

Qatar's Resilience Strategy and Implications for State–Society Relations

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ABSTRACT

As a small, vulnerable country situated in the turmoil of the Middle East, Qatar faces several challenges. Chief amongst these are the existential geopolitical threat posed by large neighbouring countries and the domino effect of regional instability, the rise of radicalisation and the spread of global terrorism. Despite its impressive economic performance, Qatar faces economic difficulties given its vulnerability to oil price drops. Other challenges include the sustainability of the social contract and food security. Qatar is also confronted with a number of social challenges emanating from the pace and content of its transformation from a traditional society to a modern state, with all that may entail in terms of changing societal and cultural norms. Last but not least, the small size of Qatar's traditional and conservative population, in contrast to the large number of immigrants, is causing social and cultural frictions. Notwithstanding the multiplicity of challenges and threats and the recent blockade against it by its neighbours, however, Qatar has developed its own modes of state and societal resilience.

Qatar | Domestic policy | Security | Military policy | Economy | Labour market | Food security

keywords

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Introduction

Although resilience remains a vague concept, it has become popular in the lexicon and discourse of international and regional organizations, complementing and further advancing the concept of sustainable development.¹ The 2016 European Union Global Strategy for Foreign and Security Policy (EUGS) has identified resilience as a core pillar of the EU's new strategy.² The EU speaks of resilience as "a broad concept encompassing all individuals and the whole of society" that features "democracy, trust in institutions and sustainable development, and the capacity to reform".³ This paper draws from this definition of resilience to inquire about the case of Qatar, assessing resilience strategies at the state and the societal level, and making suggestions for where the EU could offer support in line with its objectives outlined in the EUGS.

Given the turbulent nature of Middle Eastern politics, it is not surprising that regional countries pursue self-surviving strategies trying to build their own resilience against rising political, economic and social challenges and threats. Qatar is no exception and the recent blockade against it by the Arab Quartet (Saudi Arabia, the United Arab Emirates, Bahrain and Egypt) is a vivid example of its perceived vulnerabilities as well as a test of its resilience.

¹ Charles Perrings, "Resilience and Sustainable Development", in *Environment and Development Economics*, Vol. 11, No. 4 (2006), p. 417-427; see also United Nations Office for Disaster Risk Reduction (UNISDR), *Disaster Risk Reduction and Resilience in the 2030 Agenda for Sustainable Development*, 2015, http://www.unisdr.org/files/46052_disasterriskreductioninthe2030agend.pdf.

² European Union External Action Service (EEAS), *Shared Vision, Common Action: A Stronger Europe. A Global Strategy for the European Union's Foreign and Security Policy*, June 2016, <https://europa.eu/globalstrategy/en/node/339>.

³ European Commission, *A Strategic Approach to Resilience in the EU's External Action* (JOIN/2017/21), 7 June 2017, p. 3, <http://eur-lex.europa.eu/legal-content/en/TXT/?uri=celex:52017JC0021>.

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· Paper produced in the framework of a project entitled "The EU's New Resilience Agenda in the MENA Region", December 2017. Copyright © Istituto Affari Internazionali (IAI) and Foundation for European Progressive Studies (FEPS).

Qatar is a small country located in Southwest Asia, 11,437 sq. km in area, making it only about a third of the size of Belgium. It occupies the small Qatar Peninsula on the north-eastern coast of the Arabian Peninsula, with a population of 2.7 millions, of whom less than 10 percent are nationals. Qatar is also geographically located between two large neighbours: Iran, with which Qatar shares the world's largest gas field (North Field, also known as the North Dome or South Pars, in the Persian Gulf), and Saudi Arabia, with which it has its sole land border, to the south. The rest of its territory is surrounded by Gulf waters. Its small size in terms of territory and population, and its geographical location between two large competing and antagonistic regional powers, creates a chronic vulnerability which leads Qatar's leadership to endlessly hedge its bets and play a careful balancing act in order to safeguard the sustainability of the state and the survival of the dynasty in power.

The political system of Qatar is an absolute monarchy ruled by the Al Thani family since the 1800s. The Emir as head of state wields full authority with little room for popular or institutional input. Qatar is evolving from a traditional society into a modern welfare state and, following a constitutional referendum in 2003, it aims to be a constitutional monarchy, although progress in this area has been delayed.

Once one of the poorest Gulf states, Qatar has been transformed into one of the richest countries in the region. Backed by the world's third-largest natural gas and oil reserves, Qatar is now a high-income economy, enjoying the highest per capita income in the world (129,112 dollars in 2017)⁴ and is classified by the United Nations (UN) as the most advanced Arab state in terms of human development. According to the UN Human Development Report 2016,⁵ Qatar has retained its top position, a distinction it has held for at least the past three years (Figure 1).

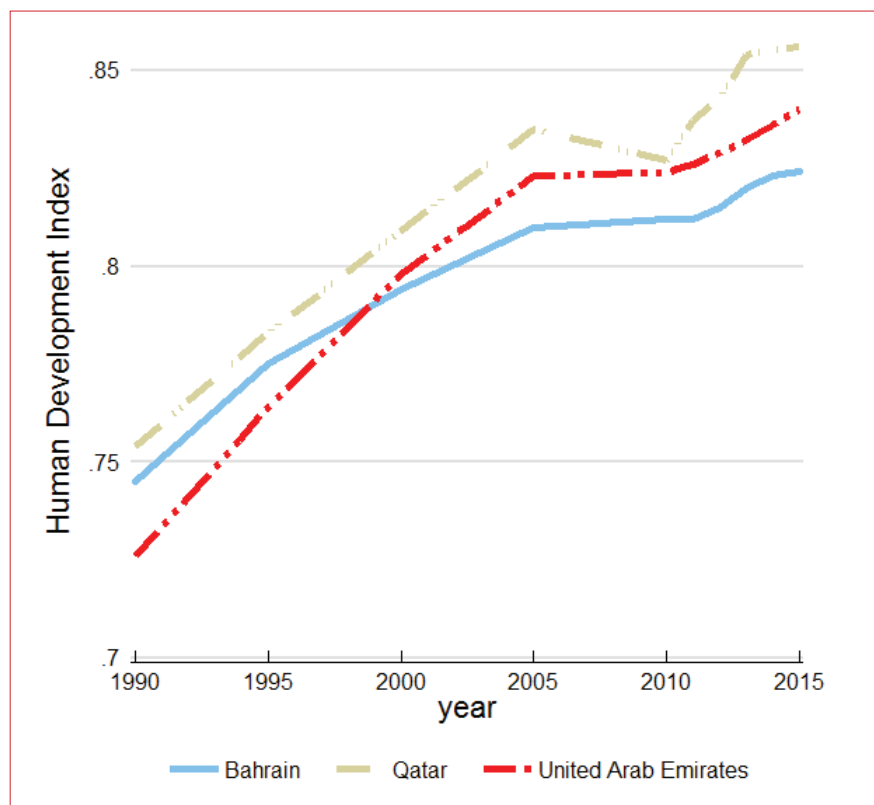
Until 1995, when Sheikh Hamad bin Khalifa Al Thani deposed his father, Emir Khalifa, in a bloodless coup, Qatar was under the influence of its much larger neighbour Saudi Arabia. To gain domestic legitimacy, Sheikh Hamad ushered in wide-sweeping political, economic, social and media reforms, and in mid-2013 he transferred power to his 33-year-old son, the current Emir Tamim bin Hamad – a rare peaceful abdication in the history of Arab Gulf states.

