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The State Audit Bureau of Kuwait:
Social, political, and economic influences in Kuwait

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DECLARATION

I declare that this thesis has been composed solely by myself and that it has not been submitted, in whole or in part, in any previous application for a degree. Except where states otherwise by reference or acknowledgment, the work presented is entirely my own.

Signed: Fatma AlBader

ABSTRACT

The social, political, and economic structure of states are different across international states. The configuration of a state is subjective to its cultural and social norms. These norms are powerful in shaping the way the economic, and political systems of the state. Such systems include institutions of the state, such as state audit. Research has been done on understanding the relationship of states, with state auditors. However, minimal research has been done on studying the social, political, and economic structures of powerful states, and how these structures can have an impact on state audit behaviors. This thesis aims to contribute to existing knowledge by providing insight on how and why state auditors auditor the way they do when faced with powerful social and political influences. Kuwait provides a new and interesting institutional setting for such research. With its ruling family, and unchanged constitution, the Kuwaiti state is seen as a bureaucratic state with feudal traits. The thesis provides insight on interviews that have been conducted with key people in the state audit field, state auditors, executives, managers, and employees at a state sponsored investment firm (one of the state audit bureau's audits that is concerned with this thesis). The theoretical framework is drawn from French philosopher, Pierre Bourdieu's theory of practice and the state. The thesis finds that state auditor independence is questioned when state auditors are found to produce clean audits for ministries that are head by the ruling class social position. Additionally, the thesis finds that the existence of the State Audit Bureau appears to be for legitimacy purposes rather than the 'rigor' of its audit work. This has been further demonstrated through the struggle that took place between the government and the State Audit Bureau. The thesis further examined the social and political influences that may impact the process of conducting the state audit and impacting the outcome of the state audit report. This thesis concludes that under such influences, state audit independence becomes a 'myth', because intended purpose of audit becomes secondary to the state auditors increasing their social capital in the state. When understanding the relationship between the state auditors, and the ruling powers in the state, state auditors appear to struggle for a powerful, dominant position with the state. This struggle has shown to hinder the work of state audit.

LAY SUMMARY

Neoliberal understanding of accounting has shown to have an impact on the that nation-state advance their economies. The neoliberal understanding of accounting places pressures on nation states on opening their economies to maximise capital. With nation states like Kuwait, the implementation of neoliberal accounting understanding has been done through a state sponsored investment firm to increase foreign direct investment. This thesis is concerned with researching how the State Audit Bureau of Kuwait conducted its audit on the state sponsored investment firm. In particular, the thesis considers the unique social, political and economic systems of the Kuwaiti state while investigating the work of the state auditors.

With a ruling family in power, and social class groups interests appear to dominate the work of state audit, this thesis aims to understand why and how state auditors audit the way they do in the Kuwaiti state. To do so, the researcher carried out semi-structured interviews with key actors in the state audit field, and powerful local people that have worked directly with the state auditors.

The thesis draws on the theoretical perspective of Pierre Bourdieu, using his theory of practice, and the state to guide the data analyses. The thesis found that state auditors appear to increase their social powers at the expense of rigorous audit. Additionally, this has shown to have an impact on state auditor independence. The need to increase the social powers of the state auditors was the result of a power struggle between the government of Kuwait, and the State Audit Bureau of Kuwait. The work of the state auditors further demonstrated to be impacted by political influences in the Kuwaiti state. State auditors were found to produce clean audits for ministries that are head by a ruling class social position, or when the work the ministry suits the interests of the state auditor.

This thesis analyses and explains the socio-political configuration of the state of Kuwait and discusses how the SAB is viewed as a state field of low importance. The social class position hierarchy, ruling powers, and powerful social groups are considered in explaining how state auditors' work and reports may be impacted to serve the interests of the dominant social class.

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1. INTRODUCTION

This thesis aims to investigate how the State Audit Bureau of Kuwait (SAB) conducted one of its audits, the State Sponsored Investment Firm (SSIF). Within a unique Kuwaiti democracy, and a capitalist state, the state auditors in the Kuwaiti state appear to be caught in the political and social forces that take place in the state. Such influences seemed to have blurred the roles of the state auditors in the Kuwaiti state, where the state auditors shift between managerial and democratic roles, depending on the social, political, and economic interests of the Kuwaiti state. The state of Kuwait is made up of a hierarchy of ministries, each holding a different level of importance. A sovereign ministry is considered more important than other ministries and is also seen as “elite” because by constitutional law, a person from the ruling family must be appointed as its head (*for sovereign and non-sovereign ministries, refer to Chapter 3 section 3.11.1*). The most notable ministry of the economy in Kuwait is the Ministry of Commerce (a non-sovereign ministry). The State Sponsored Firm (SSIF), a firm that is headed by a ruling family member, operates under the Ministry of Commerce (MOC) has shown to have a significant impact on the growth of the economy of Kuwait. The SSIF brings in foreign direct investment to diversify the economy of Kuwait. Given that the SSIF operates under the MOC, the SSIF is subject audit by the SAB. The SSIF has been shown to hold power in the Kuwaiti state. This power comes in the form of the social, the political, and the economic, because the head of the SSIF and its employees come from elite social classes (such as ruling and merchants/missionaries¹). The employees at the SSIF are working with international investors to generate income for the economy of Kuwait through international investments which aid in strengthening the capitalistic state.

The social, political, and economic powers in the Kuwaiti state highlight complexity in understanding the relationship between the SAB and the state; the complexity derives from the history of Kuwait. The history holds tribalism and deep-rooted social norms and cultures that seem to shape the way the Kuwaiti state and its ruling powers work. These social norms appear

¹ The merchants/missionaries are the socially, and economically powerful in Kuwait. They belong to one ruling social class position and are referred to merchants or missionaries. These two names will be used interchangeably throughout this thesis to reference the ruling powers.

to have influence on the way state auditors carry out audits for the Kuwait state, and the way in which the state audit reports are used.

However, state audit is not the only domain of accounting that has been caught up in political influences. The accounting profession has also been influenced by political powers in states. The accounting literature has shown that the political nature of states and governments have created an “interwoven” relationship between the state and the accounting profession (Willmott 1986). The “interwoven” relationship between the state and the accounting profession unfolds into an interdependency. For example, the state provides employment, to accountants by making the audit of corporations compulsory; while the accounting profession will empower the state by providing training programs to state accountants and supporting state initiative such as privatization. The outcome of these programs are skilled accountants that have the expertise and knowledge in shaping the economy and maintaining the status quo in the structure of the state. The interdependency between the accounting industry and the state legitimises the accounting profession, where the state donates power to the profession such that it has an influence on the economic field. This ameliorates the power of accountants (Catchpowle et al., 2004 and Cooper and Sherer 1984). Indeed, elite social class interests in a capitalistic economy have the power to influence the accounting profession to serve their benefits (Cooper et al., 1989). The accounting profession becomes embedded within the structure of the state and capitalism.

When looking at state audit and the state auditors in a capitalist state, it seems that state sanctioned audit has moved away from becoming a technical practice and more towards a social activity (Chua and Poullaos, 1992). In the private sphere, the technical duties of the auditors are weakened because it has transformed into an interdisciplinary domain, providing incentivized consultancy services at the expense of auditor independence (Windsor and Warming-Rasmussen, 2009). The notion of questioning auditor independence exists not only in private audit corporations, but in state auditors as well.

In Kuwait, the questioning of state auditor independence is not simple, because the powerful political and social forces in the Kuwaiti state seem to have blurred the lines in terms of how state auditors understand their roles (*refer to Chapter 6 section 6.11*). This seems to be the case internationally; the literature has shown that the technical work of the state audit, as a traditional ‘watchdog’ has been surpassed by the need for state auditors to uphold their reputation in the

state, while the state needs state auditors to prove its own legitimacy. The notion of ‘clean audits’ has become a crucial factor for state auditors to maintain a solid reputation and position within the state (O’Connell, 2007). In addition, state auditors working for the state end up producing “special audits”, which are reports made in accordance with the plans of politicians in power (Radcliffe, 1997). Therefore, the work of the state auditor is scarcely independent from any political influences in the state, rather, state auditors are limited to the power set out by the state. Nevertheless, the power of the state is interconnected with the power of the state audit because the state needs the state audit to “attest to” the legitimate of the activities of the state.

State auditors have acquired different roles (social, political, and technical roles) in the state by trying to advance their relationships with the state, which from the outset, undermines the main purpose of state audit (Lino et al., 2022). However, with such changing roles, state auditors become powerful, where they may pose a threat to the state because they have the power to produce publicly available audit reports that can affect the reputation of the state. Yet, this may not happen, Radcliffe (2008) argues that state auditors “share secrets”, because the state auditors are told by the government what should and should not be audited/reported on. Therefore, the idea that suspicious or fraudulent activities not making it on the audit report does not mean they did not take place, it simply means that these activities become a ‘shared secret’ between the government and state auditors (Radcliffe, 2008).

1.1. Motivation and objectives

The aim of my research is to compliment prior studies of the relationship between the state and the state audit. Specifically, my research aims to focus on the interrelations between the Kuwaiti state and the State Audit Bureau of Kuwait that take place in Kuwait’s unique socio-political context, and how state audit is considered a democratic accountability mechanism. The goal of my investigation is to answer the following research questions.

1. How does the State Audit Bureau of Kuwait operate in the state of Kuwait?
2. What are the political influences in the Kuwaiti state that can impact state auditor behavior and what are the consequences of these political influences on the state auditors?
3. Why are state auditors auditing the way they do in the Kuwaiti state?

To my knowledge, the relationship between state audit and the state that considers the social and political forces is a less researched area than the audit profession and the Big 4 auditing firms. My motivation for my research aim is the unique economic system of Kuwait that is dependent on oil production. This economic system feeds into the power of the state because the oil is owned and produced by the state. Moreover, the social factors of Kuwait provide a unique ground for researching the relationship between the Kuwaiti state and the State Audit Bureau; there are two key reasons for its uniqueness (i) the Kuwaiti state has no local corporate tax, and (ii) the unique political regime has remained the same since the protectorate agreement with Britain in the early 1960s. Western influence on the Kuwaiti state as a result of being under the British protectorate in the 1960s is still visible today, where Kuwait's democratic mode of governance is almost identical to the Westminster system, and the state of Kuwait views neoliberal (Western) education as a form of power and increased social status.

In addition, I wish to clarify that while writing my thesis, I have come across several points that I believe are important to explain. First, while reading the literature in auditing, I have come across the powerful importance of the terms "auditing firm", and the Big 4 in the West. It was interesting to see that in Kuwait, an "auditing firm", in terms of Kuwaiti legislation -- does not exist (*Chapter 5, section 5.11, paragraph 2 provides context on why legally, Kuwait does not have Big 4 auditing firms*). Nevertheless, the Big 4 private auditing firms are present in Kuwait, however, they are not as powerful as they are in the West. Further, the legislation suggests that the State Audit Bureau audits the government and produces reports for the Parliament so they can hold the government accountable. However, the "reality" is rather different from the "law in the books". Things are not so simple because given the culture, social practices, social class hierarchy and political factors in the Kuwaiti state, the relationship between the state and the State Audit Bureau is very complex.

This brings me to my second point, which is the indigenous culture and practices that have come with origins of tribalism and the different ideologies in Kuwait. The Kuwaiti history inflicted a social class hierarchy in the state. For example, the ruling class is the most powerful/elite, because they carry the family name of the ruling family. With such a powerful ruling class come from different cultural norms and behaviors that influence the way in which the state audit reports are being used in the state. Although western literature on state audit reports has revealed that reports are written for the benefit of keeping government secrets (Radcliffe,

2008), the audit reports in the Kuwaiti state are controlled by social group interests that are underpinned by the tribe the social group originally emanated from.

These two points have allowed me to realize that studying the relationship between the Kuwaiti State and the State Audit Bureau will provide a deeper understanding into the power of states in different socio-political contexts. Moreover, I believe that my research will provide a fruitful perspective and new insights into indigenous practices between The State Audit Bureau and the Kuwaiti state to the existing state-auditing literature.

After developing my aims for this research, I wish to explain my objectives. My first objective was to primarily understand the structure of Kuwaiti state. The role of the government, and the ministries are considered to have the most influence on the economy of the state. By drawing from Pierre Bourdieu's theory on the state, I was able to understand that the Kuwaiti state, is a bureaucratic state with feudal traits (*refer to Chapter 6, sections 6.8 – 6.8.3*) (although, by using Bourdieu's oeuvre I was also able to test the limits of the theory). The feudal nature of the state was made clear through the hierarchy of government ministries. The ruling and merchant families are not a homogeneous group. Different families have different interests, so, understanding the interactions that take place between the state auditors, the parliament and government was important because those who came from the same social class position would protect their own interests. For example, a state auditor from a merchant social class position might produce "clean" audit reports for "connected" ministries. Therefore, my second objective was understanding the importance of the social position hierarchy in the state, and how it played an important role in the work of the state auditors in the Kuwaiti state.

Indeed, my second objective was to understand the social power that comes with holding an elite social class status in the Kuwaiti state. In particular, understanding how social and political power had an impact on the work of the state auditors. The work of the State Sponsored Investment Firm (SSIF) was subject to be audited from the state auditors. Understanding the behavior of the state auditors assigned to audit the SSIF, and why they audit the way they do for the SSIF became one of the main arenas for my research.

After understanding the structure of the Kuwaiti state, the social and political forces that influence the work of state auditors, my third objective was to understand how the work of the state audit was implemented in the Kuwaiti state as a democratic accountability mechanism. It

was important to have insight on state auditors and powerful people in the state who worked directly with the state auditors to have a full view on how the state audit work was carried out in the state. This objective came with understanding the role of the parliament with the Ministry of Commerce (MOC) and how members of parliament can use state audit reports to lobby certain interests and achieve outcomes that can benefit one social class position over another. Finally, my fourth objective was to look at the implications of the state audit reports. Specifically, the implications of state audit reports for specific interests, and whether the audit reports were used in the state to their full capacity as was intended by the state auditors. This was a very challenging objective, but I believe was worthwhile, because I had the opportunity to evaluate the most powerful forces of the state's (ruling position) conflict with the SAB. It was interesting to know that although the State Audit Bureau is part of the state, the state limits the capabilities of the SAB immediately when the interests of the most powerful forces in the state may be harmed. The limitations on the SAB imposed by the state were my primary research problem.

After highlighting my research aims and objectives, the following section will explain the methodology and methods process I used to understand the socio-political relationship between the Kuwaiti state and the State Audit Bureau of Kuwait.

1.2. Methodology and methods

The methodological location of my thesis represents my philosophical position as a constructivist interpretivist (Burrell and Morgan 1979). I believe that social spaces are made up of subjective and inter-subjective experiences that can only be understood through individuals. Moreover, I believe my thesis falls into Burrell and Morgan (1979)'s humanist paradigm because it highlights that the nature of state audit practices in the state are socially constructed from culture, tribalism, and influenced by capitalism and its international practices.

I have adopted a case study approach to have an in-depth exploration of the relationship between the State Audit Bureau and the Kuwaiti state. Using semi-structured interviews with influential people in the state (those who received audit reports) and the State Audit Bureau (those who produced the state audit reports), I was able to gain fruitful responses from the participants. The fruitfulness in my interviewee responses came from the different fields that

each participant worked at, the state, the Ministry of Commerce, the State Audit Bureau, and the SSIF.

After collecting responses from the interviewed participants, I transcribed all conducted interviews in Arabic, and then went back to translate them into English. This was a very challenging step because there were some indigenous sayings in Arabic that could not be fully translated verbatim into English. The experiences of the interviewed participants were accurately explained through their words in Arabic. Nevertheless, words in Arabic that could not be translated in English, were explained in phrases.

Finally, I followed the thematic analysis guidelines that are set out by Braun and Clarke (2006). In addition, I adopted Pierre Bourdieu's theory of practice, and his theory of the state to analyze and understand the relationship between the State Audit Bureau and the state.

1.3. Findings overview

The aim of this thesis is to explore the relationship between the State Audit Bureau of Kuwait (SAB) and the government under a capitalistic and semi-feudalistic state. This relationship has shown to be a multi layered and complex one because the SAB seemed to be part of the government in the bureaucratic (capitalistic) state with notion of feudalism. The complexity of the relationship becomes dependent on the social analysis of the configuration of the state.

Nevertheless, I will say that the SAB's relationship with the state (of which it is also a part) is a relationship of power and struggle. The state audit duties and independence have been compromised by the need for influential social groups to advance their interests. This is by no means arguing that the state audit is not powerful, it is powerful, however, the only way for the state to limit the power of the SAB and its interference in the government was to assign an individual in an executive position that can be controlled by the government.

I found that in the Kuwaiti state, the influence of political and social forces is powerful because of the specific social configuration of feudalistic traits that exist in the bureaucratic state (i.e., ruling and missionary/merchant social class position); these classes have a powerful control over economic and political decisions. Such control strengthens the feudalistic traits in the state and makes the ruling powers more powerful than they already are. This control seems to come

from the rich accumulation of social, cultural, and economic capital (Bourdieu 2021) that the ruling and missionary/merchant social class position have. The SAB mandate (*refer to Chapter 3, section 3.9*) articulates the specific audit work of the state auditors on the government, however, the state auditors appear to not be able to audit in accordance with the SAB “official” mandate. This came on two main points, one, the need for the state auditors to accumulate the ‘winning’ capitals (Bourdieu 2021) in the Kuwaiti state (social and cultural), and two, the political and social pressures that have been placed the state auditors to take on social and political roles.

The social and political roles that the state auditors were found to take on reinforced the importance of social and cultural capital in the Kuwaiti state. This was demonstrated with the establishment of the State Sponsored Investment Firm (SSIF), a firm working under the Ministry of Commerce (MOC) for facilitating foreign direct investment in the Kuwaiti state. The ruling social class position was found to have given symbolic status to the SSIF, primarily because of who the CEO of the SSIF was.

The SSIF had a CEO from the ruling family social class position appointed. The social, economic, and cultural capital (Bourdieu 2021) of the State Sponsored Investment Firm (SSIF) seemed to be influential on the way the state auditors conducted their audit work on the SSIF. The state auditor for the SSIF was found to be unintentionally auditing for the benefit for the SSIF or would claim that auditing the financials is not part of their audit duty as a state auditor. It was found that the social and political power of the SSIF was also influential on state auditor perception. The state auditor for the SSIF held a perception that the CEO of the SSIF came from an “elite” social class position. The perception of “elite” was the result of a combination of social status, and the neoliberal western education that the CEO had. Having an “elite” perception on the SSIF appeared to blur the way in which the state auditor conducted their audit work because when auditing for the SSIF, the state auditor would always produce what they referred to as “spotless” reports because the CEO held an “elite” social position. In addition, this perception of the “elite” SSIF and its CEO was a shared perception generally within the state.

Serving specific interests through state audit reports seems to be one of the points at which questions are raised about state auditor independence; this is where I agree with Sikka (2009). My findings showed that when a state auditor is auditing for a ministry in the government that

belongs to the state auditor's social class position, the state auditor will do their best to look for "clean audits". It was interesting to find that looking for 'clean audits' seemed to be a normalised way of doing state audit work whenever social class position interests were involved. The state auditors believed that there is no other way to audit for ministries aligned to their social class position other than producing 'clean audits'. State auditors were found to produce 'clean' audits in two situations, where the interest of the ministry aligned with the social position of the state auditor, and when the ministry was head by a ruling family member. Within this context, I agree with Cooper et al., (1989) that technical/attest audit weakened, and social power increased.

The idea of interests was reoccurring in the way audit reports were used in the Kuwaiti state. The state audit reports were used as a weapon in parliament against different social groups, particularly to attack the government to preserve the interests of certain social class positions. The use of state audit reports in Parliament has revealed two major groups that weaponize the state audit reports, one, the group with the merchants/missionaries, and two, the group against the merchants/missionaries. In a democratic setting under a bureaucratic state, among these two groups, the state audit reports were not used for in their intended purposes of providing transparency, and accountability.

In fact, the SAB's work on the SSIF legitimised the work of the SSIF for international investors, who invested in the Kuwaiti economy regardless of the fraudulent activities that have been published on sovereign ministries. In the Kuwaiti state, although the democratic system may be flawed, the work of the state auditors and the state audit reports have been almost parallel with the government's interests. Indeed, when the SSIF was set up, the SAB seemed to conduct "spotless" audits that would legitimise the purpose of the SSIF for international investment and increasing the economy of Kuwait. It seemed that a flawed democratic system can 'work' with the existence of the SAB's legitimacy.

Nevertheless, the SAB's legitimacy in the Kuwaiti state appears to be a continuous struggle for the SAB to maintain. The dynamic between the SAB and the Kuwaiti state is interesting because it appears to me that one cannot exist without the other. However, such dynamic becomes one that is invested in maintaining social, political, and economic interests of powerful social groups rather than using audit reports as they are intended to be used for.

1.4. Contribution

This thesis contributes to the literature on state auditor behaviors, and practices under democratic states. I believe that my contributions are threefold. First, my thesis contributes (*refer to Chapter 7, section 7.2 for a more details*) to the literature on state audit being a powerful institution in democratic states (Gendron et al., 2007; Neu et al., 2013; Ferry and Midgley 2022; Marin 2016; Pallott 2003). Additionally, my thesis adds to the idea that accounting is embedded within the structure of the state and capitalism (Catchpowle et al., 2004), because the findings have shown that economically powerful social class interests have controlled the state audit to serve their needs. Therefore, in a state structure that is dependent on the interests of elite social class groups, state audit becomes secondary to the government.

My second contribution lays in answering calls for research into accounting and the state. Numerous researchers have expressed the need for researchers to study the relationship between accounting and the state in a socio-political economy within a modern state (Burchell et al., 1985, Cooper and Sherer 1984, Cooper 1995, Catchpowle et al., 2004, Tinker 1980, Richardson 1989 and Walker, 2016). My thesis aims to open new areas for critical accounting research by studying the relationship between the state and the state audit, specifically, looking at the power of the ruling social class positions in a Non-Western state (*refer to Chapter 7, section 7.3*). My research contribution also adds to Willmott (1991)'s calling for the vitality in understanding the move of each player in the 'audit game', their actions, and relations within a 'politico-economic' field, and how such political influences may impede on state auditor independence. I believe that my thesis has contributed to Willmott (1991)'s call by looking at individual state auditors and understanding why they take on decisions or audit the way they do within the state. Understanding state auditor practices may be helpful in discussing the 'myth' of state auditor independence.

Finally, my third contribution is on auditing and the Non-Western state, specifically, understanding the role of state auditors and state auditor perceptions in a democratic, Arab state (*refer to Chapter 7, section 7.4*). In Kuwait, this is the first thesis which is concerned with the relationship between ruling powers and state audit. In fact, critical accounting research in Kuwait is very minimal. To my knowledge, Al-Tuwaijry et al., (2003) is the only research which studies a middle eastern state -- Saudi Arabia, the closest country to Kuwait in the region. However, in Kuwait, I am hopeful that my thesis will encourage future researchers to study the

state's relationship with auditing and accounting. The thesis uncovers the taken for granted concepts, such as the influential people's social position in the state. This thesis is optimistic in paving new ways for researchers in the Arab and Gulf region to consider the influence of state social class positions on the state auditing field.

1.5. Organisation of the thesis

This thesis is made up of 7 chapters. After this introductory chapter, Chapter 2, the literature review chapter consists of four main sections. The first section highlights the literature on the state, accounting, and capitalism, with a focus on the social, political, and economic aspects of the state. The second section of the literature review chapter looks at the literature on the power of the state, followed by a subsection that highlights that states are different in the way they work. The third section of Chapter 2 presents the literature on state audit, and how state audit can be an effective democratic accountability tool in a democratic system. The literature review moves on to present the literature on the role of state auditors in the state, followed by how state auditors are seen to legitimize governments. Then, the Chapter continues to shed light on literature that looks at the relationship between the state and the state auditors, with a subsection on the political and social interests that are found to question the independence of state auditors. The questioning of auditor independence is followed by a section on the hybrid roles that state auditors take on. The final section of Chapter 2 presents literature on the Kuwaiti idea of 'wasta' as a social power in the state.

Chapter 3 explains the context of the grounds of my research, Kuwait, and the Kuwaiti state. In this Chapter, I begin with providing a contextual overview on Kuwait, with a focus on the geographical location and the demographic. I move on to explain private and public working sectors in Kuwait, followed by the social distinctions in Kuwait's society. The chapter unfolds to provide an understanding on the unique social system in Kuwait, and key points in the history of Kuwait. I move on to provide context about the constitution of Kuwait, which called for the establishment of the State Audit Bureau. Chapter 3 moves on to provide information about the establishment of the State Audit Bureau, followed by the work of the SAB, and the recruitment processes, along with the different training programs that are provided to the employees in the SAB. Next, I explain the political system in Kuwait, with an explanation of the government and parliament. In addition, I provide a table detailing the different ministries in the government, and which ones are sovereign and non-sovereign ministries. The chapter moves

on to highlight the political system in Kuwait, while using the Westminster model in the UK as a mode of comparison to give the reader a better understanding on the political system in Kuwait. I move on to provide context on the economic system of Kuwait, and how the discovery of oil became known as the golden era for the economy of Kuwait. The Chapter highlights the Iraqi invasion that took place in Kuwait and provides context on the economic consequences that resulted from the invasion. The next section provides highlights the role of the Ministry of Commerce on the economy of Kuwait, with a particular focus on the laws that have been passed and established regarding foreign direct investment. I move on to explain the economic system of Kuwait by providing context on how the SSIF came to be what it is today, and the laws that have been approved to establish the SSIF.

Chapter 4 illustrates the theoretical framework that has directed my research. The theoretical framework chapter covers Pierre Bourdieu's theory of practice, and his concepts; habitus, fields (including the field of power), capitals (cultural, social, economic, and symbolic), and his taken for granted concepts (illusion, doxa, and symbolic violence). The chapter also uncovers Bourdieu's idea on social classes and looks at the philosopher's theory on the state that has been influenced by Gramsci.

Chapter 5 explains my research methodology and methods. This chapter gives insight into my research philosophy, and my thesis's methodological position. The chapter moves on to explain my research design, a case study that has been done with in-depth semi-structured interviews. Chapter 5 continues with details on how I collected my data, and then moved on to organize the collected data based on themes. This chapter also provides insight on how I approached my case study, and what followed with the selected participants. The data collected is then presented in Chapter 6, the findings, and discussions chapter.

Chapter 6 is the findings and discussions chapter. This chapters begins with presenting the findings of my investigation and ends with providing a discussion on the findings that attempt to understand the structure of the Kuwaiti state as a bureaucratic state with feudalistic traits. In doing so, I discuss how the SSIF seemed to pose a threat to the economic power of the merchants/missionaries. I move on to discuss that accumulating the 'winning' capitals (social and cultural) in the Kuwaiti state appear to hinder the work of the state auditors. Chapter 6 continues to discuss the findings, where the political influence on the state auditors in the Kuwaiti state were found to question the independence of state auditors. By drawing on the

literature, state auditor hybrid roles because of the political influences are further discussed. I move on to discuss how state audit can work in a ‘flawed’ democratic system, followed by a discussion on the legitimacy of the state auditors in the Kuwaiti state. The final part of the chapter provides a discussion on why the state auditors in the Kuwaiti state audit based on social norms rather than the SAB’s official law of 1964.

Chapter 7 is the final and concluding chapter of my thesis. It will highlight my contribution to knowledge and provide recommendations on areas for future research.

2. LITERATURE REVIEW

2.1. Introduction

This literature review aims provide literature on state auditors and state audit that the thesis will explore. I begin by providing a broader context with a brief introduction to the general areas of the accounting and auditing field.

Recognizing the vital role states play in the broader comprehension of accounting techniques, and state auditing, I aim to clarify the literature examining states shaped by cultural influences, socio-economic spheres, and variations in both accounting techniques and state auditing practices. The Kuwaiti state has proven to be a unique context for studying state auditing given the unique social class hierarchy that makes up the state and the economic sphere (*refer Chapter 3, section 3.5, and chapter 6, section 6.8-6.8.3 for a more detailed discussion on the social class hierarchy in the state of Kuwait*).

Furthermore, I reflect on literature on the unique and complex relationship between state audit and the state, with the goal of expanding Sikka et al., (2009)'s argument which questions the role of auditor independence. In essence, the question of auditor independence is also evident in the role of state auditors because the relationship between the state auditors in the State Audit Bureau of Kuwait (SAB) and the Kuwaiti state makes the state a major influencer on the state audit reports, and state auditor behavior (*refer to Chapter 6, sections 6.9, 6.10, and 6.11*).

Moreover, I draw on the literature on state auditors with the intention of highlighting the importance of social and symbolic capital (*I refer to Bourdieu's idea on social capital in depth in Chapter 4 section 4.5.2*) for state auditors. The prevalence of social and symbolic capital is linked to the importance of state auditor behavior that is later found to be essential to the maintenance of power in the state of Kuwait. Social capital in Kuwait resembles the notion of 'wasta' that exists in the Kuwaiti state among holders of a high social status (*for further discussion on social capital and wasta in the state of Kuwait, refer to sections 2.10 and 2.10.1 below*).

2.2. An overview on the general areas of accounting and the auditing field

Accounting is no longer perceived as a solely technical practice, but rather, is seen as a social activity that is significantly entangled within the socio-political-economic context (see for example, Chua and Poullaos 1992, Willmott 1986, and Tinker 1980). Depending on whether you take a “wide” or a “narrow” perspective on the state, it has been argued that the auditing profession and the bureaucratic state (Bourdieu 2004) are not separate entities but are somewhat interwoven in a way in which they build upon/support each other due to their continuous interaction (Catchpowle et al., 2004, Willmott 1986, and Tinker 1980).

Willmott (1986) defines this interwovenness between the auditing profession and the state as an “...interdependence and tension, in which each party enables as well as constrains the other”. The interdependency between the state and accounting is where the state monopolizes the accounting profession, by creating compulsory audit and accordingly employment for accountants, while in turn, the accounting profession provides these employees with training and skills that can be used by the state to shape the economy, and perhaps to also help to maintain the hierarchy of social classes (Chua and Poullaos 1992, Tinker 1980, and Willmott 1986). In recent years, the relationship between the state and the big 4 accounting firms has become even closer with the state use of accounting firms as advisors (for early work in this area, see for example, Arnold and Cooper, 1999).

The accounting literature emphasizes that a monopoly on audit services is awarded to the accounting profession by the state, which in turn, increased demand for the work of accounting firms and awarded the firms a “guaranteed market” for audit services (Sikka et al., 2018 and Sikka 2001). Once accountants and accounting firms establish their social position, they can also take advantage of their position to sell services other than audit (Sikka et al., 2018). In addition, the interdependency between accounting and the state is reinforced when the state awards the auditing profession a certain status through the implementation of laws (Sikka et al., 2018). For example, in the UK the designated term of “royal charter” grants an inevitable status to accountants. As a result, the accounting profession has a legitimized influence on the economic sphere of the state, which makes them powerful in nature (Catchpowle et al., 2004 and Cooper and Sherer 1984). There is a mutual supportive relationship between the state and the accounting profession because the state has a need for the profession to provide jobs and to some extent to “police” companies, provide legitimacy, in terms of audit reports, while, at the same time the profession has become a key government advisor on all arenas of public life, (Mazzucato and Collington, 2023); whereas the profession is dependent on the state for

educated employees, lucrative consulting contracts and accounting/auditing regulations. They each serve to “legitimize” the other. Given the dynamic power structure, the state and the accounting profession support each other (Catchpowle et al., 2004, and Chua and Poullaos 1992). The accounting profession could be seen as part of the “wider state”.

2.3. The power of states in a capitalistic economy

The powers and interests resulting from a capitalist economy and auditing is referred to as an “auditing game” by Willmott (1991), where the author argues that it is crucial to understand the move of each player in the ‘game’, their actions, and relations within a “politico-economic” field. The role of accountants in this ‘game’ is essential to the economy of capitalism because accountants’ increased jurisdiction, the work that is produced by auditors affects the way the economy operates (Sikka and Willmott, 1995).

Sikka et al., (2009) highlights the importance in understanding the context in which audit operates within a social, political, and economic spheres, because the continuous growth or as the authors put it, the “mutation” of capitalism poses new ways of understanding audit. On the same note, Richardson (1989) argues that the state and the accounting profession are “intertwined”.

In the economic sphere, the state is a major contributor to capitalism as it is the main distributor of income and the decision maker when it comes to the success or failure of strategies that would benefit certain interest groups (Cooper and Sherer 1984, Catchpowle et al., 2004, Hopwood 1988, and Miratni 1986). The power of the state is also apparent through shaping systems of taxation.

Historically, taxation was important to the newly emerging bureaucratic states. Bourdieu (2004) specifically considers what was at stake in the transformation of the dynastic state to a bureaucratic system. This involved the introduction of an army of civil servants; there was a need for taxation to pay for the civil servants (and other state expenditures for example, the military). Likewise, the state reliance on taxation as a mode of controlling society is expressed through coercion and consent. Coercion came under the state’s physical force, while consent did not include physical force. Therefore, the power of the state through taxes was also a means of imposing control systems on society.

2.3.1. The power of states in a capitalist economy: Differences between states

The capitalist nature of the roles and practices of accounting in different countries has been considered by Puxty et al., (1987). This paper looks at that the accounting profession's role in maintaining economic and social regulation in capitalist societies such as the UK, Germany and Sweden. The research findings reveal that state influence is different across several countries in advanced capitalist societies and that different capitalist states have developed different relationships with accounting. Puxty et al., (1987) demonstrates that a relationship between capitalist states and accounting is not automatic. Nevertheless, state influence and control on the accounting profession is prevalent in Germany, and the US, where the state must approve whether a person can become an accountant of the state or establish a body to supervise the state accountants.

It is here that I agree with Puxty et al., (1987)'s research on the understanding of different capitalist states, where states across different nations are not the same. I believe that viewing all states as identical becomes problematic when trying to understand accounting practices, including state audit. I am not undermining the power of states, because Puxty et al., (1987)'s argument has proven to be crucial within the context of the Big 4 accounting firms. In Western countries (specifically, the UK and the US), the big 4 accounting firms could, given their global reach, in some ways may be more powerful than in other countries. For example, in Kuwait, the Big 4 do not hold the same power as in the UK.

It is also important to understand that states are dependent on the socio-economic nature of the state itself (Richardson 1989, and Chua and Poullaos 1992). In Puxty et al., (1987)'s research, applying Streeck & Schmitter, (1985)'s principals of regulating the state, they argued that the state form, is not a unified form for all, given the contradictory and contrasting results of the different countries analyzed. Therefore, every state is different, depending on the nature of its socio-economic sphere, and the political context of the state.

This literature review thus far has provided a general overview of accounting, and the auditing field, followed by providing insight into the importance of understanding the differences in states under a capitalist economy. I now move on to introduce state audit, and the unique position that state audit holds within the state followed by literature on the use of state audit as a democratic accountability mechanism.

2.4. State audit

The role of state audit is a crucial part of government in ensuring accountability and financial oversight (Friedberg and Lutrin, 2005). In Kuwait, the role of the State Audit Bureau is to provide annual reports to parliament to be able to hold the government (executive) accountable for public fund expenditures (State Audit Bureau Kuwait: www.sab.gov.kw). State audit should be independent from all other government activities, given its close nature with political aspects of duties such as overseeing issues in high levels of the state and gaining unlimited access to accounts and activities of the state administration (Geist, 1981). Such exposure of the state audit into the state makes it a distinct activity from all other activities performed by the government (Geist, 1981). These activities place state audit in a unique position of power with the State because, in an ideal situation, the state audit has access to all the information that is used by the state alongside transparency on all state activities. However, my findings have revealed that this may not be the case in practice.

Given the unique position of state audit, the relationship between the state audit and the state is a complex one. Dewar (1988) writes that the most obvious requirement of a state audit, is being free from control or under the influence of the “Executive” (the government). An “Executive’s” expenditures must be audited by the state audit, however, not every “Executive” wants to have its “dirty laundry” aired in public. Therefore, tension between the state audit and the “Executive” is expected (Dewar, 1988). Members of the state do not prefer auditors to have “unbridled inspection powers” (Radcliffe, 1998), and certainly not want state auditors to have the power to audit everything (Gendron et al., 2007). Thus, the tension between state auditors and the state is the result of the idea the state auditors can publish reports with certain findings that “...will invite criticism” (Neu et al., 2013). Hence, the mere position that the state audit holds generates a perception of threat to the members of the state such as ministers and prime ministers.

Nevertheless, Dewar (1988) argues that parliament is supreme, and the state audit’s final reports must be within the authority of the parliament. Dewar (1988)’s claims not only blur the lines between the state audit and the state, but also, the relationship between these two institutions is seldom simple because the interplay between state audit and the political grounds of the government result in the state audit having a “unique access to the inner workings of the government” (Dewar, 1988). Given this distinct position that state audit sits in within the

government, state audit is powerful because of its special exposure into the government, and its politics, in which state audit provides crucial information to legislation and parliament for control (Geist, 1981). In this context of state audit, Dewar (1988)'s claims that state audit is believed to be independent of politics is essential, otherwise state audit would abuse its power and use their reports as a "stick to beat the government, or a weapon, to disarm the opposition".

Indeed, Muller et al., (2003) argue that understanding the relationship between Government and Parliament is crucial within democracies. Specifically, state audit has been a concern in the relationship between Parliament and Government because Parliament can use the state audit as a form of assurance over Government expenditures (Ferry and Midgley 2022). Likewise, Dewar and Funnell (2017) question the role of state auditors within the tension that exists between the executive and legislature.

After providing insight on the literature about state audit, and the unique position state audit holds with the government, the following section will explore the role of the state audit as a democratic accountability mechanism.

2.5. State Audit as a democratic accountability mechanism

Radcliffe (2008) has called for the need to rethink the practice of state audit under a democratic perspective. In a democratic state, power is granted to the people through a process of elections to nominate their representatives. According to Ferry and Midgley (2022), in a democracy, sovereignty is with the people, and the chosen representatives will exercise the sovereignty on the people's behalf. Under the Westminster system in the UK, the power of the elections goes with extensive delegation to the Government (Bagehot 2001). For Morin (2016), democracy is when citizens can hold officials in the state accountable, and for citizens to hold the state accountable, they must be aware of what the officials in the state are doing and the reasons behind their actions.

State audit aids an effective democratic process in states by proving reports to help Parliament hold governments accountable (Ferry and Midgley 2022). Morin (2016) argues that the closeness of the state auditors with parliament and government creates an inevitable lack of accountability, which Morin (2016) refers to as a "flawed" democratic system.

However, having a “flawed” democratic system is not necessarily ‘bad’. For example, when researching France’s supreme audit institution, Morin (2016) studied the tensions that take place in the accountability process when Supreme Audit Institutions conduct performance audit in the French democratic state. According to the research, under French law, France’s Supreme Audit Institution is independent from the legislative and executive branches of the French government. The study reveals that such tensions create silence on behalf of the Administration which leaves many recommendations by the state auditors remain unresolved. In the French state, according to Morin (2016) “The Court lacks the power to force the Administration to follow its recommendations”. This results in an accountability process that lacks transparency, holds partial secrets with the state, and creates an illusion of transparency (Morin 2016). However, despite the lack of transparency in the accountability process with the Court in the French state, Morin (2016) argues that the Court claims that it holds a reputation of being an “effective Supreme Audit Institution”. In Morin (2016)’s work, despite the lack of accountability and unresolved state auditor recommendations, the perception that the Court held was still an “effective” audit institution.

Morin (2016) moves on to argue that members of Parliament engage in “magical thinking” because they see the failures that occur in the accountability process, they do not discuss them publicly with the Court, nor do they exert their power on the Administration to address such failures. Despite this, the members of parliament in the French state appear to make the state audit “...a profession of faith in the accountability process, and (implicitly) invite the public to do the same” (Morin 2016). The “flawed” democratic system with the state audit in France seemed to serve the interests of the Parliament and Administration because neither questioned the accountability in the performance audits (Morin 2016).

For Morin (2016), a democratic process (even though flawed) is better than having none. Indeed, in certain states such as Kuwait, a flawed democratic process is not necessarily considered ineffective, because with its seemingly current flaws with the state auditors (*refer to Chapter 6 section 6.10*), the social and political systems in the Kuwaiti state appear to move ‘smoothly’.

Nevertheless, Morin (2016) poses a question as to what extent should a flawed democratic process with state audit be tolerated. Funnell (1988, 2007, and 2008) argues that public sector audit was initiated to uphold democracy by preserving the “liberty” and ability of Parliament to guard against any threats from the executive. Likewise, Ferry and Midgley (2022) have

found that essentially, the independence of the parliament and government is as important as the independence of the state auditors. Ferry and Midgley (2022) argue accountability must only be ‘real’ when the Parliament is able to hold the government accountable effectively. For Ferry and Midgley (2022), an “effective” accountable system is when the Parliament has the power to use state audit as a tool to be able to scrutinize and hold the government accountable. If parliament does not use its “power” effectively to hold the government accountable, then the democratic process with the state becomes a flawed system (Morin 2016), because state audit is not used to its full power by the Parliament, but rather used for other purposes such as providing legitimacy for the government (Jacob and Jones 2009), providing services to Parliament members (Pallott 2003), and becoming consultants rather than ‘watchdogs’ (Bowerman et al., 2003). The different roles of state auditors, and the closeness of the state audit with parliament and government makes the independence of state audit “ambiguous” (Funnell, 1994). It seems that the literature reveals that a “flawed” democratic system (Morin 2016) can work if the state auditors are parallel with the government interests.

After providing literature on the use of state audit as a democratic accountability mechanism, I will not move on to explain the role of state auditors in the state which is followed by understanding how state auditors can legitimize governments.

2.6. The role of state auditors

State auditors are auditors for the state, and therefore, are employees of the state (Dewar, 1988). For example, in Kuwait, the state auditors are employees at the State Audit Bureau, which is an organization that works for the Kuwaiti state (government) by default. Whenever the government needs to have audit work done, the state auditors of the State Audit Bureau will perform these audits (State Audit Bureau Kuwait: www.sab.gov.kw).

State auditors perform audits for the purpose of government oversight spending and ensuring that parliament can hold the government accountable. Nevertheless, the duty of state auditors becomes challenging to achieve, given the tensions that can arise between the state auditors and the government (Dewar 1988). The intimate relationship between the state auditors and the state can limit an auditor’s work because they will remain loyal to the guarding of the state’s ‘secrets’ to increase or maintain their social power (Radcliffe, 1997). In fact, the maintenance of public secrets by auditors is the reason why they are favorable in the government (Radcliffe,

2008). Sometimes this maintenance can be done with or without intention, regardless, it becomes part of the way state auditors do things with the government (Radcliffe, 2008). Radcliffe (1997, and 2008) infers that state auditing can sometimes work paradoxically, for the benefit of the government.

One of the benefits that governments get from having state auditors conduct audits can be for legitimacy purposes, where the government uses its state audit to maintain or increase its legitimacy. The following section explores the notion of state auditors legitimizing governments.

2.7. State auditors legitimising governments

In modern states, institutions of audit play an important role in the creation of legitimacy and social stability (Power 1997). To understand the power of legitimacy that come with the institutions of audit, Power (1997) claims that it is best to understand that such audit institutions are a product of past influences, and function in modern states with current influences. Such audit institutions can become a product of modern states that seek the need to maintain legitimacy in current societies.

Indeed, the notion of state auditors legitimizing governments is interesting. The role of the New Zealand (NZ) State Audit Office during and after the bureaucratic revolution from 1990 to 1992 which focused on the development and implementations of the State Sector Act and Public Finance Act has been studied by Pallot (2003). Such public sector reforms have been facilitated by the NZ Audit Office (Pallot 2003). The government needed the expertise of the state auditors to legitimize the reforms and to develop the government's financial systems (Pallot 2003). The NZ Audit Office had "restructured itself" to protect its role of democratic accountability in the state (Pallot 2003).

To protect itself, the NZ Audit Office was auditing non-financials such as Statements of Service Performance which initially, was not part of the Audit Office's duty (Pallot 2003). Pallot (2003) claims that New Zealand is a small country with a limited pool of expertise in state audit. Given the position of NZ Audit Office, it had the knowledge to help the legislature develop and implement the Public Finance Act during the bureaucratic revolution. While doing so, the NZ Audit Office became advisers to Parliament's inquiries on non-financial information regarding the Public Finance Bill in 1989. However, Pallot (2003) argues that the role of advisors that

the NZ state auditors took on was not strategic, but rather, there was no other jurisdiction that held the experience of auditing non-financial information other than the NZ state auditors, so the state auditors felt that they should fill the gap.

The NZ Audit Office's role in developing the Public Finance Act catalysed the creation of the government's financial statements, which included state auditors advising on standards to be met in technical valuation such as military assets, public libraries, and roads (Pallot 2003). Pallot (2003)'s argument is that when the NZ Audit Office undertook such non-financial activities, "the Audit Office made performance auditable". Therefore, such activities were also legitimated by the NZ state auditors (Pallot 2003).

On the other hand, Jacobs and Jones (2009) looked at the establishment and the abolition of two Australian public accounts, the Victorian Committee of Public Accounts (VCPA) in 1985 and the Joint Committee of Public Accounts (JCPA) in 1913. Jacobs and Jones (2009) found that in Australia, public sector audit was initially created (and then abolished) to sustain legitimacy for governmental structures such as Parliament and democracy.

The Public Account Committees provide audit, governance, and regulation under a Westminster system (Jacobs and Jones 2009). Under a Westminster system, The Public Account Committees exercise their audit role through control and oversight on the parliament's spending (Jacobs and Jones 2009). However, the research found that for legitimacy purposes, the establishment of the VCPA was copied from the UK House of Commons Committee of Public Accounts which was established in 1981 (Jacob and Jones 2009). The JCPA was later established in Australia and was found to be copied from the VCPA (Jacob and Jones 2009). In fact, the work of these committees was found to be drifting away from an accounting focus into a political focus (Jacob and Jones 2009). The initial reason for the establishment of these two committees was for legitimacy, and ironically, for the Australian state (government) to become legitimate, it eventually had to disestablish the VCPA and JCPA (Jacobs and Jones 2009).

Jacob and Jones (2009) claim that the existence of the JCPA and VCPA played a legitimating role on how the Australian parliament could oversee government spending. Indeed, the establishment of the VCPA in 1985 was during a period of policy transfer from Britain to its commonwealth countries, such as Australia (Jacob and Jones 2009). The JCPA was established in 1913 during the implementation of policy transfer in Australia (Jacob and Jones 2009).

Nevertheless, the researchers argue that that the legitimacy came from the existence of the public committees rather than their audit work. In fact, Jacob and Jones (2009) claim that the Governments that have catalysed the establishment of the public account committees “appeared to not care” that the committees strayed away from their mandates. The researchers found that the VCPA reports were openly critical of the government, and were involved in policy making, while the JCPA were also actively involved in policy formation, unlike the VCPA, the JCPA was in cooperation with the government (Jacob and Jones 2009). However, in 1932, these committees had to be abolished so the Australian state can maintain its public legitimacy.

During this time the great depression had put a strain on the Australian economy, which lead to the Australian state having to cut down on costs (Jacob and Jones 2009). The public also felt that the state needed to cut down on costs given that so many have lost their jobs during the financial crisis (Jacob and Jones 2009). The VCPA and JCPA were seen as “unnecessary extravagances” (Jacob and Jones 2009) and abolishing them meant that the Australian state would maintain its public legitimacy.

In fact, the ironic aspect in maintaining the Australian’s state legitimacy by abolishing both the VCPA and JCPA (because of the Great Depression’s strain on the economy) was the same legitimacy the Australian state was seeking to gain from establishing the two accounting committees (Jacob and Jones 2009) highlights the importance in understanding the political context of states in setting up accounting committees. In addition, when both the VCPA and JCPA lacked functional purposes in the Australian state, disestablishing these two committees was not a problematic issue (Jacob and Jones 2009). Likewise, in New Zealand (Pallot 2003), the state was going through a bureaucratic revolution which might have placed it in a vulnerable position to seek legitimacy and aid from the NZ Audit Office.

