

# The More it's Centralized, the More it's Divided: A Historical-Institutionalist Reading of Qatar's Foreign Aid Landscape

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*Aid fragmentation is one of the recurrent features of development studies. In this contribution I try to understand why a small, cohesive state like Qatar, has produced so many different aid actors. Conventional views of Qatar's donorship – the 'branding' and 'emerging donors' scholarship – examine Qatar's behaviour in multilateral arenas and recipient countries before drawing conclusions as to the nature of Qatar as an international donor. Both accounts assume an autonomous, concerted and empowered leadership in the small autocratic peninsula. This contribution questions this assumption. It provides an alternative domestic explanation based on a dynamic historical-institutionalist reading of Qatar's aid bureaucracy. It argues that the increasing concentration of power in Qatar in the hands of the ruling family has not precluded the fragmentation of the aid landscape and the proliferation of aid actors. As the Qatari rentier state has developed, it has become increasingly difficult for the leadership to reengineer an increasingly heavier bureaucracy. Parallel initiatives and 'turf wars' for control over the aid portfolio lead to duplications, incomplete reforms and ultimately, to the enduring coexistence of different organizations and aid cultures within the petro-monarchy.<sup>1</sup>*

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## **Introduction: 'the new kid in the block'**

Qatar is one of the smallest and most generous states in the world. Upon arriving in Doha in January 2016, I knew about some of its recent, rich and complex history as an

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aid donor. Evidently, the Islamic notions of *zakat*,<sup>2</sup> *sadaqat*,<sup>3</sup> or *waqf*<sup>4</sup> were not wholly lost on me. Neither was Qatar's success story: once one of the poorest regions on the globe, it had become one of most generous and visible 'emerging donors'<sup>5</sup> - the 'new kid in the block.'<sup>6</sup> Its aid spanned various continents. An Arab donor, it engaged mainly through regional organizations like the Islamic Development Bank, and disbursed aid mainly within its region - to Syria, Morocco, Palestine, Egypt and Yemen.<sup>7</sup> Yet Qatar was increasingly surprising the aid community by spear-heading aid initiatives towards developed, Western countries, such as with the Qatar Friendship Fund-Japan, to support relief efforts after the 2011 tsunami and earthquake in Japan, or the 2005 Qatari Katrina Fund, to support victims of the hurricane in the United States.

Qatar foreign aid was also charismatically represented by royal personalities such as Sheikha Moza, who had most strikingly taken special leadership in the promotion of education throughout the world.<sup>8</sup> I also became aware of the importance of foreign aid in Qatar's foreign policy. Emblematically, a few days after my arrival, the Ministry of Foreign Affairs' Assistant for International Cooperation became the new Foreign Minister.<sup>9</sup>

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<sup>2</sup> *Zakat* is one of the five pillars of Islam. 'An act of social solidarity and an affirmation of faith', it is considered a compulsory contribution to the poor (Jonathan Benthall and Jerome Bellion-Jourdan, *Charitable Crescent: Politics of Aid in the Muslim World* (I.B.Tauris, 2003, 26)). In practice this is never automatic; the categories of *zakat*-eligible recipients, or the way to calculate *zakat* are relatively contingent. For a historical perspective on *zakat*, see Benthall and Bellion-Jourdan 2003, *first chapter*.

<sup>3</sup> As opposed to the compulsory nature of *zakat*, a voluntary redistribution to the poor.

<sup>4</sup> Religious endowments in Islam: the dedication of material resources (mostly infrastructure) for charitable means. A private initiative progressively taken over by central administrations of the state as of the rule of Sultan Mahmud II (1808-1839) William L. Cleveland and Martin Bunton, *A History of the Modern Middle East, 5th Edition*, 5th edition (Boulder, CO: Westview Press, 2012, 73).

<sup>5</sup> Randeep Ramesh, 'Charitable Giving by Country: Who Is the Most Generous?' *The Guardian*, September 8, 2010, accessed March 3, 2017, <http://www.theguardian.com/news/datablog/2010/sep/08/charitable-giving-country>.

<sup>6</sup> Western donors were not always so keen on discussing aid with Gulf donors. Until the recent financial crisis, Western donors showed little interest in Gulf states' aid programs. Observers of the note the feeling of embarrassment described by a former Development Assistance Committee Chair when observing that members' representatives 'had little knowledge of Arab aid programmes', and were 'not in position to put precise questions to the Arabs', at the meetings, causing disappointment on the part of Arab participants. Embarrassment went crescendo when Western representatives decided not to show up at all to these meetings. Peter Carroll and William Hynes, 'Engaging with Arab aid donors: the DAC experience', *IIIS Discussion Paper 424*, April 2013, [www.tcd.ie/iiis/documents/discussion/pdfs/iiisd424.pdf](http://www.tcd.ie/iiis/documents/discussion/pdfs/iiisd424.pdf), 12'.

<sup>7</sup> 'Qatar Becomes Participant in the OECD Development Assistance Committee (DAC) - OECD', accessed October 5, 2016, <http://www.oecd.org/dac/dac-global-relations/qatar-participant-dac.htm>.

<sup>8</sup> Sean Coughlan, 'Sheikha Moza: The Power behind Qatar's Global Lessons', *BBC News*, accessed February 15, 2016, <http://www.bbc.com/news/business-29997174>.

<sup>9</sup> This nomination might be introducing an informal yet enduring practice: the former Minister for Foreign Affairs, now Minister for Defense, was himself Assistant for International Cooperation beforehand. As reminded by an advisor to the Government of Qatar, the Ministry of Foreign Affairs ranks 4th in order of importance in the ministerial hierarchy. Advisor, Qatar Development Fund. Interview by author. Doha, February 17, 2016.

Less visible at first sight, and striking to me, was the fragmentation of the Qatari aid landscape. Though Qatar's aid actors emerged for the most part in the 2000's,<sup>10</sup> it had as many, if not more, entities dealing with foreign aid than in the neighbouring, older aid champion, Kuwait<sup>11</sup> It also had more state-sponsored philanthropies operating internationally than the United Arab Emirates – though the latter's population exceeds that of Qatar threefold.<sup>12</sup> Striking was the fact that different sources in Qatar did not even seem to agree on the number of Qatari aid organizations operating internationally<sup>13</sup>: were they nine<sup>14</sup> or fourteen?<sup>15</sup>

At any rate, the different Qatari charities seemed to be working in parallel, sometimes fulfilling very similar tasks. This surely ran counter to international organizations' recommended practice of limiting aid fragmentation and avoiding duplications. Some of my interlocutors recognized that working with the Qatari donor was 'honestly a nightmare' difficult because 'it is impossible to know...if all these partners will still exist or not in the near future!' <sup>16</sup> More strikingly, fragmentation ran counter to the Emir's 2002 policy establishing the Qatar Development Fund, a government entity meant to centralize and strategically deploy Qatar's foreign aid. In 2016, the Qatar Development Fund was still being structured and various aid organizations continued

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<sup>10</sup> Abdul Fatah S. Mohamed, 'The Qatar Authority for Charitable Activities (QACA) from Commencement to Dissolution (2005-2009)', in *Gulf Charities and Islamic Philanthropy in the Age of Terror and Beyond*, ed. Jonathan Benthall et al. (Gerlach Press, 2014)

<sup>11</sup> The Kuwaiti government records 9 Kuwait-based charities, while these are at least 14 in Qatar: 'Charity In Kuwait', accessed January 7, 2017, <https://www.e.gov.kw/sites/kgoenglish/Pages/CitizensResidents/IslamicServices/InfoCharity.aspx>.

<sup>12</sup> This is based on a comparison between the number of charities operating on behalf of the UAE and Qatar. I reproduced the selection criteria set by Ridge and Kippels (2016). They find 11 state-sponsored philanthropies in the UAE, of which three only have international activities (Dubai Cares, the Mohamed Bin Zayed Species Conservation Fund and the Abu Dhabi Fund for Development. The recent UAE Water Foundation must be added to this list. Applying the same criteria to Qatari aid, I identify 6 organizations: the Sheikh Thani Bin Abdullah Foundation for Humanitarian Services (RAF Foundation), Sheikh Eid Bin Mohamed al-Thani Charitable Foundation, Qatar Foundation, Qatar Development Fund, Qatar Friendship Fund and Qatar Katrina Fund - Natasha Ridge and Susan Kippels, "What is the Status of State-funded Philanthropy in the United Arab Emirates?", *Sheikh Saud bin Saqr Al Qasimi Foundation for Policy Research, Policy Paper no. 15*, 2016, 4.

15, 2016, 4). I find, in Qatar, 9 such state-sponsored philanthropies.