Tamim followed his father's policy and set the country on a development path with unprecedented financial investment, improving the domestic welfare of Qataris, including establishing advanced healthcare and education systems and expanding the country's infrastructure in anticipation of Doha's hosting of the 2022 World Cup (Table 1).

⁴ Statistics Times, *List of Countries by Projected GDP per capita 2017* (based on IMF World Economic Outlook Database, April 2017), 7 June 2017, <http://statisticstimes.com/economy/countries-by-projected-gdp-capita.php>.

⁵ United Nations Development Programme (UNDP), *Human Development Report 2016. Human Development for Everyone*, March 2017, <http://hdr.undp.org/en/2016-report>.

Figure 1 | HDI trends for Qatar, Bahrain and United Arab Emirates, 1990–2015



Source: United Nations Development Programme (UNDP), *Human Development Report 2016. Human Development for Everyone. Briefing Note for Countries on the 2016 Human Development Report. Qatar*, February 2017, p. 4, http://hdr.undp.org/sites/all/themes/hdr_theme/country-notes/QAT.pdf.

Table 1 | Qatar's HDI trends based on consistent time series data

Year	Life expectancy at birth	Expected years of schooling	Mean years of schooling	GNI per capita (2011 PPP\$)	HDI value
1990	74.9	11.8	5.4	75,260	0.754
1995	75.6	13.1	5.9	80,230	0.783
2000	76.2	12.6	7.9	109,653	0.809
2005	76.6	13.7	8.7	103,643	0.835
2010	77.4	12.4	8.9	116,233	0.827
2011	77.6	13.4	8.6	123,636	0.837
2012	77.8	13.4	9.1	124,506	0.843
2013	78.0	13.4	9.8	126,639	0.854
2014	78.2	13.4	9.8	129,077	0.855
2015	78.3	13.4	9.8	129,916	0.856

Source: UNDP, *Human Development Report 2016. Human Development for Everyone. Briefing Note for Countries on the 2016 Human Development Report. Qatar*, cit., p. 3.

Using income from its large gas reserves to bankroll its ambitious plans, Qatar has carved out a significant regional and global profile in the past decade; and for its size, it has been playing a disproportionate leadership role, with significant power in the Arab world.

Qatar's state–society relations are largely based on an unwritten agreement of political acquiescence in exchange for economic benefits.⁶ The distributive welfare state is challenged when income from fossil fuel exports is no longer sufficient to fulfil the bargain. Affected by the recent fall in oil prices, Qatar has been attempting economic diversification albeit at a slow pace and with mixed results.⁷ Financial surplus, such as that held in the Qatar Sovereign Wealth Fund (SWF), can help to cushion against harmful effects of economic slowdown, but the need for economic diversification remains critical for Qatar.

Qatar's economic development necessities foreign labour and the large number of immigrants causes social and cultural friction and resentment. While the state and society tend to work together to overcome the challenge of immigration, the new "Kafala" labour law has come under international criticism for failing to ensure fair treatment of the foreign workers.⁸

The country also faces food security challenges, as most of the food is imported, including from neighbouring countries. The recent economic boycott and closure of the Qatari-Saudi border tested the Qatari government's ability to provide for food. Qatar was able to diversify its import sources to overcome the boycott and is trying to increase its food storage and distribution facilities as well as building its own food production capacity.⁹ The state and the private sector have been collaborating on enhancing the country's resilience in this respect.¹⁰

It is apparent that Qatar faces a multitude of challenges and threats emanating from its vulnerability as a small state with an unsustainable economic structure largely reliant on hydrocarbons, as well as other related socio-economic challenges. Qatar, however, has been devising plans and strategies to face such challenges and threats by building its own resilience at both the state and the societal level.

⁶ Justin Gengler, "The Political Economy of Sectarianism in the Gulf", in *Carnegie Papers*, August 2016, <http://ceip.org/2bz4Q5S>.

⁷ International Monetary Fund (IMF), "Economic Diversification in Oil-Exporting Arab Countries", in *IMF Policy Papers*, 29 April 2016, <https://www.imf.org/en/Publications/Policy-Papers/Issues/2016/12/31/Economic-Diversification-in-Oil-Exporting-Arab-Countries-PP5038>.

⁸ "Critics Sceptical of New Law for Foreign Workers in Qatar", in *The Arab Weekly*, No. 86 (18 December 2016), p. 10, <http://www.theArabweekly.com/article/7387/>.

⁹ "Qatar Farms on Course to Beat Blockade", in *Qatar Tribune*, 21 October 2017, <http://www.qatar-tribune.com/news-details/id/91786>.

¹⁰ "Qatar's Private Sector Helps Overcome Blockade: Chamber", in *Gulf Times*, 9 July 2017, <http://www.gulf-times.com/story/555988>.

1. Existential threats

Qatar's small size and geography, and especially its location between two large antagonistic neighbours – Iran and Saudi Arabia, locked in a zero-sum competitive struggle to dominate the region – stand out as the most challenging threats to state security. Historically Saudi Arabia has tried to bring Qatar under its wing.¹¹ The recent Gulf crisis and the harsh measures that Saudi Arabia along with its Quartet allies have taken against Qatar clearly demonstrate the point.

On the other hand, Qatar shares its main gas field with Iran; and while it also feels the weight of Iran with its dominating attitude towards the smaller Arab Gulf States, Qatar is sensitive towards taking measures that could antagonize Iran and hinder cooperation in the shared gas endeavour.¹² Qatar thus has had to walk a tightrope between these two regional powers, trying to balance them off against each other, while protecting itself from regional turmoil: the spread of regional conflicts, radicalization and international terrorism that could have negative spillover effects on Qatar's security and stability.¹³

1.1 *Protecting the small state*

For decades, the Middle East has witnessed competition in the regional balance of power between a number of states including Egypt, Saudi Arabia and Iran. To avoid being part of this competition, Qatar decided to strengthen its diplomatic relationship with multiple regional and international actors, thereby avoiding collateral damage from neighbouring conflicts.¹⁴ Qatar has therefore followed an active foreign policy, a goal helped in part by the creation of the pan-Arab satellite news network Al-Jazeera, undertaking mediation efforts in some of the regional conflicts and expressing support for the popular protests of the Arab Spring.

Qatar has also embarked on a number of measures which include mediation, branding and image building, cultural and sports diplomacy, defence agreements (including by granting foreign bases to international and regional powers) – and even engaging in military interventions. Each of these measures is examined below.

¹¹ Sultan Sooud Al Qassemi, "How Saudi Arabia and Qatar Became Friends Again", in *Foreign Policy*, 21 July 2011, <https://wp.me/p4Os1y-oXI>.

¹² Giorgio Cafiero, "Qatar's Precarious Position between Saudi Arabia, Iran", in *Al-Monitor*, 4 February 2016, <http://almon.co/2lcb>.

¹³ Kristian Coates Ulrichsen, "Internal and External Security in the Arab Gulf States", in *Middle East Policy*, Vol. 16, No. 2 (Summer 2009), p. 39-58, <http://www.mepc.org/node/988>.