These two cases seem to show that state audit as a democratic accountability mechanism is practiced by the state auditors and state audit committees when governments need to maintain or gain legitimacy. In addition, it appears that states seek legitimacy reasons when there is any political and economic instability such as a bureaucratic revolution (Pallot 2003), and economic strain because of past events (i.e., The Great Depression) (Jacob and Jones 2009). The following section will explore the literature on the relationship of states with state auditors.

2.8. The relationship of the state with state auditors

The existence of state auditors is critical for the democratic state to maintain its legitimacy (Al-Tuwaijry et al., 2003). In the Arab world, Al-Tuwaijry et al., (2003) looked at Saudi Arabia, where the state used its own auditors to legitimate the Saudi state and maintain the existence of Sharia Law indicating the powerful position of state auditors in the state (Al-Tuwaijry et al., 2003). Al-Tuwaijry et al., (2003) found that in Saudi Arabia, accounting regulation, and supervision of the audit profession is the responsibility of the Ministry of Commerce, which established a board made up of 13 people that were heavily controlled and influenced by the state (government). The state used the board members in the Ministry of Commerce to control how the state auditors would work on publicly available state audit reports (Al-Tuwaijry et al., 2003). By producing state audit reports to the public that fostered audit under Sharia Law, the Saudi state becomes a legitimized 'religious' state, because the state audit reports have proven to showcase the validity of Sharia Law.

In the Western world, O'Connell (2007) looked at state auditors in the United States (US), where state auditors were found to be careful about the kind of work, they take on to audit for the state because they (state auditors) fear that the outcomes of the state audit reports may influence their reputation in the state. Specifically, the study looked at the Government Accountability Office (GAO), which was created in 1921 by the Congress, with the role of auditing for the US's government expenditures. O'Connell (2007) based their work on a data set from 1978 to 1998, where in situations that state auditors had the autonomy to choose their audit work, they would choose projects that would not give away their belonged political party (democrat, conservative, etc.) and instead, would deflect them from any affiliation with a party (O'Connell, 2007). Moreover, the legislation of the government can also have knowledge of the reputation about the government auditor depending on what work they audit, hence, in the case where auditors have the autonomy to choose the kinds of projects they would want to audit; they would choose the projects that will most likely not place them at high risk where their reputation is affected (O'Connell, 2007). The kind of work that auditors in the GAO perform shapes the way the legislature makes their choices, which, for example, if the legislature is looking to discover forms of procedural mismanagement in policy programs, they will base their choice of auditor based on their previous audit work (O'Connell, 2007).

Although both cases highlight different states, the two cases of research presented by Al-Tuwaijry et al., (2003), and O'Connell (2007), emphasize that the existence of state auditors has shown to be important for the legitimacy of the states. In the Saudi state, Al-Tuwaijry et

al., (2003) has shown that the state's relationship with its auditors is critical to maintain the legitimacy in the existing social order under Sharia Law in accounting through the control of state audit reports. In the US, O'Connell (2007) revealed that state auditors will try and preserve their reputation in the US state and will most likely produce 'risk-free' audit reports that would not place the state auditors' reputation in any risk. In addition, O'Connell (2007) reveals that the state will be able to choose their future state auditors based on the state auditors' previous audit work. If the state auditor increased their reputation in the state by choosing to provide 'risk-free' state audit reports, they will most likely be chosen again by the state to conduct other audit work.

The cases on the Saudi state and the US have shown the importance of the social and political relations that represent the relationship between the state with its auditors. In the Saudi state, the position of the state auditors legitimizes the need for the State to maintain its religious auditing, while in the US, the state auditors are found to use their position strategically to enhance their reputation in the state. Under this context, the importance in maintaining the political and social interests in the state through state audit is an area of research that is worth exploring. The following section will shed light on state auditors preserving these political and social interests in the state.

2.8.1. The relationship of the state with state auditors: political and social interests

Sikka et al., (2009)'s argument of questioning auditor independence continues to unfold when looking at state auditors' need to preserve political interests. I believe it is important to highlight Sikka et al., (2009)'s argument because the unique position of state auditors with the state allows one to question the extent of autonomy that state auditors have in respect to the state under a socio-political context. This has been seen to be prevalent throughout the thesis, where certain SAB auditors would audit to serve the interests of the social class of certain politicians such as MPs, and ministers in the Kuwaiti state (*refer to Chapter 6, section 6.9*).

The idea of preserving political and social interests in the state among state auditors comes at the expense of auditing. Several literatures have shown that state auditors will sacrifice rigorous auditing for the sake of their relationships with politicians with a high social status in the state. For example, in Canada, internal government auditors report to their senior bureaucrats, depending on the governmental department, which places senior bureaucrats as supervisors of

internal audit, making them essentially “above” the internal audit (Neu et al., 2013). When politicians and senior bureaucrats are “above” the internal audit, they also have control on the audit, as well as what can and cannot be audited. In this sense, the internal government audit becomes subject to political influence that can sway the audit report outcomes. The case study in Canada highlights the downward political influence exerted on the governmental internal auditors where during a sponsorship program, political bureaucrats did not want internal government auditors to find or report on political activities that were part of the program (Neu et al., 2013). While coming across these activities, internal government auditors were reminded of how political the issue is and had their ‘cognitive map’ triggered to take the issue lightly (Neu et al., 2013). Although the internal government auditors did not indicate their actions were influenced by political bureaucrats, the evidence portrayed in the study was parallel to political decisions (Neu et al., 2013). Given the findings of the research, the corruption that was discovered by the internal government auditors regarding the sponsorship programs, was a “secret” that was kept, and maintained between the auditors and their senior political bureaucrats (Neu et al., 2013), which rests on Radcliffe (1997 and 2008)’s notion of auditors and public secrets, “knowing what not to know”.

In the same domain of state audit, in Brazil, Lino et al., (2022) looked at public sector audit being thrust into sustaining corruption because of political elites’ serving their own interests. The elites’ self-serving behavior is revealed by their appointment of high ranked law officials with social connections to political elites that will overlook the audit work. The state auditors would only audit if they were certain that the audit report produced would capture a risk-free clean audit that would not damage the social position and reputation of members of state. The notion of having clean audits for saving political positions and gaining reputational benefits is reinforced in Neu et al., (2013), where whenever there is a chance of an increased critical audit towards politicians, senior politicians would intervene to minimize and undermine the audit for the sake of eliminating any political consequences. In addition, the state auditors will always strive towards choosing ‘clean audits’ because when autonomy is given to state auditors to audit, they will most likely choose audits that will not affect their reputation and position within the state negatively (O’Connell, 2007).

The state auditor’s position in the state has been further researched in Norway, by looking at the Norwegian State Audit Institute, where Reichborn-Kjennerud (2014) provided insight on the magnitude of the state auditors’ influence upon members of parliament (MPs), depending

on if MPs are ‘convinced’ by the report. State auditors can have a sense of what MPs will consider ‘convincing’ enough to use the report, and therefore the state auditors will have an idea on the type of government activities to report on (Reichborn-Kjennerud, 2014). For example, MPs only took into consideration state audit reports if they believed that the comments in the reports were significant if there were consequences such as sanctions. However, in reports where there were no sanctions, the members of parliament did not believe the audit reports (Reichborn-Kjennerud, 2014). Consequentially, state auditors’ influence in parliament is enhanced only when members of parliaments’ interests were involved in the report (Reichborn-Kjennerud, 2014). In this context, the position of state auditors with politicians in the state gives the state auditors insight into the points that make a ‘convincing’ audit report.

The research papers presented above have shown how state auditors strategically audit to increase their reputation, preserve, or build new social relationships with politicians in the state. However, such strategies are only possible when state auditors understand the political and social systems in the state, their ‘cognitive map’ adheres to the influence by senior politicians in the state. Once state auditors are exposed to the inner workings of the government, state auditors are also aware of the social and reputational consequences of being critical of the government systems in their reports. By gaining such exposure, state auditors will strategically audit to maintain their own social position in the state. In essence, state auditing reports become a tool for mobilising self-serving benefits, and maintenance of political interests in the state (Lassou et al., 2022, Lino et al., 2022, Neu et al., 2013, and Radcliffe 1997).

It is here that I would like to highlight the importance of extending of Sikka et al., (2009)’s questioning of the role of audit and auditor independence to state audit. State auditors’ complex relationship with the state results in state auditors’ autonomy limited by the state. Such a unique position of state audit with the state, results in strategic audit practices on behalf of state auditors and politicians in the state, as the literature above has shown. Andron et al., (2022) refers to this unique position as an “entangled” relationship between politicians and auditors. In this context, I believe that Radcliffe (1997 and 2008)’s understanding of state auditors as keeping ‘secrets’, and enabling public secrecy, between state auditors and the state is relevant. Whatever is chosen not to be audited by the state auditors because it may be critical of the government, does not mean that the fraudulent or suspicious activities did not occur. It simply means that both, the government, and their auditors know of it, but choose not to report it,

making it a shared ‘secret’ (Radcliffe 1997 and 2008). Such secrecy comes at the expense of state auditor independence, which in this context, allows one to question whether state auditors are independent from the social and political systems in the government when auditing.

2.8.1.1. The relationship of the state with state auditors: political and social interests - Auditor independence

The politicians’ impact on state auditors affects the way auditors report their findings, where auditors will not report findings that may not resonate well with the public, which in turn, becomes a secret that is maintained and known between both members of the government, and auditors (Radcliffe, 2008). The maintenance of government secrets by state auditors will create a bigger dependency from the government on state auditors. Funnell (2011) argues that the notion of keeping secrets is overstated, where the author suggests that when auditors do not report the ‘secrets’, they are instead, acting within the boundary of the government, and hence, causing limitations to state auditor reports given that their autonomy rests with the border of the government. In fact, Funnell (1994) argues that the thought of independence with state auditors is a modern concept, because traditionally, the government exerted significant control on state auditors. Nevertheless, what appears throughout this thesis, is that the government continues to exert its influence on the state audit, limiting the state auditor’s independence (*refer to Chapter 6, section 6.9 and 6.11*).

The question of state auditor independence continues to arise when exploring the social position of state auditors within the state. In Gendron et al., (2007), the social efforts that auditors go through to claim that their expertise was found to be crucial in measuring government performance. After continuous rejection from the government in Alberta, the state audit officer managed to sell this idea by increasing social connections and marketing the need for audit expertise (Gendron et al., 2007). The Office of the Auditor General was only able to enter the government when it was backed by politicians advocating the need for a new approach. Economic and political issues had to be attached to audit expertise, where the Office of the Auditor General began to direct the government as though it was a business.

The independence of state audit under a socio-political context can be further understood in the UK when the National Audit Office (NAO) was created in 1983 (Ferry and Midgley 2022). In the 1860s, the Supreme Audit Institution in the UK known as the Exchequer and Audit Department (E&AD) was established with the responsibility of auditing all the Government accounts (Ferry and Midgley 2022). Over time, the responsibility of the E&AD evolved to

producing performance audits that were later sent to Parliament committees (Ferry and Midgley 2022). The E&AD were closely related to the Treasury department in Government, and although the E&AD was described as independent, Ferry and Midgley (2022) argue that such independence is unclear given the closeness it had with the government.

Such closeness between politicians and state auditors is also exemplified in Radcliffe (2008), which looked at government auditing in the aspect of keeping public secrets and “knowing what not to know”. The paper looks at and highlights the consequences of state auditors being part of the governmental political secrets and creating audits to maintain order that seem comforting for the public. As a response to Radcliffe (1997), Radcliffe (2008) focuses on the consequences of state auditors voluntarily working with governments instead of challenging the government. Radcliffe (2011) argues that state auditors cannot be “divorced from the world of politics”, and that understanding the work of state auditors in government requires “...nuance, reflection, and careful consideration of their lived experience in practice”. Radcliffe (1997, 2008, and 2011)’s work on state audit in government infers that state auditors are indeed part of the state, where they audit for the benefit of the social and political systems of the state, but more specifically, understanding the work of state audit in government must first require understanding real life, practical experiences of state auditors.

The literature above has shown that state auditors are found to form intimate social and political relations with the state. This is where Sikka et al., (2009)’s questioning of the role of audit and auditors’ independence becomes central. Although Sikka et al., (2009)’s argument on auditor independence is focused on private audit firms, I believe it is important to extend his argument to state audit, because it has been shown that state auditors strategically strive to accumulate social capital (*refer to Chapter 4, section 4.5.2 for more on social capital, and Chapter 6, sections 6.6.3, and 6.8.3 on how state auditors are found to accumulate social capital*) at the expense of rigorous audit work. Gendron et al., (2001) have questioned the independency of the Canadian Government Accountability Office, where they argue that, the more powerful the Office becomes, the more vulnerable it is to the question of independency. In this context, I extend Sikka et al., (2009)’s argument to state audit independence, while leaning on Gendron et al., (2001)’s argument that the more powerful the state audit office, the more challenging it is to become independent from any political influences in the state.

The literature thus far on state audit has proven to place emphasis on the “entanglement” (Andon et al., 2022) between state audit and the social and political spheres of the state.

Certainly, this notion of ‘entanglement’ is highlighted by Funnell (1994) where the author argues that in the United Kingdom (UK), the state auditor was an employee hired by the executive (the state), where, the state auditor never really is independent from the state, but rather the state has its influence on the state auditor. Consequentially, making the state audit essentially an agent of the state, employed by the state, and controlled by the state (Funnell, 1994). However, given Funnell (1994)’s work on UK state auditors, the UK National Audit Office (NAO) refers to itself as “the UK’s independent public spending watchdog”. Therefore, what state auditors perceive themselves, or pretend, to be, is not parallel to the reality of what takes place in the state audit.

The difference in the way in which state auditors perceive themselves, and the reality of the state audit work done for the state emphasizes that the role of state audit has become blurred. The duties of the state audit have become a combination between social and technical work, which resulted in hybrid roles of state auditors. The following section will explore further state auditor independence under a Non-Western context, followed by the changing roles of state auditors.

2.8.1.1.2. The relationship of the state with state auditors: political and social interests - Auditor independence: the Non-Western world

In the Non-Western part of the world, state auditor independence appears to be questioned when faced with pressure to adopt and comply with International Standards on Auditing (Wahdan et al., 2005; Ghattas et al., 2023; Uddin and Choudhury 2008; Eltweri et al., 2021).

For example, in the Egyptian state, although there are international regulations for audit oversight, state auditors in Egypt revealed a shift between what is written in the official laws and what is being practiced (Wahdan et al., 2005). According to Wahdan et al., (2005), this shift was due to four reasons: one, lack of experience and expertise in the profession, two, the weaknesses in the required apprenticeship, three, the lack of accounting and auditing education, and four, the lack of competitiveness of the profession in terms of salaries and incentives.

Taking these reasons into consideration, Wahdan et al., (2005) noted that to comply with internationally accepted accounting and auditing standards, the Egyptian government has attempted to modify the law. Nevertheless, there is still a gap between the auditing standards

and the actual auditing reports (Wahdan et al., 2005). The researchers observe that this gap is due to the differences in perspectives between auditors and users, and the differences in auditors' expertise and experience (Wahdan et al., 2005). The researchers explain that the users of financial statements are unaware of the importance of auditing report types and are dissatisfied with the Egyptian auditors' performance (Wahdan et al., 2005). On the other hand, the Egyptian auditors are unwilling to provide additional information about the results of their audits because they believe that their role as state auditors is central in investment guidance, companies' evaluation, and economic development (Wahdan et al., 2005).

In the same Egyptian context, Ghattas et al., (2023) analysed the establishment and evolution of the Egyptian Audit Oversight Unit (AOU), a public oversight body (POB) that accepted the image of "international best practice" oversight. The authors found that the AOU constructed a local structure that replicated a United States' (US) style of a POB (Ghattas et al., 2023). The local structure used "registers" to bridge the gap found between Western and Non-Western developing countries POBs. The gap reflected lack financial knowledge in local POBs in addition to an increasing gap of technical resources such as audit software and training. Ghattas et al., (2023)'s findings of POBs in Egypt lacking knowledge and skilled expertise is also found in Wahdan et al., (2005)'s reasons when questioning why Egyptian state auditors' practice seems to be different from the state auditors' law. Ghattas et al., (2023) have adopted a Western (US) model of oversight (became known as the AOU) to project an image of confidence for the auditors in Egypt. While the AOU appeared to emphasize the nature of oversight, it became difficult for small, local firms to adhere to the AOU's western adopted style of oversight. This led to the "cracking down" of small firms in Egypt (Ghattas et al., 2023).

It appears that in both state auditor cases Wahdan et al., (2005) and Ghattas et al., (2023) that have been investigated in Egypt, when there is a lack of training, auditing education, and expertise in a less developing Non-Western country, trying to comply to Western accounting and audit regulations becomes a challenge. Ghattas et al., (2023) claim that the setting up of the AOU as an archetype of the US POB appeared to have secured legitimacy for outsiders. However, it also appears that securing the legitimacy did not guarantee auditor efficiency because small local firms did not represent "state of the art" reputation as did the Big Four firms that carried an international reputation (Ghattas et al., 2023). The Big Four firms appeared to automatically have an "easy" audit given their big name, while the small local

firms did not get the same treatment, but rather, had a hard time complying to oversight from the AOU due to their lack of resources, knowledge, and expertise (Ghattas et al., 2023).

Within the context of state auditors complying with international auditing standards, Uddin and Choudhury (2008) question the Bangladesh state auditors' compliance with financial disclosure requirements and auditing standards that have been set out by the Securities and Exchange Commission (SEC). During their interviews, Uddin and Choudhury (2008) found that there are company owners and managers who are not interested in transparent reports, and that what is being reported in annual reports is not what they have really done. Additionally, their investigation found that family members of company owners instruct their auditors to prepare favorable reports to important stakeholders (Uddin and Choudhury 2008).

Uddin and Choudhury (2008) reveal that there are companies listed in the stock exchange without any audited annual accounts. The non-compliance with auditing standards can be due to state bodies being hostage to family-led political parties (Uddin and Choudhury 2008). Such families are seen to hold power over auditors, where owners and directors bend/break the rules to serve the family (Uddin and Choudhury 2008). This power leads to poor audits, and misleading financial accounts leading to questioning the integrity and competence of auditors (Uddin and Choudhury 2008).

Uddin and Choudhury (2008) have shown the power of family-owned companies on state auditor reports and compliance. These findings further demonstrate the importance in understanding the sociocultural context of Non-Western countries in relation to state audit. Eltweri et al., (2021) looked at the role of culture in Libya on the adoption of International Standards on Auditing (ISA). The authors found that in Libya, social influences from family and friends that originated from tribalism are more powerful than personal decisions (Eltweri et al., 2021). In the Libyan culture, allegiance to the tribe is important and has shown to be an excuse as to why Libyan state auditors are reluctant to adopt ISA. Eltweri et al., (2021) argue that such allegiance creates a barrier to the adoption of standards, because if there is any corruption, ISA could expose it (Eltweri et al., 2021). Additionally, Libya's culture of tribalism and its social influences can impede on an auditor's independence, because they become the "...victim of social responsibility to the family, friends and tribesmen" (Eltweri et al., 2021), while the ISA may expose favoritism and nepotism through its demand of transparency. The authors argue that adopting Western ISA may not be possible in the Libyan socio-cultural context.

In fact, Uddin and Choudhury (2008) argue that the idea of a state auditor independence may be the result of a Western understanding in adopting auditing standards. However, when faced with several barriers (Eltweri et al., 2021) under Non-Western sociocultural, the question of state auditor independence becomes complex because cultures derived from tribalism such as the Libyan culture (and the Kuwaiti culture), have more importance on the maintenance of familial social connections than state auditor independence. Nevertheless, even in the Western world, social connections and influences may appear to inflict state auditor hybrid roles. The following section will explore how state audit can become both social and technical.

2.9. State auditors' hybrid roles

State audit has become a combination of both “social” and technical work (Gendron et al., 2001). The literature above on the role of state auditors, and the question of state auditor independence (Gendron et al., 2001) comes because of state auditors' need to build social relationships in the state as part of their audit work. The boundaries of social and technical duties in state audit are blurred. In fact, state auditors themselves have a blurred vision of what their actual audit duty is (Funnell, 1994), because they become caught up in building social connections in the state, that the technical duty of state audit is undermined.

Such combination of social and technical work in state audit creates hybrid roles, where state auditors move from a social and political role to a technical audit role. For example, in Ukraine, Volodina et al., (2022), looks at the dual changing roles of state auditors, where they are shifting between being the traditional role of a “watchdog” and being in line with governmental strategic planning. This dual changing role is the result of different expectations towards internal auditors of the state from powerful agents in the state. The paper highlights that politicians act as customers that need to be served by the internal state audits. Every customer has different needs, and because of this, the state auditors experience a constant shift in focus as to how to satisfy each customer. This set of customers expects auditors to take on the “new” role of audit such as advise, protect and guide (Volodina et al., 2022).

State auditor hybrid roles can sometime be the result of state auditors holding different identities in democratic states. For example, in the UK, Bowerman et al., (2003) has found that the NAO indeed acknowledged itself as a consultant, rather than a ‘watchdog’ on the Parliament. Likewise, under a Westminster system, Pallott (2003) found that in New Zealand,

the Audit Office shifted to become a service provider to the Parliament and focused on providing information to the people in the Treasury that would managerially benefit. These changing roles of state audit in the literature reveal a shift between managerial and democratic roles of state audit, depending on the needs of the Parliament and Government. Such changing roles of state auditors reveal the complexity in trying to understand state audit as a democratic accountability mechanism under socio-political contexts.

The emergence of hybrid roles among state auditors because of state auditors accumulating social capital in the state reminds me of an analogy borrowed from Lassou et al., (2022) in describing audit as “empty crates”. Indeed, while having their autonomy limited by the government, auditing becomes under the influence of the state it becomes “empty” in its essence because the actual use of it is not for the purpose that the state audit projects – providers of information to enable parliament (and perhaps the populous) to hold government to account, but rather, for the political purpose of the state.

After providing insight into the literature regarding state auditors and their hybrid roles, the following section will highlight the importance of ‘wasta’ as a form of social and symbolic power in the state (*I refer to Bourdieu’s theoretical understanding on social and symbolic power, for a more detailed explanation, refer to Chapter 4, section 4.5.3*). The thesis will reveal the importance of ‘wasta’ in the findings and discussions, as the state auditors working in the State Audit Bureau in Kuwait are exposed to holders of ‘wasta’, and some state auditors are holders of ‘wasta’ themselves. The state auditors’ ‘wasta’ becomes a force of power for state auditors in the State Audit Bureau of Kuwait to audit for the benefit of their tribe, or social connections.

2.10. Wasta as social and symbolic power

In the middle east, the ruling elites (people with social connections within the highest part of the state) have a further source of power; ‘wasta’. The Arabic term ‘wasta’ is akin to Bourdieu’s ideas of social and symbolic capital, which are tied to social connections that are claimed because of inherited social status that is derived from blood lines, or family tribes. People who have ‘wasta’ are viewed as powerful in the state. Wasta can be used to force the state to make decisions for the benefit of the ruling elite. This power could also be attached to individual state auditors who come from ruling families with wasta.

The origin of wasta stems from the Arabic meaning of “middle” or “medium” (Ramady, 2016). The underlying assumption of wasta stems from using “connections” to gain advantages from having superior positions in society (Ramady 2016, Cunningham and Sarayah 1993, and Smith et al., 2012). With a focus on the Gulf Cooperation Council (GCC) countries, Cunningham and Sarayah (1993) shed light on the importance of wasta and the influence it has on the social, economic, and political sphere. Cunningham and Sarayah (1993) define wasta as a way of social networking, while Gold and Naufal (2012) refer to wasta as an “immutable social phenomenon”.

Wasta can be seen as an intangible asset that a person can possess, where Barnett et al., (2013) refers to wasta as an “implicit social contract” that takes place between family, friends or tribal relationships. In essence, it also represents Bourdieu’s idea of symbolic capital (*refer Chapter 4, section 4.5.3 for a more detailed explanation of symbolic capital*) because those who have ‘wasta’ have the power to distribute it those who they believe will benefit from it, and in turn, return the ‘favor’ to the initial holders of ‘wasta’. Those who have wasta are not obligated to those who do not, but once holders of wasta use their social connections to help their members, users of wasta are obligated to return the favor by providing some sort of special treatment to the holders of wasta that helped them (Lackner, 2016). Indeed, Lackner’s (2016) notion of favors in wasta has been represented in Lino et al., (2022), where the law officials are appointed as an exchange for a favor. When a holder of wasta does not use his/her wasta to help their members, their reputation between family, friends and tribal members will be perceived negatively, as though they are selfish and disloyal (Lackner, 2016). Hence, in some situations, wasta is seen as a transaction, and in other situations, people feel the need to do use their wasta to protect their reputation, and their family name (Gold and Naufal 2012).

2.10.1. Wasta as a social and symbolic power: in the state

As illustrated in the above literature on state audit, it has shown that state audit is not a separate body that is autonomous from the social, political, or economic sphere of the state. Kropf and Smith (2016) highlight that wasta is a form of political favoritism that is utilized to mobilize one’s social position. Wasta exemplifies an increased exertion of all notions of power that contribute to the economic society (Hutchings and Weir, 2006). These notions of power are exertions of influence, control and distributing information by using networks of political, economic and social systems (Hutchings and Weir, 2006 and Whiteoak et al., 2006). Research to understand the relationship between the state and accounting in a social, economic, and

political sphere is called for (Burchell et al., 1985, Cooper and Sherer 1984, Cooper 1995, Catchpole et al., 2004, Tinker 1980, Richardson 1989 and Walker, 2016), and in Kuwait, *wasta* can be understood as a major component in this relationship.

Wasta is extremely influential, in fact, those who have *wasta* have the power to make or influence certain decisions whether it be on a state level or corporate level (Whiteoak et al., 2006). Holders of *wasta* have a quicker and smoother access to the government systems, activities, and politicians than non-holders of *wasta* (Ramady, 2016 and Gold and Naufal, 2012). Certainly, Cunningham and Sarayah (1993) claim that *wasta* goes beyond human interaction, in which it extends and exists in government, education, health sector and economic business (Lackner, 2016). Nevertheless, in the GCC region, *wasta* does not mean corruption (Ramady, 2016), it is a societal tool or practice that one obtains (Cunningham and Sarayah, 1993), and when one has it, they can also use it to help members of their family, friends or tribe to gain the same social capital that holders of *wasta* have (Ramady 2016 and Kropf and Smith, 2016). Hence, *wasta* is the “invisible hand” that catalyses advantaged opportunities for holders of *wasta* within a social network (Barnett et al., 2013).

Mitchell (1969) conveys the notion that ‘*wasta*’ has on the vitality of understanding a person’s position within the state and their actions because of the social class that represents them in the state. Therefore, a person’s position in the state is determined by the social class from which they come, which simultaneously determines their ‘*wasta*’. One obtains *wasta* through the family name, or family connections, and once obtained, *wasta* must be secured by strong social connections (Hutchings and Weir, 2006). Hence, interpersonal social connections and relationships that are the result of family connections and friendships provide a strong *wasta*, which then automatically exerts influential power in the economic and political sphere (Hutchings and Weir, 2006, and Hofstede, 2001).

2.11. Chapter conclusion

This chapter aimed to provide a particular focus to the state audit literature, and the complex relationship between the state and its auditors under different socio-political contexts.

The chapter started by setting out a general overview on the areas of accounting and the auditing field, with a specific focus on the power of accounting in a capitalist economy. This is followed by a consideration of the heterogenous nature of capitalist states. States are different

depending on their socio-economic nature; this is important for understanding accounting practices.

The chapter then considers the literature on state audit and highlights the unique positions that state auditors hold within the state. This unique position underpins the complexity in the relationship between the state auditor and the state. It then reflects upon the roles of state auditors in maintain government ‘secrets’, which in turn, leads to concerns regarding the independence of state auditors.

The chapter unfolds to examine the use of state audit as a democratic accountability mechanism, and how state audit can aid in an effective democratic process. I continue to shed light on literature explaining the role that state auditors have on legitimizing governments.

I move on to shed light on the relationship of the state with its auditors, while looking at the Saudi and US state. In both cases, it is shown that the position of the state auditors in the state is powerful in nature, which emphasize the importance for the state auditors to maintain social and political relations in the state.

The political and social interests in the state and the question of state auditor independence is further explored in the chapter. I move on to extend Sikka et al., (2009)’s argument of auditor independence to questioning the role state auditor independence given the political and social interests in the state. I explore state audit research conducted in Brazil, Canada, and Norway to highlight the strategic audits that state auditors have conducted or used to preserve their social and political relations in the state.

The following section of the chapter explores in the further detail the notion of state auditor independence, and the importance of exploring state auditor independence given their exposure to the inner workings of the government.

The literature review moves on to uncover the hybrid roles that state auditors take on because of the combination of their social and technical audit work in the state. Such hybrid roles essentially undermine the purpose of state audit.

The final part of the chapter introduces the term ‘wasta’, which articulates with Bourdieu’s concepts of social and symbolic capital. The power of ‘wasta’ in the Kuwaiti state is seen to be prevalent with the state auditors working at the State Audit Bureau of Kuwait.

The following chapter will provide contextual insight on the State of Kuwait.

3. CONTEXT

3.1. Introduction

The aim of this chapter to provide general contextual insight about Kuwait to the reader. As presented in the literature review earlier, state audit is not separate from the state, but rather is part of the state, making state audit part of the political economy of the state of Kuwait (Cooper and Sherer, 1984). Therefore, to give some insight into the state of Kuwait, and how it evolved into its current social/political structure, it is important to provide a general explanation of Kuwait, with a particular focus on how current social class positions came into effect under a political, bureaucratic, and economic Kuwaiti structure.

The chapter begins with providing general information about the geography and demographic in Kuwait. Then, I provide contextual insight into the social distinctions in Kuwaiti society, followed by an explanation on the unique social system in Kuwait. This section also highlights the importance of the ruling class social position in the Kuwaiti state, and the importance of “family connections” in Kuwait.

The chapter moves on to provide history on Kuwait, and how the ruling family came to be what it is today. This section of the chapter also provides context on Britain’s colonial control over Kuwait and how granting Kuwait its independence in 1961 was followed by Kuwait implementing a democratized political system.

The chapter follows with the constitution of Kuwait, and its call for the establishment of The State Audit Bureau (SAB). I continue to provide information about the work of the SAB, and the recruitment, qualification and training programs that take place in the SAB.

I move on to provide insight about the political system in Kuwait. I include the Westminster model mode of governance in comparison to the political system of Kuwait to demonstrate the unique system of Kuwait where deep rooted notions of tribalism and interests become powerful in decision making.

The chapter moves on to shed light on the economic systems of Kuwait, and the role that the discovery of oil had on boosting the economy. I move on to explain the Iraqi invasion that took

place in 1990, followed by the economic strain that it had caused. The final part of the chapter gives context on foreign direct investment in Kuwaiti, and the impact it has on the economy.

3.2. Geographical location and demographic of Kuwait

Located in the north-west of the Arabian Gulf, Kuwait's borders are shared with both Iraq and Saudi Arabia. Kuwait's position on the map on the northeast of the Arabian Peninsula makes it part of the Gulf Cooperation Council (GCC). The GCC is made up of six countries in the Middle East: Saudi Arabia, Kuwait, The United Arab Emirates, Qatar, Bahrain, and Oman. All six countries speak the Arabic language, with differences in dialects.



Image 1: Kuwait geographical location (taken from: Encyclopedia Britannica)

Kuwait's climate is mostly very warm, with only two months of winter, usually ranging between end of December to mid-February.

The total number of people in Kuwait is 4.5 million. Only 30% (1.35 million) are Kuwaiti citizens, while 70% are expatriates. Most of the expatriates in Kuwait are grouped into three main nationalities with Indians (1 million), Egyptians (0.675 million), and Bangladeshis (0.275 million). In terms of the religion demographic, the official religion of Kuwait is Islam, making Muslims 74.6%, Christians 18.2%, other and unspecified 7.2% (Kuwait Population, 2023).

3.3. Private and public working sectors in Kuwait

The growing number of expatriates in Kuwait mostly work in the private sector in Kuwait. Among the major private sector industries in Kuwait are universities, hospitals, banks, and Big 4 auditing firms. The public sector in Kuwait mainly consists of the ministries, the SAB, the Central Bank of Kuwait, and several investment authorities. There are also hospitals and universities that belong to the public sector. Nevertheless the majority of these are privately owned by merchants/missionaries.

The language used by the private sector is English. In the public sector the preferred language is Arabic, but depending on the nature of the work, English is also used. For example, usually, any government reports, or financial statements regarding foreign investment would be written in English, while official documents presented to the state would be written in Arabic. Nevertheless, Arabic is the official language of Kuwait. The literacy rate among males and females is 96% and 95% respectively, making the public well-educated.

Since many of the schools and universities in Kuwait are privately owned by merchants/missionaries, these merchants/missionaries will send their children to the privately owned schools and universities. The graduates of such schools and universities become holders of ‘elite’ neoliberal educational backgrounds because the curriculums of the private schools and universities in Kuwait are focused on the Western neoliberal education teachings². The differentiating factor between people in Kuwait is their educational background, and the social class position they come from. The educational background is a form of social distinctions and classifications in the Kuwaiti society, which is explained in the following section.

3.4. Social distinctions in Kuwait’s society

An important aspect of Kuwaiti society is the different social positions which are underpinned by social distinctions that determine where each individual sits on the social class hierarchy. In Kuwait, there are several social groups clustered by their origins which stem from their ancestors. Therefore, the social distinctions in Kuwait are based on bloodlines, such as the family name an individual holds or represents, and what tribe they belong to (Lawson 1985).

² Private schools in put their students in for Western based exams such as IB, and A levels.

The higher the social status of the family, the more likely they are to stay loyal to the social system of the state and conform to its social order.

As mentioned previously when explaining the demography of Kuwait, it is fairly a small country with a small Kuwaiti population (1.35 million). Therefore, the society is tight knit, where people are very conscious of the family name. Families that hold a high social position and are loyal to the social order of the state are symbols of what the state represents. In Kuwait, those who represent a high social status are only from the royal family, or wealthy merchant/missionary families. These families carry bloodlines that have deep roots in a town in Saudi Arabia referred to as “Najd”. People who belong to the royal family or wealthy merchant/missionary families consider themselves of “pure blood” because they originated from “Najd”. Hence, for the Kuwaiti society, people whose ancestors carry the “Najd” bloodline represent a high social status because they make up the upper class of families. Therefore, having a “Najd” bloodline is a vital means of social distinction and classification in Kuwaiti society that is heavily implicated in the activities of the state, such as marriage, ministerial appointment, and voting for members of parliament.

It is important to note that social distinctions and classifications in Kuwait are multilayered, and they do not only reflect family names, but also every family name is tied to a different cultural tradition. There are two main groups that represents the cultural traditions in Kuwait, and those are “Badu” and “Hadar” (Al-Haroun and Al-Ajmi 2018). The royal family and the merchant/missionary families are all “Hadar”. While the “Badu”, which is a term derived from “Bedouins” are late immigrants from Saudi Arabia who immigrated to Kuwait between 1960 and 1980 (Longva, 2006). When it comes to marriage and state voting, the “Badu” will only vote for their represented members in the state, while the “Hadar” will vote for their own “Hadar” representatives (Al-Haroun and Al-Ajmi 2018). The differentiating factor between these two groups is the way of life, and the way they practice the Kuwaiti culture. For example, the “Hadar” are more liberal than the “Badu” in terms of clothing and obtaining an education from the West (Al-Haroun and Al-Ajmi 2018). Hence, the “Hadar” usually speak better English than the “Badu”.

Another mode of social distinction within the social position hierarchy is the ideological differences among the people. Although Kuwait is a Muslim country, people with the ideology of the practice in Islam are not all the same. The different ways in which Islam is practiced that

is divided into two main categories: Islamist conservatives, and liberals, while the people who follow Islam are classified in two groups, the Sunni and Shia. Therefore, the social distinction in Kuwait is primarily tied to bloodlines, and social class positions, followed by the way of cultural practice and ideological practice. The royal family and the merchant/missionary families are mostly classified as “Hadar”, “Sunni” liberals (Al-Haroun and Al-Ajmi 2018). It is unlikely to find a merchant family member that is “Shia” and an Islamist conservative, because the merchant/missionaries do not represent such ideology.

Given the unique complexity of the social classifications and distinctions in Kuwait society, the following section will move on to elaborate on why the social system of Kuwait is a distinctive system in the Gulf region.

3.5. The unique social system of Kuwait

The social system in Kuwait is not only unique, but also powerful as well (Crystal 1990). The existence of powerful families such as the merchants/missionaries other than the royal family only exists in Kuwait. The merchants/missionaries marry into the royal family and share the same powers. Therefore, the term ‘ruling family’ in Kuwait has become a combination of two families, the royal family, and the missionary/merchant families (Crystal 1990).

I wish to highlight here the dynamic between the missionary/merchant families and the royal family. Given the deep-rooted history of the royal family, the trajectory of the family has changed over time with so many deaths of previous leaders. Such deaths had limited the power of the royal family to only a few individuals. However, because the merchants/missionaries are another branch of the royal family, they all work together to legitimize their position in the power in the state, as well as advance their economic interests, given that most merchants/missionary families own large parts of the private sector in Kuwait. Nevertheless, the ruling power that comes with carrying the name of the ruling family is a factor that distinguishes the difference between the merchants/missionaries, and the ruling family.

Indeed, the inherited powers, and royal bloodlines in Kuwait, are akin to Bourdieu (2004)’s notion of a dynastic state, where “family-based clans” have economic and social power that keeps the power of the royal family. At the time of establishing the most recent social system in Kuwait, Kuwait was a dynastic state without any modes of a bureaucratic state (*refer to*

Chapter 4, section 4.9.1 and 4.9.2). However, I would like to note that the existence of a bureaucratic state in contemporary Kuwait does not diminish the feudal traits that still exist today (*refer to Chapter 6, sections 6.8 and 6.8.1*).

To make the interplay between the ruling family, and the merchants/missionaries clearer, I have attempted to create a brief diagram to illustrate the upper ruling class that the ruling family and merchants/missionaries hold. The differentiating factor is the symbolic power that the ruling family holds. Hence, the dashed line in diagram one specifies that although the ruling family carries symbolic power, there are situations where they will come together with the merchants/missionaries and work together because they share the same interests. Therefore, the dashed line represents fluidity between the two social groups.

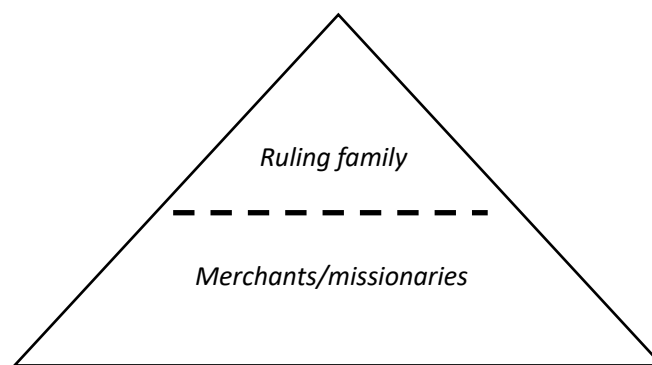


Diagram 1: The interplay between the Ruling family and the merchants/missionaries

Therefore, in modern-day Kuwait and its social system, there is interplay and teamwork between the royal family, and the merchants/missionaries. This dynamic between these two power houses illustrates that the ruling power in Kuwait is not limited to the ruling family but is rather vested in social class groups being under the control of powerful individuals. This notion could mean that social capital, in terms of “family connections”, is more important in Kuwait than in other countries. The idea of vested ruling powers in social class groups is reminiscent of Bourdieu (2004)’s work on the dynastic state. In particular, Bourdieu (2004)’s idea that a dynastic state relies on hereditary and blood lineage powers, where social and symbolic power is inherited by being born into the royal family, and missionary/merchant families.

Another distinctive factor that positions Kuwait in a unique light is that it is the only democracy in the Gulf Cooperation Council (GCC) region. In addition, the constitution of Kuwait has

catalyzed progressive decisions for women in Kuwait, making Kuwait the first country in the GCC to grant women's right to vote, run for parliament and the right to drive a car. Specifically, the right for women to vote and run for parliament has been granted upon an Amiri Decree on May 17, 2005, where the Amir of Kuwait passed a law under his name to give women these rights. Therefore, Kuwait is not only distinctive with its democracy in the region, but the power of the Amir in the democratic environment is unmatched when it comes to promoting laws and implementing progressive change.

After providing context about the unique social system in Kuwait, the following section will explain the history of Kuwait, and how the ruling family came into Kuwait.

3.6. The history of Kuwait

The original name of 'Kuwait' was "Qurain", which means "the horns", reflecting the shape of Kuwait's bay. Its original name, "Qurain" was introduced by the original settlers known as "Bani Khaled". The name was later changed to 'Kuwait', by new settlers, which are known as "Bani Utub", which represent a tribal alliance made up of a group of families (Alqenaei 1964). These families represent those who make up the top social position holders in the social hierarchy, today, they are commonly described as the merchant/missionary families. Within the "Bani Utub" tribe, is the current ruling family of Kuwait, known as "Al Sabah". The first Ruler of Kuwait from Al Sabah family was known as Sabah Al Sabah, he was later given the title of "Sabah Al Awal", which translates to "Sabah the first".

The activities of the merchant/missionary families that made them economically wealthy and powerful today were their ties with India, where they would go by ship to dive for pearls. These families would also do business by reselling gold plaques that had also been purchased from India (Crystal 1990). [The merchant/missionary families were known for these activities (pearl hunting and reselling gold) among the non-merchant/missionary families. Today, the merchant/missionary families that are known to have accumulated their power from the origins of pearl hunting and reselling gold, while also being given the title as merchant/missionaries by the working-class people, still hold immense economic and political power in the state of Kuwait.

Nevertheless, the Al Sabah family have ruling powers concentrated in Kuwait. In fact, the constitution of Kuwait (*refer below to section 3.7 on the constitution of Kuwait*) states that the Amir of Kuwait must be a descendant of Sheikh Mubarak Al Sabah³ from the ruling family. In 1966, Sheikh Mubarak Al Sabah assassinated his two brothers to take over the throne and became the seventh ruler of Kuwait (Abu-Hakima, 1984, and Alqenaei, 1946). This was a major political shift because Mubarak took power and shifted the political strategy from allying with the Ottomans to protecting Kuwait's sovereignty by seeking protection with Britain in 1899 (Abu-Hakima, 1984). Kuwait sought British protection from the Ottomans because the Ottomans saw interest in Kuwait in terms of its geographical location. Kuwait is considered a strategic port on the Arabian Gulf, bigger than that of Basra, Iraq. Kuwait believed that it needed Britain's protection because Kuwait did not want any interference from surrounding powers in the region. Therefore, Kuwait signed protection agreement in 1899, which ended in 1961, when Kuwait has gained its independence from Britain.

As, part of the treaty, Britain has guaranteed to maintain protection of Kuwait upon any calls of foreign threats on Kuwait's national interests for the following 10 years, until 1971. The treaty between Britain and Kuwait meant that Britain had control over the Kuwaiti territory, where Kuwait could not sell or lease any part of its territory without British consent, which in turn, allowed Britain to "maintain Kuwait's protection" (Abu-Hakima 1984). However, one could also note that such maintenance of protection from Britain could be a mask for certain groups to maintain their dominance in Kuwait by having control on Kuwaiti territory.

An important point that I wish to highlight which is another distinctive quality of Kuwait during its political shift, is that Kuwait was in a vulnerable position, in which it felt the need to seek protection by contacting a superpower, Britain. Therefore, Kuwait has actively approached Britain as a direction for the new political system which was initiated by Mubarak AlSabah. Hence, Britain did not go into Kuwait by force or by invasion, but rather, it was brought in as a protection strategy by Kuwait.

After the end of the 10-year agreement between Britain and Kuwait, Kuwait started to gain its independence from Britain in 1961. Nevertheless, before independence was granted to Kuwait,

³ Sheikh Mubarak AlSabah was the seventh ruler of Kuwait 1896-1915. He is known for modernizing Kuwait after Kuwait gained its independence from Britain. Sheikh Mubarak was also known for his role in the constitution of Kuwait, which mandates that any future Amir of Kuwait must be of his decent.

Britain required Kuwait to modernize its legal system (Hijazi 1964). The reason for Britain to demand such modernization was probably to protect its influence in Kuwait despite giving Kuwait its independence. Upon this, Kuwait adopted a civil law legal system that was initially designed by Egyptian judge, Abd El-Razzak El-Sanhuri⁴ (Hijazi 1964). The Kuwait legal system followed the Egyptian system, which was based on French law (Hijazi 1964). During this time, the constitution of Kuwait was later initiated through the democratised first elected Constitutional Council. This makes the Kuwaiti legal system a mix of English common law, and French civil law.

However, Alnefese (2017) argued that modernising and democratising Kuwait's political system (*refer below section 3.11 on the political system of Kuwait*) seemed to be a way for the British to protect their interests (primarily influence) in Kuwait, and to protect its colonial image internationally. Alnefese (2017) argues that democratizing Kuwait's political system was essentially demanded by Britain on Kuwait and designed by Britain in granting Kuwait its independence.

The constitution of Kuwait and its implementation was a way to democratise Kuwait's political system. The following section will discuss in further details the constitution of Kuwait.

3.7. The constitution of Kuwait

The constitution of Kuwait was born in 1961 and published in 1962. Specifically on November 1, 1962, the constitution was approved by the then Amir, Sheikh Abdulla AlSabah (Kuwait Times, 2022). The constitution came into effect on January 29, 1963. The constitution is made up of 183 articles that represent the presidential and parliamentary forms of government (Kuwait Times, 2022).

As Kuwait started to gain its independence from Britain, an Amiri decree⁵ was issued on August 29, 1961, which formed the first election of the Constitutional Council, and later initiated the first public elections on December 30th, 1961. The public elections that took place in December

⁴ Abd El-Razzak El-Sanhuri was a famous Egyptian judge and author of the Egyptian civil code. He served as president of the Egyptian Council from 1949 to 1954. Of those years, he was the Minister of Education from 1945-1946.

⁵ An Amiri decree is a decree made by the Amir or his representatives. An Amiri decree is equivalent to a law.

1961, were aimed at the public electing council members that would later work on the constitution of Kuwait, including laws that would oversee the performance of ministries. With the participation of 10,159 voters⁶, 20 members were elected to the Constitutional Council (Kuwait Times, 2018). The elected council completed their duty in January 1962 by writing the constitution, which was later ratified on November 11, 1962 (Kuwait Times, 2018). It is worth noting that the 20 elected members of the council that wrote the constitution all came from merchant/missionary families. This was probably because the public believed that merchants/missionary families were most knowledgeable in business and politics, given their history of pearl hunting, and gold plaque business. The constitution was then passed on to the late ruler to ratify as an official constitution for the modern Kuwaiti state which has played a pivotal in shaping the national development of Kuwait.

The constitution was a division of the duties between? the ruler of Kuwait, and the duties of civil society. The constitution places emphasis on the power that the ruler holds and his authority in the state (Alhajery 2004). Articles 54 and 55 in the constitution of Kuwait, which states that “The Amir is Head of the State. His person is immune and inviolable” and “The Amir exercises his powers through his Ministers” respectively.

Indeed, the constitution highlighted the rights of the ruler, and the people of Kuwait, which is composed into five chapters, The State and System of Government, Fundamental Constituents of Kuwaiti Society, Public Rights and Duties.

The constitution of Kuwait reinforces the uniqueness of the Kuwaiti state because it was the first state in the Arabian Peninsula to have its own constitution and elected national assembly, forming a solid foundation of democracy. One of the main points in the constitution (and relevant to this thesis) was the need for a State Audit Bureau stated in article 151. The following section will provide insight into the establishment, and the work of the State Audit Bureau of Kuwait.

