hertog (2020) performs using a World Bank advisory report based on 2013 HIES data cannot be replicated for 2006/07 from any publicly accessible source.

The chapter decomposes the citizenship differential across five institutional channels, namely, employment, asset income, government transfers, subsidies, and legal restrictions on non-citizens following the same analytical framework applied to Kuwait in Chapter 3. The Qatar survey was

conducted in Qatari Riyals (QR) throughout, and all figures in this chapter are reported in QR per household per month unless otherwise stated. No conversion to Kuwaiti Dinar is performed within this chapter; the cross-country comparison in Chapter 5 addresses currency comparability explicitly. The chapter proceeds as follows. It opens with survey design and population coverage before presenting the income decomposition by source for Qatari and Non-Qatari households. The five-channel analysis follows, drawing on the expenditure tables, housing tenure data, and income distribution tables published in the QSA bulletin. An intra-population inequality section examines the Gini coefficients and quintile expenditure shares published for each population separately. The quantitative evidence is followed by a qualitative analysis that draws on institutional sources to establish the connections between the distributional patterns and the political arrangements that produce them, with particular attention to how Qatar's emiri concentration of distributional authority has shaped the specific form each channel takes. The chapter closes with a summary of all channel multipliers and a statement of the principal empirical findings, which feeds directly into the comparative analysis of Chapter 5.

Throughout this chapter, cross-population comparisons are expressed as multipliers following the same analytical convention established in Chapter 3. A multiplier of 2.72 means that a Qatari household received 2.72 times the income of a non-Qatari household in the same survey period. The QSA bulletin does not adopt this convention. Where the bulletin makes comparative statements it expresses values as percentages or as ratios. This study's multiplier form is preferred because it is more legible when the gap exceeds twice the baseline and because it sustains a single unit of comparison across both countries without requiring the reader to invert the ratio. All underlying raw values appear in the data tables throughout this chapter.

As for imputed rent, the estimated rental value assigned to owner-occupied or employer-provided housing is treated on both the income and expenditure sides of the Qatar survey simultaneously, a treatment that differs from the wave-by-wave variation documented for Kuwait. The QSA bulletin records an estimated rent of QR 9,340 per month for Qatari households occupying owner-occupied residences, a figure that reflects the 74.7 percent ownership rate among Qatari households, and embeds this value in both total household income and total household expenditure as a simultaneously recorded item (QSA, 2008, p.38). For non-Qatari households in employer-provided accommodation, approximately 34.1 percent of the non-Qatari sample, which is an

estimated rent of QR 1,834 per month, is similarly recorded on both sides (QSA, 2008, p.38). The effect is that the published overall income multiplier of 2.72 and expenditure multiplier of 3.06 both include imputed rent components on both sides of the comparison, making the without-imputed-rent specification a derived estimate rather than a directly published figure. Where the without-imputed-rent specification is presented, it is clearly labelled as derived and its construction is disclosed in the relevant table footnote. This study does not estimate or model any imputed rent figure beyond what can be directly read from or arithmetically derived from the published QSA bulletin tables.

Quantitative data:

Table QA.0

Survey Design and Sample Composition

Parameter	Detail	Qatari Sample	Non-Qatari Sample
SURVEY DESIGN AND SAMPLE COMPOSITION			
Survey period (Introduction, p.6)	April 2006 - April 2007	—	12 months
Survey period (Preface, p.5) ^a	March 2006 - April 2007	—	Discrepancy within bulletin
Published	July 2008	—	QSA
Survey title	Analytical Summary	—	Summary bulletin, not full microdata
Survey number in series (p.5)	4th (prior: 1982/83, 1988, 2000/01)	—	—
Total households sampled (pp.16, 27)	94,143	29,258	64,885
Share of sample	100%	31.1%	68.9%

Compound workers excluded (p.11)	Analytically significant	N/A	Affects Non-Qatari lower bound
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Source: Qatar Statistics Authority, 2008, Household Expenditure and Income Survey 2006/2007: Analytical Summary. Doha: QSA. Survey period: Preface p.5, Introduction p.6. Sample sizes: Qatari expenditure distribution table p.16; Non-Qatari expenditure distribution table p.27. Compound workers exclusion: Scope of Survey p.11.

^a The survey period is stated inconsistently within the bulletin. The Preface (p.5) gives March 2006 - April 2007; the Introduction (p.6) gives April 2006 - April 2007. This study uses the Introduction's formulation throughout but flags the discrepancy as a source-level ambiguity.

^b Workers living in labour camps and compounds are explicitly excluded because the definition of family does not apply to them (p.11). This exclusion disproportionately affects the lowest-wage Non-Qatari workers. The published Non-Qatari income figure is therefore a conservative upper bound. Every multiplier in this chapter is a lower bound on the true citizenship differential.

Table QA.1 - Average Monthly Household Income by Source (QR/household/month)

4.3 Income Decomposition by Source

Channels 1, 2, 3 - Income Decomposition

Income Source	Qatari HH/month (QR)	Non-Qatari Household/month (QR)	Multiplier (Qatari/Non- Qatari)
CHANNELS 1, 2, 3 - AVERAGE MONTHLY HOUSEHOLD INCOME BY SOURCE			
Wages and salaries [Ch.1]	23,502 (56.7%)	14,625 (95.9%)	1.61×
Net income from enterprises and private business [Ch.2]	13,690 (33.0%)	529 (3.5%)	25.88×
Income from profit and interest [Ch.2]	1,552 (3.7%)	62 (0.4%)	25.03×
Combined asset income [Ch.2]	15,242	591	25.79×
Current transfers from government [Ch.3]	2,504 (6.0%)	10 (0.1%)	250.4×

Current transfers from others [Ch.3]	222 (0.5%)	20 (0.1%)	11.1×
Total transfers [Ch.3]	2,726	30	90.9×
Other incomes	13 (0.0%)	3 (0.0%)	4.3×
Total household income (with imputed rent)	41,483	15,249	2.72×
Per-individual expenditure (with imputed rent) ^c	4,335.55	2,903.84	1.49×

Source: Qatar Statistics Authority, 2008, Qatari income by source: p.54. Non-Qatari income by source: p.59. Per-individual expenditure: Qatari p.21; Non-Qatari p.32.

^a Qatari enterprise income (QR 13,690) is recorded simultaneously as income and expenditure including estimated rent for owner-occupied dwellings (QR 9,340, p.38). Without imputed rent, Qatari enterprise income $\approx$ QR 4,350 and the overall income multiplier without IR $\approx$ 2.40×

^b Non-Qatari enterprise income (QR 529) reflects family-resident expatriates only. Compound workers are excluded from the survey (p.11).

^c Per-individual figures are expenditure not income: Qatari QR 4,335.55 (p.21); Non-Qatari QR 2,903.84 (p.32). No per-individual income figure is published separately in the bulletin. Derived household sizes: Qatari $40,757/4,335.55 = 9.40$ members; Non-Qatari $13,329/2,903.84 = 4.59$ members

Table QA.2

Average Monthly Household Expenditure by COICOP Section (QR/household/month)

Channel 4 - Subsidies and In-Kind Benefits

Expenditure Category (COICOP)	Qatari HH/month (QR)	Non-Qatari Household/month (QR)	Multiplier (Qatari/Non-Qatari)
CHANNEL 4 - AVERAGE MONTHLY HOUSEHOLD EXPENDITURE BY COICOP SECTION			

Food, beverages and tobacco	4,584 (11.2%)	1,836 (13.8%)	2.50×
Clothing and footwear	2,525 (6.2%)	579 (4.3%)	4.36×
Housing, water, electricity and fuels [incl. imputed rent]	11,937 (29.3%)	4,104 (30.8%)	2.91×
of which: estimated rent - owned dwellings (imputed rent)	9,340 (78.2% of housing)	18 (0.4% of housing)	518.9×
of which: monthly paid rent	563 (4.7%)	1,874 (45.7%)	0.30×
of which: employer-provided housing	475 (4.0%)	1,834 (44.7%)	0.26×
of which: water consumption [Ch.4 subsidy]	0 (0.0%)	121 (2.9%)	∞ — Qatari pay nothing
of which: electricity consumption [Ch.4 subsidy]	0 (0.0%)	201 (4.9%)	∞ — Qatari pay nothing
Furnishing, household equipment, domestic services	4,053 (9.9%)	614 (4.6%)	6.60×
of which: domestic services	1,508 (37.2% of group)	140 (22.8% of group)	10.77×
Health services and care	882 (2.2%)	198 (1.5%)	4.45×
Transportation	5,608 (13.8%)	1,889 (14.2%)	2.97×
Culture, entertainment and leisure	1,882 (4.6%)	368 (2.8%)	5.11×
Education	1,509 (3.7%)	1,333 (10.0%)	1.13×
Hotels, tourism and travel	1,408 (3.5%)	453 (3.4%)	3.11×
Miscellaneous goods and services	5,433 (13.3%)	1,295 (9.7%)	4.19×
Transfers (outgoing)	936 (2.3%)	660 (5.0%)	1.42×
Total expenditure (with imputed rent)	40,757	13,329	3.06×

Total expenditure (without imputed rent - Qatari side only)	31,417	13,329	2.36×
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Source: Qatari expenditure breakdown: p.20. Non-Qatari expenditure breakdown: p.31. Housing sub-items: p.38. Domestic services sub-item: p.40. Water/electricity free provision confirmed: p.38.

^a Water and electricity: the bulletin confirms 'expenditure on water and electricity by Qatari households is absent, because the State of Qatar provides support to them in the form of free water and electricity' (p.38). Zero entries are confirmed zero charges not missing data.

^b Education multiplier of 1.13× reflects near-equivalent absolute expenditure: QR 1,509 (Qatari, 3.7% of total) vs QR 1,333 (Non-Qatari, 10.0% of total). Qatari children access free state education; Non-Qatari children predominantly attend private schools at full market cost. The burden as a share of income is nearly 3× higher for Non-Qatari households.

^c Non-Qatari outgoing transfers (QR 660, 5.0% of total) primarily represent remittances. Their share is more than twice the Qatari outgoing transfer share (2.3%).

Table QA.3

Household Distribution by Monthly Expenditure Bracket

Cross-Population Expenditure Distribution and Population Separation

Expenditure Bracket (QR/month)	Qatari households	Qatari %	Non-Qatari households	Non-Qatari %
HOUSEHOLD EXPENDITURE DISTRIBUTION - POPULATION SEPARATION				
Less than 5,000	24	0.1%	8,837	13.6%
5,000 to less than 10,000	683	2.3%	22,848	35.2%
10,000 to less than 20,000	5,868	20.1%	22,492	34.7%
20,000 to less than 30,000	7,690	26.3%	6,144	9.5%
30,000 to less than 40,000	5,432	18.6%	2,434	3.8%

40,000 to less than 50,000	3,360	11.5%	1,215	1.9%
More than 50,000	6,201	21.2%	915	1.4%
Total	29,258	100%	64,885	100%
KEY DISTRIBUTIONAL FINDINGS				
Below QR 10,000/month	707	2.4%	31,685	48.8%
Above QR 30,000/month ^a	14,993	51.3%	4,564	7.0%
Above QR 40,000/month ^b	9,561	32.7%	2,130	3.3%
Above QR 50,000/month	6,201	21.2%	915	1.4%

Source: Qatari expenditure distribution: p.16. Non-Qatari expenditure distribution: p.27. Bulletin narrative confirming 3.3% above QR 40,000: p.27.

^a Non-Qatari above QR 30,000: 2,434 + 1,215 + 915 = 4,564 (4,564/64,885 = 7.03% ≈ 7.0%).

^b The bulletin's own narrative (p.27) states: "the category with higher than QR 40,000 a month constituted 3.3%" confirming 2,130/64,885 = 3.3% for the above QR 40,000 bracket. Qatari above QR 40,000: 3,360 + 6,201 = 9,561 (9,561/29,258 = 32.67% ≈ 32.7%).

Table QA.4 - Household Distribution by Housing Tenure

Channel 5 Restrictions: Ownership, Rental, Employer and Government Accommodation

Housing Tenure	Qatari households	Qatari %	Non-Qatari households	Non-Qatari %
CHANNEL 5 - RESTRICTIONS: HOUSING TENURE 2006/07				
Ownership (private)	21,848	74.7%	107	0.2%
Rental	4,816	16.5%	42,614	65.7%

Government accommodation	2,295	7.8%	11,242	17.3%
Company/employer accommodation	226	0.8%	10,921	16.8%
Others	73	0.2%	0	0.0%
Total	29,258	100%	64,885	100%

Source: Housing tenure table: p.39. Qatari ownership narrative and imputed rent QR 9,340: p.38. Non-Qatari employer housing 34.1% narrative: p.39. Non-Qatari employer housing QR 1,834: p.38. Water/electricity free provision: p.38.

^a Qatari ownership rate 74.7% ($21,848/29,258 = 74.67\%$) confirmed. Average estimated rent for owned residences: QR 9,340/month (p.38). Bulletin confirms: “about 74.7% of Qatari households own their residences. The average rent value of the owned residence was estimated to be QR 9,340” (p.38).

^b Non-Qatari ownership 0.2% ($107/64,885 = 0.165\%$), effectively zero. Non-Qatari employer/government accommodation combined: $10,921 + 11,242 = 22,163$ households (34.1% of Non-Qatari sample). Bulletin confirms: “Approximately 34.1% of expatriate households live in housing units provided by the employer” (p.39). Estimated rent for employer-provided dwellings: QR 1,834/month (p.38).

^c Water and electricity provided free to Qatari households by the state (p.38). Non-Qatari pay QR 121 (water) and QR 201 (electricity) per month (p.38).

Table QA.5

Household Distribution by Monthly Income Bracket

Income Distribution - Qatari and Non-Qatari

Income Bracket (QR/month)	Qatari households	Qatari %	Non-Qatari households	Non-Qatari %
HOUSEHOLD INCOME DISTRIBUTION 2006/07				
Less than 5,000	0	0.0%	7,474	11.5%
5,000 to less than 10,000	364	1.2%	16,821	25.9%

10,000 to less than 20,000	3,349	11.4%	23,409	36.1%
20,000 to less than 30,000	6,074	20.8%	10,143	15.6%
30,000 to less than 40,000	6,759	23.1%	3,933	6.1%
40,000 to less than 50,000	4,760	16.3%	1,933	3.0%
More than 50,000	7,952	27.2%	1,172	1.8%
TOTAL	29,258	100%	64,885	100%
KEY INCOME DISTRIBUTION FINDINGS				
Below QR 5,000/month	0	0.0%	7,474	11.5%
Below QR 10,000/month	364	1.2%	24,295	37.4%
Above QR 40,000/month	12,712	43.5%	3,105	4.8%

Source: Qatari income distribution: p.53. Non-Qatari income distribution: p.58. Qatari narrative: p.53. Non-Qatari narrative: p.58.

Qatari: 0 households below QR 5,000/month. 98.8% earn above QR 10,000/month. 43.5% earn above QR 40,000/month. Confirmed by bulletin narrative (p.53): “98.8% of Qatari households have a monthly income more than QR 10,000 and that 43.5% of Qatari households have a monthly income of more than QR 40,000.”

Non-Qatari: 37.4% fall below QR 10,000/month (24,295/64,885). These figures cover family-resident expatriates only. Compound-resident workers would shift the Non-Qatari lower-bracket share substantially higher. Bulletin narrative (p.58): “88.5% of expatriate households had a monthly income over QR 5,000 and 62.6% had a monthly income of more than QR 10,000.”

Table QA.6

4.4 Intra-Group Inequality, Where Measurable

Gini Coefficients, Q5/Q1 Ratios, Lorenz Curve Data (Expenditure-Based)

Measure	Qatari	Non-Qatari
INTRA-POPULATION INEQUALITY (EXPENDITURE-BASED)		
Gini coefficient (expenditure-based)	0.355 (35.5%)	0.375 (37.5%)
Poorest 20% expenditure share	17.0% (p.23)	28.0% (p.33)
Richest 20% expenditure share	43.0% (p.23)	43.0% (p.33)
Q5/Q1 expenditure ratio	2.5× (p.23)	1.5× (p.33)
Average monthly household expenditure	QR 40,757 (p.20)	QR 13,329 (p.31)
Average household size (members) ^a	9.40	4.59
Per-capita monthly expenditure	QR 4,335.55 (p.21)	QR 2,903.84 (p.32)

Source: Qatari Gini: p.22. Qatari Q5/Q1 ratio and ratio table: p.23. Non-Qatari Gini: p.33. Non-Qatari Q5/Q1 and shares: p.33. Per-capita expenditure: Qatari p.21; Non-Qatari p.32.

^a Household sizes derived: Qatari 40,757 / 4,335.55 = 9.40 members; Non-Qatari 13,329 / 2,903.84 = 4.59 members

^b Non-Qatari Gini of 0.375 confirmed from p.33: Arabic text states “وبحساب معامل جيني للأسر غير القطرية وجد أنه = 0.375” (The Gini coefficient for Non-Qatari households was found to be 0.375). The Non-Qatari Gini of 0.375 exceeds the Qatari Gini of 0.355, indicating greater expenditure inequality within the Non-Qatari population, consistent with its diverse composition across skill levels, nationalities, and income sources.

^c Qatari Q5/Q1 ratio of 2.5: bulletin states ratio of richest 20% to poorest 20% is 2.5 (formula inverted in bulletin but result confirmed: 43.0/17.0 = 2.53 ≈ 2.5). Ratio table confirmed on p.23. Non-Qatari Q5/Q1 ratio of 1.5: bulletin states ratio = 1.5 (43/28 = 1.536 ≈ 1.5, p.33). Non-Qatari poorest 20% share = 28% and richest 20% share = 43% confirmed from Arabic text on p.33.

^d Neither Gini coefficient is income-based. Both are expenditure-based and are therefore not directly comparable with the income-based Gini published for Kuwait in Wave 4 (Kuwaiti Gini 32.54%, Non-Kuwaiti Gini 35.97%).

Table QA.7

Income Source Composition - Structural Contrast

Income Structure: Wage Dependence vs Diversified Income

Income Source	Qatari QR	Qatari %	Non-Qatari QR	Non-Qatari %
INCOME SOURCE COMPOSITION - STRUCTURAL CONTRAST				
Wages and salaries [Ch.1]	23,502	56.7%	14,625	95.9%
Enterprise / business income [Ch.2]	13,690	33.0%	529	3.5%
Profit and interest [Ch.2]	1,552	3.7%	62	0.4%
Government transfers [Ch.3]	2,504	6.0%	10	0.1%
Other transfers [Ch.3]	222	0.5%	20	0.1%
Other incomes	13	0.0%	3	0.0%
Total	41,483	100%	15,249	100%

Source: Qatari income source shares: p.54. Non-Qatari income source shares: p.59. All percentage values including 0.4%, 0.1%, 0.1%, 0.0%, 100% for Non-Qatari: p.59.

Structural contrast: Non-Qatari income is 95.9% wages with near-complete dependence on employment income with 0.1% government transfers. Qatari income is diversified: wages 56.7%, enterprise income 33.0%, government transfers 6.0%. The two income structures reflect fundamentally different relationships to the state's distributional channels, with Qatari households accessing multiple income sources and Non-Qatari households concentrated almost entirely in the wage channel.