¹⁴ Mehran Kamrava, "Mediation and Qatari Foreign Policy", in *The Middle East Journal*, Vol. 65, No. 4 (Autumn 2011), p. 540.

1.2 Mediation and branding as a form of state resilience in Qatar

Branding and advertising the role of Qatar as a mediator is a direct method of exercising soft power. According to Joseph Nye, “soft power” or “co-optive power” is “the ability of a country to structure a situation so that other countries develop preferences or define their interests in ways consistent with its own. This power tends to arise from such resources as cultural and ideological attraction as well as rules and institutions of internal regimes”.¹⁵ There are two main ways in which Qatar exercises co-optive power: branding and advertising. The former is seen on a political level and the latter on a more cultural or societal level.

Branding Qatar's image on a political level occurs through Qatar's multiple mediation efforts. The year 2008 was a successful year for Qatar's role as a mediator, but more importantly, for placing the small state of Qatar on the map as a prudent and strategic political player. Qatar's conflict resolution skills were put in action for two key conflicts that year, one in Sudan and the other in Lebanon. In Sudan, Qatar presented itself as a unique political player. It was the first time that an Arab state had put considerable resources into learning and understanding the on-the-ground reality of the conflict in Darfur. In addition, Qatar hosted negotiations in Doha, which resulted in an agreement of goodwill and a peaceful settlement in 2011 between the Sudanese government and Darfur's Justice and Equality Movement.¹⁶ Political tensions in Lebanon would grant Qatar another mediation opening, which the country made full use of by successfully brokering the Doha Agreement that ended 18 months of deadlock among Lebanese political factions in May 2008.¹⁷ Qatar was able to achieve this through multiple means such as hosting the negotiations in Doha and by having Qatari leaders personally providing a diplomatic, friendly and strategic platform for negotiations. By getting involved in these two conflicts, Qatar placed itself alongside larger countries with a history of negotiation in the region, such as Egypt and Saudi Arabia.

Qatar has successfully presented itself regionally and globally as an honest broker, a goodwill ambassador and a diplomatic player. The image that Qatar was able to achieve has given it a recognized status within the international community as a country that promotes peace and stability. As such it has occasionally been called upon by global powers to help in resolving other conflicts such as those in Afghanistan, Israel–Palestine and Yemen, thereby building goodwill, diplomatic relationships and alliances that add a further dimension to its security and the resilience of the state.

¹⁵ Joseph S. Nye, Jr., “Soft Power”, in *Foreign Policy*, No. 80 (Autumn 1990), p. 168, https://www.wilsoncenter.org/sites/default/files/joseph_nye_soft_power_journal.pdf.

¹⁶ Mehran Kamrava, “Mediation and Qatari Foreign Policy”, cit., p. 546.

¹⁷ Ibid.

1.3 Cultural and sports diplomacy

In addition to branding Qatar's image through political mediation, Qatar has sought to boost its image with the international community through cultural and sports diplomacy. Qatar has invested billions of dollars to establish cutting-edge branches of leading global educational institutions and to reform the existing ones. Qatar has also been very active on the cultural scene through its Cultural Village (KATARA) and the creation of a number of world-class museums.

The construction of Qatar's image has gone through a long process of development that started in 1995 with the leadership of Sheikh Hamad Bin Khalifa Al-Thani and continues until today.¹⁸ One of the key factors in changing the international perception of Qatar is the creation of the Al-Jazeera Channel. Its emergence reveals Qatar's political strategy towards regional and international events. Though it has received criticism and incited controversies for its intense coverage of the Arab Spring due to its focus on some countries like Tunisia, Egypt, Libya and Syria while overlooking others like Bahrain, Al-Jazeera has come to be considered as a major mouthpiece of the Arab Spring. Before Al-Jazeera, Qatar and its politics were less known. In addition to the establishment of Al-Jazeera, Sheikh Hamad has brought economic and political reforms to Qatar, including holding municipal elections in 1999, 2003, 2007 and 2011. Qatar has moved to re-brand itself through initiatives like sporting projects and winning the bid to host the FIFA World Cup games in 2022.

In the sports scene, Table 2 below demonstrates the number of international sporting events that Qatar has hosted, tried bidding for, or is hosting in the future. Sports are the easiest and friendliest way to bring nation states together. In addition, sports are a tool for exercising a form of soft power. By hosting large international events on its territory, Qatar is able to show off its hospitable culture and financial capabilities. This puts the country in a positive light in front of its own people and the international community.

Table 2 | International sporting events in Qatar

Past events	Annual events (year of introduction)
1988 Asian Football Cup	ATP Tennis Tournament Doha (1993)
1995 FIFA U-20 World Cup	Qatar Masters Golf Tournament (2008)
1999 Handball World Junior C'ships	FIM Moto Moto Racing World C'ships (2004)
2004 Asian Handball C'ships	FEI Equestrian Global Champion Tour (2008)
2004 ITTF World Team T.Tennis C'ships	WTA Tour Tennis C'ships (2008)
2005 Asian Basketball C'ships	IAAF Diamond League (2010)
2005 World Weightlifting C'ships	IHF Handball Super Globe (2010)

¹⁸ "Qatar: A Tiny Country Asserts Powerful Influence", in *CBS 60 Minutes*, 4 June 2012, http://www.cbsnews.com/8301-18560_162-57358891.

2005 West Asian Games	FIVB Club World C'ships (2010)
2006 Asian Sailing C'ships	
2006 Asian Games	Failed bids
2008 Asian Indoor Athletics C'ships	2017 IAAF World Athletics C'ships
2008 Asian Youth Wrestling C'ships	2016 Olympic Games
2008 Asian Optimist Sailing C'ships	2020 Olympic Games
2009 13th Qatar Table Tennis C'ship	
2009 Asian Fencing C'ships	Future events
2009 FIVB Club World C'ships	2014 FINA Short Course World C'ships
2009 ISF World Gymnasiade	2015 IHF Handball World C'ships
2010 IAAF World Indoor C'ships	2016 UCI Road Cycling World C'ships
2010 ISAF World Junior 470 Sailing C'ships	2018 FIG Artistic World Gymnastics C'ships
2011 Asian Football Cup	2022 FIFA World Cup
2011 12th Arab Games	
2012 Asian Shooting C'ships	
2012 FINA/ARENA Swimming World Cup	
2013 FINA/ARENA Swimming World Cup	

Source: Danyel Reiche, "Investing in Sporting Success as a Domestic and Foreign Policy Tool: The Case of Qatar", in *International Journal of Sport Policy and Politics*, Vol. 7, No. 4 (2014), p. 493.

1.4 Defence agreements and foreign military bases in Qatar

Qatar's military strength is limited by the nature of the country, and self-defence especially against larger neighbours is an illusion. Qatar has signed a number of military and defence cooperation agreements with global powers to cement its own security.¹⁹ These include security and defence cooperation with France, which was formalized in 1994.²⁰ Qatar was also one of the first countries to sign NATO's Istanbul Cooperation Initiative (ICI), launched at the Alliance's Summit in June 2004, which aims to contribute to long-term global and regional security by offering countries of the broader Middle East region practical bilateral security cooperation with NATO.²¹ Qatar's ambassador to Belgium serves as the interlocutor with NATO, and the country contributes to NATO's efforts in Afghanistan as well as in Operation Unified Protector (OUP) in Libya in 2011 where the country is recognized by NATO as a contributing nation, playing a key role in the success of the operation.²²

¹⁹ Kenneth Katzman, "Qatar: Governance, Security, and U.S. Policy", in *CRS Reports*, No. R44533 (19 October 2017), <https://fas.org/sgp/crs/mideast/R44533.pdf>.