<sup>13</sup> By Qatari aid organizations dealing with foreign aid I imply that activities must take place abroad. This excludes organizations that are pursuing only domestic-oriented activities in Qatar, such as the Qatar Society for the Rehabilitation of Special Needs for instance. Moreover, the line between the public and private is very thin in Qatar. As such, save for those who volunteer for charitable organizations, I would consider, as Khaled Al Mezaini does in the case of the UAE, that what observers call 'nongovernmental actors' are in fact more alike to para-public, parastatal actors, also known as Government Non-Governmental Organizations. See Khalid S. Almezaini, *The UAE and Foreign Policy: Foreign Aid, Identities and Interests* (Milton Park, Abingdon, Oxon; New York: Routledge, 2011), 127.

<sup>14</sup> Homi Kharas, 'Trends and Issues in Qatari Foreign Aid', *Silatech Working Paper*, 2015, <http://www.silatech.com/docs/defaultsource/publications-documents/trends-and-issues-in-qatari-foreign-aid-en.pdf?sfvrsn=8>.

<sup>15</sup> 'Increase and develop awareness of charity work within the community', Regulatory Authority for Charitable Activities, 2016.

<sup>16</sup> Official, UNESCO. Interview by author. Doha, February 25, 2016.

to register with the Ministry of Labour and Social Affairs. Last but not least, there was also great variation in the line of work and the aid model of the different organizations I observed – from traditional Islamic charities to professionalized and ‘Westernized’ Qatar Foundation affiliates. This eclectic ensemble was quite puzzling given how uniquely cohesive Qatari society is, even by Gulf standards.<sup>17</sup>

In short, if previous contributions usually depict Qatar as an Arab donor<sup>18</sup> opening to the West, the unnatural fragmentation of Qatar’s domestic aid landscape, despite Qatari social cohesiveness and the clear streamlining policy dictated by its autocratic rulers, remains to be explained.

### **Fragmentation’s three faces**

Fragmentation is one of foreign aid’s old hats, referring to the dispersion of aid, and is measured from donors’ and recipients’ perspectives. The latter viewpoint examines the number of donors, sectors and projects implemented in recipient countries, and the extent to which recipient country administrations are able to cope with different aid flows. From a donor’s perspective, fragmentation occurs through *donor proliferation*, measured in the number of sectors or countries where the donor is disbursing aid. Donor proliferation is considered as hindering aid efficiency, because it is assumed that the more dispersed the aid the donor provides is, the less likely the donor will act efficiently.<sup>19</sup> Yet fragmentation experts seem to overlook one related aspect of donor proliferation: donor proliferation within the state. If a donor works in one country with five, ten, or twenty different national organizations, or in one sector with five, ten, or twenty organizations, it also participates in donor proliferation.<sup>20</sup>

In international fora, there is strong impetus towards enhancing aid cohesion for greater effectiveness. Particularly targeted by these policy recommendations are emerging donors, like Qatar. Numerous accounts have contrasted Qatari and Arab donor aid standards with those of leading bilateral and multilateral donors. They tend to be critical and are epitomized in the opinion formulated in 1984 by an official of the Organization for Economic Co-operation and Development, for whom ‘either Arab aid agencies do not know themselves how much finance they provide or (...) their monitoring agencies are incompetent.’<sup>21</sup>

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<sup>17</sup> David Roberts, ‘Qatar and the Muslim Brotherhood: Pragmatism or Preference?’ *Middle East Policy* 21, no. 3 (2014): 84–94.

<sup>18</sup> Ahmed Kanna, *Dubai, the City as Corporation* (Minneapolis: University of Minnesota Press, 2011), 144.

<sup>19</sup> Urs Bürcky, ‘Trends in In-country Aid Fragmentation and Donor Proliferation An Analysis of Changes in Aid Allocation Patterns between 2005 and 2009’, *Report on behalf of the OECD Task Team on Division of Labour and Complementarity*, 2011.

<sup>20</sup> This of course also has negative consequences from the viewpoint of the recipient country, which I leave aside in this contribution.

<sup>21</sup> Carroll and Hynes, *op. cit.*, 10

In Qatar, fragmentation comes under three different forms.

### ***Legal exemption***

Aid organizations in Qatar do not work under a singular legal structure. Most organizations fall under state regulations: they are subject to oversight from Qatar's Regulatory Authority for Charitable Affairs. Others, like the Qatar Foundation and its aid affiliates (Reach Out To Asia, Silatech and Education Above All) enjoy a special legal status.<sup>22</sup> Being set up by a royal family member, they 'resort to special Emiri decrees to ensure [their] independence' as well as 'the international nature of [their] operations.'<sup>23</sup> They can act without oversight beyond that of their *alta mater*.<sup>24</sup>

### ***The financial dimension***

Lack of transparent data cannot obscure the enormous differences in wealth amongst different organizations. Four organizations dominate the scene and capture most of government funding (Qatar Charity, Qatar Red Crescent, Foundation Sheikh Thani bin Abdullah Foundation for Humanitarian Services, and Sheikh Eid Foundation). One expert differentiated Reach Out To Asia from Education Above All, as 'comparing a giant and a dwarf.'<sup>25</sup>

### ***The policy dimension***

In Qatar a wide spectrum of 'aid cultures'<sup>26</sup> exists. Schematically, we can identify two generations of aid organizations in Qatar between 1978 and 2016. Most first-generation Islamic charities in Qatar adopted a 'sacralised conception of aid.' Qatar Charity, established as early as 1978, or other foundations built on the Islamic concept of the *waqf*, such as the Eid Foundation embody this trend. Newer entities, while not secular, have a more professional and specialized approach to aid. Qatar Foundation's Education Above All for instance, claims more than a billion beneficiaries and works exclusively on education enrolment – a focus one of its employees considers remarkable within the Qatari aid landscape.<sup>27</sup> The rules that these aid organizations follow (degree of compliance with *sharia law*), their objectives, the way they conceptualize their aid work (charity or long-term programming),

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<sup>22</sup> Advisor, Education Above All, Qatar Foundation. Interview by author. Doha, February 24, 2016.

<sup>23</sup> Khalaf, 'The State of Qatar,' 160.

<sup>24</sup> Mohamed, 'The Qatar Authority for Charitable Activities,' 263.

<sup>25</sup> Advisor, Education Above All, Qatar Foundation. Interview by author. Doha, February 24, 2016.

<sup>26</sup> Marie Juul Petersen, 'Sacralized or Secularized Aid? Positioning Gulf-based Muslim Charities,' in *Gulf Charities and Islamic Philanthropy in the Age of Terror and Beyond*, ed. Jonathan Benthall et al. (Gerlach Press, 2014), 26.

<sup>27</sup> Advisor, Education Above All, Qatar Foundation. Interview by author. Doha, February 24, 2016.

vary significantly (see Table 1). The two generations share little, if any, information amongst themselves and with international organizations.<sup>28</sup> If punctual activities are organized horizontally (such as the partnership between Qatar Foundation’s Silatech and one of the ‘first-generation’ Qatar Charity),<sup>29</sup> this is rather the exception than the rule. For instance, while the different organizations working under Qatar Foundation’s umbrella share information internally, in a bid for more complementarity, information often is not diffused outside of the foundation. Thus international organization representatives in Qatar claim to have little knowledge of what Qatar Foundation is doing.<sup>30</sup>

**Table 1: Aid-related organizations in Qatar** <sup>31</sup>

<i>Type of organisation</i>	Operating Civil Society Organizations	Grant-making foundations	Charitable CSOs	Corporate philanthropy
<i>Example of organisation</i>	Qatar Foundation	Sheikh Eid Foundation	Qatar Charity; Qatar Red Crescent	Qatar Telecom
<i>Characteristics</i>	Richest, most professionally managed and most visible abroad	Based on the model of the <i>waqf</i> and originally designed for domestic needs	Are involved both domestically and internationally	Often give to already existing foundations

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<sup>28</sup> Steffen Hertog, *Princes, Brokers, and Bureaucrats: Oil and the State in Saudi Arabia* (Ithaca, NY: Cornell University Library, 2010).

<sup>29</sup> ‘Silatech, Qatar Charity Partner to Support Youth Development,’ accessed January 6, 2017, <http://www.silatech.com/en/mediacenter/news-details/2013/09/05/silatech-qatar-charity-partner-to-support-youth-development>.

<sup>30</sup> Official, UNESCO. Interview by author. Doha, February 25, 2016.

<sup>31</sup> Mahi Khalaf, ‘The State of Qatar,’ in *From Charity to Social Change: Trends in Arab Philanthropy*, ed. Ibrahim et al. (American Univ in Cairo Press, 2008), 160.



