

BAHRAIN

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No Alternative To People's Participation The Pro Democracy Movement is Making Headway in the Gulf

The insistence of the governments of the Gulf on denying their people the right of political participation is causing a lot of anxiety both within the region and outside it. It seems the time is pressing the tribal regimes to do something about the situation lest the polarisation in the regions leads to an outright burst of anger, an eventuality which looks increasingly likely. During the last month, for example, few events took place in one country or another which indicate the extent of the urgency of the long-awaited political reforms. The Secretary General of the Gulf Cooperation Council (GCC), Abdulla Beshara, stated it was time for the Gulf countries to consider forming a confederation among themselves to replace the ageing and largely ineffective GCC. He also added his belief that it was time to give the people of the Gulf more freedom to express their political views and take part in political debates and decisions. Mr. Beshara knows more than anyone else what is going on in the minds of the rulers and he is undoubtedly aware of the argument circulating in the Kuwaiti ecologns of power in favour of an eventual merger with Saudi Arabia. This proposition seems too outrageous to be contemplated especially with the rising anti-Al Sabah feelings among the Kuwaitis, but perhaps this very fact is behind such wild ideas.

The Kuwaiti opposition, on the other hand, has been active not only in its election campaign, but also in extra-territorial activities. The middle of last month saw the first gathering of its kind taking place in the heart of Kuwait, organised by the Democratic Forum of Kuwait and attended by people of various political tendencies and affiliations from four other countries, namely, Bahrain, Saudi Arabia, Qatar and the United Arab Emirates. After elaborate deliberations, the Gulf Patriotic (National) Forum was established to "further the causes of democracy and freedom of expression in a region devoid of these values". The gathering came at a time of rising tension in Kuwait following few incidents in which violence had been used, and a governmental ban on a national conference proposed by the opposition as part of its election campaign.

In response to this situation, the "International Republican Institute" of USA reacted angrily to the governmental ban on the conference of the Kuwaiti opposition. The Institute was preparing for a series of seminars on the method of running election campaigns. In February it had succeeded in organising several seminars in Ku-

wait. Several American organisations have shown interest in Gulf affairs in recent months and have campaigned in favour of more democratic practices in the region. It is known that the consecutive governments at the White House have turned a blind eye to the excesses of the Gulf governments with regards to human rights abuses and denying any form of political participation in decision making. The Minnesota Lawyers Committee has just published a 175-page report accusing the Saudi Government of contempt for fundamental human rights and demanding an immediate action to expedite political reforms. Another organisation, the Middle East Watch, issued a statement condemning King Fahd's "Reforms" and said the Saudi Monarch was attempting to prolong the Saudi dictatorship and institutionalise his absolute power in the peninsula. It called on the American administration to review its ties with Riyadh in view of this meagre gift.

Put together, these facts are alarming to the governments of the Gulf and may only be a prelude to major events if the path of political reforms is not pursued vigorously. These governments can still count on the unequivocal support lent them by Western governments, most notably that of the United States. But what is at stake here is the long term stability of the region, given the long history of antagonism between the people and their governments. It is not in the western interest to continue propping up these tribal systems for long, especially in light of the ongoing struggle to bring some form of freedom to countries like Iraq. The West will find it extremely difficult to pursue its present policies by ignoring the persistent demands by both the local groups and bodies and international organisations for a serious approach to the political crisis.

Although a lot had been anticipated on the eve of the liberation of Kuwait early last year, but it is now becoming clearer that the "liberating powers" are becoming bogged down by their old notions that it is safer to keep the Devil they know than to gamble on the Angel they do not know. But what about the winds of change? Are they easily containable? Over the last two years there has been a major transformation in the Gulf society and the economic ~~welfare~~ could no longer satisfy the ~~politically~~-hungry masses. Everywhere in the world, the wind of political change is proving to be unstoppable, and the popular feeling is expressing itself both in the media and in public places. The governments are doing their best to contain the movement of

the masses either by offering financial concessions and cuts in basic amenities, as had happened in Kuwait, Saudi Arabia and Bahrain, or resorting to crude practices such as preventing people from pursuing the process of debate and consultation. Last month the Kuwaitis banned the conference of the opposition. The Saudis are banning people from speeches in mosques and universities. The Qatari government prevented three of its nationals from leaving the country and attending the pro-democracy gathering in Kuwait. The three were; Mohammad Saleh Al Kawari, Dr. Ali Khalifa Al Kawari and Essa Al Ghanim. The Al Khalifa family of Bahrain had attempted to stop people from advocating ideas related to constitutional reforms.

