Qatar and the World: Branding for a Micro-State

J.E. Peterson

There are two factors that have shaped Qatar's integration and place in the international system. The first revolves around the constraints and problems of small states while the second is Qatar's response — a strategy of branding the state for survival. This article discusses Qatar's situation as a micro-state and analyzes the nature and success of its response.

Qatar has a short history as an independent state. Nevertheless, the extent of change and development it has undergone is truly dramatic. In recent years, it has emerged as one of the better known and more highly regarded Gulf states, in part because of its immense natural gas reserves (the third largest total in the world) but also, and more importantly, because of recent policy initiatives. These policies seem to have been deliberately designed to put Qatar on the map.

Qatar has many accomplishments of which to be proud. It has maintained its sovereignty since independence in 1971 and enhanced it by membership in international organizations. Qatar is a founding member of the Gulf Cooperation Council (GCC) and has participated fully in GCC economic endeavors and particularly in security concerns, including combat during the 1991 Gulf War. It enjoys increasing name recognition in widening circles in the West and the United States, in large part because of its long history of oil production and rapidly expanding natural gas projects. But there are many other reasons as well. Qatar has become a venue on the international sporting circuit, and it has hosted an impressive number of major conferences.

In addition, it agreed to play host to the United States' Central Command regional headquarters before and during the 2003 Iraq War and thus received prominent mention in worldwide reporting. Even before then, Al Jazeera satellite television, which is based in Doha, had won a huge audience in the Arab world for its hard-hitting reporting and provocative programming.[1] Despite charges by some in the

J.E. Peterson is an independent historian and political analyst based in Tucson, Arizona. His website is www.JEPeterson.net. This article is adapted from a lecture given in Doha, Qatar, on June 28, 2005, under the auspices of the National Council for Culture, Arts, and Heritage. The author wishes to thank the National Council, especially its Documents Division, for its help and hospitality.

1. Al Jazeera satellite television began transmitting in November 1996 with financial help from the Qatari government, drawing many of its journalists from the disbanded BBC Arabic Service television channel. It has acquired a large Arab audience because it has aired opposition views and news and its programs have criticized most Arab governments. For this reason, it has been banned from time to time by nearly all of Qatar's immediate neighbors. See Louay Y. Bahry, "The New Arab Media Phenomenon:

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Bush Administration that Al Jazeera is too closely tied to al-Qa'ida, Qatar's ties to the United States have continued to expand and the emirate announced a contribution of $100 million for Hurricane Katrina relief in 2005. The country has also won plaudits for its steps toward democratization and ensuring the equality of women.

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CHARACTERISTICS AND VULNERABILITIES OF SMALL STATES

Concern about the vulnerability and even the survivability of small states was a persistent feature of the international relations literature during the 1960s and the 1970s.[2] This literature tended to emphasize limitations that size imposes on the ability of states to function competitively in the international political and economic arenas. But the survival, growth, and proven track records of many small states since that period has reduced earlier concerns. This does not, however, diminish concerns about the particular constraints and problems that small states face.

Definitions of Small States and Micro-States

The first requirement is to determine what constitutes a "small state" and what is a "micro-state." It was estimated in 1980 that there were 77 micro-states with populations of less than half a million people out of a total of 224 identifiable inhabited regions in the world.[3] These entities are by no means equal in size or capability and many sharper definitions of small states or micro-states have been offered, not all of them satisfactory. At the same time, what constitutes "small" often depends on the context. A study entitled *Strategies of Survival: The Foreign Policy Dilemmas of Smaller Asian States*,[4] focuses on Korea, Vietnam, Thailand, Malaysia, Singapore, Indonesia,

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Qatar's Al-Jazeera." *Middle East Policy*, Vol. 8, No. 2 (June 2001), pp. 88-99; Jeremy M. Sharp, "The Al-Jazeera News Network: Opportunity or Challenge for U.S. Foreign Policy in the Middle East?" *U.S. Library of Congress, Congressional Research Service, CRS Report RL31889*, July 23, 2003; and Hugh Miles, *Al-Jazeera: The Inside Story of the Arab News Channel that is Challenging the West* (New York: Grove, 2005).

2. See, for example, David Vital, *The Inequality of States: A Study of the Small Power in International Relations* (Oxford: Clarendon Press, 1967); David Vital, *The Survival of Small States* (London: Oxford University Press, 1971); and UNITAR, *Small States and Territories: Status and Problems* (New York: Arno Press, 1971; originally published by the United Nations, 1969).