Table QA.8 Citizenship Differential Summary (All Channels)

Key multipliers by channel

Channel / Measure	Qatari (QR)	Non-Qatari (QR)	Multiplier	Notes
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CITIZENSHIP DIFFERENTIAL SUMMARY - QATAR HEIS 2006/07				
Household income (with imputed rent)	41,483	15,249	2.72×	Primary income multiplier p.54, p.59
Household income (without imputed rent in both sides) ^a	32,143	13,415	~2.40×	Derived estimate — imputed rent stripped from both sides
Household expenditure (with IR)	40,757	13,329	3.06×	Primary expenditure multiplier p.20, p.31
Household expenditure (without imputed rent for Qataris only) ^a	31,417	13,329	2.36×	Derived: 40,757 – 9,340 p.20, p.38
Per-capita expenditure	4,336	2,904	1.49×	Household size: 9.40 (Qatari) vs 4.59 (Non-Qatari) p.21, p.32
Ch.1 : Wage income (Household)	23,502	14,625	1.61×	Lowest channel multiplier p.54, p.59
Ch.2 : Asset income (enterprise + profit)	15,242	591	25.79×	Includes imputed rent QR 9,340 p.54, p.59
Ch.3 : Government transfers	2,504	10	250.4×	Non-Qatari receives almost nothing p.54, p.59
Ch.3 : Total transfers (government + other)	2,726	30	90.9×	Derived: 2,726/30 p.54, p.59
Ch.4 : Water (monthly)	0 QR	121 QR	0×	Qatari pay nothing p.38
Ch.4 : Electricity (monthly)	0 QR	201 QR	0×	Qatari pay nothing p.38
Ch.5 : Homeownership rate	74.7%	0.2%	Near-total exclusion	21,848 vs 107 households p.39

Qatari Gini (expenditure-based)	0.355	0.375	Non-Qatari > Qatari	Qatari: p.22 Non- Qatari: p.33 Both expenditure-based
Q5/Q1 expenditure ratio	2.5×	1.5×	Qatari more unequal	Qatari: p.23 (43/17) Non- Qatari: p.33 (43/28)

Source: All figures derived from Qatar Statistics Authority, 2008, Household Expenditure and Income Survey 2006/2007: Analytical Summary. Doha: QSA. July 2008. Page references shown per row.

^a Without-imputed rent figures are derived estimates not directly published. Qatari imputed rent= QR 9,340 (p.38); Non-Qatari employer housing = QR 1,834 (p.38). The income multiplier of 2.72 and expenditure multiplier of 3.06 both include imputed rent components on both sides and represent the published figures.

Data limitation: Every multiplier in this table covers family-resident Non-Qatari households only. Compound-resident workers are excluded from the survey scope (p.11).

Quantitative analysis:

The 2006/07 Qatar Household Income and Expenditure Survey, published by the Qatar Statistics Authority in 2008, produces a citizenship differential of 2.72× on the household income measure that includes imputed rent, and 3.06× on the household expenditure measure that includes imputed rent. Excluding imputed rent from both sides of the income comparison narrows the income multiplier to approximately 2.40×, and removing imputed rent from the Qatari side of the expenditure comparison produces an expenditure multiplier of 2.36×. The per-capita expenditure multiplier, which controls for the difference in average household size between the two populations (Qatari; Non-Qatari), stands at 1.49×. Each of these measures captures a different dimension of the same distributional structure, and none alone is sufficient. The imputed rent-inclusive figures establish the full institutional differential; the imputed rent-exclusive figures isolate the earned and transferred income gap; the per-capita figure controls for household composition and brings the interpersonal comparison into view. All four specifications are presented throughout this section, with the analytical emphasis on understanding what each reveals about the five channels through which the differential is constructed. The source for all figures in

this section is the Qatar Statistics Authority Household Income and Expenditure Survey 2006/07 bulletin (QSA 2008). All multipliers are expressed as Qatari divided by Non-Qatari. A multiplier of 2.72 means that a Qatari household received 2.72 times the income of a Non-Qatari household in the same survey period. The absence of a per-earner analysis in this cross-section, which limits comparison with the Kuwait per-earner multipliers reported in Chapter 3, is addressed in each channel section where it is most consequential.

4.5 The Five Channels

4.5.1 Channel 1 - Employment

Wage income is the dominant income source for both populations in the 2006/07 survey, but the degree of that dominance differs substantially between them, and the difference is analytically significant. Among Qatari households, wages account for 56.7 percent of total household income; among Non-Qatari households, the share reaches 95.9 percent (QSA, 2008, p. 54 [Qatari]; p. 59 [Non-Qatari]). The structural contrast is pronounced. Non-Qatari households in Qatar are almost entirely dependent on wage employment as a source of income. Qatari households, by contrast, derive over two-fifths of their income from sources other than wages, principally enterprise income and government transfers which themselves carry multipliers far in excess of the wage multiplier. The wage income multiplier stands at $1.61\times$, with Qatari households receiving QR 23,502 per month against QR 14,625 for Non-Qatari households. This is the lowest channel multiplier in the Qatar data. Employment income, despite its centrality to the Non-Qatari income base, produces a smaller differential than asset income, government transfers, or the restrictions channel considered individually.

Two data limitations restrict the employment analysis relative to what was possible in the Kuwait cross-sections. First, the 2006/07 bulletin does not publish per-earner income figures for Qatar. The Kuwait analysis reported in Chapter 3 systematically presents per-earner multipliers ($1.92\times$ in Wave 1 and $1.96\times$ in Wave 2) which reveal the within-employment wage differential at the individual level rather than at the household aggregate level. That disaggregation is not replicable from the Qatar bulletin, where earner counts by nationality are not stated in a form that allows a per-earner derivation consistent with the Kuwait methodology. The household-level wage

multiplier of $1.61\times$ is therefore the ceiling of what the data support, and it cannot be decomposed into a per-earner wage differential and a difference in earner numbers per household. Second, the bulletin provides no sectoral breakdown of wage income by employment sector, which in Kuwait Wave 2 allowed the government-sector multiplier ($1.83\times$) and the private-sector multiplier ($2.94\times$) to be distinguished. In Qatar, the absence of sectoral decomposition means that the structural concentration of Qatari earners in the public sector cannot be separately quantified from the published data. These two limitations are noted here because they constrain the comparability of the Qatar employment channel with its Kuwait counterpart, and they are addressed in the Chapter 5 comparative analysis where the two cases are brought into direct juxtaposition.

Within the constraints of the available data, the $1.61\times$ wage multiplier carries a specific analytical implication. It is the only multiplier in the Qatar income decomposition that falls below 2. All other income channels produce differentials of an order of magnitude larger (the asset income channel at $25.79\times$, the government transfer channel at $250.4\times$) which means that the overall household income multiplier of $2.72\times$ is driven not primarily by the employment channel but by the concentration of non-wage income among Qatari households. Employment generates the largest absolute income component for both populations, but its contribution to the citizenship differential is modest relative to the other channels. This compositional asymmetry is the first key finding of the Qatar quantitative analysis as the employment channel accounts for the majority of Non-Qatari income (95.9 percent) while contributing a disproportionately small share of the citizenship differential.

4.5.2 Channel 2 - Asset Income

The asset income channel produces the second largest multiplier in the Qatar income data at $25.79\times$, with Qatari households receiving QR 15,242 per month from combined enterprise and profit income against QR 591 for Non-Qatari households (QSA, 2008, p. 54 [Qatari]; p. 59 [Non-Qatari]). The bulletin disaggregates this into two components. Enterprise income produces a multiplier of $25.88\times$, with Qatari households receiving QR 13,690 per month (33.0 percent of total income) against QR 529 for Non-Qatari households (3.5 percent). Profit and interest income produces a multiplier of $25.03\times$, with Qatari households receiving QR 1,552 per month (3.7 percent of income) against QR 62 for Non-Qatari households (0.4 percent). The near-identity of

the two sub-channel multipliers at approximately $25\times$ indicates that Non-Qatari households are effectively absent from both forms of asset income in roughly equal measure.

The Qatari enterprise income figure requires careful interpretation because it includes imputed rent on owner-occupied housing. The bulletin records imputed rent for Qatari households at QR 9,340 per month (QSA, 2008, p. 38), which is embedded within the enterprise income line. Removing this component from the Qatari asset income figure leaves an enterprise income figure of approximately QR 4,350 per month (QR 13,690 minus QR 9,340). Without imputed rent, and retaining profit and interest income on both sides, the cleaner asset multiplier is approximately $8.4\times$ (QR 4,350 plus QR 1,552 for Qatari, against QR 591 for Non-Qatari). This figure represents the return to business enterprise and financial assets net of the housing ownership differential, which is separately quantified in the Channel 5 section below. The two specifications, $25.79\times$ inclusive of imputed rent and $8.4\times$ exclusive of it, are not interchangeable. The imputed rent-inclusive figure reflects the total economic advantage flowing through the asset channel, including the imputed benefit of owning rather than renting residential property. The imputed rent-exclusive figure isolates the business and financial asset differential independently of housing.

The near-total exclusion of Non-Qatari households from asset income mirrors the pattern documented in the Kuwait data at Wave 2, where Non-Kuwaiti non-financial asset income stood at 0.183 KD per month against a Kuwaiti figure of 52.322 KD, producing a multiplier of $286\times$. The Qatar equivalent, while measured differently because imputed rent is embedded in the enterprise line rather than reported separately, produces an imputed rent benefit that flows almost entirely to one population. Of 64,885 Non-Qatari households in the survey, 107 (0.2 percent) own residential property (QSA, 2008, p. 39).

4.5.3 Channel 3 - Government Transfers

Government transfers produce the most extreme channel multiplier in the Qatar data at $250.4\times$, with Qatari households receiving QR 2,504 per month from this source against QR 10 for Non-Qatari households (QSA 2008, p. 54 [Qatari]; p. 59 [Non-Qatari]). Government transfers account for 6.0 percent of total Qatari household income and effectively zero percent of Non-Qatari household income. The other transfers sub-category, which covers private remittances, family transfers, and other non-government transfer sources. They produce a multiplier of $11.1\times$, with

Qatari households receiving QR 222 per month against QR 20 for Non-Qatari households. The total transfer multiplier across both sub-categories stands at 90.9×, with Qatari households receiving QR 2,726 per month in transfers combined against QR 30 for Non-Qatari households.

What is determinate from the data is that Non-Qatari households receive effectively no government transfers in the institutional sense of the term, the state distribution of cash transfers, pensions, and allowances that constitutes 6.0 percent of Qatari household income reaches the Non-Qatari population at a level that is functionally zero. The absence of a transfer breakdown by type (marriage allowances, child allowances, housing allowances, pension) is a limitation of the Qatar bulletin relative to institutional sources that document these programmes qualitatively.

The 250.4× government transfer multiplier is materially larger than its Kuwait counterpart. The Kuwait Wave 2 (2007/08) government transfer multiplier, reported in Table W2.1 (Appendix A), stands at 88.0×, with Kuwaiti households receiving 532.443 KD per month against 6.051 KD for Non-Kuwaiti households. Qatar's government transfer channel is therefore approximately 2.8 times more extreme than Kuwait's on a multiplier basis for the closest temporal comparison available.

4.5.4 Channel 4 - Subsidies

The subsidy channel in Qatar displays a pattern of state provision whose scale and structure differ from Kuwait in one analytically critical respect. Qatari households pay nothing for water or electricity. The bulletin records Qatari household expenditure on water at QR 0 per month and on electricity at QR 0 per month (QSA, 2008, p. 20). Non-Qatari households, by contrast, spend QR 121 per month on water and QR 201 per month on electricity, a combined utility expenditure of QR 322 per month that Qatari households avoid entirely (QSA, 2008, p. 31). The resulting multiplier for both sub-channels is 0×, not because the ratio is undefined, but because the Qatari numerator is zero. This is the only multiplier in the Qatar data below 1, and it is not merely an inversion of the kind observed in the education channel in Kuwait; it is an absolute zero that renders the ratio undefined and signals state provision of a kind that eliminates the category of expenditure from the citizen household's budget entirely.

The aggregate expenditure multiplier including imputed rent stands at 3.06 $\times$, with Qatari households spending QR 40,757 per month against QR 13,329 for Non-Qatari households (QSA, 2008, Qatari p. 20; Non-Qatari p. 31). Removing imputed rent from the Qatari expenditure side narrows the multiplier to 2.36 $\times$ (QR 31,417 against QR 13,329). The gap between the two specifications, 3.06 $\times$ and 2.36 $\times$, is a direct measure of the housing ownership differential's contribution to the expenditure. The 0.70-multiplier difference is attributable entirely to the QR 9,340 per month in imputed rent that accrues to Qatari owner-occupied households and does not appear in the Non-Qatari expenditure figure.

Education produces the most analytically distinctive finding within the subsidy channel. Non-Qatari households spend QR 1,333 per month on education, accounting for 10.0 percent of their total expenditure. Qatari households spend QR 1,509 per month on education, a larger absolute amount, but this represents only 3.7 percent of total Qatari expenditure (QSA, 2008, Qatari p. 20; Non-Qatari p. 31). The expenditure ratio (1.13 $\times$) is marginally above parity, meaning Qatari households spend more in absolute terms on education while bearing a substantially smaller proportional burden. The mechanism is the same as observed in Kuwait Wave 1 and Wave 2. Qatari children access state schools at zero direct charge, while Non-Qatari families must purchase equivalent provision in the private market. The 10.0 percent budget share of education for Non-Qatari households against 3.7 percent for Qatari households is a concrete measure of the private cost imposed by the structure of the education subsidy, a cost that falls exclusively on non-citizens.

Healthcare expenditure documents a further subsidy asymmetry. Qatari households spend QR 882 per month on health, against QR 198 for Non-Qatari households (QSA, 2008, Qatari p. 20; Non-Qatari p. 31). The multiplier of 4.45 $\times$ at first suggests higher Qatari healthcare consumption, but the mechanism is different from what the expenditure ratio implies. Qatari citizens access state healthcare facilities at subsidised or zero cost; Non-Qatari residents are required to hold private health insurance and bear a larger share of direct medical costs. The expenditure differential reflects both differential access to free state provision and differential out-of-pocket exposure to private sector pricing.

4.5.5 Channel 5 - Restrictions

The restrictions channel is directly quantified in the 2006/07 Qatar data through housing tenure data that the bulletin publishes for both populations. Of 29,219 Qatari households in the survey, 21,848 (74.7 percent) own their dwelling. Of 64,885 Non-Qatari households, 107 (0.2 percent) own their dwelling (QSA, 2008, Qatari tenure p. 39; Non-Qatari tenure p. 39). In Kuwait Wave 2 (2007/08), Non-Kuwaiti homeownership is recorded at zero, a complete absence, but the Qatar figure, while statistically near-zero at 0.2 percent, is nonetheless a larger total population (64,885 households) from which that residual emerges.

The tenure distribution among Non-Qatari households documents a rental market dependency that corresponds directly to the asset income exclusion. 65.7 percent of Non-Qatari households are in rental accommodation, with a further 17.3 percent in government-provided accommodation and 16.8 percent in employer-provided accommodation (QSA, 2008, p. 39). The combined share of Non-Qatari households in employer or government accommodation stands at 34.1 percent. Among Qatari households, 7.8 percent are in government accommodation and 0.8 percent in employer accommodation, a combined 8.6 percent against the Non-Qatari 34.1 percent. The remaining 16.5 percent of Qatari households rent, against 65.7 percent of Non-Qatari households.

The distributional consequences of the restrictions channel are directly visible in the imputed rent figures. The QR 9,340 per month in imputed rent embedded in the Qatari enterprise income line represents the estimated rental value of owner-occupied housing, and it flows to Qatari households by virtue of their ownership of residential property. For Non-Qatari households, imputed rent is effectively zero, reflecting ownership at 0.2 percent. Without imputed rent, the overall income multiplier falls from $2.72\times$ to approximately $2.40\times$.

4.6 Income and Expenditure Distribution

The income distribution data confirm that the citizenship differential operates not only through mean income levels but through the separation of the two populations across the income scale. Among Qatari households, zero fall in the income bracket below QR 5,000 per month; among Non-Qatari households, 7,474 (11.5 percent) fall in this bracket (QSA 2008, Qatari p. 16; Non-Qatari p. 27). Below QR 10,000 per month, 364 Qatari households (1.2 percent) are recorded against 24,295 Non-Qatari households (37.4 percent). At the upper end of the distribution, 12,712

Qatari households (43.5 percent) fall in the income bracket above QR 40,000 per month, against 3,105 Non-Qatari households (4.8 percent). The two distributions share only a narrow middle range with meaningful representation from both populations. The effective floor for the Qatari income distribution lies well above the ceiling within which the majority of Non-Qatari households are concentrated.

The expenditure distribution replicates this pattern with similar punctuation. Below QR 10,000 per month in expenditure, 707 Qatari households (2.4 percent) are found against 31,685 Non-Qatari households (48.8 percent), nearly half of the entire Non-Qatari survey population (QSA, 2008, Qatari p. 20; Non-Qatari p. 31). Above QR 30,000 per month, 14,993 Qatari households (51.3 percent) are found against 4,564 Non-Qatari households (7.0 percent). At the uppermost bracket above QR 40,000, 9,561 Qatari households (32.7 percent) appear against 2,130 Non-Qatari households (3.3 percent). The per-capita expenditure multiplier of 1.49 $\times$, which controls for the difference in household size between the two populations, confirms that a substantial differential persists at the individual level even after household composition is accounted for, though it is considerably more conservative than the household-level measure of 3.06 $\times$ inclusive of imputed rent.

Intra-Group Inequality, Where Measurable:

The expenditure-based Gini coefficients published in the 2006/07 bulletin reveal an inequality pattern that runs contrary to the simple expectation that the citizen population would display greater internal equality. The Gini coefficient for Qatari households stands at 0.355; for Non-Qatari households it stands at 0.375, the Non-Qatari population is more internally unequal on the expenditure measure (QSA, 2008, Qatari Gini p. 22; Non-Qatari Gini p. 33). The quintile data are consistent with this finding but add a further nuance. The poorest 20 percent of Qatari households hold 17.0 percent of total Qatari expenditure; the poorest 20 percent of Non-Qatari households hold 28.0 percent of total Non-Qatari expenditure (QSA, 2008, Q5/Q1 table p. 23 [Qatari]; p. 33 [Non-Qatari]). The richest 20 percent of both populations hold approximately 43.0 percent of expenditure in their respective distributions. The Q5/Q1 ratio, the expenditure share of the top quintile divided by the expenditure share of the bottom quintile, stands at 2.5 $\times$ for Qatari households and 1.5 $\times$ for Non-Qatari households.

These figures require careful interpretation. A higher Non-Qatari Gini coefficient of 0.375 against a Qatari Gini of 0.355 does not mean that Non-Qatari households are more prosperous or internally differentiated in the sense that Kuwait's within-citizen inequality reflected the uneven distribution of enterprise and transfer income. The mechanism is different. The Non-Qatari Q5/Q1 ratio of 1.5× is actually lower than the Qatari ratio of 2.5×, which means Non-Qatari expenditure is more compressed across the distribution, not less. The higher Non-Qatari Gini co-exists with a lower Q5/Q1 ratio because the Gini is sensitive to the full distributional shape, not only to the extremes. Non-Qatari expenditure is concentrated in the middle and lower brackets, with a substantial share of households at the bottom and very few at the top. Qatari expenditure spans a wider range, with near-zero presence at the bottom and 43.5 percent of households above QR 40,000 in income. Three further limitations govern the interpretation of the Gini data. First, both Gini coefficients are expenditure-based; no Gini for income distribution is published in the 2006/07 bulletin, which means they are not directly comparable with any income-based Gini reported in the Kuwait HIES series. Second, the compound worker exclusion almost certainly depresses the measured Non-Qatari Gini and the lower-bracket shares, since the workers most likely to record the lowest expenditures are absent from the surveyed population. Third, a single cross-section provides no basis for assessing whether the Qatari–Non-Qatari Gini differential was stable, widening, or narrowing over time, a comparison that Kuwait's longitudinal data support but Qatar's single observation cannot.

4.7 The Institutional Architecture of the Qatar Differential

The qualitative analysis that follows situates these distributional patterns within the institutional architecture that generates them.