3.8. The establishment of the State Audit Bureau (SAB) of Kuwait

⁶ These voters were only men. The right for women to vote was granted in 2004.

In 1954, the late ruler of Kuwait, Sheikh Abdullah Al-Sabah made the Supreme Executive Committee the institution responsible for overseeing state departments. During the fourth meeting of the committee that took place on July 2nd, 1954, a decree was issued to establish the SAB with the objective of monitoring the overseeing public funds and monetary accounts.

The establishment of the SAB came with an objective of controlling and overseeing public funds. Specifically, article no. 151 in the constitution of Kuwait state that the SAB

shall assist the government in collecting State revenues and expenditures of funds within the limits of the budget allocation. The SAB shall submit to the government and parliament, an annual report on its work and remarks

However, the State Audit Bureau is not completely autonomous from all other parts of the government. Rather, according to article no, 151, the independence of the SAB is legally tied to that of the government and parliament. This is means that when the government and parliament resign, the SAB must halt its duties, and the CEO of the SAB must hand in their resignation. When a new government is set up, with a new parliament, the parliament appoints a new CEO for the SAB, and all audit teams that have been previously set up in the SAB to audit on governmental ministries and entities need to be set up once again. The following section explain the work and the structure of the State Audit Bureau of Kuwait.

3.9. The work of the State Audit Bureau of Kuwait

The state audit bureau of Kuwait was set up with a mission to “Achieve an effective control on public funds in the entities subject to SAB control according to the best professional practice” (SAB 2019b). According to the SAB’s strategy for 2016-2020, its vision is to provide “sustainable, professional excellence” (SAB 2019b). The SAB strives with the following values (SAB 2019b):

- Independence
- Enhance Accountability
- Professionalism

According to SAB's official law for the year 1964, the SAB is subject to audit the following (SAB 2019):

1. *All ministries, departments, and public organizations that constitute the administrative system of the State.*
2. *The municipalities and all other local bodies with a public legal entity.*
3. *Public commissions, establishments, and organizations attached to the State, the municipalities, or other local bodies with a public legal entity.*
4. *Companies or establishments in which the State or any other public legal entity holds a share of not less than 50% of their capital or guarantees them a minimum profit.*
5. *Companies licensed to utilize or manage one or more of the public facilities (i.e. hospitals, transport, education, infrastructure).*
6. *Companies licensed to utilize any of the State's natural resources.*

Therefore, any government ministry and all departments, and organisations of the said ministry are subject to the SAB audit.

The SAB carries out its work through the setting up of audit teams. The state auditors are divided into teams of approximately five auditors each with a team leader (SAB 2019a). These teams are then sent to the governmental entities and ministries to conduct their audit work (SAB 2019a). According to the SAB (SAB 2019a), to ensure quality in the audits conducted, the audit teams follow a series of measures such as the International Public Sector Accounting Standards that have been issued by international organisations such as the International Federal of Accountants (SAB 2019a). The audit teams conduct audits on the governmental entities and ministries that are subject to the SAB's audit. Once the audit team has completed the audit, they issue a report to audited entity or ministry (SAB 2019a). The SAB follows a series of operations to achieve quality audits such as (SAB 2019a)

- *The distribution of the audit teams must be approved by all the supervisors in the SAB, including SAB's top management.*
- *Ensuring that the audit team works through team work rather than individually. To provide a smooth teamwork effort, each team will be head by a team leader who will be responsible in allocating the audit work to their auditors.*

- *The audit teams must create a timetable and issue periodic reports to their supervisor on the completion of the audit work on the government ministries and entities.*

Once the teams have been set up and the audit work is ensured to move smoothly across the teams, the audit teams begin to follow a technical and administrative reporting cycle through the following stages (SAB 2019a):

1. *The Audit report on the concerned governmental entity or ministry should be prepared by the audit team, which includes the results of the audit conducted during the financial year.*
2. *The team leader of the audit team will review and discuss the report with the auditor that conducted the audit, and then refer the audit report to the director of the SAB.*
3. *Once received, the director of the SAB will review and discuss the report along with its contents. Once reviewed by the director of the SAB, the audit report will be referred to the technical office in the SAB for review.*
4. *The technical office in the SAB will review and discuss the audit report with the audit team and express their technical opinion.*
5. *Once the technical office has issued its opinion on the audit report, the report gets sent back to the team leader of the audit team. The team leader will send the audit reports, including any remarks and opinions from the technical office to the governmental entity or ministry. The team leader of the audit team will specify a period (1-3 months) for the entity or ministry to read the audit report and prepare the appropriate responses. This phase is referred to as the “Pre-Audit” phase.*
6. *After sending the audit reports and specifying a time frame for the government entity or ministry, the audit team will schedule a meeting with the government entity or ministry to discuss the audit report.*
7. *After discussing the auditor report and remarks, an official audit will take place after the 1–3-month period, where audit reports will be conducted once again, and go through the same phases until approved by the SAB president and then finally, referred officially to the government ministry or entity.*

During the end of the year, an annual audit report is produced by the SAB based on the findings of the complete audit work that was done on behalf of the state auditor teams. This report is

annually passed to parliament to discuss and hold the government accountable. The annual meeting is called “closing meeting” (translated from Arabic مسك الختام), where the state auditors will meet with parliament members and discuss the audit report.

In accordance with the SAB’s official laws, any governmental entity, ministry, or any corporation that directly follows the government, then it must be subject to the SAB’s audit. To illustrate, the following flow chart in image 2 provides the process that the state audit reports go through.

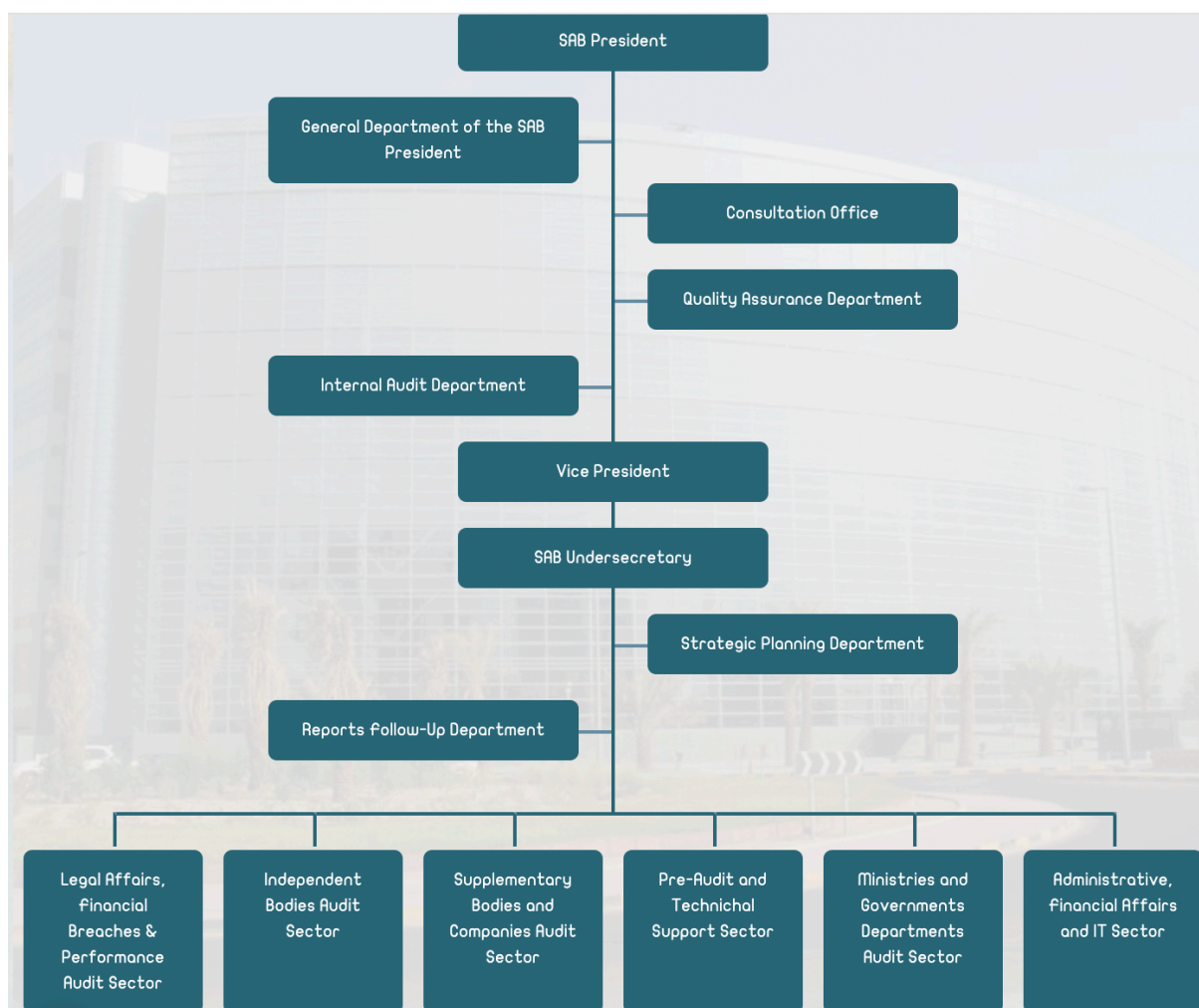


Image 2: SAB flow chart (taken from: www.sab.gov.kw)

It is worth nothing that I am not sure how many employees work at the SAB, as I could not find anything to this regard on the SAB’s website (or anywhere online). Nevertheless, after providing insight on the work of the SAB, the following section will provide situations where the Pre-Audit teams were auditing for sovereign and non-sovereign ministries.

3.9.1. The work of the State Audit Bureau of Kuwait: Pre-Audit teams

The SAB has been proactive in trying to enhance its work with government entities. For example, in January 2019, the Pre-Audit team from the SAB for the Ministry of Health conducted a meeting with the representatives of the Ministry (SAB 2019b). The SAB auditors provided a presentation on the SAB's observations in 2018 to pinpoint deficiencies that can be minimized in 2019 (SAB 2019b). Both the SAB and the Ministry agreed on a 3-month grace period for the Ministry to consider the SAB's observations and take corrective actions (SAB 2019b). In April 2019, the SAB conducted a follow up meeting with the Ministry to compare the Ministry's performance before and after the observations were made (SAB 2019b). The purpose of these meetings was to avoid having the same reoccurring observations in the state audit reports (SAB 2019b).

However, the approach of conducting pre audits on the sovereign ministries is different than other ministries. For example, in May 2019, rather than sending a "Pre audit" team into the Ministry of Interior (MoI), the president of the SAB sent an official letter to the MoI which indicates the observations detected by the president himself prior to sending out a "Pre-Audit" team (SAB 2019b). It appeared that the treatment of sovereign ministries on behalf of the SAB included a double screening prior to conducting an actual audit (SAB 2019b). The first step was the president of the SAB sending out an official letter, and the second step was the SAB sending the "Pre audit" team before conducting official audits. In fact, such double screening steps do not follow the flow chart in image 2. Rather than starting from bottom (Pre-Audit team) to top (the President of the SAB), the initial step was taken by the SAB president by sending out a letter. The letter included observations that have been examined from the audit review process for the year 2017-2018 (SAB 2019b). One month later, in June 2019, the MoI responded to the SAB through a letter (letter no. 13147) stressing that they have taken the SAB's letter into consideration and acknowledged that the SAB's observations have been recognized by the MoI and accounted for to avoid any future recurrences (SAB 2019b).

After providing examples on how the work of the Pre-Audit teams is done for sovereign and non-sovereign ministries, the following section will provide recruitment and qualification details for state auditors to be employed at the SAB.

3.10. Recruitment, qualifications, and training programs of state auditors

The recruitment process in the SAB has developed since the establishment of the SAB (SAB 2019a). The SAB opens for employment once a year. According to the SAB (SAB 2019a), the following are the conditions that an applicant must obtain to have a chance of working in the SAB

- *The applicant should hold an accounting degree*
- *The applicant should score at least a (very good GPA) when applying to join the SAB*
- *Successful completion of the SAB's Professional Testing (this test is two parts, first part is an English language tests, and the second part is an accounting test)*
- *Passing a personal interview*

The final stage of getting to work in the SAB is passing a personal interview. As I have explained earlier in this chapter, applicants coming from merchants/missionary dominant social class positions in the state inherently have increased social capital. In the Kuwaiti state, social capital is akin to 'wasta' (refer to Chapter 2, sections 2.10 and 2.10.1). Applicants coming from merchants/missionaries have the strongest social capital among other nonmerchant/missionary applicants. Those who enter the SAB and become state auditors go through specific training programs. The SAB has developed a plan to

...train its staff in a well-defined and professional manner, and develop a special training program from the beginning of their appointment in the SAB and lasts until the end of service (SAB 2019a)

The training plan is divided into different programs depending on the level of the recruited applicant (junior, senior, or executive level). These programs are - (SAB 2019a)

- A. *New recruit program: This program is set up for new employees, where the SAB provides the most important knowledge and skills that will ensure increased quality in the work of the employees. The information provided in this specific to the rules and regulations of the SAB, and the division of internal and external audit teams.*
- B. *Sector-wide qualification program: This program comes after the "New recruits" program". Employees are now well trained, and are divided into teams (internal,*

external, risk etc.). Once the employees have been allocated a team, this program teaches them the need skills and knowledge for their chosen team. For example, those who have been allocated to internal audit, will be trained on internal audit control systems.

- C. Job training program: This is the final stage of training, which comes after the “Sector-wide qualification program”. The goal of this program is to train employees on the audit work of government entities and ministries that the SAB is subject to audit. The training is done with the audit teams that have been allocated, with the team lead of the said team. This training is considered one of the important programs because the same auditing team that is organized by the SAB to audit on a certain ministry will be training together, under the direct supervision of the head of department.*
- D. The annual training plan: The SAB provides an annual training program for all its employees. This annual training program is designed after determining the training needs of the employees. It takes place at the end of year, after completing the different training programs, the SAB will determine if there are any missing points that have not been covered in the above training programs.*

After explaining the constitution of Kuwait, and its establishment of the State Audit Bureau (SAB), the chapter thus far has given insight into the establishment, the work, and the recruitment processes of the SAB. The following section will move on to explain the political system of Kuwait.

3.11. Political system of Kuwait

Kuwait’s political system is based on a democratic Amiri regime, where the Amir of the state is the official ruler of the country. According to the constitution, Kuwait is divided into three authorities, legislative, executive, and judiciary, where the Amir is head of all three authorities. The system of government in Kuwait is both monarchical and constitutional (Kuwait Government Directory, 2000). Ruling power was and is inherited only by those who carry the bloodline of Mubarak AlSabah by law and constitution. This means that any Amir who rules Kuwait must be of Mubarak AlSabah direct lineage.

The extent of the Amir’s activity in ruling Kuwait is managed by his group of consultants, and the Crown Prince (Alhajeri 2004). To my knowledge I am not sure how his consultants are

appointed or chosen, however, the Crown Prince is a ruling family member which holds direct hereditary ties with the Amir (i.e. cousin, brother, in law, or sometimes, his son) (Alhajeri 2004). In the Kuwaiti state, the Crown Prince is also the Prime Minister (Alhajeri 2004). The Amir would meet with the Crown Prince/Prime Minister on a weekly basis, sign and approve new laws (Alhajeri 2004). When it is time for parliament and government to resign, the Amir will open the parliament and accept the resignation of the members of parliament and the ministers (Alhajeri 2004). It appears (in my opinion) that the Amir of Kuwait is a symbol for the country and the ruling family. The Prime Minister/Crown Prince and the Amir's consultants appear to be working to direct the Amir on decision-making tasks.

Nevertheless, the political system in Kuwait is derived from two main bodies, the government, and the parliament. The public is free to elect members of parliament that they believe will represent their voice in parliament and hold the government accountable (*the following section 3.11.1 below explains how the government is formed*). To help with this, parliament receives audit reports and other information such as public money transfers and expenditures from the SAB (Kuwait Constitution, article 151). The SAB conducts audit report and passes it to members of parliament (*more detailed explanation is given in section 3.9*).

3.11.1. Political system of Kuwait: The government and parliament

The parliament in the Kuwaiti state is made up through an electoral process where Kuwaiti citizens elect fifty members of parliament (MPs) from the five electoral districts in Kuwait (Huwaidi 2021). The top ten MPs with the highest number of votes per district are the winners who enter the parliament and earn a seat in parliament, making the total number of the MPs that earn a seat in parliament 50 (Huwaidi 2021). According to the constitution of Kuwait, the size of the cabinet (government) is limited to only one third of the elected MPs (so, one third of the 50 elected MPs equals 16 ministers).

Therefore, the government in the state Kuwait is made up of 16 ministers, including the Prime Minister. However, the 16 ministers are not chosen or taken from the MPs in government, they are appointed by the Ruler/Amir (Huwaidi 2021, and Alhajery 2004). The 16 chosen ministers are not from the 50 elected MPs, they are chosen outside of the 50. The 16 chosen ministers from the Ruler are usually chosen from “wasta” (*refer to Chapter 2, sections 2.10 and 2.10.1 for the ‘wasta’ literature*) or in Bourdieusian terms, the amount of social capital one carries.

The higher the social capital, the more likely they are to be chosen to become a minister. The social capital is obtained through family names, and social connections, so most of the chosen ministers from the Amir are tied to or from merchant/missionary families. The Prime Minister is also chosen and appointed by the Amir. There is no official law that stipulates the Prime Minister must be from the ruling family, however, ever since the establishment of the political system in Kuwait, the Prime Ministers was always a ruling family member. Once a minister is chosen and appointed, this minister will appoint their group of ‘consultants’ to become part of the ministry’s decision-making processes (Huwaidi 2021). As I mentioned previously in Chapter 1, by law of constitution, sovereign ministries must be ministered by a ruling family member. This makes sovereign ministries more powerful than other ministries. The ministers choose their group of consultants, the same way the Amir chooses the ministers, through the use ‘wasta’ and social capital. The following table illustrates the 16 ministries in Kuwait, and whether they sovereign or non-sovereign ministries. Out of the 16 ministries, 3 are sovereign ministries; Ministry of Foreign Affairs, Ministry of Interior, and the Ministry of Defense.

Number	Ministry	Duty	Sovereign
1	Ministry of Social Affairs	Provide social services, and work on regulating employment unemployment issues.	no
2	Ministry of Information	Operates the official radio and Kuwait television.	no
3	Ministry of Foreign Affairs	Execute Kuwait’s diplomatic vision, contractual international treaties, and foreign policy.	yes
4	Ministry of Interior	Public security, internal law and	yes

		order, including the national police.	
5	Ministry of Education and higher education	To maintain a supervised curriculum of education, and a sufficient level of health among schools. Attesting higher education diplomas and certificates	no
6	Ministry of Commerce	Support and supervise material goods and economic activities in providing services.	no
7	Ministry of Justice	Handles legal affairs in the justice system, including electoral processes.	no
8	Ministry of Defense	Protect the home front through civil service defense, and ensure the safety and protection of the	yes

		country and its people.	
9	Ministry of Oil	Explore, develop and produce oil to serve the economy of Kuwait.	no
10	Ministry of Electricity and Water	Conduct routine checks on the drinking water through labs, and track the energy to provide consistent electricity for Kuwait.	no
11	Ministry of Public Works	Responsible for the infrastructure, and construction projects to develop the public works of Kuwait.	no
12	Ministry of State for Youth Affairs	Gives voices to the youth of Kuwait to make them heard and implement their ideas through projects.	no
13	Ministry of Awqaf and Islamic Affairs	Handles Islamic affairs such as mosques, and overseeing religious charities.	no

14	Ministry of Finance	Land pricing for selling value, investment values for infrastructure projects, and regulates the Stock Market Exchange of Kuwait.	no
15	Ministry of National Assembly	Overlooks the work of executive authority and delegates decision making.	no
16	Ministry of Healthcare	Overlooks and manages and the public healthcare system through clinics and hospitals in all districts of Kuwait.	no

Table 1: The ministries of the state of Kuwait.

3.11.2. Political system of Kuwait: the power of social clans

There are several political parties (i.e. conservatives, liberals) in Kuwait. Separate individuals who carry and represent a certain political party will run for elections, which in turn will guarantee them the votes of their represented political party. However, if a merchant/missionary individual runs for election, all the merchant/missionaries in his district will vote for him, and another merchant/missionary member will also run in another district and guarantee the votes of his clan. When these two merchant/missionary members enter parliament, they will become

more powerful together. Therefore, under the political system in the state of Kuwait, belonging to the same social clan is more powerful than belonging to the same political party.

An interesting point that I would like to highlight in the political system of Kuwait is that it is customary for the elected MPs and ministers to elect a speaker, who becomes the head of parliament. The elected speaker is known to be from a merchant/missionary family. In fact, since 1999, the head of parliament was always a member of a merchant/missionary family (Alhajery 2004). Consequentially, the constitution does not have a law that prevents or forbids parliament members from combining two activities at once, such as political and commercial activities. Indeed, the constitution has been written and designed by wealthy merchant/missionary family members who have a tribal history of pearl hunting and trading in gold (Lawson 1985). This why the merchants/missionaries in the Kuwaiti state have increased economic power, they own majority shares in banks, schools, hospitals, and many other sectors in addition to holding powerful positions in the state such as head of parliament and becoming ministers.

The importance of having social capital appears to be significant in the Kuwaiti state when the Amir chooses ministers, and the prime minister. In addition, the choice of ministers to appoint their group of consultants, along with the customary approach to choose a merchant/missionary to be the head of the parliament. It is also important to highlight that the power of social customs and norms appears to become the way to make decisions politically and socially in the Kuwaiti state. Throughout this thesis, the SAB is found to be caught under the social norms of political influences when conducting state audit.

3.12. The political system of Kuwait and the Westminster system in the UK

To enrich the understanding of state audit in a government/parliament political system, I would like to highlight the Westminster model in the UK as a mode of comparison. The Westminster model divides the state's responsibilities into three main divisions: the legislation/parliament, the executive/government, and the judiciary/courts. Likewise, the constitution of Kuwait (articles 51-53) was implemented with the purpose of power divisions, which was reflected in the three branches that make up the government of Kuwait: The executive branch (government + Amir), judicial branch, and the legislative branch.

Under the Westminster model, it is normal for the leader of the political party with the majority of seats in the house of parliament, to become the prime minister. Then the Prime Minister selects the cabinet/executive from his own party's MPs. According to the constitution of Kuwait specifically, Article 56, the Amir chooses the ministers and the prime minister. Therefore, the executive power is limited with the Amir to appoint the cabinet (the executive). Conversely, the constitution does not state whether or not the Amir takes on any political duties, unlike the Westminster model, which states that the crown is not affiliated with any political affairs, but rather acts under the advice of the prime minister.

Ironically, on paper, the workings of the government under the Westminster model are very similar to that of the workings of the government in Kuwait. However, the reality in Kuwait is that the way the government operates is very different because of the origins and the tribes that the cabinet members come from. For instance, in both cases, the Westminster model and the Kuwaiti government, in the parliament there are representatives that are with or opposed to the cabinet in the government. The driving factor of division in Kuwait are the origins and tribes that cabinet members and MPs come from rather than political parties.

Therefore, the importance of tribes and deep-rooted origins in Kuwait triumphs all other purposes of decision making, and strategizing. In the same sense, if most ministers and MPs all share the same interests because they all come from the same social class, they will support each other and have majority votes despite the goal of the Westminster model as a governing system, which is to allocate the duties of the government to govern, while parliament can hold the government accountable. The reality in practice of the governing system becomes vested in and catalysed by interests that contradict the Westminster model. Such implication becomes immense when the SAB produces their annual reports, and how these reports are used to save/serve interests. This is the striking difference between the Westminster model, and the reality that takes place in the Kuwaiti government. This is not to argue that the Westminster system in the UK might not be fraught with issues – but rather that the issues in Kuwait are rather different from the UK.

The difference in the Westminster model implementations in the UK and in Kuwait demonstrates that states are not homologous in the way they function. Each state is dependent its historical social, political, and economic configuration. Now, we will explore the economic system of Kuwait.

3.13. The economic system of Kuwait

There are several sectors that have a pivotal role in shaping the economy that Kuwait has today. These sectors include the banking and financial sector, the investment sector, the industrial sector, and other contributors to the GDP of the Kuwaiti economy such as retail trade in the form of malls, and the food and beverage sector (Brinkley et al., 2012). These sectors although small, cannot be forgotten as they make a great contribution to elevating the economy and creating a comfortable living environment for its citizens. However, unlike the oil and gas sector, which is state-owned, these sectors are privately owned by wealthy merchants/missionaries who have most of the economic capital that can facilitate and create such sectors all while contributing to the GDP of Kuwait (Lawson 1985). For example, these wealthy families have established the first local shareholding company in Kuwait, which is known as the National Bank of Kuwait (NBK). NBK was established in 1952, and in the following year, in 1953, the merchants/missionaries founded and established what we now know today as Kuwait Airways. Although, today, Kuwait Airways is fully owned by the government.

The economic system of Kuwait is a major distinguishing factor from its neighboring countries. While Kuwait relies almost entirely on oil for its income, other Gulf countries do not, some have implemented taxes as a source of incomes, while others started to seek other revenues through (for example) the tourism industry. Although Kuwait is trying to venture out of the oil and gas industry as a means of diversifying its income, oil remains the major cash cow of Kuwait (Brinkley et al., 2012). Out of all the GCC countries, Kuwait remains the only Gulf country that is majorly dependent on oil, which represents 90% of the country's income (Ministry of Finance 2019).

3.13.1. The economic system of Kuwait: The discovery of oil in Kuwait

Kuwait's thriving oil and gas industry has a direct impact on the Kuwaiti Dinar, making it arguably the strongest currency in the world (Groves 2024). Prior to the discovery of oil in 1933, and the issuance of the Kuwaiti Dinar, Kuwait used the Indian rupees as a unit of currency. However, on October 19, 1960, the Kuwaiti Cash law no. (41) was issued, calling for the new Kuwaiti currency, which was the Kuwaiti Dinar. Following this, in 1969, The Central Bank of Kuwait was established with a responsibility of overseeing economic policies, and the

trading of money as well as any financial activities that take place in the country. The government relies on the Central Bank of Kuwait as a financial advisor.

Before the discovery of oil in Kuwait, the economy of Kuwait was dependent on pearl diving, fishing, and trade. The economy was also surviving on taxes and tariffs on the imports, exports, and on the merchant/missionary families. Essentially, the merchants/missionaries were the ones paying the taxes and tariffs, which made them even more powerful because the wealth they own is being paid to sustain the economy and essentially, pay the salary of the ruler during this time.

Taxes in Kuwait were crucial to keep the ruling system going. The first corporate income tax law was applied in 1951 and amended in 1955 (Baker 1986). However, Kuwait was previously under the British protectorate, and the tax law was written first in English, then translated into Arabic. This created confusion in two aspects. First, the translation from English to Arabic was not accurate because people did not understand how to apply the law in Arabic. Second, the law was written in English most likely to serve the interests of foreign oil companies, by having a law that helps these companies not pay taxes in their home country. The taxes were only made applicable on companies that were registered abroad, and waived any local taxes from Kuwaitis, and Kuwaiti registered companies (Baker 1986).

Today, Kuwait does not have any income taxes for its citizens and non-citizens. The only taxes that are evident in Kuwait are corporate taxes, which are applicable on Kuwaiti shareholding companies, where they are obligated to pay annual taxes (4.5%) of their annual profit (Ministry of Commerce 2019). For foreign companies, they are obligated to pay 15% of their annual income (Ministry of Commerce 2019).

The government controls the economy because of the state-owned oil and gas industry. Since oil income makes up most of the economic income, where 50% of the gross domestic product is represented by the state-owned oil companies in Kuwait, and 95% on oil exports (Kuwait Economy, 2016). The way in which oil is being treated, and transformed for exportation comes in the form of crude oil, oil products, liquefied petroleum gas, chemical fertilizers and many more (Kuwait Economy, 2016). The importance of oil on the economy of Kuwait has proven to be critical because 10% of the world's crude oil reserve is in Kuwait (Kuwait Economy, 2016).

Oil was first discovered in the Burgan Field, in 1933, however in 1938, a hefty amount of oil was discovered that allowed for commercial production (KOC 2001). The Burgan oil field today is the second largest oil field in the world (KOC 2001). Oil was later discovered in other fields such as Magwa (in 1951), Ahmadi (in 1952), Raudhatain (in 1955), Sabriya (in 1957), and Minagish (in 1959). Therefore, the 1950's in Kuwait was an era of not only the discovery of oil wealth, but also a pivotal change in the economic system of Kuwait.

After discovering oil in the 1950's, Kuwait's economy shifted to being dependent on oil trade and exportation, with the first export of oil taking place on June 13th, 1946 (KOC, 2001). However, the first ever oil export took place by using a British oil tanker with the name "Fusilier". It was only later in 1959, 'Kazma', the first Kuwaiti oil tanker was built to hold a capacity of 46,000 tons of crude oil.

In 1975, after independence, the Kuwait government fully owned this natural resource. The major shift of the dynamic of the economy was that the state became a welfare state. So, ironically, the state did not need the money of the merchants/missionaries to sustain itself, but rather, the state was providing free healthcare, education, employment, and removed any income taxes on individuals. Nevertheless, the merchants/missionaries remained powerful because they own most of the private companies in Kuwait that facilitated the increase of the GDP.

In 1980, the government set up a corporation under the name Kuwait Petroleum Corporation (KPC) as a strategy to group all nationally owned oil companies under one roof. This corporation had various subsidiaries under its umbrella, a prominent one being the Kuwait Oil Company (KOC). However, the KOC was first established in 1934 by the Anglo-Persian Oil Company and Gulf Oil Corporation (KOC 2001). Therefore, the KOC was first established before the KPC.

In 1975, the oil reserves in Kuwait were nationalized, and the KOC was the only company that held the sole rights to discover and explore for crude oil (KOC 2001). Therefore, the role that the KOC plays in the national budget is crucial, because 90% of the national budget is entirely from KOC oil production and exportation.

However, in recent years, specifically, 2016-2017, the Kuwaiti economy faced a fall in the price of oil. The oil price crash meant that Kuwait's oil revenues were cut by 60% (Martin 2020), and Kuwait had to cut down on oil production with a break-even price of \$53-55 USD per barrel (Martin 2020), or sometimes pricing at a loss from \$128.14 USD in 2012 down to \$29 USD in 2016 (Al Tabtabai and Soliman 2021). It was challenging for the government to strategize or plan budgets given that its economy heavily relied on oil sales and production.

Nevertheless, with the early discovery of oil, came a new standard of living. From having a nomadic living prior to the discovery of oil to now, living comfortably with a modernization that was thrust into Kuwait such as western clothing, fast food chains, luxury malls, and much more. The discovery of oil prompted increasing oil prices and exports. In 1990, Iraq's leader, Saddam Hussein wanted control over Kuwait's oil. The lucrative oil supply in Kuwait became the catalyst for the Iraq invasion of Kuwait. The following section will discuss in further detail the Iraq invasion of Kuwait and its consequences.

3.13.2. The economic system of Kuwait: The Iraqi invasion

After its independence from Britain, Kuwait faced one of the darkest times of its history, the Iraqi invasion on August 2nd, 1990. The invasion led to 80% damage of the KOC's main oil facilities and projects, where more than 700 wells were set on fire. During that time, Iraq's leader, Saddam Hussein wanted to increase his control over the oil supply in the Middle East, and his motive in invading Kuwait was the lucrative oil supply in Kuwait. When invading Kuwait, Iraq gained control on approximately 20% of the world's oil reserves. On the same day of the invasion, the United Nations Security Council (UNSC) had denounced the Iraqi invasion and called for Iraq's immediate withdrawal from Kuwait (Warbick, 1991).

However, Saddam Hussein refused to withdraw any troops and instead continued to build up his army of troops into Kuwait. Consequentially, the UNSC had imposed a worldwide ban on any trading activities with Iraq (Warbick 1991). On January 16, 1991, the United States launched Operation Desert Storm, which was a massive offense against Iraq, with US fighter aircrafts being launched into and around Baghdad from Saudi Arabia. On February 26, 1991, Kuwait was liberated by an international alliance that was led by the US (Warbick 1991).

3.13.2.1. The economic system of Kuwait: The Iraqi invasion – economic consequences

Since the invasion, there have been immense economic implications for Kuwait. The oil refineries and oil fields were burned down, while 10 million barrels of oil were poured into Kuwait's bay by opening all the oil valves directly into the sea. These barrels were emptied in the sea with the hopes of delaying attacks because Iraqi troops assumed that Kuwait allies were coming in to attack from the sea (Alnasrawi, 1992). and Kuwait had to rebuild its resources and facilities from the ground up, which was immensely costly.

In fact, the economic strain that was the result of the invasion was severe, where Kuwait's GDP pre-invasion was around \$24 billion, and fell to \$10 billion post-invasion (Alnasrawi, 1992), where in 2011, the Central Bank of Kuwait had reported approximately the cost of the invasion to be \$65 billion.

Nevertheless, Kuwait managed to recover the economic losses and rebuild itself within five years and get back to what it was prior to the invasion. During the invasion, Iraq had replaced the Kuwaiti Dinar with the Iraqi Dinar, making the Kuwaiti Dinar worthless in Kuwait for seven months. After its liberation, the Kuwaiti Dinar was relaunched without any depreciation on its value because the Kuwaiti Dinar is backed up by a sustainable economy and resources such as gold and oil reserves.

The strain on the economy was also an opportunity for the government to introduce a free market, enhance local production and attract foreign direct investment. However, none of these opportunities were taken advantage of, instead what had happened was the government went back to how it was prior to invasion, where wealthy merchants/missionaries were back in positions of power working the cabinet. Despite The Ministry of Commerce's law no. 8 of 2001 on foreign investment (*refer below section 3.13.3 for more details*), it was only in 2013 that an authority (*referred to as the "SSIF", and explained in more detail below, section 3.13.4*) was established to catalyse foreign direct investment in Kuwait. The following section will provide further details on foreign direct investment in Kuwait.

3.13.2.2. The economic system in Kuwait: The Ministry of Commerce, and foreign direct investment

The wealth and power of the merchants/missionaries in Kuwait was reinforced through foreign direct investments within Ministry of Commerce, under The Commercial Agencies Law (law no. 36 of 1964), where a foreigner could not own 100% of a company, they could own only 49% while a Kuwaiti citizen (usually merchant/missionary) must own 51% of the company. To regulate these investments, the Kuwaiti state, under the Ministry of Commerce enacted law number 8 of 2001, which empowers the government to decide on what commercial activities foreign investors can operate in. Nevertheless, the economy of Kuwait was still not liberalised because the government controlled the type of foreign capital that can and cannot be invested in Kuwaiti economy.

However, in 2013, a new law was written and passed to the government for approval. This law is Law no. 116 of 2013. It enabled the establishment of the State Sponsored Investment Firm (SSIF), and paved the way for foreign direct investments, without the need of a Kuwaiti partner owning majority shares of the company (law no. 116 of 2013). This means that a foreign investor can own up to 100% of a Kuwaiti company. The following section will explain the SSIF, and its establishment.

3.13.2.3. The economic system of Kuwait: The State Sponsored Investment Firm (SSIF)

To understand the current day SSIF, it is important to understand its history. Prior to becoming the SSIF, the SSIF was an office (hereon, The Office) housed in the Ministry of Commerce. The Office was operating under Law 8 in 2001 within the Ministry of Commerce (*mentioned above in section 3.13.3, first paragraph*).

In 2013, law 116 established the transformation of The Office into the SSIF. There were two key maneuvers which facilitated the creation of the SSIF. One, was the social position (ruling position) of the person (referred to as 'XD') who maneuvered for this shift. The other was the autonomy that was granted to the SSIF which made it possible to work outside of normal state parameters.

The codification of the transformation of the Office into the SSIF, was Law 116 of 2013. This law declared in article five that:

The Authority {the SSIF} shall have a board of directors chaired by the Relevant Minister and a membership of:

- 1. Three experienced members specializing in the matters assigned to the Authority who shall be appointed by a resolution of the Council of Ministers, upon the proposal of the Relevant Minister. The resolution shall designate a vice-chairman from amongst them who shall be granted the powers of the Chairman of the Board in his absence.*
- 2. Three members representing the ministries and the government agencies related to the activities of the Authority who shall be nominated by a resolution of the Council of Ministers, upon the proposal of the Relevant Minister provided that their seniority is at least that of an assistant undersecretary or equivalent.*
- 3. The Director General who shall attend the meetings of the Board with no right to vote.*

Therefore, the board members of the SSIF are linked to the government in the Kuwaiti state. The SSIF is later found to be powerful within the state (*refer Chapter 6*), holding symbolic status.

Financially, The SSIF was still part of the Ministry of Commerce because they share the same budget, and the income that comes in from the SSIF is shared with the Ministry of Commerce. However, the Ministry of Commerce is not authorized to interfere with any of the business deals, investments, or day to day activities of the SSIF. In addition, the structure of the SSIF included a “One Stop Shop” which facilitated all the foreign investors’ needs to simplify investment in Kuwait. Article 17 of law no 116 states that the One Stop Shop is

An administrative unit shall be established within the Authority called the "One-Stop Shop" which shall include employees designated by the relevant government authorities to proceed with resolving upon the licensing procedures and the establishment of the Investment Entity in order to ensure the completion of the procedures within the period set out in this Law.

The Board shall establish the principles and rules necessary to identify the mentioned government authorities and the method to be adopted for calling upon their employees and coordinating between them and the Authority.

The applicant may appoint specialized companies or qualified consulting firms that are approved by the Authority in accordance with the principles and rules set by the Authority.

Ironically, The Office and the SSIF both shared the same mission, which was to attract foreign investment with 100% foreign ownership. The legal difference was the autonomy of the SSIF.

The SSIF was set up as an “independent entity” from the Ministry of Commerce. This means that the SSIF has its own autonomy, with its own organizational structure independent from that of the Ministry of Commerce. Rather than having foreign investment controlled on behalf of the government (under Law 8 of 2001), the SSIF opened doors for foreign direct investment without needing approval from the government. Under the SSIF, the approval that was needed for the foreign investment was from the employees at the “One Stop Shop” (known as “The Group”) and “XD” (the CEO of the SSIF).

The SSIF would not report to the Minister, but it would report to its CEO (“XD”), who would then report to the Board of Directors of the SSIF. Being an “independent entity” meant that the salaries of the employees in the SSIF were significantly higher than when it used to be the Office (*this was revealed by an interviewed participant who used to work at The Office*).

Nevertheless, the work of the SSIF increased global investment in the Kuwaiti state, by attracting new international investment projects from all sectors and marketing the Kuwaiti economy (*refer to image 3 below illustrates the different sectors of operations*) as an investment hub with incentives such as tax exemptions, according to article 27 of law 116 of 2013

The Investor shall be entitled to some or all of the following incentives:

1. *Exemption from income tax or any other taxes for a period not exceeding ten years from the date of the actual commencement of operations of the licensed investment entity.*
2. *Exemption of any expansion of an Investment Entity, licensed in accordance with the provisions of this Law, from the taxes set forth in the preceding paragraph, for a period of no less than the duration of the exemption granted to the original Investment Entity as of the date of commencement of production or actual operation of the expansion.*
3. *Without prejudice to the provisions of Law No. (10) of 2003 promulgating the Unified Customs Code for the Gulf Cooperation Council Countries, the following shall be wholly or partially exempted from taxes, customs duties or any other fees that may be payable on imports required for the purposes of Direct Investment:*
 1. *Machinery, tools and equipment and means of transport and other technological devices.*
 2. *Spare parts and necessary maintenance supplies for what has been described in the previous subsection.*
 3. *Merchandise, raw materials, partially manufactured goods, wrapping materials and packaging.*
4. *The use of land and real estate allocated to the Authority or that is subject to its supervision or management, in accordance with the principles and rules established by the Board in this regard.*

5. *The employment of foreign labor required for the investment, in accordance with the principles and restrictions established by decision of the Council of Ministers in respect of the minimum proportion of national employment that must be provided.*
6. *The Council of Ministers may decide to grant some cases and groups certain advantages and exemptions, which are not mentioned in this article.*

In 2015, the SSIF produced its first annual report and continued to produce annual reports in the following years. These reports showed the income that was being generated in Kuwait's economy through foreign direct investment (*refer to table 2, and image 3 below*). The following table shows the annual increase in investments values (1 dinar = £2.50)

Year	Investment Value
2015-2016	585,029,939 KD
2017-2018	707,961,227 KD
2019-2020	1,075,865,892 KD

Table 2: Increase in investment values from the SSIF (taken from: annual reports of the SSIF)

No.	Name	Activity	Date of approval	Foreign equity share %
1	IBM KUWAIT	IT	15/1/2015	100%
2	HUAWEI TECHNOLOGIES KUWAIT	ICT	30/3/2015	100%
3	GE TECHNOLOGIES CENTER KUWAIT	Technical solutions for electricity generation	8/5/2015	97%
4	NTG CLARITY NETWORKS INC	IT	2/12/2015	100%
5	MALKA COMMUNICATIONS GROUP	Visual communications, operations & development	12/1/2016	60%
6	TSK ELECTRONICA Y ELCTRICIDAD S.A.	Generating, transporting, distributing & engineering services for electricity generation	18/2/2016	100%
7	SINGULF GLOBAL PTE. LTD	Market studies	18/2/2016	Representative Office
8	BERKELEY RESEARCH GROUP	Consulting	18/2/2016	99%
Total Licensed & approved investments			402,507,318	

Image 3: The different sectors and foreign ownership of the licensed and approved investment from the SSIF (taken from: SSIF's 2015 annual report)

Thus far, the chapter has provided context on the establishment and work of the SAB, with the political system of Kuwait. The chapter also provided contextual insight into the economic system of Kuwait, and the establishment and the work of the SSIF, as well as the impact it had on increasing the economy of Kuwait through foreign direct investment annual investment values.

3.14. Chapter conclusion

This chapter began with providing geographical and demographic information about Kuwait. The chapter moved on to explain the social distinctions in the Kuwaiti society. These social distinctions are underpinned by bloodlines and family names that determine whether a person represents a high social status. Then, the chapter explains that social status in the Kuwait is almost always concentrated with the dominant social class position, which is made up of the ruling family, and the merchants and missionaries.

The dynamic between these two powerful social groups shows that ruling power in Kuwait is vested in social groups. Nevertheless, the merchants/missionaries and the ruling family work together to protect and preserve their interests (economic, social, political) in Kuwait. This further explained the existence of dynastic and bureaucratic traits in the Kuwaiti state. The existence of the ruling family, hereditary bloodlines, and concentration of power marks the traits of feudalism. At the same time, having a democratic political system, and a free market with foreign direct investment notes bureaucratic traits in Kuwait.

The chapter unfolds to explain the history of Kuwait, and the importance it carries on how the merchants/missionaries became socially, politically, and economically powerful. With having a history of doing business (pearl hunting and gold trading), the merchants/missionaries became powerful over time. However, the history of Kuwait reinforces the importance that ‘royal’ bloodlines that make the ruling family holders of symbolic power. By constitution, only those of Sheikh Mubarak Al Sabah decent can become rulers of Kuwait. This became the differentiating factor between the power of merchants/missionaries, and the ruling family, the ruling family name.

Moreover, the chapter shed light on the “protection” treaty that was signed between Kuwait and Britain from 1899-1961. After gaining its independence, Kuwait had to modernize its legal system, which appeared to be Britain’s need to protect its influence in Kuwait despite Kuwait gaining its independence. Nevertheless, Kuwait initiated its constitution as a step to not only modernize, but legalise its political, social and economic system.

The chapter follows with context on the constitution of Kuwait, and the elections that took place to establish the constitution. The constitution of Kuwait appeared to be a reinforcement

of the power that the merchants/missionaries held in Kuwait. Indeed, when elections were held for the public to vote on the Constitutional Council, 20 elected members from merchant/missionary families entered the council to and written the constitution. The constitution was written and then approved by the ruler of Kuwait. Nevertheless, until today, the constitution of Kuwait remains unchanged.

The chapter moves on in highlighting the establishment of the State Audit Bureau (SAB) in Kuwait. The chapter explains (as per the constitutional law) that the work of the SAB is tied to the work of the government. When explaining the work of the SAB, the chapter highlights that “Pre-Audit” teams work differently when it comes to non-sovereign and sovereign ministries. For non-sovereign ministries, the “Pre-Audit” teams follow the stages illustrated in the workflow chart (*refer to Image 2, section 3.9*). However, for sovereign ministries, the “Pre-Audit” teams do not follow the workflow chart demonstrated, but rather, would start from “top to bottom”, where the SAB president will start the “Pre-Audit” work by sending an official letter to the sovereign ministry. It appears that such differentiation in Pe-Audit work from the SAB is “special treatment” or a way to “avoid embarrassment” on behalf of the sovereign ministry. The chapter moves on to provide context on the recruitment process and training that happens in the SAB. Despite the recruitment process, those who have a higher social capital (‘wasta’) are most likely going to be employed in the SAB, leading them to having exposed to the SAB’s skillful training programs. Such recruitment process is a reinforcement of the importance of social capital/power in the Kuwaiti state.

Then, the chapter provides insight on the political system of Kuwait, by explaining how the government and parliament are formed. The Parliament is made up of different MPs coming from different social class positions, each with their own interests. In addition, the MPs each hold their own political party such as liberal or conservatives. However, in the Kuwaiti state, coming the same social clan is more powerful than sharing the same political party. In the Kuwaiti government, the ministers are chosen from the Amir based on social connections such as family relations or friendships. The power of social capital in the Kuwaiti state has been revealed in comparing the Westminster mode of government in the UK to Kuwait. Given that they are identical in the way they are read on paper, in the Kuwaiti mode of governance, protecting social class position common interests poses a contradiction on the actual goal of the Westminster model. This section highlights two points that are important in the State of Kuwait. One, the significance of social capital in advancing economic and political interests,

and two, that social capital is the driver for decision making in choosing ministers, and speakers in Parliament. Nevertheless, in both points, the social capital in the Kuwaiti state has shown to be very important.

Lastly, the economic system is explained with the discovery of oil being its primary income. The chapter also explains how the Iraqi invasion caused a strain on the economy of Kuwait. The economic system in Kuwait is further explained through the implementation of foreign direct investment. The chapter moves on to explain the establishment of the SSIF through law 116 of 2015 in the Ministry of Commerce, while providing annual investment values that have been generated into the Kuwaiti economy. These investment values from international companies have strengthened the capitalistic Kuwaiti economy. The SSIF, and its “One Stop Shop” department facilitated the process of foreign direct investment in Kuwait. As a result of this, the SSIF produced increasing annual investment values. The chapter also notes that prior to being the SSIF, The Office existed and was housed in the Ministry of Commerce. However, the work of the SSIF (established in 2015) surpassed the work of The Office which has been working since 2001. This work of the SSIF in increasing the economy of Kuwait primarily fell back on the social capital that the CEO (ruling family) of the SSIF. This is another point that highlights the importance of social capital in Kuwait.

The following chapter will explain the theoretical framework used for this thesis.

4. THEORETICAL FRAMEWORK

This chapter will set out the theory of Pierre Bourdieu that has shaped my perspective on understanding the complex relationship between state audit and the State of Kuwait. There are certain aspects of Bourdieu's work which are highly relevant to my exploration of the role of state audit Kuwait. In particular, in this thesis, I consider a specific episode in which the state audit bureau (SAB) and a prestigious state investment institution (SSIF) struggled for their position within the state. This episode enabled me to better consider the role of state audit in relation to the politics and social class structures of the field. Specifically, I came across two points that I feel have triggered my deep interest into using Bourdieu's theory for my research.

The first point is that Bourdieu's concepts convey fields as arenas of struggle is significant in understanding the power struggles that develop in parliament and government, and how agents in these fields try to fight by using what Bourdieu would call their capitals/power. When trying to understand the political and social forces of powers that may affect the way state audit is conducted in the Kuwaiti state, I found that Bourdieu's theory of practice beneficial. Additionally, Bourdieu's early work has looked at the Kabyle tribe culture in Algeria. Understanding the sociology of Arab culture in Algeria makes Bourdieu even more fitting given that the culture in Kuwait is also Arab.