3. J.C. Caldwell, Graham E. Harrison, and Pat Quiggin, "The Demography of Micro-States," *World Development*, Vol. 8 (1980), p. 953.

4. Charles E. Morrison and Astri Suhrke, *Strategies of Survival: The Foreign Policy Dilemmas of Smaller Asian States* (New York: St. Martin's Press, 1979).

and the Philippines; only Singapore is comparable in size to the small Gulf states. Another study of foreign policy behavior, titled *Small States in World Politics*,[5] looks at Paraguay, Panama, Austria, and Laos, among other countries.

Small geographic size is often used as a definition. But this is problematic since Hong Kong is geographically very small but contains a sizeable population.[6] Equally, two countries with the same area may have radically different population densities: for example, Namibia is 18 times the size of Estonia but both have about the same population.[7] The size of a country's Gross National Product (GNP) also has been used as a measurement. But economic factors may fluctuate over time, as in an increase in the price of a primary export commodity, thus preventing static comparison.[8] Qatar's GNP dwarfs that of many African countries far larger in geographic size and population, but the reverse was true before the mid-1960s.

Power is a useful consideration in theory, but difficult to determine in practice. In the first place, it is not possible to define power precisely and to make unambiguous comparisons between states. In addition, this measurement is prone to confuse the important distinction between a small state and a weak state. A weak state, even a "failed" state, may be quite large. Conversely, a number of small states exercise international influence out of proportion to their small size.[9] Power is also a relative concept. Mauritius, with a population of little more than one million, is dwarfed by much larger and populous neighbors in Africa that possess an entirely different culture. Similarly, Nepal, with a population of over 15 million, is sandwiched between India and China, and so it may fairly be considered a small state. On the other hand, Fiji, with a population of some three-quarters of a million, is a relatively powerful state within the South Pacific context.[10]

Undoubtedly, the most widely used definition is population size. But the question arises of where to put the cut-off point. Some observers would draw the line at one million people, others at three million, and still others at five million. The one million figure seems to be the most common definition and has been accepted by the United Nations. Such a definition would mean that approximately 40 independent sovereign territories around the world would fit into this category.[11]

Just as there is no consensus on what constitutes a small state, there is no agreement on the dividing line between small states and micro-states. Micro-state is per-

5. Jeanne A.K. Hey, *Small States in World Politics: Explaining Foreign Policy Behavior* (Boulder: Lynne Rienner Publishers, 2003).

6. Colin G. Clarke, and Anthony Payne, eds., *Politics, Security, and Development in Small States* (London: Allen and Unwin, 1987), p. ix.

7. Dana Ott, *Small Is Democratic: An Examination of State Size and Democratic Development* (New York: Garland, 2000), p. 16.

8. Ott, *Small Is Democratic*, p. 17.

9. Ott, *Small Is Democratic*, pp. 14-15.

10. Edward Dommen, "What is a Microstate?" in Edward Dommen and Philippe Hein, eds., *States, Microstates, and Islands* (London: Croom Helm, 1985), pp. 11-13.

11. Sheila Harden, ed., *Small Is Dangerous: Micro States in a Macro World* (London: Pinter, 1985; report of a Study Group of the David Davies Memorial Institute of International Studies), p. 9.

haps more suited than the term "small state" in defining states with a population of one million or less. Although sometimes a micro-state is considered to have a population of less than 100,000,[12] other factors, including political, economic, strategic, and cultural considerations, may be as important as population size.

Why is this distinction important? As will be pointed out below, there arises at some point a threshold below which a state may not be able to function as fully or efficiently as normal sized states. It may lack the human resources to defend itself or to meet labor and professional demands, as is the case in Qatar and the United Arab Emirates. It may be the object of territorial expansionism or irredentist impulses, as has been the case with Iraqi claims on Kuwait and, to a certain extent, Saudi-Qatari relations. It may be dependent on financial or economic assistance, as is the case with Saudi Arabia providing Bahrain access to some crude oil production. Its legitimacy may be questioned on the world stage, a factor that certainly applied to the smaller Gulf states in the early years of their independence. Qatar's short-term existence is not in doubt, but its situation in the longer term may be, and thus it is prudent for Qatar to devise strategies that stand a good chance of enhancing its sovereignty and survivability.

When is a Small State in Fact a State?

Determining the lower threshold of what constitutes a small state involves more than simply marking the lowest rung in a larger typology. The fundamental question arising at this level is what in fact constitutes a state? How can sovereignty and durability be defined without addressing concerns about viability?

