



Qatar 2013

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Section International Affairs and Defence Section

Qatar's activist foreign policy as well as its enormous wealth has increasingly brought the country into the spotlight. Recently, however, its Qatar has experienced some serious foreign policy setbacks, particularly since the fall of the Muslim Brotherhood government in Egypt.

The new Emir, who acceded to the throne on the abdication of his father in summer 2013, looks likely to continue his father's foreign policies, but perhaps in a more consensual manner.

The decision to host the 2020 World Cup in Qatar has also been highly controversial, not only because of the heat but also because of the terrible conditions in which the thousands of migrant workers needed to build the facilities for the tournament must work.

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1 Government

Head of State: Emir Sheikh Tamim bin Hamad Al Thani

Prime Minister: Abdallah bin Nasir bin Khalifa Al Thani (since 26 June 2013)

Deputy Prime Minister: Ahmad bin Abdallah al-Mahmoud (since 20 September 2011)

Foreign Minister: Khalid bin Mohammad al-Attiyah (June 2013)

Cabinet: the Council of ministers is appointed by the Emir.

Emir Sheikh Tamim bin Hamad Al Thani ascended that throne in June 2013 after the abdication of his father Sheikh Hamad bin Khalifa. This was seen by some as partly a victory for his powerful mother Sheikha Mozah Bint Nasser Al-Misnad, who had pushed for her son to be nominated as the heir apparent.

At 33 years old, Sheikh Tamim is younger than other Gulf royals, and the government has been completely renewed as well. His father's Prime Minister and Foreign Minister, Sheikh Hamad bin Jassim, resigned, as did the whole cabinet apart from the Deputy Prime Minister, to make way for a new generation of ministers. Hamad bin Jassim (often known as HBJ) was also replaced as head of the Qatar Investment Authority and his allies were removed from the many ministries where they worked.¹

The new Emir was educated in the UK, graduating from Sandhurst in 1998. Sheikh Tamim has a strong background in sports administration, sits on the International Olympic Committee and led Qatar's bid for the 2020 Olympic Games.

2 The Consultative Assembly and political reform

Qatar's 2005 constitution provides for a Majlis al-Shura, or Consultative Assembly, composed of with 30 elected members and 15 members appointed by the Emir. The assembly generally has only advisory powers, although it does have a limited role in drafting and approving legislation. The Emir has the final say in all matters. Elections were due to be held in the second half of 2013 but have effectively been postponed indefinitely since the outgoing Emir extended the term of the existing Consultative Assembly for another three years before transferring authority to his son.

Despite supporting rebellions in countries such as Syria and Egypt, Qatar itself has been slow to adopt democratic reforms, perhaps because Qatar remained largely unaffected by the Arab uprisings, insulated as it is by the enormous wealth of its citizens. The only functioning democratic body is the Central Municipal Council, which has been elected four times since 1999. The 1999 election made Qatar the first country in the region to hold an election with universal male and female suffrage for adults. However, migrant workers, who make up a majority of the population, cannot vote. No political parties are allowed. Even professional bodies are banned.

Freedom of expression in Qatar is severely constrained. Qatar allows the satellite broadcaster al-Jazeera to criticise other countries but not the ruling Al Thanis. Self-censorship is reported to be widespread and journalists, especially the majority of them who

¹ 'The disappearance of Hamad Bin Jassim', *Gulf States Newsletter*, 19 September 2013

are foreign, often face harassment. The ownership of media organisations is highly concentrated in the hands of the royal family and their business associates.² Freedom House rates the Qatari press as 'not free'. In 2012, a poet was sentenced to life imprisonment having been convicted of inciting for the overthrow of the regime. After an international outcry, his sentenced was reduced to 15 years.

3 Qatari foreign policy

It is Qatar's activist foreign policy that has caught the attention of international observers. Neighbour and traditional power broker in the Gulf, Saudi Arabia has traditionally had a cautious and conservative approach to foreign policy while the smaller Gulf States tended to follow the Saudi line, but Qatar broke with this approach. With its burgeoning income from natural gas, Qatar signalled its intent to pursue a more daring and active role with the creation of the al-Jazeera satellite channel and, despite the country being so small, it has used its wealth and its armed forces to influence developments in situations such as those in Libya and Syria. The attempts to rival Saudi influence have not necessarily been welcome in Riyadh.