When trying to understand the dynamic of power within modern states such as Kuwait, Bourdieu, in my opinion, conveys the most fitting grounds of theory to guide my data analysis. This leads me to my second point, which is the underutilisation of Bourdieu's theory of the state in the accounting literature. He theorises the state within the dynamic of powers in a social structure, and the struggle that the state finds itself in trying to secure its power, while also maintaining its dominance over other fields.

In introducing Bourdieu's theory of practice and the state in my research, and in this chapter, I must clarify that I have dedicated the first half of this chapter to set out his social theory of practice. The second half of this chapter is dedicated to Bourdieu's theory on the state. The reason for differentiating these two is because I think that separating them provides a much clearer framework to not only myself, but to the reader as well. From my understanding, I believe his theory of practice, is not completely autonomous from his theory of the state. In practice, as I will demonstrate in my later chapters, that both his theory of practice, and theory

on the state (Bourdieu 1989) act together. For the sake of understanding, and explaining, I have dealt with these two themes separately.

The remainder of this chapter is outlined as follows; it starts by giving the reader an introduction to Pierre Bourdieu, followed by his practice theory, where I will position him within the Burrell and Morgan's (1979) paradigm of research. The chapter then conveys Bourdieu's concepts that have shaped his theory of practice, in which I explain each one separately, and in some ways, convey how they are relational to one another. The final part of this chapter looks at Bourdieu's theory on the state, starting with Bourdieu's most prominent work on the state that gives historical insight in the shift from a dynastic state to a bureaucratic state. The chapter then unfolds to illustrate my understanding of the state's capitals and finally, the chapter ends with a concluding summary.

4.1. Introduction to Pierre Bourdieu

Born in 1930 into a 'petit-bourgeois' social class (Jenkins, 2014), Pierre Bourdieu, a French philosopher has made his mark on social science by constructing his social theory of practice. Bourdieu was an intellectual, philosopher and anthropologist. He died at the age of 71 in 2002 in France, where he kept working on his social theory until his last days (Jenkins, 2014). Prior to being enlisted by the French army, Bourdieu was a scholar in France, working in academia. The philosopher completed his three years of compulsory army service during the Algerian-French War from 1955 to 1958. When his army service ended, Bourdieu decided to take on a position at the University of Algeria from 1958 to 1961, in which he began his ethnographic work on the Kabyle tribe, this was also the spark which ignited Bourdieu's social theory of practice (Jenkins, 2014).

During his time working and studying the culture of the Kabyle tribe, Bourdieu became interested in how social structures become reproduced. His work on the Kabyle tribe culture prompted him to produce his first research, *Sociologie d'Algérie* (sociology of Algeria). Bourdieu's work on the sociology of Algeria was a reflection of his own position as a social theorist, in which he observed the Algerian culture as an objective structure through his own anti-colonial perspective and position (Jenkins, 2014).

The philosopher's work in Algeria resulted in a unique social and political experience, in which Bourdieu was 'appalled' by the different perspectives of the French settlers and his own perception towards the war. Thus, drawing upon his research and ethnographic work on the Kabyle culture, Pierre Bourdieu introduced his theoretical ideas in his first book in French, *Outline of a Theory in Practice* (1972), which was later translated to English in 1980. In his own words, Bourdieu describes his first book as "the poor attempt of an outsider" (Jenkins, 2014). Nevertheless, his book on the theory of practice was insightful where it highlighted his ideas and concepts (fields, capital, habitus, illusio, doxa, and symbolic violence) that have distinguished him from other social theorists. Bourdieu returned to France from Algeria around 1964 and held an elite position in the *l'Ecole Pratique des Hautes Etudes*, which was a university for advanced studies in Paris (Jenkins, 2014). It is this position specifically that catalysed Bourdieu's research and publications. He began working on research with other sociological researchers, as well as, directing the Centre of Sociology in France which was founded in 1968 (Jenkins, 2014). Eventually, in 1981, Bourdieu took over from Michel Foucault and was appointed as chair at the College de France, in which he held this position until his death in 2002.

Given Bourdieu's social trajectory, it is a unique irony where his focus of research is based on social classes in the social world which lay in heart of power, while Bourdieu himself, began his career as what others would title a 'petit-bourgeoise', and died holding one of the most elite positions in French education. As a researcher studying his theory, it is very interesting to see him climb the social ladder from his ethnographic work in Algeria, and his army service, to becoming the chair of the College de France. The irony rests in his theory, it is as though he is theorising his own position in the field of education on a wider social sphere. Nevertheless, later in his life, Bourdieu became an activist and addressed striking railroad employees in France, where the philosopher delivered his renowned speech "Against the Destruction of a Civilization" (Swartz, 2003). In his speech, Bourdieu argued that railroad employees represented something far more fundamental that should be protected by the welfare state (Swartz, 2003).

4.2. Pierre Bourdieu's social practice theory

Bourdieu's observation of part of the Algerian culture highlights his social practice theory, in which he believes that social theory lays in a dialectical relationship between the objective

structure and subjective dispositions (human behaviour) of the social world. Bourdieu's social theory is underpinned by his epistemology where he highlights the relationship between structure and action, and more specifically, Bourdieu was also interested in how social structures reproduced themselves through the years (Jenkins, 2014). He believes that there is more to the social world than subjective actions, and that combining the objective structure and subjective actions will allow researchers to understand the "truth of human practice" (Bourdieu and Wacquant, 1992).

Bourdieu's social theory is underpinned by his interest in power and domination (Friedland, 2009). Bourdieu, believes that actions are driven by interests, and his notions of power and domination are illustrated in his theory of practice that draws upon different fields (*refer below section 4.4 for fields*) that represent struggle between and within people in different social positions to increase their own power and to dominate the field in which they operate in. However, for Bourdieu, interest is 'illusio' (Bourdieu and Wacquant 1992). This means that a person will only pursue a field if they are interested in the rewards or the benefits that the said field will offer them (*refer below to section 4.6.1 for a more detailed explanation on 'illusio'*). The fields of Bourdieu represent the objective structure that make up his social theory of practice, and the interest driven actions of the agents within the field represent the subjective dispositions.

Power is central to Bourdieu's social practice theory. Power can be accumulated in Bourdieu's forms of capital (Bourdieu 1986). In particular, Bourdieu (1986) believed that people are distinguished by their economic and cultural capitals, where the easiest way to work out which social class someone is from is through their economic and cultural capitals. The elite groups are more powerful because they have more economic, social, symbolic and cultural capital. The different forms of capital are only one part of Bourdieu's practice theory, his concepts such as habitus (*refer below to section 4.3 for a more detailed explanation on habitus*), have proven helpful in understanding why people behave the way they do.

Bourdieu's concept of 'habitus' (Bourdieu, 1984), is a combination of the 'physical' forms of doing things (i.e. the way people walk, or eat), and preferences that have been internalised from a person's social structure. Bourdieu's idea of habitus is built on the foundation of a socially constructed belief. It is existing as the result of social conditions, processes and most importantly social culture.

Bourdieu's theoretical framework, especially his concepts (field, habitus, capital, illusio, doxa, and symbolic power, I explain these further below in the chapter) that have distinguished him have been used and implemented in many case studies by social science researchers, and even, PhD students with an aspiring academic careers. However, on the other hand, his theory on the state has been underutilised in the accounting literature. Bourdieu's understanding of the state is underpinned by symbolic power, in which the state is the holder of power that essentially creates what is considered to be common sense in society, which in turn, results in mental categorisations of perceptions (Bourdieu, 1989). The following sections of this chapter will move on to convey my understanding of Bourdieu's theory of the state in relation to his theoretical concepts.

4.2.1. Pierre Bourdieu's social practice theory: His methodological position in Burrell and Morgan paradigm of research

Bourdieu refers to himself as a “constructivist structuralist or structuralist constructivist” (Bourdieu, 1989). For Bourdieu (1989), structuralism consists of “objective structures” that are conscious or unconscious which guide practices. Constructivism is a combination of habitus and the social structure (Bourdieu 1989). Objective structures are incorporated into people's subjectivity.

Therefore, Bourdieu (1989)'s position is at odds with Burrell and Morgan (1979)'s diagram of the four research paradigms because for them, they have a separation in the form of a hard impermeable vertical axis between the objective and subjective (*Burrell and Morgan's research paradigm will be explained in detail in Chapter 5, section 5.3*). Such separation creates somewhat of a fixed placement for philosophers and researchers of either being social scientists and anti-positivistic/subjective, or the opposite/positivistic/objective. Indeed, Hopper and Powell (1985) contend that researchers and philosophers should be understood beyond a two-dimensional scheme (objective/subjective) in social sciences. They argue that although Burrell and Morgan (1979)'s diagram is indeed a useful tool to bridge between philosophy and social sciences, it should not be fixed for determining and classifying the position of philosophers and researchers.

Given Bourdieu's reference to himself as being a "constructivist structuralist or structuralist constructivist" that combines the objective structure with subjective dispositions, he would be placed in the middle of subjective and objective vertical axis in Burrell and Morgan (1979)'s diagram. Bourdieu's work has been focused on the social world, and the agents that operate the social of the world, making him a critical researcher interested in the behavior and actions of people within the social structure. Bourdieu's research draws from the "best of both worlds" in the Burrell and Morgan (1979) diagram, because in some cases, he uses statistics and numerical figures, to develop his theoretical framework that captures both the objective and subjective.

Bourdieu's work, therefore, in accordance with Burrell and Morgan (1979) research paradigm diagram, is a combination between humanism/subjectivism and structuralism. Therefore, in my opinion, Bourdieu would be placed between humanism and structuralism quadrant, and upwards on the vertical line towards radical change (Burrell and Morgan, 1979).

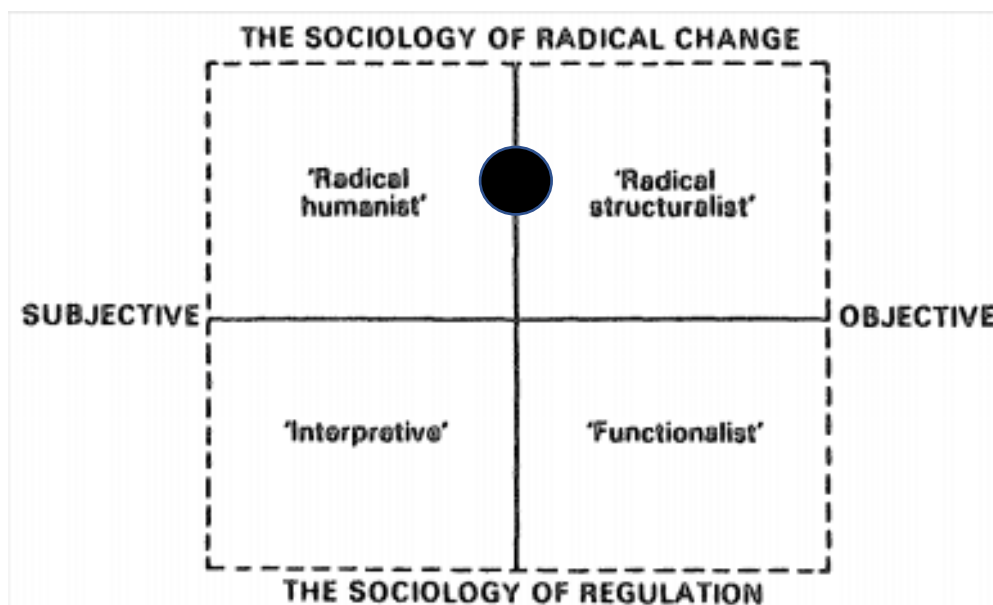


Figure 1: Bourdieu's philosophical position on Burrell and Morgan (1979) research paradigm

The following section will explain Bourdieu's concepts of habitus, fields including his idea of the field of power, capital, his taken for granted concepts such as illusion, doxa, and symbolic violence. Importantly, each of these concepts form part of Bourdieu's work – and should be used together.

4.3. Bourdieu's concepts: habitus

Bourdieu (1984) claims that social structures and mental structure are corresponding to one another, where one is able to automatically mentally structure a class division due to what is perceived in type of clothing worn, language spoken, food preference, or even religion. Therefore, one can inherently create a mental structure that represents the social structure that one sees. Moreover, the different practices and habits that one undertakes and develops such as the style of appearance all serve to establish social distinctions (Bourdieu, 1984). Such divisions and structure are captured in Bourdieu's pivotal concept of 'habitus'

Bourdieu defines the habitus as a "structuring mechanism that operated within agents". For Bourdieu and Wacquant (1992), habitus is made up of the external society that is perceived in an agent's mind. According to Bourdieu, agents are able to adapt to any changing situation because of their habitus, which is a generating principle that is composed of past experience from the pre-existing social world, and it is the result of internal social mental structures that allow or trigger agents to react, behave or perceive things in certain ways (Bourdieu and Wacquant, 1992). Under the habitus, actions are undertaken "unconsciously", which makes habitus like a switch, waiting to be activated. During his lecture in the College de France in October 1982, Bourdieu explains the notions of objects and the functions given to them that result from habitus. An object is only an object when it lacks a function, and only a function can be given to it if agents are accustomed to the object and have the appropriate habitus. The object then becomes a social reality. Bourdieu metaphorically explains the right habitus as the right suit that agents "...wear because it is the right size" (Bourdieu, 2020). In his book of reflexive sociology, Bourdieu provides the example of a soccer player being the object, where the player is part of the game, rather than being a separate being. The player unconsciously plays by the rules of the soccer field, behaves and acts in relation to the structure of the game.

The habitus of an individual does not oppose that of society, but rather habitus is a form of its existence (Swartz, 1997). To be more precise, Bourdieu (1990, P.53) defines habitus as

a system of durable, transposable dispositions, structured structures predisposed to function as structuring structures, that is, as principles which generate and organize practices and representations that can be objectively adapted to their outcomes.

Bourdieu and Wacquant (1992, P. 18) also define habitus as

a system of lasting and transposable dispositions which, integrating past experiences, functions at every moments as a matrix of perceptions, appreciations and actions and makes possible the achievement of infinitely diversified tasks

The idea of “perceptions” creates a legitimization of social inequality because individuals are accepting the fact of the matter and therefore, preconditioning their habitus to behave submissively to the existence of the social inequality experienced (Swartz, 1997). This notion of habitus is the product of social processes and social conditions that have been derived from culture and transported to others generation by generation, hence becoming a mode of reproduction. Thus, it is important to highlight that one’s habitus is not permanent and is constantly being reproduced over time. However, that being said, habitus is not confined or limited to a certain number of expected actions and behaviours, but rather, the term reflects an endless array of actions, some may not be predicted or known (Swartz, 1997). Actions triggered by the habitus can be “creative”, new, and unexpected (Bourdieu, 1990). Such actions can take place when something out of the ordinary happens, or a system can be implemented that strikes a difference in everyday routine (Bourdieu, 1990).

Therefore, habitus is the result of the social structures, which legitimizes the inequalities upon these social hierarchies because people within the same social class will accept their position in the field and act upon it through their habitus. Hence, habitus stems from a deep rooted, reproduced historical internalised social structures (Bourdieu 1990) that bridges an agent to the social structure of the field they operate in. Consequentially, habitus is dependent on the social structure of the field, in which it is a continuous reproduction of mental and physical actions, perceptions, and reactions in a field (Bourdieu and Wacquant, 1992). In addition, there is a parallel relationship between one’s behavioural actions and one’s habitus, where they both build on each other. Therefore, over time, one can develop a habitus that is shaped, influenced, and created by the social structures around them (Swartz, 1997).

Nevertheless, for Bourdieu and Wacquant (1992), an actor’s habitus is not limited to a specific field. An actor can participate on a specific field, and still have their habitus (the way they think, and act) affected by participating in other fields (Bourdieu and Wacquant 1992). This relationship between habitus and field means that they both “...function fully only in relation to another” (Bourdieu and Wacquant, 1992), illustrating the habitus and fields are not autonomous from one another, but are relational to one another.

The following section will discuss the concept of fields.

4.4. Bourdieu's concepts: fields

Bourdieu defines a field as a “space of objective relations between positions defined by their rank in the distribution of competing powers of species of capital” (Bourdieu and Wacquant, 1992, P.114). Thus, Bourdieu uses the concept field to define the different forces and relationships between agents in a given social space, in which he clarifies that in the social structure of the field, there must be struggle (Bourdieu and Wacquant, 1992). For Bourdieu, “the boundaries of the field can only be determined by an empirical investigation” (Bourdieu and Wacquant, 1992).

Bourdieu's notion of fields highlights the unequal distributions of social powers in a social space. Given the asymmetries of power within fields, there is always tension and struggles that are based on the dominant type of capital in the field. The possession of dominant capitals is akin to possessing “trump cards” where they enable their holders to win on field battles and move to higher positions within the field.

For Bourdieu, the behaviour of an agent in the field is driven by interest (Swartz, 1997). The position of agents within the fields is dependent on their capital. Hence, all types of capital are considered in fields, and the more capital an agent has of the dominant capital, the higher position they have on the fields. However, each field considers a certain type of capital a symbol of dominance, for example, in an economic field, those agents with increased economic capital (money) will be the dominant ones who regulate the field (Bourdieu and Wacquant, 1992).

Power may be experienced differently among people in a field, depending on the context of it, and the environment it is in, where Bourdieu (1990) explains that tensions and contradictions take place when people are faced with challenging contexts, such as resisting power in one field, and complying to power in another field. Hence, fields can be fields of struggle to monopolise specific capitals. According to Swartz (1997), the fields of struggle portray the dominant individuals to be challenged by those who hold lower positions within the field. Hence there is a struggle for a position in the field on who can be able to monopolise power over the distribution of wealth and other forms of capital which are more valuable on that particular field. Therefore, within a field of struggle, there must be an unequal distribution of wealth/power, and the fight to monopolise the wealth/power within the arena. In fact, Bourdieu views a field where a constant battle is taking place between the established dominant agents,

and the new agents that are coming into the field to challenge the dominant agents that have monopoly over the capitals/powers.

Fields are influenced and shaped in the way they interact with other fields Bourdieu (2014). Hence, fields are not autonomous from each other, in fact, they are relational. Indeed, subordinate fields can be influenced by the logic of other, relationally superior fields. For example, fields that are powerful, such as the economic field tend to shape the logic and structure of other fields. Therefore, fields vary in their position of importance within the social world, this position is heavily based on the field's importance in the social space (Bourdieu, 2020). Agents within the field follow a certain logic that is constructed and normalised by those who regulate and set the rules of the field. This certain logic becomes, what might be described as the habitus of the field – they can be “incorporated” into the actors on the field. However, an actor further develops their habitus when they enter a field and start to incorporate the structures of the field. Therefore, when a field forms, so does its habitus, and depending on the type of field, the dominant capital is known, resulting in a simultaneous relationship between field, habitus, and capitals.

Bourdieu explains a field as the arena of power, or the “game” (Bourdieu and Wacquant, 1992), in which weapons (capitals) are needed to fight and win. The agents that are at the top of different fields sometimes battle it out in the field of power (Bourdieu and Wacquant, 1992). Hence, the field of power is a field that is positioned at the top of the social sphere of other operating fields.

4.4.1. Bourdieu's concepts: Field - the field of power

The field of power is a meta-field, a social space where dominant actors with interest and accumulated capital from all other fields enter, hence, the field of power is a place where only the dominant actors come to battle (Bourdieu, 1996). For Bourdieu, meta-fields such as economic and bureaucratic fields determine and influence the structure of other social fields. Likewise, Swartz (2008) defines the field of power as a representation of the ruling class.

Like other social fields, the field of power also has struggle between the dominant actors that operate in the field (Bourdieu 1996). However, the struggle in the field of power is the result of actors trying to legitimise their own dominant position in the field which can lead to sacrifices (Bourdieu and Wacquant 1992), because the struggle becomes a fight over power to

control “the dominant principle of domination”, in which the agents try to change the distribution of capitals, and redefine which capital is the dominant one in the field (Bourdieu, 1996). The sacrifices that Bourdieu (1996) talks about relate to the actors in the field, where some can have advantageous gains, such as given a raise, or being rewarded, which in turn affects their dominance and social position in the field of power, while, on the other hand, others may lose their social position and dominance.

More specifically, Bourdieu (1996, p. 265) defined the struggle in the field of power as a “...a struggle over the legitimate principle of legitimation and, inseparably, the legitimate mode of reproduction of the foundations of domination”. Thus, struggle in the field of power is over the power of domination, and legitimacy, which results in what Bourdieu (1996, p. 265) calls “constant state of equilibrium in the partition of power”. The balance of power in the field of power hence becomes essential to maintain and increase an agent’s domination in a social space, in which, there has to be sacrifices to have a maintenance of powers (Bourdieu 1996). The struggle in the field of power takes place between two opposed parties fighting for legitimizing their dominant position over the other fields, with capitals as weapons (Bourdieu 1996).

However, the distribution of capitals between the opposed parties is the differentiating factor between them Bourdieu (1996). For example, on the one end of the struggle is a group with increased economic capital, but decreased cultural capital, and on the other end of the struggle is a group with increased cultural capital and decreased economic capital. This is not a fixed combination of asymmetries in capital, there could be many other combinations. The state as an opponent on the field of power over the struggle of domination is evident in Bourdieu (1994), where he argues that agents in the field of power to minimise and delegitimise the power of that the state holds. Bourdieu (1994)’s explanation of the struggle of power between the state and members in the field of power is reinforced by Swartz (2008), where the author explains that tension between the two opponents, in which, the field of power fights to decrease state power, while the state fights to dominate the field of power. It is in this context that I introduce the state and elaborate my understanding on the field of power, which is explained in more detail later in this chapter (*refer below section 4.9*).

The following section will elaborate on Bourdieu’s concept of capitals.

4.5. Bourdieu's concepts: capitals

Bourdieu's concept on capital represents different types of power (cultural, social, and economic being the most generic) (Swartz, 1997). These capitals rest in power, where they can also be converted into one another. Therefore, for Bourdieu power and capital are interchangeable.

Capital/power can be transformed and traded within the field; hence the different types of capital are relational in fields. For Bourdieu, on some fields, economic capital is the most powerful because once an agent has it, they can have access to trade and buy with other capitals (Bourdieu, 2021). Economic capital is also the most easily translated into other types of capital. In every field, an agent is aware of the position they hold, and the type of capital/power they strive to accumulate.

Bourdieu refers to the function of capitals as a “social relation of power” (Bourdieu and Wacquant, 1992). The importance of accumulation of capitals in modern societies shapes an unequal distribution of power among different individuals in the field, where for example, education credentials (cultural capital) are not equal among all individuals. Hence, an unequal distribution of capitals among individuals in a field triggers a struggle in a certain field, therefore, capital represents power (Bourdieu, 2021).

For Bourdieu, cultural and economic capital are both the most easily recognised determinants of an agent's social position in the field. The accumulation of these capitals creates a simultaneous dispersion among agents in different social classes. The instigation of a social class is also a determinant of social struggle. Therefore, Bourdieu (1989) highlights that struggles in fields of power are shaped by a “chiasmatic structure” made up of economic and cultural capital. For Bourdieu (1989), economic capital is the “dominant principle of hierarchy”, where cultural capital is the “second principle of hierarchy”. Nevertheless, Bourdieu argued that in the West, cultural and economic forms of capital/power allow one to recognise one's social position.

4.5.1. Bourdieu's concepts: capital - cultural capital

While researching the inequality in educational achievements among children that came from similar social classes, Bourdieu began to conceptualise his concept of cultural capital (Bourdieu, 2021). Cultural capital is a form of power in modern society that is central to noneconomic goods (Bourdieu, 2021). Hence, Bourdieu's concept of cultural capital highlights most prominently academic credentials, that allows an individual to compete in the field, in which those who dominate the field reproduce cultural capital to distinguish themselves from the rest (Friedland, 2009). It is important to note that cultural capital and symbolic capital can overlap, because according to Bourdieu (2021), cultural capital can sometime be unrecognizable, however, cultural capital is also a recognized form of "legitimate competence". In order to have a better understanding of cultural capital, Bourdieu (2021) highlights three ways in which cultural capital exists; embodied, objectified, and institutionalised.

4.5.1.1. Bourdieu's concepts: Cultural capital – embodied

Embodied cultural capital is 'external wealth' (Bourdieu 2021), which includes an individuals' physical appearance through for example, the clothes they wear, and the food they choose to eat. However, such knowledge and skills that an actor has influences the way that they think, in which Bourdieu (2021) defines it as an unconscious, and slow transformation that eventually becomes one's habitus depending on the structure of the social field in which an agent operates in. Hence, embodied cultural capital consumes an individual, and it is underpinned by an individual's knowledge that is derived from education systems and family backgrounds, which in turn, triggers one's way of thinking, perceiving, and behavior (Swartz, 1997), hence, and individual's 'embodies' the social structures that have formed their thinking, perception and behavior.

4.5.1.2. Bourdieu's concepts: cultural capital – objectified

Objectified cultural capital is material goods such as instruments, machines and writing (Bourdieu 1986). Economic capital is required for an agent to poses forms of objectified cultural capital (Bourdieu 2021). Embodied cultural capital is needed for the holder of objectified cultural capital to use the object its specific purpose (Bourdieu 2021). Therefore, this type of cultural capital relates to embodied cultural capital and economic capital.

4.5.1.3. Bourdieu's concepts: cultural capital - institutionalised

Culture capital is recognized through institutional cultural capital. Bourdieu (2021) specifies institutionalised cultural capital as a means of the educational credential system, and the role it has on the classification and determination of status in the social class divisions. Higher education became a role player in credential markets and in the reproduction of social class divisions, where holders of certificates that came from 'legitimate' educational institutions were more desired in the job market, and hence, could take in most of the profit (Swartz, 1997). Therefore, parents feel it is essential to invest in their child's education to secure them a profitable or desirable position. As a result, cultural capital essentially converts to economic capital for the purpose of investment to secure a spot in the social class (Swartz, 1997). Nevertheless, the field in which agents operates in is the decider of the value given towards the institutionalised cultural capital, hence, if the field provides no demand for institutionalised cultural capital, then it will not hold value in that specific field. For example, in an economic field, the demand for accountants is high, because accountants have a role in shaping the economy through their knowledgeable skills, and therefore, accountants will be powerful in such field. On the other hand, artists would not hold the same power in an economic field as the accountants, if there is no demand for their art work in this field. Another example is a degree from Harvard could be considered a form of cultural capital that is more highly valued in the field of education than the field of sport.

Another example of cultural capital as a form of power has been studied by Aburous and Kamla (2022), where the researchers looked at the social status in accountants through English linguistic capital being tied to elite and prestige as a mode of social distinction among accountants in Jordan.

Accountants who were fluent in English were typically socially and economically privileged in their upbringing, therefore had the opportunities to study abroad in western English speaking countries. In addition, the researchers revealed that free state education schools were taught in Arabic, while private schools who were accessible by socially and economically privileged families adopted western language.

The authors identified, under Bourdieusian terms, that English linguistic capital as a form of cultural capital that the elite accountants used to distinguish themselves from non-elite

accountants with limited English linguistics. Hence, the study revealed that English linguistic as a form capital was a legitimating factor for the Jordanian accountant profession.

4.5.2. Bourdieu's concepts: capital - social capital

According to Bourdieu (2021), social capital is the social relationships of an agent and an agent's collection of a durable social networks. As Bourdieu mentions, the conversions between capitals is takes place on social fields, and hence the maintenance, reproduction and exchange of social capital is done through institutionalised relationships underpinned by material and/or symbolic profits, such as the name of the family, tribe, and/or the social class (Bourdieu, 2021). Hence, social capital is not autonomous of economic, cultural, and symbolic power because social capital is made because of business deals, school friends, familial relationships or even investment strategies (economic capital) (Bourdieu, 2021). These actions benefit an agent in the field and can determine their position, in which, they can be made on individual or group level, conscious or unconscious (Bourdieu, 2021).

4.5.3. Bourdieu's concepts: symbolic capital

Bourdieu (1989) describes symbolic capital as a “worldmaking power” and the “power of constitution” that carries the extent of imposing the “legitimate vision of the social world and of its divisions”. Symbolic capital is a form of power that is given to those with existing recognition to impose recognition on others (Bourdieu, 1989). Holders of symbolic capital hence hold a dominant position in the field, thus, having the recognition to impose recognition, which in turn, makes symbolic capital a recognized power among dominant actors in a given field (Bourdieu 1989). Hence, reputation and prestige can be examples of symbolic capital.

The idea of prestige as symbolic capital can be seen in the work of Kamla (2012). The researcher looked at the experiences of veiled and unveiled women accountants attitudes and experiences in Syria under a context of globalization. It was revealed that appearance of prestige through clothing in Western accounting firms operating in Syria had issues to veiled Syrian women accountants. The researched highlighted that many Syrian accountants have faced obstacles because many Westerners were concerned with the prestige of their accounting firm, and had led to believe that the hijab was a form of oppression. The study

places emphasis on the importance that physical appearance of women accountants have on the globalized nature in an accounting work environment.

Therefore, Bourdieu's concept of symbolic capital is interrelated with the other forms of capital such as economic, social and cultural because such capitals convert to symbolic capital when they are considered, recognized, and legitimised as valuable capital by actors in dominant positions in the field (Bourdieu, 1989). Therefore, symbolic capital is influential in which it can structure an individual's habitus in relation to the field that it operates in (Bourdieu, 2021). However, symbolic capital is one of the most expensive capitals to be traded. Bourdieu notes that symbolic power legitimises other forms of capital but it does not take away from them (Swartz, 1997). For example, during Bourdieu's work on the Kabliya, he notes that economic capital cannot take on its pure form and act until it is converted into symbolic capital. Hence, the symbolic, economic and objectified cultural capital/power all existed in the conversion of economic capital. The dominants who converted their economic self-interest to disinterest are holders of symbolic capital, which essentially, masked the interests that benefited from this conversion as disinterested (Swartz, 1997). Therefore, Bourdieu argues that if a conversion happens with self-interest being recognised, such action will not be successful, it is only if interested characters are disguised that actions will be carried out successfully (Bourdieu, 2021). Hence, symbolic capital (specifically when it is state symbolic capital) is a form of capital/power that exerts influence on things to be issued as legitimate, recognized, or even obeyed (Bourdieu, 1989). Within this context, the importance of language under state symbolic capital is also important, because the state will place emphasis and legitimacy on concepts that are representative on one's social categorisations such as married, single, adult or child etc.

The following section will discuss Bourdieu's concept of economic capital.

4.5.4. Bourdieu's concepts: economic capital

Bourdieu (2021) argues that through economic capital, one can have access to all other types of capital and all other types of capital can be transformed/converted from economic capital. Nevertheless, the accumulation of social and cultural capital will, depending on the field, potentially lead to the accumulation of economic capital (Bourdieu, 2021). According to Bourdieu (2021), the transformation of a prominent capital in a given field to economic capital,

is always the fastest, easiest and less risky way of transformation, making economic capital the dominant form of power in social fields. Actors in the field with economic capital have access to all other types of capital, because with economic capital, they can buy or exchange with other forms of capital. Hence, for Bourdieu (2021), economic capital is indeed, power.

The following section will shed light on Bourdieu's "taken for granted concepts".

4.6. "Taken for granted concepts" of *illusio*, *doxa*, and symbolic violence

Like Bourdieu's concepts of capital that have been explained above, in which each concept is interrelated to the other, his idea on the taken for granted concepts such as *illusio*, *doxa*, and symbolic violence are not autonomous from one another in the social world (Bourdieu and Wacquant, 1992). For Bourdieu, these taken for granted concepts are also the "unspoken rules" of the social world which individuals act upon without questioning, and hence accepting the social order as it is. This is why Bourdieu calls them 'taken for granted'.

The following section will move one to explain each of these concepts.

4.6.1. Taken for granted concepts: '*illusio*'

In Bourdieu's interview with Wacquant (Bourdieu and Wacquant, 1992), the philosopher talks about his concept of *illusio* and how it is relational to interests. Bourdieu claims that researchers should not simply question the rules which people act upon, but rather question what drives people to make these rules. The philosopher relates interests to cultural producers of the dominant perspective of the fields, in which he calls the "floating intelligence" (translated "*freischwebende Intelligenz*" from Bourdieu and Wacquant 1992). For Bourdieu, interest must be something that moves the 'game' (Bourdieu and Wacquant, 1992). An interest is something that underpins the motive of agents in the field, and, creates movement in the field, where agents work towards achieving interests. Therefore, interest is the opposite of 'indifference'. In Bourdieu's social theory, interest is historically constructed, and can only be understood through historical analysis, and empirical work (Bourdieu and Wacquant, 1992). It is important to note that Bourdieu's notion of interest is not to trigger a strategic move on behalf of social agents, but rather, it is understood as an embodied nature or disposition of social agents (Bourdieu and Wacquant, 1992). Hence, the actions that are underpinned by interest are taken for granted, where social agents are not strategically thinking on how to construct their next

move in the field (Bourdieu and Wacquant, 1992). As a result, Bourdieu's idea on interests within a social field is not an interest structured to reach a certain goal (Bourdieu and Wacquant, 1992). It is in this aspect of specific interests that are "presupposed and produced" (Bourdieu and Wacquant, 1992) in how fields operate, that Bourdieu introduces his notion of 'illusio'.

For Bourdieu, *illusio* is to "be invested and taken in by the game" (Bourdieu and Wacquant, 1992). The overlap between 'illusio' and 'interest' is that the root of *illusio* is that of interest, because the 'social game' is interesting to the agents in it, where they are aware of the stakes included in the game, and therefore, agents are interested and believe that the game is "worth pursuing" (Bourdieu and Wacquant, 1992). Thus, given the nature of fields, interests can be multiple, depending on what each field's presupposed interest is, as Bourdieu explains "each field calls forth and gives life to specific forms of interest, a specific *illusio*, as tacit recognition of the value of the stakes of the game and as practical mastery of its rules" (Bourdieu and Wacquant, 1992 p. 117). Likewise, interests invoke an agent's action in the field. In addition, one's specific interest lays in the position that one holds in the field. For example, interests of those who dominate the field are different from the interests of those who are dominated (Bourdieu, and Wacquant, 1992). Thus, social fields can almost claim anything to be that of interest.

The following section will explain the remainder of Bourdieu's taken for granted concepts, *doxa* and symbolic violence.

4.6.2. Taken for granted concepts: *doxa* and symbolic violence

Bourdieu explains *doxa* as a form of accepting the social world as it is including the social structures and rules (Bourdieu and Wacquant, 1992). A 'doxic' acceptance is where all actors that enter the field including the existing dominant actors, accept the structure of the field, despite the opposing views and parties in the field, all actors believe that the field is worth pursuing. Bourdieu (1984) identifies this complex structure of acceptance as *doxa*.

Just like Bourdieu's concepts of capital being dependent on each other and related, his taken for granted concepts of *doxa* and symbolic violence are also interrelated. For Bourdieu, *doxa* is relational to symbolic violence (Bourdieu and Wacquant, 1992). To better understand this dynamic between the two concepts, Bourdieu and Wacquant (1992) where women will exclude

themselves from activities that seem to be masculine or belong to the men, such as being involved in politics. Instead, women will accept the social world including its structures that expects them to stay at home and cook for their family. Symbolic violence is perpetrated by women on themselves. Such acceptance of the social order as it is, exemplifies that doxa helps to create a ‘misrecognition’ towards the relationships of power that make up the structure of the social order. Such ‘misrecognition’ contributes to the maintenance of the social order that an individual accepts in relation to doxa (Swartz, 1997).

This ‘doxic’ acceptance from the women of their supposed role as females in the social world without question is “doxa”, the women acting upon these female roles is “symbolic violence” (Bourdieu and Wacquant, 1992). Therefore, the ‘doxic’ acceptance of the social world as it is, is also the common sense of the social world. Therefore, the women that act and behave in only feminine duties are doing it without feeling any constraints on their free will, in fact, they accept their role as women and act accordingly. Therefore, symbolic violence is not physical violence that blocks people from acting in free will (Bourdieu and Wacquant, 1992).

On the contrary, symbolic violence takes place on behalf of the dominated and dominant both accepting and agreeing to the social order (Bourdieu and Wacquant, 1992). It is “violent” because (for example), women “freely” choosing to stay at home could be “harmful” to their life chances. Hence, symbolic domination produces symbolic violence because an agent’s habitus, perception, and cognitive design is structured to accept and believe in the dominant structure of the social order (Bourdieu and Wacquant, 1992).

After explaining Bourdieu’s taken for granted concepts, the following section will move one to explain Bourdieu’s notion of social classes.

4.7. Social classes

In his book *Distinction* (Bourdieu, 1984), Bourdieu relates his notion of social classes to individual lifestyles that trigger the cognitive structures of social agents, and hence, “implement in their practical knowledge” (Bourdieu, 1984). Such mental structures also reveal the ‘embodied’ and internalized social structures that agents act upon, which inflict social differentiation among social classes. For example, the members of the elite social class dress in a recognisable “style”, talk in particular ways (clipped accents, long extended sentences and so on) and have gone to the same schools (the *Grandes Ecoles*, one of the most elite educational

institutions that all elite members go to). The members of the elite social class will embody internal their social class and act on the given social structure the same way that others from 'lower' social classes perceive them (Bourdieu, 1984). Understanding the differences between social classes, and the maintenance of order is at the heart of Bourdieu's social theory.

According to Bourdieu (1986), a class is defined as a social space where people with similar conditions, practices share, and therefore share the same habitus. Bourdieu's notion of social classes highlights a category of people who share a collective experience. In his book *Distinction* (1984), Bourdieu highlights the different ranges of lifestyle resulting in taste of clothing, food, leisure activities and art that signify one's social class and in turn result in the differences of habitus between upper class to working class.

In this way, one's habitus develops unconsciously, as Bourdieu (1984) states "...without any deliberate pursuit of coherence... without any conscious concentration". Hence, one's habitus allows a person to see and know their place within the social hierarchy, which in turn will lead an individual to play their role in society that fits their status within their social position in the social structure of a given field. The individual's position within the social structure is determined by one's capitals and upbringing.

In capitalistic states, those with the most powerful capitals (economic) are from the elite ruling class. Given their powerful position in social fields, they have the power to impose rules implicitly through their monopolization and control of the field. The elite ruling class can also impose explicit rules in the field through regulations. Nevertheless, the elite ruling class operate in powerful states have significant power to reproduce social structures that work to keep the elite ruling class continuously in power. The power of states becomes important to understand the dynamic of powers in social fields.

After explaining Bourdieu practice theory, the following section will discuss Bourdieu's theory on the state.

4.8. Bourdieu's state theory and the influence from Gramsci

Bourdieu's theory of the state was influenced by Gramsci (1971, referenced from Cooper 1995)'s two views of a 'wide' state and a 'narrow' state. Gramsci's idea on the "wide" version of the state is that the state is made up of both political and civil society that work to maintain

the status quo and social order by preserving and nurturing the power of the ruling class positions. Organisations that work to maintain the status quo and social order, can be considered part of the civil society.

I aim to use Gramsci's 'wide' version of the state combined with Bourdieu's state theory, because I believe that Bourdieu builds on the 'wide' state to enable a fruitful social analysis in understanding complex and unique states such as Kuwait. In this sense, I believe that only using Gramsci's theory on a "narrow" and "wide" state is not sufficient to understand states within a social, political, and economic context. While using Bourdieu's practice theory and his theory of the state with the influence of Gramsci, I believe that I can provide an understanding on the complexity in the existence of feudal traits in the bureaucratic Kuwaiti state.

The following section will provide insight into Bourdieu's theory of the state.

4.9. Bourdieu's state theory

To maintain social order among other fields, the state imposes regulations, which then become an enforcement of rules, hence, making the state a powerful field over the other fields (Bourdieu, 1994). The power of the state is reinforced in its permanent position in the field of power, making the state powerful enough to reproduce other social fields and sometimes monopolise fields to control the social order, or impose a certain social order (Bourdieu and Wacquant, 1992). Within the state fields, there are other state fields that follow the same logic of the state. On his lectures about the state, Bourdieu calls the state "an unthinkable object". On his work on the genesis of state, Bourdieu (1994) refers to the state as "X" (*see 4.9.3*).

The capitals that are concentrated within the state are utilised by the state to maintain social order (Bourdieu, 2014). The capital of physical force allows the state to give the right to authorities and police to use violence to maintain their dominant position in the meta-field (Bourdieu, 2014). This capital can be used externally for international threats or internally, for example, if The King's (or the state's) position was threatened (Bourdieu, 2014). The economic capital of the state is crucial for establishing a powerful physical force. The need of the state for economic capital means that it can be helpful for states to produce national markets that will boost its economy with income, and a system of tax collection is crucial (Bourdieu, 2014).

Bourdieu (2014) insists that tax collectors must be legitimised by the state, and must be known and recognized by others, hence they must have symbolic capital. Informational capital is another crucial weapon of the state to maintain order. The state contributes to unifying and creating a homologous way of thinking by creating mental structures through the dissemination of information (Bourdieu, 2014). The state tells agents who they are, (i.e., gender, education achievements, marital status, social class and so on), and upon this agents' habitus are triggered. Therefore, the state imposes a "legitimate national culture" (Bourdieu, 2014).

Bourdieu (2004) gives historical insight about the transformation of the state in Modern Europe, and how the state transitioned from a dynastic one to a bureaucratic state, where there was also a simultaneous shift in power from The King to the state. The shift from a dynastic state to a bureaucratic state was to distinctively separate interests, where the interest of the king would be separated from the public interest (Bourdieu 2004). State power can now be seen in the bureaucratic field, where the state has concentrated capitals and power over other fields. In addition to his lectures on the state (Bourdieu, 2014), Bourdieu's most prominent work in the genesis of the bureaucratic state is his piece entitled, *From the Kings house to the Reason of State: A Model of the Genesis of the Bureaucratic Field* (Bourdieu, 2004), and his paper, *Rethinking the State: Genesis and Structure of the Bureaucratic Field* (Bourdieu, 1994). I wish to highlight three important points that were made in both these papers. First, displaying Bourdieu (2004)'s notion of a dynastic state, with a specific focus on the King's position within the state. Second, the shift from the dynastic state to the bureaucratic state also demonstrated a shift in powers. The power transferred from the King's power to state power, in other words, the power was shifted to the bureaucratic public state (Bourdieu, 2004). Thirdly, I wish to convey Bourdieu's notion on the bureaucratic field, because in Bourdieu (2004), most of his work highlighted the process of breaking down a dynastic state in to a bureaucratic state.

The next section will explore Bourdieu's idea on the dynastic state, and the position of the King.

4.9.1 The dynastic state: the position of the King

Bourdieu (2004) is concerned with the move from what Bourdieu describes as the "dynastic" (more feudal) state in which the King held a very central position, to the modern bureaucratic state. When talking about the position of the King, Bourdieu (2004) highlights that the King is

head of the “house” and, acts upon his title through symbolic capital (the King’s name). Bourdieu (2004)’s writes that the king being the head of his “house,” starts off as a small state which just operates from the house. As the “house” grows, it requires more complex administration, territories, and strategies, which lead to a bigger state that escapes the simple rule of the “Kings house”.

In the dynastic state within the royal family, marriage is crucial (Bourdieu, 2004). Marriage is treated as a political strategy, where marriage is key to expanding power and territories, as well as, increasing domination. Royal blood and hereditary capital in the dynastic state becomes a generational reproduction process, where capitals are then monopolised only by the royal family, which makes them stronger than their rivals. Therefore, Bourdieu (2004) conveys how the (royal) family historically reproduced itself in France and England.

4.9.1.1. The dynastic state: Symbolic capital

In a dynastic state, Bourdieu (2004) explains that symbolic capital is to be accumulated by a group of domestic people particularly through strategic marriages that would increase one’s symbolic capital in the King’s house. Therefore, the dynastic state is representative of that of the Kings “house”, the honor of the “house”, and the name of the lineage, which are all factors of symbolic capital. It is worth noting that the analogy of the ‘state’ to a King’s ‘house’ exceeds the mere understanding of a ‘house’, but rather, transcends to the functions of a state.

In a dynastic state, the different forms of capital, symbolic and material resources are concentrated within the King. The King allocates titles, and distinctions selectively to maintain his position, as well as his social capital. The goal of such power concentration within the hands of the King essentially creates an inseparable relationship between the interests of the state, and the interests of the people who have a crucial role in the functions of the state (i.e., government, the King, the ministers).

Bourdieu (2004) also argues the contradictions that take place within a dynastic state, where there can be some bureaucratic modes of management on behalf of the King. For example, the King will distribute certain powers to his ‘group’ that can in turn benefit the Kings house (or state) or the King’s central position. In addition, the dynastic state that Bourdieu (2004) refers to is the existence of “family-based clans”, which have had an integral role in imposing a

bureaucratic state. These “family-based clans” are rich in economic and social capital, which keeps them in power with the royal family, and hence have their own common interests.

4.9.2. From a dynastic state to a bureaucratic state: the shift from king power to state power

The unequal distribution of power seen between the King, his brothers, and ministers extends to other actors in the field such as the monks and bishops. This division of power creates a struggle in the field that is reproduced. Bourdieu argues here that there are two simultaneous modes of reproduction in the dynastic state. One being a hereditary structure and two being a bureaucratic structure that is tied to the school system, levels of educations, and degrees. The bureaucratic reproduction eventually takes over the hereditary structure of the field, resulting in a “new nobility”. As a result, the shift from a dynastic state to a bureaucratic state was an inevitable one, because the bureaucratic state that Bourdieu (2004) highlights is the result of an expansion of the dynastic state, and “family-based clans”. Within the dynastic state, bureaucracy was strengthened, and then reached out to expand into the whole society as a bureaucratic state based on a schooling reproduction mode. Relying on a schooling mode of reproduction, is also an active process of “de-feudalisation”. Nevertheless, I believe that although in France, there was a revolution to remove the King and the dynastic state, it is still possible for other states to have both dynastic and bureaucratic traits in one state (*Chapter 6, section 6.8-6.8.2 provides a detailed discussion on this*). The coexistence these two state traits reinforces the notion that states are not homologous, they are unique in their own structure.

4.9.3. The bureaucratic state

Bourdieu (1994, p. 3) defines the bureaucratic state as:

[A]n X (to be determined) which successfully claims the monopoly of the legitimate use of physical and symbolic violence over a definite territory and over the totality of the corresponding population

The shift to a bureaucratic state is seen through examples given in the paper by Bourdieu (2004). Firstly, there needs to be a process of “de-feudalization”, where the state unfolds organically without being under the mediation of any royal powers. Such process leaves room for the educational mode of reproduction to take place, and a “new nobility” (Bourdieu, 2004). Universities were established even under feudalism, and servants of the king/state were sent

there to get the correct training needed. People with non-hereditary capital were appointed as sheriffs and employees in public offices. Royal families operated through members of the civil society rather than those of hereditary capital and civil servants? were held liable to being removed from office. As a result, civil servants were given chairs in the state depending on their competency and education. Based on this illustration in Bourdieu (2004), a civil servant's position in the field was defined and known. However, the king remains the main holder of power. Tangentially, in the transition to the bureaucratic state, all noble families were demilitarised, and treated as parts of the civil society members.

4.9.3.1. The bureaucratic state: The right and left hand of the bureaucratic state

In the bureaucratic state, Bourdieu divides the state functions as “left hand of the state” and “right hand of the state” (Bourdieu, 1992). He explains the social struggle between “minor state nobility” and “senior state nobility” (Bourdieu 1992, and 2004). Minor state nobility makes up the left hand of the state which are mostly social workers, educators, health workers, street cleaners, and so on whose voices are not usually heard, and usually advocate against inequality (Bourdieu, 1992). However, senior state nobility makes up the right hand of the state which are “...the technocrats of the Ministry of Finance, the public and private banks and the ministerial cabinets” (Bourdieu, 1992). Certainly, Bourdieu (1992)’s notion of the right and left hand of the state also points towards the struggle that appears in the state (Jenkins, 2014). The distinction between minor and upper state nobility is the accumulation of capital, where minor state nobility has cultural capital more than economic, and the upper state nobility have an immense amount of both economic and cultural capital (Jenkins, 2014). This opposition between two opponents where cultural and economic capital become a differentiated factor is what Swartz (2008) was referring to in his explanation of the struggle of the state to maintain dominance over the field of power. The people who become senior state nobility have the forms of capital to enable them to flourish on the field of power.