²⁰ See France Diplomatie website: *France and Qatar*, last updated 4 April 2016, <https://www.diplomatie.gouv.fr/en/country-files/qatar/france-and-qatar>.

²¹ NATO, *Istanbul Cooperation Initiative (ICI)*, last updated 18 November 2011, https://www.nato.int/cps/en/natohq/topics_58787.htm.

²² NATO, *NATO agrees the State of Qatar Mission to NATO*, 4 May 2016, <https://www.nato.int/cps/>

More significantly, following the 1992 formal Defence Cooperation Agreement (DCA) with the United States, Qatar welcomed, in 2005, the opening of the Al-Udeid US Air Force base, the largest American base in the Middle East, which hosts 10,000 US troops at its military facilities and is the regional headquarters for US Central Command (CENTCOM).²³ Some would argue that the American air force base is not only an attempt at an alliance between Qatar and the US, but is also a way for Qatar to ensure safety and security against threats from neighbouring countries.²⁴

In addition, Doha signed a defence cooperation agreement with Ankara in 2014, and Turkey officially opened its first overseas military base in Qatar in 2016. This did not come as a shock to anyone who has witnessed the development of alliance and similar foreign policy stances of both Qatar and Turkey on certain matters in the region such as Iran, the conflicts in Syria, Libya and Yemen, and the two countries' support for the Muslim Brotherhood in Egypt and elsewhere. Opening a Turkish military base in Qatar further increases security, not only from neighbouring countries, but also from the escalation of conflicts in the region.²⁵ Turkey's former Prime Minister Ahmet Davutoğlu visited Qatar University in 2016 and shared the following statement: "I can tell you [...] that the security and stability of Qatar is like the security and stability of Turkey. We want a stable and secure Gulf. Turkey and Qatar, we have the same destiny. We face the same threats".²⁶

Not only did Qatar increase its defence capabilities and deterrence by welcoming foreign military bases on its territory, it also implemented a significant shift in its foreign policy orientation, as witnessed by its active military participation in a number of the region's conflicts (e.g., supporting the NATO operation in Libya against the Qaddafi regime²⁷ and partly in Yemen in support of the Saudi Arabia-led coalition²⁸).

By following an active foreign policy, Qatar has tried to punch above its weight and present itself as a country that is active in preserving international peace and security and is a valuable member of the international community, thus building its global image and gaining international recognition that could mediate against

en/natohq/news_130510.htm; NATO, *The Istanbul Cooperation Initiative (ICI). Fact Sheet*, April 2014, https://www.nato.int/nato_static_fl2014/assets/pdf/pdf_2014_04/20140331_140401-factsheet-ICI_en.pdf.

²³ "US Military Presence in Qatar. All What You Need to Know about 'Al Udeid' Airbase", in *SouthFront*, 31 March 2016, <https://southfront.org/us-military-presence-in-qatar-al-udeid-airbase>.

²⁴ Greg Jaffe and Thomas Gibbons-Neff, "For Qataris, a U.S. Air Base Is Best Defense against Trump Attacks", in *The Washington Post*, 6 June 2017, <http://wapo.st/2ry8iEs>.

²⁵ Saeed Al-Haj, "The Implications of the Qatar-Turkey Alliance", in *Al Jazeera*, 18 June 2017, <http://aje.io/4z3b>.

²⁶ "Seeing Shared Threats, Turkey Sets up Military Base in Qatar", in *Reuters*, 28 April 2016, <http://reut.rs/1TyKer2>.

²⁷ David Roberts, "Behind Qatar's Intervention in Libya", in *Foreign Affairs Snapshots*, 28 September 2011, <https://www.foreignaffairs.com/articles/libya/2011-09-28/behind-qatars-intervention-libya>.

²⁸ "Qatar Sends 1,000 Ground Troops to Yemen Conflict: Al Jazeera", in *Reuters*, 7 September 2015, <http://reut.rs/1EMCBtw>.

potential threats to this small state.²⁹

2. Economic challenges

Qatar is endowed with major oil and gas reserves which are the backbone of its economy. Qatar has the third largest gas reserves in the world after Iran and Russia, and it enjoys the world's highest oil and gas wealth per capita.³⁰ Qatar is also the world's largest exporter of liquefied natural gas (LNG).³¹ However, Qatar's economy is largely dependent on hydrocarbon extraction. Oil and gas account for more than 50 percent of Qatar's GDP, roughly 85 percent of export earnings, and 70 percent of government revenue.³² Hydrocarbon revenues are the cornerstone of the modern Qatari state, allowing it to keep peace at home through funding the economic wellbeing of Qatari citizens in an all-embracing welfare state, with many services free or heavily subsidized. Any challenge to the continuation of the rentier state could have serious effects on the nature of the existing social contract that exchanges public acquiescence to dynastic rule for benefits. Abundance of fossil fuels also allows Qatar to pursue its independent foreign policy. However, Qatar's economic future is vulnerable to fluctuations in hydrocarbon prices, and its government revenues are hostage to the vagaries of international oil and gas markets.

2.1 The Qatari State's economic resilience

Qatar is facing multiple challenges to achieving its development goals. The most important relates to the need to transform from a traditional oil-based economy to a diversified and sustainable one. This includes diversifying sources of income, developing its production base and restructuring various economic sectors, as well as excellent preparation and training of national human resources.

Qatar has created a series of strategies and plans to overcome this economic overdependence on hydrocarbons, including a number of five-year plans, Qatar's National Vision 2030, sovereign wealth funds and efforts to create a knowledge-based economy.

²⁹ Jamal Abdullah, "Qatar's Foreign Policy - The Old and the New", in *Al Jazeera*, 21 November 2014, <http://www.aljazeera.com/indepth/opinion/2014/11/analysis-qatar-foreign-policy--2014111811274147727.html>.

³⁰ QNB, *Qatar Economic Insight, April 2017*, https://www.qnb.com/cs/Satellite/QNBQatar/en_QA/InvestorReIn/Publications/enEconomicInsightReports.

³¹ Bertelsmann Stiftung's Transformation Index (BTI), *BTI 2016: Qatar Country Report*, November 2015, <https://www.bti-project.org/en/reports/country-reports/detail/itc/QAT>.

³² Andrew Campbell, "Qatar: National Involvement in the Indian Ocean Region", in *FDI Strategic Analysis Papers*, 31 August 2012, <http://www.futuredirections.org.au/?p=1768>.