In fact, the Bahraini government is in no position to proceed ahead with any national programme unless it acknowledges practically the need to solicit people's support and satisfaction. It has been floating around the idea of a nominated council to replace the parliament called for by the 1973 Constitution. There is a widespread agreement among Bahrain's elites and political campaigners that nothing short of an elected body will be considered a reflection of a goodwill on behalf of the regime. The Al Khalifa must by now realise that such a "concession" is not a bonus. It merely reflects a desire to respect the Law and regulate the relations with the people. This is why a goodwill gesture such as the unconditional release of political prisoners will be looked at favourably by the opposition and the international organisations concerned by the extent of human rights abuses in Bahrain.

Like the other Gulf countries, Bahrain may be awaiting the outcome of the ongoing consultations among the heads of states vis-a-vis- the situation in the region and the outside pressure. But it is not a wise policy to keep the people waiting while their future is being decided by outsiders. The last sixty years have seen the rise of oil revenue in Bahrain. The first oil well started production on 1st June 1932, and transferred the country into a new age with increased wealth and, consequently, stronger infrastructure. However, what the oil has so far failed to produce is to force a change in the attitude of the rulers towards the people. Now oil is dwindling and the economic crisis is ever-mounting. Could it be time for the Al Khalifa to reconsider improving relations with their subjects and undertake to transform these relations to constitutional ones. This is the path forward, and anything else is a transgression.

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Bleak Economy Gives Rise to Political Uncertainty

From detailed fiscal analysis of the budget for 1992, two dangerous facts can be detected. The first is the size of deficit in relation to the government's earnings. The second is the huge expenditure on defence and security. Both are interrelated and have far-reaching consequences on the political future of the country.

Thus, while in 1992 the state's earning is forecast to be B.D 498m (B.D 0.625=pound Sterling), the public expenditure is B.D 623m. The deficit of B.D 125m will be balanced by government's borrowing. Indeed, the government foreign debts have been mounting frightfully for a decade, and last year it stood at over B.D 800m. Beside which, the government is also indebted to many local lenders.

Meanwhile, oil production, which contributes 85% to the government income, is decreasing every year, with stock depletion of 5% annually. Compounded with near-total drying up of financial assistance from other Gulf states, the financial future of the country is in jeopardy. Still, the government spend almost B.D 90m on defence and B.D 77.5m on security services, (twice as much expenditure on the health sector which stands at B.D 43m). Therefore, while the budget deficit for 1992 exceeds 25% of the total earning, the military and state security consumes more than 33.5% of this income.

Despite this, the government seems inadequate to develop sources of income. The only routes that seem available in order to address the imbalance are either imposing income tax or raising the custom and excise duty on imported goods. Both steps, however, are very dangerous and would have a very destabilising impact even on a democratic society where ministers are accountable to tax-payers and sensitive towards inflationary measures. In a closed and autocratic society, whereby widespread corruption goes unmentioned, the government dare not to risk such measures. Imposing income taxes, or raising prices through higher duty on imports will make the gap between the haves and have-nots hard to manage, and could result in mass civil disobedience and social upheavals.

So, what can the Prime Minister do? This question has undoubtedly been raised many times in Bahrain. Well, there are two other options. One is a sophisticated action and requires courage and integrity on behalf of Al Khalifa ruling family. The other is a coward and devious action. While both are painful to the Prime Minister and his tribe, only one is the people's choice.

The first option is for the government to abandon its autocratic grip on the political and economic affairs of the country by introducing constitutional and political reforms. This would allow the whole nation, not just one family and a handful of inefficient advisers, to face up to the challenge. The elected representatives of the Bahraini people could debate the dire situation of the economy, seek professional advice and suggest solutions to their electorates; however painful they might turn out to be.