## Literature review

Despite the extensive literature dedicated to the foreign aid of Arab Gulf states,<sup>32</sup> scholars have only paid lip-service to the domestic formulation of these aid programs.<sup>33</sup> On the one hand, area-specialists have characterized Qatar's newsworthy activities in aid (or sports, or culture, etc.) as national 'branding.'<sup>34</sup> Branding, a subset of the small states literature, explores small states' repertoire when building alliances. Branding scholars show that by establishing a credible reputation in the production of a specific common good – environment, culture, humanitarianism – small states reach an international audience, resist the soft power of overbearing neighbours,<sup>35</sup> assert their credibility as independent sheikhdoms,<sup>36</sup> and ultimately, co-opt allies.<sup>37</sup> In a 'branding approach', therefore, Qatar has little interest in the nitty-gritty aspects of donor proliferation and international cooperation. Importantly, however, branding scholars assume that states engaged in such strategies are characterized, unlike the 'bloated and ossified bureaucratic structures of Cairo and Riyadh', by a narrow circle of highly autonomous decision-makers<sup>38</sup> and the capacity to personalize their projects.<sup>39</sup> In other words, the rulers rule and shape their foreign policy accordingly.

On the other hand, more lenient observers of the emerging donors strand of literature,<sup>40</sup> fuelled by the literature on the socializing dimension of international organizations,<sup>41</sup> consider Qatar's aid to be moving in the right direction. Has a leading aid

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<sup>32</sup> Al Mezaini; 2010; Neumayer, 2003; Villanger 2007; Barakat and Zyck, 2010; Tok 2015; Lestra and Tok forthcoming).

<sup>33</sup> On domestic accounts of Qatar's foreign aid landscape and other Gulf donors, see Khali Al Mezaini's forthcoming book: *Politics of Aid: Foreign Aid Programs of the Arab Gulf State*.

<sup>34</sup> J. E. Peterson, 'Qatar and the World: Branding for a Micro-State,' *Middle East Journal* 60, no. 4 (October 1, 2006): 732–48.

<sup>35</sup> Alexandre Kazerouni, 'Musées et soft power dans le Golfe persique,' *Pouvoirs* 152, no. 1 (December 2, 2014): 87–97.

<sup>36</sup> John Duke Anthony and Markaz al-Imārāt lil-Dirāsāt wa-al-Buhūth al-Istirātijyah, *The United Arab Emirates: Dynamics of State Formation* (Abu Dhabi, U.A.E.: Emirates Center for Strategic Studies and Research, 2002); James M. Dorsey, 'The 2022 World Cup: A Potential Monkey Wrench for Change,' *The International Journal of the History of Sport* 31, no. 14 (September 22, 2014): 1739–54; Allen James Fromherz, *Qatar: A Modern History* (Washington: Georgetown University Press, 2012).

<sup>37</sup> Investing in some global good is one pathway. The two others are according to Peterson, accommodating powerful neighbours and having a powerful protector. Peterson, in Kristian Coates Ulrichsen, *Qatar and the Arab Spring* (Oxford; New York: C Hurst & Co, 2014), 41.

<sup>38</sup> Peterson, in *ibid.*, 40; Mari Luomi, *The Gulf Monarchies and Climate Change: Abu Dhabi and Qatar in an Era of Natural Unsustainability* (Oxford University Press, 2014), 25, <http://www.oxfordscholarship.com.ezproxy.eui.eu/view/10.1093/acprof:oso/9780199387526.001.0001/acprof-9780199387526>.

<sup>39</sup> Kristian Coates Ulrichsen, *The Gulf States in International Political Economy* (Palgrave Macmillan UK, 2015), 76–77.

<sup>40</sup> Homi Kharas, 'Trends and Issues in Qatari Foreign Aid'; M. Evren Tok, 'Gulf Donors and the 2030 Agenda: Towards a Khaleeji Mode of Development Cooperation,' November 1, 2015, <http://collections.unu.edu/view/UNU:3322>.

<sup>41</sup> Alastair Iain Johnston, 'Treating International Institutions as Social Environments,' *International Studies Quarterly* 45, no. 4 (2001): 487–515.

organization – the OECD – not welcomed in April 2016 Qatar as a participant in its aid organ, the Development Assistance Committee? <sup>42</sup> These scholars are joined by forward-looking policy-makers. ‘After the expansion phase there is the phase of rationalization’ a foreign aid official in Doha explained to me, <sup>43</sup> echoing the observation of an aid expert: ‘there is learning pattern amongst Gulf states that also pushes for fragmentation. Indeed, individuals are more and more aware, savvy and competent to reform existing organizations; henceforth, they are able to develop new organizations that are more up to standards.’ <sup>44</sup>

Both of these views have strong limitations. The ‘branding-emerging donor’ nexus efficiently underlines donor proliferation’s roots in Qatar’s hydrocarbon wealth in the past decade; as well as the capacity of the leadership to mobilize in a very short span of time resources for specific projects, regardless of domestic or international constraints. Branding advocates, however, tend to misrepresent wealthy petro-monarchies as states that ‘throw money at problems.’ <sup>45</sup> This claim overlooks the great self-understanding in Qatar, as in other small states, of the limited availability of human resources that cannot be diluted into short-term, dispersed initiatives. The emirate has strongly advocated since 2011, at the level of the regional Gulf Cooperation Council, for the creation of a Gulf Development Fund to ease the burden of its limited human resources. <sup>46</sup> Nor can ‘branding’ explain why aid organizations continue to mushroom in Qatar regardless of attempts by the leadership itself to streamline Qatari aid, since the 2002 Emiri Decree for the establishment of Qatar Development Fund. Either leaders show little care for the state’s reputation among international organizations – disregarding reputational gains – and contradicting branding. This is the position of numerous scholars that have criticized the politicization of aid in the Gulf, again during the recent Arab spring <sup>47</sup> and of failing to abide by transparency and accountability standards of the international development community. <sup>48</sup> Rather, as will be argued, Qatar’s leadership is indeed concerned with reputational gains, but does not act in the autonomous way branding scholars deem characteristic of small autocratic states.

Other accounts have with reason pointed to the country’s positive learning curve. In this view, ‘branding’ is a transitional phase in Qatar’s development, rather than

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<sup>42</sup> ‘Qatar Becomes Participant in the OECD Development Assistance Committee (DAC) - OECD’

<sup>43</sup> Advisor, Qatar Development Fund. Interview by author. Doha, February 17, 2016.

<sup>44</sup> Aid expert, School of Foreign Service-Georgetown University. Interview Doha, February 4, 2016.

<sup>45</sup> Luomi, *The Gulf Monarchies and Climate Change*.

<sup>46</sup> Official, Gulf Cooperation Council. Interview by author. Doha, February 11, 2016.

<sup>47</sup> Régis Soubrouillard, ‘Quand le Qatar achetait la France,’ *Outre-Terre* n° 33-34, no. 3 (December 1, 2012): 517–21; Keith Johnson, ‘Royals Flush?’, *Foreign Policy*, October 28, 2014, [http://www.foreignpolicy.com/articles/2014/10/28/royals\\_flush\\_oil\\_prices\\_saudis\\_UAE\\_egypt\\_jordan?utm\\_source=Sailthru&utm\\_medium=email&utm\\_term=Flashpoints&utm\\_campaign=2014\\_FlashPoints10%2F28RS](http://www.foreignpolicy.com/articles/2014/10/28/royals_flush_oil_prices_saudis_UAE_egypt_jordan?utm_source=Sailthru&utm_medium=email&utm_term=Flashpoints&utm_campaign=2014_FlashPoints10%2F28RS).

<sup>48</sup> Espen Villanger, ‘Arab Foreign Aid: Disbursement Patterns, Aid Policies and Motives,’ *Forum for Development Studies* 34, no.2 (2007): 223–256.



a permanent characteristic of its foreign policy. This is a valuable reminder of an often overlooked fact: Qatar, in spite of its wealth, is a 'state in the making.'<sup>49</sup> Where these indulgent accounts are mistaken is to think of Qatar as of any other emerging donor. Several indicators point to the specificity of donor proliferation in Qatar.

A youthful donor like Qatar, the United Arab Emirates have developed in 2008 and in 2013 a more consolidated and centralized aid strategy under the (then) Ministry of International Cooperation and Development.<sup>50</sup> Other emerging donors are also moving towards more centralization, albeit with bureaucratic hiccups. For instance, an incomparably bigger bureaucracy, India, has managed to give the lead to its Ministry of External Affairs in defining and disbursing aid programs.<sup>51</sup> Notwithstanding international comparisons, donor proliferation in Qatar seems *enduring* rather than *temporary*. As the manager of a major Qatar charity indicated to me, there was no sign that duplications between the major Qatari providers of aid - Qatar Charity, the Foundation Sheikh Thani bin Abdullah Foundation for Humanitarian Services, and the Sheikh Eid Foundation, were to cease!<sup>52</sup> These facts cast doubt on the learning curve as a full-fledged explanation for this persistent proliferation.