Gray argues that the wealthy Gulf states have undergone genuine economic transformation since the 1990s without any corresponding dispersal of political power, a condition he terms late rentierism. In his formulation, the late rentier state has matured beyond the simple allocation model of its classical predecessor, responding to globalization and development pressures while retaining full control over the allocation of wealth and showing no willingness to cede that authority to society (Gray, 2011, p. 19). The distributional patterns documented in the preceding section are consistent with this logic. The 250.4× government transfer multiplier and the elimination of water

and electricity expenditure from the Qatari household budget are not distributional accidents; they reflect a state that retains full control over the allocation of wealth and exercises that control without the mediation of elected institutions.

Qatar's ruling family faced no organised rival groups during state formation, no merchant class with corporate interests, no robust religious establishment, no competing urban constituencies, and was therefore never required to make the concessions to other social actors that in Kuwait produced the parliamentary mediation of distributional decisions, leaving the Al Thanis as the sole organised group competing for power and eliminating the structural conditions under which concessions to broader constituencies might have been extracted (Kamrava, 2013, p. 112). The patronage system that subsequently developed was not created by oil wealth but reinforced by it, with Al Thani patrimonial authority established before the oil era and hydrocarbon revenues deepening existing patterns of personalised rule rather than replacing them with institutional ones, so that the distributional outcomes visible in the survey data are products of a political structure whose foundations predate the rentier period (Kamrava, 2013, p. 130). This concentration of authority produced a constitutional framework that institutionalised rather than constrained emiri power, establishing a parliament structurally subordinate to the emir, subject to his veto, partially filled by his appointment, and lacking the legislative powers that would allow it to contest or reshape the allocation of state resources (Kamrava, 2013, p. 125). The two-thirds Council majority nominally available to override an emiri veto is in practice unachievable since the 15 appointed members, who constitute one third of the Council, are bound to the Emir who appointed them and will not vote against a position he has already rejected; a constitutional gap additionally permits the Emir to suspend indefinitely any draft law he declines to act upon, with no mechanism obliging him to promulgate or return it; and the Supreme Constitutional Court established in 2008 to provide judicial review was suspended immediately upon its president's appointment and has never convened, one constitutional law analyst characterises as destined to be ineffective from its inception (Al-Sayed, 2016, pp. 49-50, 53, 55). Admoni demonstrates that the gap between the 2003 constitutional guarantee of elected representation and the first vote in 2021 reflected a consistent strategy because elections were withheld until the ruling family was satisfied it could manage their outcome, and every step toward electoral participation across the entire period originated from the Emir's decision rather than from any institutional or social pressure capable of enforcing the constitutional provision (Admoni, 2022, pp. 311, 313, 317). The one election held

in 2021 immediately exposed the tribal contestation the eighteen-year delay had sought to avoid since the electoral law's origin requirement excluded members of the Al-Murrah tribe on citizenship grounds rooted in a prior political conflict with the Al-Thani state, the tribe whose 5,000 Al-Ghufran members had been stripped of citizenship in 2005, leading Admoni to conclude that the declared goal of broad participation concealed a governing logic in which the ruling family selected who could participate (Admoni, 2022, pp. 314-315). The Emir himself provided the clearest statement of this institutional logic when he announced a constitutional referendum in October 2024 to abolish elections entirely, declaring that electoral competition had disrupted relations within families and tribes and had taken on an identity-based character the state was not equipped to manage; the referendum passed with 90.6 percent of valid votes in November 2024, returning all Shura Council seats to emiri appointment without generating any institutional or social resistance capable of contesting this reversal (Al-Thani, 2024).

Kamrava applies Brumberg's concept of total autocracy to characterise the resulting system, in which rival political voices are absorbed rather than accommodated, parliament is structurally peripheral, and the priority of the system is not political representation but the generation and controlled distribution of wealth (Kamrava, 2013, p. 126-127). The distributional architecture that follows is comprehensive and citizen-exclusive: water, electricity, education, and healthcare are provided free of charge to Qatari nationals, married couples receive a land grant of at least 600 square metres and an interest-free loan of QR 1.2 million, state employment is guaranteed at a minimum salary of QR 16,000 per month, and the prime minister stated explicitly in 2011 that making Qataris wealthy is the state's primary domestic objective (Kamrava, 2013, p. 131).

Qatar entered the oil era without a politically organised commercial class capable of pressing collective claims on the ruler. The interwar economic crises that consolidated Kuwait's merchant elite drove Qatar's out of the country entirely, leaving only two rival families whose competition for the amir's favour prevented any collective bargaining capacity from forming, so that the terms of the oil-era distributional arrangement were set on the ruler's terms rather than through negotiation (Crystal, 1989, p. 429-430).

The depression that ran from 1925 to 1949 provided the material mechanism behind this structural absence, the exodus of Qatari households across the Peninsula left the commercial landscape

devastated, with the two principal merchant dynasties, Al-Darwish and Al-Mani, financially eliminated before the oil transition began; crucially, the shift from the pearl economy in which the ruler's revenues depended on the active participation of Qatari divers and merchants to a hydrocarbon economy requiring no equivalent social cooperation removed the only structural lever through which society might have pressed distributional claims on the throne (Fromherz, 2017, p. 119). When oil revenues arrived, both rulers and merchants reached an implicit understanding in which economic privilege was exchanged for political withdrawal, but Qatar's merchants, having entered that arrangement from a position of structural weakness, secured no institutional residue from it, while Kuwait's retained a foothold, however progressively diminished in the national assembly (Crystal, 1989, p. 433). The fiscal expression of the resulting asymmetry was immediate and measurable, in 1970, at the opening of the oil era, Qatar's ruling family absorbed 33 percent of total government expenditure, against 2.6 percent in Kuwait, a 13 to 1 differential that reflects not simply a difference in ruling family size but the complete absence in Qatar of any counterweight capable of contesting how hydrocarbon revenues were distributed at the moment of their arrival (Fromherz, 2017, p. 129). The consequence of this asymmetry was a political structure in which, as Crystal observes, the ruler and the state are effectively fused, with no legal or political mechanism capable of constraining how distributional authority is exercised. (Crystal, 1989, p. 440). Crystal concludes that oil did not produce identical political outcomes in the two cases since Kuwait retained the possibility of limited participatory mechanisms because its merchant class had the organisational capacity to press for them, while Qatar's more concentrated form of authority produced distributional consequences that are directly traceable in the 2006/07 household data half a century later (Crystal, 1989, p. 441).

Qatar's distributional regime reflects a deliberate policy orientation that explicitly prioritises citizen welfare at the cost of Non-Qatari wellbeing, with the socioeconomic marginalisation of the migrant population produced by state choice rather than market forces, as visible in the transfer multiplier of $250.4\times$ (Babar, 2015, p. 142). The legal instrument through which this architecture operates is the *kafāla* (the migrant sponsorship system) system, under which every Non-Qatari worker's right to reside and work in Qatar depends entirely on a sponsorship arrangement with a Qatari national, a relationship that prohibits the worker from changing employer, exiting the country, or organising collectively without explicit authorisation, and forecloses any pathway to permanent settlement regardless of the length of stay, thereby structurally reproducing the

conditions of wage dependence, residential precarity, and civic exclusion that the survey data document across all five distributional channels (Babar, 2015, p. 142-143). Beyond the employment relationship itself, Babar documents the exchange of surplus sponsored permits for payment and the extraction of ongoing fees from workers operating outside their formal sponsorship, which are practices through which the legal authority conferred by citizenship is converted into a private income stream, and citizens' economic privileges become embedded in the *kafāla* system as a long-standing mechanism of wealth distribution (Babar, 2015, p. 145). The labour market produced by these arrangements is deeply segmented by design as recruitment policy was structured to allow Qatari nationals to benefit from state provision without competing in the open market, insulating citizens from labour market pressures while the private sector relies almost entirely on Non-Qatari workers. A policy outcome that underlies the 95.9 percent wage dependence of Non-Qatari households and the 56.7 percent share for Qatari households documented in the survey (Babar, 2015, p. 140). Citizens regard access to government employment not as a labour market outcome but as a citizenship entitlement (Babar, 2015, p. 147), and the state has reinforced this expectation through direct emiri intervention, most significantly in 2011, when public sector salaries were raised by 60 percent and military salaries by 120 percent in direct response to regional unrest, a distributional decision made by decree without legislative mediation of any kind (Babar, 2015, p. 152).

Qatar's reforms removed two central pillars of the *kafāla* system, the exit permit that had allowed employers to prevent workers from leaving the country, and the no-objection certificate that had conditioned job changes on employer consent. Furthermore, Law No. 17 of 2020 set the minimum monthly package at QAR 1,800 in total, comprising QAR 1,000 as a basic wage with separate employer contributions of QAR 500 toward accommodation and QAR 300 toward food for workers not provided these directly, marking the first minimum wage standard in the Gulf applicable without discrimination across worker categories (Diop et al., 2024, p. 330-331, 343). Survey evidence collected between September 2020 and January 2021 found that nearly half of Qatari nationals and one third of lower-income expatriate workers reported no familiarity with the legislative changes, one in five blue-collar workers still believed an exit permit was required to leave the country despite its abolition, and workers with some knowledge of the reforms nonetheless held back from asserting them, with the threat of employer reprisal functioning as a practical barrier to formal complaint (Diop et al., 2024, p. 337-338). Despite the reforms, a

worker's right to remain in Qatar continues to depend on their employment relationship, which means employers retain a level of control over workers' legal status that no legislative change has yet removed. The reforms adjusted specific rules without altering the underlying condition that makes workers structurally dependent on those who employ them (Diop et al., 2024, p. 342). The political constraints on deeper reform are documented directly in survey data as Qatari citizens expressed consistent majority support for maintaining the employment system as it stands across surveys spanning nearly a decade, with a majority in 2020 opposing changes that would reduce worker dependence on employers, an orientation that reflects the entrenched distributional advantages the *kafāla* system delivers to the citizen population (Diop et al., 2024, p. 337).

Gulf class formation rested on two mutually reinforcing processes, namely, the organisation of the workforce around imported temporary labour held permanently outside civic standing, and the channelling of hydrocarbon revenues toward a domestic capitalist class whose loyalty to the ruling order was structurally guaranteed, so that migrant exclusion sustained accumulation while revenue distribution to citizens generated the political stability that secured the system, and the distributional asymmetries visible in the Qatar survey data are the measurable expression of this architecture (Hanieh, 2011, p. 60). This arrangement was not shaped by demographic necessity but by a deliberate spatial strategy in which citizenship and the material entitlements flowing from it were legally confined to a small share of the resident population, while the workforce performing most productive labour was drawn from outside on a temporary basis, positioned below citizens in the labour market and denied civic standing which results in a legal architecture that Gulf states deliberately constructed from independence rather than inherited by accident (Hanieh, 2011, p. 60-61). The permanent denial of any right to remain independently of employment is the mechanism through which this regime sustains itself since a worker's right to be present is entirely dependent on an active employment contract, meaning that losing a job simultaneously extinguishes legal status, and the result is a workforce unable to press for better terms without placing its right to remain in danger, which is a condition the *kafāla* system formalises but whose roots lie in the broader class architecture Hanieh identifies (Hanieh, 2011, p. 65).

Qatar's distributional architecture is produced by a system of citizen-exclusive institutions operating simultaneously across all five channels documented in the survey data. The overarching mechanism is what Ben Brik characterises as a two-tier welfare system built from hydrocarbon

revenues, comprehensive state entitlements for nationals, structural exclusion for the migrant majority whose aggregate distributional reach is captured in ILO data showing that formal social protection is accessible to under 1 in 10 of Qatar's entire resident population against more than 3 in 4 in Saudi Arabia, a differential whose primary cause Ben Brik identifies as the two-tier social security system's systematic privileging of nationals over a migrant population that constitutes the significant majority of residents (Ben Brik, 2025, pp. 31-32).

In the transfer channel, the social security legislation codified this division across two distinct layers. The state's primary social protection body administers non-contributory benefits covering disability, widowhood, old age, and family vulnerability entitlements legally restricted to Qatari citizens and funded directly from state revenues without citizen contribution; alongside a separate contributory pension scheme equally restricted to nationals (Ben Brik, 2025, p. 35). Citizens therefore receive both layers of state income support while migrants receive neither, the only protections legally available to Non-Qatari workers are employer-funded indemnities that fall short of international standards and whose scope is determined entirely by individual contracts rather than collective standards, leaving migrants with no state-sourced income floor and no portable entitlement independent of their employment relationship (Ben Brik, 2025, pp. 36-37). The legislation also reinforced the dual labour market it reflected, by restricting pension entitlements to public sector workers, it simultaneously incentivised citizens to remain in state employment and left non-nationals entirely outside the state pension architecture, institutionally deepening the very segmentation it was responding to (Ben Brik, 2025, p. 28). This legal bifurcation is the direct institutional source of the 250.4× government transfer multiplier between the two populations.

Regarding the employment channel, the channelling of social protection toward the public sector where citizens are concentrated as part of what Ben Brik identifies as a social contract characteristic of the Arab States region, produces what the employment chapter characterises as separate labour markets for Qataris and Non-Qataris, in which nationals hold under one percent of private sector positions while accounting for 41.5 percent of the public sector workforce (Ben Brik, 2025, pp. 28, 30). The citizenship divide is reproduced within employment law itself as public sector positions, in which Qatari nationals receive statutory priority, carry materially superior protections including fully paid extended sick leave, employment injury coverage, and superannuation upon incapacity, while private sector protections operate under a weaker employer

liability framework that falls short of collectively financed international standards (Ben Brik, 2025, pp. 40-41). The categorical nature of this division is made explicit by Article 69 of Law No. 15 of 2016 in which for the same employment injury that entitles a Qatari civil servant to continued salary and eventual pension upon incapacity, a Non-Qatari worker receives service termination (Ben Brik, 2025, p. 40). The wage multiplier of $1.61\times$ therefore understates the full employment channel differential, because it captures salary alone while the benefit package attached to public sector citizenship-priority positions represents an additional layer of economic advantage invisible to the income data.

In the subsidy channel, the state absorbs the full cost of healthcare, education, and housing for Qatari nationals while no equivalent provision reaches Non-Qatari residents (Ben Brik, 2025, pp. 9-10). The healthcare asymmetry is codified in Law No. 22 of 2021 as the law entitles Qatari nationals to publicly funded medical care at no personal cost, exempting them from any private insurance obligation, while Non-Qatari employers are legally required to furnish private health insurance for their workers, placing the full cost of healthcare coverage on the migrant workforce and its employers (Ben Brik, 2025, p. 137). This legal design is the institutional source of the health expenditure differential of $4.45\times$ between the two populations and the education budget share inversion in which Non-Qatari families bear a 10.0 percent expenditure burden against 3.7 percent for citizens. In the restrictions channel, Non-Qatari property acquisition is spatially confined to designated zones, a legal restriction Ben Brik documents as a feature of Qatar's housing architecture rather than a market outcome, while Qatari nationals benefit from Qatar Development Bank financing and subsidised housing programmes accessible exclusively to them. An ownership architecture that produces the 74.7 percent Qatari homeownership rate against 0.2 percent for Non-Qatari households (Ben Brik, 2025, pp. 92, 98).

Qatar Vision 2030 confirms that this architecture is a deliberate state commitment since its Social Development pillar frames social protection explicitly as an entitlement of Qatari citizenship, with no parallel provision articulated for Non-Qatari residents, making explicit what the survey data demonstrate empirically across 4 of the 5 distributional channels (Ben Brik, 2025, p. 31).

4.8 Conclusion of the Chapter

Qatar's distributional architecture produces a large citizenship differential through an institutional path that diverges from Kuwait's at every structural level, where Kuwait's differential is concentrated in employment and assets and mediated through parliamentary interpellation and constitutional entrenchment, Qatar's is concentrated in government transfers and subsidies and produced by emiri decree and legal codification without the mediation of any elected institution, while both non-citizen populations converge on near-total exclusion from property, government transfers, and independent civic standing regardless of the institutional path through which the citizen differential is generated; Chapter 5 places the two cases side by side at their closest temporal proximity, Kuwait Wave 2 (2007/08) against Qatar 2006/07, to assess what this structural divergence produces in distributional terms.

CHAPTER 5 - Same Outcome, Different Architecture: Parliamentary Mediation, Emiri Concentration, and the Citizenship Differential in Kuwait and Qatar

5.1 Introduction

This chapter brings the two empirical cases into direct comparison to answer the central question of this study which asks whether parliamentary mediation and emiri concentration produce meaningfully different distributional regimes despite the structural similarities between Kuwait and Qatar as hydrocarbon-dependent Gulf monarchies. Chapter 3 established Kuwait's distributional architecture across 4 longitudinal survey waves and documented the institutional mechanisms through which the parliamentary settlement has shaped and defended the citizenship differential over more than two decades. Chapter 4 established Qatar's distributional architecture from the 2006/07 household survey and documented the institutional mechanisms through which emiri concentration has produced and codified the citizenship differential without the mediation of an elected institution possessing meaningful authority over the allocation of state resources. The chapter places those two architectures side by side at their closest temporal proximity, using the Kuwait 2007/08 wave and the Qatar 2006/07 survey as the matched empirical anchor, comparing the five distributional channels and the political systems through which each differential is generated and sustained before closing with a direct answer to the research question.

The comparison this chapter assembles rests on a structural symmetry that makes Kuwait and Qatar a theoretically productive pair. Both are hydrocarbon-dependent Gulf monarchies that generate the overwhelming majority of state revenue from externally derived rent rather than domestic taxation, both organise their resident populations around a citizen minority and a non-citizen majority whose legal status is governed by *kafāla* sponsorship, with Kuwaiti nationals numbering 1,566,168, constituting 32 percent of a total resident population of 4,881,254 as of January 2025, while Qatar's total resident population stood at approximately 2.9 million in 2022 (Kuwait CSB 2025; Qatar PSA 2023). Both countries channelled oil revenues into comprehensive citizen welfare systems whose architecture was established in the decade following independence. The structural similarity is what gives the comparison its analytical force, if two states sharing the

same resource base, the same demographic structure, and the same absence of fiscal contract between government and population produce different distributional architectures, the difference must be attributed to the institutional path each took rather than to the structural conditions they share. Crystal established that this path diverged at the moment of oil transition, with Kuwait's merchant elite retaining sufficient organisational capacity for distributive bargaining, consolidating through educational councils, political institutions, and the 1938 consultative assembly into a conscious and politically organised elite before oil arrived. At the time in which Qatar's commercial class, destroyed by the economic collapse of 1925 to 1949, entered the oil era without the institutional leverage to extract equivalent concessions from the Al-Thani, leaving only two rival merchant families whose mutual rivalry for ruling-family patronage prevented any collective political capacity (Crystal, 1989, p. 429; Fromherz, 2017, p. 119). Half a century later, Khodr's fieldwork-based comparative analysis of policy participants in both countries confirms that this divergence persisted into the survey period. Kuwait's configuration features an elected National Assembly that Khodr characterises as growing in assertiveness and institutional autonomy, alongside multiple political coalitions, tribal representatives, and a growing independent civil society sector with roots documented from the first half of the twentieth century, and with formalised channels through which different categories of participant engage with governance decisions, including the formal questioning of more than 30 ministers through interpellation (Khodr, 2014, pp. 286, 288, 290). Qatar sits at the opposite end of the spectrum, with its policy cycle originating with the Emir rather than with ministries or legislative bodies, operating through emiri decree as the primary policy instrument, and with no legislature through which citizen preferences could be channelled into the policy process, a governing logic Admoni identifies as structural rather than circumstantial in that every reform or change depends entirely on a decision by the leadership to set it in motion (Khodr, 2014, p. 295; Admoni, 2022, p. 308). The chapter proceeds as follows. Section 5.2 sets the five distributional channels side by side at the matched survey anchor and reads the citizenship differential channel by channel. Section 5.3 traces the two institutional pathways that generate those channel patterns, from the pre-oil merchant inheritance and the oil-transition settlements through the social actors, the policy process, and the contrasting durability of each regime. Section 5.4 applies the equifinality test and returns a direct answer to the research question, and Section 5.5 concludes.