The country has many neglected resources, such as fishery, agriculture, commercial talent, gas, geographical locations etc. It also has a skilled work force. On the other hand, there is a great deal of wastage in defence, security, royal courts and many other areas. A firm financial management in these two regards can improve the fiscal imbalance. This is a bold and sophisticated option, but one that would preserve the country's independences and provide social and political stability.

The second option is alien, but not inconceivable. Squeezed between economic difficulties and public discontent on one hand and Saudi sensitivity to any real political reform on the other hand, the ruling family might opt for selling what remained of the country's independence. They might readily annex the islands to the Kingdom of Saudi Arabia. For, they can't edge towards the mainland any further without losing national identity altogether. Disguised by unity and common security interests, the ruling family may contemplate being part of a greater Arabian kingdom governed from Riyadh. With some sort of autonomy arrangements, they may well be joined by Kuwait albeit for different reasons. After all, their argument might go, Europe is edging towards a federal super state. So why do small Sheikdoms in the Gulf insist on preserving geopolitical boundaries and separate national entities?

While this prospect might sound like crazy fantasy and a scare-mongering story by the opposition, the fact is that many sheikhs are said to be thinking of it. Why not? They would remain in their position, while Saudi Arabia pays for their defence and security. To be sure, this path is very hazardous. Not least because members from the very ruling family would be outraged. Some die-hard Sheikhs would find it utter repugnant to contemplate surrendering defence and foreign affairs to the Saudis. Accusations of treason and a sell-out would be exchanged between various clans of the fam-

ily. Consequently, the sword would be the final arbitrator, as it is customarily the case with such tribal mentality.

Notwithstanding this potential catastrophe, the people of Bahrain would have nothing to do with an arrangement that turn them to Saudi subjects. Al Saud are the most sectarian and backward regime in the area. If and when, Al Khalifa family admit that they can't manage the country, the people will replace them with their elected representative, not with the Saudi army and secret police. In fact, ironically this process may bring an unexpected end to the dictatorship in many emirates in the Gulf region.

Therefore, one might accuse the government, rather than the opposition, of scare-mongering by spreading rumours of annexation to Saudi Arabia. The prospect of being dissolved and swallowed by the powerful greedy neighbour, might deter people from pressuring ministers for their economic mismanagement. Whatever the source of this gossip might be, the undeniable truth is that, the economic illness which is set to get worse, calls for urgent actions by the government.

Defence & Security

On 11 May, about a hundred U.S., British, French and German companies participated in an exhibition held in Bahrain displaying latest military and security technological advancements. During the four days of the exhibition the Western companies were marketing the most advanced weaponry and equipment (some of which were demonstrated on Baghdad). The Gulf rulers appetite for excessive spending on military equipment is something the Western countries cannot afford to loose, especially as such spending is not hampered by any sort of democratic process in policy-making.

At the same time the U.S. military units stationed in Bahrain were engaged in their first joint manoeuvres with the Bahrain Defence Force. This is in compliance with the latest Defence Agreement signed in October 1991. Bahrain has announced its unreserved acceptance of all American requirements for "facilities" (even more than what Kuwait would accept) in providing the U.S. forces with military ground-headquarter, storage of military equipment, access to fuel storage and unrestricted access to Bahrain territories. More or less, Bahrain has been transformed to satellite state.

Formation of Gulf National Forum

A group of pro-democracy activists from Kuwait, Bahrain, Qatar, U.A.E and Saudi Arabia announced the formation of the "Gulf National Forum" heralding a new type of open and collective democratic political opposition to the absolute monarchies in the Gulf states. The spokesman for the new forum is Mr Abdull Al-Nibari an ex-MP in the Kuwaiti Parliament, who stated that this is the first attempt of a Gulf corporate group whose strategy is to establish a foot-hold in the Gulf and therefore Kuwait was chosen as a centre for the new group. At the top of the agenda is to campaign for the restoration or introduction of democratically elected parliaments.