4.9.4. The bureaucratic state as the meta-field of power

Bourdieu (2014) refers to the bureaucratic state as a meta-field in which a “space of agents and institutions that have this kind of meta-power, power over all powers”. Indeed, Bourdieu (2014) defines the state not by its functions, but also by its relational power, where he calls it a “meta-field” with “meta-capital” that controls and grants “power over other species of capital”

(Bourdieu 2014). The position of the state in the meta-field of power is permanent, which results in the reproduction of the dynamic structure of all social fields to maintain social order (Bourdieu and Wacquant, 1992).

In particular, the meta-field of power is crucial in social action, where Bourdieu explains the importance of the meta-field of power in highlighting that it has two practices (Navarro, 2006). One, it is the ultimate field that organizes the struggle throughout all the fields, and two, the meta-field of power represents the dominant class.

Likewise, during his lectures in France on the state, Bourdieu (2014) defines the state in two ways that overlap each other. For Bourdieu (2014), the first meaning of the state is what is viewed as the government including the ministers that hold chairs to represent each ministry in the government. On the other hand, the second definition of the state is the bureaucratic field including civil society, where civil society grants authoritative power to the bureaucratic field (akin to Gramsci's wide version of the state). Bourdieu (2014) also highlights that the bureaucratic field has the power to create and impose mental categorisations of thought on civil society, and the bureaucratic field itself. Hence, the result of civil society granting authoritative power to the bureaucratic field is imposed mental structures created by the state (the bureaucratic field).

To be clearer and more precise in this overlap, Bourdieu (2014) talks about the meta-field having two overlapping points. The first meta-field operates in an environment of struggle throughout all fields, whereas the second meta-field can also be representative of the dominant class, hence, noting that within a meta-field, even if the field is composed of one class, there is struggle between members of the same dominant class.

4.9.4.1. The bureaucratic state as the meta-field of power: state capitals

The bureaucratic state can exercise its power upon other fields, on different kinds of capital, and the conversion rates between them (Bourdieu, 1994). This kind of power that the state holds allows it to position itself at the top of the field. The state uses its capitals to control other holders of capitals and to maintain the social order (Bourdieu 2014 and 1994). These capitals, as mentioned earlier, are physical force (coercive power), economic capital, informational capital, symbolic capital, and juridical capital. According to Bourdieu (2014), these are the specific capitals utilised by the state, however, there are other capitals that may be considered

depending on the field. The concentration of the specific capitals within the state creates a concentration of powers within it, making it a meta-field of power (Bourdieu, 2014). The following sections will move on to explain each capital of the state separately.

4.9.4.2. State capital: physical force (coercive power)

According to Bourdieu (1994), the state's physical power is based on strengthening the power of the army and the police. The power of the army and the police only belongs to the state, and hence such power is monopolized and concentrated in the bureaucratic state (Bourdieu, 1994). The coercive power of the bureaucratic state is activated only when the state fails to produce cognitive and mental structures parallel with the state's system, which results in social order (Bourdieu, 1994) (this is akin to Gramsci's "hegemony of consent" and "hegemony of coercion"). For Bourdieu (1994), coercive power of the state is emergent to produce an army that protects the state's interest in land expansion, and external threats. In addition, coercive power was also created for protecting the King from any internal threats that may emerge from his members (Bourdieu, 1994).

4.9.4.3. State capital: economic

Bourdieu (1994) argues that in order to have a strengthened capital of physical force, there must also be an efficient economic system that pays for the expenses of the army and police, hence as war expenses grew, so did the development of state taxes. The 'economic logic' that Bourdieu (1994) refers to in the bureaucratic state is that the creation of an economic system where the state can control any forms of expansion and defence for the interest of the king. Moreover, the importance of public tax collection underpins the economic capital of the bureaucratic state, where the money from taxes would be concentrated in the bureaucratic state, and the state can control how this money is spent, which was for the public expenditures (Bourdieu, 1994). Hence, the economic logic in the dynastic state differs from the bureaucratic state, where in the dynastic state, the money would be spent on the interests of the king rather than public expenditures. However, Bourdieu (1994) also argues that the money spent from the taxes can also be used for "social interests" in society.

In Bourdieu (1994)'s argument of the state's economic capital, he highlights that the legitimacy of the tax institution is underpinned by a symbolic violence. Police and armed forces are perceived as a legitimate group that are allowed by the state to exert violence. Hence, the state

provides the army and police with increased economic capital, which in turn, provides an increase in power to maintain its legitimacy (Bourdieu, 1994). Therefore, in this case, they have symbolic capital which translates into a symbolic violence perception. Hence, the state's capital of physical force is dependent in the state's economic capital.

The notion of legitimacy on financial institutions in Bourdieu (1994) also highlights those collectors of the tax money should not be profiting from tax collection through their use of accounting methods, and that they must be "easily identified with the person, with the dignity of power". The legitimation of tax collectors, police and the army through the state's economic capital also contributes to the rise of nationalism because the tax collectors, police and army represent the state, and hence they must be identifiable by their uniforms (Bourdieu, 1994), which gives them power and pride to be working in the state, and for the protection of the state. Hence, a "national consciousness" is present in the "representative institutions", that is, institutions that represent the bureaucratic state. In a bureaucratic state, the "representative institutions" consider taxation for the benefit of defending country, rather than for the private interests of the king (as it was in the dynastic state) (Bourdieu, 1994). Therefore, through economic and physical force capital, the state positions itself in a position of rule and power, because the state monopolises the capitals, and allocates them accordingly to representatives that will in turn, increase their nationalism to protect the state (Bourdieu, 1994). Given this position of the state, a reality is hence created by the state where all representatives of the state are submissive to the "same obligations", which lay in the name of defending the state from internal and external threats (Bourdieu, 1994).

4.9.4.4. State capital: informational

Bourdieu (1994) notes that state contributes to creating a "national identity", and a "legitimate national culture". As I mentioned previously, the state is a major contributor to creating a "national identity" to legitimise the "national culture" (Bourdieu, 1994) by creating a homologous form of communication in a bureaucratic state. Moreover, the state decides the identity, sex and age of a person, which in turn creates mental structures and specific ways of perceiving things (Bourdieu, 1994). The mental structures are a result of bureaucratic procedures found in educational structures and social rituals, hence the state "moulds mental structures and imposes common principles of vision and division, forms of thinking that are to the civilized mind" (Bourdieu, 1994). Therefore, when actors consume what the state is feeding, they become that of a certain "national identity" that in turn legitimises the common

“national culture” that is imposed by the state. Part of the state’s informational capital can be control and censorship of education. For example, in the Kuwaiti educational system, the historic event of the assassination of Sheikh Mubarak’s brother was not taught in schools. This was strategically done to preserve the national identity.

4.9.4.5. State capital: symbolic

All state capitals are underpinned by the state’s symbolic capital (Bourdieu, 1994). The result of creating mental structures on social agents and imposing a “national culture” is a simultaneous creation of perceived categorization of recognition and value (Bourdieu, 1994). A social agent will be able to identify representatives of the state given their uniform and linguistics, hence, this recognition is the result of the state imposing mental categorisations and realisations, which in turn, exerts symbolic capital (Bourdieu, 1994). The mental categorisations that social agents perceive are creations of the state, hence Bourdieu (1994) defines state symbolic capital as “it follows that the state, which possesses the means of imposition and inculcation of the durable principles of vision and division that conform to its own structure, is the site par excellence of the concentration and exercise of symbolic power”.

4.9.4.6. State capital: symbolic violence

Symbolic capital of the state allows agents to view things and simultaneously give value to them based on the mental structures imposed by the state. With these powers of capitals, the state can impose symbolic violence on agents (Bourdieu and Wacquant, 1992). An example of symbolic violence in Bourdieu (2004), he explains the dynastic state with the king having an initial accumulation of symbolic capital because he is able to call himself king, “...he is founded to believe he is king because the others believe (at least to some extent) that he is king...”. The king is perceived as a king given the mental categorisations of perception towards him. Therefore, the interrelations between Bourdieu’s concepts of symbolic capital and violence, is that symbolic capital eventually might become symbolic violence, triggering categorised perceptions and mental structures imposed by the state (Bourdieu, 2014).

4.9.4.7. State capital: juridical

Unlike other physical, economic and informational capital of the state, the juridical capital is represented by the symbolic capital of the state, and hence juridical capital follows its own

logic (Bourdieu, 1994). The jurisdiction of the king used to only be focused within his “royal domain” (Bourdieu, 1994). However, with the development of the bureaucratic state, the jurisdiction of the king started to exit its royal domain and extend its power in the whole of society (Bourdieu, 1994).

4.10. Chapter Conclusion

This chapter started off with a general introduction of my research, and the reason for my use of Pierre Bourdieu’s social theory for my research. The chapter then introduces Pierre Bourdieu’s ethnographic work in Algeria that triggered his interest in the reproduction of social classes, in which he began to develop his theory, and produced his first book. After that, I have provided an explanation of Bourdieu’s theoretical position, and more specifically, his methodological position in relation to the Burrell and Morgan (1979) research paradigm.

The next part of this chapter provides an understanding and builds a theoretical framework of Bourdieu’s concepts, habitus, field, capital, *illusio*, *doxa*, and symbolic violence. Each of these concepts have been explain separately, in addition, throughout my explanations, I have also demonstrated how they are not autonomous from one another, but rather, related.

The final part of this chapter focuses on Bourdieu’s theory on the state, while shedding light on his influence from Gramsci’s versions on the state. I use Bourdieu (2004)’s work on the King’s ‘house’ to highlight his work on the transformation of a feudal state to a bureaucratic one, which was also a shift in power, from state power to the societal power. I give particular attention to the modes of a dynastic state, and how power (symbolic) is concentrated within the King and the Kings has the power to decide how to allocate such power. I then move on to convey my understanding of the bureaucratic state and explain it as a meta-field of power. This section of the chapter ends with explaining the state capitals that result in the state having a ‘meta-power’.

The following chapter will convey my method and methodology for my research.

5. RESEARCH METHODS AND METHODOLOGY

5.1. Introduction

For the research methodology and methods of this thesis, focus was mainly given to Berger and Luckman (1991), and their understanding of a socially constructed world, and, additional focus was given to Burrell and Morgan (1979), to explain my philosophical assumption as a constructivist interpretivist. In addition, providing an explanation of my philosophical position, the intent of this chapter explains the methods used to analyse and understanding how the SAB conducts audit work on one of its audits in the Kuwaiti state, the SSIF.

Firstly, the chapter will briefly explain Berger and Luckman (1991)'s work into the world as a social construction. Then, the chapter will move on to shed light on Burrell and Morgan (1979)'s four paradigms of social theory research diagram, with a detailed explanation of their research philosophies. Building on their work, I will convey my philosophical position as a critical researcher, and where I would position myself in Burrell and Morgan's (1979) framework, which I rely upon for my philosophical explanations. The last section of this chapter will highlight my inductive qualitative research strategy, and case study research design used to understand, analyse and discuss the work of the SAB on the SSIF in the Kuwaiti state.

5.2. The socially constructed world

Ian Hacking (1999) simply says, "Don't ask for the meaning, ask what's the point". This quote from Hacking (1999) sheds the importance in understanding and analysing why things happen the way they have for many years. According to Berger and Luckman (1991), human beings are shaped by society, social interactions and relationships. The authors explain the importance of how social constructionists see the world as socially constructed by the interactions between individuals (Berger and Luckmann, 1991), as a result, an individual is born into a preexisting social world. Hence, through social constructionism, reality is only seen through the subjective lens of human eyes. Therefore, every individual's experience of reality is unique due to the differences in societies and cultures around the world. Hence, my philosophical position lays in me removing myself from the preexisting social world that I was born in (Kuwait) and exiting this world in to a new one. This exit has given me knowledgeable insight into my view of socially constructed reality while doing my research into how social structures form,

maintain, and reproduce themselves in Kuwait. I believe it is important to note here that even though I have removed myself from a preexisting social world, I still carry with me some internalized cognitive structures that have shaped who I am, and therefore, I believe that entering a new world allows me to build additional layers to my existing cognitive structures.

Gergen (1985)'s idea on social constructionism highlights the importance of the social interrelationships within individuals, because such relationships heavily influence how an individual simply lives their life. Therefore, knowledge is shared and created through a collective understanding by a group of people rather than knowledge that is being created and discovered by the mind (Schwandt, 2003). The knowledge is knowledge only by what is known and derived out of the social relationships, whereas knowledge that has not been shared between a collection of individuals is not socially constructed knowledge.

5.2.1. The socially constructed world: social reality

The idea of social constructionism accepts the fact that shared meanings and knowledge create a subjective reality, the idea of social constructionism does not deny the existence of an objective reality. Berger and Luckmann (1991), argued that reality is socially defined. Whereas a socially defined reality is a subjective reality that reflects the personal social experience of an individual. Therefore, the idea of social constructionism perceives that shared meanings create a subjective reality. Certainly, Berger and Luckmann (1991) argue that social practices create and sustain social phenomena, as a result, human beings construct a reality through social interactions while simultaneously experiencing these social constructs. Therefore, people are expected to be born into a preexisting world of social constructs. The preexisting world leads to a normalized way of living that is derived from situated cultures, practices and societies. Burr (1995) reinforces Berger and Luckman's (1991) concept of shared meaning. The author sheds light on the significance and the crucial role of language in the construction of thoughts and meaning. People understand how others are feeling or what others are saying through the use of language. In addition, Searle (2006) claims that language is prior to the understanding of a social reality because it emphasizes the creation of linguistic meaning. On the same note, a function is given to an object, which in turn makes the object universally understood. For example, Tester (1991) uses the example of a fish by claiming that a fish can only be categorized as a fish if it is socially classified as a fish. Hence, as mentioned earlier, the idea of social constructionism does not deny the existence of the fish or its physical

properties. However, the idea of social constructionism aims to understand the social processes that resulted in the social classification of the fish.

The central perspective provided by Berger and Luckmann (1991) on the idea of social constructionism is to understand how knowledge is constructed. The respected perspective of the authors on the construction of knowledge clearly illustrates the existence of a subjective and objective reality. The authors claim that the creation of shared knowledge is the result of the interactions of people, which in turn, influence the creation of a subjective social world. Eventually, this newly created social world begins to influence people by the prior constructed shared meanings, which therefore, lead to objective meanings of the constructed knowledge by the initial interactions. Therefore, this cyclical repetition becomes a pattern that develops everyday life routines. This cycle of repetition leads to the formation of knowledge, which eventually becomes objective knowledge to newly born people. As a result, it is evident that social constructionism does not deny the existence of an objective reality, but rather accepts it, therefore, reinforcing the fact that people are born into a pre-existing world. In fact, Hoffman (2001) highlights the term ‘common dance’ to describe and articulate how knowledge evolves and develops within a society, hence, adding to Berger and Luckmann (1991)’s idea of shared meaning in understanding the construction of knowledge. Indeed, Swartz (1997) highlights this process by explaining the role of scientific knowledge beginning as an objectivist movement because objective knowledge provides and develops the structures that trigger the occurrence of interactions, in which therefore, through these interactions subjective knowledge is formed.

Moussa (1992) provides a clear example of how the idea of woman refugees can be socially constructed to a certain understanding. Indeed, Hacking (1999) sheds light on the significance of how a ‘kind’ or a type of person can be socially constructed. Particularly, Ian Hacking (1999) explains that a woman refugee is a ‘kind’ of person constructed from the belief systems that are products and results of understanding social circumstances. Hence, the woman refugee is a social construct because of a belief system that portrays the classifications of women refugees. As a result, the refugee within herself will start to behave as a product of a socially constructed society. However, I do believe that there can be a disconnect, where, for example, the woman refugee is aware of the social construct imposed on her. This is because Bourdieu (Bourdieu and Wacquant, 1992) also argues that every actor is aware of their position in the field. So, in some instances, there can be somewhat of a disconnect between the belief system, and the ‘kind’ of person that is constructed.

Hence, given the above explanations of the idea of social constructions, is not to falsify or deny the existence of reality and its natural objects, but to understand how and why this reality is constructed. The following section will dive deeper into explaining Burrell and Morgan's alternative realities of research.

5.2.2. The social constructed world: social theory research

Burrell and Morgan (1979) have had a pivotal role in categorizing research methodologies/paradigms by providing four world views of social reality, each reflecting the nature of the world, and the subjective-objective dimensions. These four research paradigms are categorised as follows: functionalist, interpretive, radical humanist, and radical structuralist (Burrell and Morgan, 1979) (*see figure 1 page 79*). Each research paradigm reflects a research approach, social perceptions, and ontological assumptions of reality, hence, for researchers who follow the Burrell and Morgan (1979) paradigms, there must be compatibility and consistency between the research paradigm, theoretical framework, philosophical position, and research methods.

5.2.2.1. The social constructed world: social theory research – functionalist paradigm

For Burrell and Morgan (1979), the functionalist paradigm reflects the assumption that there is a knowable society. This paradigm focuses on an approach to understanding human behavior and essentially, the role of human beings in a society, in which all behavior is derived from concrete social relationships. The social order reflects the functionalist's idea of keeping the status quo, where the social order is held together by an agreement among members of the society. The ontology of the functionalist paradigm assumes that there is an objective reality, where the researcher is removed from this reality, and can only understand and analyse it through a rigorous scientific method.

5.2.2.2 The social constructed world: social theory research – interpretive paradigm

According to Burrell and Morgan (1979), the interpretive research paradigm, unlike the functionalist, views the social world as a space in which the actual social reality of it does not have a concrete existence, but rather exists as the outcome of subjective and inter-subjective individual experience. These social realities that exist as the product of the subjective individual experience trigger the researchers to understand how these realities are formed, maintained, reproduced, and changed. Interpretivists believe that establishing an objective social science through a scientific method may be problematic because the use of a scientific method for research undermines the belief that social science is composed of concepts, and rules that are derived from subjective social networks.

5.2.2.3. The social constructed world: social theory research – radical humanist paradigm

Like the interpretive paradigm of research, the radical humanist paradigm highlights the emphasis on the creation and maintenance of a social reality (Burrell and Morgan, 1979). The contrast between these two paradigms is that the radical humanist analyses the creation of the social reality by studying the human beings as part of the social reality that they themselves create. This paradigm argues that the social reality is created and maintained by psychic processes that constrain and control human being behavior, which in turn, rules out the action and behavior that are inherent to the nature of human beings. For radical humanist theorists, ideologies in the social world dominate a human being's mind, which leads to dominating behavior. Therefore, radical humanists are focused on understanding the linkage between human thought and human action (the praxis) as a way of surpassing their separation.

5.2.2.4. The social constructed world: social theory research – radical structuralist paradigm

Radical structuralists define social reality like radical humanists, in which the reality is situated on the view that society is the dominant force in the reality. The contrast between the radical structuralist and humanist, is that the radical structuralists perception and understand of the social reality is linked to a material and economic structure of the social world. This materialistic understanding is derived from concrete beliefs and ontologies, where reality is perceived to exist independently, far from what people perceive it to be through their everyday life activities, and hence, the social reality exists outside the minds of human beings. Radical

structuralists attempt to understand the praxis of human thought and action in transcending any forms of domination.

5.3. The subjective – objective dimensions in Burrell and Morgan (1979)

I have provided a detailed explanation of my understanding in the Burrell and Morgan (1979)'s four paradigms for the analysis of social theory. Image 3 on page 112 highlights Burrell and Morgan (1979)'s horizontal axis which offers extreme ends of the research spectrum, subjectivity, and objectivity to understand different approaches to social research. It is important to also shed light on Burrell and Morgan's (1979) scheme for analysing assumptions about the nature of social science, because I believe the four paradigms are complementary to their scheme of analysing assumptions, hence, it is important to understand my philosophical position through the use of the two diagrams. The authors believe that a researcher's philosophical position on the subjective and objective axis is dependent on four assumptions of the social world, ontology, epistemology, human nature, and methodology. Image 4 represents these four assumptions between the subjectivity and objectivity of the social sciences.

The ontological assumption of the objective-realism approach in the existence of social reality is that the truth is concrete, which exists strictly independent from any kind of influence exerted by an individual or a group of people, in which people are also viewed as physical objects. On the contrary, the ontological assumption of the subjective-nominalism approach is that truth is rather the product of an individual's conscious actions or behaviors that tend to be reproduced by social structures, shared meanings, and arrangements. Hence, the ontology of a researcher lays in their perception of the reality of the social world, and their answers to ontological questions regarding reality; what is the nature of reality? Is reality influenced and controlled by external factors?

The perception and understanding of reality are underpinned by one's epistemological assumptions. With the same notion of ontological truth, epistemological truth is perceived as a process of knowledge. For example, in Image 4, on page 112 below, Burrell and Morgan (1979) highlight the idea of scientific knowledge as an epistemology for objectivist-positivist approach. This means that through non/quantified numbers, and scientific methods, the social world becomes acquired and understood. Under a positivist epistemology, knowledge hence

becomes independent from human behavior, the mere understanding of truth is underpinned by scientific knowledge which then translates into the 'true' being of reality. In this sense, knowledge becomes the main setting stone for epistemology. On the other hand, in an anti-positivist (interpretivist) subjectivist approach, knowledge becomes focused on the individual rather than the scientific method. An interpretivist-subjectivist obtains knowledge from the experience, perception, and nature of an individual, hence, reality is understood through one individual or a group. In my opinion, the striking difference and most essential between a positivist-objectivist and interpretivist-subjectivist is understanding the relationship between knowledge and truth. For positivist-objectivists, the relationship between knowledge and truth is perceived from a distance, external from any individual or group of individuals, with a sole focus on scientific method as a means of true knowledge, while an interpretivist-subjectivist looks at the relationship between knowledge and truth by studying individual or group experiences and perceptions. Hence, unlike the positivists-objectivists, for whom epistemology lays in obtaining truth by looking at the relationship between knowledge and truth from afar, interpretivist-subjectivists obtain knowledge from individuals or groups of individuals.

For Burrell and Morgan (1979), human nature is defined as understanding human beings' relationship with the environment they operate in. Human nature is the third assumption to ontology and epistemology. The objective-determinist view of the human nature assumptions is that the environment of human beings, or the situation a human being is in determines their activities and practices. For example, culture can be an environment or a situation, in which it is also a determinant of human practices. On the other hand, the subjectivist-voluntarist view believes that humans have free will in which they voluntarily choose to adapt to environments and situations. Hence, these two opposing views, where human being practices are determined by their environment or human beings voluntarily have the choice to adapt to the environment illustrate that opposing views on the assumption of how human nature can be understood on the subjective and objective axis.

After conveying the notion of truth through the three assumptions of ontology, epistemology, and human nature, Burrell and Morgan (1979)'s fourth assumption of methodology becomes the product of these three assumptions. The way that a researcher perceives the concrete truth of the social world (ontology), the relationship between knowledge and truth (epistemology), and how human beings adapt whether determined or voluntarily to the environment (human nature), all these directly affect the methodology assumption. Burrell and Morgan (1979)

convey methodology as a process of obtaining knowledge. Like the other three assumption, methodology is also illustrated in two opposing views. Under the objectivist approach, knowledge is obtained through scientific data that enables researchers to measure and define common forms of the social world which are believed to truthfully exist independently from human beings, or human actions. Such knowledge is obtained by scientific and statistical methods using surveys or questionnaires, with a focus on numerical data. In contrast, the subjectivist view of methodology conveys researchers who perceive reality through individual or group experiences, and actions. This means that subjective methodology highlights the individual as the sole focus of obtaining knowledge. The process of acquiring knowledge with the individual at the heart of methodology is done with the use of interviews, or observatory field work.

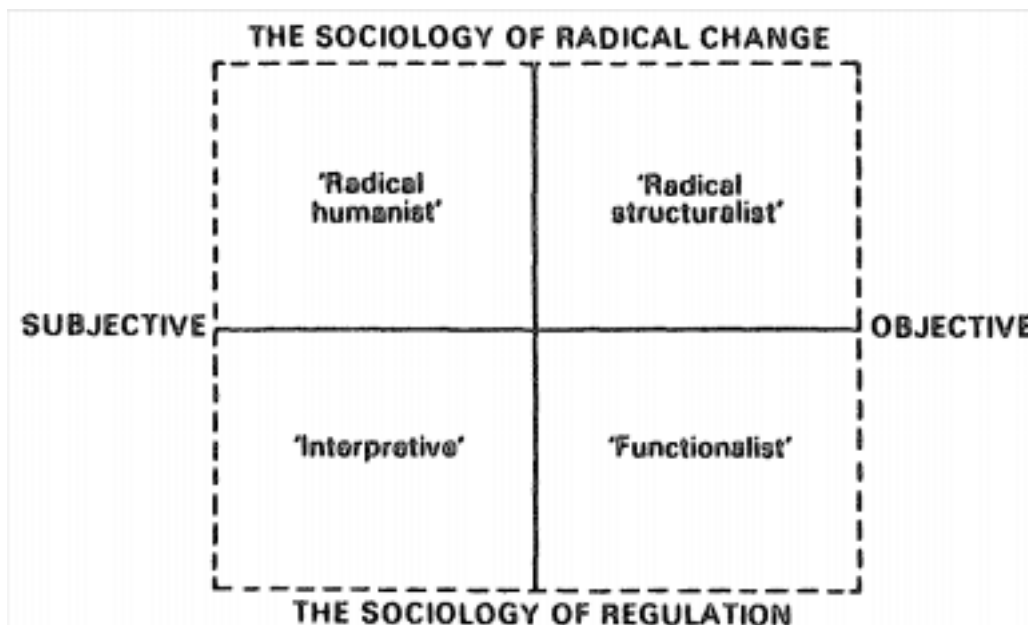


Image 4: “Four paradigms for the analysis of social theory”

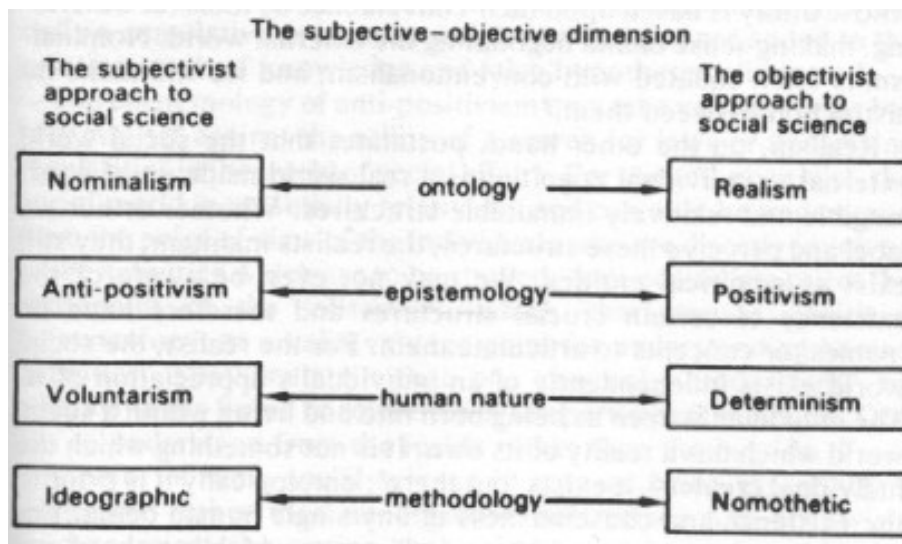


Image 5: “A scheme for analysing assumption about the nature of social science”

The following section will shed light on Burrell and Morgan (1979)’s vertical continuum on the assumptions about the nature of society.

5.4. The assumptions about the nature of society in Burrell and Morgan (1979)

Burrell and Morgan (1979)’s vertical continuum convey different assumptions for researchers about the nature of society. The vertical line in image 4 intersects with the horizontal line and joins in making the four philosophical paradigms is the underlying assumption about the nature of society. Burrell and Morgan (1979, pp.10-20) argue that there are two fundamentally different positions for researchers to study society. The first, the sociology of radical change, and the second, the sociology of regulation (see Image 4).

The sociology of radical change stems from the radical doctrine school of thought that believes in breaking free from any mental constraints instilled by a higher system/institution to maintain social order, or a ‘fair’ system. According to Burrell and Morgan (1979), radical change is underpinned by the concern with finding alternatives rather than accepting the status quo as it is given. Thus, the sociology of radical change caters to researchers that seek to emancipate themselves from any form of structured human cognition, in which radical change strives for a deeper understanding of the cognitive and social structure. Radical change is concerned about domination and contradictions in a social world.

On the contrary, the sociology of regulation focuses on a unified social system, which is maintained through the acceptance of an existing social order, and status quo (Burrell and Morgan 1979). The sociology of regulation is concerned with accepting the world “as it is”. The sociology of regulation stresses “the need for regulation in human affairs” (Burrell and Morgan 1979, pp. 17) to maintain taken for granted assumptions such as status quo, and social order.

5.5. My philosophical position within Burrell and Morgan (1979)

I view reality as a social world being a space of subjective and inter-subjective experiences that are understood through individuals. I am interested in studying and researching how individual experiences form, maintain, and reproduce reality. I believe that unique personal emotions, and experiences hold ‘truth’ within individuals. These individual emotions, experiences and perceptions are shared collectively to create shared meanings, and culture. Therefore, I believe that having a positivist approach to understand reality through statistical and numerical data does not give as fruitful insight as does studying individual perceptions because looking at an individual from a distance to obtain knowledge does not give us a perception of the reality that individuals have experienced. That is not saying that positivism does not provide rigorous data, however, I am arguing that in depth interviews and observations of individuals gives researchers the chance to have intimate view of the reality through an individuals’ experience, actions and behaviors. Through sit downs and talks, a researcher can gain intimate knowledge that cannot be obtained through quantified equations. While the positivism assumption that a single, and tangible reality exists through numerical measurement, I believe that through every individual experience, comes an intangible reality.

Indeed, when looking back at my own experience, I have spent most of my higher education (Masters and PhD) experience in the UK. I came to the UK holding on to what I knew in Kuwait such as values, culture, and behaviors. Although I never let go of what I brought with me from Kuwait, leaving Kuwait and then coming back during data collection was like coming back as a different person because of the experiences I had and the exposure to the different readings that I was privileged to have access to in the UK. Having said this, I do believe that it is very difficult to ‘unlearn’ what I have been taught for most of my life. During my data collection, it was difficult to fully remove myself from the reality I have always known.

However, I do believe that my exposure to philosophy in the UK has given me the tools to understand subjective experiences and realities.

If I must pinpoint my ontology according to Burrell and Morgan (1979)'s scheme for analysing assumptions about the nature of social science, I fall towards a subjectivist nominalist, because I think that individual action, and behavior in relation to the social structure is crucial to understand and define the essence of the ontological question; What is truth? Thus, studying people as physical objects that are independent from the reality, in my opinion, does not provide a full rounded picture of what makes up the reality, or essentially, what is a truthful reality. Given my position as a constructivist interpretivist, my epistemological assumptions are very much anti-positivist. Epistemologically, I understand and perceive reality through individuals or groups of people.

Therefore, my perception on the relationship between truth and knowledge is only possible when studying the individual and their experiences. Hence, subjective interpretivism captures knowledge through individual meaning, perception, and experience. It is in this sense that I believe obtaining my data in my research is fruitful to understand why individuals or groups of individuals behave the way they do in relation to the state structure. However, Bryman (2016, p. 394) highlights a challenge when having such an epistemological position, where 'truth' can only be seen "through the eyes" of some people who form part of the social setting, while others are not considered. Indeed, I believe this is a challenge that comes with the position of being an interpretivist because it may not be sensible to understand the reality of a whole population. However, to overcome this challenge, to better understand 'truth', I identified key actors in the state audit field and a purposive sample. This is followed by having an appropriate theoretical framework to understand the complexity of the problem being researched.

5.5.1. My philosophical position in Burrell and Morgan (1979) - An introduction to my methodology

My methodological approach towards my research is consistent with my position as a constructivist interpretivist. I focus on seeing the 'truth' through the eyes of individuals as the center of my research. Using in-depth interviews and sit downs with key actors in the Kuwaiti state audit field, I was able to have insight of their own experiences with the State Audit Bureau and the SSIF and how their actions and behaviors are a product of the social structures around

them. As mentioned in Chapter 4, to understand human subjective practices, Pierre Bourdieu developed an objective structure of the social world. Bourdieu's understanding of the social world became fitting with understanding my research regarding state audit in the Kuwaiti state.

Specifically, using a Bourdieusian theoretical lens, and his "taken for granted" concepts (illusio, doxa, and symbolic violence) became beneficial to understand state auditors' practices in the Kuwaiti state, and what drives state auditors' behavior. In addition, Bourdieu's idea of habitus appears to be a bridge between the internalized social structure of fields and the consciousness of agents working in the field, which proved to be fitting in understanding the subjective experiences of agents working in the Kuwaiti state.

The following section provides insight into my qualitative method of research, highlighting the process and individuals that have been interviewed this research.

5.6. Research method and case study design

Hopper and Powell (1985) argue that the research method must be parallel and congruent with the research philosophy and theoretical framework. Hence, the research method used should reflect a researcher's perception on the world, and how researchers pursue and obtain knowledge. Within research methods, lay two different research approaches that researchers can commit to depending on their philosophy and perception of the world. According to Bryman (2016) and Bryman and Bell (2015), deductive and inductive methods of research are two different approaches that researchers can use to explain, analyse and develop their obtained knowledge. The deductive approach includes a hypothesis test that is used to prove knowledge or theories, while the inductive approach does not hypothesize a theory, but rather allows the data itself to develop the understanding. Therefore, given my philosophical position as a constructivist interpretivist, and following Hopper and Powell (1985)'s argument that research methods must be in sync with the philosophy and theoretical framework, I am using the inductive approach for my research.

My approach towards the case study is a qualitative method that is underpinned by my ontology and epistemology. However, using a case study does not mean that it is the only way to doing qualitative research in relation to my philosophical position. There are other ways of research to obtain knowledge such as ethnography and archival research. However, I do believe that

using a qualitative case study method for empirical investigation is the most fitting given my philosophy and methodology. Robson (2002) defines a case study as a strategy for research with an empirical investigation of a “particular contemporary phenomenon within its real-life context”. When looking at the way that the SAB audits for the SSIF in the Kuwaiti state, I found that an explanatory case study method is the most fitting to explain the social practices and taken for granted beliefs that prompt state auditors to audit the way they do.

Additionally, I believe that a case study provides a deeper understanding of the social structures that prompt individuals to act and behave, which helps me explain and analyse certain practices that are relational to social structures and problems. Therefore, my choice of a qualitative case study is heavily echoed in relation to my philosophy and research aim in understanding government audit in relation to the state of Kuwait.

5.7. Preliminary interviews (conversations)

To start my investigation, in December of 2019, I returned to Kuwait to conduct preliminary interviews with the prospective interviewees. I had conversations with potential interviewees that eventually became my targets for my official, actual interviews. The reason for moving towards preliminary conversations was mainly because I had never done any sort of investigation or research before, and I felt that this step was very important for my research because I had built a relationship and familiarised myself with the environment that the prospected interviewees worked in. In addition, the preliminary interviews were beneficial for me in finding my specific research interests. I started the preliminary interviews stage with having a broad interest on the State Audit Bureau and the SSIF’s work. Based on the preliminary interviews, I realised that there was a problem that is worth investigating, which was how and why the state auditors gave ‘special treatment’ to the SSIF.

Throughout the preliminary conversations, my prospective interviewees were able to get a sense of what my research was about. This step was extremely helpful for me because I was able to build a slight connection that eventually led me to have a comfortable interview that stemmed from conversations because the interviewees got to know me first, and had an idea of who I am. Therefore, when the time came to conduct actual interviews in 2021 and one interview in 2022, they already knew who I was, they did not view me as a stranger. Likewise, for me, as a researcher investigating for the first time, the preliminary conversations were also

helpful because I was able to navigate my way through my own research by looking into the institutions and familiarising myself with the interviewees.

Before giving insight into how I conducted my preliminary conversations, I think it is important for me to explain how the culture in Kuwait played an essential role for gaining access for the first time. The culture in Kuwait is heavily built on social networks, and connections. These networks are the keys for entering institutions, getting prioritized, and getting in touch with people in managerial positions. When I started my preliminary conversations, I had to find a way to get in touch with certain individuals in managerial positions such as CEOs, or direct managers so I can get in the institution, have conversations with the employees and managers which was essential for me to navigate my research. Therefore, to gain access to conduct these preliminary conversations, I had to use my own personal connections, and make phone calls. Therefore, I would get in touch with a cousin of a friend that would eventually lead me to a certain manager, CEO, or a previous member of parliament. This chain of social connections is very much reflective of the importance of having increased social connections in Kuwait.

Given my interest and curiosity about the state of Kuwait, and more specifically, the state audit, I first navigated my preliminary conversations by selecting institutions that worked very closely with the state and the State Audit Bureau (SAB). Essentially, I contacted members in organisations that had relational ties with the heads of the state. Like a game of connecting the dots with a focus on the SAB, I started with an investment firm (for the anonymity of this data collection, I will not mention the name of the firm, I refer to it as SSIF throughout the thesis) which was directly audited by the SAB, in which the SAB would produce reports and send them to parliament for discussion and, in theory at least, some kind of action (*for more details on the work of the SAB refer to Chapter 3, section 3.9*). From there, I moved on to look at the structure of the parliament in relation to the government, and hence, looked for previous members of parliament, and high-ranking individuals that worked closely with the state, specifically, those who were consultants for previous ministers.

After contacting the targeted interviewees, I followed what I would call a road map of issues that would help guide me in my conversations with them. This road map was also helpful for me and aided me tremendously in shaping my research aims, questions and provided a smooth journey when I conducted the actual interviews because the issues raised during the actual interviews were not a surprise for the interviewees. I purposefully did not record the interviews

or take notes because my aim was to make these preliminary conversations as informal as possible, so interviewees would feel comfortable talking about what could be a sensitive topic for the first time, hence, I did not want to make anyone feel uncomfortable in any way possible. Conducting the preliminary interviews in this manner was vital for me, because as it being my first time, I was given insight about how to approach sensitive topics such as the ruling positions in the state. Table 3 illustrates the position and organization that each interviewee worked at.

No.	Job Position	Institution/Organisation
1	Senior Manager	Ministry of Commerce
2	Employer	Ministry of Commerce
3	Employer	Ministry of Commerce
4	CEO	SSIF
5	Senior Manager	SSIF
6	Junior Manager	SSIF
7	Junior Manager	SSIF
8	Senior External Auditor	SAB
9	Deputy Director	SAB/Previous MP
10	External Auditor	SAB
11	Business legal consultant of previous MP	Worked with parliament and governmental ministries

Table 3: Preliminary conversations

When my preliminary stage ended, I was able to go back and structure my research, and more importantly, filter out what I felt were participants in this preliminary stage that refused to be interviewed or turned down my attempt at having a conversation. These members belonged to the Ministry of Commerce and were eventually filtered out as participants for my official interviews. The outcome of these preliminary conversations was a mere guideline for me to navigate my way through the official interviews, hence, the preliminary outcomes were in no way analysed or discussed. In addition, the conversations were a useful tool to help me assert my research focus on state auditing and the state, because all the conversations that took place were focused on the investigation of the SAB in relation to the political structure of the state (*for a more detailed explanation of the political structure of the Kuwaiti state, refer to Chapter*

3 sections 3.11-3.11.2). These preliminary conversations were a steppingstone for me as a first-time researcher conducting data collection for an investigation, that helped me shape my research aims and questions. The following section will discuss my actual interviews.

5.8. Official interviews

After working on my preliminary interviews, I returned to Kuwait in 2021 and started conducting my official interviews. The official interviews were carried out over approximately nine months, including the transcription period. As mentioned previously, the preliminary interviews were a very helpful step for me because once the time came for me to conduct my official interviews, I had already selected my interviewees, and had built a relationship with them. So, when I went back to Kuwait in 2021, I was not a stranger, and my questions were not a surprise to the interviewees.

My approach to my official interviews was conducting open-ended, semi structured interviews. My choice of open-ended semi structured interviews goes hand in hand with my reasoning for a qualitative case study research method. Indeed, Ryan et al., (2002) explains that semi-structured interviews provide flexibility for the interviewees to reflect on their worldview. However, under semi-structured interviews the interviewee can guide the interview using a list of specific themes (Ryan et al., 2002). In addition, given my philosophical position explained above, I believe that semi structured interviews can give me fruitful insight to understand the interviewee's perceptions through their own experiences and knowledge. Structured interviews are commonly used in quantitative research through surveys; hence, they are structured in a way that do not give researchers a well-rounded understanding of an individual's experiences, knowledge and perception because the answer options in surveys bound the interviewees or participants to choose only from the given choices (Ryan et al., 2002). Therefore, I believe that semi-structured interviews with open-ended questions give the interviewees freedom and space to answer openly about their own experiences, which in turn, gives insight into their own reality.

Prior to conducting my official interviews, I had to rest on a foundation that would pave the way for me to form my interview questions. This pathway was mainly done to keep a mental road map for myself when conducting the official interviews. To build my mental foundation, I had to rest on two main sources of publicly available information, one, the Kuwait constitution

(which includes the official duty of the State Audit Bureau), and two, the SSIF's official law which was published in 2013. These two sources of information are readily available online, physically available inside the organisations, and are also published into books that were given out in the various institutions that dealt directly with the State Audit Bureau and the SSIF. The use of these publicly available laws of the state by researchers and others must be looked at through a critical lens because they are composed and written by functions of the state, such as the government or parliament to create certain order and maintain or created shared meanings (Bryman, 2016). Nevertheless, such information cannot be ignored or neglected because they are still considered as important documents for researchers conducting an investigation in the related subject. However, researchers also cannot be naïve when looking at publicly available documents produced by any organisation, but rather, critically consider them as important evidence for their investigation.

5.8.1. Official interviews: Interview guide

Formulating my interview guide (*refer below, table 4*) followed reading and understanding the State Audit Bureau functions with the state, parliament, and government. I also read into the SSIF's law to aid me in formulating an interview guide strong enough to guide and steer my interviewees in the focus of my research. My interview guide was formed to translate my mental road map to a visual and physical one that would aid me in asking my questions during the interview.

The formulation of the interview guide was not intended to guide the responses of the interviewees; however, it was intended to allow the interviewees to share their perception of the world regarding the field of the state audit, and the practices. The themes that were covered by my interview guide generated my interview questions. The interview questions were formulated to cover three main themes; the relationship between the State Audit Bureau (SAB), the parliament and the government, two, the state auditor practices on the audits of the SSIF, and third, understanding how the SAB, the SSIF, and the government work relationally as separate state fields that seem to be joined by overlapping interests.

Theme 1	Interview questions
The relationship between the SAB, the parliament, and the government	1. How does the SAB conduct its audits in the Kuwaiti state? 2. What happens once the audit reports are submitted to parliament? Are the reports implemented in accordance with the SAB's comments? 3. How does the importance of social class positions in the Kuwaiti state affect the way that the SAB can conduct its audits? 4. Do you believe that 'wasta' can play a role in writing state audit reports? Why and how? 5. What is the difference (if any) in how the SAB audits for sovereign and non-sovereign ministries? 6. Do you believe that the SAB faces pressures when conducting its audits? If so, what are these pressures? 7. The goal of the SAB is to increase transparency, what happens when the SAB becomes caught under any political influences with the parliament and government?
Theme 2	Interview questions
State auditor practices on the audits of the SSIF	8. Do you think the investments coming into the SSIF should be audited by the SAB? Why or why not? 9. Given that the SSIF is housed in the Ministry of Commerce, is the audit work conducted for the Ministry of Commerce the same as it is done on the SSIF? Why or why not? 10. The SAB's official law includes that any entity of the state such as the SSIF should be under the SAB's audit, can you explain how you conduct the state audits for the SSIF? 11. What is the role of the SAB in the work of the SSIF?

	12. Given your experience in auditing for different governmental ministries, what makes the SSIF different? 13. Most of the investment values in the annual reports of the SSIF are overestimated, do you think as a state auditor, these should be amended or adjusted?
Theme 3	Interview questions
Overlapping interests between the SAB, the SSIF, and the government	14. Can you talk about the importance of having social connections in Kuwait? 15. Why do you think that the SSIF is a ‘powerful’ and ‘prestigious’ institution in the state? 16. Who has a big say or is powerful enough to control the state audit reports in Kuwait? 17. How can someone control the state audit reports in Kuwait?

Table 4: interview guide

The interview guide was beneficial in guiding my interviews discussion within the specific themes. All the conducted interviews were recorded and eventually transcribed to be used in the analysis phase. The following section will explain the interview transcriptions.

5.9. Interview transcriptions

I studied in a western based education high school, which spoke the English language the majority of the time and had textbooks all written in English. This educational background has given me a strong bilingual linguistic foundation, where I am able to translate the questions asked to the interviewees in Arabic. My interview guide that was present with me in the interviews had questions and themes written in English but depending on who I was interviewing (in the case of interviewees who only understood Arabic), I sometimes had to translate the questions in the guide to Arabic. I realised that asking questions were dependent on the interviewees educational background, and the language that was more comfortable to

them in understanding the questions asked to answer accordingly. I had to shift from Arabic to English and vice versa.

All the interviews conducted were voice recorded and transcribed from Arabic to English or transcribed in English as they were recorded. When transcribing from Arabic to English, there were some one-word Arabic phrases that could not be translated verbatim into one-word English phrases (I explain this challenge below, section 4.9). In these situations, I had to elaborate in English on the one-word Arabic phrases to convey the essence of what was meant and said by the interviewee.

5.10. Challenges with transcriptions

As I mentioned previously, my interviews were bilingual. In some situations, where participants came from an elite educational background, the interview would be bilingual. In other interviews, the language would be in Arabic. Reflecting on the interviews during my transcription process, I transcribed all the interviews into English, because it was the way in which I understood them in my head. However, there are some indigenous sayings in Arabic that were said during the interviews where the saying would be composed of two words in Arabic, but in order to translate the full meaning behind the indigenous saying in English, I had to explain it into a full sentence. When reading the transcripts in English, I felt that the essence of the interviews was not captured, and what I tried to capture in these indigenous sayings was not 100% translated to the reader. This issue is parallel with Spence et al., (2017)'s argument that "Not all transcripts were translated into English out of a concern that linguistic and cultural nuances be lost in the process". Therefore, I went back, listened to the interviews once again, and transcribed the interviews in Arabic. I printed both transcripts, English and Arabic, placed them side by side to try and get a picture of how my story is depicted. This is the biggest challenge that I faced with my data collection, or specifically, my transcription. In order to not sacrifice my findings and lose the essence of my story, I decided to use both the Arabic and English transcriptions for my findings. I believe that using both transcripts is the best option to not lose valuable information that reflects the sociocultural perspective of the interviewees on the state of Kuwait, which is the core of my research.

5.11. Purposive sample

The government audit field in the state of Kuwait is relatively a small one, and hence, identifying key or influential actors in this field is not hard. The selected purposive sample is heavily dependent on the field of study, which in my case, are two main institutions in the Kuwaiti state, the SAB and the SSIF. The work of the SSIF has shown to be important for the economy of Kuwait (*refer to Chapter 3, section 3.13.4 on the SSIF*). In addition to its economic importance, the SSIF held key actors in the Kuwaiti state that came from merchant and ruling social class positions, which seemed to affect the way in which state auditors were auditing for the SSIF. The key actors were represented by the SSIF, and the SAB, in addition to previous consultants for the government. Additionally, the research focused on one department at the SSIF, and the state auditors that conducted the audit. Moreover, political members and members of parliament that had access to the state audit reports in Parliament. I have interviewed all members of the concerned department at the SSIF, and the state auditor assigned to the SSIF. I have also interviewed the concerned (previous) members of parliament and Minister consultants that have had direct audit work with the SAB and SSIF. This led to a total of ten participants, which seemed to be sufficient to target my research aims.