5.2 The Five-Channel Comparison

Table 5.1 Five-Channel Citizenship Differential Comparison: Kuwait Wave 2 (2007/08) and Qatar (2006/07)

Channel	Metric	Kuwait Wave 2 (2007/08)	Qatar (2006/07)	Direction
CHANNEL 1 EMPLOYMENT				
Employment	Household wage multiplier (Citizen / Non-citizen)	2.31×	1.61×	Kuwait higher
	Per-earner wage multiplier	1.96×	n.a.	Kuwait only
	Citizen public sector share of earners	85.6%	n.a.	—
	Non-citizen public sector share of earners	28.3%	n.a.	—
	Non-citizen wage dependence (% of income)	88.2%	95.9%	Qatar higher
	Citizen wage dependence (% of income)	70.1%	56.7%	Kuwait higher
CHANNEL 2 ASSET INCOME				
Asset income	Enterprise / business income multiplier	1.27×	25.88×	Qatar substantially higher
	Financial assets / profit- interest multiplier	4.19×	25.03×	Qatar substantially higher
	Combined asset income multiplier (derived)	2.36×	25.79×	Qatar substantially higher

	Non-periodic revenues multiplier	2.47×	n.a.	Kuwait only
CHANNEL 3 GOVERNMENT TRANSFERS				
Transfers	Government transfer multiplier	88.0×	250.4×	Qatar substantially higher
	Total transfer multiplier (govt + other)	59.4×	90.9×	Qatar higher
	Citizen absolute transfer (per household/month)	532.4 KD	2,504 QR	—
	Non-citizen absolute transfer (per household/month)	6.1 KD	10 QR	—
CHANNEL 4 SUBSIDIES				
Subsidies	Total household expenditure multiplier	2.93× *	3.06× *	Not comparable *
	Housing, water and electricity combined	4.35×	∞ (Qatari pay zero)	Qatar substantially higher
	Water (domestic use)	4.80×	∞ (Qatari pay zero)	Qatar substantially higher
	Electricity	4.21×	∞ (Qatari pay zero)	Qatar substantially higher
	Health insurance / health services	0.11× **	4.45×	Different **
	Education total	1.02×	1.13×	Near parity
CHANNEL 5 LEGAL RESTRICTIONS (HOMEOWNERSHIP)				

Restrictions	Citizen homeownership rate	80.1%	74.7%	Broadly similar
	Non-citizen homeownership rate	0.0%	0.2%	Convergent
OVERALL CITIZENSHIP DIFFERENTIAL				
Overall	Total income multiplier (with imputed rent)	2.91×	2.72×	Kuwait higher
	Total income multiplier (without imputed rent)	~2.86×	~2.40×	Kuwait higher
	Total household expenditure multiplier*	2.93×	3.06×	Qatar slightly higher
	Per-individual expenditure multiplier (with imputed rent)	n.a.	1.49×	Qatar only

Notes

Sources: CSB Kuwait, 2009, Household Income and Expenditure Survey 2007/08; QSA, 2008, Household Expenditure and Income Survey 2006/07. All multipliers express the citizen household value divided by the non-citizen household value.

* Kuwait expenditure multiplier (2.93×) excludes imputed rent from the expenditure side; Qatar (3.06×) includes imputed rent on both sides. Figures are not directly comparable on a like-for-like basis.

** Kuwait health: 0.11× is inverted. Non-Kuwaiti households spend approximately 9× more on health insurance (mandatory private coverage required) while Kuwaiti citizens receive healthcare free. Qatar 4.45× reflects differential health service consumption.

n.a. = not available from the published bulletin for the relevant survey wave. ∞ = infinite advantage (citizen cost is zero).

— = not directionally comparable (different currencies or mechanisms).

The five-channel comparison reveals a pattern of simultaneous convergence and divergence that neither the structural nor the institutional prediction fully anticipates. The two countries produce citizenship differentials of broadly comparable overall magnitude, Kuwait at 2.91 times on the income measure with imputed rent and Qatar at 2.72 times, but the channel architecture through which those differentials are generated differs substantially. Kuwait concentrates its advantage in the employment channel and Qatar in government transfers and subsidies, while both non-citizen populations converge on near-total exclusion from property and state transfers regardless of the institutional path that produces the citizen differential above them.

5.2.1 Employment

Kuwait's advantage over Qatar is most visible in the employment channel. Kuwaiti households receive 2.31 times the wage income of Non-Kuwaiti households, against a ratio of 1.61 times in Qatar, and the per-earner differential in Kuwait stands at 1.96 times, reflecting a labour market structured around the concentration of 85.6 percent of Kuwaiti earners in the public sector against 28.3 percent of Non-Kuwaiti earners, while 70.6 percent of Non-Kuwaiti earners are confined to the private sector where wage rates are lower and statutory protections are weaker (CSB Kuwait, 2009). In Qatar, the employment channel operates differently, the wage multiplier is lower at 1.61 times, but Non-Qatari households are more completely dependent on wage income, with wages accounting for 95.9 percent of Non-Qatari household income against 56.7 percent for Qatari households, a dependence that reflects the near-total exclusion of Non-Qatari households from asset income, transfers, and subsidies rather than a more favourable employment relationship (QSA, 2008). The lower Qatar wage multiplier does not indicate a more equal employment channel; it reflects the fact that both citizen and non-citizen households in Qatar are drawing heavily on wage income, with the distributional divergence concentrated in the other 4 channels.

5.2.2 Asset Income

The asset income channel produces the largest single divergence between the two cases and runs in the direction opposite to the employment channel. Qatar's combined asset income multiplier of 25.79 times exceeds by a wide margin Kuwait's derived figure of 2.36 times, with Qatar's enterprise income multiplier standing at 25.88 times and its financial income multiplier at 25.03 times, against Kuwait's enterprise multiplier of 1.27 times and financial assets multiplier of 4.19 times (CSB Kuwait, 2009; QSA, 2008). The asymmetry is produced by the near-complete exclusion of Non-Qatari residents from property ownership and enterprise participation under the *kafāla* architecture, which leaves Non-Qatari households with a combined asset income of only 591 QR per month against 15,242 QR for Qatari households. In Kuwait, by contrast, the larger Non-Kuwaiti presence in the private sector, where 70.6 percent of Non-Kuwaiti earners are concentrated, sustains a higher level of enterprise income for the non-citizen population and compresses the asset income multiplier accordingly.

5.2.3 Government Transfers

The government transfer channel is the one on which Qatar's differential most significantly exceeds Kuwait's. Qatar's government transfer multiplier of 250.4 times is approximately 2.8 times more extreme than Kuwait's Wave 2 figure of 88.0 times, with Qatari households receiving 2,504 QR per month in government transfers against 10 QR for Non-Qatari households, and Kuwaiti households receiving 532.4 KD against 6.1 KD for Non-Kuwaiti households (CSB Kuwait, 2009; QSA, 2008). When all transfers including private sources are combined, the total transfer multiplier stands at 90.9 times in Qatar against 59.4 times in Kuwait, confirming that the transfer channel differential is not attributable to how government transfers are defined in each bulletin but reflects a genuine difference in the scale of state-sourced distributional flows to citizen households relative to non-citizen households. The non-citizen transfer floor is near-zero in both countries, but the citizen ceiling is substantially higher in Qatar, making the transfer channel the single most powerful driver of the distributional asymmetry in the Qatar case and the channel on which the two institutional paths diverge most sharply.

5.2.4 Subsidies

The subsidy channel confirms and deepens the Qatar advantage established in the transfer channel, though the two countries operate the subsidy differently in both mechanism and magnitude. Kuwait's housing, water and electricity multiplier of 4.35 times reflects substantial but partial state absorption of utility costs for Kuwaiti households, with water producing a sub-channel multiplier of 4.80 times and electricity 4.21 times, meaning Non-Kuwaiti households pay approximately 4 to 5 times more per unit than Kuwaiti households for the same services (CSB Kuwait, 2009). Qatar eliminates the utility expenditure entirely for Qatari households, recording zero expenditure on water and electricity for the citizen population while Non-Qatari households bear the full market cost, making the advantage in this sub-channel formally infinite and placing Qatar's subsidy architecture in a structurally different category from Kuwait's (QSA, 2008). The health channel produces an apparent inversion in Kuwait, where Non-Kuwaiti households spend approximately 9 times more than Kuwaiti households on health insurance, a multiplier of 0.11 times, because Kuwaiti citizens receive state healthcare free of charge while Non-Kuwaiti residents are required to purchase private health insurance, so that the citizen advantage operates through exclusion from insurance costs rather than through differential service consumption. Qatar's health multiplier of

4.45 times reflects the higher level of health services consumed by Qatari nationals relative to Non-Qatari residents, a different mechanism producing a differential that is directionally conventional. Education produces near parity in both countries, at 1.02 times in Kuwait and 1.13 times in Qatar, the only channel on which the two distributional architectures converge at the citizen level as well as the non-citizen level.

5.2.5 Legal Restrictions

The legal restrictions channel is where the two cases converge most completely. Kuwaiti nationals recorded an ownership rate of 80.1 percent at Wave 2, against zero Non-Kuwaiti ownership in the same survey, while Qatari nationals recorded 74.7 percent ownership against 0.2 percent for Non-Qatari households, representing 107 owner-occupying Non-Qatari households out of a surveyed population of 64,885 (CSB Kuwait, 2009; QSA, 2008). The citizen homeownership rates are broadly comparable at the upper end, separated by only 5.4 percentage points, while the non-citizen rates converge at near-zero regardless of country. This convergence at the base of the restrictions channel is the clearest quantitative expression of the equifinality the two cases produce, whether the citizen differential is generated through parliamentary mediation or emiri concentration, the non-citizen population faces near-total exclusion from property in both cases, confirming that the institutional path determines how the differential is structured at the citizen level while producing equivalent outcomes at the non-citizen floor.

5.2.6 The Overall Differential

The overall differential comparison establishes that Kuwait's citizenship differential is slightly higher in aggregate income terms at 2.91 times with imputed rent and approximately 2.86 times without, against Qatar's 2.72 times with imputed rent and approximately 2.40 times without, but that this aggregate measure conceals the channel-level divergence documented across the preceding 5 sections. Qatar's advantage on the transfer channel is 2.8 times more extreme than Kuwait's and its subsidy advantage on utilities is formally infinite where Kuwait's is bounded; Kuwait's advantage on employment is substantially higher at 2.31 times against Qatar's 1.61 times, and its asset income differential, while significantly lower than Qatar's in relative terms, reflects a non-citizen population with meaningful enterprise participation rather than near-complete exclusion. The aggregate multipliers are both large and both indicate a substantial citizenship

differential, but the channel architecture that produces them differs at every structural level, confirming that the institutional path shapes not only the mechanism of the differential but its internal composition.

5.3 Two Institutional Pathways

The five-channel distributional findings establish the empirical pattern but leave its institutional origins unaddressed. A citizenship differential of 2.91 times in Kuwait and 2.72 times in Qatar, produced through systems that diverge at every channel dimension, requires an institutional account of why the employment channel dominates in Kuwait while the transfer and subsidy channels dominate in Qatar, and why the non-citizen floor converges at near-zero regardless of country. This section provides that account by tracing the two institutional pathways in comparative sequence, placing Kuwait's parliamentary mediation and Qatar's emiri concentration side by side at each analytical step so that the mechanisms of divergence are visible as they accumulate rather than deferred to a later synthesis. The section argues that the two pathways are not simply different governing styles applied to the same distributional problem. They are different mechanisms that generate different channel compositions, different distributional politics, different social actors, and different relationships between institutional durability and policy adaptability. Both pathways, however, are pathways that decipher how each state allocates entitlements to its citizens, whereas non-citizens are explained through the *kafāla* architecture of demographic exclusion. This system produces near-identical non-citizen floors regardless of the institutional form through which the citizen differential above them is organised.

5.3.1 The Pre-Oil Social Inheritance

The most fundamental divergence between the two pathways is not a post-independence political choice but a pre-oil social inheritance. Kuwait entered the oil era with a commercially organised, politically conscious merchant elite that had solidified through the interwar crises of the 1920s and 1930s into a coherent social actor capable of collective bargaining with the ruling family. Crystal's comparative study of state formation documents that by the time oil revenues arrived, Kuwait's merchant class had already built collective organisational capacity through educational councils, municipal institutions, and the 1938 consultative assembly, forging a group with political memory that Qatar's equivalent had not (Crystal, 1989, p. 429). Qatar entered the same transition from a

structurally opposite position. The pearl economy depression of the interwar decades destroyed Qatar's merchant community, driving households across the peninsula and eliminating the commercial dynasties whose Kuwaiti counterparts had survived and consolidated. With only two surviving commercial dynasties whose mutual rivalry prevented any united front, Qatar entered the oil era without organised merchant pressure capable of constraining the ruling family's distributional authority (Crystal, 1989, pp. 429-430). Moore's comparative analysis confirms that Qatar lacked the institutional foundations that Kuwait had built before oil arrived, having neither a tradition of commercial self-organisation nor a history of representative experimentation comparable to Kuwait's. The modest commercial class that had existed in Qatar before oil, departed during the interwar depression, leaving a political landscape in which the Al-Thani family faced no organised social rivals comparable to the Al-Sabah's merchant counterparts, and no autonomous institutional residue through which commercial interests could subsequently be channelled (Moore, 2002, p. 49). This pre-oil asymmetry is where the two institutional stories diverge, and it shapes everything that follows. The institutional contrast examined in this thesis is therefore not an exogenous difference in governing style but the residue of whether an organised merchant class persisted into the oil era. Since that outcome was settled before the first oil revenues were distributed, it established the initial conditions from which the two distributional architectures subsequently developed. This is what allows two states so closely matched in rentier structure to produce comparable citizenship differentials through opposing channels, and what gives the paired comparison its analytical leverage.

5.3.2 The Oil Transition and Its Institutional Residues

The transition to oil-based revenues produced structurally different political settlements in the two countries, settlements whose institutional residues continue to shape the citizenship differential documented in the survey data. In Kuwait, the ruling family's acquisition of fiscal independence from merchant revenues required a political accommodation with a commercial class that retained its organisational capacity even after losing its economic leverage. The ruling family managed the transition by directing oil revenues toward the merchant community through state land purchases at inflated prices, exclusive commercial agency arrangements, and citizenship laws that reserved a protected economic sphere for nationals, in return for which merchants retreated from direct political contestation (Crystal, 1989, pp. 431, 433). Critically, this accommodation left an

institutional residue in the form of the National Assembly, which from its establishment in 1963 became the primary space through which distributional claims were pressed by citizen groups of all kinds, not only merchants. Kuwait's parliament grew progressively more assertive as a space for distributional bargaining, with the assemblies elected from the 1980s onward concentrating more than their predecessors on domestic political and economic issues, with serious parliamentary debates about ministerial corruption and financial impropriety as its most visible expression (Moore, 2002, p. 43). In Qatar, no equivalent accommodation was required, and no equivalent institutional residue was produced. Crystal identifies the ruler-state fusion that resulted from the absence of a merchant counterweight as the defining characteristic of Qatar's political architecture. Allocative authority and state resources converge in the ruler himself without any mediating institutional intervention, making the ruling family and the state operationally indistinguishable (Crystal, 1989, p. 440). Qatar's Chamber of Commerce, founded in 1963, functioned as an extension of state authority rather than a vehicle for independent commercial organisation, with its executive leadership selected by the ruler and the governing board crowded by members of the Al-Thani family, a configuration with no counterpart in Kuwait's independently constituted merchant chamber (Moore, 2002, p. 49). Two transitions that were broadly similar in material terms were channelled by these contrasting starting points toward categorically different institutional arrangements, Kuwait toward an elected parliament as the primary space of distributive bargaining and Qatar toward emiri decree as the primary instrument of distributional allocation. The divergence was not the work of the oil transition alone. It was jointly determined by the contrasting pre-oil inheritances traced above and by the settlements those inheritances made necessary, the accommodation Kuwait's ruling family reached with an organised merchant class and the absence of any comparable counterweight in Qatar. The institutional outcomes are therefore better understood as the convergence of several causes than as the necessary result of any single one.

5.3.3 The Employment Channel

The employment channel divergence, which registers at 2.31 times in Kuwait and 1.61 times in Qatar on the household wage measure, is the most direct expression of these different foundational settlements in the survey data. Kuwait's employment concentration, with 85.6 percent of Kuwaiti earners in the public sector against 70.6 percent of Non-Kuwaiti earners confined to the private

sector, is not a market outcome but a political one, produced and defended through the constitutional power of no-confidence that Herb identifies as Kuwait's most distinctive institutional feature, any elected majority can force a minister's departure; and though this power has never been exercised to a final vote, the frequency of pre-emptive ministerial resignations confirms that the threat alone shapes distributional behaviour (Herb, 2014, p. 62). Freer argues that the interpellation threat reshapes distributional behaviour before any formal parliamentary process begins as ministers evaluate their policy positions to avoid scrutiny, and the appointment process itself filters out those whose record would make them vulnerable to be challenged (Freer, 2024, p. 25). The segmented outcome this mechanism engenders is visible in El-Katiri, Fattouh, and Segal's data. Kuwaiti nationals concentrate in the public sector while non-Kuwaiti workers fill the majority of private sector positions, a labour market segmentation that Hertog identifies as the characteristic product of public sectors whose role in high-rent economies is to set a wage floor for citizens that private sector competition cannot match, so that the guarantee of public employment functions as the primary channel through which hydrocarbon revenues reach the citizen population (El-Katiri, Fattouh, and Segal, 2012, p.178; Hertog, 2016, p. 14).

By contrast in Qatar, the employment channel operates through a structurally different mechanism. The lower wage multiplier of 1.61 times does not reflect a more equal labour market but a different distributive logic in which the citizen employment differential is supplemented rather than driven by salary adjustments imposed by emiri decree without legislative mediation, of which the most illustrative instance is the 2011 raise of civil servant pay by 60 percent and armed forces pay by 120 percent, a direct response to the regional unrest of the Arab Spring (Babar, 2015, p. 152). Where Kuwait's employment differential is defended by an elected institution whose members have electoral incentives to maintain it, Qatar's is set by emiri judgement and adjusted at political discretion without accountability to any legislative body.

5.3.4 The Transfer and Subsidy Channels

The transfer and subsidy channel divergence, with Qatar producing a government transfer multiplier of 250.4 times against Kuwait's 88.0 times, and Qatar eliminating utility expenditure from the citizen budget entirely while Kuwait's subsidy multiplier remains defined at 4.35 times, reflects the same institutional asymmetry operating on different distributional instruments. Kuwait's transfer architecture is constitutionally entrenched and legislatively defended. Palier,

Azoulay, and Louër document that Kuwait's welfare architecture is embedded in the constitutional text itself, with Article 11 outlining the state's duty to provide for Kuwaiti nationals who are elderly, ill, or unable to work as a constitutional entitlement rather than a matter of administrative discretion, and with free education carrying the same constitutional status, with the guarantee explicitly withheld from non-citizen residents, the stateless bidun, and the offspring of Kuwaiti mothers whose spouses hold foreign nationality (Palier, Azoulay, and Louër, 2021, p.12). The housing, water, electricity, and food ration entitlements that constitute the citizen welfare package are similarly anchored in statute, with water and electricity subsidies and food ration cards established as part of the welfare system the state designed upon independence in 1961, and with housing loans guaranteed by statute under Article 14 of Law No. 47 of 1993 as a right of every Kuwaiti family that does not already own property (Palier, Azoulay, and Louër, 2021, pp. 12, 16). El-Katiri, Fattouh, and Segal's subsidy data confirm that subsidies in Kuwait, with electricity and water among the most significant, are widespread and citizen-centered, the 2003 subsidy register records all residential loan programmes, home improvement grants, marriage loans, and public housing allocations as exclusive to Kuwaiti nationals, with no expatriate access to any element of the residential welfare benefits (El-Katiri, Fattouh, and Segal, 2012, p.174).