Political Trials Continue

The course of action taken by the British-led Security forces has been changing slightly in an attempt to present a different image to the outside world. The news about the trial of 11 political activists was again passed to the media to show that such trials are conforming to certain criteria determined by law. The defendants appeared before the State Security Court, whose verdicts are final and do not allow for appeal, only to be informed that their trial is adjourned. These sessions last for short periods, as short as 10 minutes, before an adjournment is announced. Perhaps the Security and Intelligence Service (S.I.S) is enjoining the game or is waiting for a more appropriate environment to pass pre-determined verdicts.

On the other hand it was announced that Dr. Abdul Latif Al-Mahmood has appeared before the same court and was acquitted of three charges out of four. The University Lecturer who was detained for two weeks in December 1991 after delivering a lecture in a seminar about the future of the Gulf Cooperation Council, held in Kuwait and organised by the Kuwait University, was accused of attempting to overthrow the regime, to incite hatred to the government, to deliver a speech outside Bahrain without a permission and to damage the reputation of the Emir (ruler). It is not known which charge has not been dropped, but it is known that the S.I.S intends to use the last charge as a means of give and take to succumb Dr. Al-Mahmood. To their disappointment, Dr. Al-Mahmood has recently announced to a gathering in his town (Hidd) that he care less about the "Englishman" (meaning Ian Henderson the S.I.S chief) who ordered him not to speak in public or in the University.

The Ruling Family Budget of 1992

The State Revenue of the two fiscal years 1991 and 1992 were estimated by the government to be BD 970M (\$2.57B) of which BD 472M (\$ 1.25B) was allocated for 1991 and BD 498M (\$ 1.32B) for 1992. The ruling family is allocated the lion share, despite the fact that even without any allocation they stand to profiteer in all aspects of commerce and trade.

For comparison the following figures are quoted: Ministry of Defence budget is BD 89.25M (\$ 236M), Ministry of Interior is BD 77.5M (\$ 205M), Ministry of Education is BD 68M (\$ 180M), the other ministries range from BD 1.5 (\$ 4M) to BD 43M (\$ 114M).

However, the Amiri Court is allocated BD 6M (\$ 16M), the Amir flight expenses is BD 2.12M (\$ 5.6M), the Ruling Family Council (the decision-making body) expenses is BD 1.54M (\$ 4M), the Crown Prince Court expenses is BD 0.72M (\$ 1.9M), the Prime Minister office expenses is BD 0.4M (\$ 1.1M).

Every member of the ruling family is allocated a monthly salary from day of birth. To find out how much members of the ruling family cost the country the budget must be interpreted. The salaries come from the oil revenues. Bahrain oil comes from two fields, i.e. Bahrain Field and Abu Saa'fa Field. The former produces a maximum of 42,000 barrel per day. The Abu Saa'fa Field was sacrificed by Al-Khalifa to Al-Saud in 1965. As a result Saudi Arabia controls the field and pays Bahrain what amounts to half the total of production (or capacity) in the field. Bahrain share is 75,000 barrel per day. The 1992 budget quotes the contribution to the state revenues from Bahrain Field as BD 109.1M (\$ 289M) and from the Abu Saa'fa Field as BD 159.7M (\$ 423M). Proportioning the revenues with the production of the two fields reveals a discrepancy in the Abu Saa'fa Field. An amount of \$93M (equivalent to 7% of the total budget) is missing from Abu Saa'fa.

The above merely shows the continuing policy of the ruling family which has always reserved the lion-share of the national income for their private expenditure in addition to relieving themselves from paying excise duties and other bills of energy consumption etc..

This is the cost of the ruling family members' salaries, who consider themselves privileged by the fact that they invaded the country two centuries ago and managed to stay in power by a combination of ruthlessness in suppressing the natives and by allying themselves with foreign powers.

Essa Qassim: Political Reforms are the Practical Solution for Intability in Bahrain

Sheikh Essa Qassim, a prominent figure in Bahrain's opposition and an ex-member of both the Constituent Assembly and the dissolved National Assembly, has been intensifying his pro-democracy campaign in the country. The followings are extracts from a speech delivered in Duraz Grand Mosque on 4 April 1992.

"In accordance with the principles of justice and equality we debate some of the concerns and issues which I raise to the authorities for deep consideration. We do not debate these issues to agitate the situation or to create a chaotic one. On the contrary these points of views emerge from the spirit of Islam and Human feeling for national brotherhood.