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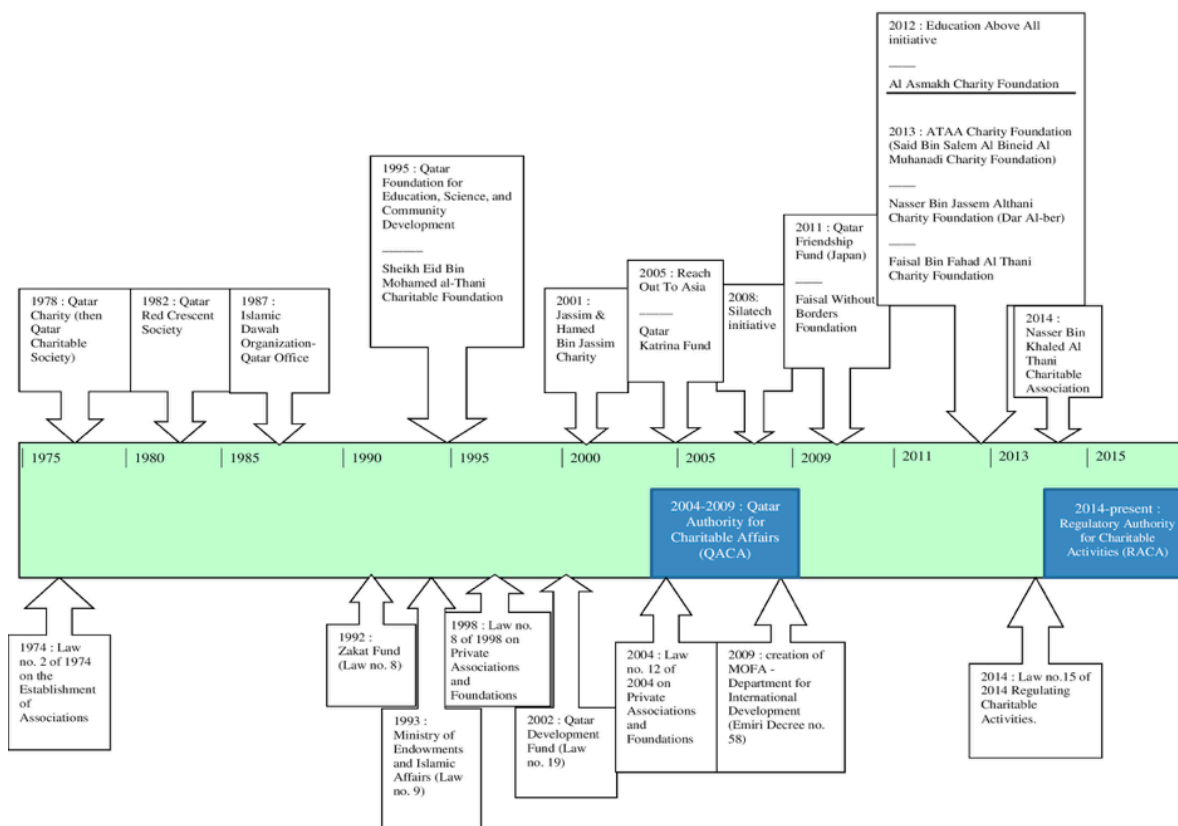
<sup>49</sup> Fromherz, *Qatar: A Modern History*.

<sup>50</sup> These functions have been further centralized with the incorporation of these tasks within a newly defined UAE Ministry of Foreign Affairs and International Cooperation in 2016.

<sup>51</sup> Subhash Agrawal, 'Emerging Donors in International Development Assistance: The India Case', *IDRC-CRDI*, 2007, <https://www.idrc.ca/sites/default/files/sp/Documents%20EN/Case-of-India.pdf>, 5.

<sup>52</sup> Ali Bin Abdullah Al Suwaidi, Director General, Sheikh Eid Bin Mohamed al-Thani Charitable Foundation. Interview by author. Doha, February 21, 2016.

## Qatar aid landscape 1974-2016 (compiled by author, various sources)



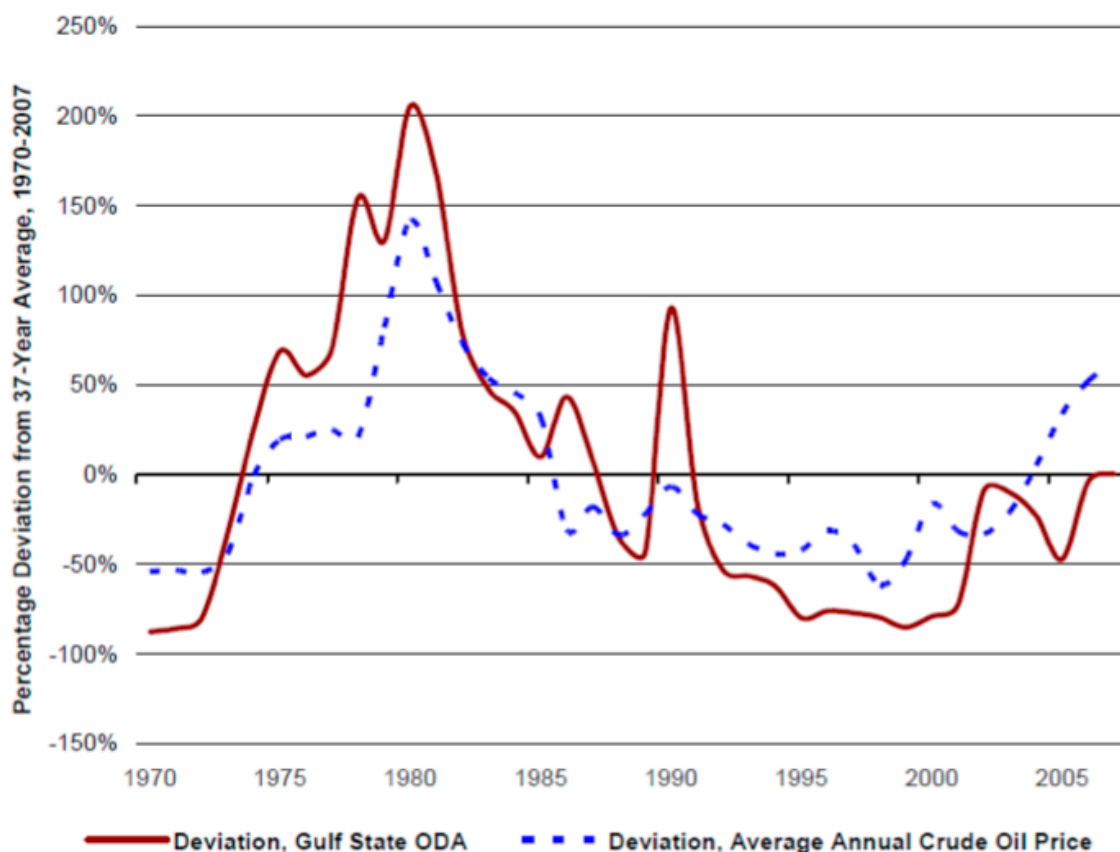
### Theoretical argument: how the growing rentier state leads to donor proliferation in Qatar

Hydrocarbons have made many things possible in Qatar. Thanks to hydrocarbons and an early commitment to charitable affairs,<sup>53</sup> Qatar has become a sizeable donor, following the lead of Saudi Arabia, Kuwait and the UAE. According to the OECD (2016), Qatar's reported Official Development Assistance has nearly doubled between 2011 to 2013, from 734 million to 1.3 billion USD.

Numerous contributions have elaborated on the role of rent in foreign policy, including aid. Barakat and Zyck in particular (2013) have shown how closely correlated oil prices and the disbursements of aid are in the Gulf (see graph).

<sup>53</sup> Gerd Nonneman, *Development, Administration and Aid in the Middle East* (London; New York: Routledge, 1988).

Deviation of Gulf state Official Development Assistance and crude oil price from 39-year average (1970-2008) <sup>54</sup>



Rent and aid are not however only linked in quantitative terms. Rentier lenses sometimes act as blinders: they focus on the *amounts* of aid. But a rentier economy also has bureaucratic characteristics that affect the way foreign aid is mobilized and disbursed. A rentier dynamic enables the proliferation of autonomous and enduring actors. Rent has enabled various Qatari aid actors to emerge, to proliferate, but also to fossilize, impervious to the rationalization of the aid landscape initiated by the country's leadership (see Section 1).

To identify this process, I apply Steffen Hertog's dynamic historical-institutionalist reading of the rentier state. In *Princes, Brokers and Bureaucrats* (2010), Hertog explains why the bureaucratic apparel of Saudi Arabia develops at different

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<sup>54</sup> Sultan Barakat and Steven A. Zyck, 'Gulf State Assistance to Conflict-Affected Environments,' Monograph, July 2010, <http://www.lse.ac.uk/IDEAS/programmes/kuwait/home.aspx>, 318.

speeds, why decrepit and top-notch departments coexist within the Saudi administration. He argues that the more the rentier state co-opts society through the rentier contract - notably by providing stable, well-paid public jobs - the heavier and reform-averse the bureaucracy becomes. As the state bureaucracy grows, the harder it becomes to 're-engineer' it. The *path dependency* generated by the emergence and consolidation of the rentier state becomes an obstacle to reform.