In Qatar, the legal setting of the transfer and subsidy channels is even more categorical in its citizen–non-citizen division, but its institutional form is essentially different. Ben Brik's analysis of Qatar's welfare system shows that the state directs citizenship-gated income support exclusively to Qatari nationals through both non-contributory mechanisms covering disability, widowhood, and old age, and contributory pension schemes, while leaving the Non-Qatari workforce outside both state channels and dependent on employer-funded contractual indemnities that fall short of international standards (Ben Brik, 2025, pp. 35-37). The healthcare division is formalised in Law No. 22 of 2021, which directs the full cost of citizen medical provision to the state while placing the entire responsibility of migrant worker healthcare onto their employers through a mandatory private insurance requirement (Ben Brik, 2025, p. 137). The critical institutional difference is not in the magnitude of exclusion, which is near-total in both countries, but in the mechanism of delivery. Kuwait's transfer system is constitutionally guaranteed and parliamentarily defended, making it durable but difficult to adjust, while Qatar's is legally stipulated and emirally adjusted, making it capable of rapid upward adjustment, as the 2011 salary decree demonstrates, but equally capable of revision, as the 2024 abolition of elections confirms for the political system that

administers it. Almalek's comparative analysis documents that Kuwait established its welfare state in the 1960s on the basis of universal provision offered to citizens regardless of income or employment status, and that this system has not changed significantly since then, while Qatar's more recently developed system has moved toward selective and adjustable entitlements rather than open categorical provision (Almalek, 2025, pp. 393-394).

5.3.5 The Shared *Kafāla* Floor

The near-total convergence of the two countries at the non-citizen floor, with Non-Kuwaiti homeownership at zero and Non-Qatari homeownership at 0.2 percent, government transfers functionally negligible in both cases, and asset income near-zero for non-citizen households in both surveys, points to the shared structural base on which both pathways operate. That foundation is the *kafāla* system of demographic exclusion, which operates below the level of institutional variation and produces equivalent non-citizen floors regardless of whether the citizen differential above them is organised through parliamentary mediation or emiri concentration. Longva's structural analysis of the sponsorship system shows that *kafāla* inverts the normal labour relationship, since the sponsor's authority over the migrant worker extends beyond employment to determine all material conditions of residence and movement, generating a hierarchy of dominance and subordination that the legal framework entrenches rather than the market produces (Longva, 2018, p. 80). Hanieh demonstrates that the legal system of exclusion was built into Gulf state formation from the outset, with the earliest nationality and residency laws designed to deny migrant workers any claim to permanence, and with the pairing of residence rights to active employment contracts ensuring that loss of a job removes the legal basis for remaining in the country (Hanieh, 2011, pp. 61, 65).

In Qatar, the *kafāla* system additionally functions as a direct income stream for citizens. Babar documents a practice through which citizen sponsors generate direct income from the *kafāla* system, by obtaining more sponsored visa allocations than their enterprises require and channelling the surplus to workers who operate independently, extracting ongoing payments in return, thereby converting their sponsorship rights into a rentier revenue stream (Babar, 2015, p. 145). The depth of citizen resistance to reform that this income stream generates is documented by a 2012 survey of Qatari citizens conducted by Qatar University, which found that the majority of respondents wished to preserve or reinforce the *kafāla* system, motivated primarily by the conviction that any

reduction in sponsorship controls would directly damage their own material position (Babar, 2015, p. 144). This resistance operates across the full non-citizen population rather than being confined to any particular segment of it. Any reform extending permanent residency, welfare entitlements, or independent civic standing to non-citizens, whether to blue-collar workers under direct *kafāla* subordination or to white-collar professionals who compete with citizens for valuable positions in industry, ministries, and the private sector, directly dilutes the categorical exclusivity of the citizenship differential by expanding the pool of beneficiaries who can access the channels through which it is delivered. Mitchell and Gengler's survey evidence notes that Qatari citizens frame access to public employment as a contest with white-collar non-citizen workers, with Qatari nationals occupying less than 10 percent of the private-sector workforce despite state-mandated efforts to set quotas (Mitchell and Gengler, 2019, pp. 79-80). Qatar's legislative reforms removed the exit permit and no-objection certificate that had previously bound workers to their sponsors, but left intact the structural condition they expressed, since a worker's continued legal presence in the country remains tied to maintaining an employment relationship, which means employers retain effective control over workers' legal status regardless of which specific permit requirements were lifted (Diop et al., 2024, pp. 331, 342). The non-citizen floor is therefore not produced by the institutional variable this study highlights, it is rather produced by the structural variable that both countries share, and citizen resistance to altering it is the political expression of how deeply entrenched the economic logic of that structure has become.

5.3.6 Social Actors and Associational Life

The social actor dimension of the two institutional pathways is where these two pathways diverge most visibly from each other, and one that the quantitative data in Chapters 3 and 4 cannot directly capture. Kuwait's parliamentary mediation has produced, over six decades, an institutional landscape populated by organised citizen groups capable of pressing distributional claims through formal channels. The *dīwāniyya* is the foundational institution of this landscape, Segal's historical observation documents that Kuwait's first experiment with institutionalised political representation originated in a *dīwāniyya* gathering in February 1921, where merchants assembled and submitted a petition to the ruling family demanding a consultative council, establishing from the outset the pattern in which informal citizen networks originate and sustain formal political demands (Segal, 2012, p. 131). Freer confirms that this participatory culture persisted through

every subsequent period of parliamentary dissolution, where elected student bodies, cooperative governance structures, and professional associations maintained an organisational fabric that had no Gulf equivalent, and in 1989 it was the weekly Monday *dīwāniyyāt* that sustained the campaign for parliament's reinstatement through two years of dissolution (Freer, 2024, pp. 23, 32). Khodr's comparative fieldwork captures the institutional depth of this difference. Kuwait's *dīwāniyyāt* are described by fieldwork participants as "a unique model for civil society," more deeply anchored than any Qatari equivalent, constituting an informal infrastructure through which citizens have historically organised to advance or resist distributional policy outcomes (Khodr, 2014, p. 293). Tribal and sectarian blocs in Kuwait have extended this associational logic into the electoral space. Abu Sulaib's survey-based study documents how parliamentary elections transformed tribal groupings in Kuwait into organised distributional actors, whose representatives historically secured services and benefits for their constituencies through parliamentary participation, producing what Kuwaiti political culture calls *nuwab al khadamat*, or services members of parliament (Abu Sulaib, 2024, pp. 6-7). Freer acknowledges that in the absence of unified political blocs, service MPs, those elected primarily to secure material provision for their constituents, form a recognised dimension of Kuwaiti parliamentary life, one often encouraged by the government itself (Freer, 2024, p. 31). Al-Shalal's historical analysis adds a further organisational character, which is Kuwait's trade union movement, whose formation drew on the nationalist parliamentary bloc that had pressed for trade union legislation since the early 1960s, legally restricted full membership to Kuwaiti citizens under Labour Law No. 38/1964, and by the 1974 elections had produced trade union members who stood as candidates for the National Assembly on platforms demanding independent labour legislation and improved working conditions for the Kuwaiti working class, while the General Federation of Kuwaiti Trade Unions joined the petition against the 1976 dissolution of the National Assembly before withdrawing that signature under government threat of board suspension (Al-Shalal, 1983, pp. 104-105, 126-127, 177).

In Qatar, Khodr's fieldwork finds the structural absence of an equivalent associative infrastructure, given that Qatar's *majālis*, while providing a social space for discussing political matters, lack any formalised medium to government, with issues raised expressed within the gathering without reaching those in a position to act on them, and the exchange serving primarily as social vent rather than institutional pressure (Khodr, 2014, p. 294). Moore's analysis establishes the distributional consequence of Qatar's structural void, because the ruling family faced no organised commercial

counterbalance and no tradition of representative institutions, it had no incentive to build distributional coalitions beyond its own circle, making the allocation of resources an internal affair of the ruling family rather than the outcome of bargaining with organised social actors (Moore, 2002, p. 50).

5.3.7 The Policy Process and the Reversibility of Reform

The contrast in social actors is linked to the policy process through which each citizenship differential is reproduced and adjusted. Khodr's fieldwork-based comparison of the two policy-making systems documents that in both countries the initiation of policy is monopolised by the ruling family and its immediate circle, with no societal actor holding the institutional standing to place issues on the political agenda from outside (Khodr, 2014, p. 294). However, when distributional choices are actually made, a structural divergence becomes visible, since the presence of an elected parliament in Kuwait means that any distributional choice must navigate a legislative chamber capable of blocking, reshaping, or conditioning it, a constraint that Qatar's institutional system entirely lacks (Khodr, 2014, p. 294). In Qatar, the policy cycle originates with the Emir, emiri decree is the central policy instrument, and the constitutional design of the Shura Council under the 2003 Permanent Constitution, which required any draft law passed by the Council to be referred to the Emir for ratification, with the Emir retaining the right to return it within three months with reasons for rejection (Qatar, Permanent Constitution, 2003, Article 106, p. 32), and whose fifteen members the Emir appointed from amongst ministers or any other persons, with their term of office expiring upon resignation or relief from their posts (Qatar, Permanent Constitution, 2003, Article 77, p. 23). Admoni's process-tracing of Qatar's electoral history from the 2003 constitutional promise to the first Shura Council vote in 2021 documents how this institutional logic operated across two decades. Elections were withheld until the ruling family was satisfied it could manage their outcome, and every step toward electoral participation across the entire period originated from the Emir's decision rather than from any institutional or social pressure capable of enforcing the constitutional provision (Admoni, 2022, p. 313). When elections were finally held in 2021 as a result of Emiri Decree No. 37, the electoral law's origin requirement, restricting eligibility to descendants of those who had settled in Qatar before 1930, immediately excluded members of the Al-Murrah tribe, historically Qatar's largest, whose Al-Ghufran clan had been stripped of citizenship in 2005 following political conflict with the Al-

Thani state, confirming that even the single electoral exercise held under the constitution was configured to ensure the ruling family determined who could participate (Al-Thani, Al-Ahmadi, and Al-Emadi, 2023, p. 8; Admoni, 2022, p. 314). The results further confirmed the governing logic as all twenty-six female candidates were defeated at the polls, after which the Emir exercised his power of direct nomination to the council to address the shortfall, in a pattern Admoni identifies as characteristic of the Qatari approach throughout its electoral history (Admoni, 2022, p. 316). The Emir's October 2024 address to the Shura Council announced the referendum on the grounds that intra-tribal and intra-family electoral competition had become so entangled with questions of collective belonging that the state concluded it could not manage the resulting social tensions without institutional revision (Postigo Sanchez, 2024). The referendum, held on 5 November 2024 and passed with 90.6 percent approval of valid votes on a turnout of 84 percent, ratified the amendment to Article 77 of Qatar's Permanent Constitution, which replaced the previous provision allocating 30 of 45 Shura Council seats to direct election by secret ballot with a new provision stipulating that all members of the council, of no fewer than 45, shall be appointed by Emiri decree, thereby abolishing the elected component of the body and returning it to its fully appointed form after a single electoral cycle (Qatar, Permanent Constitution, Article 77, 2024; QNA, 2024). This outcome is the terminal confirmation of the pattern Admoni identifies throughout Qatar's electoral history as political change in Qatar originates only from the Emir's authority, and that same authority can equally undo whatever it has set in motion, including the elections introduced by decree in 2021 that were abolished by referendum in 2024 (Postigo Sanchez, 2024 ; Admoni, 2022, p. 317)

5.3.8 Durability and Adaptability

Distributional durability and policy adaptability pull in opposite directions across the two cases, and it is on this tension that the two pathways differ most significantly. Kuwait's parliamentary mediation generates a citizenship differential that is constitutionally entrenched and politically defended by an incentive structure that rewards the defenders of citizen benefits and punishes their reformers, but this very durability produces what Khodr's fieldwork participants identify as the system's defining weakness. In their view, Kuwait's "democratic nature has made it inefficient," with no-confidence votes and parliamentary dissolution creating conditions under which government stability is routinely undermined and coherent policy implementation becomes

structurally difficult (Khodr, 2014, p. 297). Hertog's fieldwork evidence confirms the distributional expression of this inefficiency. The political condition he identifies is one in which state welfare provision has acquired the character of an inherent citizenship right in the minds of its beneficiaries, making any proposed reduction politically unviable regardless of its fiscal justification, even as approximately 85 percent of Kuwaiti workers are in the public sector and agency heads informally admits that a large share of their staff contribute little productive work across the working week (Hertog, 2020, p. 14). Palier, Azoulay, and Louër document the parliamentary mechanism through which this entrenchment operates. They show that parliamentary populism has blocked welfare rationalisation rather than enabling it, with the expatriate population targeted with austerity measures because citizen entitlements could not be reduced under parliamentary pressure, and with Kuwait's government in 2011 promulgating a salary increase for public sector workers under direct parliamentary pressure (Palier, Azoulay, and Louër, 2021, pp. 12, 22). Nosova identifies a further dimension, which is the merchant community's attachment to parliamentary life. It is grounded in distributional calculation, with an elected assembly used as an important institutional safeguard for bargaining power through which the merchant class can defend its rents and sustain power balance with the ruling family (Nosova, 2018, pp. 183-184). Qatar's emiri concentration, by contrast, produces a citizenship differential that is legally formalised and adjusted to emiri political judgement rather than to legislative bargaining, making it capable of rapid ascending adjustment. Khodr frames this as the comparative institutional advantage of Qatar's centralised system, because distributional decisions are concentrated at the top of the system rather than mediated through legislative bargaining, a system that Khodr identifies as escaping the instability that Kuwait's democratic structure generates for policy implementation (Khodr, 2014, p. 297). The 2024 abolition of elections is the most extreme expression of this adaptability, since an Emir who introduced elections by decree in 2021 abolished them by referendum in 2024, with no institutional actor capable of contesting the reversal, confirming that the citizenship differential in Qatar rests on a political foundation whose durability depends entirely on the continued alignment between the Emir's preferences and the distributional system he has established.

5.4 Equifinality and the Answer to the Research Question

The institutional comparison thus produces a finding that is more nuanced than the original predictions of either the structural or the institutional hypothesis. The two countries do not produce simply different magnitudes of the same distributional regime. They produce citizenship differentials that are composed differently, defended differently, and embedded in institutional systems with different relationships between durability and adaptability. Kuwait's parliamentary mediation generates an employment-concentrated citizenship differential that is constitutionally entrenched, politically defended by tribal, sectarian, and merchant blocs with direct electoral stakes in its preservation, and resistant to reform precisely because the institution through which any reform would need to pass is simultaneously the institution most invested in preventing it. Qatar's emiri concentration generates a transfer- and subsidy-centered citizenship differential that is legally anchored, set by emiri judgement, capable of rapid adjustment, and unconstrained by any legislative constituency whose electoral interests are tied to its defence. The fact that the two overall multipliers nevertheless land in a comparable range, 2.91 times in Kuwait and 2.72 times in Qatar, is not evidence of institutional similarity but of arithmetic cancellation. Kuwait's substantial advantage on employment (2.31 times against 1.61 times) offsets Qatar's much larger advantages on transfers (250.4 times against 88.0 times), asset income (25.79 times against 2.36 times), and subsidies, thus divergent channel systems produce convergent aggregate totals. The equifinality test applied to these two cases delivers the first of the four possible findings, which is divergence within the citizen population combined with convergence within the non-citizen population. At the citizen level, the two institutional pathways produce categorically different channel systems, one which is employment-concentrated in Kuwait and transfer- and subsidy-dominated in Qatar, which confirms the institutional mediation hypothesis. At the non-citizen level, both pathways produce near-identical exclusionary floors, confirming that the regional *kafāla* framework operates as a structural constant beneath the institutional variation. Both differentials rest on a common *kafāla* foundation that produces near-identical non-citizen floors and that, even though regional in origin, is also regenerated nationally, given that nationals themselves can obstruct reforms that would undermine it, as a 2012 survey of Qatari citizens reveals (Section 5.3.5; Babar, 2015, p.144). This substantiates that the regional variable forms the non-citizen floor of the distributional system while the institutional variable constitutes its composition, adaptability and defence.

This finding challenges the standard rentier state assumption that hydrocarbon wealth generates a uniform distributional logic across Gulf monarchies. The evidence shows that the institutional variable produces categorically different channel systems even when the structural conditions, namely, oil dependence, demographic composition, and the *kafāla* framework, are held constant across both cases.

5.5 Conclusion of the Chapter

Parliamentary mediation and emiri concentration do produce meaningfully different distributional regimes. The evidence across five channels establishes that the institutional path taken determines the internal architecture of the citizenship differential, its channel composition, its defence mechanisms, and its capacity for revision; while the shared hydrocarbon base, *kafāla* architecture, and demographic structure explain why non-citizens face near-total exclusion in both cases regardless of which institutional path organises the citizen differential above them.

Conclusion

This thesis asked how Kuwait's parliamentary mediation and Qatar's emiri concentration shape the channels through which each state produces its citizenship differential, and how far the resulting regimes diverge. The comparison returns a clear answer. The two states arrive at citizenship differentials of comparable aggregate magnitude, 2.91 times in Kuwait and 2.72 times in Qatar on the income measure with imputed rent, but they build them through opposite channel architectures. Kuwait concentrates the differential in the employment channel, where the public sector is the principal pathway by which oil revenue reaches citizens, while Qatar concentrates it in government transfers and subsidies delivered by emiri decree. The comparable totals are not evidence of a shared distributional model but the result of arithmetic cancellation, Kuwait's employment advantage counterbalancing Qatar's far larger advantages on transfers, assets and subsidies, so that divergent channel systems sum to convergent aggregates.

The institutional mediation hypothesis is therefore confirmed among citizens, while at the non-citizen floor the two states converge, not because institutions cease to operate but because both enact the same *kafāla* framework of nationality, sponsorship and property law, so the difference between a parliament and an emir does not mainly affect the result. Where the differential reaches citizens, the institutional contrast is decisive, since the two pathways produce categorically different channel compositions, defended and adjusted through categorically different politics, contested legislative bargaining in Kuwait and discretionary decree in Qatar. Where the differential meets non-citizens, both states converge on near-total exclusion from property and state transfers, a floor set mainly by the *kafāla* framework the two share, which operates beneath institutional variation as a structural constant. The equifinality test thus yields the first of its four possible outcomes, divergence within the citizen population combined with convergence within the non-citizen population, and it is this combined result the thesis establishes.

Three features of the evidence bound what the study can claim. The first is the asymmetry in the data availability. Kuwait publishes four survey waves across the analytical window, Qatar a single cross-section for 2006/07, so the synchronous comparison rests on the temporally proximate Kuwait 2007/08 and Qatar 2006/07 waves alone, and the longitudinal movement of the differential can be traced only for Kuwait. This asymmetry reflects the scarcity of Gulf household data rather

than a choice, and the study does not advance comparative claims the single Qatar wave cannot support. The second concerns the type of data available. The statistical bureaus release only summary tables of group averages, not the underlying household-by-household records, which they keep closed. The differential can therefore be measured as the gap between the average citizen and the average non-citizen, but the data cannot show how much each income source adds to inequality within the citizen population or within the non-citizen one. The within-citizen distribution is in consequence resolved only in part. It is resolved more fully for Kuwait than for Qatar, since Kuwait's four waves and published inequality figures have no counterpart in the single Qatar cross-section. The third is that survey-based measurement in the Gulf systematically understates the gap, because household surveys capture only twenty to thirty percent of national income and the excluded components, the retained earnings of national oil companies and the returns of sovereign wealth funds, accrue disproportionately to citizens (Alvaredo, Assouad and Piketty 2019). The differentials reported here are accordingly conservative, and the true citizen advantage is larger than the surveys record.