1. There is an excessive unemployment and an excessive expatriate population. Islam believes in brotherhood world-wide, but also the principles call for house-keeping first. The foreign expertise can only be resorted to fill in the needs of the country.
 2. While we complement the announcement that some exiles have been permitted to return to the country, we call upon the authorities to extend this policy to cover every exile, without any restriction.
 3. The issue of the Islamic cultural societies (such as closing-down the Islamic Enlightenment Society in 1984). We urge the authorities to allow these societies to function freely to contribute in the nation-building.
 4. The issue of the prisoners of conscience must be resolved in the same way as in other countries. The prisoners of conscience must be freed to contribute in clearing the political situation.
 5. There is no free press. The first step must be to permit the launching of Islamic magazines to contribute in the dialogue and debate for the benefit of the country.
 6. The popular participation in running the affairs of the society through elected local councils and through a truly representative parliament must be considered. Bahrain experimented with a successful parliamentary life and we ought to take the lead in introducing elected bodies.
- I say this not to incite troubles, rather to contribute to the nation-building and to suggest practical solutions for establishing a stable environment whereby the country can benefit from utilising the wealth of its human resources".
- The above statements are indicative of the strength of pro-democracy movement.

Bahrain's Economy: Unemployment -Part 4-

Many people are out of jobs and the prospects are not good enough. The unemployment figures are classified information. In the recent past, Bahrain initiated steps to update information on a voluntary basis, by requesting the unemployed to register their names with the Unemployed Registering Office belonging to the Ministry of Labour and social Affairs.

During the 1970s, Bahrain was suffering from inflation. Since inflation is the worst thing in any economy because it affects all and illustrates government incompetence, then the authorities targeted inflation and this helped cause high unemployment. Confidential Governmental records estimate unemployment figure at 29% of the national labour force. Out of this figure some 14% engage themselves in very low grades of labour, such as washing cars, market-porters, etc..

The decline in the GDP and the closing of many banks in particular have increased the number of people out of jobs. All told, Bahrain is ranked the first in the world in terms of lowest population in labour force, 26.6% in the period 1984-87 (versus 59.3% for China, 50% for both the U.S and the U.K, 36.8% for India and 31.6% for Egypt).

The age distribution adds salt to the injury. Bahrain has a very young population. Some 35.1% of the population is below fifteen-years-old. Today more than 20% of people are at schools. The nation must find jobs for the graduates.

Realizing its inability for solving the problem, the regime has turned to the private sector, using the trend of the crucial role of the private initiative (this is far from belief). The government's officials are sparing no time to applaud Al Khalifa's sudden love with privatisation and how is the country adapting to the changes in the world. The private sector is under pressure to employ more domestic employees. However, the Al Khalifa and those closest to them (and those who pay and entertain the influential figures are barred from the ordinance). Most companies prefer employing expatriates mainly from Asia because they are relatively cheap (and obedient) and this helps in the competitiveness. The protracted recession, high operating costs (partly blamed on the high utilities and telephone charges) and stringent profitability have been detrimental to hiring or investing in national man power.

Recent findings are disappointing. The regime has commissioned the accounting and management consultant firm KMPG Fakhroo to study the employment case. The report concluded that drive to raise the proportion of Bahrainis in the private sector was unsuccessful as the number of national employees in 1991 was the same as in 1986. The account charged the wide disparity in wages for the discouraging findings. To illustrate, the average monthly salary for a Bahraini is US \$1,048 compared to \$330 for an Asian expatriate. Moreover, the report was critical of the government's push for further Bahrainisation on the grounds that already

many attractions for foreign firms to work in Bahrain continue disappearing and that the coercion is making life more difficult for these companies. It makes sense to a good extent since Bahrain is in need of these concerns. Thus, while being in need, the government cannot impose restrictions simultaneously. The Al Khalifa apply pressure on many private sector employers partly to dampen the growing domestic disenchantment, thus depicting the regime as a champion and blaming the companies but not the failed ruling family policies (or better lack of planning) for the steep unemployment.