Another striking difference between Qatari foreign policy and that of its much larger neighbour is that the Qataris tend to support the Muslim Brotherhood whereas the Saudis are firm opponents. But developments in Egypt have shown that a high-profile foreign policy carries risks.

New Qatari foreign minister Khalid al-Attiyah went to Cairo to try to mediate between the Egyptian army and the Brotherhood in August this year, but came away with nothing. Qatar gave several billion dollars to the Mursi government, in the form of either grants or loans but it was reported in September 2013 that Egypt had given \$2 billion back to Qatar after disagreements about the arrangements for the deposit. Saudi Arabia, Kuwait and the United Arab Emirates, all opponents of the MB, have stepped in to make up any shortfall in funding since the cooling of Qatari-Egyptian relations after the downfall of the MB government.

In further signs of tension since Mursi's departure, Egypt has refused to increase the number of flights between the two countries. It has also closed the Cairo offices of al-Jazeera and al-Jazeera journalists have been detained.³

Qatar and Saudi Arabia have also been rivals for influence over the Syrian opposition. Early on, the Syrian National Coalition was dominated by the Muslim Brotherhood but the Saudis have been trying to shape the SNC to suit Saudi preferences and recently have succeeded in getting more influence for 'liberal' forces and the Free Syrian Army in the coalition.⁴

The other main foreign policy concern for Qatar is Iran. Like the other Gulf States, Qatar has a Sunni Muslim leadership that is deeply fearful of Shia Iran. The Qataris view the Syrian conflict as a dress rehearsal for a coming conflict with Iran over its nuclear programme, and were disappointed that US strikes against Syria over the use of chemical weapons did not happen.

Qatar also hit the headlines when it hosted an office for the Afghan Taliban. This was supposed to be the location for peace negotiations ahead of the planned withdrawal of NATO forces from Afghanistan in 2014. However, the office was never used and was shut down in

² Freedom House, [Freedom of the press: Qatar](#)

³ 'Egypt returns \$2 bln to Qatar in sign of growing tensions', *Reuters*, 19 September 2013

⁴ 'How Saudi Arabia and Qatar are the Tortoise and the Hare of the Middle East', *The Atlantic*, 27 August 2013

July 2013 after the Afghan government complained that the building looked like the base for a Taliban government in exile.

It is reported that the viewing figures for al-Jazeera have declined over the last year,⁵ which may be a result of the channel's perceived support for the increasingly unpopular Muslim Brotherhood in Egypt.

Despite recent setbacks, the new Emir has indicated that he intends Qatar to continue adopting a high profile in international relations. In his first major speech since accession, he said to the UN General Assembly that Qatar would remain "an active and effective party" in the region. He went on:

The state of Qatar aims to be a hub for dialogue and discussion among different parties to conflict and not be a party in these conflicts.⁶

He also called for reform of the UN Security Council, saying that it had failed in its duty to end the bloodshed in Syria. However, some commentators have said that the foreign policy of the new Emir will be more consensual and will more concerned with maintaining good relations with neighbours Saudi Arabia and the United Arab Emirates.

4 2022 World Cup

Fifa, the world football body, decided in 2010 to locate the 2022 World Cup in Qatar. The decision was controversial for many reasons. Firstly, there were allegations early on, later withdrawn, that the Fifa decision was the result of bribes. It was also claimed that vote-rigging took place.

The timing of the tournament was also disputed. With average daily maximum temperatures in Qatar at about 41 degrees Celsius in summer, many have questioned whether the games can be held in June and July, the normal time for it. The suggestion that it could be moved to December and January is opposed by many in European football because of the disruption to the club season, which would have to be suspended for two months to allow the World Cup to take place.