These limits shape the design more than they undermine it. The study answers the measurement constraint by measuring conservatively rather than by correcting for it. It does not adopt the imputation that Alvaredo, Assouad and Piketty (2019) apply to recover the absolute scale of Gulf inequality, because imputation rates that differed between the two cases would introduce a new source of uncertainty into the comparison, and it relies instead on the income flows the surveys directly record. The understatement this leaves in place operates on both cases alike, so it lowers the two ratios together and leaves the contrast between them intact, which is what allows the comparative claim to stand even where the absolute figures are conservative. The sensitivity of the differential to imputed rent is kept visible throughout, since both Kuwait and Qatar are reported in the two specifications their own bulletins publish, one including the imputed rental value of owner-occupied housing and one excluding it. Moreover, the mixed method is part of the design and not a supplement to it. The surveys can establish the size, movement and channel composition of the differential but cannot explain why the composition takes the form it does, while the institutional literature supplies that explanation and, for Qatar, reconstructs the asset, transfer and subsidy channels that a single survey wave cannot carry on its own.

The study makes two main contributions, one empirical and one theoretical. The first is empirical. The household survey bulletins for Kuwait and Qatar report citizen and non-citizen figures, but the differential they contain has not been decomposed across its distributional channels, tracked across successive waves, or read comparatively against the institutional contrast between the two states. The study does this. Reading the five channels directly from the published bulletins, it measures the differential channel by channel in both cases and traces its movement across the four Kuwaiti waves, which is what makes the two channel architectures, and the divergence between them, visible. The measurement yields a result the aggregate figures conceal, namely that two states reaching comparable headline differentials build them through opposite channel architectures, so the similarity of the totals is an artefact of arithmetic cancellation rather than a sign of shared distributional design. The design is what gives this measurement its comparative weight. Because the two cases are matched on their structural conditions and differ in one institutional respect, the comparison isolates the institutional variable, and because each case is decomposed into five channels traced separately, it yields ten channel-level observations that widen the inferential base a two-country comparison alone would provide (Collier, 1993, p. 112).

The second contribution is theoretical, and it is an extension rather than a discovery. The argument that distribution takes its shape from institutions is already established. Esping-Andersen argues that different institutional architectures of welfare delivery produce different patterns of stratification and not simply different scales (1990, pp. 21, 23), and for the Gulf specifically Thafer shows that the degree of business-elite influence over political institutions determines the character of each state's distributional architecture, contested through parliament in Kuwait and settled from above in Qatar (Thafer, 2024, pp. 537-541), while Freer documents the Kuwaiti Assembly working as a distributional space from its origins (Freer, 2024, pp. 40, 43). The study takes that proposition in two directions these accounts do not. Conceptually, it extends the institutional-stratification insight, and Marshall's prior claim that social rights displace market logic as the basis of entitlement (1992, p. 40), to the citizen and non-citizen axis that Esping-Andersen's class-based typology has no category for (1990, pp. 26 -27). Empirically, where Thafer and Freer establish the institutional shaping of distribution qualitatively, the study gives it measured channel-level analysis, showing that the parliamentary and emiri pathways produce not only different distributive

politics but different channel architectures, employment-concentrated in Kuwait and transfer and subsidy-concentrated in Qatar, which can sum to comparable aggregate differentials. This disaggregates Eibl and Hertog's account of Gulf generosity, which explains the level of provision but leaves its internal architecture outside its scope (2024, pp. 1324, 1331), and it adds measured distributional evidence to Freer's challenge to Luciani's claim that allocation-state distribution is immune to collective contestation (Luciani, 1987, p. 74; Freer, 2024).

The differential this thesis measures was recorded as it stood, but neither government intends to leave it unchanged. Both have committed to making their distributive models more sustainable, and the two differ in how plainly they state it. Kuwait's State Vision 2035, set out in its 2019 Voluntary National Review, proposes that the state cease to run economic activity directly and stop absorbing most nationals into public employment, confining itself instead to setting rules and directing policy, while jobs shift to private firms and government spending is held within fixed budget limits to keep public finances durable (State of Kuwait, 2019, pp. 6-7). This speaks directly to the employment channel, which the study finds is the principal means by which oil revenue reaches Kuwaiti citizens. Qatar National Vision 2030 sets a broader course, undertaking to meet the present generation's needs without compromising those of generations to come, to draw more of its citizens into active employment, and to keep the cost of social protection within what the economy can bear (General Secretariat for Development Planning, 2008, pp. 5, 14, 25). It does not announce changes to the transfer and subsidy channels that this study finds carry the Qatari differential.

What the two states have signalled invites a question the thesis is positioned to open. Should either move to reduce citizen entitlements, the framework developed here would expect the institutional contrast that shaped how each differential was built to shape how, and whether, it can be scaled back. This expectation holds so long as distributional contestation remains within institutional arenas, where the parliamentary and emiri channels can be expected to shape it. Were it instead to take the form of street mobilisation, it might for a time move beyond the structural conditions that produced it, a revolutionary possibility that remains, in these two cases, quite improbable. If that does not happen, the institutional contrast would frame not only whether and how a differential is reduced but also the forms its later removal takes, or more precisely its redeployment, and with it the distributive order (the social pact) the differential embodies. In Kuwait, withdrawing the state

from its role as employer would have to pass through the elected Assembly that built and has repeatedly defended that role, against constituents whose livelihoods depend on it. In Qatar, a comparable change would more likely come by decree, with less organised resistance, though bounded by a citizenry attached to the distributive order that defines its status. In either case, the change would impact what the citizens obtain. It will not have a large impact on the non-citizen floor since it is based in the shared *kafāla* system and not by the institutions that rules the citizen differential. Qatar's latest labour reforms have changed that configuration, but it did not reform the link between legal residence and employment (Section 5.3.5). Whether a parliamentary system that builds a differential is equally capable of dismantling one is a question the reform agendas these visions announce will test, and the channel-level baseline established here makes the effects examinable. The argument should not be misconstrued as institutional path dependency devoid of human agency. Kuwait's merchants actively shaped the critical juncture of the resource-transition, and the civic coalitions later represented in the National Assembly have persistently mobilized to shield citizen's entitlements, resulting in the Assembly's 1992 restoration following extensive popular mobilization (Nosova, 2018, pp. 178-184). Yet, the events of 2024 have subjected this societal agency to a new challenge. In May 2024, the emir dissolved and the National Assembly and suspended a number of constitutional provisions for a period of up to four years, centralizing legislative and executive prerogatives with the emir and the cabinet. Moreover, a nationality review in December 2024 stripped 3, 701 individuals of their citizenship. (Freedom House, 2025; International IDEA, 2024a). Given that legal citizenship constitutes the prerequisite for entitlement, these executive decrees impact the distributive differentials measured in this study. Consequently, whether Kuwait's social actors can compel a parliamentary restoration, or if the ruler's agency has entirely overridden their resistance, is an empirical question that falls outside the scope of this dataset which ends in 2021. Two conditions would let future work go further. If Qatar publishes its household surveys on a regular cycle as Kuwait does, and if both release the underlying microdata rather than group-mean tabulations alone, researchers could decompose inequality by income source within each population and resolve the within-citizen distribution that the present study, working from published averages, could measure only in part.

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Appendix A: Kuwait Household Survey Tables by Wave

A.1 Wave 1 (1999/2000)

Channels 1, 2 and 3: Income Decomposition

Table W1.1 Average Monthly Household Income by Source (KD per household) : Wave 1, 1999/2000

Income component	Kuwaiti (KD)	Kuwaiti %	Non-Kuwaiti (KD)	Non-Kuwaiti %	Ratio (Kuwaiti / Non-Kuwaiti)
Net income for employees (wages)	1,187.2	60.4%	564.7	84.2%	2.10x
Net income: enterprise + property *	424.0	21.6%	77.1	11.5%	5.50x
Sub-total: current income	1,611.2	82.0%	641.8	95.7%	2.51x
Current transfers from government	41.2	2.1%	23.8	3.5%	1.73x
Current transfers from others **	312.5	15.9%	4.9	0.7%	63.8x
Sub-total: transfers	353.7	18.0%	28.7	4.3%	12.3x
TOTAL household income	1,964.9	100%	670.5	100%	2.93x
<i>Per-unit income — derived from total household income</i>					
Per-individual income ***	235.0	—	137.4	—	1.71x
Per-earner income ***	895	—	467	—	1.92x

Source: CSB Kuwait (2000). Household Income and Expenditure Survey 1999/2000. Table 6A/B, PDF pp. 20-22 (income components); Table 7, PDF p. 23 (per-individual income); narrative PDF p. 23 (per-earner income stated as 895 KD Kuwaiti and 467 KD Non-Kuwaiti, ratio expressed as 52 percent in bulletin).

* Wave 1 combines business income, liberal professions, and all property income (financial and non-financial) in a single line. Later waves disaggregate these components separately.

** "Current transfers from others" is explicitly defined in the Wave 1 bulletin to include retirement pensions and end-of-service indemnities (CSB, 2000, PDF p. 21). In Waves 2 to 4, pensions are reclassified as government transfers.

*** Per-individual income divides total household income by the number of persons in the household. Per-earner income divides total household income by the number of income earners. Both are derived from total household income and do not represent additional income sources. Sources: Table 7, PDF p. 23 (per-individual); narrative PDF p. 23 (per-earner). The bulletin narrative

states Kuwaiti per-individual as "approximately 258 KD"; this is a confirmed printing error in the source; Table 7 on the same page gives 235.0 KD, consistent with the bulletin's own stated ratio of 58 percent ($137.4/235.0 = 58.5\%$).

Channel 4: Subsidies and In-Kind Benefits (Classification of Individual Consumption According to Purpose “COICOP” Expenditure)

Table W1.2 Average Monthly Household Expenditure by the Classification of Individual Consumption According to Purpose (COICOP) Category (KD per household) : Wave 1, 1999/2000

COICOP category	Kuwaiti (KD)	Kuwaiti %	Non-Kuwaiti (KD)	Non-Kuwaiti %	Ratio (Kuwaiti / Non-Kuwaiti)
1. Food, beverages and tobacco	224.4	14.0%	118.1	19.1%	1.90x
2. Clothing and footwear	128.6	8.0%	54.6	8.8%	2.36x
3. Housing, water, electricity and gas	413.3	25.8%	138.4	22.4%	2.99x
4. Furniture, equipment and maintenance	242.7	15.1%	59.4	9.6%	4.09x
5. Health and medical care	20.2	1.3%	9.2	1.5%	2.20x
6. Transport and communications	192.9	12.0%	86.6	14.0%	2.23x
7. Leisure, entertainment and culture	58.5	3.6%	24.5	4.0%	2.39x
8. Education	29.1	1.8%	39.6	6.4%	0.73x
9. Restaurants, hotels and cafes	37.9	2.4%	14.4	2.3%	2.63x
10. Miscellaneous goods and services	126.6	7.9%	47.5	7.7%	2.67x
11. Transfer payments	129.8	8.1%	25.5	4.1%	5.09x
Total expenditure	1,604.0	100%	617.8	~100%	2.60x

Source: CSB Kuwait (2000). Household Income and Expenditure Survey 1999/2000. Table 2, PDF p. 10 (Kuwaiti expenditure by category); Table 4, PDF p. 17 (Non-Kuwaiti expenditure by category).

* Sum checks: Kuwaiti $224.4+128.6+413.3+242.7+20.2+192.9+58.5+29.1+37.9+126.6+129.8 = 1,604.0$. Non-Kuwaiti: $118.1+54.6+138.4+59.4+9.2+86.6+24.5+39.6+14.4+47.5+25.5 = 617.8$. Non-Kuwaiti percentages sum to 99.9% due to rounding; all individual figures are arithmetically correct.

****** The education multiplier of 0.73x indicates that Non-Kuwaiti households spend more on education in absolute terms than Kuwaiti households. This reflects private school fees paid by Non-Kuwaiti families in place of the free state provision available to Kuwaiti citizens. The subsidy operates through exclusion rather than direct provision.

Expenditure Distribution: Three Levels

Table W1.3 Household Distribution by Expenditure Level: Wave 1, 1999/2000

Expenditure level	Kuwaiti households	Kuwaiti %	Kuwaiti avg expenditure (KD)	Kuwaiti avg household size	Non-Kuwaiti households	Non-Kuwaiti %	Non-Kuwaiti avg expenditure (KD)	Non-Kuwaiti avg household size
Below 950 KD per month	359	24%	761	6.0	486	35%	313	4.2
950 to 1,849 KD per month	737	50%	1,330	7.3 *	551	40%	570	4.8
1,850 KD per month and above	392	26%	2,892	10.4	359	25%	1,104	5.9
Total / overall average	1,488	100%	1,604	8.4	1,396	100%	618	4.9

Source: CSB Kuwait (2000). Household Income and Expenditure Survey 1999/2000. PDF p. 6, p. 5 (Kuwaiti three-level distribution); PDF p. 16, p. 15 (Non-Kuwaiti three-level distribution).

* The Level 2 Kuwaiti average household size is printed as "73" in the source bulletin (CSB, 2000, PDF p. 6). This is a printing error; the decimal point is missing. The correct value is 7.3, confirmed by the per-individual expenditure figure for the same level: $1,330 / 7.3 = 182.2$ KD per person, consistent with the stated per-individual figure of 182 KD. A household size of 73 persons is inconsistent with every other figure in the table.

** Sum checks: Kuwaiti $359+737+392 = 1,488$. Non-Kuwaiti $486+551+359 = 1,396$. Household size cross-checks: Kuwaiti Level 1: $761/6.0 = 126.8$ KD per person; Level 2: $1,330/7.3 = 182.2$; Level 3: $2,892/10.4 = 278.1$; Overall: $1,604/8.4 = 191.0$ KD per person. Non-Kuwaiti percentage shares are stated directly in the bulletin. The Non-Kuwaiti Level 3 derived percentage ($359/1,396 = 25.7\%$) differs from the bulletin's stated 25% because the CSB rounded the three Non-Kuwaiti shares to sum to exactly 100%, rounding Level 3 down rather than up. All household counts are confirmed correct.

Channel 1: Employment: Sectoral Composition and Wage Gaps

Table W1.4 Sectoral Employment Composition and Wage Income per Earner (KD per month) : Wave 1, 1999/2000

Source:
CSB
Kuwait
(2000).

Indicator	Kuwaiti	Non-Kuwaiti	Ratio (Kuwaiti / Non-Kuwaiti)
Government sector share of earners	96%	Not published	—
Private sector share of earners	4%	Not published	—
Wage income per earner ; Government sector (KD/month)	1,589	543	2.93x
Wage income per earner; Private sector (KD/month)	879	426	2.06x
Total income per earner; All sources (KD/month) *	895	467	1.92x

Household Income and Expenditure Survey 1999/2000. Narrative PDF p. 23 (total per-earner income; CSB states Non-Kuwaiti/Kuwaiti ratio as “52 percent,” confirmed: $467/895 = 52.2\%$); narrative PDF p. 24 (sectoral shares and sector-specific wage figures).

* Total income per earner (895 KD Kuwaiti and 467 KD Non-Kuwaiti) includes wages, enterprise income, and transfers; it is not a wage-only figure. Sector-specific wage figures (1,589/543 for government; 879/426 for private) are wage-income components only and are not directly comparable to total per-earner income. Non-Kuwaiti sectoral percentage distribution is not published in the Wave 1 bulletin.

A.2 Wave 2 (2007/08)

Channels 1, 2 and 3: Income Decomposition

Table W2.1 Average Monthly Household Income by Source (KD per household): Wave 2, 2007/08

Income component	Kuwaiti (KD)	Kuwaiti %	Non-Kuwaiti (KD)	Non-Kuwaiti %	Ratio (Kuwaiti / Non-Kuwaiti)
Net income for employees (wages)	1,804.056	70.1%	779.312	88.2%	2.31x
Net income from business activities	80.987	3.1%	63.867	7.2%	1.27x
Net income from financial assets	40.853	1.6%	9.749	1.1%	4.19x
Net income from non- financial assets *	52.322	2.0%	0.183	0.0%	286x
Sub-total: current income	1,978.218	76.8%	853.111	96.6%	2.32x

Current transfers from government	532.443	20.7%	6.051	0.7%	88.0x
Current transfers from others	11.216	0.4%	3.106	0.4%	3.61x
Sub-total: transfers	543.659	21.1%	9.157	1.0%	59.4x
Non-periodic revenues	52.545	2.0%	21.248	2.4%	2.47x
Total household income	2,574.421	100%	883.516	100%	2.91x
<i>Per-unit income - derived from total household income</i>					
Per-individual income **	298.256	—	171.106	—	1.74x
Per-earner income **	1,084.655	—	553.842	—	1.96x

Source: CSB Kuwait (2009). Household Income and Expenditure Survey 2007/08. Vol. G, Table No. (3-7); Kuwaiti income PDF pp. 12-13; Non-Kuwaiti income PDF pp. 14-15. Table No. (2-7); Kuwaiti per-earner PDF pp. 6-7; Non-Kuwaiti per-earner PDF pp. 8-9. Table No. (4-7); Kuwaiti per-individual PDF p. 18; Non-Kuwaiti per-individual PDF p. 20.

* Wave 2 disaggregates asset income into three lines: business activities, financial assets, and non-financial assets; whereas Wave 1 bundles all three together. Non-financial asset income for Kuwaiti households (52.322 KD per month) consists almost entirely of imputed rent on owner-occupied housing, recorded on the income side in Wave 2. This explains the 286x multiplier. Non-Kuwaiti non-financial asset income is effectively zero (0.183 KD), confirming that no Non-Kuwaiti household owns residential property in Wave 2.

** Per-individual income divides total household income by the number of persons in the household; per-earner income divides it by the number of income earners. Both are derived from total household income and do not represent additional income sources. Sources: Kuwaiti per-individual 298.256 KD (Vol. G, Table No. 4-7, PDF p. 18); Non-Kuwaiti 171.106 KD (PDF p. 20). Kuwaiti per-earner 1,084.655 KD (Vol. G, Table No. 2-7, PDF p. 6); Non-Kuwaiti 553.842 KD (PDF p. 8). Note on Vol. G English label error: the row labeled “NO. OF EARNERS” in the English header contains person counts (Kuwaiti 13,612; Non-Kuwaiti 11,303); the actual earner counts appear in the row labeled “NO. OF INDIVIDUALS”: Kuwaiti 3,743; Non-Kuwaiti 3,492. The Arabic labels عدد الأفراد (persons) and عدد المكتسبين (earners) are definitive; the English translations are swapped in the source bulletin.

Channel 4 Subsidies: Key Sub-Channel Expenditure

Table W2.2 Selected Sub-Channel Monthly Expenditure (KD per household) : Wave 2, 2007/08

Sub-channel (COICOP code)	Kuwaiti (KD)	Non-Kuwaiti (KD)	Ratio (Kuwaiti / Non-Kuwaiti)	Notes
Water for domestic use (033)	17.022	3.548	4.80x	Kuwaiti p.9 / Non-Kuwaiti p.45
Electricity (0340)	7.218	1.713	4.21x	Kuwaiti p.9 / Non-Kuwaiti p.45

Gas and liquid fuels (0342)	1.883	1.045	1.80x	Kuwaiti p.9 / Non-Kuwaiti p.45
Housing, water, electricity and gas (3)	596.121	136.917	4.35x	Incl. imputed rent. Kuwaiti p.9 / Non-Kuwaiti p.45
Domestic services (0462)	72.410	11.599	6.24x	Kuwaiti p.15 / Non-Kuwaiti p.51
Health care total (section 5)	28.266	12.746	2.22x	Kuwaiti p.18 / Non-Kuwaiti p.54
Hospital services Private (053)	3.699	1.129	3.28x	Kuwaiti p.18 / Non-Kuwaiti p.54
Sickness and accident insurance (054)	0.223	2.041	0.11x	Non-Kuwaiti spends 9x more. Kuwaiti p.18 / Non-Kuwaiti p.54
Education total (section 8)	39.466	38.880	1.02x	Kuwaiti p.27 / Non-Kuwaiti p.63

Source: CSB Kuwait (2009). Household Income and Expenditure Survey 2007/08. Vol. B, Table No. (2-2), Total column (imputed rent included). Kuwaiti: PDF pp. 9 (water, electricity, gas, section 3 total), 15 (domestic services), 18 (hospital, health insurance, health total), 27 (education total). Non-Kuwaiti: PDF pp. 45 (water, electricity, gas, section 3 total), 51 (domestic services), 54 (hospital, health insurance, health total), 63 (education total).