Before coming back to Kuwait, I had to use my own social network and utilise my social status to contact key actors. For example, I had to contact a cousin to ask them if they could speak to the member who had done extensive work with ministers and previous MPs. The person from my social network would contact a potential interviewee and give them a briefing as to what my research is about, my name and where I am doing my PhD. After this, the potential interviewee would give their number to me to contact them directly and set a date, other potential interviewees would not give out their number, but rather, set a date and time immediately when members of my social network would reach out to them. I wish to point out one exception in which they directly wrote to me on an official letter head of the SSIF, granting their approval to conduct an official interview in the future after having a conversation with them. This was the only interviewee that did this. After getting to know my research, PhD, and the institution that I am doing my PhD in, they felt that they needed to give out a letter of approval. Otherwise, essentially, this was the process that I managed to go through to land my official interviews with key actors in the state. Having gone through this process, I was able to identify the key actors from my preliminary interviews and set out a schedule for interviewing my interviewees prior to landing in Kuwait. This was very helpful for me because I was able

to allocate a sufficient time frame for the transcription of each interview⁷. This time frame was five to seven days between each interview.

Each interview was parallel to how the culture operates in Kuwait; they were casual interviews, laid back and informal. However, some interviewees, especially those with higher up managers were not as laid back as the others, in fact, most of their answers sounded diplomatic. So, I had to restructure my questions or ask to follow up questions to try and get more detailed answers. In these situations, the follow up questions were helpful because they were more detailed and dove deeper into the interviewee's perceptions. Table 5 illustrates the updated selected interviewees from my preliminary stage and their details, including the status of their family on the social hierarchy, which resembles their symbolic power.

No.	Interviewee code	Job Position	Educational Degree	Institution/Organisation	Duration	Details
1	CIF-1	Executive	MSc in Accounting	SSIF	49:37	Ruling social class position
2	CIF-2	Senior	MSc in Accounting	SSIF	50:28	Merchant/missionary family member
3	IF-3	Junior	MSc in Accounting	SSIF	41:15	Merchant/missionary family member
4	IF-4	Junior	BSc in law	SSIF	44:37	Merchant/missionary family member
5	SEA-1	Senior	BSc in Accounting	SAB	44:00	Non-merchant/missionary state auditor of the SAB
6	DSEA-2	Executive	MSc in Accounting	SAB	1:17:29	Merchant/missionary family member
7	DXX	Senior	BSc in Accounting	SAB	Not recorded (approx. 15:00)	Merchant/missionary family member

⁷ Towards the end of my data collection, COVID-2019 took place. During this time, my interviews were completed, and transcribing them was done during the pandemic.

8	EXT-1	Business legal consultant	PhD in business law	government ministry	1:11:47	Merchant/missionary family member
9	WE	Junior	BSc in Accounting	SSIF	27:40:21	Merchant/missionary family
10	PE	Junior	Diploma in business management	SSIF	31:18:45	Non-merchant/missionary family

Table 5: Official interviews

As I mentioned previously, in my preliminary stage, the interviewees were present, and I did have a conversation with them prior to my official interviews. Such conversations made it somewhat easier for me the second time meeting with them because of two points. One, the fact that I contacted them through a mutual social relationship, and two, because we had prior conversations about my research and intent to conduct interviews. Therefore, the interviewees felt comfortable because they did not consider me a stranger. Nevertheless, there was one specific interviewee, who was interviewed later in May 2020, because she continuously rescheduled the interview. Even though we did have a conversation during my preliminary stage, her constant rescheduling was a challenge for me because when the interview took place, she strictly refused to be recorded. This interview was in particular very different, although it took off as a conversation like the others, it was a conversation that she controlled by purposefully (I think) talking endlessly so I would not catch a break to ask questions. The participant ended the interview by saying that they needed to leave because work ended (it was around 12:30PM, and work ends at 2PM). The participant packed and left. Getting through her answers with probing questions was also a challenge because she gave off a sense of irritation, however, she did mention some very important points that reflected how she perceived herself in the field, which in turn affected the way that she worked on her audits.

I would like to note that I have followed the University of Edinburgh's ethical guidelines for research, and I received ethics approval. All interviewees were noted that their name, job positions and organization will not be mentioned to ensure anonymity. In terms of organization anonymity, the SAB were fine with having the name of the institution mentioned, however, the employees' name had to be changed. On the other hand, the SSIF is not the real name of the institution being researched, and for anonymity purposes, I have referred to it as 'SSIF' throughout this thesis. The sense of anonymity is considered and understood because the topic being researched and asked about is a sensitive one given that it points towards the state and the ruling positions of the state. As a result, the participants were worried about their job position, and reputation as whole because the government audit sector in Kuwait is a very small one.

5.12. Data analyses

I am following a case study method to analyse my qualitative non numeral recorded data. The process of transcribing my interviews, was also an initial process of starting to analyse my data because I was able to group certain interviewee responses into themes. I used manual thematic procedures to analyse my data. The way that I structured my themes was also parallel to my philosophical position and theoretical framework, using Pierre Bourdieu's, ideas of the state as a meta-field of power (*refer to Chapter 4 section 4.9.3*). For example, I had thematic ideas written down such as "state as a field", "ruling class", and "social hierarchy". Social classes and power dynamics in fields of power are at the heart of Pierre Bourdieu's social theory. Using his concepts and understandings to group my interviewee responses has helped me in my analysis. Table 6 below provides the way that I have grouped my observations with the generating themes to help me with my analyses.

All these themes reflected the way that I started to analyse my data and group my interviewee responses which then gave me a starting point that helped me connect the puzzle. Therefore, my data analyses strategy is parallel with my epistemology, philosophical position and research aims. I did not use computer generated programs to analyse and group my responses into themes for two reasons. One, because my interviewee participants were limited, and two, while transcribing the data manually, I was able to write down my notes that reflected and captured the participant's behavior during my interviews. However, I do believe that these computer programs will be a great asset in my future research journey, as I plan to expand on my PhD

research, which I believe will be a great help when conducting interviews with a much larger pool of people.

Observations	Generating themes
- State audit reports not taken seriously - State audit reports only taken into consideration from parliament when social reputation can be at harm - Political and social influences/pressures can limit the competence of the SAB - The government limits the legitimacy of the SAB - Sovereign and non-sovereign ministries have different audits from the SAB (ruling power is sovereign)	Theme a. Struggle between the SAB as a state field and the government Theme b. Importance of social and cultural capital
	Research question 1: How does the SAB operate in the state of Kuwait?
- The SAB only conducting general audits for the SSIF - Treating the SSIF as if it was a ‘sovereign ministry’ - SAB law contradiction appears when auditing for the SSIF - Agents working in the SSIF held social and cultural power - Agents working in the SSIF shared the same vision (similar educational background) - SAB seems to give ‘special treatment’ to the SSIF	Theme c. Symbolic status and vision of the SSIF Theme d. Political influences
	Research question 2: What are the political influences the can impact state auditor behavior?
- Common economic interests between the state and the SSIF - SSIF increasing capitalism and opening new areas of business for the state - The SAB gains ‘prestige’ from the SSIF - Head of the SSIF gives final approval for investment projects - Work of the SSIF posed a threat to merchants/missionaries, merchants/missionaries still worked for the SSIF (it is in their interest).	Theme e. Shared habitus in the SSIF with the state Theme f. Social norms (‘wasta’)

	Research question 3: Why are state auditors auditing the way they do in the Kuwaiti state?
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Table 6: Observations and generating themes for data analyses

5.12.1. Data analyses: thematic strategy

The strategy used to develop my story and analyse it was a thematic strategy. Braun and Clarke (2006) define thematic analysis as a method for highlighting reoccurring themes found in the data. The patterns in the themes of the data or the reoccurring themes represent similarities, differences and possibly metaphors that have been found across the different responses of the interviewees. Hence, it is a process that requires the researcher to go back and forth between different interviewees to try to capture these thematic patterns that represent socially constructed meanings. Therefore, given my constructivist philosophical position, adopting a thematic strategy is fitting because I can analyse different repetitions and/or similarities that all relate to the same theme.

Braun and Clarke (2006) argue that thematic analysis should follow a theoretical framework, otherwise, the thematic analysis will lose its interpretative power. While analysing the transcribed interviews, and generating the themes, I found myself taking on a reflexive approach, in which I went back and forth from the recorded interview to the transcriptions, and back to the theory. This was a very challenging process because I had to go from one interview to another several times to understand how the SSIF and the SAB are separate yet relational fields of the state. In addition, I had to understand that each field had its own dynamics, and a shared habitus. However, as challenging as this process was, it was necessary for my story to make sure that Bourdieu's social theory and theory of the state was applicable to my generated themes.

To generate and analyse my themes, I followed Braun and Clarke (2006), who came up with six different phases of thematic analysis. I took into account their six phases which I considered for my thematic analysis. However, because I had to go back and forth taking on a reflexive approach for generating the themes, I did not follow Braun and Clarke (2006)'s phases sequentially. I relied on their phases using a more flexible approach, where I found myself combining phase one and two, in which I transcribed the interviews in English and coded the interviewees at the same time. I did the same process again but transcribed the interviews in

Arabic. Then, I moved down to phase five, which was defining and naming the themes, where I reread the transcripts, went back to my theoretical framework, and went back to phase five, where I started to write down notes which then became elaborated into themes that followed Bourdieu. After this, I moved on to what Braun and Clarke (2006) named phase three, where I grouped my interview responses into the thematic titles that were generated from phase five (which was essentially for me, step two). Therefore, I moved up and down Braun and Clarke (2006)'s different phases of thematic analysis, which was also a reflection of my reflexive approach towards thematic analysis. To make my approach clearer, I have provided a table below that illustrates Braun and Clarke (2006)'s phases of thematic analysis, followed by my own non-sequential route of their phases.

Phase	Description of the process
1. Familiarizing yourself with your data:	Transcribing data (if necessary), reading and re-reading the data, noting down initial ideas.
2. Generating initial codes:	Coding interesting features of the data in a systematic fashion across the entire data set, collating data relevant to each code.
3. Searching for themes:	Collating codes into potential themes, gathering all data relevant to each potential theme.
4. Reviewing themes:	Checking if the themes work in relation to the coded extracts (Level 1) and the entire data set (Level 2), generating a thematic 'map' of the analysis.
5. Defining and naming themes:	Ongoing analysis to refine the specifics of each theme, and the overall story the analysis tells, generating clear definitions and names for each theme.
6. Producing the report:	The final opportunity for analysis. Selection of vivid, compelling extract examples, final analysis of selected extracts, relating back of the analysis to the research question and literature, producing a scholarly report of the analysis.

Figure 2: Phases of thematic analysis (taken from Braun and Clarke ((2006))).

Phase	Description of the process
1 and 2	I started with combining one and two, where I started off with coding the names of the interviewees, and then moved on to transcribe the interview. I went back and transcribed the interviews in Arabic, which made me extremely familiar with my data.
5	I moved on to defining and naming my themes to write notes when I transcribed my interviews, these themes were heavily built on Pierre Bourdieu's social and state theory.
3	I went back to phase one and two and implemented phase three, where I searched for more emerging themes that I may have missed while doing phase five as a second step. I found data that would eventually lead me to go back to phase five and refine the themes.
5	I came back to phase five and made sure that all the data was grouped into the appropriate themes and refined my thematic ideas.
4	I related my thematic ideas and groupings of the interviewees as way to provide me a road map that would then help me in my findings.
6	Highlighted my emerging themes for my final analysis.

Table 7: My use of Braun and Clarke (2006)'s phases of thematic analysis

Table 7 illustrates how I relied on Braun and Clarke (2006), and the way in which I applied their phases given my reflexive approach of thematic analysis as a strategy for my data analysis. By following Braun and Clarke (2006), I had the outcome of a final road map which was the foundation for me to tell my story about government audit and the state of Kuwait.

5.13. Chapter conclusion

This chapter began with an introduction highlighting how I started with my data collection phase, which lead me to pinpoint my philosophical position as a constructivist interpretivist, with an anti-positivist epistemology. This position is heavily underpinned by my extensive reading into Pierre Bourdieu's theory. The chapter moves on to dive deeper into my view of the world, a socially constructed reality, which was a realization for me that became known only when I lived in the UK for my Masters education and currently, my PhD education.

After defining, explaining, and elaborating on my view of the world as a social construct with the use of existing literature, the chapter moves on to explore Burrell and Morgan (1979)'s paradigms of social research, and their subjective and objective dimensions of the social world. After highlighting their work, I move on to justify and explain my constructivist interpretivist position in relation to Burrell and Morgan (1979).

The chapter unfolds into my research methodology, and my use of a case study design as a research method. My process of data collection is explained in detailed, in which I highlight the different stages of interviews, stage one, being preliminary interviews, or as I would like to call preliminary 'conversations', which then filtered out towards my actual official interviews. To make these stages clearer, I provided two tables, one belonging to the preliminary conversations stage, and two, belonging to my actual interviews to illustrated how the preliminary conversations stage filtered out my participants, and focused on the interviewees that became the focus of my research regarding government audit and the state of Kuwait.

The chapter follows with uncovering the transcription process of the interviews, and the challenges that I faced during the transcription process, in which I had to transcribe the interviews into English, and then transcribe them again into Arabic. The result of the transcription process was having two sets of transcribed interviews to not lose any linguistic

and indigenous sayings that will contribute to the fruitfulness of my data. The sampling of my data was also discussed, which was followed by a detailed table of the participants of my actual interviews, along with the duration of each interview.

The last section of the chapter illustrates how I analysed my data, focusing on Braun and Clarke (2006)'s phases of thematic analysis. The chapter provides insight into how I relied on the phases of thematic analysis (Braun and Clarke, 2006), however, also justifies that I did not follow their sequence of the phases given my reflexive approach towards generating themes that were based on Pierre Bourdieu social and state theory. My reliance on Braun and Clarke (2006) is followed by providing a table that illustrates how I followed their phases in a non-sequential order.

The following chapter will provide the findings and discussion of my investigation.

6. FINDINGS AND DISCUSSIONS

6.1. Introduction

The aim of this chapter is to provide the findings of my case study on how the SAB is conducting one of its audits, the SSIF, and discuss them in relation to Pierre Bourdieu's theoretical framework and the existing literature. The SSIF has shown to be an institution that is increasing inward investment in the Kuwaiti economy. By changing the law for foreign direct investment in the Kuwaiti state to 100% foreign ownership without the need of a Kuwaiti citizen (*refer to Chapter 3, sections 3.13.3 and 3.13.4*), this institution has shown to have an integral role in separating the interests of the ruling family from the missionary/merchants (*for the power of the missionaries/merchants, refer to Chapter 3, section 3.6*).

The work of the SSIF opened Kuwait to global capitalism. This limited the economic power on missionaries/merchants in the Kuwaiti state because they can no longer own majority shares (*under Law no 8. 2001, refer to Chapter 3, section 3.13.3*) in foreign investment projects. Another interesting aspect of the SSIF is that it operates under the Ministry of Commerce, which is a non-sovereign ministry (*refer to Chapter 3 section 3.11.1 about the difference between sovereign and non-sovereign ministries*). Nevertheless, the SSIF appears to receive "special audits" from the SAB state auditors because of the ruling social position (social capital) of the CEO (referred to as "XD"), and his neoliberal education from western institutions (cultural capital) seemed to influence the way that the state auditors perceived the SSIF. Such "special audits" appeared to facilitate the work of the SSIF in the state, and to legitimize the foreign direct investment values that have been published by the SSIF in the Kuwaiti state. The SAB appeared to treat the SSIF as though it was a sovereign ministry, even though it was not.

When looking at the work of the state auditors for the SSIF, and the influences that the SSIF had on the work of the state auditor (*refer below section 6.2. onwards*), it was clear that the winning capitals in the Kuwaiti state were social (*known as 'wasta', refer to chapter 2, section 2.10 on the wasta literature*) and cultural capital (cultural capital in the form of neoliberal education). Cultural capital as a form of "winning capital" in the state only made the ruling class stronger because they are the ones that can have access to Western education. By legitimizing

cultural capital as a form of winning capital in the Kuwaiti state, the ruling class is only serving their own interests because it makes them more powerful in the state (Bourdieu 2021).

This leads me to my next point, which is understanding the structure of the Kuwaiti state, or asking the rhetorical question of what is the Kuwaiti state? Referring Gramsci (1971)'s influence on Pierre Bourdieu's state theory, I believe that the Kuwaiti state is a bureaucratic state with feudal traits (Bourdieu 2004). As I mentioned previously, in Chapter 4, section 4.8 in this thesis, I adopt Gramsci's "wide" version of the state to understand the Kuwaiti state, combined with Bourdieu's state theory. When taking into account sovereign and non-sovereign ministries, and the social class position hierarchy in the Kuwaiti state, I have to consider that the political and civil society are part of the state. They are part of the state because the findings have shown that the SSIF, parliament members, minister consultants, and state auditors including the SAB are working to maintain the social order in the state and nurturing the power of the ruling class social position. Particularly, the economic power of the ruling family has been maintained (and possibly) increased by the establishment of the SSIF. To further my understanding on a "wide" state, I refer to Bourdieu's state theory to expand on why the Kuwaiti state is a bureaucratic state with both feudal traits.

After providing a brief introduction, I would like to note that I have structured the remainder of this chapter following my research themes covered in my data analyses. Following a case study design, the first part of the chapter will present the findings of my interviews. The second part of the chapter discusses these findings in relation to the generating themes, and research questions. I begin with a discussion on why the SSIF posed a threat to the merchants/missionaries' economic power, followed by a discussion on how the accumulation of social and cultural capital was found to hinder the work of state audit. Then, I provide a discussion on the findings on why I believe that the SAB, SSIF, and the government, and the ruling class make up different state fields. I move on to draw on the literature to provide an understanding on how political influences question state auditor independence and inflict state auditor hybrid roles. The third part of the chapter provides a discussion on how state audit can be used as a democratic accountability mechanism in different states, and I aim to answer Morin (2016)'s question of to what extent should a "flawed" democratic system be tolerated. The final part of the chapter provides a discussion on why state auditors in the Kuwait state appear to audit based on social norms rather than the SAB's official law of 1964.

6.2. The process of transforming The Office to the SSIF

To understand how the State Audit Bureau operates in the Kuwaiti state, it is first relevant to look at the process of transforming The Office⁸ to the SSIF.

Prior to becoming the SSIF, the nature of the work at the Office was explained by CIF-1 during our interview

We used to come in, scan our cards and go to the coffee shop next to us. We would stay until 11 to 11:30am because there was not anyone in the office, and we did not have any work to do. It was not like anyone knew about us, or really cared for what we were doing, they did not know if we came to work or skipped it

The work in The Office was further explained by PE

When we would go back to The Office around 11:30am, we would see some of our colleagues at work too, so we would make tea, drink the tea together and talk about current events happening in Kuwait. The employees in the ministry of commerce would join us for tea, and it was as if we all worked together in the ministry. The name of The Office was just a title

The interviewees explained that The Office reported directly back to the Minister of Commerce, because during this time, The Office was operating as a department in the Ministry of Commerce. The Office was operating under law no. 8 of 2001. However, in 2013, a form of law was drafted to implement law 116 of 2013 and establish the SSIF (*refer to Chapter 3, section 3.13.4*).

XD, a member from the ruling/missionary position held a higher education degree in business. Speaking fluent English, XD had connections in the West from their educational experience. One of the interviewees explained XD's vision as transforming the Kuwaiti economy, to seek other sources of income rather than solely relying on the oil and gas industry (*refer to Chapter 3, section 3.13-3.13.4 on the economy of Kuwait*). With approval of the form of law, XD became head of the SSIF. XD created what became known among the employees, and expressed by CIF-1 during our interview as "The Group" (*refer to Chapter 3, section 3.13.4 on 'The Group'*)

⁸ Prior to becoming the SSIF, it was a small Office in the Ministry of Commerce. In 2013, The Office became the SSIF, where employees with high social capital moved to the SSIF, and employees of low social capital worked at the Ministry of Commerce. One of the interviewed participants referred to them as "Ministry employer".

[XD] suggested to me to join the group of working on a new law that would launch and establish [The Firm] as an authority. After that, I became part of the new law, I tried to change old laws that were impeding our work and make new laws to speed up the process of our work. I created a group of people who I believed were qualified enough to help make work on these. We were three people only. We started working on the law, by looking at other countries and see how they did foreign direct investment

IF4 believes that being part of “The Group” is the result of having a hard work ethic

...we worked hard, and he appreciated that, so he let us in to his circle. Do we get special benefits and privileges? Not all the time. We are part of his group because of our hard-working ethic, not because we are special in any way. I feel like it's a mutual relationship with him. The more we give to [The SSIF], the more he will let you in his group

It seemed that the members of The Group were a combination of XD and CIF-1's choice of employees, a total of five members. IF4 believes that XD gave CIF-1 the responsibility to become the head of The Group, in which IF4 says, “his [CIF-1] word is taken seriously”, where he managed to delegate tasks and give instructions as to what each member of The Group was responsible for. Through XD's leadership, CIF-1's power was explained during my interview with IF4, where they recall a time that no new members of The Group were welcomed

I remember once there was an employee's name that was brought up to become a promoted to a manager position. CIF-1 simply said “no”, and all other four heads of departments heard his word and his word goes, regardless if they agree or not. Because of that, that employee was not promoted. So he can't increase the members of this “group”. It is a closed group. It is no secret that this is how it goes, if you are part of a group that is at the top, you will get there with them, everyone knows this

When interviewed, I found that the members of the Group all had the same neoliberal education and came from missionary/merchant social class positions. IF4 says during the interview when asked about the kind of work The Group did

In 2015, we have provided 100% ownership licensing for direct foreign investment from huge companies such as [X], [XX], and [XXX]. We went back and forth with them and brought them to Kuwait. [X] got their license in one day only. XD was adamant to have these not only for investment purposes but also as a marketing strategy. We wanted Kuwait and the region to see what we are capable of doing. Once we brought in these companies, a huge number of companies wanted to invest. So, they were also an attraction for other investors

When interviewing CIF-2, who has over ten years of experience working for the SSIF, they explain the important role that the social position of XD had played in the transformation

The current GM had a critical role in the transformation of [The Office] to what it is today. Unfortunately, in Kuwait, we have these perspectives that contribute to classes. Because he is a “sheikh” he is viewed differently from the rest of us. Previously, the people in charge of [The Office] were more than one, but they could not have achieved and made [The Office] to what it is today, but because our current GM has a high social class, given his father, and his position in the political and social climate in Kuwait, it was possible to create The SSIF

CIF-2’s comment on XD’s social position in the state is reinforced by IF4’s response regarding XD’s social power and its effect on the transformation of The Office. XD’s power was important in having the state’s support, which indicates that under Bourdieu’s theoretical lens, XD had the ‘correct’ capitals to be able to “win” on behalf of the firms in the field of power.

Hmm... if he was a normal citizen, then I don’t think so. There is an important factor to keep in mind also, when [XD] came into this position with his vision, his vision was parallel with the vision of the Amir wanting to create Kuwait as a financial and investment hub. So, he has strong support from the Amir to do his thing in the institution and make it what it is today. So, what I am trying to say is whenever the executive authority of the country is supporting you, you can do it

Bourdieu’s forms of capital are evident here because social and cultural capital are both important and ‘needed’ to win in the field of power – and XD had a significant amount of each, where CIF-2 explains the importance of XD’s neoliberal education

There are people from the [ruling class] too, but they don’t have an education, and that’s the difference between him and other members from the [ruling class], yes they have the last name and what makes them different and respectable are the degrees they hold

It became clear that in the Kuwaiti state, social and cultural capital are needed to in the field of power to win. Like symbolic capital, Bourdieu (1986) describes social capital as holding a governance logic where it is maintained and reproduced through institutionalized relationships. These relationships come in the form of social classes, tribes, family name, marriage etc. Cultural capital is also like symbolic capital because it is “unrecognized as capital and

recognized as legitimate competence” (Bourdieu, 1986, p. 18). Cultural capital is reproduced among dominant actors in each field as a mode of distinguishment (Friedland, 2009).

The participants’ insight on the transformation to the SSIF seemed to reinforce Bourdieu (1986)’s notions in which social, cultural, and symbolic capital are not autonomous from one another. Bourdieu (1989) explains that social and cultural capital can only be converted to symbolic capital when they are recognized and legitimised by actors as valuable capital. The interviewed members of the Group have collectively said XD’s social position (social capital) and business education degree (cultural capital) have been key players in creating the SSIF. The social, symbolic and cultural capital of XD were recognized by members of the Group.

Bourdieu (1989, p. 23) explains that symbolic capital is the “power granted to those who have obtained sufficient recognition in a position to impose recognition”. Examples of symbolic capital are prestige and reputation (Bourdieu 1989). In this essence, it seems that the social and cultural capital that XD held in the SSIF were also a conversion to symbolic power which was later found to be a reflection of ‘prestige’ in the SSIF.

6.2.1. The process of transforming The Office to the SSIF – passing the form of law no. 116 for the year 2013

In 2013, as part of the transformation, the form of law was drafted and sent over to the Minister of Commerce. According to members of The Group, *within a couple of hours*, the form of law was approved by the council of ministers, along with the parliament and head of parliament. IF4 who first handedly worked on the form of law said

The form of law was passed, got approved and passed minutes before the parliament and its prime ministers resigned! We were adamant that it should be signed from Amir, otherwise, we had to form new lobbies and start over

In addition, EXT-1, a legal consultant for the Ministry of Commerce said that the approval for The Office to become the SSIF was indeed exceptional because according to the documents from the Ministry of Commerce, the usual process that forms of law go through to become approved and passed as a law take months if not years. Members of The Group who worked on the form of law believed that XD’s social position in the state was a key player in catalyzing the approval of the law, where CIF-2, who worked with XD on the form of law said

I guess what helped him become powerful is his social class and the [ruling position] he comes from. I have seen this because whenever we need something done from any other institution, or are experiencing a road block, with only one phone call, he can get things done

CIF-2's acknowledgement of XD's ruling social position in the state as powerful reinforces that social capital in the Kuwaiti state is needed to play and win the game in the state.

XD's social status in the state is also acknowledge by IF4

His social power has helped us a lot. Whenever we reached a dead end, he would get all the official decisions and laws passed for our advantage with just a phone call. So yes, it did help us out in the beginning of creating the The SSIF

XD's social capital was also expressed by IF3

For us, our reputation has been built based off on who our GM [XD] is. I believe that he indeed worked hard to market this place, but also, a huge factor is who he is, and who is father is. His name and the [ruling position] he comes from makes a difference

In this context, XD's social capital and symbolic power was passed to the SSIF as 'reputation' in the state, which seemed to immensely increase when the Amir and the government publicly supported the SSIF, where IF4 explains

Having the support of the Amir was crucial in the transformation from The Office to the SSIF, we need to have strong support from the Amir and the government to get a law passed in our favor

Claiming the importance in having the support of the Kuwaiti state and the Amir to have the law approved seems to articulate with Bourdieu's theory on the state's symbolic power. For Bourdieu (1987), the symbolic power of the state is "world-making". The state can be seen as the bank of symbolic power, to which it can allocate this power to certain agents, or institutions in the state. However, with XD coming from an elite ruling social class, XD has the symbolic power to legitimize the SSIF.

With the support of the Amir, the SSIF became symbolically powerful and legitimate in the state. Under a Bourdieusian lens, the Kuwaiti state used its symbolic power to "impose recognition" (Bourdieu 1989) on the SSIF as a legitimate entity in the bureaucratic field. This

has made the SSIF a legitimate organization of the state with increased symbolic power. Being a legitimate organization in the state, the SSIF's law no. 116 of 2013 increased competition, and opened the economy for international investment. Nevertheless, the necessity of having social capital as a 'weapon' of power that can give the Kuwaiti state symbolic power to the SSIF through the approval of the form of law (in an exceptional time frame) shows the importance that can come with having increased social capital in the state.

Agents in the state including the state auditors were found to give value to and legitimize the ambitions of the SSIF.

6.3. State auditors legitimising the SSIF

The recognition that the SSIF is an institution with significant capital/power in the Kuwaiti state can be understood through SEA1's auditing work on the SSIF

I truly am surprised by the level of transparency [The SSIF] has. When I write my reports to SAB, they tell me that that I am biased, because I always have nothing to say about [The SSIF]

...they [The SAB] are very surprised that there is an authority in Kuwait that is doing things right! And it's not just me who says this, the financial officer too, when we present our reports in the Parliament, they also say the same thing. They [The SSIF] have a polished reputation

It appears that SEA-1 is suffering from 'illusio'. For Bourdieu, illusio is to "be invested and taken in by the game" (Bourdieu and Wacquant, 1992). It seems that SEA-1 is in awe of the SSIF, and how "transparent" it is because of the social capital that XD holds. However, Perhaps surprisingly, the work of SEA1 as an external state auditor does not include auditing on the annual report of the SSIF as SEA1 explains

[The SSIF's] role is to attract direct foreign investment, so for me, as an auditor, I don't audit the business plans or the investment values these companies come in with, I only audit the exemptions⁹ given to these investors by [The SSIF]. Anything else, I don't audit or look at

SEA1 moves on to explain that it is not their duty as a state auditor to audit forecasted investment values presented by investors to the SSIF

My duty as an auditor is to audit procedures. I know my work. This is what I can do. My duty is not to audit forecasted numbers.

⁹ These exemptions account for the new SSIF law, under 100% foreign direct ownership rule. These can be found in Chapter 3.

The annual report is available on the website of the SSIF, where international investors can access it. IF4, who oversees the annual report says

I am in charge of it [annual report], and I work on the investment values, depending on the investors that come in annually. We take into account the financials and working sectors, and the counties that these investors come from...The importance of the annual report is to attract investors, and to implement the vision of turning Kuwait into an investment hub

CIF-2 also who works on the annual report explained

This is a good thing for us because it means we are working and attracting investors. Not only that but also, we are having a positive impact on the economy of Kuwait. Now our total investments are up to 500 trillion KD

When asked about the accuracy of the numbers, and total investment values, IF4 replies “maybe”. The people who work on producing the annual reports are The Group (see Chapter 3, section 3.13.4). They are the ones who work and produce the reports based on the investment projects. CIF-2 explains the internal process of working on the annual reports is a casual one between members of The Group, where they would gather all in one office, discuss the projects investment values that would be included in the total investment value of the year as number that represent the total value of investments that has been invested into the Kuwaiti economy.

IF4 explains the process of working on the report

First me and my manager, then it goes up to direct management. The SAB does not audit it. We don't get comments on the report.

Among the members of The Group, there was no auditor from the SAB present to look over the numbers presented in the annual report, as CIF-2 explains

We audit, we do it and we audit, and give it to the CIF-1, then the board. XD, CIF-1 and the board will provide comments and we will adjust based on these comments. But we provide everything in the report, investment values, investor updates, reports. We work very hard on it, and we try as much as we can to not have any errors

The internal process described by CIF-2 and IF4 in the SSIF when working on the annual report reinforces the importance of social capital in the Kuwaiti state. Bourdieu (2021) claims that social capital is maintained and exchanged through institutionalised relationships that are underpinned by people within the same social class. For Bourdieu (2021), several factors result

in social capital, two of them being business deals and investment strategies, which can be achieved either at an individual or group level that can determine an agent's position in the field (Bourdieu, 2021). The annual reports of the SSIF mark the investments that have been made in the economy of Kuwait, and all members of The Group hold both social and cultural capital. These capitals can be seen used and exchanged for economic capital in the form of business deals and investments for the purpose of economic diversity in the Kuwaiti state. In essence, the social position in the state of the members of The Group can be seen through? their work with the SSIF, and foreign investors.

However, the policy change on inward investment, decreased the economic power of the merchants/missionaries in Kuwait because, as mentioned in Chapter 3, section 3.13.4, under the new law no. 116 of 2013, merchants/missionaries are no longer legally obligated to own majority shares of the business with the foreign investors. However, some members of The Group working in the SSIF were from missionary/merchant families and are working to facilitate greater foreign direct investments. So, in practice, the case is complex.

It seems that the through their cultural capital, XD is using the SSIF to provide services and streamlining the process of creating foreign direct invest in the Kuwaiti economy. Although not directly owning the foreign investment companies, the SSIF produces working licenses under the name of the SSIF, where the foreign companies can operate in Kuwait. In this context, XD's neoliberal education as a form of cultural capital further shows the impact that neoliberal business education has on the spread of global capitalism in the Kuwaiti state, because having powerful missionaries approve the change in policy allows for easier foreign direct investment and may serve to create income diversity (away from the oil and gas sector) in the Kuwaiti economy.

Additionally, the creation of the SSIF may have been the result of changes in neoliberal economics. The "liberalisation" of capital places pressure on nation states to facilitate the movement of capital across the globe in the pursuit of profits. When looking at XD, and their neoliberal education, it could be that he seemed to be a conduit for introducing these ideas.

The following section will further explain the findings that have shown the importance of global capitalism and neoliberal business education in the Kuwaiti state as a form of cultural capital.

6.4. Global capitalism and neoliberal business education as cultural capital in the Kuwaiti state

For Bourdieu (2021), cultural capital is a form of power that is central to noneconomic goods, where it highlights academic credentials, and those who dominate the field, reproduce cultural capital to distinguish themselves from the rest. It is a form of “legitimate competence” (Bourdieu 2021).

The new law was created by The Group, with the oversight of XD. It was seemingly written in one to two hours according to CIF-1 when reflecting on his work to transform the Office into the SSIF

I became part of the new law, I tried to change old laws that were hampering our work and make new laws to speed up the process of our work. I created a group of people who I believed were qualified enough to help make work on these

XD’s cultural capital (higher education) and neoliberal understanding on global capitalism from western business schools became the new understanding of business in the ‘mental structure’ of employees in the SSIF and the state. This neoliberal understanding of business being the ‘right’ way of moving away from a reliance on oil in the Kuwaiti state articulates with Bourdieu’s taken for granted relational concepts; doxa and symbolic violence.

Therefore, in this setting, accepting the idea of neoliberal business (globalisation) as a way of ensuring the ‘right’ business path for the economy of Kuwait, could be seen as a ‘doxic’ acceptance by the Kuwaiti state of the “need” to diversify the economy through the implementation of foreign direct investment. In the same context, this neoliberal understanding of global capitalism allowed XD to unconsciously employ people with the same western education that could understand his vision and maybe share it. It is important to note that the people employed to share and implement the neoliberal vision of business are all willingly complicit, which I believe is a reinforcement of Bourdieu and Wacquant (1992)’s idea that symbolic violence constrains as agent’s “free will”. In fact, members of The Group who all share the same neoliberal understanding of business believe that they are doing ‘good’ for the economy of Kuwait. Hence, they are not forced to become part of the SSIF, but rather, it seems

from the participants' responses that they are willingly working to diversify the economy of Kuwait.

The notion of education being one of the important capitals to 'win' in the state was frequently brought up during the interviews, where EXT-1, who worked for the state for several years said

He [XD] set up a team that reflected his vision, and they all worked to achieve it. His connections from the [ruling position] he comes from, and educational degree played a huge role in gaining the trust.

CIF-2 explains that

He [XD] is educated and has a reputable degree, so the people he started recruiting were also holders of reputable degrees. So yes, he is from a royal family, but he also had great education (has a PhD) that helped The SSIF become what it is today

CIF-1 explains how The SSIF was formed, and the focus of the employees reflected XD's educational and social achievements

[The SSIF] is based on younger generations and innovative ideas from the young people. Our target was the young generations, these are the people that placed the goals and missions. That's how we got our reputation to be like this

Such neoliberal education was perceived as 'prestigious', where CIF-2 believes that The SSIF has prestige because they are recruiting "people that are educated and have increased knowledge. That is why we have a prestige". The continuous use of "prestige" to describe the SSIF reinforces Bourdieu's idea of symbolic capital. For Bourdieu (1989), prestige is an example of symbolic capital. Bourdieu (1994) also claims that social and cultural capital can convert into symbolic capital when they are legitimized and recognized as valuable capital. The reinforcement in the participants answers about XD's social position within the state (social capital), and the neoliberal education (cultural capital) as two important factors for having "prestige" in the SSIF are converted into the symbolic capital that the SSIF holds within the state.

Indeed, I believe that the importance of social and cultural capital in the SSIF was made more apparent when those who did not hold the same neoliberal understanding were filtered out of the SSIF and were considered as sharing a different vision and mental structure, which IF4 explains

Automatically those that were in [The SSIF] had a sense of prestige, and those who were in the ministry felt downgraded and were perceived as having a lower work ethic. But also, they looked at the level of education. Those who had bachelor's degrees or higher were the ones who went on to become part of [The SSIF]. So he recruited new employees with reputable educational degrees, so eventually those holders of degrees outshined the others

Neoliberal education and vision implementation were found to be two important factors for the SSIF, where the external state auditor for The SSIF said

[XD] is the one who chose the deputies under him, so he created a team that he can trust will implement his vision, and build the reputation he is looking for

XD's neoliberal perspective was expressed through the employees in the SSIF, where there was a shift in 'style' from The Office to the SSIF as explained by one of the members of The Group

When we started working in this head quarters, we had to look presentable, and speak in English/American accents. It was new to us because we did not do that in The Office. Nowadays, before I come to work, the evening before that I prepare and hang my clothes to make sure that what I am going to wear to work tomorrow is extra nice

Those who held diplomas, the minority, were not given the same opportunities as those who had higher level degrees. According to a previous employee who explained their experience

I planned to resign because I felt I was not given a fair shot. They said that these people [The Group] were chosen because they work hard. Let's be realistic, in The Office, no one worked harder than anyone, we all had tea together, and we all went to the coffee shop together. They were chosen because they gave off the 'look' and spoke English. When I heard that The Office was going to become an independent entity, I knew that I will not move on because I did not represent them [The Group]

Bourdieu's notions of symbolic capital is found to be prominent in to the creation of the SSIF. An interesting point is the neoliberal education was a vision that was carried out in the way that holders of neoliberal education such as The Group members were perceived. The previous employee referred to this perception as the "look" that represented the SSIF, and one of the Group members referred to this as a shift in "style". The shift in an actor's physical appearance is embodied cultural capital that is defined as external wealth which is seen through an actor's habitus (Bourdieu 1986). For Bourdieu, clothes are a form of symbolic capital. When shifting from The Office, the social structures of the SSIF were seen to be internalized by The Group,

which in turn, seemed to create an unconscious shift in physical appearance, which have been described by one of the Group members as “looking presentable”, and “speak[ing] in English/American accents”. Such actions to change the ‘style’ seem to be behaviors that are triggered by the habitus of holders of neoliberal education (cultural capital), and social capital.

Bourdieu (1990) claims that habitus is the result of social structures, where people within the same social class tend to share the same habitus. The behavior of agents through their habitus legitimizes the inequalities of the social position hierarchy in the state (*refer to Chapter 3, section 3.5, diagram 1 for more details on the social position hierarchy in the state of Kuwait*). For Bourdieu, cultural and economic capital can be used to figure out which social class someone is from. It appears that the holders of cultural and social capital in the SSIF became powerful because they came from preexisting social class positions with increased wealth (economic capital), that was later converted to cultural capital (neoliberal education), because they had economic finances to obtain this kind of education, while others who do not come from preexisting dominant social class positions may not share the same educational opportunities.

It seems that social capital and power in the Kuwaiti state are attributed to the cultural and social norms that determine one’s social position in the Kuwaiti state. The following section will present the findings in which ‘wasta’ is found to be equivalent to social capital.

6.5. ‘Wasta’ as social capital

The SSIF would open once a year for recruitment, employing people with neoliberal education and mental structures was key. During a conversation with WE, who is currently working at the SSIF, they explain their experience first handedly with activating their ‘wasta’

After officially receiving my degree, I spoke to my cousin about wanting to work at The SSIF because they were related to one of The Group members. I was told that all I needed to do was pass the English language and business major test, and I will consider myself already accepted

When asked about the interview process, they said

The whole interview did not last five minutes, they asked me three questions and asked me to answer one of them in English, which I did. I remember the interviewee before me took about 30 minutes, and I got nervous for some reason, even though I knew my wasta was strong, but I was nervous because my friend also had wasta but told me that the interview was long, and she was grilled with challenging questions about investments. I started second guessing my wasta, and if it was strong enough to get me in the SSIF

Different applicants would know about the competition for applying for the SSIF and getting to work in the business sector of the SSIF, and therefore, word of mouth would spread that the employees with the ‘strongest wasta’ would get in. When potential employees would pass the English and business major exams with percentages above 95%, they all scramble to find the strongest wasta.

It seemed that having ‘wasta’ (social capital) alone was not enough among the applicants for the SSIF. The notion of having the ‘strongest wasta’ among holders of neoliberal education (cultural capital) was key. When it came time to accept the applicants as employees in the SSIF, it came down to who had the highest form of social capital and cultural capital. This was apparent in placing passing grades for English language and business exams as prerequisites for increasing one’s chance of working at the SSIF. Nevertheless, obtaining the ‘strongest wasta’ meant that only those with the highest forms of social capital can compete. Indeed, Bourdieu argues that within the same dominant social class, there is struggle. In this context, the struggle is to find the strongest form of social capital that is derived from institutionalised relationships such as the name of the family (Bourdieu, 2021). This is further demonstrated by SEA1, the external state auditor for the SSIF when asked about why they believe that the SSIF has a “polished reputation”

First and most important, it has to do with the management, or the CEO. The managers. Who are they, and the families they come from, and how much power they hold in the state. Because you know, the more power they have, the more careful they will be. This will reflect on the work they do and people they recruit. It also depends on their social circle, who they know and who their friends are. Usually what happens is if a CEO is very social and powerful, he will bring his group with him, and his group will bring their group

It seemed clear that in the Kuwaiti state, having the “strongest” social capital was of utmost importance to become powerful (*I discuss this further below, section 6.8.3 below*). In Bourdieusian terms, it is the “trump card”. Such power seems to come from a doxic belief that

ruling family members will behave well (I.e., the more power they have, the more careful they will be). Nevertheless, in the Kuwaiti state, it appears that social capital and *wasta* are interchangeable, because they are both derived from family names. Such relationships are seen to be determinants of how powerful an agent is in the state.

The chapter thus far has revealed the findings on the transformation of the SSIF. It attempts to demonstrate the importance of cultural and social capital in the Kuwaiti state. The chapter has also shown the claims that the significant role the work of the SSIF is on the economy of the Kuwaiti state, and how it became a facilitator of global capitalism.

The following section will present the findings of the SAB as an auditor of the state for the SSIF and reveal the findings on how the SAB is positioned in relation to the Kuwaiti state.

6.6. The political influences on the state audit reports produced by the SAB

The position of the SAB within the Kuwaiti state is found to be caught up the state's political forces. During my interview with a state auditor who worked on the annual audit report produced for parliament, they said

we [state auditors] write some critical points that are important for the members of parliament to consider. But this is where our report stops, after writing and presenting it in the closing meeting with the parliament, our duty stops here because members of parliament may feel that their positions, or businesses may be threatened by the state audit report. Honestly, writing the report and presenting to the parliament is like writing an audit report and dumping it in the bin, there is no use of it. They will only use it to take someone down or take away the power from a certain minister.

After writing the report, and discussing it with parliament, the state auditor explained that it would go back to the SAB to be filed in the archives and published online for the public. However, having readily available audit reports freely available to the public was only possible during a short period when DSEA2 was the head of the SAB. When the government appointed X2, any publicly available online state audit reports were removed. When I tried going to the SAB's website, the option to choose to view an audit report was not available.

When the government assigned X2 an executive position in the SAB, it seemed to be the result of political influences on the SAB in the state; these changes were made after two

embezzlement reports on public funds were made public during DSEA2's time at the SAB. Nevertheless, I believe that the existence of the SAB, regardless who is the head, in the Kuwaiti state can never really be free from any political influences because the SAB conducts audits into ministries of the government. This places the SAB in political tension with the state. The following section further reveals the findings on the political influences that the SAB can face in the Kuwaiti state.

6.6.1. The political influences on the state audit reports produced by the SAB - "illusio" and interests in the Kuwaiti state

For Bourdieu (1986), holders of immense social capital also hold the power of recognition. The logic of social capital is like the power of symbolic capital. In the Kuwaiti state, the cultural and social norms that are underpinned by maintaining, and advancing interests of people within the same social class are known as the "unofficial rules". The acceptance of such rules and the maintenance of the status quo articulate with Bourdieu's concept of 'doxa'. Bourdieu and Wacquant (1992, P. 73) explain doxa as a "...uncontested acceptance of the daily lifeworld...".

These rules are not publicly spoken of, or written, however, the public inherently acts upon them, where they go without saying. Just like the way 'wasta' or social capital (*refer to Chapter 2, sections 2.10 and 2.10.1 on wasta literature*) works to advance the interests of people within the same social class position, it appears that the way that the auditors in the SAB conduct their audits is found to be unconsciously auditing for the benefit of the auditor's social class position in the state.

The 'unofficial laws' that are tied to social class interests, and norms could be seen taking place in parliament, where DSEA2 shares their previous experience and insight

In the parliament, it's a tricky situation. You cannot do anything by yourself. You need to belong to a group, and this group must be part of your social class. The way that you move forward in parliament is dependent on your social class position in the society. Your position in the government is also important. Are you with or against it. In parliament, MPs don't choose ministers, the [member of the state] chooses. It's a game we need to know how to play it, for me, I hated it, I hated the game. I would never go back

When asked why he hated the 'game' so much he explains

I believe it caused me more harm than good, maybe I burned my cards too early in parliament, and my position was very clear, and I think this affected my future position in the SAB

The ‘unofficial laws’ can be further understood when DSEA2 talks about being strategically invited by the head of the state for dinner in his lavish ‘diwaniya’¹⁰ with other members of parliament and government present. DSEA2 said he accepted the head of the state’s invitation and attended the dinner, where he claims that the head of the state would pull him aside and tell him to “loosen up” and not be so “uptight” with writing SAB reports. It seems that being asked to “loosen up” and not be so “uptight” were designs to steer towards a much more flexible way of auditing. I believe this is interesting because the government only allows the SAB to audit on its general procedures and not on its public funds and expenditures.

In accordance with the SAB’s official laws (*refer to Chapter 6, section 6.4, 6.6, 6.7 and 6.8 on the SAB’s laws*), any governmental entity or ministry must be subject to the SAB’s audit. However, these ‘official rules’ are only in theory, because in a practical sense, it seems that these laws are not exercised to their full potential. For example, the SAB audits for the SSIF but not auditing to its maximum efficacy (*I explain what I mean by this below in the fourth paragraph*). According to the SAB’s official law for the year 1964 (*see section 6.4 in Chapter 6 for the full list of laws*), specifically, laws 3 and 4 which state

3. *Public commissions, establishments, and organizations attached to the State, the municipalities, or other local bodies with a public legal entity.*
4. *Companies or establishments in which the State or any other public legal entity holds a share of not less than 50% of their capital or guarantees them a minimum profit.*

According to the SSIF’s website, the SSIF is an organization that is “attached to the State” because the SSIF is a governmental organization that operates in the economy of the Kuwaiti state. Moreover, the SSIF produces investment values through foreign direct investment that have a direct increase to the budget of the government. Given the position of the SSIF within the state, the SAB is subject to audit it. According to the interviewed state auditor for the SSIF, they claim that their auditing duties include human resources recruitment and internal pay of

¹⁰ a reception area in a house to welcome guests on a weekly basis, where the gathering is among powerful men that have the power to make decisions and influence political policy

employees working in the SSIF. During our interview, the state auditor said that auditing the annual report that carry the investment values of foreign direct investment is not their duty (*refer to section 6.2.1 above in this chapter for SEA1's response*).