Football Association Chairman Greg Dyke has said that it would be impossible to hold the tournament in summer in Qatar and his predecessor at the FA, David Bernstein, has called for the bidding process to be run again rather than moving the time of the tournament.⁷

The conditions of the migrant workers, many brought in from Nepal to build the tournament infrastructure, have also been highly controversial. An investigation by a British newspaper alleged that conditions amounted to slavery. Workers, most of whom borrowed heavily to secure the job, had their wages withheld, passports confiscated and identity documents refused by their employers, making it impossible for them to leave the work, according to the allegations,⁸ and were even denied free drinking water. The reporters found evidence that 44 Nepalese had died from 4 June to 8 August and estimated that, overall, the construction projects for the World Cup could cost around 4,000 lives.

The director of Anti-Slavery International said:

⁵ Islam Tayeb, 'Qatar's success story?', IISS Middle East, 27 June 2013

⁶ 'Qatar plans to remain centre stage', *Gulf State Newsletter*, 3 October 2013

⁷ 'Qatar World Cup: Bernstein wants rebid not reschedule', *BBC News Online*, 18 August 2013

⁸ 'Revealed: Qatar's World Cup 'slaves'', *Guardian*, 25 September 2013

The evidence uncovered by the Guardian is clear proof of the use of systematic forced labour in Qatar. In fact, these working conditions and the astonishing number of deaths of vulnerable workers go beyond forced labour to the slavery of old where human beings were treated as objects. There is no longer a risk that the World Cup might be built on forced labour. It is already happening.⁹

There have even been reports of footballers and other sports professionals who have signed contracts to work in Qatar but have ended up not being paid their salaries but not being able to leave the country.¹⁰

There was more controversy as the Kuwaiti minister of public health reportedly said that Kuwait would apply medical tests that would 'detect' which visitors were gay and would prevent those identified in this way from entering Kuwait or any other Gulf Cooperation Council country.¹¹ Gay activists called for a boycott of the contest.

Fifa said in a statement that it was not aware of the specific allegations but that it opposed discrimination:

FIFA through the work carried out by its various Standing Committees is actively engaged in fighting against all kinds of discrimination within football and within society as a whole. FIFA's zero tolerance policy towards any acts of racism and discrimination affecting the freedom of private persons – including their sexual and political freedom – applies to the FIFA World Cup and to all other FIFA events and activities.

Responding to earlier criticisms of Qatar's criminalisation of homosexuality, a Fifa official said that the organisation would be encouraging Qatar to change its law on homosexuality:

Qatar wants to host the tournament at the start of a new decade, they will want to present an internationally welcoming face and with FIFA's help we are sure it will be possible to win over the Qataris so that they come into line with the rest of the world, including other countries in the Gulf and Middle East and change the law on homosexuality.¹²

Damian Collins, along with others, has called on the FA to consider boycotting the tournament:

I do wonder whether the FA should seriously consider whether the questions over it being moved, over human rights and over the huge disruption to the sporting calendar are so great that we should consider not playing.¹³

The issue has been discussed several times in Parliament. Tom Blenkinsop raised concerns about working conditions:

Tom Blenkinsop: To ask the Secretary of State for Culture, Media and Sport if she will urge FIFA to have discussions with the Qatari Government on increasing labour rights and standards for migrant workers in Qatar following its decision to host the 2022 FIFA World cup in that country.

Hugh Robertson: The UK Government supports FIFA's decision to award the 2022 World cup to Qatar. The Government has regular discussions with the Qatari

⁹ 'Revealed: Qatar's World Cup 'slaves'', *Guardian*, 25 September 2013

¹⁰ 'Footballers Describe Nightmarish Treatment', *Spiegel*, 11 October 2013

¹¹ 'Qatar World Cup: new row as Kuwait vows to 'detect' gays', *The Week*, 9 October 2013

¹² 'FIFA to urge Qatar to relax anti-gay legislation ahead of 2022 World Cup', *Pink News*, 9 September 2013

¹³ 'Qatar World Cup 'slaves': Fifa's UK representative 'appalled and disturbed'', *Guardian*, 25 September 2013

authorities, on a wide range of issues, including human rights. We expect Qatar to ensure that the rights of all labourers are upheld and expect FIFA will be doing the same in discussions regarding the 2022 World cup. The Qatari authorities are committed to further action to improve such standards and rights, and their implementation, for example, through initiatives led by the Qatar Foundation and the 2022 World Cup Committee, and interaction with international human rights NGOs. We welcome such initiatives and will continue to engage regularly with the Qatari authorities and other interested parties, to encourage further progress in these areas.¹⁴