How do reforms fail according to Hertog? In short, pressure to reform dysfunctional services is blocked at the mid-level as (1) low-tier bureaucrats are de facto protected by their patrons (usually eminent members of the ruling family or close relations). Put simply, you cannot fire a local. (2) Reforms are also blocked by the very vertical nature of autocratic decision-making, which impedes the circulation of information and the swiftness of decision-making.<sup>55</sup> Every minor decision takes time because 'it has to be validated at the very top.'<sup>56</sup>

Fragmentation - or donor proliferation - is thus paradoxically a result of power centralization in the hands of a few. Reform is not a lost cause, but is often partial (see Section 2). Just as the concentration of power in few hands enables some organizations to resist reform, it also empowers more entrepreneurial patrons. Change may take place through (1) the pressure of central government, when it reassigns jurisdictions. Just as segmentation blocks through-and-out reforms, it deters the emergence of administrative coalitions promoting the status quo and facilitates the swift implementation of partial reforms. Reform may also result from (2) outside pressure applied by powerful allies and/or international organizations. Successful reforms are therefore more likely when the interests of the international organization and of rulers are aligned in favour of reforming the rentier bureaucracy (see Section 3).<sup>57</sup>

At the end of the day, those who decide to reform and those who decide to linger on to their bureaucratic fiefdoms, increasingly segment the bureaucracy. In the aid landscape, this allows for the indifferent coexistence of different, and often redundant, organizations.<sup>58</sup>

This contribution applies Hertog's framework to a more unlikely case than his Saudi experience. Indeed, it examines foreign aid as (1) a sub-category of foreign policy. Foreign policy is an issue-area in which executive control is presumed to be stronger than in any other domains (par the competences of the central bank and the ministry of interior) and hence fragmentation less likely to be found. Qatar is also a crucial case (2) because its bureaucracy being much smaller than Saudi Arabia's, it is presumably easier to reform. This essay thus tests whether Hertog's predictions hold in a smaller arena on a sensitive issue-area.

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<sup>55</sup> Hertog, *Princes, Brokers, and Bureaucrats*.

<sup>56</sup> Official, Delegation of the European Union to the United Arab Emirates. Interview by author. Abu Dhabi, October 29, 2015.

<sup>57</sup> Hertog, *Princes, Brokers, and Bureaucrats*, 32.

<sup>58</sup> *Ibid.*, 30.

## Methodology

Central to the historical-institutionalist angle I adopt in this essay is the notion of *path dependency*. In order to understand how things work and fail today in Qatar's foreign aid landscape, one must pay close attention to its inherited institutional aid designs and how these have been impacted by the development of the Qatari rentier state. How did the aid landscape emerge in Qatar? To what extent has it been reformed or left unchanged as the rentier bureaucracy has grown in Qatar?

In this essay, I provide the context of the emergence of aid actors in Qatar and how the growth of the rentier state in Qatar has enhanced donor proliferation (Section 1). I then build on these preliminary findings to show how state-led reform to centralize and rationalize the Qatari aid community, with the Qatar Development Fund, has had limited effects (Section 2). Last, I illustrate, how in line with the rentier logic, the aligned interests of Qatar's leadership and international demand in the tense context of the War on Terror, has had only limited impact on Qatar's foreign aid landscape (Section 3).

In this work, I trace the evolution of Qatar's aid landscape over time, and in particular from 2002 to 2016. I work with 35 elite interviews conducted in Qatar between January and February 2016 with all relevant policy-makers – ministries, charities, foundations, foreign diplomats, representatives of international organizations and academics; and at the OECD in December 2016. This corpus is also informed by 30 other interviews conducted in Abu Dhabi and Dubai in late 2015-early 2016. In addition, I use archival sources and secondary literature.

### Section 1: How donor proliferation developed in Qatar

Let us recall a well-known yet often dismissed fact about Qatar: it is a *developing state-in-the-making*. Aid pre-dates the Qatari state, and consequently, the Qatari *rentier* state.

Charity in Qatar was first charity *given* to Qatar by its neighbours before its independence. If Qatar experiences double-digit growth rates today and appears among the richest nations in the world,<sup>59</sup> it has nonetheless known bitter times. Historians have largely documented how the merchant economies of the Gulf in the early 20th century, based in great part on the pearling industry, were immensely affected in the 1940s by the Second World War's disruption of trade in the region and Japanese competition.<sup>60</sup> Situations of economic frailty were such that Qatar was then one of the poorest and famished places on the globe. Thus, before becoming a donor, Qatar was a recipient of aid embroiled in regional politics. Qatar was assisted by Kuwait in particular, whose first recorded aid was provided 'for the financing of teachers and construction of schools'

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<sup>59</sup> Raphael A. Espinoza, *The Macroeconomics of the Arab States of the Gulf*, First edition (Oxford: Oxford University Press, 2013), 18.

<sup>60</sup> Fromherz, *Qatar A Modern History*; Guillemette Crouzet, *Genèses Du Moyen-Orient: Le Golfe Persique À L'âge Des Impérialismes: Vers 1800-Vers 1914, Époques* (Ceyzérieu: Champ Vallon, 2015).

before 1953.<sup>61</sup> Regionalism continued to dominate after Qatar's independence and exploitation of hydrocarbon resources. Thus, despite the relative domestic leeway to engage in a 'branding' behaviour with global reach, Qatari state-sponsored aid institutions did not emerge after 1971. Rather, Qatari aid was shaped by and embedded in regional politics. Qatar participated, albeit discreetly, alongside other Gulf and Arab states, in establishing various aid-oriented organizations. In the course of three years (1974-1976) for instance, the Arab Bank for Economic Development in Africa, the Islamic Development Bank and the OPEC Fund for International Development flourished.<sup>62</sup> Needless to say that Saudi Arabia dominated – and dominates – these arenas. Second-gun Qatar was known to be 'invisible and quiet' and aligned with its bigger neighbours.<sup>63</sup> Qatar was essentially a financial contributor, rather than a full-fledged actor. In practice, the only state administration reinforced in this phase was Qatar's Ministry of Finance. As in most of its *khaleeji* counterparts, it was the designated interlocutor in these regional aid institutions.

Aid in Qatar also pre-dates the rentier state. There were already mentions of forms of *zakat* in Qatar under the rule of the Mehmet Ali Pasha in Egypt.<sup>64</sup> It may 'be traced to the time prior to the discovery of oil resources, when citizens banded together to provide much-needed social services on an ad hoc and reactive basis' and relied on 'tribal loyalties and individual acts of charity.'<sup>65</sup> Charity was organized as the individual or group-level. Qatari aid was not, albeit being inspired by religious principles, the monopoly of a clear-cut clergy as in neighbouring Saudi Arabia.<sup>66</sup> Indeed, no native and organized class of *ulama* existed in Qatar's early days<sup>67</sup> and Qatari leaders made sure that no organized foreign class of *ulama* would form in the midst of their nascent bureaucracy.<sup>68</sup> Without any organized form of aid within the clergy or social groups, it is no surprise that formalized aid in Qatar was a late-comer: most professional Qatari aid actors, such as the Qatar Foundation, were founded after 1996.<sup>69</sup> Conversely, the first-generation of formalized Qatari aid actors – such as Qatar Charity (1978) or the Qatar Red Crescent (1982), developed around local groups of notables.

If the initial presence of Qatar *as a state* in the field of foreign aid was not

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<sup>61</sup> Carroll and Hynes, 'Engaging', 4.

<sup>62</sup> *Ibid.*, 5.

<sup>63</sup> Luomi, *The Gulf Monarchies and Climate Change*, 202.

<sup>64</sup> J. G. Lorimer, *Gazetteer of the Persian Gulf, Oman and Central Arabia* (Slough: Archive Editions, 1986), vol. 2, 95.

<sup>65</sup> Khalaf, 'The State of Qatar', 155; 149.

<sup>66</sup> Nabil Mouline, 'Enforcing The State's Islam: The Functioning of The Committee of Senior Scholars,' ed. Haykel et al., *Saudi Arabia in Transition: Insights on Social, Political, Economic and Religious Change* (New York, NY: Cambridge University Press, 2014), 32.

<sup>67</sup> Birol Baskan and Steven Wright, 'Seeds of Change: Comparing State-Religion Relations in Qatar and Saudi Arabia,' *Arab Studies Quarterly* 33, no. 2 (2011): 96–111.