The relationship between the SAB auditors and the SSIF is articulated by CIF-1

I always assume they [state auditors] are doing their job, but when politics are involved they are pressured. Because they do their auditing for the parliament, so the pressure they face from parliament when they don't have recommendation for audited ministries is big. The parliament would ask them why don't you have any comments for this entity? So, in turn the SAB would write anything or any comment just to satisfy the parliament.

Given XD's social and cultural capital, the state auditor believed that XD was "clean" without conducting audits on the annual investment reports. Believing that XD is "clean" seemed to mean that there are no errors in the investment values. It appears that XD's social capital and neoliberal education became a doxic acceptance by the state auditor. Additionally, such acceptance appears to have enabled the state auditor to feel that the reports they write to parliament about the SSIF being "spotless" are correct.

It appears that being captured by the 'illusio' of the state may have hindered the audit work of the state auditors. This is why I believe that the state auditor of the SSIF is not auditing to its maximum efficacy, because it seems that the doxic acceptance generated by dominant social class positions and neoliberal ways of business led to the state auditor believing that the annual reports did not need auditing by the SAB. However, the annual reports carry investment values that are supposed to be increasing the economy of the Kuwaiti State, which is representative of laws three and four, and are therefore the audit duties of the SAB (*referenced above*).

An interesting point that I would like to note is that DSEA2 was given the opportunity to increase his social capital had he not resisted such "external pressure". In this context, I find that Bourdieu's concepts of having the correct capitals to win in the state is important. Given that social and cultural capital are the capitals needed to 'win' in the Kuwaiti state, I believe that DSEA2 was aware of his non-missionary social class position in the state. With DSEA2's middle-class social position, he can be considered to lack the sufficient social capital needed in the Kuwaiti state. However, even though DSEA2 increased his social capital by becoming 'friends' with the dominant class during his time as an MP, DSEA2 will still be perceived as

someone who does not have the same social capital as the dominant class. For Bourdieu (1986), social capital is derived from a family name, or a tribe. DSEA2's family name is not the same as the ruling family or missionaries.

Therefore, in this context, it seems that DSEA2 is playing the game within the boundaries of the state bureaucracies. Indeed, Bourdieu (1984) claims that an agent's habitus develops unconsciously; they become aware of their position in the social class hierarchy, and 'play the game' of the field to their limits. For Bourdieu (1984), an agent/s capitals and upbringing determine their social position on the field.

Nevertheless, although DSEA2 believes that he is "resisting" the pressure to produce flexible audits, the SAB appears to provide 'special treatment' to the SSIF. This is why I believe that the state auditors in the SAB seem to be suffering from *illusio*. Bourdieu and Wacquant (1992) claim that *illusio* is to be "taken in by the game", where agents in a given field are interested in 'playing the game'. An actor will only enter and "pursue" the field if they have interest in the benefits that the field can offer (Bourdieu and Wacquant, 1992).

In the Kuwaiti state, members of The Group and the state auditors seemed to hold a radical belief in the social structure of the bureaucratic state, which in Bourdieusian terms becomes a "doxic" acceptance of the status quo in the state. My interviews have shown that the SAB auditors are 'playing the game' in the bureaucratic state to increase the needed capitals (social and cultural) which in turn can be seen to have a benefit in their social position in the state. For example, SEA-1 supporting the SSIF became part of The Group and gained exposure opportunities in the state once presenting their audit reports about the SSIF to the parliament.

The following section will further reveal the political influences on the SAB while revealing that the 'unofficial rules' of the Kuwaiti state seem to hinder the work of the state auditors.

6.6.2. The political influences on the state audit reports produced by the SAB – state auditor habitus

For Bourdieu (1984), people within the same social class share the same mental structures that are the result of deeply rooted, historical internalized social structures. Habitus is the result of social conditions that have been derived from culture and reproduced generationally.

It seems that the “unofficial laws” in the Kuwaiti state partially make up the habitus of the actors in the SAB state field. Such habitus of abiding by the “unofficial laws” in the SAB state field were apparent in the SAB among the state auditors when doing their audit work. During my interview with DXX, they explained that if a group of auditors will audit for a governmental entity that belongs to a family member or social class of the state auditor, the state auditor will increase their social capital when auditing, and they will provide ‘clean’ audits that are not fully reflective of the entity. DXX further explains that when they must audit a ministry that belongs to a member of the same social class, they will verbally go back and forth with the said Minister to make sure that the outcome of the audit report will be ‘clean’. Such auditing behavior is viewed as a ‘normal’ way of auditing for the interviewed state auditors in the SAB.

Therefore, abiding by the ‘unofficial laws’ (or rules) of the Kuwaiti state consciously or unconsciously was the habitus in the SAB state field. When the state auditors behave and audit under the “rules” of the Kuwaiti state, the state auditors are found to be unconsciously auditing for the maintenance and reproduction of the existing social class position hierarchy in the Kuwaiti state. For Bourdieu (1990), habitus creates a legitimation of the preexisting social inequality.

For example, DXX continuously referred to the ruling position and missionaries as “us”, saying “We need to protect the reputation; you know our families because they are the reflection of the state”. It felt like they were auditing audits to make sure they are clean ones. DXX who came from a missionary family, believed that X2 (who shared the same social class position as DXX) is a “good man for protecting the reputation of the state against any negative reports”. Referring to X2 as a “good man” seemed to be the result of protecting the dominant class’s symbolic, and social power in the state.

6.6.3. The political influences on the state audit reports produced by the SAB - state auditor social capital and ‘wasta’

The notion of ‘wasta’ being enforced on behalf of the state auditors auditing for the benefit of their social class position is explained by DSEA2

I remember once I asked an auditor who has been working in the SAB for 35 years. I asked him about his report whether he followed the guidelines. His response was “what

guidelines are you talking about? My reports have constantly been used in parliament by MPs and legal consultants, I don't need to follow guidelines to have a good audit report". The standard of a good report for him was that it was being used in parliament! He does not realise that parliament uses reports only to their interests. I found out this guy comes from a tribe that had a huge representation in parliament, and he felt very proud to have his reports being used by people from his social position.

DSEA2 moves on to explain the importance that some auditors in the SAB place on reports that may be sensitive to people in their social position

What I have also seen are managers and people in power working in the SAB would be reluctant to sign off reports that include remarks about companies owned by their friends, family members, or social circle in general. In this case, the person in power, whether it be a manager or an executive, they would tell the auditor of the report to remove the comment on his friends' company, or don't write down any comments when auditing this company because I was told by my friend that his father owns it. Usually, this interference with audit reports happens when MPs are involved

It seems that DSEA2's experience in the SAB combined with DXX's (see above section 6.6.2 for DXX's responses) efforts to produce 'clean' audits reveals the importance that social capital has on the state auditors to maintain their social position in the state with their families, friends, and relatives. The idea of having clean audits to protect the reputation of the people within the same social class position as the state auditors in the state appears to become the "natural" way of conducting audits. I believe that the state auditors may be working towards 'clean' audits unconsciously. Bourdieu (2021) claims that social capital is maintained, and reproduced through actions that benefit an agent in the field and determine their social position. Such actions can be made on an individual or group level, conscious or unconscious. Indeed, SEA-1 shared their experience when they were assigned as an auditor for a certain ministry

I used to audit on a ministry, and I remember I looked at an existing contract that was implemented and completed. I looked at the implementation of it and went back to read what the contract said. What I came to find was that what was written in the contract was completely different than the actual implementation. So, the money mentioned in the written contract was taken into the pocket of one the people in charge.

SEA-1 moves on to explain that the money in the contract was split between the minister and the concerned auditor at that time. A point worth noting is that SEA-1's experience reveals that not all state auditors behave the same way. But what I have found is state auditors coming from different social class positions in the state tend to audit in accordance to the interests of their own social class position.

Furthermore, given the “unofficial laws” that are unspoken but known socially, and culturally, I believe that the state auditors of the SAB audit in accordance with the “unofficial laws”, rather than following the official audit laws of the SAB (*refer to below section 6.6.4. on more detail of what these ‘unofficial laws’ are*). In this essence, I also believe that state auditors are caught up in the ‘illusio’ of the state, which in turn, seems to shape their habitus; this has implications for the way in which the state auditors conduct their audits for the SSIF, and the government. The state auditors appear to prioritize their dominant social class position interests over ‘transparent/critical’ auditing.

An interesting point that was revealed in my findings is that state auditors that do not hold a preexisting dominant family name that determines a dominant social class position in the state tend to face social pressure from the dominant class. In addition, since social capital seemed to be necessary in the Kuwaiti state, the state auditors who did not have social capital seemed to have their auditing reports placed under social pressures from the holders of the dominant social capital. Such social pressure seems to alter audit reports and comments; SEA1 recalls their experience

There will be talk that we are conducting an audit on a certain issue, and through social connections, the auditor will either stop auditing, or wait it out until the institution that is being audited gets their work done the right way, so when we come and audit, we don't have any comments to raise

SEA1 moves on to explain how their authority as a state auditor was compromised by their superior due to social pressure from the state

During my first year as an auditor, I was given a set of paperwork to audit, and this paperwork was very much related to a previous MP that was appointed as the head of a ministry. In the papers I audited, I found out that his certificates and educational journey was all a lie, and everything was fake. So, he had no qualifications to be in upper management. I wrote this point in my report and sent it up to my superior. When the report was published for government, I was shocked to see that my comment was removed from the report by someone who apparently knew him and had the same qualifications as him, so he wanted to protect himself as well. I was frustrated because this report was under my name, and I had to discuss it in parliament. As an auditor I couldn't protect myself from this

It appears that SEA1's lack of social capital led them to abide to such social pressures that have been imposed by holders of increased social and economic capital in the state. Indeed, during

the time where SEA1 recalled such experiences, they were not assigned as the auditor for the SSIF because the transformation and establishment of the SSIF had not taken place. The past experiences that SEA1 recalls were during a time that they did not have the same symbolic, social and cultural capital as they do now given their current audit work with the SSIF. Nevertheless, the result of not having enough social and cultural capital placed SEA1 in a vulnerable position within the state. They had to stand by the report even when they did not agree with the removal of the comment. Likewise, the use of the state audit reports in parliament are also explained by EXT-1

The parliament also has the power to use the SAB reports for their own benefits. If the case is to be against the government, then the reports will be portrayed by the parliament as against the government. Usually, because the SAB tries hard to prove their position and power, they always try to go against the most powerful, and that is the government

6.6.4. The political influences on the state audit reports produced by the SAB - struggle between the SAB state field and the Kuwaiti government state field

DSEA2 explains the pressures they faced, and as a result of their resistance to such pressures, the state appointed X2 in the higher executive position, where DSEA2 explains

External pressures from outside the SAB happen, but it depends on the person that is facing the pressure how to react. Will they give in? resist? For me yes, I resisted and paid the price for it. This kind of pressure that I faced I would say would be from the outside, meaning not from inside the SAB itself

DSEA2 makes it very clear that s/he is resisting those in power in the Kuwaiti state

I am constantly resisting people in power, this is the main reason why I am not given the director title, instead the current director of the SAB is easily controlled by the state, and this is what they want

The national newspapers and media negatively reported on DSEA2 and undermined the capabilities of the SAB (Chitty, 2021; AlSaeedi, 2022; and AlQabas, 2019b). Such undermining was not a surprise to DSEA2

The moment the SAB goes against the government, parliament and the state, is when we will be undermined and not taken seriously. This is what happens

In DSEA2's perspective, the government appointed X2 in a high executive managerial position that "follows their [the government's] orders". These "government orders" are the 'unofficial rules' of the state. However, it seems that when DSEA2 explains that way in which state auditors are perceived once auditing "against the government", the state auditors are auditing against the "unofficial rules" in hopes to increase their social capital in the state. The 'unofficial rules' of the Kuwaiti state appear to draw the boundaries according to which state auditors can audit, and as DSEA2 explains, it seems that when the state auditors audit "against the government", they are not auditing in accordance with the 'unofficial rules', or in Bourdieusian terms, they are not "playing the game" within the boundaries of the field.

Bourdieu (1996) claims that the struggle is between opposed parties to legitimize their dominant position in the state by using capitals as weapons. Bourdieu (1996) also claims that the differentiating factor among the opposed parties is the distribution of capitals. The struggle between DSEA2 and the government reinforces Bourdieu (1996)'s notion that all actors on fields struggle for a dominant position.

However, it appears that DSEA2 is an anomaly in the Kuwaiti state because he resisted pressures and did not play the ruling class's 'game' (*this is further discussed below, section 6.12.*). DSEA2 appears to use their own social and cultural power from the SAB to their advantage in an attempt to hold a dominant position in the state. On the opposing end of this struggle, the government ministers in the Kuwaiti state seem to be a holder of increased social capital that surpasses that of DSEA2 because the ministers of the government have been appointed by the Amir of the state (*refer to Chapter 3, section 3.7. on the powers of the Amir in the Kuwaiti state*). The social class position that DSEA2 comes from does not give them the same social capital as the ministers in the government. The struggle of DSEA2 trying to find a dominant position in the government for the SAB state auditors is reflected during my interview with DSEA2, he explains how the state did not want the SAB to publish any embezzlement cases to the parliament in 2018

The [member of the state] wanted me to not publish a report in Parliament about a [ruling] family member that pocketed contract money and had it laundered. I saw this and saw he had accounts in [X], and I just could not keep quiet about it. So, the [member of the state] got the word about this report, and he called me in to his house for dinner. He asked me to not let it out, however, for me I felt I cannot hide this huge

scandal. I let out the report in Parliament, and for the first time in years, a member of the [ruling position] was prosecuted.

DSEA2 said that it was crucial to write this report for the sake of the ethical auditing purposes, and because according to him, the people, including parliament members should know that the SAB is doing work that deserves to be looked at

After that, you know what happened? There was a complete hateful political agenda against me, I was being attacked on newspapers, on social media, even employees in the SAB started seeing me differently. And for that reason, I will never be appointed as the Director.

DSEA2 explains the continuous undermining of the capabilities of the SAB after writing the state embezzlement report. When I asked to give an example that happened where the state undermines the SAB, DSEA2 cautiously said

I need to be careful to not put anyone in trouble. One time during our meeting with the Council of Ministers, we proposed the idea of governance auditing, and produced a report on the importance of this to the Council. After the meeting, when we left, some of the ministers said 'The SAB without governance auditing is already causing and creating too much noise with the public, and now, they want to audit us? No way, they will let out all our secrets'.

DSEA2 further explains the tension the SAB faces with trying to push the government to allow the SAB to audit for the government. DSEA2 moves on to say that the rejection of the government towards the SAB is a strategy on behalf of the government to limit the SAB's exposure into the government's money expenditures, and to undermine the SAB capabilities

Their way of telling us 'No, we don't want you to be our auditors' was to undermine our competencies. They painted this picture that we are not knowledgeable enough to audit the government, and that we are too weak to take on these kinds of reports. The bigger problem with all this is that they did not understand the true meaning of governance. Governance is a way of classification, so what essentially, we will do is classifying the level of governance in government. But because the government is very much fearful of us, they immediately felt the need to defend themselves, and undermine us. This is a major challenge why we can't move forward

It appears that in the Kuwaiti state, the state auditors, particularly, DSEA2 is trying to do 'good' auditing. However, it seems that the state limited the power of the SAB when the SAB tried to propose the need for internal audits into the budgets and expenditures of the government. I

think that the Kuwaiti state as a bureaucratic state used its coercive power to limit the autonomy of the SAB to audit within the boundaries (the “unofficial laws”) of the state. This was clear when DSEA2 claims that a “member of the state” did not want the SAB to report to parliament about embezzlement on behalf of a dominant class member. In this context, the SAB auditing reports may be viewed as a threat to the social capital and symbolic capital/reputation of the dominant class within the state.

However, the official duties of the SAB (*see Chapter 3, section 3.8, 3.9, 3.9.1, and 3.10 for the laws and duties of the SAB*) that are stated in the constitution of Kuwait, and the handbook of the SAB include the audit of the budgets and expenditures of the government. The work the state auditors for the government does not seem to match the official duties mentioned in the constitution of Kuwait, or the SAB handbook. In retrospect, the interviewed state auditors appear to show that state auditors with preexisting superior social capital try to find ‘clean’ audits, while state auditors who don’t have the same accumulation of social capital seem to audit as per the official duties of the SAB. However, what appears from my research, is that regardless of the social position a state auditor comes from, the interviewed state auditors have shown that they will always audit as per the “unofficial rules” that have become social norms. It appears that a “rule” of the state also is to act to maintain the status quo in the state. Hence, it will be in the interests of the state auditors to audit “safely” and not “rock the boat”.

The following section will explain how the state auditors are viewed and perceived by the dominant social class position in the state.

6.6.5. The political influences on the state audit reports produced by the SAB - Perceptions on SAB auditors and maintaining ‘good’ social relationships

Bourdieu (2014) explains that the state’s symbolic capital is one of the most powerful capitals of the state because it can be imposed on agents (Bourdieu and Wacquant, 1992). For Bourdieu and Wacquant (1992), the state’s symbolic capital takes the form of categorisations.

In the Kuwaiti state, state auditors are seen as “frustrating” to work with. Although this is a more general hierarchization government of minister/civil servant, it appears that the state auditors acknowledge the perception that they are “frustrating”. In fact, during my interviews with the state auditors, they believe that they are perceived as “strict”, or “inflexible”.

The perception that state auditors are “bugs” has been a reoccurring theme during my interviews. EXT-1 has done extensive work with the Ministry of Commerce, and has worked closely with the SAB where they said

Usually, because the SAB tries hard to prove their position and power, they always try to go against the most powerful, and that is the government. Does that mean they are against the government? I don't know, I can't answer this question. I think if the government had the choice to cancel and remove the SAB, they would, because at this point, the SAB is like a bug in the government, [the government] don't want [The SAB] there, because [the government] have their own internal auditors

EXT-1's perception towards the SAB is interesting, because the existence of the SAB has been found to be important for the legitimacy of the state. I think for legitimacy purposes, the state cannot simply “cancel and remove the SAB”. Likewise, the state cannot exist without the SAB, and vice versa. Specifically, for the economy of the state in attracting foreign direct investment through the SSIF because it would seem more legitimate for international investors knowing that the economy in the state of Kuwait is legitimate to invest in.

EXT-1 continues to explain their work with SAB auditors, where they refer to their experience as one that requires a big “mental effect” and the importance of treating state auditors in an accommodating way that keeps them “mentally comfortable”

If the people in charge in the ministries are not accommodating or “nice” to the auditors (for example, give them a shaded parking near the entrance, provide a nice office with a view, maintain a good social relationship), there needs to be good dynamics on a personal level with the auditors, otherwise, the auditors will be very strict with the findings. So, we basically need to keep them mentally comfortable and become friends with them to have a flexible report.

EXT-1 moves on to explain a situation where they had to strategically maintain a social relationship with the state auditors to get a desired report

It came to the point that the [authority] would not even let the SAB in the authority to audit, it led to legal issues between the two, and we had a meeting with legal advisors, the ministers, and the parliament. As legal advisors, what we had to do was basically tell the fund, even if you are right, we don't want to disappoint the SAB. So, our goal is to release this tension. And we had to give both sides what they wanted without disappointing the SAB

EXT-1's perception on maintaining a good social relationship with state auditors is reinforced by the unfolding relationship between the SAB and the SSIF. Participant IF4 shares their experience while working with the state auditor of the SSIF. IF4 explains their perspective on auditor flexibility in reports where it appears to be dependent on the communication that takes place between the auditor and the employee in the SSIF prior to writing the report

They are auditing the laws of [The SSIF] with our work, they are very strict with us. They are only flexible when we explain and talk to them and tell them to remove the comments. Usually, we tell them give us a warning before writing down the comment and they do it. When they give us a warning, we will work accordingly so when the auditor writes the report, the report will be free of comments.

For DSEA2, the idea of having "strict" reports is not the case as it may be perceived by IF4 and EXT-1, instead DSEA2's justification was

Some auditors will follow the guidelines of the audited ministry, and some simply will not bother. This makes us, the SAB, seem as though we are strict on auditing some institutions more than the others, but we are not, it is an inconsistency of auditors' work. This kind of culture is spread from the state because if the state auditor has family relations or friendships with someone in the audited ministry, the auditor's report may be pressured by wasta

The "inconsistency" that DSEA2 talks about was also reflected when interviewing CIF-2 in the SSIF, where they claim that working with state auditors is "frustrating"

The SAB is not 100% transparent. There is a problem because within 5 years, the auditor for [The SSIF] from the SAB has changed nine times. So, you can only imagine what happens, there is no consistency and the comments are repeated from one auditor to the other. It is very frustrating.

However, it seems to be that the "frustration" towards the state auditors is only seen when holders of increased social capital do not exercise their social power (wasta) with the state auditors. This is expressed when EXT-1 recalls a specific incident where state auditors made a mistake and refused to correct it

When I was a legal consultant for the Minister of Commerce, the Minister had a budget that he can allocate to his consultants as an 'allowance'. It was up to the Minister of Commerce if he wanted to allocate the money among his consultants or not. During this time, the Minister did not allocate money to us, including myself. However, the SAB

auditor did their audit based on our working contracts, which stated that the Minister has the right to allocate a certain amount of money to us. They decided to report on our allowances and bank statements, before checking if we have received any allowances in the first place! Their report was false, because none of us that worked for the Minister during that time received any extra money. So, when we met up with the auditor that did the report, we gave them our bank statement that specifically showed no additional cash from our duties with the Minister, and the SAB auditor refused to amend the report, even though they knew, after checking my bank statement, that I did not receive any extra money. The auditor's excuse was that the report was already written, and signed by the head, so they cannot go back and change. Until this day, the report exists in the SAB with false information! Amending the report for the state auditor means that they are acknowledging their poor work and mistakes, they don't want to do that

EXT-1 further explains why they view the state auditors' way of auditing as problematic

The way that the SAB audits in my opinion is very problematic. For them, once they have written a comment, there is no way that they will remove it, even after the comment was fixed. Sometimes, they make mistakes and don't audit correctly, so the comments they write down are not factually correct. They end up being false.

EXT-1 articulates that if the false comments are brought up to the state auditor, the state auditor still refuses to amend the report and the remove the comment

When we give them proof of documents stating that these comments are false, they refuse to correct anything saying that the report has already been published and they can't do anything about it. So, they are not flexible at all

EXT-1 believes that this inflexibility is in the efforts of the SAB to prove its power among the powerful forces in the state

This is something that is known between all ministries in the government, that the SAB has created this culture for itself of being inflexible, and once they write something down then it is always correct and there is no going back. They do this to prove their power to us. They never reverse their decision even if they are wrong, because once they do, they will decrease their level of power

On the other hand, DSEA2's justification that state auditors are perceived as 'inflexible' is because it has become a "lifestyle" that state auditors are 'bad'

It has become sort of a way or lifestyle in which auditors are always being referred to as the 'bad people', or the 'mean people'. For example, employees in institutions that we audit would say things like "I know how to deal with these kinds of auditors, don't

do this that way do it this way”. This kind of behavior towards auditors portrays us in a realm that is not true, where the way we should do things is dependent on who the auditor is from the SAB. That is not the way it should be done.

DSEA2 further explains the perception of state auditors being inflexible and bad people is a generational lifestyle that has been “...imposed on us as auditors, generation after generation”. In the SAB’s efforts to defend the state auditors, they have published an article claiming that the SAB does “...not doubt the competence of our employees” (AlQabas, 2019d).

It seems that the “culture” that DSEA2 talks about goes back to the ‘unofficial laws’ of the state, where state auditors are found to audit in accordance with social norms (wasta), and social class interests. Such “culture” seems to be explained by both IF4, and EXT-1 where the importance of maintaining a good social relationship with the state auditor will result in a ‘clean’ audit report. As EXT-1 said, doing simple things like providing the state auditor a shaded parking gives a sense of importance to the state auditor, which makes a difference in state audit reports, where EXT-1 explains as keeping the state auditors “mentally comfortable”.

Additionally, it was interesting to hear the perception on the state auditors explained by EXT-1 and IF4, who have first handedly worked with the state auditors. I believe that collectively, the perception towards the state auditors needing to maintain a ‘good’ social relationship is part of the “national culture” (Bourdieu, 1994) in the Kuwaiti state. The findings thus far have shown that working with state auditors seems to be a lot of strategic work that needs to be done to get a desired audit report from the state auditors. Nevertheless, such strategic work also seems to be the normalized way of dealing with state auditors in the Kuwaiti state, because it appears that people in the state working with the state auditors already have a preconceived perception that they need to be strategic with the state auditor. Therefore, I believe these strategic decisions to make the state auditor feel ‘comfortable’, and state auditors auditing in a ‘flexible’ manner are both natural reactions that result from the state’s symbolic violence (Bourdieu and Wacquant, 1992), and ‘unofficial laws’.

Furthermore, Bourdieu’s notion of social capital seems to be reinforced when trying to understand state auditor reports in the Kuwaiti state. For EXT-1, given their family name and dominant social class position in the state, they can be seen exercising their social capital and institutionalised social connections in the state (as they stated previously with keeping state

auditors ‘mentally comfortable’) for a desired state audit report outcome. In the same context, IF4 explains that they try to maintain “good communication” with the state auditors to get a flexible audit report. Therefore, it appears that state auditors in the Kuwaiti state may be auditing for the purpose of increasing their own social capital in the state, which becomes an “inconsistency” in state auditor reports, as DSEA2 explained.

6.7. The “problem” with the SAB’s autonomy within the political context of the Kuwaiti state

The SAB’s autonomy appears to be caught in political influences in the Kuwaiti state. The interviews reveal that the government seems to be much more powerful than the SAB. SEA1 shares their opinions on why the SAB is always considered secondary to the government

The problem here is our law, the SAB’s law. In our law we are considered as a backup institution or a secondary one after the government. The parliament will only use our reports to argue with the government and interrogate other MPs. Unfortunately, this is where politics plays a game with our reports

Our issue with our reports is there is no authoritative body to take action against those who don’t use or implement our reports. Our reports are undermined and not considered an importance only until interests are involved

It appears the political notions are attached to the SAB. When asked about the political confinement that the SAB sometimes faces, SEA1 explains the detrimental effect that politics can have on the SAB where they conservatively say

As auditors we can’t be included in politics because then everyone’s interest will be considered a liability, and we don’t want that to happen. As auditors we want to focus on the work we do, and the rest is up to government

When I asked SEA1 to further explain the “problem” behind the law of the SAB, they explained that the SAB falls under the authority of the Amir, in accordance to the constitution of Kuwait. The SAB’s autonomy is tied to the parliament and government, which are under the power and control of the Amir. Having the autonomy of the SAB under the control of the parliament and government portrays that the power of the SAB is under the influence and control of the Amir, the highest form of power in the Kuwaiti state.

The “problem” in the SAB’s autonomy was further discussed during our interview, where SEA1 talked about a time they discovered embezzlement with contractual money with one of the ministries in the government. SEA1 explains that they wrote an audit report detailing that there has been contract money missing. However, SEA1 explains that the report may have gone unnoticed because there has been no legal action taken

I am 90% sure nothing was done, and upper management didn't look at it. Maybe they turned a blind eye, or maybe they simply did not know, because if they took the report seriously, the authorities and prosecution would have to get involved, and they didn't want that

DSEA2 further articulates on the “problem” of the SAB’s autonomy in state

The SAB proposed that internal audit should follow the highest level of power in the institution. This means that if there is an internal audit in a ministry, it should follow the minister, and not the manager of the department, because the manager may still be conducting work in the ministry where the internal audit happens. Because of this, there is a conflict of interest, the internal audit will be confined within a limited space of power because the manager would not want an audit going against him/her. Internal audit must follow a higher level of power, where internal reports must be shared with the minister. This kind of internal audit is a problem because it creates pressure on the auditor. It creates pressure on his incentives, upgrades. The auditor gets placed in a position that he/she would not want to upset the manager!

Proposing an internal audit to be conducted into the ministries meant that the SAB auditors will have insight into the internal workings of the government. However, EXT-1 explained that the government has their own internal auditors that are not from the SAB. DSEA2 believes that the government is limiting state auditors’ powers out of “fear of what we may report on”.

DSEA2 explains the challenge in which members of the state do not want to understand the need of state auditors

They specifically said 'let's not open new doors of chaos and problems' let us just do what we are doing now to maintain the order. It is something that is built inside them because they are all appointed by leaders that are the same as them, so what do you expect? But there are people that are motivated to change and develop new things, but these people are only a small percentage, and they really cannot do so much without the support from others. This is the idea that we are dealing with, and it creates a huge problem. Another challenge is people in power do not understand the purpose of auditing, they don't understand the outcomes it provides. Simply, they don't believe in

us as state auditors, so this makes it very challenging for us to move forward and do our work. Our power is constantly undermined

However, it is important to highlight agents in the state, such as EXT-1 who have worked closely with state auditors believe that the state auditors can also use their power to get things moving faster in the state for certain ministries. Although DSEA2 claims to always resist power (*refer to section 6.6.4 for DSEA2's response*), EXT-1 shares their experiences

Sometimes the ministry or the authority will claim that the team of auditors auditing are very slow and are slowing down the work in the ministry, or that the auditors are exaggerating certain things. What happens in this situation is that the minister of the ministry will speak to the head of the SAB and let them know what's happening to get things moving. Depending on who the head of the SAB is, and what the relationship is between the minister and the head of the SAB, action will be taken. This also goes back to the importance of social connections, and the power that the CEO of the SAB hold within the government. I don't see this an influence, but as an escalation to get things done. So yes, I do believe there is power to be considered with SAB. I have seen this happen several times

The struggle in the bureaucratic state seems to continue to unfold when DSEA2 provided their perspective on the 'problems' that the SAB faces in the state. It appears that a significant part of the struggle is the political influences that DSEA2 perceives as a limitation to what the SAB can do, saying "the SAB is portrayed in a picture which is not powerful, we are limited to the power of politics in the State". Bourdieu (1992) explains the social struggle between "minor state nobility" and "senior state nobility". The distinction between them is that "minor state nobility" have more cultural capital than economic, and "senior state nobility" have economic capital more than cultural (Jenkins 2014). As I have explained thus far, it seems that in the Kuwaiti state, social and cultural capital are essential to win the game. I believe that in the Kuwaiti state, the "minor state nobility" have more cultural capital than social capital, while "senior state nobility" have more social capital than cultural. Therefore, it appears that the struggle between minor and senior state nobility and their capitals are different across states, and hence may not be fixed on cultural and economic capital. Indeed, as the findings have shown thus far, social capital in the Kuwaiti state is of utmost importance (*refer to section 6.5 above in this chapter on how social capital is viewed as the "trump card"*).

In this context, DSEA2 and SEA1 appear to represent Bourdieu (1992)'s "minor state nobility", because even though their position as state auditors in the SAB and the SSIF, respectively,

could represent a high social status, as I explained previously (*refer sections 6.4 and 6.5 above in this chapter on the importance of having both social and cultural capital*), DSEA2 and SEA1 both do not carry the dominant class's family name, which decreases their social capital. DSEA2 and SEA1 seem to have cultural capital more than social capital. On the other hand, the government ministers appear to have social capital much more than cultural capital, because they are appointed by the Amir either through family relations or friendships. According to the Constitution of Kuwait, article 82, the laws to become to a minister only include that the minister should be able to read and write, without any reference to a certificate or a degree.

Therefore, I believe that the struggle in the state takes place between the SAB, and the government, where DSEA2 uses their cultural capital to try and advocate the importance of having internal audit on the government, while the ministers use their social power in the state to what appears to be undermining the state auditors, calling them “bugs” and “problematic”.

The chapter thus far has presented the findings for this thesis, while using Pierre Bourdieu's practice theory to understand why agents in the Kuwaiti state behave the way they do. The following section of the chapter will move on to provide a discussion in relation Bourdieu's theory to understand the structure of the Kuwaiti state. I move on to discuss the literature in relation to the political influences on state auditors in the Kuwaiti state, and why the state auditors in the Kuwaiti state audit as per social norms rather than the SAB's official law.

6.8. The structure of the Kuwaiti state: A bureaucratic state with feudalistic traits

For Bourdieu (2014), the bureaucratic state is a meta-field of power that controls and grants “power over other species of capital”. This means that the bureaucratic state is the bank of symbolic power, where it has the power to decide what institutions or ministries of the state are legitimate. Moreover, the meta-field of power (bureaucratic state) represents the dominant class (Bourdieu 2014). I believe that the dominant class make up the dominant state field, while the SSIF, the SAB, and the government are relational state fields (*this is further discussed in section 6.9 below*).

With the state being the “central bank of symbolic violence” (Bourdieu 2014), the state holds immense power in which it can give and take away symbolic status from different organisations (such status was found to be given to the SSIF). It was revealed that the SAB's symbolic status

fluctuates in the state based upon concerned interests of the powerful people in the dominant social class position hierarchy.

The sovereign and non-sovereign ministries in the Kuwaiti state articulate with Bourdieu (1992)'s idea on the left and right hand of the state. For Bourdieu (1992), the differentiation between the left and right hand of the state is the accumulation of the dominant capitals (in the Kuwaiti state, social and cultural capital). In the Kuwaiti state, the sovereign ministries are headed by ruling family members, whereas non-sovereign ministries are headed by merchant/missionary members. The difference in accumulation of social capital (which has shown to be one of the 'winning' capital in the Kuwaiti state) between the sovereign and non-sovereign ministries in the Kuwaiti state reinforces the importance of the ruling family name having "unbeatable power" in the Kuwaiti state. Such power has been further demonstrated in the findings through the establishment of the SSIF. On the other hand, the SAB appears to hold relatively low power than the SSIF.

The SAB is not headed by a ruling class family member, but rather, it is headed by a middle social class member (DSEA2). One would assume that with such power of the SAB reports given to parliament, it would be headed by a ruling class family member to 'safeguard' against any potential reputational risks. However, what was found in practice was symbolic status was only given to the SAB when the state audit reports are used for maintaining interests of the dominant social class position. In the same context, legitimacy and symbolic status was given to the SSIF because of XD's ruling social class position. Nevertheless, the SSIF is not housed in a sovereign ministry, yet it is given power and importance in the state. Such "special treatment" of the SSIF reinforces that carrying a ruling family name holds immense power in the state. This leads me to the second point in the complexity of understanding the Kuwaiti state which I explain in the following paragraph.

As I mentioned previously in Chapter 3, section 3.13.4, the SSIF operates as an entity under the Ministry of Commerce which is a non-sovereign ministry. Nevertheless, XD being appointed by the ruling class as the head of the SSIF under a non-sovereign ministry displays a complexity in trying to understand the power of the bureaucratic state, because XD is a ruling family member, working in the SSIF state field, under the Ministry of Commerce, a non-sovereign ministry. The work of the SSIF has shown to be important for international investments in the Kuwaiti state, and to facilitate global capitalism. The appointment of XD by

the ruling social class position and having ruling family members minister sovereign ministries reveal that traits of feudalism are still apparent in the Kuwaiti state.

These notions of feudalism can be further understood using Bourdieu (2004)'s demonstration on how the royal family historically reproduced itself in France and England (*refer to Chapter 4, section 4.9.1 for more details on the dynastic state*). In the dynastic state, royal bloodlines and hereditary capital were reproduced over time which made the ruling family stronger overtime (Bourdieu 2004). The "Kings House" was representative of the name of the lineage, which was a form of symbolic capital (Bourdieu 2004). The concentration of symbolic capital was centered within the "house" of the King (Bourdieu 2004), which, in practice, translates to the functions, and powers of the Ruler in the state.

Indeed, feudalistic traits have been demonstrated during the formulation of constitution of Kuwait, and the process of establishing the SSIF. For Bourdieu (1989) symbolic power is the "power of constitution", where it imposes a "legitimate vision of the social world". It appears that the "legitimate vision" has been imposed since the creation of the constitution of Kuwait (*refer to Chapter 3, section 3.7*). This vision separated the Amir's position from the rest of the government, making the Amir (and his consultants) the most powerful in the Kuwaiti state.

6.8.1. The structure of the Kuwaiti state: How the SSIF posed a threat to the economic power of the merchants/missionaries

As I mentioned in Chapter 3, section 3.7, the merchants/missionaries wrote the constitution of Kuwait, which later had to be approved by the Ruler (the Amir). The final approval of the Ruler (Amir) seems to demonstrate the allocation of symbolic capital to maintain the social and economic interests of the Ruler as well as the interests of the merchants/missionaries. The social interest that was directly related to ruling power of the state was that of hereditary lineage, where the ruler of the Kuwait had to be of Mubarak AlSabah's bloodline (*refer to Chapter 3, section 3.5*). Economically, the merchants/missionaries were powerful given their work in pearl hunting and gold trading (*refer to Chapter 3, section 3.6*). Such economic power of the merchants/missionaries became stronger overtime with law no. 36 of 1964 under the Ministry of Commerce (*refer to Chapter 3 section 3.13.3*).

However, it appears that the approval of the SSIF's establishment in such a short amount of time as the findings have shown was a way for the Kuwaiti state and its ruling powers to maintain and increase its social and economic power in the state. The work of the SSIF could potentially decrease the economic power of the merchants/missionaries because Foreign Direct Investment can be achieved directly through the SSIF without the need to have a Kuwaiti citizen owning a majority of a business. The approval of law no. 116 of 2013 for the SSIF could have posed a threat to the merchants/missionaries' economic power that was previously strengthened under law no. 36 of 1964. Nevertheless, with the work of the SSIF and international investment, the inward investment companies had to have the final approval of the ruling family member XD. In the same way the constitution of Kuwait was written by merchants/missionaries and having the final approval of the Ruler (*Chapter 3, section 3.7*), similarly, the findings have shown that the investment projects were analysed by members of The Group in the SSIF, who were from merchant/missionaries' social class positions, and the final approval for these investment projects had to be from XD.

With XD's neoliberal education (cultural power), economic, and social powers, XD became increasingly symbolically more powerful than he already was in the Kuwaiti state to maintain the ruling social class position's economic power in the state. The SSIF as a state field has shown to be powerful in the state holding symbolic status, primarily of the social and cultural capital that XD held, and the work of the SSIF for the economy of the state. However, Bourdieu (2004) mentions the allocation of symbolic capital to create shared interests between the "King" (the Ruler), and the people who work for the state. Having the SSIF become a symbolically powerful institution in the state with merchants/missionaries that have the strongest social capital work in the SSIF created shared social and economic interests for both the ruling social class position and the merchants/missionaries.

As I mentioned previously, the establishment of the SSIF that was revealed in the findings has shown that the needed capitals to win in the bureaucratic Kuwaiti state are social and cultural capital. However, cultural capital is underpinned by the need to have increased economic capital to gain access to elite education¹¹. Bourdieu and Wacquant (1992) argue that economic capital is the easiest form of capital to transform into other types of capital. Hence, although

¹¹ Western or neoliberal education credentials in Kuwait is known to be symbolically powerful. For example, if a person became a doctor with a certificate from Kuwait, versus another with a certificate from the West, the person holding the Western certificate will be considered more legitimate.

the winning capitals in the Kuwaiti state are found to be social and cultural, one must first obtain economic capital to be able to transform it into cultural capital in the form of elite education. In this sense, economic capital becomes essential. XD's preexisting ruling social class position, and economic capital gave him access to an elite Western education system. Only through his economic capital was he able to obtain such cultural capital. In the same context, the members of The Group coming from merchants/missionaries' social class position with preexisting wealth (economic capital), gave them access to elite private school with Western based curriculums. Given the similar educational background of XD and members of the Group, they all shared the same vision of the SSIF. Indeed, with XD's neoliberal education (cultural power), economic, and social powers, XD became increasingly symbolically powerful in the Kuwaiti state in order to maintain the ruling social class position's economic power in the state. The SSIF has shown to be powerful in the state holding symbolic status, primarily of the social and cultural capital that XD held, and the work of the SSIF for the economy of the state.

Bourdieu (1989) claims that state symbolic power exerts influence on things to be issued as legitimate, recognized, or even obeyed (Bourdieu, 1989). Indeed, passing the form of law in minutes seemed to be "special treatment" from the government. The establishment of the SSIF made it a legitimised institution by the government. In addition, approving the law meant that employees of The Group were legitimate within the state. Such "special treatment" appears to be given to the SSIF because of XD's increasing social capital in the state. However, such treatment is not abnormal in the Kuwaiti state, but rather, appears to be the normalised way of establishing and legitimising institutions of the state that are headed by someone from a ruling social class position. The same "special treatment" was given to sovereign ministries with state auditors organising "Pre-Audit" teams (*Chapter 3, section 3.9.1*) that would not follow the typical flow chart (*refer to Chapter 3, image 2*) for non-sovereign ministries. This kind of "special treatment" in the Kuwaiti state seems to make the ruling class more powerful than they already are, or at least, maintain the status quo. The acceptance of this social norm on behalf of the state auditors appeared to articulate with Bourdieu's concepts of *illusio*/interest and *doxa*.

When an agent is "interested" in the game, they are "interested" in the rewards that come with playing the game (Bourdieu and Wacquant 1992). These rewards can come in different forms, one of them can be symbolic status (Swartz, 1997).

In the field of the SSIF, it appears that it was in the “interest” of the merchants/missionaries to be working for the SSIF even though the work of the SSIF could potentially decrease the economic power of the merchants/missionaries. This is not saying that the merchants/missionaries represent a homogenous block, because with the establishment of the SSIF, there will be competition among the merchants/missionaries and ruling position to dominate the SSIF. However, the SSIF as a state field has shown that common interests between the merchants/missionaries and the ruling class position seem to be more prevalent than their struggles. I assume this is because the staff in the SSIF are young, and developing strong relationships with global investors could be beneficial for their careers. In Bourdieusian terms, the ‘game’ may suit the merchants/missionaries. The responses of the interviewed participants, particularly members of The Group and the state auditor, SEA-1 have shown that they are all “interested” in the reputation and prestige that the SSIF offers them.

The following section will reveal how the accumulation of social and cultural capital on behalf of the state auditors in the Kuwaiti state has shown to hinder the work of the state auditors.

6.8.2. The structure of the Kuwaiti state: The accumulation of social, and cultural capital hindering the work of state audit

Although the SAB is proactive in increasing the knowledge of its employees through different training programs (*refer to Chapter 3, section 3.10 for the training programs*) and increasing audit quality, the state auditors seem to follow the social norms and customs in the Kuwaiti state. I argue that when auditors are caught in the “illusio” of the state, it becomes detriment to their audit work because their habitus becomes triggered by the rules and structures of the state.

For example, state auditors are found to believe that auditing on general procedures is the ‘right’ way of auditing, despite having the SAB official laws (*refer to Chapter 3, sections 3.9 for these laws*). The training provided to the employees at the SAB and conducting audit teams seemed to give an appearance of the legitimacy of the SAB, however in practice, the importance of social capital and the institutionalization of ‘wasta’ has found to be the driving forces for the state auditors’ work in the state. For example, SEA1 was the only state auditor for the SSIF, that did not belong to a team, nor did they have a team leader. It appeared that such ‘soft auditing’ from the state auditor on the SSIF fell back to the dominant social class position that XD came from, because the state auditor kept referring to XD as “clean”.

However, it appears that when the state auditor kept referring to XD as “clean” also infers XD’s immense social and cultural capital (neo-liberal education). Kuwait used to be under UK’s protection from 1899 to 1961 (*refer to chapter 3, section 3.6*) where during these years the Western influence on the Kuwaiti state combined with globalisation is visible today (an example is the establishment of the SSIF, and the existing mode of governance is almost identical to the Westminster system).

It is here that I wish to discuss the importance of obtaining social and cultural capital in the Kuwaiti state, and why they may hinder the purposes of state audit. The importance of having social and cultural capital in the Kuwaiti state traces back to the deep-rooted social norms that have been generationally reproduced. The two power houses in the Kuwaiti state are the ruling family and the merchants/missionaries (*refer to Chapter 3, section 3.5 on the dynamic between these two families*). They have obtained their social power from their “Najd” origins (*refer to Chapter 3, section 3.4 on more details of the “Najd” bloodline*), which is socially considered a pure bloodline. With their increased economic wealth that started from pearl hunting in the 16th century, the dominant social class was able to increase and maintain its power in the Kuwaiti state by intermarriage between the ruling family and the merchants/missionaries and joined businesses in owning large parts of the private sector in Kuwait.

It appears to me that the need to accumulate social capital in the state creates inter-bureaucratic struggle and conflict between the two fields of the state, the SAB state field, and the government state field.

However, the struggle is complex because state auditors are seen (or they have been trained to think that they are) to actively try to create better quality audits on government, where DSEA2 explains the need to have the SAB state auditors conduct audits on the government cash budgets as per the SAB laws (*refer to Chapter 3, sections 3.8 and 3.9 for all the SAB’s laws*). The rejection of the government towards the SAB in conducting audits on their budgets creates a conflict and struggle between the government and the SAB. It appears to me that this struggle is not only state auditors trying to maintain and increase their social and cultural capital, but most importantly to maintain their legitimacy with the government. It may be that if DSEA2 initially came from a ruling social class position, the struggle to go into the cash budgets of the government would not have been there. One reason could be to possibly protect the joined

economic interests between the merchants and the ruling family from any scrutiny from the SAB. However, the middle social class position of DSEA2 meant that DSEA2 lacked the amount of social capital needed in the state, DSEA2's interests were not shared with the dominant social class position in the state. Nonetheless, one would assume that the Kuwaiti state with its ruling constitution, and bureaucratic ministries would be free of any conflicts. However, what appears to take place is that the SAB is caught in conflict with political forces in the state.

6.8.3. The structure of the Kuwaiti state: The importance of 'wasta' as social capital

For Bourdieu (2021), social capital is the social relationships of an agent, and the exchange, maintenance, or reproduction of social capital is done through institutionalised relationships.

The generational reproduction of the social class position hierarchy in the Kuwaiti state appears to create differences in social capital among different social class positions. In Chapter 3, section 3.5, I explain that those who originated from socially powerful 'pure' bloodlines, such as "Najd", are holders of increased social power (wasta). On the other hand, other families that did not originate from the same powerful tribe, hold a lower social class position than those who have originated from "Najd".

The findings have shown that members of The Group, including XD, and other state auditors such as DXX and WE are all holders of increased social capital (wasta), given their family names and tribes. What appeared to take place was holders of increased social capital showed similar practices, and shared the same perceptions when it came to auditing reports and conducting audits. Those working in the SSIF have all collectively shared the same 'goal' and had the same opinions when it came to talking about their experiences with working with the state auditors. Furthermore, those with increased social capital appeared to be more 'loyal' to the social structure of the Kuwaiti state and maintaining the status quo because members of The Group all worked towards the same vision that XD had for the economy of Kuwait. In Bourdieusian terms, these members played had the 'winning' capital; social capital in the form of 'wasta'.

State auditors with increased ‘wasta’ also shared the same perceptions on their own audits. For example, DXX felt that an ‘audit’ is a ‘good’ one when it protected their family’s reputations and shielded them away from any reputational damage, while another state auditor believed that if their audit reports were being used in Parliament by their tribe, then it is a ‘good’ report. Holders of increased ‘wasta’ appear to feel the need to ‘protect’ their family name and tribe over anything. This idea resonates with Eltwari et al., (2021) that state auditors become “...victim of social responsibility to the family, friends and tribesmen”. Although in the context of my findings, the state auditors may not be ‘victims’, but are rather auditing to maintain or increase the social power of their social class position.

However, on the other hand, state auditors from non-merchants/missionaries such as DSEA2 and SEA1, did not have increased wasta and appeared to show an interesting shift in state audit behavior when trying to accumulate their ‘wasta’. For example, DSEA2 appeared to become reflexive when they lacked the necessary capital. This was shown when they entered Parliament as a previous MP, and then holding an executive managerial position at the SAB. Both these positions (MP and SAB) but rejecting an invitation to a ruling family member’s “diwaniya”. It seems that DSEA2 wanted to ‘play’ the game by accumulating ‘wasta’ as an MP. Additionally, holding such a powerful position in the SAB could mean that DSEA2 had increased social capital. However, importance of the “Najd” bloodline being ‘pure’, and notions of tribalism in Kuwait are reiterated here because no matter how much DSEA2 appears to have social capital from being a previous MP and the SAB, they still would not match to the social power that comes with being born into a merchant/missionary family. State auditors who have been born into merchants/missionary families reproduce the asymmetries in social power, which appears to be lacking in DSEA2.