2.2 Qatar's economic diversification

Although at current extraction rates Qatar's proven gas reserves would last for another 134 years, the country has started to diversify its economy in order to avoid the adverse consequences of falling energy prices and ensure the future of its economic prosperity. Given the economy's reliance on the hydrocarbon sector, and the limits of those natural resources, there is a general consensus among Qatari decision makers and citizenry that the country needs a long-term policy strategy. Qatar's development can be described as unfolding in three phases. The first was the hydrocarbon phase from the 1990s to 2011, involving heavy investments to increase oil and gas production. The second is the post-2011 diversification phase with rising investment into the non-hydrocarbon sector to build the infrastructure required to attain Qatar's National Vision (QNV 2030). The third will be the realization of a knowledge-based economy by 2030.³³ Indeed, Qatar's National Vision 2030 can be considered one of these long-term policy priorities and is based on four pillars: human development, social development, economic development and environmental development.³⁴

QNV 2030 outlines the objective of transforming the nation's rent-based economy into a knowledge-based one, although progress in implementation has been slow due to differing priorities like preparation for hosting the FIFA World Cup and a lack of an appropriate eco-system. Policies and procedures have been initiated toward achieving that goal, and international assistance has been sought in order to develop the nation and prepare it for the post-oil economy. It is true that the trajectory of Qatar's economy is tightly linked to developments in the hydrocarbon sector. However, while hydrocarbons still dominate the economic landscape, Qatar is branching out into new areas. Cheap hydrocarbon feedstock and energy has helped prime the development of downstream industries in the petrochemical and metallurgy sectors, and in certain subsectors such as fertilizers. Air transportation and media services are gaining further foothold while Qatar's Science and Technology Park now tenants more than 30 ventures in such areas as life sciences, oil and chemicals, environment, electronics and software engineering.³⁵ Qatar's financial sector, infrastructure development, healthcare and education sectors have also seen rapid development, serving the needs of a larger and more complex economy.³⁶ In fact, despite lower oil prices, the non-hydrocarbon sector continues to be the engine of growth, accounting for 61.4 percent of total GDP in 2015.³⁷

³³ QNB, *Qatar Economic Insight*, April 2017, cit.

³⁴ Qatar's Ministry of Development Planning and Statistics, *Qatar National Vision 2030*, July 2008, <http://www.mdps.gov.qa/en/qnv1>.

³⁵ Qatar's Ministry of Development Planning and Statistics, *Qatar National Development Strategy 2011-2016*, March 2011, <https://www.mdps.gov.qa/en/nds1>.

³⁶ Ibid.

³⁷ QNB, *Qatar Economic Insight 2016*, September 2016, https://www.qnb.com/cs/Satellite/QNBQatar/en_QA/InvestorReIn/Publications/enEconomicInsightReports.

The new Emir Tamim Al Thani has tended to emphasize domestic politics over the previously extensive foreign policy engagement,³⁸ and had started to downscale and rationalize the public sector in order to cut budget deficits caused by the fall in oil prices, even before the recent sanctions imposed by its neighbours.³⁹

2.3 Sovereign wealth funds

Given its surplus capital, Qatar established the Qatar Investment Authority (QIA), a state-owned holding company that can be characterized as a national wealth fund. It specializes in domestic and foreign investment. The QIA was founded by the state of Qatar in 2005 to strengthen the country's economy by diversifying into new asset classes. Qatar's sovereign wealth fund stands at around 300 billion dollars, allowing Qatar to shrug off the country's diplomatic crisis with its neighbours while also planning to expand its holdings.⁴⁰ Qatar has diversified its investments in the US and Asia in recent years. The QIA is the 11th largest fund in the world and is helping Qatar provide a financial cushion for the country as it seeks to diversify its sources of income.⁴¹

3. Socio-political structures, demography and the labour market

The pace and content of its hydrocarbon-fuelled economic development has challenged much of the basis of Qatar's traditional and conservative society. Moreover, the rentier psychology has affected work ethics and productivity and in the face of its small population Qatar has had to rely on migrant labour. The number of non-nationals has increased over six times in the last two decades, to the extent that as of 2017, nationals account for less than 10 percent of the total population.⁴² The increasing number of foreigners in the country puts Qataris into a minority position in their own country, at a rate that is intensifying over the years.

The sheer number of foreign migrants emanating from different mostly non-Arab countries has strained the social norms of the traditional and largely conservative Qatari society. Public resentment is not only about foreigners taking jobs from locals but also about foreigners taking over the country, affecting its culture and social fabric. Reconciling two opposing positions of a state and society on the issue of migration is a challenge facing the Qatari state. Improving the status and well-

³⁸ Fatiha Dazi-Héni, "Qatar's Regional Ambitions and the New Emir", in *Middle East Institute Articles*, 9 May 2014, <http://www.mei.edu/node/15076>.

³⁹ "Qatar 2017 Budget Looks to Cut Government Deficit: QNB", in *Gulf Times*, 1 January 2017, <http://www.gulf-times.com/story/526578>.

⁴⁰ "Update 1-Qatar Sovereign Fund Said to Plan New Foreign Investments despite Sanctions", in *Reuters*, 16 August 2017, <https://reut.rs/2vDvXFD>.

⁴¹ Uptin Saiidi, "Qatar Boasts Massive Global Holdings: Here Are Some of Its Headline Assets", in *CNBC*, 3 July 2017, <http://cnb.cx/2Coy0z4>.

⁴² Jure Snoj, "Population of Qatar by Nationality", in *BQ Magazine*, 18 December 2013 (updated 12 June 2014), <http://www.bq-magazine.com/economy/2013/12/population-qatar-nationality>.

being of foreign workers, while also recognizing citizens' concerns, will require the state to find a delicate balance between national interests and satisfying local culture and custom.⁴³

3.1 Qatar's societal resilience

Qatar's traditional social and political structures have developed coping mechanisms with the rapid development the country has been experiencing since the discovery and exploitation of oil and gas. The country's political and social life is complex yet relatively stable. Similar to other Gulf states, however, Qatar is also beset by vulnerabilities and challenges that mainly stem from its tiny population, wealth and rentier economy.

The flow of hydrocarbon revenues has made Qatar one of the most affluent nations per capita in the world⁴⁴ and allowed it to capitalize on its resources to pursue ambitious developmental projects. One of the most striking development dilemmas Qatar has faced is the imbalance between Qataris and non-Qataris in the population that resulted from the influx of both skilled and unskilled foreign labour (see Table 3).

Table 3 | Total population and estimates of the population of Qataris and non-Qataris

Year	Qataris	Non-Qataris	Total	% of Qataris in total population
1970	45,039	66,094	111,133	40.5
1986	99,754	273,638	373,392	26.7
1997	151,673	384,801	536,474	28.2
2004	192,586	605,475	798,061	24.1
2010	243,073	1,456,362	1,699,435	14.3
2017	243,019	2,430,003	2,673,022	9.1

Source: Author's elaboration on data from the Gulf Labour Markets and Migration database, <http://gulfmigration.eu/glmm-database/demographic-and-economic-module/?search=1&cmct=Qatar>.

Public sentiment has it that the fusion of many cultures due the presence of a high number of foreigners in Qatar poses a threat to local culture and identity.⁴⁵ As a result, there have been several attempts among locals to voice the urgency to preserve local values against those transmitted by the foreign population. One example is the dress code campaign that was initiated by the Qatari Women

⁴³ Abdoulaye Diop et al., "Citizens' Attitudes towards Migrant Workers in Qatar", in *Migration and Development*, Vol. 6, No. 1 (2017), p. 144-160.

⁴⁴ CIA World Factbook: Qatar, last updated 20 December 2017, <https://www.cia.gov/library/publications/the-world-factbook/geos/qa.html>.