Even the Emir is engaged in promotion. The government is so desperate to entice foreign firms to operate in Bahrain that the Emir devoted a good portion of his long trip to the U.S and then to Japan, marketing Bahrain as an ideal source for business in the region (using the themes that Manama is a natural base for countries desiring to do business with Saudi Arabia, Kuwait and the giant market of Iran). May be the Emir has learnt of the planned theme of George Bush's visit to Japan for being a seller.

Female employees make matters worse. Among the Gulf nations Bahrain stands out as having the highest women labour participation. Based on official statistics, in 1989, females constituted some 13.8% of the total labour force but 19.3% among the Bahraini labour force. The Al Khalifa take pride of this fact in international sectors especially the UN's social indicators. Certainly, females have the full right to work. After all, they must utilize their learned skills to the benefit of the economy. The real problem lies in the regime's inability to have enough jobs for both sexes. Still, in Bahrain, the man is responsible for feeding the family aside from building the house, etc.

The age distribution is the alarming signal. As of 1989, 35.1% of the total population were classified as below 14, the necessary age to be included in the labour force. Most of the unemployed fall in the 15-24 category who make 15.7% of the inhabitants. With unemployment already dangerously high, one wonders of the future awaiting the new entrants to the labour force. Only a small portion of the 1970s and 1980s baby boom have entered the labour force, the majority are yet to do so. The bulk of the youth and young are Bahrainis because the majority of the foreigners are males in their 25-44 of age (both the Bahraini government for fear or worsening employment situation and the Asian governments for hard currency purposes discourage the expatriates from having their families with them in Bahrain).

Bahrain has more than enough expatriates. Foreigners represent 32% of the population but 56% of the labour force. Other Gulf states, notably Qatar (83%), the U.A.E (over 90%) and Saudi Arabia (72%) expatriate participation in the labour force, but those countries, unlike Bahrain, have supply problems. Educated and experienced expatriates will always be needed.

However, the semi-skilled expatriate workers are currently competing with domestic job seekers. Bahrainis are ready to work in motor filling stations, washing cars, etc.. but nationals from the other GCC member states consider these as inferior jobs that suit people from the sub-continent and other South East Asian countries. No offence is meant to the occupations and people of low-income countries, but this is the attitude of many residents in the Gulf. There is little social backlash against the expatriates despite the fact that many nationals are out of work because of competition. Certainly, Bahraini people are unique in this behaviour. However, people with positions of authority have developed a new phenomenon: The free visa. This is a form of document that allows foreigner, with specific skills, especially those from the sub-continent (India, Pakistan, Bangladesh) to arrive in the country and engage in any kind of occupation including "house maids". The "sponsor" demands that he gets paid by the expatriate, the holder of a free visa, up to \$500 every three months or so. The sponsor does not care how the free visa person earned his funds. Greed and desire to make money in the easiest way possible are the reasons behind the spread of this inhumane concept. For one thing, this is creating pressure for jobs; for another, this is a form of modern slavery.

Bahrain has a 65% to 70% Shia Muslims population. Enter job discrimination is based on belief. The government partly revealed its disapproval of the Shia majority through its job policies. Most of the unemployed today are Shia. Still, the government badly needs the Shia's full domestic support for economic development in addition to the dispute with Qatar. The unemployment condition is so complex and emotional that the local newspapers do not even mention the unemployment situation in other countries fearing public ridicule. One receives congratulation on finding a job nowadays in Bahrain. Salaries are declining while cost of living is on the rise. Lacking other alternatives, people accept any compensation in order to live and feed the dependents. There are cases of some working for free so as to get "experience" the buzz word, to find suitable occupation at a later date.

The unemployment situation is an indication of Al Khalifa's inability to efficiently rule such a small country. The people are not told of the acute problems facing the country. Still, people are asked to continuously appreciate the Emir, his brother the Prime Minister and his son the Crown Prince.

All such problems exist while the country is producing crude oil. All indications suggest that Bahrain will be running out of oil within 10 years if not by the turn of the century. Then what will happen. Well the Al Khalifa have secured their income partly by owning many business. Based on the status quo, Bahrainis will undergo an ordeal before long, much harsher than the current experiences of the Russians and other former communist bloc countries.