The concept of "state" remains somewhat ambiguous, insofar as the term has meant different things at different times. In previous centuries, the small state was the norm: the 1648 Peace of Westphalia recognized hundreds of German states. But by the turn of the 20th century, small states were seen as anachronisms or irrelevant. In 1920, the League of Nations denied Liechtenstein's application for membership, which in turn doomed the attempts of Monaco, San Marino, and Iceland to join.[13] This perception was altered by the flood of decolonization during the 1950s and especially the 1960s. Small states continue to emerge on the world stage, as the result of partitioning from larger states (Eritrea), from the last vestiges of colonialism (Palau), and from the breakup of the Soviet Union (Latvia, Lithuania, Estonia) and Yugoslavia (Macedonia, Croatia, Slovenia, Bosnia).[14] This process endowed a legitimacy to small states for the simple fact of their nationhood and right to self-determination: in essence, they were regarded as viable states simply because they were recognized internationally.[15]

12. One typology then goes on to categorize small states as under 1.5 million, medium states as under 5 million, and large states as those over 5 million. Ott, *Small Is Democratic*, p. 18.

13. Harden, *Small Is Dangerous*, p. 15; Dommen, "What is a Microstate?" pp. 3-4.

14. Ott, *Small is Democratic*.

15. Colin G. Clarke and Anthony Payne, "Conclusion," in Clarke and Payne, eds., *Politics, Security, and Development in Small States* (London: Allen and Unwin, 1987), p. 225.

But the bestowing of basic legitimacy on a state through recognition by the international community does not necessarily make a self-proclaimed state viable. In the case of micro-states in particular, a vital question concerns the attributes a state must possess in order to be regarded as a viable state.

Territory would appear to be a self-evident requisite, but this may not be necessary in every case. In the case of war, a state can be considered still to exist even though, temporarily, it possesses no territory. There is also the indeterminate question of states whose entire territory is claimed, occupied, or controlled by other states, such as Palestine and the Sahrawi Arab Republic.[16] What legal implications does this have for liberation movements? At what point does the Palestine Liberation Organization become a state? Is the Palestinian Authority a state? It seems equally self-evident that a state must have a population. Without a population, who would govern a state and whom would they govern? But the Vatican poses a partial exception: although always inhabited, its population is not permanent.[17]

It seems relatively straightforward to assert that every state requires a government. States seem to need to exercise power. But exceptions exist, such as liberation movements that hold power over territories but do not possess the status of states. Furthermore, not all states exercise sole power within their territory, particularly when resistance or secession movements are capable. As another example, both Monaco and Andorra are subject legally to French intervention.[18]

Another criterion may be recognition by several states. Thus the Bantustans created by South Africa — and recognized only by South Africa — may not be regarded as sovereign states. On the other hand, Taiwan is not officially recognized by most countries but still manages to maintain dialogue and economic and political relations with many states. Furthermore, diplomatic relations do not necessarily mean recognition as a state: the Sovereign Military Order of Malta (SMOM, the "Maltese Knights") has diplomatic relations with more than 40 states but does not claim to be a state.[19] Similarly, membership in world bodies is not a sound criterion, since India and the Philippines became founding members of the United Nations before their independence and Byelorussia (now Belarus) and the Ukraine were members despite being part of the Soviet Union.[20] Still, small states seem to reason that membership in international organizations might be a safer stance than isolation.[21]

The path to sovereignty of a small state may provide a good predictor of its viability and durability, as well as its claim to legitimate sovereignty. Thus, a former colony may be made viable through the colonial power's defining role in establishing its territory and creating national cohesion. A secession or liberation movement may acquire legitimacy through its successful struggle. Much may depend upon whether

16. Dommen, "What is a Microstate?" pp. 4-5.
17. Dommen, "What is a Microstate?" p. 5.
18. Dommen, "What is a Microstate?" pp. 6-7.
19. Dommen, "What is a Microstate?" pp. 7-9.
20. Dommen, "What is a Microstate?" pp. 1-3.
21. Harden, *Small Is Dangerous*, p. 51.

independence was achieved as a triumph of self-determination or through the weakness of empire.[22] But, on the other hand, a grouping established or encouraged by a colonial power may not be sustainable as an independent state. Anguilla sought a separate road to independence rather than federation with its Caribbean neighbors, and Mayotte remained aligned with France when the Comoros achieved independence. Even in the Gulf, the Union of Arab Emirates as envisaged and promoted by Britain on the eve of its withdrawal was only partially realized. Differences emerged over the structure of the federation and the predominant positions demanded by Bahrain (because of its larger educated population) and Qatar (because of its newly acquired oil wealth). When negotiations broke down, Bahrain chose to pursue independence separately, thus provoking Qatar to do likewise.