<sup>68</sup> Roberts, 'Qatar and the Muslim Brotherhood,' 85–86.



striking, its capacity to provide aid throughout the region – and now the world – increased concomitantly with the state’s capture of the hydrocarbon wealth. Qatar’s bureaucracy, set up by the ruling Al Thani family, progressively nationalized and formalized what was initially an unregulated social practice. The state established supervisory oversight over some of Qatar’s major aid organizations with the law 2 of 1974 (updated in 2004 and 2014)<sup>70</sup> under the Ministry of Civil Service and Housing Affairs. Organized religious practices such as the *zakat* or the *waqf* were taken up by the Qatari state in the forms of the Zakat Fund (2003) and the Ministry of Awqaf and Islamic Affairs. Recent additions have also attempted to consolidate an embryonic form of para-public Qatari civil society.<sup>71</sup> The state also progressively integrated aid as part and parcel of its foreign policy. In 2002 the Qatar Development Fund was established. In 2008 it created a ministerial post for international cooperation in 2008, replaced in 2011 by the position of ‘Assistant Minister for International Cooperation Affairs’ within the Ministry of Foreign Affairs.<sup>72</sup>

The move towards state-organized foreign aid was not linear however. With the redistribution of wealth – both within the closer circle of central rulers, as well as through the public and para-public employment of nationals in state aid administrations and charities, foreign aid fiefdoms sprouted. Wealth redistribution indeed created avenues for the proliferation of aid actors. Many of these charities’ patrons were individuals – close to the royal family – who made rich thanks to the redistribution of hydrocarbon dividends:

There are plenty of billionaires in Qatar who set up their own foundation... only one CEO, one agent, and that’s it.<sup>73</sup>

Patron support, rather than aid performance, determined these aid organizations’ life expectancy. Some organizations ‘die[d] out as soon as they[were] produced’.<sup>74</sup> Many more remained present in the landscape despite their blatant inactivity.<sup>75</sup> For organizations that did well, the importance of patronage was also underscored. Rather than mentioning the results of her organization, a Silatech employee stated that ‘Silatech

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<sup>69</sup> Mohamed, ‘The Qatar Authority for Charitable Activities’, 206.

<sup>70</sup> Khalaf, ‘The State of Qatar’, 155.

<sup>71</sup> A recent draft law was proposed for instance to enable foreigners to take part in civil society organizations; ‘Foreigners Can Start Institutions for Public Benefit’, accessed February 28, 2016, <http://thepeninsulaqatar.com/news/qatar/371911/foreignerscan-start-institutions-for-public-benefit>.

<sup>72</sup> ‘International Cooperation’, accessed May 16, 2016, <http://www.mofa.gov.qa/en/InternationalCooperation/Pages/History.aspx>.

<sup>73</sup> Official, Regulatory Authority for Charitable Activities. Interview by author. Doha, February 3, 2016.

<sup>74</sup> Diplomat, French Embassy. Interview by author. Doha, February 10, 2016.

is an initiative of Sheikha Moza and hence is unlikely to disappear.’<sup>76</sup>

After the first-generation of charities was established, a second-generation of aid organizations, from the 2000’s onwards, was added to the landscape, rather than replacing sometimes resembling initiatives. Symbolized by the Qatar Foundation, the new generation pursued its reformist and ambitious aid objectives in addition to – and not in replacement of – the previous fossilized aid fiefdoms. This second-generation did not reach out to its first-generation counterparts through the mediation of state administrations. Rather, characteristically of the rentier dynamic at play, it bypassed the existing bureaucracy and laid down parallel tracks for aid management.<sup>77</sup> Rather than a ‘culture of Islamic aid,’ new organizations’ approach to aid was performance-based and inspired by private sector methods of management.<sup>78</sup> Rather than hiring former civil servants or volunteers, these second-generation charities hired smaller, cohesive and professionalized teams<sup>79</sup> – a feature noted by Hertog in his analysis of performing Saudi administrations.<sup>80</sup> Qatar Foundation’s modus operandi illustrates this mechanism. Rather than drawing on state resources, Qatar Foundation hired international consulting companies or worked hand-in-hand with international charities to develop their strategies in a matter of weeks, if not days.<sup>81</sup>

Thus, from the 1970’s to the 2000’s, the growth of the hydrocarbon rent favoured the dispersion of organizations of the aid sector, not unlike the Emirati or Saudi neighbour. All organizations adopted idiosyncratic rules: both the manager of a traditional charity and a Qatar Foundation pointed to the autonomy they enjoyed in setting their reporting rules.<sup>82</sup> Despite their very different forms, objectives and working cultures, they coexisted in relative indifference. However, it became uniquely difficult

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<sup>75</sup> Such low-profile behaviour is observable for three charities established by Ministerial decisions of 2013. The ATAA Charity Foundation (Said Bin Salem Al Bineid Al Muhanadi Charity Foundation); the Nasser Bin Jassem Althani Charity Foundation (Dar Al-ber) and the Faisal Bin Fahad Al Thani Charity Foundation have not publicized any of their activities since and are unknown to most aid observers. A reverse example is that of billionaire Ibrahim Asmakh’s Al Asmakh Charity Foundation. The charity was founded in Doha in 2011 with a paid-up capital of approximately \$27.5 million; ‘Ibrahim Al Asmakh | Wealth-X,’ accessed January 6, 2017, <http://www.wealthx.com/articles/2015/ibrahim-al-asmakh/>.

<sup>76</sup> Fromherz, *Qatar: A Modern History*. Project Officer, Silatech. Interview by author. Doha, February 25, 2016.

<sup>77</sup> Hertog, *Princes, Brokers, and Bureaucrats*, 268.

<sup>78</sup> An aid worker thus considered that his employer ‘compares with a project management company if we were part of the private sector’ - Advisor, Education Above All, Qatar Foundation. Interview by author. Doha, February 24, 2016.

<sup>79</sup> Thus, while the Eid Foundation employs about 370 people, Education Above All employs about 60 people, Reach Out To Asia employs 50.

<sup>80</sup> Hertog, *Princes, Brokers, and Bureaucrats*, 3.

<sup>81</sup> Qatar Foundation’s Reach Out To Asia thus worked jointly with Mercy Corp to develop its aid model Esker Copeland, Youth and Education Projects, Reach Out To Asia. Interview by author. Doha, February 15, 2016.

<sup>82</sup> Esker Copeland, Youth and Education Projects, Reach Out To Asia. Interview by author. Doha, February 15, 2016; Ali Bin Abdullah Al Suwaidi, Director General, Sheikh Eid Bin Mohamed al-Thani Charitable Foundation. Interview by author. Doha, February 21, 2016.

for the Qatari state to re-engineer itself, as the successes and failures of the Qatar Development Fund (QDF) illustrate.

## **Section 2: Re-engineering the state: the case of Qatar Development Fund**

The gradual proliferation of para-public aid fiefdoms has tested the strength of the Qatari state. Despite the central role of the ruling Al Thani family in making the state of Qatar and shaping the narratives around it,<sup>83</sup> the aid landscape has developed, to some extent, out of its grasp. QDF has been only partially successful in the endeavour to rationalize Qatar's aid landscape because the entrenchment of the rentier state enabled (1) reform-adverse aid actors to resist change and (2) reform-prone actors to act regardless of QDF's formal authority.

Contrarily to assertions of some branding academics, donor proliferation is undoubtedly known to, and a concern for, Qatari decision-makers. A fundamental turn was taken as early as 2002 to counter donor proliferation with the creation of the QDF. The leadership stated its intention to reform the aid system into a more efficient whole. One high-ranking official indicated then, the need to 'boost the 'productivity' of [Qatar's] aid activities.'<sup>84</sup> Considered as the government's instrument, QDF was to become the central decision-maker and coordinator of Qatari aid. In practice, it was meant to take over the executive competence of the International Development Department in the Ministry of Foreign Affairs and develop a strategic component for Qatari aid.<sup>85</sup> QDF was also to put into place more precise aid objectives than the relatively loose framework of the broad Qatar National Vision 2030 policy-document<sup>86</sup> – for instance by setting 'benchmarks for aid'.<sup>87</sup>

On the whole, Qatari aid actors welcomed the QDF as an effort to enhance and support their work abroad. As put by a high-ranking official of the Ministry of Finance, 'development is old in Qatar as you know and QDF and MOFA took over foreign aid competences because they can do it better than we can.'<sup>88</sup> Since its legal establishment in 2002, however, the process of structuring of QDF has dragged its feet. In 2008, the head of the Emiri Diwan observed the ongoing 'proliferation' and 'fragmentation' of Qatar's aid system.<sup>89</sup> And fourteen years later, QDF's implementation is still underway. Some

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<sup>83</sup> Fromherz, *Qatar A Modern History*, 18.

<sup>84</sup> Advisor, Qatar Development Fund. Interview by author. Doha, February 17, 2016.

<sup>85</sup> The strategic aspect has normally been dealt with in 2015, according to one interviewee. Official, Regulatory Agency for Charitable Affairs. Interview by author. Doha, February 3, 2016.

<sup>86</sup> Fawzi Ouessedik, Head of International Relations, General Secretariat, Qatar Red Crescent. Interview by author. Doha, February 4, 2016.

<sup>87</sup> Advisor, International Development Department, Ministry of Foreign Affairs. Interview by author. Doha, February 2, 2016.