⁴⁵ Zahra Babar, "Population, Power, and Distributional Politics in Qatar", in *Journal of Arabian Studies*, Vol. 5, No. 2 (2015), p. 138-155.

Association (QWA) in 2014.⁴⁶ Taking its legitimacy from article 57 of the Qatari constitution that mandates observing national tradition and established customs, the campaign urged residents and visitors to abide by the conservative dress codes in Qatar.⁴⁷ This move by the local population (local women in this case) is an attempt to help preserve local culture and dress code as consistent with the traditional society.

State actors and institutions have also been keen on promoting a national identity strategy supporting an ideal citizenry that is loyal to its traditional roots while embracing the new and the modern. Public education, media, culture and heritage projects are some of the tools the ruling elite uses to achieve this ideal.⁴⁸ There is an additional aspect to this institutionalized construction of citizenship in Qatar's case, or the creation of a "civic myth" through a set of symbols based on Qatar's tradition and heritage.⁴⁹ These heritage symbols not only provide a sense of national identity but also portray the ruling family as an essential component of the country's cultural and historical traditions.⁵⁰

3.2 Public vs. private sector employment

Oil and gas wealth allowed for the establishment and sustainment of a generous patronage and welfare system in Qatar. The oil and gas sector constitute around 55 percent of the GDP.⁵¹ In addition to direct flow of money and the provision of high-salaried public-sector jobs, all Qatari citizens are entitled to education, health care, utilities and other services free of charge, which sometimes nurtures a false sense of entitlement among the locals and a negative feeling of inequality among the foreign community. The rentier relationship between the state and its citizens remains robust, and nationals see government employment as their "inherent right associated with the privileged status of citizenship".⁵² This patron–client system has arguably played a significant role in sustaining social cohesion and achieving political consolidation but has negatively impacted Qatar's labour market structure and productivity. The welfare perks and artificially swollen public-sector employment diminish the incentives for Qataris to acquire new skills and seek employment in the private sector. As the data below show, the majority of Qataris are employed by the public sector, where they enjoy higher salaries, generous

⁴⁶ Lisa Kirchner, "Qatar Blows It Again: Cover up Campaign Says No to All Women", in *The Huffington Post Blog*, 2 June 2014 (updated 6 December 2017), <https://m.huffpost.com/us/entry/5411256>.

⁴⁷ Emily Thomas, "Qatar's 'Reflect Your Respect' Campaign Urges the Foreigners to Cover Up", in *The Huffington Post*, 27 May 2014, <https://m.huffpost.com/us/entry/5399177>.

⁴⁸ Amal Mohammed Al-Malki, "Public Policy and Identity", in M. Evren Tok, Lolwah R. M. Alkhater and Leslie A. Pal (eds.), *Policy-Making in a Transformative State. The Case of Qatar*, London, Palgrave Macmillan, 2016, p. 241-269.

⁴⁹ Mehran Kamrava, *Qatar. Small State, Big Politics*, Ithaca, Cornell University Press, 2013, p. 23.

⁵⁰ *Ibid.*, p. 105-139. Kamrava discusses in detail how the ruling elite achieved domestic popularity and how it contributes to the stability in the country.

⁵¹ See OPEC website: *Qatar Facts and Figures*, http://www.opec.org/opec_web/en/about_us/168.htm.

⁵² Zahra Babar, "Population, Power, and Distributional Politics in Qatar", *cit.*, p. 147.

benefits and short working hours, whereas foreigners dominate the private service sector (see Table 4).

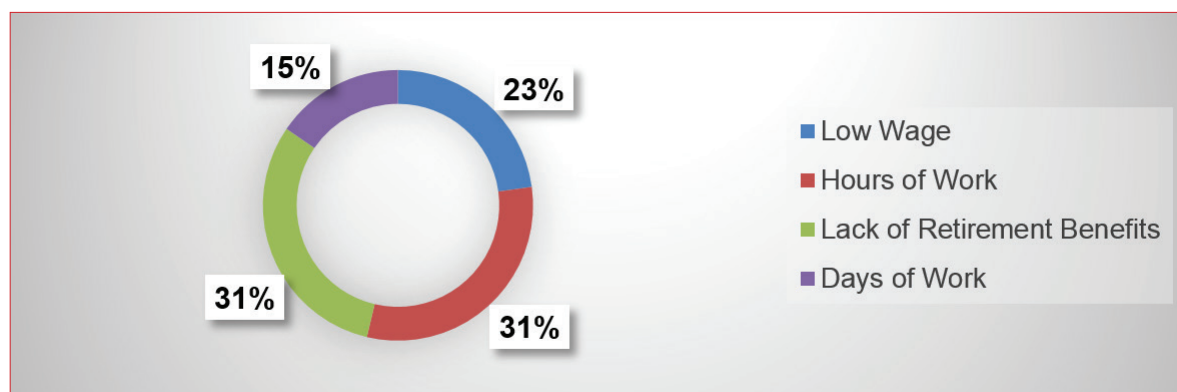
Table 4 | Labour force participation by nationality and sector in Qatar (2016)

	Total labour force	Private sector	Public and semi-public sectors
Qatari	101,445	10,053	91,392
Non-Qatari	1,951,242	1,592,577	358,665

Source: Qatar's Ministry of Development Planning and Statistics, *Labor Force Sample Survey, 2016*, cit., p. 93 (Table No. 23).

While Qatar has structural constraints due to its small national population, the dependency on foreign labour is exacerbated by the Qataris' own employment preference for the public sector over the private sector.⁵³ A sample survey by Qatar's Ministry of Development and Statistics, for instance, reveals that 61.5 percent of unemployed Qataris with secondary education are not willing to work in the private sector.⁵⁴ For this group, two of the major reasons for their unwillingness are low wages and lack of retirement benefits (see Figure 2).⁵⁵

Figure 2 | Qatari unemployed (15 years & above) with secondary education not willing to work in private sector by reasons, 2016



Source: Qatar's Ministry of Development Planning and Statistics, *Labor Force Sample Survey, 2016*, cit., p. 194 (Table No. 113).

Qatar has implemented strategies and reforms that will help increase the number of skilled nationals in the domestic labour market in both the public and private sectors, where, according to 2013 census data, they comprise only 5.59 percent of the

⁵³ Ibid.

⁵⁴ Qatar's Ministry of Development Planning and Statistics, *Labor Force Sample Survey, 2016*, November 2017, p. 193 (Table No. 112), https://www.mdps.gov.qa/en/statistics/Statistical%20Releases/Social/LaborForce/2016/Labour_force_2016_AE.pdf.