Why Does Smallness Matter? The Behavior of Small States

Opinion differs over whether small states are fundamentally different from larger states and thus are inherently either more, or less, stable. The arguments can be pithily summed up by the titles of two books relevant to the subject: *Small Is Beautiful* as opposed to *Small Is Dangerous*. In the first, E.F. Schumacher argues that largeness in many areas of life, including statehood, has dangerous consequences. He calls for a return to small political units because there are many things that small social groupings do better than large ones.[23] While Schumacher's belief may not be widely shared, a number of observers believe that smallness matters because of the increasing numbers of small states and the emergence of regions made up of small states. This is certainly applicable to the Gulf, where Qatar's regional significance is enhanced because it is surrounded by states of a similar size. Thus the context may be as, or more, important than absolute size.

But there are equally a number of more negative conclusions regarding the stability of small states. It has been suggested that limited resources are a determinant of foreign policy actions, as well as the decision-making process, of small states. This narrows the focus of small states to matters more directly affecting their independence and self-interests, and forces them to place more emphasis on parrying the interest or bellicosity of great powers. At the same time, it is contended that small states are more vulnerable to external pressure, are more likely to give way under stress, have a more limited range of action, and are more susceptible to external economic considerations because of the importance of foreign trade to their economies. Thus, their attitude must necessarily be more defensive than larger states.[24]

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22. Cohen and Robin, "An Academic Perspective," in Clark and Payne, *Politics in Small States*, p. 203.

23. E.F. Schumacher, *Small is Beautiful: Economics As If People Really Mattered* (New York: Harper and Row, 1973), pp. 59-70.

24. Annette B. Fox, *Power of Small States: Diplomacy in World War II* (Chicago: University of Chicago Press, 1959), pp. 1-9; Vital, *The Inequality of States*, p. 3; and Vital, *Survival of Small States*, pp. 1-12.

Some observers see the effect of common characteristics and limitations as having a negative effect on the stability of small states. The title of a report by a study group on small states, *Small Is Dangerous*, clearly announces its conclusions: small states are held to be dangerous both to themselves and to the outside world. The study contends that small states are prone to creating crises that require international attention and sometimes intervention, and cites as examples the Falkland Islands in 1982 and Grenada in 1983, to which Kuwait in 1990-1991 can be added. Furthermore, it is contended that few small states have the financial resources to enable them to be self-sufficient and some are the subject of irredentist claims.[25] Another author notes that small states are much more likely to depend on the export of a single mineral or natural resource.[26] While Qatar's financial resources are ample and its oil and gas exports are in demand, its considerable wealth may provoke envy and hostile action as happened in Kuwait.

A second negative characteristic of small states is sometimes held to be political deficiencies. These may include corruption, nepotism, and favoritism due to the fact that very little activity may take place in small states without government involvement, and upward mobility depends upon the government. In addition, the requirements of administration exact a proportionately heavy cost on small states.[27] Their foreign relations may be hindered by the appointment of many ambassadors on political, rather than professional, grounds.[28] But it is equally held that small states enjoy a greater sense of community with less alienation. Very few adopt radical ideologies but instead carefully cultivate the center.[29] Thus the implication may be drawn that the predominant role of the government in Qatar and other GCC states is due not only to the government being the engine for the distribution of oil income but it also may be an inherent variable of these countries' small size.

Another disadvantage of small states may be that they lack a universalistic society. Most importantly, this suggests that small societies depend on personal relationships and loyalties to a greater degree than is the case in large societies. The network of close personal ties and kinship may complicate public affairs, and personal dis-

25. Harden, *Small Is Dangerous*, p. 1. A more recent study disputes this idea and points out that microstates have small or, in some cases, non-existent armed forces. "Yet microstates exist in a generally supportive global milieu with a variety of regional and international resources at their disposal. This is particularly the case in terms of ensuring their international legal personality and continued independence: the determination of the international system itself, in its manifold guises, to support the sovereignty and the territorial integrity of even its smallest members." Barry Bartmann, "Meeting the Needs of Microstate Security," *The Round Table*, No. 365 (2002), pp. 371-372.

26. Ott, *Small Is Democratic*, p. 93.

27. Burton Benedict, "Introduction," in Benedict, ed., *Problems of Smaller Territories* (London: Athlone Press, 1967, for the University Institute of Commonwealth Studies, Commonwealth Papers, No. 10), pp. 1-10. See also UNITAR, *Small States and Territories*, pp. 148-162.