5 Economy (Gavin Thompson)¹⁵

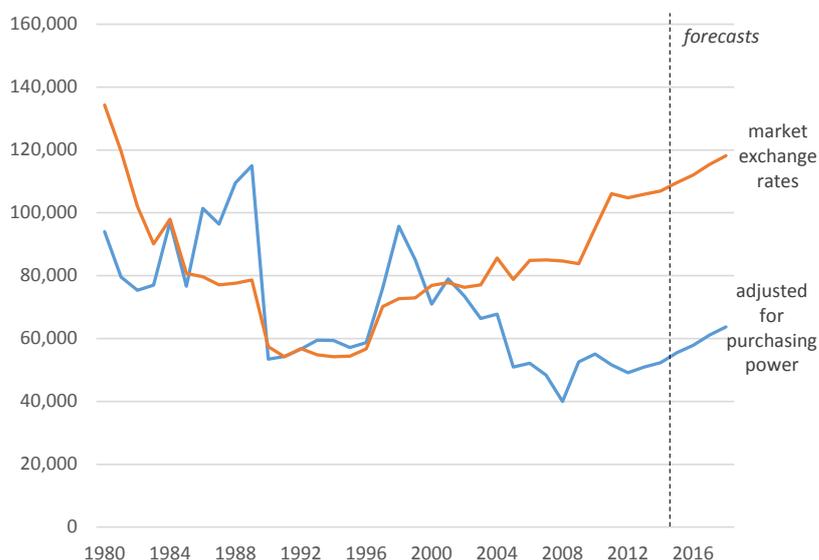
Living standards

Measured by GDP per capita (including migrant workers), Qatar has the second-highest living standards in the world (behind Luxembourg); adjusting for differences in purchasing power, it has the highest. Inflation, together with rapid population growth driven by migrant labour, have made the improvement in average living standards *over time and including the migrants* look far more modest, (see chart, right, in US\$). For native Qataris, though, who represent less than one fifth of the population and one tenth of the workforce, it is fair to say that the rise in income and wealth over recent decades has been dramatic.

Hydrocarbon (oil and gas) sector

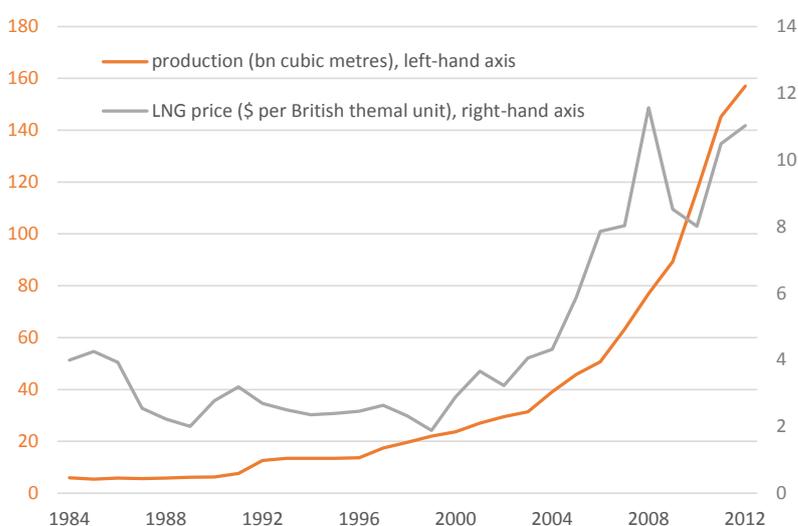
Qatar's world-beating economic growth (the economy doubled in size between 1991 and 2001 and then more than trebled between 2001 and 2011) has been due in large part to the development of its hydrocarbon sector. This has driven output growth directly and indirectly,

Qatar - inflation-adjusted GDP per capita
1980-2012 and forecasts to 2018



Source: IMF World Economic Outlook [database](#) (Oct 2013)

Gas - production in Qatar and market price
1984-2012



Source: BP [Statistical review of world energy 2013](#)

¹⁴ HC Deb

¹⁵ Unless stated, all statistics in this section are from IMF [Qatar Article IV consultation – staff report](#) (Jan 2013) and IMF World Economic Outlook database (Oct 2013)

with revenues from the sector funding large-scale infrastructure investment. Its present situation as the third-largest producer of natural gas and the largest exporter of liquefied natural gas is the result of a 20-year invest programme focussed on the commercialisation of Qatari natural resources. The continued growth in hydrocarbon output, combined with high market prices (see chart) enabled the country to post high growth rates during the late 2000s, despite the financial crisis (average annual growth was 15.5% during 2007-11).