⁵⁵ Ibid., p. 194 (Table No. 113).

total labour force.⁵⁶ One of those strategies is the implementation of “Qatarization” – a policy that aims to replace highly skilled professional foreign labourers with Qatari citizens through preferential hiring. However, the Qatarization strategy has been ineffective because it has been performed merely as a tool to increase the number of Qataris in the labour force without considering factors such as adequate education and training and cultural issues that can affect the quality of work performance.⁵⁷

Another attempt to increase the skills of nationals and to reduce the dependency on skilled foreign labour has been investing in developing an indigenous “knowledge-based” economy. Qatar has invested billions of dollars to establish cutting-edge branches of leading global educational institutions and reform the existing ones. The total cost of the six branches of American Universities in Qatar’s Education City alone, for instance, is estimated at 320 million dollars per year.⁵⁸ The initial plan was to accept students with a quota of at least 75 percent Qataris. However, this proved to be unfeasible and resulted in half of the student body being children of expatriates. The other half are Qataris,⁵⁹ primarily children of Qatar’s ruling elite.⁶⁰ The presence of a high number of non-Qatari students has raised questions among Qataris regarding the benefits of such costly investment projects. Equally important, the prevalence of Western-style education and of English as the medium of instruction have increasingly led to public concerns about the risk of erosion in local culture and traditional values.⁶¹

3.3 Tradition vs. modernization

Whether the deeply rooted reason is the internalization of state policies, proximity to resources and power that tribal connections provide or the comfort of economic wellbeing, the interplay between massive changes and tradition in Qatar reveals itself as quite different from other modernization experiences. A common pattern in the Western models of rapid material transformation is that it eventually disrupts traditional establishments in society and pushes people to question the existing political and social structures.⁶² However, in the case of the Gulf countries, it is

⁵⁶ See the Gulf Labour Markets and Migration (GLMM) website: *Employed population (15 years and above) by nationality (Qatar/non-Qatari) and sex (2006-2013)*, <http://gulfmigration.eu/?p=5003>.

⁵⁷ Maryam Al-Subaiey, *Qatarization Policy. Implementation Challenges*, Brookings Doha Center, June 2011, https://www.brookings.edu/wp-content/uploads/2016/07/06_bdc_essay_winner.pdf.

⁵⁸ Nick Anderson, “In Qatar’s Education City, U.S. Colleges Are Building an Academic Oasis”, in *The Washington Post*, 6 December 2015, <http://wapo.st/1IOoy3g>.

⁵⁹ Neha Vora, “Between Global Citizenship and Qatarization: Negotiating Qatar’s New Knowledge Economy within American Branch Campuses”, in *Ethnic and Racial Studies*, Vol. 37, No. 12 (2014), p. 2243-2260.

⁶⁰ Allen J. Fromherz, *Qatar. A Modern History*, Washington, Georgetown University Press, 2012, p. 7-8.

⁶¹ Neha Vora, “Between Global Citizenship and Qatarization”, cit.

⁶² Anh Nga Longva, “Neither Autocracy nor Democracy but Ethnocracy: Citizens, Expatriates and the Socio-political System in Kuwait”, in Paul Dresch and James Piscatori (eds.), *Monarchies and Nations. Globalisation and Identity in the Arab States of the Gulf*, London and New York, I.B. Tauris, 2005, p. 114-135.

argued that economic progress has had the opposite effect; that is, it has stabilized rather than destroyed certain pre-oil structures⁶³ and Qatar, with its “remarkably resilient” traditional structures,⁶⁴ is no exception. As Allen J. Fromherz puts it, “to understand Qatar, it is important to understand not just the image of rapid change and progress projected to the outside world, but the much-slower moving internal structures of Qatari society”.⁶⁵

Tribes, kinship networks and their constituent lineage system continue to be preserved and are still central in today’s social and political life in Qatar. According to a survey conducted among Qatari men and women between the ages of 18 and 25, both high income and education are strongly, positively and significantly correlated with tribal solidarity and positive perceptions about tribal law and tribal leadership.⁶⁶ Abundant wealth arguably has not eroded tribal identity and tribal bonding in Qatar. On the contrary, it has provided the means to magnify them.⁶⁷ One can argue that, notwithstanding the importance of rents-derived state wealth, the persistency and centrality of tribal bonds is exemplified by the advisory council or *majlis* system, the traditional sphere of interaction that still occupies a significant role in Qatar’s social and political landscape. Contrary to the common perception, Qataris are not bothered by the lack of Western-style political participation. The *majlis* system works as a venue for negotiation and consultation that is preferred by locals over Western-style parliaments and congresses.⁶⁸

Qatari society, even though seemingly resilient to the eroding effect of modernism in terms of persevering traditional political and social structures, has not been equally successful in resisting the rising conspicuous Western-style consumerism that has come as a by-product of wealth and integration into the global economy. Malls that promote consumerism, for example, have been sprawling in Qatar. At least nine malls are expected to be opened within the next two years in addition to the 15 currently in operation.⁶⁹ Consumerism coupled with a show-off culture challenges the Qatari society with a new social problem: massive personal debt. Media reports show that about 75 percent of Qatari families are indebted to banks due to lavish spending that fails to be commensurate even with the generous welfare state incomes.⁷⁰ The debt problem that stems from excessive consumerism is also seen as the major culprit for the increasing divorce cases in Qatar, affecting

⁶³ Ibid., p. 127.

⁶⁴ Allen J. Fromherz, *Qatar. A Modern History*, cit., p. 3.

⁶⁵ Ibid., p. 2.

⁶⁶ A. Hadi Alshawi and Andrew Gardner, “Tribalism, Identity and Citizenship in Contemporary Qatar”, in *Anthropology of the Middle East*, Vol. 8, No. 2 (winter 2013), p. 46-59.

⁶⁷ Allen J. Fromherz, *Qatar. A Modern History*, cit., p. 7-8.

⁶⁸ Ibid., p. 27.

⁶⁹ Shabina S. Khatri, “Here are the Nine Malls Opening in Qatar in the Next Two Years”, in *Doha News*, 4 February 2017, <http://dohane.ws/2l2POtJ>.

⁷⁰ Tom Finn, “‘Social Curse’ of Huge Personal Debt Raises Worries in Wealthy Qatar”, in *Reuters*, 3 March 2016, <http://reut.rs/1oRVmod>; Jenifer Fenton, “Qataris Adopt Debt As a Luxury Accessory”, in *Financial Times*, 14 May 2012.

family relations and cohesion. According to 2013 statistics, 40 percent of marriages end in divorce, with one of the major reasons behind these divorces being disputes between couples regarding debts from excessive spending.⁷¹

4. Food security

Qatar is located in one of the driest and water-stressed regions in the world. Low rainfall, high evaporation rates and a lack of arable land limit its ability to produce food, driving it to depend on imports to meet 90 percent of its food and water consumption needs.⁷² Most of these imports come through neighbouring countries, namely Saudi Arabia and the United Arab Emirates. Some 40 percent of Qatar's food imports enter the country across the Qatari–Saudi border.⁷³

While Qatar is much less dependent upon its neighbours when it comes to staples, such as wheat, its food security rests on international trade, leaving it exposed to price volatility (relating to import prices) and supply risks (relating to import disruption). Indeed, the greatest threat to food-importing countries such as Qatar comes from reliance on one or more global trade chokepoints – maritime straits, ports and inland transport networks critical to the global grain trade – rather than the closure of land borders.⁷⁴ Indeed, 80 percent of its cereal imports transit through the Strait of Hormuz and 30 percent of its wheat supply comes from Russia. Qatar's long-term food security depends upon sea lines of communication starting in Russia's Black Sea export hubs.