<sup>88</sup> Director, International Cooperation Department, Ministry of Finance. Interview by author. Doha, February 24, 2016.

<sup>89</sup> Advisor, International Development Department, Ministry of Foreign Affairs. Interview by author. Doha, February 2, 2016.

of its competences remain unclarified. In the words of a UN agent in February 2016, ‘I don’t understand who those people are, what they do, and how to situate them within the landscape.’<sup>90</sup> The historical-institutionalist approach provides an explanation for this fundamental reform’s *partial* impact.

On the one hand, QDF’s creation was swift because it added to, and did not supersede, existing institutions. Alike to the inception of Qatar Foundation, QDF’s creation symbolizes in itself the possible circumventions that the rentier dynamic leads to, in the name of reform, even *within* the state administration. Rather than create a full-blown ministry, or associate different ministries<sup>91</sup> to the launching of the new administration, QDF was the work of a small team of professionals working around a powerful patron, with the approval of the Emiri Diwan; and nested within the Ministry of Foreign Affairs. The state again associated with external stakeholders to build its national instrument. For instance, consultations with the RAND corporation preceded the creation QDF’s *alta mater*, the Ministry of Foreign Affairs’ International Development Department in 2008-2009.<sup>92</sup>

On the other hand, QDF experienced difficulty in acting on its fragmented environment. It emerged in the context of a state administration that was as fragmented as the para-public charitable sector described in Section 1.<sup>93</sup> QDF has not to this day taken over all of the competences that one could expect in this move towards more centralized and coordinated aid in the Qatari landscape – such as the licensing of charities, maintained within the Ministry of Social Affairs; nor the representation of Qatar in important forums such as the Islamic Development Bank – a competence of the Ministry of Finance.<sup>94</sup> More importantly, it remains unclear to what extent QDF will

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<sup>90</sup> Official, UNESCO. Interview by author. Doha, February 25, 2016.

<sup>91</sup> Such as the related administrations of the Ministry of Awqaf and Islamic Affairs, or the Ministry of Planning and Development Statistics.

<sup>92</sup> Hertog’s side-argument that reform may be facilitated by brokers, experts that circulate between different organizations, both private and public (Hertog, *Princes, Brokers, and Bureaucrats.*, 26), is illustrated here. One of the main figures of the IDD is himself a former employee of the RAND corporation assigned to the Qatari government (Advisor, International Development Department, Ministry of Foreign Affairs. Interview by author. Doha, February 2, 2016).

<sup>93</sup> A UN representative listed the number of its interlocutors: ‘we work with the Qatar government – and we report to the Ministry of Education. We also work with a national commission. (...). On top of that of course, are also involved the Ministry of Foreign Affairs, anytime something has an international dimension – they have to be part of the process. Then you also have the Ministry of Finance and of course the Emiri Diwan.’ Official, UNESCO. Interview by author. Doha, February 25, 2016.

<sup>94</sup> Director, International Cooperation Department, Ministry of Finance. Interview by author. Doha, February 24, 2016.

exert its authority over certain actors, notably the organizations of the Qatar Foundation working under special Emiri decrees; or the more isolated Zakat Fund of the Ministry of Awqaf and Islamic Affairs, which save for their relationship with the Qatar Red Crescent<sup>95</sup> (a first-generation actor like them), do not seem to entertain working relationships with second-generation aid organizations<sup>96</sup> and remain obscure even to other state officials.<sup>97</sup>

QDF's partial success is in line with this contribution's central argument. While 'branding' scholars assume the all-encompassing power of the leader to implement policies from one day to the next, the historical-institutionalist reading of the rentier state underlines the obstacles to reforms that leaders are confronted with at the mid-level management of the bureaucracy.<sup>98</sup> Reformers are faced with the tendency in 'for risk-averse bureaucrats to refer to the top and not make voluntary moves.'<sup>99</sup> The extremely vertical design of organizations around patrons protects lower-level implementers from the leadership; and gives no incentive for employees to take risks – why should they if they cannot be fired by the rentier state?<sup>100</sup> While this is true in most aid bureaucracies around the world,<sup>101</sup> it translates into more extreme outcomes in rentier states like Qatar. As an aid expert explained, 'the leadership cannot force unto other resourceful individuals any significant changes.'<sup>102</sup>

Bureaucratic habits and fiefdoms enshrined within the state may thus obstruct the full-fledged role earmarked for QDF if they conflict with pre-existing interests. First, QDF's mandate to represent the entire Qatari state in international fora may be undermined by domestic oppositions. In Qatar, the domination of regional politics in the early days of Qatar's independence (see section 1) has guaranteed the Ministry

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<sup>95</sup> Fawzi Ouessedik, Head of International Relations, General Secretariat, Qatar Red Crescent. Interview by author. Doha, February 4, 2016.

<sup>96</sup> Esker Copeland, Youth and Education Projects, Reach Out To Asia. Interview by author. Doha, February 15, 2016

<sup>97</sup> Advisor, International Development Department, Ministry of Foreign Affairs. Interview by author. Doha, February 2, 2016.

<sup>98</sup> Hertog, *Princes, Brokers, and Bureaucrats*, 11.

<sup>99</sup> Hertog, *Princes, Brokers, and Bureaucrats*, 24.

<sup>100</sup> Diplomat, French Embassy. Interview by author. Doha, February 10, 2016. Readers should not be misled by such dramatic press articles appearing now and then. One such article asserts that since his crowning as Emir, 'Sheikh Tamim has [taken ...] austerity measures. He has consistently stressed fiscal discipline since his first speech as emir, and has aggressively sought to reduce the size and reach of government. The emir has already reduced the number of government ministries, slashed state institutions' budgets by up to 40%' (Azhar Unwala is an analyst for government et al., 'The Young Emir: Emir Tamim and Qatar's Future | GRI,' Global Risk Insights, September 18, 2016, <http://globalriskinsights.com/2016/09/emir-tamim-and-qatars-future/>). In practice, no one, except for expatriate workers, is fired among national public servants.

<sup>101</sup> Bertin Martens, *The Institutional Economics of Foreign Aid* (Cambridge ; New York: Cambridge University Press, 2002).

<sup>102</sup> Aid expert, School of Foreign Service-Georgetown University. Interview by author by author. Doha, February 4, 2016.

of Finance's stand in regional organizations - such as the Islamic Development Bank - to this day.<sup>103</sup> Though not specifically mentioning Qatar, a GCC official mentioned Ministries of Finance's power to oppose rulers' will during the (failed) negotiations to create a Gulf Development Fund:

You'd expect this opposition to come from the leadership – that is not the case. At the strategic level, there is great consensus among regional leaders for commitment to development aid in future years, as well as agreement on the sectors and recipients of such aid. The difficulty lies at the administrative level, where a turf war is taking place. [Some ministries] in particular are reluctant to give over oversight, when this is fundamental to their competences. It's a sovereignty issue within the state. We have thus seen a Minister of Finance...walk out of a meeting without even hearing other participants' propositions.<sup>104</sup>

Second, QDF's domestic *primus inter pares* role in foreign aid – to introduce a strategic component in Qatar's aid landscape – may also prove to be an illusion. Previous domestic episodes have that for matters pertaining to aid transparency, previous attempts to reform have had limited success, as state administrations have managed to neutralize one another.<sup>105</sup> As noted by Qatar's Regulatory Authority for Charitable Activities' manager, 'most aid agencies, save for some who are really results-oriented, are not focussing on results, but on procedures.'<sup>106</sup> Conversely, QDF must establish some form of control over the results-oriented organizations that precede it, dealing with legal and material<sup>107</sup> asymmetries already mentioned.

This section underlined the value of a historical-institutionalist approach. Rather than considering, as branding scholars do, that Qatar's foreign stance is as flexible as its checkbook is thick, I show that there is an inherent inertia within the state administration itself inherited from the institutional designs of Qatar's early independence days; and reinforced by the rentier state. Despite the goodwill expressed in the creation of the Qatar Fund for Development, the latter also succumbs to the rentier dynamic and participates in the fragmentation of the Qatari aid administration.

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<sup>103</sup> Official, Gulf Cooperation Council. Interview by author. Doha, February 11, 2016.

<sup>104</sup> I do not question here the Ministry of Finance's competence, which is contingent upon the personnel working there, but rather, *counterfactually*, what would happen if the Ministry *was not considered competent anymore*.

Official, Gulf Cooperation Council. Interview by author. Doha, February 11, 2016.

<sup>105</sup> Advisor, Qatar Foundation. Interview by author. Doha, February 20, 2016.

<sup>106</sup> Official, Regulatory Agency for Charitable Affairs. Interview by author. Doha, February 3, 2016.

<sup>107</sup> Qatar Foundation for instance 'exceeds by far on the ground the delivery that [ministries] can provide!' Advisor, International Development Department, Ministry of Foreign Affairs. Interview by author. Doha, February 2, 2016.