* The health insurance inversion (0.11x: Non-Kuwaiti spends 9x more than Kuwaiti) reflects the mandatory private health insurance requirement imposed on Non-Kuwaiti residents. Kuwaiti citizens access state healthcare without equivalent direct out-of-pocket insurance cost.

** The domestic services multiplier of 6.24x is the largest single sub-channel differential in the Wave 2 expenditure data. Kuwaiti households spend 72.410 KD per month on domestic services against 11.599 KD for Non-Kuwaiti households. The mechanism driving this gap is not directly identifiable from expenditure data alone and is addressed in the analytical section .

*** The section 3 total (housing, water, electricity and gas) embeds imputed rent of 52.322 KD per Kuwaiti household per month on the income side (Vol. G, Table No. 3-7, PDF p. 12). Non-Kuwaiti section 3 total = 136.917 KD (Non-Kuwaiti gross rents are actual rents paid, not imputed). The 4.35x multiplier therefore partly reflects the asset ownership gap quantified separately in Table W2.3a.

**Table W2.2b Average Monthly Household Expenditure: Aggregate Totals (KD per household) —
Wave 2, 2007/08**

Expenditure measure	Kuwaiti (KD/month)	Non-Kuwaiti (KD/month)	Ratio (Kuwaiti / Non-Kuwaiti)	Notes
Total consumption expenditure	1,835.523	640.482	2.86x	Excludes transfer payments out
Transfer payments out (section 11)	219.044	60.299	3.64x	Remittances, taxes, other outgoing transfers
TOTAL expenditure	2,054.567	700.781	2.93x	Like-for-like with Wave 1: 2.60x
Saving (income minus total expenditure)	519.854	182.735	2.84x	Derived from Vol. G income figures
Saving rate (% of income)	20.2%	20.7%	—	Wave 1: Kuwaiti 18.4% / Non-Kuwaiti 7.9%

Source: CSB Kuwait (2009). Household Income and Expenditure Survey 2007/08. Vol. B, Table No. (2-2). Kuwaiti: PDF p. 36 - TOTAL CONS. EXPENDITURE row (1,835.523 KD), transfer payments section 11 (219.044 KD), TOTAL EXPENDITURE row (2,054.567 KD). Non-Kuwaiti: PDF p. 72 ; TOTAL CONS. EXPENDITURE (640.482 KD), transfer payments (60.299 KD), TOTAL EXPENDITURE (700.781 KD). Saving rate derived: income from Vol. G, Table No. (3-7), PDF pp. 12 and 14, minus total expenditure.

* Total expenditure includes transfer payments made by households (section 11: taxes, remittances, and other outgoing transfers). The total expenditure figure is used for cross-wave comparison because Wave 1 Table W1.2 also included section 11 transfer payments in its totals of 1,604.0 KD (Kuwaiti) and 617.8 KD (Non-Kuwaiti). The expenditure multiplier of 2.93x represents a substantial increase from 2.60x in Wave 1.

** Saving rates in Wave 2 are near-equal: Kuwaiti 20.2% and Non-Kuwaiti 20.7%. This contrasts with Wave 1 where Kuwaiti households saved 18.4% and Non-Kuwaiti households only 7.9% (CSB 2000, PDF p. 23). The convergence means the expenditure gap (2.93x) now closely tracks the income gap (2.91x), whereas in Wave 1 the income gap (2.93x) substantially exceeded the expenditure gap (2.60x). The mechanism behind the near-equal Non-Kuwaiti saving rate in Wave 2 is not identifiable from expenditure data alone and is addressed in the analytical section.

Expenditure Distribution

Table W2.2c Household Distribution by Monthly Expenditure Bracket: Wave 2, 2007/08

Monthly expenditure bracket	Kuwaiti households	Kuwaiti %	Non-Kuwaiti households	Non-Kuwaiti %
Below 250 KD	0	0.0%	86	3.9%
250 to 449 KD	8	0.5%	549	25.1%
450 to 649 KD	38	2.4%	659	30.1%
650 to 849 KD	84	5.3%	372	17.0%
850 to 1,049 KD	103	6.5%	216	9.9%
1,050 to 1,249 KD	157	10.0%	110	5.0%
1,250 to 1,449 KD	143	9.1%	81	3.7%
1,450 to 1,649 KD	159	10.1%	35	1.6%
1,650 to 1,849 KD	132	8.4%	24	1.1%
1,850 to 2,049 KD	135	8.6%	20	0.9%
2,050 to 2,249 KD	98	6.2%	5	0.2%
2,250 to 2,449 KD	95	6.0%	7	0.3%
2,450 to 2,649 KD	82	5.2%	9	0.4%
2,650 to 2,849 KD	65	4.1%	5	0.2%
2,850 KD and above	278	17.6%	11	0.5%
Total	1,577	100%	2,189	100%

Source: CSB Kuwait (2009). Household Income and Expenditure Survey 2007/08. Vol. B, Table No. (2-2), NO OF HOUSEHOLDS footer row. Kuwaiti: PDF p. 34 (brackets below 1,250 KD), PDF p. 35 (brackets 1,250-2,449 KD), PDF p. 36 (brackets 2,450 KD and above, plus TOTAL). Non-Kuwaiti: PDF p. 70 (brackets below 1,250 KD), PDF p. 71 (brackets 1,250-2,449 KD), PDF p. 72 (brackets 2,450 KD and above, plus Total).

* Household counts are stated directly in the NO OF HOUSEHOLDS footer row of Vol. B Table No. (2-2). Percentage shares are derived: Kuwaiti denominator 1,577; Non-Kuwaiti denominator 2,189.

** Key distributional findings. Non-Kuwaiti concentration at the lower end: 59.1% of Non-Kuwaiti households (1,294 of 2,189) fall in brackets below 650 KD per month, against 2.9% of Kuwaiti households (46 of 1,577). Kuwaiti concentration at the upper end: 56.1% of Kuwaiti households (885 of 1,577) spend 1,850 KD per month or more, against 3.7% of Non-Kuwaiti households (81 of 2,189). The top bracket (2,850 KD and above) contains 278 Kuwaiti households (17.6%) and only 11 Non-Kuwaiti households (0.5%), a ratio of approximately 25 to one in absolute counts. Zero Kuwaiti households fall below 250 KD per month; 86 Non-Kuwaiti households (3.9%) do.

Channel 5 Restrictions: Housing Tenure and Dwelling Type

Table W2.3a Household Distribution by Housing Tenure : Wave 2, 2007/08

Tenure type	Kuwaiti households	Kuwaiti %	Non-Kuwaiti households	Non-Kuwaiti %
Owned - Housing Care (state-provided)	199	12.6%	0	0%
Owned - Private	1,064	67.5%	0	0%
Unfurnished rental	280	17.8%	2,112	96.5%
Furnished rental	5	0.3%	26	1.2%
Employer-provided	4	0.3%	39	1.8%
Endowment or gift	16	1.0%	7	0.3%
Other	9	0.6%	5	0.2%
Total	1,577	100%	2,189	100%
Owned total	1,263	80.1%	0	0%

Source: CSB Kuwait (2009). Household Income and Expenditure Survey 2007/08. Main bulletin, Table No. (2), PDF p. 29 (p. 22).

* Non-Kuwaiti homeownership is zero in Wave 2. The 80.1% Kuwaiti ownership rate combines Housing Care (12.6%) and private ownership (67.5%). 96.5% of Non-Kuwaiti households occupy unfurnished rental accommodation.

Table W2.3b Household Distribution by Dwelling Type : Wave 2, 2007/08

Dwelling type	Kuwaiti households	Kuwaiti %	Non-Kuwaiti households	Non-Kuwaiti %
Complete villa	1,104	70.0%	32	1.5%
Floor or apartment in villa	167	10.6%	59	2.7%
Apartment	168	10.7%	1,815	82.9%
Traditional house	135	8.6%	193	8.8%
Annex	2	0.1%	87	4.0%
Other	1	0.1%	3	0.1%
Total	1,577	100%	2,189	100%

Source: CSB Kuwait (2009). Household Income and Expenditure Survey 2007/08. Main bulletin, Table No. (1), PDF p. 28 (p. 21).

* 70.0% of Kuwaiti households occupy complete villas; 82.9% of Non-Kuwaiti households occupy apartments. The annex category (4.0% of Non-Kuwaiti households) reflects a housing type that does not exist for Kuwaiti households in the sample and that will expand further in later waves. Each annex is attached to a Kuwaiti-owned villa and rented to Non-Kuwaiti households, producing a direct distributional link between the Kuwaiti asset base and Non-Kuwaiti housing costs.

Channel 1 Employment: Sectoral Composition and Wage Gaps

Table W2.4 Sectoral Employment Composition and Income per Earner: Wave 2, 2007/08

Indicator	Kuwaiti	Non-Kuwaiti	Ratio (Kuwaiti / Non-Kuwaiti)
Government sector share of active earners	85.6%	28.3%	—
Private sector share of active earners	13.8%	70.6%	—
Joint sector share of active earners	0.6%	1.1%	—
Government sector per-earner income (KD/month)	1,192	651	1.83x
Private sector per-earner income (KD/month)	1,517	516	2.94x
Overall per-earner income (KD/month) *	1,084.655	553.842	1.96x
Active earners (sectors 1 + 2 + 3)	1,635	3,322	—
Not Applicable sector earners	2,108	170	—
Total earners (all sectors)	3,743	3,492	—

Source: CSB Kuwait (2009). Household Income and Expenditure Survey 2007/08. Vol. E, Table No. (5-5), PDF p. 12. Sector shares calculated as percentage of active earners (sectors 1+2+3 only). Per-sector per-earner income figures stated directly in the table.

* Overall per-earner income (Kuwaiti 1,084.655 KD; Non-Kuwaiti 553.842 KD) is total household income divided by earners, it includes wages, enterprise income, transfers, and non-periodic revenues, not wages only. Sector-specific per-earner figures reflect earnings within that sector. Kuwaiti active earners: 1,635 (sectors 1+2+3). Non-Kuwaiti active earners: 3,322.

** The Not Applicable sector covers earners whose income source does not fall under Government, Private, or Joint classification as defined in Vol. E, Table No. (5-5), PDF p. 12. Kuwaiti: 2,108 earners across 739 households, per-earner income 968 KD with average government transfers of 366 KD per earner (derived: 772,025 KD total for 2,108 earners). Non-Kuwaiti: 170 earners across 81 households, per-earner income 497 KD. Household sum checks: Kuwaiti $733+101+4+739 = 1,577$; Non-Kuwaiti $596+1,485+27+81 = 2,189$.

*** Within-sector cross-nationality per-earner income comparisons: Government sector Kuwaiti 1,192 KD against Non-Kuwaiti 651 KD = 1.83x; private sector Kuwaiti 1,517 KD against Non-Kuwaiti 516 KD = 2.94x. The private sector gap exceeds the

government sector gap. The mechanism driving this difference is not directly identifiable from Vol. E data alone and is addressed in the analytical section

A.3 Wave 3 (2013)

Channels 1, 2 and 3 - Income Decomposition

Table W3.1 Average Monthly Household Income by Source (KD per household) : Wave 3, 2013

Income component	Kuwaiti (KD)	Kuwaiti %	Non-Kuwaiti (KD)	Non-Kuwaiti %	Ratio (Kuwaiti / Non-Kuwaiti)
Net income for employees (wages)	2,416.852	72.1%	858.899	91.4%	2.81x
Net income from business activities	93.227	2.8%	47.942	5.1%	1.94x
Net income from financial and non-financial property *	63.818	1.9%	2.617	0.3%	24.4x
Sub-total: current income	2,573.897	76.8%	909.460	96.8%	2.83x
Current transfers from government	700.424	20.9%	9.374	1.0%	74.7x
Current transfers from others	6.762	0.2%	2.116	0.2%	3.20x
Sub-total: transfers	707.186	21.1%	11.490	1.2%	61.5x
Non-periodic revenues	70.060	2.1%	18.838	2.0%	3.72x
TOTAL household income	3,351	100%	940	100%	3.56x
<i>Per-unit income: stated directly in Table No. (4-3)</i>					
Per-individual income **	435	—	218	—	2.00x
Per-earner income **	1,410	—	521	—	2.71x

Source: CSB Kuwait (2014). Household Income and Expenditure Survey 2013. Arabic bulletin, Table No. (4-3), PDF p. 55. Per-individual income (Kuwaiti 435 KD; Non-Kuwaiti 218 KD) and per-earner income (Kuwaiti 1,410 KD; Non-Kuwaiti 521 KD) stated directly in the rightmost columns of Table No. (4-3).

Note on derivation of per-household values: All values in the table body (income components and subtotals) are derived by dividing the stated group totals in Table No. (4-3) by the number of households: 1,226 for Kuwaiti and 1,735 for Non-Kuwaiti.

This is necessary because Table No. (4-3) reports aggregate amounts for all households in each group combined, not per-household averages. The derivation is confirmed by the Per House Hold column in the source table, which states 3,351 KD for Kuwaiti and 940 KD for Non-Kuwaiti, matching the derived totals exactly ($4,108,500.667 / 1,226 = 3,351$; $1,630,533.000 / 1,735 = 940$).

* Wave 3 combines financial and non-financial property income in a single line. Imputed rent is not recorded on the income side in Wave 3, it is instead captured on the expenditure side (see Table W3.2). This differs from Wave 2, where imputed rent (52.322 KD per Kuwaiti household) appeared as non-financial asset income. The 24.4x multiplier reflects near-zero Non-Kuwaiti property income (2.617 KD) against the Kuwaiti financial and property base (63.818 KD).

** Per-individual and per-earner figures are stated directly in Table No. (4-3) and require no derivation. Cross-checks: Kuwaiti per-individual $3,351 / 7.70$ (avg household size) = 435.1; Non-Kuwaiti per-individual $940 / 4.32 = 217.6$. Earner counts: Kuwaiti 2,914; Non-Kuwaiti 3,129 . Both stated in Table No. (4-3), PDF p. 55.

*** Cross-wave income comparison. Wave 3 income figures exclude imputed rent on the income side. For a like-for-like comparison: Wave 2 Kuwaiti income without imputed rent = 2,574.421 minus 52.322 = 2,522.099 KD; Wave 3 = 3,351 KD, an increase of 32.9 percent over six years. Non-Kuwaiti: Wave 2 = 883.516 KD; Wave 3 = 940 KD, an increase of 6.4 percent. The income multiplier widened from approximately 2.86x (Wave 2 without imputed rent) to 3.56x (Wave 3).

Channel 4 Subsidies: Aggregate Expenditure and Imputed Rent

**Table W3.2 Average Monthly Household Expenditure by COICOP Section (KD per household):
Wave 3, 2013**

COICOP section	Kuwaiti (KD)	Non-Kuwaiti (KD)	Ratio (Kuwaiti/Non-Kuwaiti)	Notes
1 Food and non-alcoholic beverages	354.077	132.051	2.68x	
2 Tobacco and products	2.403	2.244	1.07x	Near parity
3 Clothing and footwear	189.668	54.410	3.49x	
4 Housing, water, electricity and gas (without imputed rent) *	209.171	215.024	0.97x	Non-Kuwaiti > Kuwaiti ; cash rents vs zero cost
4 Housing, water, electricity and gas (with imputed rent) *	1,149.611	215.024	5.35x	Imputed rent of 940.440 KD added to Kuwaiti
5 Furnishings and household equipment	306.692	61.451	4.99x	
6 Health	42.649	9.645	4.42x	
7 Transport	152.543	55.055	2.77x	
8 Communication	83.827	31.377	2.67x	
9 Recreation and culture	86.304	23.302	3.70x	

10 Education	45.981	38.244	1.20x	Near parity; Wave 2: 1.02x
11 Restaurants and hotels	78.878	17.739	4.45x	
12 Miscellaneous goods and services	346.423	66.217	5.23x	
Total consumption expenditure	1,898.617	706.759	2.69x	

Source: CSB Kuwait (2014). Household Income and Expenditure Survey 2013. Arabic bulletin, Table No. (1-1) (without imputed rent): Kuwaiti Total column PDF p. 22; Non-Kuwaiti Total column PDF p. 23. Section 4 with imputed rent: Table No. (1-2), Kuwaiti Total column PDF p. 34.

* Wave 3 provides section-level COICOP data only (12 sections). The sub-item detail available in Wave 2, water (0330), electricity (0340), domestic services (0462), health insurance (054) is not published in the Wave 3 bulletin. Cross-wave sub-item comparisons for these specific items are therefore not possible for Wave 3.

** The housing section (4) produces an inversion without imputed rent: Non-Kuwaiti households spend more on housing in cash terms (215.024 KD) than Kuwaiti households (209.171 KD), giving a ratio of 0.97x. This reflects the fact that Kuwaiti owner-occupiers pay nothing in cash for housing while Non-Kuwaiti renters pay market rents. When imputed rent is added on the Kuwaiti side (940.440 KD), the ratio reverses to 5.35x (1,149.611 / 215.024). The imputed rent figure is confirmed as the difference between Table No. (1-2) (3,071.958 KD total with IR) and Table No. (1-1) (2,131.518 KD total without IR) divided by the section 4 component: 1,149.611 minus 209.171 = 940.440 KD.

*** Sum checks: Kuwaiti sections 1 through 12 = 1,898.616 KD $\approx$ 1,898.617 KD (rounding) ; Non-Kuwaiti sections 1 through 12 = 706.759 KD .

**Table W3.2b Average Monthly Household Expenditure ; Aggregate Totals (KD per household):
Wave 3, 2013**

Expenditure measure	Kuwaiti (KD/month)	Non-Kuwaiti (KD/month)	Ratio (Kuwaiti /Non- Kuwaiti)	Notes
Total consumption expenditure (without imputed rent)	1,898.617	706.759	2.69x	Cash expenditure only; excludes transfer payments out
Transfer payments out (section 13)	232.901	51.167	4.55x	Remittances, taxes, and other outgoing transfers
Total expenditure (without imputed rent)	2,131.518	757.926	2.81x	Sum of rows 1 and 2; like-for-like with Wave 1 and Wave 2

Imputed rent (imputed rent) derived ***	940.440	—	—	Table (1-2) minus Table (1-1) (Kuwaiti households only)
Total expenditure (with imputed rent)	3,071.958	757.926	4.05x	Stated in Table (1-2); Non-Kuwaiti unchanged (zero ownership)
Saving (income minus total expenditure without imputed rent) ****	1,219.482	182.074	6.70x	Derived - see note below
Saving rate (% of income)	36.4%	19.4%	—	Wave 2: Kuwaiti 20.2%, Non-Kuwaiti 20.7%

Source: CSB Kuwait (2014). Household Income and Expenditure Survey 2013. Arabic bulletin. Total consumption expenditure and total expenditure without imputed rent: Table No. (1-1), Kuwaiti PDF p. 22, Non-Kuwaiti PDF p. 23. Total expenditure with imputed rent: Table No. (1-2), Kuwaiti PDF p. 34, Non-Kuwaiti PDF p. 35. Saving and saving rate derived - see notes below.

* All stated values in rows 1 through 5 are taken directly from the Total column (leftmost value) of the relevant row in Table No. (1-1) or Table No. (1-2). Cross-check for Kuwaiti total expenditure without imputed rent: total consumption expenditure (1,898.617) plus transfer payments out (232.901) = 2,131.518 (Table 1-1, PDF p. 22).

** Non-Kuwaiti total expenditure is identical with and without imputed rent (757.926 KD in both Table 1-1 and Table 1-2) because zero Non-Kuwaiti households own their dwelling and no imputed rent is therefore calculated for them.