4.1 Resilience and food security

Although there are many challenges, the Qatari government has revealed a strong commitment towards ensuring food self-sufficiency through ambitious strategies to boost agricultural production and diversify its food supply sources. Following the 2008 global commodity crisis, Qatar, like many Gulf countries, developed an interest in achieving self-sufficiency, fearing future disruptions in food supply. It introduced the Qatar National Food Security Programme (QNFSP) in 2009 with the aim of increasing self-sufficiency from 10 to 70 percent by 2023. Ambitions were lowered to 40–60 percent in a later edition of the plan, but even that target was not met. Qatar's sovereign wealth fund for foreign agro-investments, Hassad Food,

⁷¹ Krystyna Urbisz Golkowska, "Arab Women in the Gulf and the Narrative of Change: The Case of Qatar", in *International Studies*, Vol. 16, No. 1 (2014), p. 51-64, <https://doi.org/10.2478/ipcj-2014-0004>.

⁷² Haweya Ismail, "Food and Water Security in Qatar: Part 1 – Food Production", in *FDI Strategic Analysis Papers*, 21 July 2015, <http://www.futuredirections.org.au/?p=4177>.

⁷³ In 2015, Qatar imported over 400 million dollar worth of agricultural products from Saudi Arabia - mostly dairy products and vegetables. See Laura Wellesley, "Choking Trade: What the Qatar Crisis Tells Us about Food Supply Risk", in *The New Arab*, 27 June 2017, <https://www.alaraby.co.uk/english/Comment/2017/6/27/Choking-trade-Gulf-crisis-reveals-food-supply-risk>.

⁷⁴ Rob Bailey and Robin Willoughby, "Edible Oil: Food Security in the Gulf", in *Chatham House Briefing Papers*, November 2013, <https://www.chathamhouse.org/node/6794>.

invests in Australia, Pakistan and Oman, but its investments remain limited and cannot compensate for the need for a national food-security programme.⁷⁵

The QNFSP's four key sectors are agriculture, water, renewable energy and food manufacturing. In 2011, Qatar signed an agreement with the US Agency for International Development to enhance cooperation in global food security. The pact allows the two countries to solidify joint research and scientific exchange, share access to funding, develop public–private partnerships, and engage in technical and policy dialogues.⁷⁶

The Global Food Security Index 2017 ranked Qatar third among the Gulf Cooperation Council (GCC) countries and fourth in the Middle East and North Africa (MENA) region for food security, availability, affordability, quality and safety. Globally Qatar secured the 29th position.⁷⁷

However, it is likely that Qatar will continue to depend on importing a significant portion of its food needs despite the successful implementation of these strategies. Similar to many GCC states, sustainable food self-sufficiency in Qatar is unattainable. Domestic production meets only a small proportion of needs, yet consumes significant economic resources and almost monopolizes water use.

Due to its scarce water resources and arid land, Qatar imports 90 percent of its food, 40 percent of which enters through its border with Saudi Arabia. When the Saudi border was closed in the recent Gulf crisis and the country came under the blockade that started on 5 June 2017, Qatar was able to recover very quickly through careful contingency planning. As one of the world's richest countries in terms of GDP per capita, Qatar is able to withstand current pressures caused by the blockade and secure access to food for the foreseeable future. But the current crisis has exposed its high dependence on imports for necessities such as dairy products, as well as some of the shortfalls in its food-security programme, which the country is working on correcting.

It is important to remember that Qatar has improved its infrastructure and especially its Hamad Airport (2014) and Hamad Port (2017), which are emerging as major trading hubs in the region. These state-of-the-art facilities offer Qatar good access to the air and sea and are important gateways to more destinations around the world. The world-class airport and port will provide the country with complete independence in its import and export of goods to various continents.

⁷⁵ Sara Fouad Almohamadi, "Qatar Dispute Exposes Regional Food-Security Failures", in *IISS Voices*, 21 August 2017, <http://www.iiss.org/en/iiss%20voices/blogsections/iiss-voices-2017-adeb/august-2b48/middle-east-food-security-5cb4>.

⁷⁶ See Qatar's Government website: *National Food Security Program*, <http://www.hukoomi.qa/wps/portal/topics/Environment+and+Agriculture/nationalfoodsecurityprogram>.

⁷⁷ Economist Intelligence Unit (EIU), "Qatar", in *Global Food Security Index 2017*, September 2017, <http://foodsecurityindex.eiu.com/Country/Details#Qatar>.

Abundant hydrocarbon reserves ensure that Qatar can maintain its comfortable level of food security through trade; supply risks remain, however, due to global food price spikes and geopolitical tensions, as the current Gulf crisis has shown.⁷⁸

Conclusion

Qatar is a small state located between two regional giants, Iran and Saudi Arabia, that are locked in regional competition and hegemonic ambitions. In an effort to look after its security, the country has been vigorously engaged in an active foreign policy that involved mediation, branding and image building as well as playing a balancing game between the two regional powers. Qatar hosts US as well as Turkish military bases and has signed security cooperation agreements with NATO and France. The recent blockade of Qatar by the Quartet has clearly demonstrated its vulnerability but also the success of its resilience strategy. Qatar has been able to withstand the negative harmful effects of the blockade and has been able to win measurable political and economic support from international as well as regional countries. The EU could, in fact, play a role in preventing the intra-GCC feud from escalating and helping to defuse it. The EU's own success in peaceful regional cooperation and integration is also a useful experience that the Gulf states can learn from as they seek to avoid further regional conflicts.

Qatar's economic wellbeing is largely reliant on extractive hydrocarbon resources, which enable the country to conduct an active foreign policy and keep peace at home through a social bargain whereby the ruling family enjoys the political acquiescence of a small population with one of the highest per capita incomes in the world. Falling oil prices reduced the government's ability to conduct its active foreign policy, and challenged the social contract as the government began to reduce subsidies and impose gradual indirect taxes. This shift will challenge the existing social contract, and the country is balancing this with certain economic, political and social reforms. Economic diversification including supporting the private sector, establishing a knowledge-based economy and the judicious use of sovereign wealth funds can help in mitigating the impact of adverse economic challenges on the state and the society at large. The state remains a driving force here as the private sector is very reliant on state spending and state support. The EU as an economic power can play a major role in helping the state of Qatar to diversify its economy, utilizing the existing practical cooperation and agreements between the EU and the GCC.

As Gulf states face similar issues with food security, regional cooperation and integration can help in this regard, and establishing a wider regional cooperation that links the Gulf region, the Mediterranean and the African continent with the EU can be beneficial to all concerned. However, this will require the EU to go beyond a

⁷⁸ Jonathan Saul and Maha El Dahan, "Update 1-Qatar Food Imports Hit after Arab Nations Cut Ties - Trade Sources", in *Reuters*, 5 June 2017, <http://reut.rs/2rtpLO7>.

compartmentalization strategy when dealing with the neighbours to the south and embark on a more coherent strategy linking its different policy strands to ensure a wider cooperation between the different regions and sub-regions.

Given its small population and its desire for rapid development, Qatar will always face challenges in terms of its needs for foreign labour to serve its national interest, with resulting impact on local culture, identity and society. The state and the nascent societal groups may have divergent views of migration, but they seem to be working together to avoid harmful developments. The EU has had somewhat different experiences when it comes to dealing with migration, but there are lessons that can be learned from the EU, especially when it comes to providing welfare, observing standards and respecting human rights in the Gulf region. The EU could also support civil society groups in Qatar in many ways that do not threaten local politics and local sensitivities.

Updated 28 December 2017

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