In short, QDF works well to the extent that it adds, rather than replaces, what existed prior to it. The long gestation period of that organization shows that the leadership may find the implementation of reforms to be a tricky matter. QDF's emergence is likely to somewhat curb donor proliferation, without, however, creating an integrated aid system. Its attempt to rationalize Qatari aid is likely to face two obstacles. While less efficient organizations will resist its functional approach to stamp out aid duplications and increase transparency, results-oriented organizations, encouraged by a favourable legal framework, will have little incentive to work under its authority.

### **Section 3: Aligned state and international interests: Qatar aid post-9/11**

In the last chapter of his book, Hertog argues that the fragmented nature of the rentier bureaucracy favours the adoption of external reforms, if the interests of external parties and rulers are aligned.<sup>108</sup> Indeed, if fragmentation blocks through-and-out reforms, it equally allows for very quick partial reforms when the central state power decides to reassign jurisdictions. Indeed, fragmented interests within the state cannot coalesce to form a coherent opposition to reform.

Post-9/11, the rulers of Qatar and the international community, led by the United States and the United Kingdom, had 'really a reason to cooperate.'<sup>109</sup> Suspicions as to the participation of Qatari aid personalities in the financing of terrorist activities pushed the government to regulate more stringently the aid landscape. After 9/11, the law of 1974 was revised in 2004 and increased the oversight of the Ministry of Social Affairs over existing civil society organizations.<sup>110</sup> Moreover, a specific agency was put into place in the same year to supervise any Qatari aid disbursement abroad, so as to track any possible financing of terrorism.<sup>111</sup> The Qatar Authority for Charitable Affairs (QACA), shaped after the UK Charity Commission and with the help of an international development consultancy, ACME Corp.,<sup>112</sup> was the first to scrutinize more in-depth the international activities of Qatari charities. Yet again, its role was not clearly delineated. Some of its competences overlapped with those of the Ministry of Social Affairs.<sup>113</sup> A noted weakness of QACA was also the inclusion of article 24 in the Emiri decree which gave the Ruler the possibility to grant exemption to oversight 'to any organization at any time.'<sup>114</sup> Despite ongoing terrorism in the region and globally, QACA disappeared

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<sup>108</sup> Hertog, *Princes, Brokers, and Bureaucrats*, 32.

<sup>109</sup> Aid expert, School of Foreign Service-Georgetown University. Interview by author. Doha, February 4, 2016.

<sup>110</sup> The law of 2004 states that 'The ministry reserves the right to inspect documents and records' (in Khalaf, 'The State of Qatar,' 155).

<sup>111</sup> Tracking in practice is done through various means : screening of external partners; of banking through the FTS put into place in Paris; through the regulation of the charities that want to operate from Qatar abroad; through a word check with Word Check 1 by ThomsonReuters, which identifies names that could be blacklisted: International Monetary Fund. 2008. *Qatar: Detailed Assessment Report on Anti-Money Laundering and Combating the Financing of Terrorism*, Country Report No. 08/322.

in 2009. Rather than the little care that some conferred to Qatari authorities because of that decision,<sup>115</sup> the Qatari state appears to have acted in the face of QACA's poor results, which unequivocally laid bare its incapacity to manage the different Qatari charities. A leaked diplomatic cable from Secretary Hillary Clinton in 2010 termed Qatar as the 'worst in the region' in terms of counterterrorism.<sup>116</sup> Strikingly, the leadership then redistributed QACA's competences to more trusted state administrations, such as the Ministry of Foreign Affairs.

The leadership did not leave this matter at rest. Pressed by international partners, the Emiri Diwan issued a strategy, with the help of the Ministry of Foreign Affairs and of a team of international consultants, notably Deloitte Middle East,<sup>117</sup> to establish the Regulatory Authority for Charitable Activities (RACA).<sup>118</sup> This independent state institution, nested within the Ministry of Labour and Social Affairs,<sup>119</sup> has oversight over the creation of any private charity association that may want to raise donations and transfer aid abroad.<sup>120</sup> Significantly, the state was then able, not only add to the existing, but also to subtract to it. In this case, it retrieved the responsibility over Qatari charities from the Associations Department of the Ministry of Labour and Social Affairs.<sup>121</sup> Despite, however, the alignment of Qatar leadership's and international stakeholders' interests, reform of Qatar's regulatory framework is again slow and partial. RACA's task is limited. Legally, its mandate covers only the external activities of Qatari charities.<sup>122</sup> It is thus for instance impossible for its general manager to indicate how important the external activities of big players such as the Qatar Red Crescent activities are, compared to their domestic commitments.<sup>123</sup> Legally too, RACA does not have oversight over one of the major actor of Qatar's foreign aid, the Qatar Foundation. Materially, the supervisory work is not given the full-blow importance one would expect for such a sensitive task.

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<sup>112</sup> 'Welcome to Acme Strategies,' accessed January 4, 2017, <http://acmestrategies.com/site/qaca.htm>.

<sup>113</sup> Mohamed, 'The Qatar Authority for Charitable Activities,' 266. In practice this could cause two different sets of problems: first, the risk of duplication, as both agents attempting to take control of oversight could possibly overburden charities with regulations with which they'd be forced to comply twice; or conversely, if both agents 'passed the buck' to one another, creating de facto a legal loophole.

<sup>114</sup> Christopher M. Blanchard, *Qatar: Background and U. S. Relations* (DIANE Publishing, 2011).

<sup>115</sup> Matthew Levitt, 'Qatar's not-so-charitable record on terror finance,' *TheHill*, (September 24, 2014), <http://thehill.com/blogs/pundits-blog/international/218706-qatars-not-so-charitable-record-on-terror-finance>.

<sup>116</sup> 'Follow the Money,' *The New York Times*, December 8, 2010, accessed March 3, 2017, <http://www.nytimes.com/2010/12/09/opinion/09thu1.html>.

<sup>117</sup> Official, Regulatory Agency for Charitable Affairs. Interview by author. Doha, February 3, 2016.

<sup>118</sup> See Law no. 15 2014; Emiri Decree no. 43 2014; Emiri Decree no. 55 2014; Ministerial Decision no. 5 2015.

<sup>119</sup> 'Increase and develop awareness of charity work within the community,' Regulatory Authority for Charitable Activities, 2016.

<sup>120</sup> Hukoomi, 7/11/2016 'Charity Work - Hukoomi - Qatar E-Government,' accessed October 2, 2016, <http://portal.www.gov.qa/wps/portal/topics/Family,+Community+and+Religion/Charity+Work>.

<sup>121</sup> Official, Regulatory Agency for Charitable Affairs. Interview by author. Doha, February 3, 2016.

Implementing ‘a regular audit on all the managerial and financial operations related to all entities involved in the charity field in the State of Qatar’<sup>124</sup> is an immense effort for a handful of persons to handle; and was still expressed as a ‘wish’ by one of its managers in February 2016.<sup>125</sup>

Hence, if reforms are adopted with ease when state interests and international demands match, their daily implementation is often still partial.<sup>126</sup> Thus while no aid actor has been able to resist the implementation of QACA and its successor, RACA, the regulatory agencies’ have never benefited from full-fledged mandates, nor from the automatic acquiescence and cooperation of all national stakeholders.

## Conclusion

A historical-institutional reading shows how the growth and consolidation of the rentier state enabled aid initiatives to flourish and prosper to the detriment of aid cohesion. The more the rentier state grew, and the ruling circle consolidated, the more its actors fragmented along different lines. In the case of foreign aid, the traditional versus professional, the isolated versus the connected, the indolent versus the proactive, were always two sides of the same, rentier, coin.

The rentier state locked-in initial institutional designs in ways that resist rulers’ reforms and international pressure. Therefore, if the bright side of Qatar’s foreign aid is that (contrary to some ‘branding’ accounts) there is an impetus within the principality for a more integrated aid system, the downside is that small states like Qatar cannot escape the constraints of the ossified bureaucracies of their larger rentier neighbours. Such bureaucratic change, despite the state’s size and autocratic regime, is bound to come at ‘a much slower pace than the rise of the skyscrapers.’<sup>127</sup>

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<sup>122</sup> RACA however is also responsible for providing licenses for domestic fundraising activities, whether these have domestic or external goals. These fundraising campaigns should not exceed three months. RACA Facebook Page, July 6, 2015.

<sup>123</sup> Official, Regulatory Agency for Charitable Affairs. Interview by author. Doha, February 3, 2016.

<sup>124</sup> ‘Increase and develop awareness of charity work within the community’, Regulatory Authority for Charitable Activities, 2016.

<sup>125</sup> Official, Regulatory Agency for Charitable Affairs. Interview by author. Doha, February 3, 2016.

<sup>126</sup> Hertog, *Princes, Brokers, and Bureaucrats*, 225.

<sup>127</sup> Fromherz, *Qatar: A Modern History*, 4.