Another example that has shown a shift in state auditor lacking social capital was seen in SEA1. Prior to becoming the state auditor for the SSIF, SEA1 explained that they were not taken seriously, and their reports were overlooked. During that time SEA1 explained that they were the auditor for a non-sovereign Ministry, where they reported on fraud. On the other hand, when SEA1 became the state auditor for the SSIF, their social capital increased, and they shared the same vision as other members of the Group and believed that the SSIF is “spotless”. Interestingly, members of the Group have expressed the difficulty with dealing with state auditors, while SEA1 expressed that the SSIF was the ‘best’ entity they have audited for. It appears that this gap in perceptions from the state auditor (SEA1) and the auditees (members

of the Group) may be due to the differences in social capital. Like DSEA2, although SEA1 had increased their social capital by becoming part of the SSIF, it is still not enough to match the level of social power that members of the Group had obtained from their family names.

Wasta as social capital in the Kuwaiti state has shown in the findings to be of utmost importance, even with the work of the state auditors. The examples discussed above show that social capital in the form of ‘wasta’ is embedded within the social structure of the Kuwaiti state and has been reproduced generationally. This reproduction appears to be a reproduction of asymmetries of power when social capital becomes the most important, or ‘winning’ capital in the state. Merchants/missionaries reproduce their social power by using the name of the family and tribe (Bourdieu, 2021). The social position hierarchy in the Kuwaiti state articulates that if someone is not born into the merchant/missionary families (i.e., DSEA2 and SEA1), they will never be as powerful as those who are. It seems that those born with the ‘strongest’ wasta have the strongest power.

The notion of power that comes with family relations resonates with the findings of Uddin and Choudhury (2008), where powerful families that owned institutions had power over the auditors to bend/break the rules to serve the family. Like Kuwait, in Bangladesh, social capital derived from family members can also be seen important when family members of company owners instructed the auditors to prepare favorable reports (Uddin and Choudhury 2008).

This chapter thus far has explained and discussed the structure of the Kuwaiti state using the findings presented, and Pierre Bourdieu’s theory. The following section will provide a discussion on the SAB, the SSIF, the government, and the ruling class as state fields, followed by discussing the findings in relation to the literature.

6.9. The political influences on the state auditors in the Kuwaiti state

For Bourdieu (1994), the state is a collection of fields, each holding a certain position of importance in the social space. Understanding Bourdieu’s state theory is beneficial in analysing the Kuwaiti state and its relations with the SAB, and the SSIF. Indeed, if I were to analyse the Kuwaiti state with the SAB and the SSIF while taking into the consideration the power of ruling class social positions, I would say that the SAB, the SSIF, the government, and the ruling class social position are all different state fields.

Relying on Bourdieu's idea of fields, these state fields (SAB, SSIF, government, ruling class) are different state fields, however, they are not autonomous from one another. The ruling class state field (the dominant state field) is the most powerful, in which it has set out the 'rules' of the game to control or impose a certain social order (Bourdieu and Wacquant 1992). These rules are further understood through the findings to be the "unofficial laws" or the "unspoken rules" that follow social norms to keep the dominant state field in power. With the state auditors, these social norms include protecting the ruling class's symbolic power and maintaining the status quo in the state. Such 'protection' appeared to be the way that the state auditors thought was the 'right' way of conducting audits. I believe this is the result of being 'taken in by the game' or auditing under the 'illusio' of the dominant state field.

This kind of protection was found to be done in three instances. First, through the state audit reports, where state auditors are found to not include comments in reports that may cause any reputational or social threats to the dominant social class positions. Second, I assume that the setting of Pre-Audit teams as part of the SAB's process in conducting audits for sovereign ministries was another way for the state auditors to provide 'protection' and conduct 'safe' audits to protect the dominant state field from any disruptions. It could also possibly be to shield the sovereign ministries from any public embarrassment. I think having the Pre-Audit teams creates a 'illusion' that the audits on sovereign ministries are always 'clean'. Third, not auditing the annual reports of the SSIF appears to be another way of ensuring that the investment values of the SSIF are 'true' even though they are not. The annual report of the SSIF has shown to be a contributor to attracting foreign investment in Kuwait and used as a marketing tool for the SSIF of being able to generate such immense revenues to the economy. According to the SAB's law of 1964, one of its duties is to collect revenues with the government. The annual report investments of the SSIF are allegedly poured into the revenues of the government. If the investment values in the annual reports are overstated, or not entirely 'true' (as stated by one of the interviewed participants), then the revenues for the revenues for the government will not reflect a true representation of the actual revenues that have been generated. Nevertheless, I believe that the outcome of these three instances, where state auditors 'protect' the interests of the dominant state field contributes to the maintenance of the asymmetries of power between the state fields and continues to keep the dominant state field in power.

However, Bourdieu explains that there is struggle between fields to accumulate the necessary capitals and increase their power in a social space. When looking at the SAB state field, it appears that it is a less powerful, and important field than the SSIF. I believe this contrast of powers and importance is due to the immense social capital that the SSIF holds, while the SAB lacks. Additionally, such contrast of powers reinforces the importance of holding a ruling class family name in the Kuwaiti state. XD's ruling family name has shown to be an important factor on the power that the SSIF holds today. Nevertheless, the struggle between the SAB state field, and the government state field fell back on the legitimacy (and possibly to increase its social power) that the SAB was seeking to have with the government. On the other end of the struggle, the government state field appeared to push away the SAB from auditing its expenditures. Nevertheless, the findings have also shown that the SAB state field is trying to accumulate its social capital by treating the SSIF as a sovereign ministry even though it is not. The state auditor for the SSIF appeared to increase their social capital because they formed social connections with members of the Group, and XD. Furthermore, the state auditor was given opportunities to present their audit report to the Parliament. Such increase of social power with the state auditor was not possible when they were auditing for non-sovereign ministries in their past experiences. This leads me to highlight the powerful importance of carrying a ruling family name in the Kuwaiti state, because if the SSIF had not had a ruling family member as its head, I do not think that it would be what it is today, nor would the state auditors treat it as a sovereign ministry.

In this sense, it appears that the position of the SAB in the Kuwaiti state with the SSIF has shown that the state auditors are part of the political game that takes place in the state because the Kuwaiti state needs the SAB to maintain its legitimacy and vice versa. In addition, having the SAB in the Kuwaiti state also creates increased economic input for the Kuwaiti state through the work of the SSIF, because international investors will see and know of the existence of the SAB in the SSIF. For international investors, the existence of the SAB may provide a notion that the Kuwaiti state is legitimate for investment.

I believe that understanding the importance of different states under a socio-political context is helpful when trying to understand the work of the state audit. In analysing the Kuwaiti state as a collection of fields and considering the immense power of the ruling family name, the work and power of state audit in the Kuwaiti state distinguishes it from the extant literature (*I provide a discussion with the literature in the following section 6.10*). After explaining the Kuwaiti

state as a collection of fields, and highlighting the level of importance of each field, the following section will discuss my findings in relation to the extant literature.

6.10. The legitimacy of state audit

The importance of state auditors in maintaining legitimacy of the state have been conducted in both Saudi Arabia (Al-Tuwaijry et al., 2003), and The US (O'Connell, 2007). In Saudi Arabia, the state used its state auditors to produce state audit reports that fostered audit under "Sharia Law", which legitimized the Saudi state as a "religious" state. In the US, O'Connell (2007) showed that state auditors will audit to preserve their reputation by producing "risk-free" audits, which will in turn, increase their chance of being chosen as the state auditor for the state to conduct other audit work. In the Kuwaiti state, the state auditors were found to preserve their own social interests and connections through conducting audit reports that will benefit the most powerful people in the state (the dominant social class position). It appears that the state audit reports are used by the state to maintain its legitimacy.

For example, the findings have shown that state audit reports presented to parliament are only used certain MPs want to take down another MP. On the other hand, as explained by DSEA2 and SEA1, when state audit reports may contain information that can place the dominant social class position at risk of losing or decreasing their power, the state audit report will be "overlooked." Such use of state audit reports seems to be strategic by the dominant state field to maintain the social class position hierarchy without any disruption. I believe that when state auditors are caught under political influences in the state, they become part of the social struggle to increase their 'winning' capitals (social and cultural). This is why I believe that the SAB and its state auditors are both "victims" of the state power and players in the 'game'.

The work of state auditors producing risk-free audit reports to maintain social and political capital in the state is not new in the auditing literature (Lino et al., 2022; Neu et al., 2013; O'Connell 2007; and Reichborn-Kjennerud 2014). However, I do believe that for state auditors to be strategic with their reports to increase their capital, they must be aware of the systems of the state. In the Kuwaiti state, the state auditors are aware of the social and political system of the state (these are also known in the findings as the "unofficial rules" that follow social norms). This has been shown in the findings through the interviewed state auditors, and participants who have worked directly with state auditors, where each has explained the power one can

have in the state if they come from a high social class position (this was also found when the transformation of the SSIF happened). The political and social structures of the Kuwaiti state are not a secret to the state auditors, which is why being politically influenced by the state becomes normalised or expected when doing audit for the state. The state auditors in the Kuwaiti state adhere to such influence because they are aware of the social and reputational consequences (their social and cultural capital may be at risk) that could take place if they produced audit reports that can be critical of the dominant field of state. When state audit reports are found to be critical on the social and political powers the SAB loses some of its reputational and social capital. This was found to be true when the SAB's reputational interest (specifically, DSEA2) was decreased.

The social, political, and economic context of states has shown to play a role in the legitimacy of state auditors. What appears is that whenever the state is going through economic, social or political instability, state auditors are used as a form of legitimacy during times of uncertainty for states. For example, Pallot (2003) looked at the NZ state audit office aided and legitimised the government's creation of financial statements during and after a bureaucratic revolution from 1990 to 1992. The expertise of the state auditors became powerful for the NZ government to restructure itself (Pallot 2003), and the setting up of JCPA and VCPA proved to be a strategic move to legitimise the Australian state (Jacob and Jones 2009).

Nevertheless, in both cases, the governments were going through political (Pallot 2003), and economic (Jacob and Jones 2009) instability. During these times, the power of state auditors becomes important for the legitimacy of states. Likewise, in the Kuwaiti state, the establishment of the SSIF came during a time where the government felt that it needed to diversify its income away from the oil and gas sector (*refer to Chapter 3, section 3.13.3*). The establishment of the SSIF provided a shared vision with the Kuwaiti government for income diversification, and having the SAB's state auditor audit for the SSIF created some form of legitimacy for international investors to pursue foreign direct investment in Kuwait.

However, the legitimacy initially came in from the SSIF, and the symbolic status it held because of the cultural and social power XD had. Such legitimacy reinforces my argument that although democratic states may appear to follow the same mode of governance (i.e., Westminster model), the way that states are socially and politically configured highlights the importance in understanding state audit under different social structures. In the Kuwaiti state, the legitimacy

of the state auditor partially came from being the auditor for the SSIF. This is why I believe that having social power in the Kuwaiti state is, in Bourdeusian terms, a “trump card”.

Nevertheless, I believe that my findings thus far have shown that SAB appears to be playing the game of politics in the state. It seems that the SAB is using its own power to prove itself in the state. Indeed, the power of the SAB is taken advantage of by the SAB itself to maintain their audit power and use their reports as a “stick to beat the government” (Dewar 1988).

6.11. State auditor independence

The work that state auditors are found when playing the ‘game’ of politics to increase their social capital leads me to highlight Sikka et al., (2009)’s argument in questioning state auditor independence. Under a socio-political context, the Kuwaiti state has shown to have an “entanglement” with its state auditors. However, I would like to highlight is that such ‘entanglement’ may not necessary be a ‘bad’ one, because it appears that having such social and political ‘entanglement’ between the State and the state auditors is keeping the social system (*refer to Chapter 3, sections 3.11, 3.11.1 and 3.11.2 for more details on the political systems in Kuwait*) of the Kuwaiti state moving smoothly. Additionally, it seems that having such ‘entanglement’ is necessary in the Kuwaiti state with the SAB to get through bureaucratic process and procedures. For example, in the SSIF as explained by the state auditor, XD may use their social capital to get things moving faster in the state, which in turn facilitates the economic input of the Kuwaiti state. In this context, the ‘entanglement’ between state auditors and powerful people in state fields becomes beneficial in producing positive outcomes for the economy.

However, rhetorically, if such entanglement can be beneficial, why does the government of Kuwait seem to ‘push’ away the state auditors from auditing on its cash budgets and expenditures? It may be that the Kuwaiti state is limiting the autonomy of the SAB, out of ‘fear’ as explained by DSEA2 in the findings. However, it does not appear that ‘fear’ is the only reason, because when understanding the SAB as a state field of low importance, it still carries legitimacy power for the government. In this context, it appears that the government may use the SAB for legitimacy purposes and not for its audit work. This is like the findings of Jacob and Jones (2009) research on the JCPA and VCPA in the Australian parliament. However, in Jacob and Jones (2009), both committees were set up and then abolished for

legitimacy purposes. However, it may be that abolishing the SAB in Kuwait will significantly decrease the legitimacy of the Kuwaiti state locally and internationally. This will have a poor outcome on attracting inwards investment from international investors, and the SSIF would not be able to do its work without the SAB. Although Jacob and Jones (2009)'s work is focused on auditing committees, the legitimacy reasons behind setting up the JCPA and VCPA appear to be the same legitimacy reasons for maintaining the SAB in the Kuwaiti state. Nevertheless, abolishing the JCPA and VCPA was not, nor was it a problematic issue (Jacob and Jones 2009). Abolishing the committees allowed the Australian state to gain legitimacy because JCPA and VCPA lacked functional purposes. On the other hand, when looking at the SAB in Kuwait, unlike the JCPA and VCPA, the SAB did not lack functional purposes. Although it appears that the SAB may be conducting 'clean' or 'soft' audits for the SSIF, it still has a functional purpose of presenting state audit reports to parliament and conducting other audits for governmental ministries. Therefore, unlike the JCPA and VCPA, abolishing the SAB will be problematic for the Kuwaiti state. Although the setting up of the SAB and its maintenance for legitimacy purposes in the Kuwaiti state is like the setting up and maintenance of the JCPA and VCPA in the Australian state, the social, political, and economic context (*refer to Chapter 3, section 3.11-3.12*) of Kuwait is different from Australia.

Nevertheless, I would like to highlight that the setting up of the committees in Australia came during a time of implementing a policy transfer from Britain to Australia, while the abolishment of the JCPA and VCPA came during a time where the Australian state was going through an economic strain from the great depression. In the Kuwaiti state, the setting up of the SAB came when the Kuwaiti state was establishing a political and economic system (*refer to Chapter 3. Section 3.11-3.12*) after gaining its independence from Britain in 1961. Additionally, the SSIF was set up during a time of oil crash prices (*refer to Chapter 3, section 3.13.1*) where the economy had to diversify its income with foreign direct investments. Therefore, under different socio-political contexts, states are sometimes faced with the establishment of institutions (i.e., the SAB, the SSIF, the JCPA and VCPA) to maintain their legitimacy when there may be political, social, or economic strains.

Funnell (1994) argues that the thought of state auditor independence is a modern concept, because traditionally, the government exerted significant control on state auditors. However, it may be that "state auditor independence" may be a concept that is used to deflect attention, because the findings have shown that the state auditors appear to work based on the interests

of their own social class position. The findings have also shown that in Kuwait, the government still exerts control on the state auditor. This control was done through the establishment of “unofficial laws”, the unspoken rules of the ‘game’. Additionally, when the SAB was found providing ‘special treatment’ to the SSIF, it has shown that institutions in the state field that carry symbolic power and status can affect the outcome of the state audit report (i.e., producing a favorable or clean state audit report, and the difference in auditing sovereign and non-sovereign ministries). In this context, the notion of “state auditor independence” appears to be an “illusion”.

Additionally, the work of Uddin and Choudhury (2008) in Bangladesh highlights that the reason for companies being listed without any audited financial reports was due to state bodies being hostage to family-led political parties. These findings resonate with the findings of this thesis, because the given the ruling power of the SSIF, and the automatic ‘prestige’ it represents, the SSIF’s annual reports are not audited by the SAB. Although I do not disagree with Uddin and Choudhury 2008, where the authors argue that powerful families controlling audit reports can lead to questioning the integrity and competence of auditors, it appears that my findings have shown that Western understanding of state auditor independence cannot be the same as a Non-Western understanding of state auditor independence. The difference lays in primarily understanding the differences in the socio-cultural context on the country being studied. Indeed, the culture in Libya (Eltweri et al., 2021), and the culture in the Kuwaiti state was found to be very similar. In Libya, the researchers found that allegiance to rooted tribalism was more important than audit transparency (Eltweri et al., 2021). Eltweri et al., (2021) describe such importance as “...victim of social responsibility to the family, friends and tribesmen”. The same concept of protecting and serving social class positions was apparent with DXX, when the state auditor was reflecting their own social class position as a means of protecting it from any risks that can come from its audit reports. Although “transparent” state audit reports can reveal forms of nepotism (Eltweri et al., 2021), my findings suggest that it may not always be beneficial for the state to have complete transparency, because if it does, that means ruling powers may change, and the social system that has been operating and reproducing itself for years will be disrupted. This further highlights the importance of understanding state auditor independence under a Non-Western culture may be different from Western cultures. Nevertheless, in both Non-Western and Western cultures, state auditor independence may be an “illusion”, however, the reasoning behind such “illusion” can be different due to the differences of socio-cultural and political states.

Understanding how the “illusion” of state auditor independence exists brings to light my analysis on the Kuwaiti state and my understanding of Pierre Bourdieu’s theory of the state. Kuwait as a modern bureaucratic state may appear to give complete autonomy to the SAB state field as per the published guidelines that have been set out by the government. However, what appears to take place with the state auditors is that they are auditing based on institutionalized ‘wasta’, and social norms that have been set out by the feudal traits in the state.

Such social norms in the Kuwaiti state reminds me of Radcliffe (1997 and 2008)’s work on the ‘secrets’ that are kept between the state auditors and the state. When state auditors adhere to political influences of the state by producing state audit reports that maintain the existence of the social system in the state, there becomes a ‘shared secret’ (Radcliffe 1997 and 2008) between the state auditors in the SAB and the state. By choosing not to audit on certain expenditures or annual reports (i.e., not auditing on the annual reports produced by the SSIF), does not mean that suspicious activities did not occur, it means that the state auditor did not audit on such activities. Although I agree with Radcliffe (1997 and 2008), I believe that keeping shared secrets creates a dependency from the government on the state auditors. One would assume this dependency could happen if the state audit is a powerful state field. Indeed, Gendron et al., (2001) argue that the stronger the Canadian Government Accountability Office, the more vulnerable it is to the question of independency. However, what seems to happen in the Kuwaiti state, although the SAB state field is seen to be less powerful, it is still vulnerable to the question of state auditor independency. Additionally, Radcliffe (2008) looks at state auditors voluntarily working for the government, rather than challenging the government. However, when looking at the state auditors in the Kuwaiti state, and considering the social norms, and the institutionalization of ‘wasta’, the state auditors appear to become concerned with their social capital and preserving the reputation of their own social class position in the state. For example, the findings have shown that if the state auditor came from a missionary/merchant social class position, they will conduct ‘clean’ audits that will preserve the reputation of the merchants/missionaries. Likewise, as I mentioned previously, considering the “Pre-Audit “teams that are set out by the SAB for sovereign ministries is another example of the state auditors trying to accumulate social capital. Therefore, it appears that the question of state auditor independence in the Kuwait state goes far beyond “keeping a shared secret” Radcliffe (1997 and 2008) because it appears to be a natural outcome of state auditors trying

to increase their social capital to possibly have a higher symbolic position within the Kuwaiti state.

6.12. State auditor hybrid roles

According to Radcliffe (1997 and 2008), state auditors cannot be free of politics. Indeed, I think state audit can never fully be independent from political influences in the state. In the Kuwaiti state, the nature of the SAB's work is to work with the government, and audit on governmental ministries. The findings have shown that in the Kuwaiti state, the state auditors audit to play the 'game' and accumulate social and cultural capital, rather than auditing as per the SAB's guidelines. It appears that when the state auditors are caught under the illusion of the state, auditing for the benefit of social class interest in the state (i.e., the audit work of DXX), and institutionalizing 'wasta' became the 'normal' way of auditing. I believe that such 'normal' way of auditing under a socio-political state creates a contrast between the perception on how state auditors view themselves, and the reality of the state audit work. This contrast reinforces Gendron et al., (2001)'s the argument that the duties of state audit become blurred when caught under social and political influences in the state.

Through my interviews with state auditors as well as, people who have directly worked with state auditors, I was able to understand the nature of the work of state auditors in government. Radcliffe (2011) calls for a careful understanding of the "lived experience in practice" of state auditors, and understanding the real life, practical experiences of state auditors. By studying the unique structure of the Kuwaiti state as a bureaucratic state with traits of feudalism, it became clear that the way in which state auditors of the SAB state field conduct audit appeared to be underpinned by the accumulation of social and cultural capital. While the state auditors appeared to conduct audit reports to accumulate the 'winning' capitals, there was an unconscious shift in state auditors' roles from social, political to technical audit roles, creating hybrid state auditors in the Kuwaiti state.

The roles of the state auditor seemed to depend on who, or which governmental ministry/organization is being audited. For example, SEA1 explained their audit work done on a certain ministry, where they caught embezzlement, while on the other hand, their audit work for the SSIF seems to be much more flexible than their previous audit work. When SEA1 audited for the SSIF, it appears that their audit work was only on general procedures, rather than focusing on the budgets of the annual reports. On the other hand, their audit work on the

previous ministry included reviewing tender money and auditing the allocation of the tender funds to which they have found to be a mismatch.

Another example that was carried out in the findings was the state auditors were sometimes found to find ‘clean’ audits that would result in state audit reports to be used in the state. DSEA2 explains how state auditors measure ‘good’ audit reports as reports being used in parliament, regardless of if these reports adhered to the SAB guidelines of audit. DSEA2 explained that when state auditors produced ‘clean’ audit reports for the dominant social class in the state, the audit report will be used and is considered a ‘good’ auditing report.

In these two instances, the state auditors are found to move from a technical role to a social one, where they audit for the benefit of accumulating social capital in the Kuwaiti state. Funnell (1994) argues that when state auditors audit to build social connections in the state, the technical duty in the state audit becomes undermined, where state auditors themselves end up having a blurred understanding of what their actual duty as a state auditor is. I must agree with Funnell (1994)’s argument, where the technical duty of audit becomes not only undermined, and it appears in my findings that under a socio-political context, state auditors’ need to accumulate social capital overshadows their technical duty. Taking on the hybrid social role of state auditors, the findings have shown that auditing as per the social norms (i.e. the institutionalization of ‘wasta’) in the state was prevalent.

In the literature, Volodina et al., (2022) referred to auditors’ hybrid roles as “dual changing roles” being the result of the expectations towards the government auditors. The authors refer to these hybrid roles as a way of serving the “customers” (politicians) which enforces new roles on the state auditor. Volodina et al., (2022) has conducted their research on the Ukrainian state. The idea that state auditors are shaped by the influences in the state reinforces my argument that states are different in their structures. The hybrid roles of the state auditors in the Kuwaiti state fall back to the dominant social class positions in the state. This is why I believe that the hybrid roles of the state auditors in the Kuwaiti state alternate between social and technical roles only. In the Ukrainian state, Volodina et al., (2022) have found that state auditor hybrid roles are continuously updated, where the state auditors provide advice, protection, and guidance to the politicians.

The notion that state auditors are found to take on the social role provides further understanding on the importance of understanding state auditors under political influence. Funnell (2011) argues that when state auditors do not report on the ‘secrets’ of the state, they are acting within the boundary of the government. For Funnell (2011), working within the boundaries of the government can cause limitations on the autonomy of state auditors and the state audit reports. Funnell (2011)’s argument resonates with my findings. I argue that state audit indeed has a function, however, under political influences in the state, the function of state audit can be hindered because working within the boundaries of the government has shown that state auditors will take on a social hybrid role. In addition, in the Kuwaiti state fields, following socially accustomed norms becomes the ‘right’ way of state audit.

However, I believe it is important to understand why state auditors report within the boundaries of the government (Funnell 2011) because governments are not the same across different states. In the Kuwaiti state, I believe that the main reason why the SAB state field is less powerful is because it doesn’t carry the social, cultural, and symbolic power that the SSIF carries. In this context, understanding why the SAB is less powerful, and its reasons for compromising its audit work for accumulating social capital distinguishes it from the literature (Radcliffe 1997, 2008, and 2011; O’Connell 2007, Pallot 2003, Neu et al., 2013, Andron et al., 2022, and Gendron et al., 2007). In the Kuwait SAB state field, it appears that carrying a ruling family name in the Kuwaiti state is most powerful.

After discussing the work of the SAB in the bureaucratic state, one would assume that the purpose of the state audit report would aid the democratic process of holding the government accountable. However, what appears in the findings, and what has been discussed thus far, the use of state audit reports is controlled by social class interest groups. The most powerful social class positions have shown to have power over the outcome of the state audit reports, and how they are used. This leads me to my second point of discussion, which is how state audit reports can be used as a democratic accountability mechanism.

6.13. State audit as a democratic accountability mechanism in the Kuwaiti state, and having a ‘flawed’ democratic system

Ferry and Midgley (2022) argue that state audit is an effective tool that can help parliament hold the government accountable in democratic states. However, one would assume this would

be the case in practice. In the Kuwaiti state, the citizens cannot hold the government accountable because the state audit reports have been removed from the SAB's website. The reports are only presented to parliament, without being published on the SAB's website. This appears to create a lack of transparency and hinders the accountability process.

Nevertheless, what appears to happen in the Kuwaiti state is regardless of such democratic system, the state audit reports presented to parliament are not taken seriously, nor are their recommendations implemented. This does not mean that the state audit reports are not powerful. Rather, as one of the state auditors explained during our interview, the state audit reports contain important points that need to be addressed in parliament. Similarly, in the literature, Morin (2016) argues that the use of state audit reports as a process of accountability with the Parliament "lacks transparency", and only creates an "illusion of transparency" (Morin 2016). According to Morin (2016), such lack of transparency, and failure to address this results in a "flawed" democratic system.

It is important to note that having a "flawed" democratic system is not a failed one. In fact, it may be that having a "flawed" democratic system reinforces that democratic states are not structured the same. In the Kuwaiti state, the importance of obtaining social capital, and preserving the interests of the dominant social class positions through state audit reports could portray a "flawed" democratic system. However, without a "flawed" democratic system, the status quo of the Kuwaiti state would be disrupted, and the social order of the state would be shaken. Having a "flawed" democratic system ironically works to keep the social and political systems in the Kuwaiti state moving smoothly.

Marin (2016) questions how long a "flawed" democratic system with state audit should last. I attempt to answer this question while considering my findings and understanding of the complexity of the Kuwaiti state. I assume that when feudalistic traits of a ruling family are present in a bureaucratic state, there will be historically reproduced social and economic interests to maintain ruling powers in the state. The maintenance of ruling powers does not necessarily seem to compromise state audit, but rather, for state audit to work its way around the social and political systems of the state. When state audit works in a "flawed" democratic process, then it appears that state audit is working with the social and political systems of the state. In the Kuwaiti state, state auditors are found to audit for the benefit of their own social class, because this is the social norm that has been reproduced historically and generationally.

In the same notion, the state auditors auditing for the sovereign ministries with “special treatment” was shown to be a way for the state auditor to audit in accordance with the ‘habitus’ of the dominant state field. I cannot imagine how the Kuwaiti state would look like with state audit under a “perfect” democratic system. Ironically, it may be that the social system and political system in the state are completely different than they are today, but even so, there still may be “flaws” that will eventually lead to state audit facing political pressures. Therefore, to answer Morin (2016)’s question, I believe that if a “flawed” democratic process with state audit is maintaining a “smooth” social and political system, then such “flawed” democratic system might be the correct one for the specific state.

After discussing my findings with the literature and explaining how the unique socio-political context of the Kuwaiti state has provided insight into the findings of state audit, the following section will discuss my third research aim, which is why (I think) the state auditors in the Kuwaiti state work based on social norms rather than the SAB’s law of 1964.

6.14. Why state auditors in the Kuwaiti state work based on social norms rather than SAB law of 1964

After discussing the Kuwaiti bureaucratic state as a collection of fields, I would like to use this understanding and expand on the importance on powerful social class positions in ruling groups such as the ruling family and merchants/missionaries to try to understand why state auditors in the Kuwaiti state work based on social norms. I believe this is important because such norms and the institutionalization of ‘wasta’ were initially set out by the powerful dominant social class positions in the state. It appears to me that the institutionalization of wasta is also an institutionalised influence that the dominant class, which in turn, empowers how the dominant state field works.

Given the nature of its work, the SAB is part of the bureaucratic Kuwaiti state. In this context, it may be the institutionalized political and social influence that the dominant state field has set out infers that the state auditors are auditing as per the institutionalised influence derived from feudalistic traits. However, the state auditors are aware of the social systems in the state, and upon this, it appears that the state auditors “know what not to know” (Radcliffe 2008). The social systems in the Kuwaiti state seemed to govern the logic of the state auditors while

conducting their audits. Such systems have been set up by the ruling class position historically and remain unchanged. This is why I believe the importance that social class positions have in the Kuwaiti state is immense.

Ever since the 16th century, the ruling family in Kuwait remained unchanged (*refer to Chapter 3, section 3.5*). The social and economic ruling powers since then have been vested between both the ruling family and the merchants/missionaries, prior to the creation and establishment of the SAB in 1964. The SAB was established in the state with preexisting social powers and structures. Therefore, I argue that in socio-political context, where social class positions dominate the ruling powers in the state, the SAB appears to be less powerful in its actual duties that have been set out to it by the constitution, and more powerful once the state auditors audit in respect to the social norms of the state. Indeed, this has been apparent in the findings, where a state auditor believed that their reports are ‘good’ because they have been used in parliament. It appears that the state auditors feel empowered by the state once they produce audit reports that would protect their social class position.

In addition, as I mentioned in the second part of this chapter, it appears that the state auditors also fear their social position in the state, in which they are aware of the consequences losing their reputation, and social status when reporting against the dominant social class position in the state. Therefore, I infer that it is in the best social and political interest for the state auditors to audit based on the social structures and norms in the Kuwaiti state than following the SAB laws in the constitution. In fact, an example of going against the dominant social class position was DSEA2, he may be viewed as an anomaly who was not interested in the ‘game’ of the dominant class. Nevertheless, DSEA was found to be reflexive when lacking the necessary capitals.

Another point worth discussing is that following such norms in the state is not necessarily ‘bad’. It is important to reiterate that these norms have been put in place since the inception of the ruling family and have been generationally reproduced. The social system of the state has been moving generationally based on these social norms. I believe for the state to continue to have a ‘stable’ structure, it is important to keep the social system moving as it is without disruptions. This leads me to my other point of discussion, which is the idea of the state auditor hybrid roles. I have discussed above in section 6.12. that under political and social influences, state auditors shift from a technical role to a social role. It appears that this shift is a way for

the state auditor to audit within the boundaries of the government state field. Working in the state field of the SAB as state auditors results in the state auditors internalizing the social structures of the state. It appears to me that such social structures and needing social and cultural capital to increase their power in the state inherently creates state auditors with a social role, rather than a technical one.

Having the state social structures shape and possibly penetrate the way in which the state auditors conduct their work does not mean that state auditors are powerless. In fact, I think that collectively, if the state auditors formed a collective power against the state's social system, there may be potential to disrupt the preexisting social structure of the state by having the state auditors audit on all government activities. Although such disruption may not cause immense change, it will have the potential to create a shift in social powers because it will pose risks on the reputations of the dominant social class positions. However, what appears in my findings is that the state auditors seem to audit on an individual level, every state auditor will audit for their own social status in the state.

The state auditors have the knowledge to conduct quality audits given the intense training programs that the SAB provides for its audit teams (*refer to chapter 3, section 3.9.1 for the organization of audit teams*). Indeed, the state auditors have the cultural capital to become powerful with their audit reports. In Non-Western countries such as Egypt, when state auditors lacked training skills, and knowledge, despite having implemented laws and regulations, the audit reports still appeared to be “dissatisfying” (Wahdan et al., 2005). However, in the Kuwaiti state, state auditors had intense training workshops, and educational seminars from the SAB, yet they still struggled with their power in the Kuwaiti state. Nevertheless, when the state auditors are faced with the government and influence by the socio-political structures of the state, it seems that they become shaped by this structure and conduct their audits based on the influential norms rather than the SAB laws in the constitution.

The following chapter will conclude this thesis.

7. THESIS CONCLUSION

7.1. Introduction

Understanding state audit under different socio-political states is complex. This thesis argues that under state audit, states are not homologous, they are different in their social, economic and political configuration, which stimulates struggles in social fields. Specifically, this thesis aimed to analyse, and understand how the State Audit Bureau in the Kuwaiti state conducted one of its audits, the SSIF. To achieve this, four objectives have been pursued. First, to assess the establishment of the SSIF, and understand why the SSIF was given such importance. Second, to identify the state auditors for the SSIF, and identify the kind of work that the state auditor did for the SSIF. Third, to evaluate how the SAB conducted its audits on sovereign and non-sovereign ministries, as well as understand the process of the work that the SAB in the Kuwaiti state. The fourth objective was to understand how and why the SAB conducted its audits on the SSIF the way it did.

The theoretical framing for this thesis was guided by Pierre Bourdieu's practice theory and his theory of the state. Generally, applying Pierre Bourdieu's theory provided a deep and complex understanding on the social and political structure of the Kuwaiti state, and how it has had an impact on the state auditor behavior (particularly, the way they conducted their state audits). The findings have shown that struggle between the SAB and the dominant state field was apparent over accumulating the dominant capitals in the Kuwaiti state. Additionally, Pierre Bourdieu's theory has shown that the power of ruling families, and elite social classes triumph over the power of state audit. Understanding that the Kuwaiti state as a bureaucratic state with feudal traits provided further insight on why the social norms are reproduced overtime. These social norms have shown to be the way in which state auditors conduct and produce their state audit reports to Parliament. Social power in the Kuwaiti state was further demonstrated through the state audit reports. This brings light another argument of this thesis, which is one, state auditors will give clean audit reports to ministries which align with their social class positions. Two, state auditors will also give clean audits reports to sovereign ministries that are head by ruling class family members.

The structure of this chapter as follows. First, the chapter will elaborate on the contributions that the thesis offers to existing knowledge. The second part of this chapter highlights practical implication for the State Audit Bureau in Kuwait, and possibly, Kuwaiti policy makers. The

third part of the chapter explains the potential limitations for the thesis. These limitations include the embedded epistemological risk to constructivist reality that the researcher holds. There are other limitations discussed in the third part of the chapter such as, not considering the internal auditors for the government, and their interrelations (if any) with the state auditors from the SAB. Section four of the chapter includes possible areas of future research. The final part of the chapter concludes the thesis.

7.2. Contribution 1: The influence of elite social groups, and ruling powers on state audit reports using Pierre Bourdieu

The first contribution of this thesis is to the literature that looks at the state audit in relation to different states. Specifically, the literature looked at state audit being a powerful institution in democratic states (Gendron et al., 2007; Neu et al., 2013; Ferry and Midgley 2022; Morin 2016; Pallot 2003). The mentioned literature has shown that the government or states empower the state audit reports. Essentially, the state audit becomes powerful, creating a dependency from the government on the state audit.

However, the contribution of this thesis lays in understanding social configuration of states, and what makes powerful states more powerful. Although each of these studies consider different states, in states like Kuwait, where elite social groups, and ruling powers (i.e. ruling families) dominate the state audit domain, the state audit is found to be secondary to government. In particular, the outcome of a state audit report considers where the ministry is sovereign and non-sovereign. This further adds to the contribution that nation states with ruling families appear to control the outcome of state audits.

Additionally, only through understanding Pierre Bourdieu's theory of the state in relation to state audit was this thesis able to identify the struggles and the asymmetry of powers between the state audit and the government. Therefore, the thesis further contributes to the state audit literature using Pierre Bourdieu theory of the state and his theory of practice. The importance that social capital has in the Kuwaiti state, and the use of 'wasta' being synonymous to social capital is of utmost power in the relationship between the state and the state audit. Such social power derived from tribal roots and the reproduction of ruling family social classes contributes to the research on understanding why states function the way they do, and the power that states hold to be able to control other state fields, such as state audit.

7.3. Contribution 2: State auditors under powerful social, political, and economic influences, and the myth of state auditor independence in a Non-Western context

The second contribution of the thesis considers state auditor practices and independence in a Non-Western state. Radcliffe (2008) argued that researchers need to rethink the practice of state audit in democratic states and considered the importance of understanding state auditors in their social context through real life experiences.

Indeed, the thesis examined state auditor practices, and the way they conducted their state audit reports for socially, politically, economically powerful fields of the state. The thesis contributes to this by understanding that the state auditors audit in accordance to social norms to maintain or increase their social position in the state. When investigating the SAB's law, what appeared to take place was not what the SAB's law intended. Although research has been conducted on state audits moving away from their mandates (Jacob and Jones 2003), this thesis has shown that the reason for auditing as per the social norms in the state was to keep ruling positions in power, and not affect the status quo. The thesis further contributes to the idea that "state auditor independence is a modern concept" (Funnell 1994). Auditing as per social norms to maintain social, political, and economic powers was found to undermine the "state auditor independence". The thesis highlights that such concept becomes a way to deflect attention from state auditors.

Additionally, this thesis contributes to Uddin and Choudhury (2008)'s argument that "state auditor independence" may be a Western logic that is challenging to implement in Non-Western cultures. The thesis has shown that there is a difference in the reasoning behind why state auditor independence is questioned in Western and Non-Western contexts. In the Non-Western world, understanding the cultures in less developing countries may be beneficial in researching that idea that Western logic of "independence" may not always work in Non-Western countries (Eltweri et al., 2021 and Ghattas et al., 2023). Although state auditor independence may be a "myth" in both Western and Non-Western contexts, understanding why and what makes state auditors move away from their mandate and audit as per social norms requires researchers to understand the socio-political cultures that the state auditor is in. This was shown in the thesis. In powerful states, such as Kuwait, ruling families have shown to challenge the Western

understanding of “state auditor independence” because those with high social capital (wasta) can order the state auditor to produce clean audits to shield away from social reputational risk.

7.4. Contribution 3: Under a Kuwaiti socio-political context, understanding the role of state auditors, and state auditor perceptions in a democratic state

The third contribution of the thesis is to non-positivist research on state audit in the non-Western part of the world. To the knowledge of the researcher, such research area in the Arab world is scarce. Like the Kuwaiti cultural and social practices, Al-Tuwaijry et al., (2003) looked at the Saudi state in relation to its state auditors. However, the configurations of the Kuwaiti and Saudi state are different, given that the Saudi state is Islamic, and follows Sharia Law. In Egypt, Wahdan et al., (2005) found that state auditor practice was different than the state audit law. In the same Egyptian context, Ghattas et al., (2023) looked at the Egyptian Audit Oversight Unit which appeared to be an archetype of a US public oversight body. Although the Egyptian Audit Oversight Unit did emphasize oversight, it appeared to secure legitimacy more than “efficient” audit because Egyptian auditors were found to have lack of skills and audit knowledge (Ghattas et al., 2023). In Libya, state auditor behavior was researched where state auditors were found to prioritise family connections than adopting International Standards on Auditing (Eltweri et al., 2021).

The thesis contributes to the literature on the role of the state auditor in a Kuwaiti context. The SAB auditors were given skilled training programs, and seminars to increase their knowledge on state audit. The SAB had the tools needed to perform “efficient” audits. However, their role as state auditors appeared to be more social than technical when under the influences of ruling powers. In the Kuwaiti state, state auditors with increased ‘wasta’ felt empowered to audit for the benefit of their social class. However, such auditing behavior appeared to be the “correct” way of conducting audits. Such auditing practices and behaviors contribute to the Libyan research conducted by Eltweri et al., (2021) when considering state auditor practice in relation to tribalism and family influences.

Furthermore, the thesis therefore contributes to the differences in state auditor perceptions (Radcliffe 2006; Morin 2016; Neu et al., 2013; Volodina et al., 2022). The state auditors were found to perceive themselves as doing the “correct” practices of audit, while those who

received the audit reports appeared to be dissatisfied. These findings contribute to the difference in perceptions between the state auditors and the auditees.

7.5. Practical Implications

Based on the findings of the case study, and how the state auditors were found to conduct their audits for the SSIF, an accountability mechanism could be beneficial to keep track of the way the audits are being done. The mechanism could aid in fostering a more ‘transparent’ process of state audit and increasing accountability within a democratic state like Kuwait. However, it appears that from the findings of the case study, social connections, family names, and deep-rooted social norms are extremely powerful in the Kuwaiti state. Even with such accountability mechanism, powerful people in the state will enable their ‘wasta’ to possibly manipulate such mechanism. Nevertheless, the work of the SSIF on moving towards a more neoliberal economy, capital maximization may be a priority for the dominant ruling social class, and such accountability mechanism could be beneficial.

This leads me to highlight a significant problem of state audit in the Kuwaiti state that arises in the findings of the thesis. The social, economic, and political interests of people in high social, and symbolic status in the Kuwaiti state could essentially have power over any accountability mechanism. This is not to argue that if for instance, fraud happens, these people will not be charged or trialed. However, given the importance of social powers and family names, after enough maneuvering with the political and social systems of the state, they may be able to preserve their reputation and social powers. Like the state auditors understanding the social system and configuration of the state, they have been found to audit for the status quo. Having such mechanism could be beneficial, but it will take time to be successfully implemented because it will be considered as a ‘new’ idea into the status quo and invoke change. For change to happen, there must be demand for it, and it appears that in the Kuwaiti state, the social powers and ruling groups have been reproduced since Kuwait’s inception, and changing such reproduction may be difficult.

This is not to say that the Kuwaiti state does not ‘care’ about the state audit and its practices. As the findings have shown, state auditors do have a functional purpose in the Kuwaiti state, and in some situations, the state audit reports are used in Parliament. However, it may be that

enforcing an accountability mechanism will be a challenge with the presence of influential and powerful social groups in the state, because it may take away from their legitimacy.

7.6. Limitations

The first limitation of the thesis is one that is embedded within the epistemology of the researcher. With subjective methodology, there is a risk of not reflecting the truth of people's views. To minimise this risk, I collected data from a purposeful sample, where I identified key actors in the field of state audit and considered a careful thematic data analysis. However, minimising such risk does not eliminate it in interpretive philosophy.

The empirical focus of the thesis was investigating how the state audit bureau conducted one of its audits, which is a socially and economically powerful institution of the state. The thesis found that state auditor reports are produced to protect the interests of powerful social groups in the dominant state field. The first limitation when looking at the state auditors, was that I did not consider the internal auditors of the government. The government claims that they had their own internal auditors, and they did not need the SAB to audit its work. Additionally, understanding the work of the internal government auditors, and if there is any conflict/tension between the internal auditors and the government may provide an interesting area for research.

The second limitation of the thesis was to have possibly extended the boundaries of my research to other sovereign and non-sovereign ministries and looking at the perception of state auditors in conducting audits for these ministries. However, I do believe that gaining access to sovereign ministries may be very challenging and sensitive. Although the SSIF is not a ministry, nor is it sovereign, it did provide some valuable insight into how it is being audited by the state auditors.

7.7. Recommendations for future research

This case study found that state audit reports are controlled by influential ruling groups to maintain the social order and the status quo. Additionally, state auditors are found to audit to preserve their social, political, and economic interests in the state. Understanding the social and political configuration the Kuwaiti state gave fruitful insight to the case study. I believe that exploring and investigating states with different configurations in relation to state audit could be an area of possible future research.

Additionally, future studies could focus on other countries with similar cultural and social practices as Kuwait. In the GCC, every country has its own unique structure of states (as demonstrated in Al-Tuwaijry et al., 2003). This thesis focused on understanding the behavior of state auditors when faced with powerful ruling social groups. I believe that in a non-western context, understanding state auditor behaviors in relations to different Arabic states could potentially provide interesting knowledge on how state auditors maintain or disrupt the status quo of broader societies.

One of the emerging themes found in my data analysis was the shared interests between social class positions. Every state auditor was found to audit for the interest of their own social class position. Only one state auditor (DSEA2) was found to audit for the 'ethical' purposes of auditing. They appeared to be an anomaly because they went 'against' the rules of the game. Investigating state auditors that may be using their powers to go against powerful governments rather than produce 'clean' state audit reports that may disrupt the social order of states (i.e. studying anomalies) would be an interesting area of research.

Moreover, this study considered the power of neoliberal education on international investment. Additionally, given the unique training programs that the SAB provides to its employees, Western auditing education is important in shaping the perceptions of nation states. Future research is recommended to further understand how neoliberal education, practices, and technologies could (or could not) have an impact on state auditor behavior in nation states. With the current economic trajectory of the Kuwaiti state, future studies may consider the influence (if any) that neoliberal ideology can have on the work of state auditors.

Furthermore, there is a lack of critical accounting research in investigating the work and reports of the state audit in the Kuwaiti state. Discovering truth through critical accounting research is a powerful way to understand taken for granted concepts that drive states to become what they are today. Different ideologies make up different perceptions and beliefs. I believe that future research is recommended to study how radical beliefs of religion, and ideology can impact the work of state audits, or maybe impact the outcomes of state auditor reports.

7.8. Concluding remarks

The aim of this chapter was to close this thesis by providing its aim and objectives, contribution to the literature, practical implications, and recommended areas for future research. This thesis provided insight on how and why state auditors behave and conduct certain audit reports under powerful ruling class social positions in the Kuwaiti state. My findings enhance the importance of understanding the social, political and economic context of states in the state audit domain.

The study investigates state auditor behavior under a bureaucratic Kuwaiti state, with ruling powers, and powerful social groups. Understanding the Kuwaiti state, and its social, political, and economic structure is a complex inquiry. It demands a detailed understanding of historical issues that made the State of Kuwait what it is today, the dynamics of power that take place in the dominant state field, and its relations to other state fields such as the SSIF, and the SAB. This is followed by understanding how the practices of individuals operated in relation to the dominant state field.

I argued that this thesis made three contributions to the literature. First, I highlighted the influence of elite social groups, and ruling powers on state audit reports. Second, the thesis advances Funnell (1994)'s idea that state auditor independence is modern concept, and I argue that it is an 'illusion' used to deflect any concern on state auditor independence. State auditors will maintain their social, political, and economic powers in the Kuwaiti state at the expense of audit. Third, considering the Kuwaiti context as a means of understanding how and why state auditors conduct their audits as they do in a non-Western context.

The literature on state audit and the state seems to assume that state audit is almost always powerful, or at least, empowered by the state. What this thesis conveys is that state audit power comes secondary to government power. The state field of the SAB was seen to be less powerful than the SSIF state field. To increase its power, the SAB was found to produce clean audit reports to ministries which align with their social class positions, and to ministries that are headed by ruling class family members.

The thesis further demonstrates the powerful importance that social connection can have in the Kuwaiti state. This power has shown to come at the expense of rigorous audit, which hindered the work of state auditors, and instead, produced dual changing roles of state auditors. These changing roles came as the result of state auditors struggling to accumulate the necessary

capitals to enter the government. The state auditors became victims and players in the political game of the state.

The thesis demonstrated an episode where the state auditors in the Kuwaiti state play a significant role in the maintenance of the social order and the status quo in the Kuwaiti state. The symbolic positions of the dominant actors in the Kuwaiti state are maintained by ensuring safe and risk-free audit reports. This was only possible when the state auditors became aware of the social and political systems of the state. For example, the state auditors knew that they would lose their power if they reported against the ruling class positions. To protect the social order of the state, Pre-Audit teams were set up to preserve the reputations of powerful ruling social class positions.

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