Selected issues

Infrastructure and diversification

With the 20-year programme complete, and with hydrocarbon output accounting for two-fifths of GDP, the state has placed a moratorium on new hydrocarbon projects until 2015 and has shifted its focus to economic diversification and growth in other sectors through a vast programme of infrastructure investment. Over 2012-17, \$110bn is expected to be spent by the state, \$50bn by the wholly state-owned Qatar Petroleum, and a further \$100bn by other public enterprises and the private sector. With oil and gas output levelling off, more modest growth is expected over the coming years, driven by this investment programme.

In financing the investment spending, however, the state will remain dependent on hydrocarbon revenues; the IMF estimates the oil price required for Qatar to at least break even fiscally will rise from \$40 to \$78 by 2017. Its \$114bn sovereign wealth fund and substantial central bank reserves provide a large cushion should prices fall short of this, albeit one whose use might come at the cost of intergenerational equity.

Small business sector

The small business sector in Qatar is relatively underdeveloped, and one aim of the 2030 National Vision, Qatar's long-term development plan, is to remove constraints in the development of SMEs. Currently, they account for less than 20% of employment (in the UK they account for over 45%).¹⁶ Commercial banks are generally reluctant to lend to SMEs due to the small size of the market, high set-up costs, and the absence of a legal structure for quick arbitration.

Labour force and labour rights

Qatar's rapid economic growth has been fuelled by migrant labour. It has the highest ratio of non-citizens to citizens in the world. Of the 10% of the workforce that are native Qatari, the majority are employed in the public sector, while 99% of the private sector workforce are foreigners. Most foreign workers are from India, Pakistan, Sri Lanka, the Philippines, Nepal and Bangladesh, and are employed in comparatively low-pay occupations. As in other Gulf states, concerns have been raised about their position by a number of human rights organisations, including Amnesty International and Human Rights Watch.¹⁷ Mistreatment and exploitation by employers are said to be widespread. At the root of this problem, it is argued, is the sponsorship system, whereby workers come to Qatar through the sponsorship of their employer, with their residency subject to their employment contract, and exit visas granted only at the initiative of their sponsor.

Qatar's migrant workforce sent back large volumes of remittances to their home countries which, it is argued, support living standards and contribute to economic development there.

¹⁶ ONS *UK Business Activity, Size and Location, 2013*

¹⁷ See, for instance, Human Rights Watch *World Report 2013: Qatar*

The country accounts for around 3% of global outward remittances, totalling over \$60bn between 2006 and 2012, with over half going to Asia (excluding the Arab region).¹⁸

6 UK and Qatar

Middle East Minister Alistair Burt set out the basic objectives of the UK's policy towards Qatar earlier this year:

Nicholas Soames: To ask the Secretary of State for Foreign and Commonwealth Affairs what the aims and objectives are of Government policy towards Qatar. [149082]

Alistair Burt: Qatar is an important regional ally for the UK. We enjoy a relationship based on common interests in many areas, including trade and investment, education, culture, defence, and security. Our aim is to strengthen our engagement in these areas and support the Government's foreign policy objectives of security, prosperity, and support for UK nationals overseas. Qatar's close relationship with the UK is reflected in its multiple investments here. I and my ministerial colleagues visit Qatar, or meet with senior Qatari visitors to the UK on a regular basis.¹⁹

The British Ambassador to Qatar is Nicholas Hopton, appointed July 2013.²⁰

¹⁸ World Bank [remittances statistics](#)

¹⁹ [HC Deb 22 March 2013, c874W](#)

²⁰ ['Change of Her Majesty's Ambassador to Qatar'](#), Foreign and Commonwealth Office Press release, 30 July 2013