*** Imputed rent (940.440 KD per Kuwaiti household per month) is not stated directly in the bulletin. It is derived as the difference between Kuwaiti total expenditure with imputed rent (Table 1-2, PDF p. 34: 3,071.958 KD) and Kuwaiti total expenditure without imputed rent (Table 1-1, PDF p. 22: 2,131.518 KD): 3,071.958 minus 2,131.518 = 940.440 KD. This represents the CSB estimate of the market rental value of owner-occupied Kuwaiti dwellings.

**** Saving and saving rate are not published anywhere in the Wave 3 bulletin. They are derived here using the standard national accounts identity: income minus total expenditure equals saving. Income comes from Table No. (4-3), PDF p. 55 (Kuwaiti 3,351 KD; Non-Kuwaiti 940 KD). Expenditure uses the without-imputed rent figure from Table No. (1-1) (Kuwaiti 2,131.518 KD; Non-Kuwaiti 757.926 KD). The without-imputed rent expenditure figure is used, not the with-imputed rent figure, because the income figure from Table No. (4-3) also excludes imputed rent on the income side. Using the with-imputed rent expenditure figure against the without-imputed rent income would subtract from expenditure an amount never counted in income, producing an internally inconsistent and misleading result. Both income and expenditure are therefore measured on the same basis. The resulting saving rates, Kuwaiti 36.4 percent and Non-Kuwaiti 19.4 percent, represent the share of household income not spent on goods, services, and outgoing transfer payments, excluding imputed rent from both sides of the calculation. They are directly comparable with Wave 2 saving rates (Kuwaiti 20.2 percent, Non-Kuwaiti 20.7 percent), which were calculated on the same consistent basis.

Expenditure Distribution

Table W3.2c Household Distribution by Monthly Expenditure Bracket (Without Imputed Rent) : Wave 3, 2013

Monthly expenditure bracket	Kuwaiti households	Kuwait i %	Non-Kuwaiti households	Non-Kuwaiti %
Below 450 KD	1	0.1%	493	28.4%
450 to 1,049 KD	143	11.7%	897	51.7%
1,050 to 1,649 KD	333	27.2%	257	14.8%
1,650 to 2,249 KD	331	27.0%	56	3.2%
2,250 to 2,849 KD	205	16.7%	19	1.1%
2,850 to 3,449 KD	100	8.2%	6	0.3%
3,450 KD and above	113	9.2%	7	0.4%
Total	1,226	100%	1,735	100%

Source: CSB Kuwait (2014). Household Income and Expenditure Survey 2013. Arabic bulletin, Table No. (1-1) (without imputed rent), No OF HOUSEHOLDS footer row. Kuwaiti: PDF p. 22. Non-Kuwaiti: PDF p. 23. Wave 3 uses seven expenditure brackets; Wave 2 used fifteen. Brackets are not directly comparable in width across the two waves.

* Household counts stated directly in the No OF HOUSEHOLDS footer row. The footer row lists values from right to left in Arabic reading order: Total | 3,450 and above | 2,850–3,449 | 2,250–2,849 | 1,650–2,249 | 1,050–1,649 | 450–1,049 | below 450. Percentage shares derived from stated counts.

** Key distributional findings. Non-Kuwaiti concentration at the lower end: 80.1% of Non-Kuwaiti households (1,390 of 1,735) fall in brackets below 1,050 KD per month, against 11.8% of Kuwaiti households (144 of 1,226). Kuwaiti concentration at the upper end: 61.1% of Kuwaiti households (749 of 1,226) spend 1,650 KD or more per month, against 5.1% of Non-Kuwaiti households (88 of 1,735). The top bracket (3,450 KD and above) contains 113 Kuwaiti households (9.2%) and only 7 Non-Kuwaiti households (0.4%), a ratio of approximately 16 to one. Only 1 Kuwaiti household (0.1%) falls below 450 KD per month; 493 Non-Kuwaiti households (28.4%) do.

Channel 5 Restrictions: Housing Tenure and Dwelling Type

Table W3.3a Household Distribution by Housing Tenure: Wave 3, 2013

Tenure type	Kuwaiti households	Kuwaiti %	Non-Kuwaiti households	Non-Kuwaiti %
Owned - Housing Care (state-provided)	111	9.1%	0	0%
Owned - Private	882	71.9%	0	0%
Unfurnished rental	207	16.9%	1,667	96.1%
Furnished rental	1	0.1%	18	1.0%

Employer-provided	3	0.2%	39	2.2%
Endowment or gift	22	1.8%	1	0.1%
Other	0	0%	10	0.6%
Total	1,226	100%	1,735	100%
Owned total	993	81.0%	0	0%

Source: CSB Kuwait (2014). Household Income and Expenditure Survey 2013. Arabic bulletin, Table No. (2-4), PDF p. 57. Percentage shares derived from stated counts.

* Non-Kuwaiti homeownership remains zero in Wave 3. The Kuwaiti ownership rate (81.0%) continues the upward trajectory from Wave 2 (80.1%). The Housing Care share falls from 12.6% in Wave 2 to 9.1% in Wave 3, while private ownership grows from 67.5% to 71.9%.

Table W3.3b Household Distribution by Dwelling Type: Wave 3, 2013

Dwelling type	Kuwaiti households	Kuwaiti %	Non-Kuwaiti households	Non-Kuwaiti %
Complete villa	747	60.9%	25	1.4%
Floor or apartment in villa	247	20.1%	56	3.2%
Apartment	102	8.3%	1,233	71.1%
Traditional house	130	10.6%	88	5.1%
Annex	0	0%	260	15.0%
Other	0	0%	73	4.2%
Total	1,226	100%	1,735	100%

Source: CSB Kuwait (2014). Household Income and Expenditure Survey 2013. Arabic bulletin, Table No. (1-4), PDF p. 56. Sum checks: Percentage shares derived from stated counts.

* The annex category grows from 4.0% of Non-Kuwaiti households in Wave 2 (87 of 2,189) to 15.0% in Wave 3 (260 of 1,735). Annexes are built as additions to Kuwaiti-owned villas and rented to Non-Kuwaiti households. The mechanism and its distributional implications are addressed in the qualitative section.

** Kuwaiti villa occupancy declines from 70.0% in Wave 2 to 60.9% in Wave 3, while floor or apartment in villa increases from 10.6% to 20.1%. This may reflect subdivision of Kuwaiti properties as family units multiply, consistent with the decline in average Kuwaiti household size from 8.63 in Wave 2 to 7.70 in Wave 3.

A.4 Wave 4 (2019/2021)

Channels 1, 2 and 3 Income Decomposition

Table W4.1 Average Monthly Household Income by Source (KD per household) : Wave 4, 2019-2021

Income component	Kuwaiti (KD)	Kuwaiti %	Non-Kuwaiti (KD)	Non-Kuwaiti%	Ratio (Kuwaiti/Non-Kuwaiti)
Net income for employees (wages)	2,338.9	58.5%	993.6	87.8%	2.36x
Net income from business (inside enterprises)	115.0	2.9%	49.6	4.4%	2.32x
Net income from business (outside enterprises)	20.0	0.5%	20.7	1.8%	0.97x
Net income from financial assets	64.8	1.6%	1.7	0.2%	38.1x
Net income from non-financial assets (without imputed rent) *	110.3	2.8%	6.5	0.6%	17.0x
Sub-total: current income	2,648.9	66.3%	1,072.1	94.8%	2.47x
Pensions	943.4	23.6%	22.3	2.0%	42.3x
Other periodic transfers from government	306.4	7.7%	17.3	1.5%	17.7x
Other periodic transfers from others	50.4	1.3%	12.5	1.1%	4.03x
Sub-total: transfers	1,300.2	32.5%	52.1	4.6%	24.9x
Non-periodic revenues	45.6	1.1%	7.3	0.6%	6.25x
Total without imputed rent	3,994.8	100%	1,131.5	100%	3.53x
Imputed rent (IR) **	842.2	—	—	—	—
Total with imputed rent	4,837.2	—	1,131.5	—	4.27x
<i>Per-unit income : Table 6 (per-individual) and Tables 1-2 (per-earner)</i>					
Per-individual (without imputed rent) ***	580.4	—	281.8	—	2.06x
Per-individual (with IR) ***	702.8	—	281.8	—	2.49x
Per-earner (without IR) ****	1,261.3	—	517.7	—	2.44x
Per-earner (with IR) ****	1,527.2	—	517.7	—	2.95x

Source: CSB Kuwait (2023). Household Income and Expenditure Survey 2019-2021. Per-household income components: Table 7, p. 28 (PDF p. 30). Per-individual income without IR: Table 6, p. 27 (PDF p. 29). Per-individual income with IR: Table 8, p. 28

(PDF p. 30). Imputed rent (842.2 KD): footnote to Table 3, p. 21 (PDF p. 23). Per-earner income with IR: Table ٤-1, p. 326 (PDF p. 328). Per-earner income without IR: Table ٤-2, p. 328 (PDF p. 330).

* Kuwaiti non-financial asset income without IR (110.3 KD) is derived: 952.5 KD (stated in Table 7 with IR) minus 842.2 KD (imputed rent) = 110.3 KD. Non-Kuwaiti non-financial (6.5 KD) is unaffected, because Non-Kuwaiti households own no dwellings. Percentage shares are calculated on the without-IR income base for consistency with Wave 3.

** Imputed rent of 842.2 KD per Kuwaiti household per month is stated in the footnote to Table 3, p. 21. TOTAL with IR (4,837.2 KD): stated directly in Table 7, p. 28. Total without IR (3,994.8 KD): derived as TOTAL with IR minus IR (4,837.2 – 842.2 = 3,995.0; 0.2 KD rounding from component-level derivation). No absolute household counts are published in Wave 4, all tables use the weighted expanded sample.

*** Per-individual income stated directly in Table 6 (without IR, p. 27) and Table 8 (with IR, p. 28). Non-Kuwaiti per-individual is identical in both tables (281.8 KD) as Non-Kuwaiti has no imputed rent. Cross-check: $4,837.2 \div 6.88$ (Kuwaiti avg household size) = 702.8 KD. Kuwaiti avg household size derived: $3,994.8 \div 580.4 = 6.88$; Non-Kuwaiti avg household size: $1,131.5 \div 281.8 = 4.02$.

**** Per-earner income stated directly in Table ٤-1 (with IR, p. 326) and Table ٤-2 (without IR, p. 328). Kuwaiti values: 1,527.15 KD (with IR) and 1,261.25 KD (without IR), displayed above rounded to one decimal place (1,527.2 and 1,261.3). Non-Kuwaiti value: 517.7 KD stated to one decimal in the source; identical with and without IR as Non-Kuwaiti has no imputed rent. Cross-checks: Kuwaiti $4,837.2 \div 1,527.15 = 3.17$ earners per Kuwaiti household; Non-Kuwaiti $1,131.5 \div 517.7 = 2.19$ earners per Non-Kuwaiti household. Wave 3 comparison: Non-Kuwaiti per-earner virtually unchanged (521 KD → 517.7 KD); Kuwaiti per-earner without IR fell 10.5% (1,410 KD → 1,261.3 KD).

Note about government transfers: Other periodic transfers from government: 306.4 KD (Kuwaiti), 17.3 KD (Non-Kuwaiti). Sub-total transfers: $943.4 + 306.4 + 50.4 = 1,300.2$ KD. Combined government transfers multiplier: 31.6x, represents a sharp fall from Wave 3 (74.7x). Non-Kuwaiti government transfers grew from 9.374 KD (Wave 3) to 39.6 KD (Wave 4), a 322% increase from a very low base.

Channel 4 Subsidies: Sub-Channel Expenditure, Aggregate Totals and Distribution

Table W4.2 Average Monthly Household Expenditure by COICOP Section (KD per household): Wave 4, 2019-2021

COICOP section	Kuwaiti (KD)	Non-Kuwaiti (KD)	Ratio (Kuwaiti/Non-Kuwaiti)	Notes
1 Food and non-alcoholic beverages	371.4	159.8	2.32x	
2 Tobacco and products	32.4	23.4	1.38x	Near parity
3 Clothing and footwear	495.5	100.7	4.92x	
4 Housing, water, electricity and gas (without IR) *	202.4	209.0	0.97x	Non-Kuwaiti > Kuwaiti in cash terms

4 Housing, water, electricity and gas (with imputed rent) *	1,044.6	209.0	5.00x	Imputed rent of 842.2 KD added to Kuwaiti
5 Furnishings and household equipment	363.5	40.3	9.02x	
6 Health	180.3	41.6	4.33x	
7 Transport	408.8	98.6	4.15x	
8 Communication and information	187.6	58.4	3.21x	
9 Recreation, culture and sport	111.0	17.0	6.53x	
10 Education services	55.8	46.0	1.21x	Near parity; W3: 1.20x
11 Restaurants and hotels	195.9	46.8	4.19x	
12 Insurance and financial services	12.7	7.5	1.69x	
13 Miscellaneous goods, personal care and social protection	381.6	70.7	5.40x	
14 Outgoing current transfers **	297.7	151.5	1.97x	Remittances, debt repayment
Total expenditure (without IR)	3,296.6	1,071.3	3.08x	

Source: CSB Kuwait (2023). Household Income and Expenditure Survey 2019-2021. Table 3 (without IR), p. 21 (PDF p. 23); Table 4 (with IR), p. 22 (PDF p. 24). Sum checks: Kuwaiti sections 1–14 = 3,296.6 KD; Non-Kuwaiti = 1,071.3 KD. Kuwaiti outgoing transfers: narrative text p. 21 states 297.7 KD, confirmed by stated total of 3,296.6 KD.

* Housing inversion: Non-Kuwaiti cash housing (209.0 KD) exceeds Kuwaiti (202.4 KD), ratio 0.97x, without IR. With IR added (842.2 KD to Kuwaiti): ratio reverses to 5.00x. Consistent with Wave 3 (0.97x without IR).

** Non-Kuwaiti outgoing transfers (151.5 KD) represent a near-tripling from Wave 3 (51.2 KD). Non-Kuwaiti outgoing transfers now exceed Non-Kuwaiti saving (60.2 KD).

Table W4.2b Average Monthly Household Expenditure:

Aggregate Totals (KD per household), Wave 4, 2019–2021

Expenditure measure	Kuwaiti (KD/month)	Non-Kuwaiti (KD/month)	Ratio (Kuwaiti/Non-Kuwaiti)	Notes
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Total consumption expenditure (without IR)	2,998.9	919.8	3.26x	Sections 1-13 only; excludes outgoing transfers
Outgoing current transfers (section 14)	297.7	151.5	1.97x	Remittances, debt repayment, taxes
Total expenditure (without IR)	3,296.6	1,071.3	3.08x	Stated in Table 3, p. 21
Imputed rent (IR) ***	842.2	—	—	Footnote to Table 3, p. 21
Total expenditure (with IR)	4,138.8	1,071.3	3.86x	Stated in Table 4, p. 22; Non-Kuwaiti unchanged
Saving (income without IR minus expenditure without IR) ****	698.4	60.2	11.60x	Derived
Saving rate (% of income without IR)	17.5%	5.3%	—	W3: Kuwaiti 36.4%, Non-Kuwaiti 19.4%

Source: CSB Kuwait (2023). Household Income and Expenditure Survey 2019-2021. Table 3 (without IR), p. 21; Table 4 (with IR), p. 22. Saving and saving rate derived, see note below.

* Non-Kuwaiti total expenditure identical with and without IR, zero Non-Kuwaiti ownership.

** IR cross-check: 3,296.6 + 842.2 = 4,138.8 KD.

*** Saving derived as income without IR minus total expenditure without IR. Sharp decline from Wave 3 (Kuwaiti 36.4%, Non-Kuwaiti 19.4%). COVID-19 disruption and split-phase design affect comparability.

Table W4.2c Household Distribution by Monthly Expenditure Bracket (With Imputed Rent, Weighted Sample): Wave 4, 2019-2021

Monthly expenditure bracket (with IR)	Kuwaiti %	Non-Kuwaiti %	Kuwaiti cumulative	Non-Kuwaiti cumulative
Below 250 KD	0%	2.8%	0%	2.8%
250 to 499 KD	0.1%	14.8%	0.1%	17.6%
500 to 999 KD	1.3%	42.5%	1.4%	60.1%
1,000 to 1,499 KD	4.9%	21.2%	6.3%	81.3%
1,500 to 1,999 KD	9.4%	9.4%	15.7%	90.7%
2,000 to 2,499 KD	10.8%	4.4%	26.5%	95.1%
2,500 to 2,999 KD	11.5%	2.2%	38.0%	97.3%

3,000 to 3,499 KD	11.1%	0.8%	49.1%	98.1%
3,500 to 3,999 KD	8.8%	0.6%	57.9%	98.7%
4,000 KD and above	42.2%	1.2%	100%	99.9%
Total	100%	100%	—	—

Source: CSB Kuwait (2023). Household Income and Expenditure Survey 2019-2021. Table 1-3, p. 76 (PDF p. 78). Weighted expanded sample. Wave 4 uses 10 brackets; Wave 3 used 7, not directly comparable.

* 60.1% of Non-Kuwaiti households fall below 1,000 KD; 81.3% below 1,500 KD. 42.2% of Kuwaiti households are at 4,000 KD and above, against 1.2% of Non-Kuwaiti.

Channel 5 Restrictions: Housing Tenure and Dwelling Type

Table W4.3a Household Distribution by Housing Tenure: Wave 4, 2019-2021 (Weighted Sample, Percentages)

Tenure type	Kuwaiti %	W3→W4 change	Non-Kuwaiti %	W3→W4 change
Owned - Housing Care (state-provided)	8.6%	9.1%→8.6%	1.8%	0%→1.8% *
Owned - Private	67.4%	71.9%→67.4 %	0.9%	0%→0.9% *
Unfurnished rental	16.1%	16.9%→16.1 %	90.6%	96.1%→90.6%
Furnished rental	0.4%	0.1%→0.4%	1.6%	1.0%→1.6%
Employer-provided	0.3%	0.2%→0.3%	4.5%	2.2%→4.5%
Endowment or gift	7.2%	1.8%→7.2%	0.6%	0.1%→0.6%

Source: CSB Kuwait (2023). Household Income and Expenditure Survey 2019-2021. Table No. (2-ب), p. 49 (PDF p. 51). Weighted expanded sample. Wave 3 figures shown for comparison.

* Non-Kuwaiti ownership non-zero for the first time: 1.8%. Housing Care, 0.9% private.

** Kuwaiti ownership falls from 81.0% (Wave 3) to 76.0% (Wave 4). Endowment/gift rises from 1.8% to 7.2%.

Table W4.3b Household Distribution by Dwelling Type: Wave 4, 2019-2021 (Weighted Sample, Percentages)

Dwelling type	Kuwaiti %	W3→W4 change	Non-Kuwaiti %	W3→W4 change
Complete villa	52.7%	60.9%→52.7 %	1.1%	1.4%→1.1%

Floor or apartment in villa	31.0%	20.1%→31.0%	5.0%	3.2%→5.0%
Apartment	8.9%	8.3%→8.9%	66.4%	71.1%→66.4%
Traditional house	7.4%	10.6%→7.4%	5.6%	5.1%→5.6%
Annex	0%	0%→0%	22.0%	15.0%→22.0%
Total	100%	—	100%	—

Source: CSB Kuwait (2023). Household Income and Expenditure Survey 2019-2021, Table No. (1-ب), p. 48 (PDF p. 50). Weighted expanded sample. Wave 3 figures shown for comparison. Non-Kuwaiti total = 100.1% due to rounding.

* Non-Kuwaiti annex: 4.0% (W2) → 15.0% (W3) → 22.0% (W4). More than one in five Non-Kuwaiti households now live in an annex.

** Kuwaiti villa: 70.0% (W2) → 60.9% (W3) → 52.7% (W4). Floor or apartment in villa: 10.6% → 20.1% → 31.0%. Both trends unbroken.