28. Mark Hong, "Small States in the United Nations," *International Social Science Journal*, Vol. 144 (June 1995), p. 283.

29. Paul Sutton, "Political Aspects," in Clarke and Payne, eds., *Politics, Security, and Development in Small States*, pp. 18-19.

agreements over policy can entail personal frictions.[30] A related problem may be constraints on bureaucracy, due to the same official being required to take on multiple responsibilities, and the resultant dependence on a narrow range of officials participating in the decision-making process. This in turn has negative implications for institution-building.[31] The end result may be either positive (it produces stability as a result of loyalty to the system) or negative (it encourages corruption and elitism).

In addition to these internal characteristics, small states are held to be particularly vulnerable to external forces. Their small size and strategic locations may embroil them in international politics. This increases security concerns for both the small states and the international system as a whole. Larger regional or great world powers may force a small state to acquiesce in an unequal bilateral relationship. This may include adherence to foreign-policy lines, participation in a collective security arrangement or defense pact with a major power, granting military facilities, purchasing arms, or even agreeing to support freer trade, which generally benefits the larger power more.[32] The international trade in narcotics can also pose a serious threat to a small state.[33] Qatar's neighbor, the United Arab Emirates (UAE), displays these constraints: "political fragmentation inherited from the past, coupled with military weaknesses and economic dependence and the fact that there is a large immigrant population, make the UAE subject to regional and superpower pressures. The country's geographic position in a strategically and economically vital part of the world makes it vulnerable to the larger powers, ready to exploit it in their own interests. Further, as a Muslim and Arab state, the UAE is bound to pursue a policy consistent with Arab and Islamic causes."[34]

It is also suggested that small states may engage in risky foreign-policy behavior because of their inability to monitor developing international situations as thoroughly as larger states.[35] Globalization is another challenge since fast air travel, instant telecommunications, and multinational corporate reach pose their own pressures. The intensified interconnectedness further marginalizes the small state since it exposes the more vulnerable small state to trade, foreign-exchange, cultural, and political cur-

30. D.P.J. Wood, "The Smaller Territories: Some Political Considerations," in Benedict, ed., *Problems of Smaller Territories*, p. 33.

31. Patrick J. McGowan and Klaus-Peter Gottwald, "Small States Foreign Policies: A Comparative Study of Participation, Conflict, and Political and Economic Dependence," *International Studies Quarterly*, Vol. 19, No. 4 (December 1975), pp. 469-500; and Kempe R. Hope, "The Administration of Development in Emergent Nations: The Problems in the Caribbean," *Public Administration and Development*, Vol. 3 (1983), pp. 50-51.

32. Neville Linton, "A Policy Perspective," in Clarke and Payne, eds., *Politics, Security, and Development in Small States*, p. 214-217; and Maurice A. East, "Size and Foreign Policy Behavior: A Test of Two Models," *World Politics*, Vol. 25, No. 4 (July 1973), pp. 556-576.

33. Clifford E. Griffin, "Drugs, Democracy and Instability in a Microstate," *North-South: The Magazine of the Americas*, Vol. 4, Issue 1 (July-August 1994).

34. Hassan Hamdan al-Alkim, *The Foreign Policy of the United Arab Emirates* (London: Saqi Books, 1989), p. 209.

35. East, "Size and Foreign Policy Behavior," pp. 558-560.

rents that are beyond its capacity to control. Small states also face more severe threats through a low capacity to respond to crises, whether they be natural such as hurricanes or man-made.[36] As an example of the latter, military coups are regarded as more easily carried out in small states because the number of troops required is quite small.[37] One recent study contends that globalization prevents small states from continuing to participate successfully in relations with the world as a result of the "geography of injustice."[38]

Returning to the *Small Is Beautiful* argument, an equal number of positive factors can be weighed against these negative conclusions. Foremost among these is the argument that security and stability are in the hands of the state itself, and it is the responsibility of the state to safeguard its own security. Systems that do not allow for grievances to be aired and satisfied are likely to lose popular support. Thus, small states risk the loss of community that binds their citizenry together and are likely to find it in their own interests to preserve a harmonious domestic environment. The argument can also be made that small states are in fact more stable because they are less likely to be authoritarian. They are no more likely to experience sudden régime change than large states and they have lower levels of political protest, as measured by riots and deaths.[39]

Equally, the peculiarly dependent nature of small states in the international system requires them to adopt suitable measures to ensure defense assistance, promote trade and economic assistance, secure cooperation at regional levels, and benefit from multilateral peacekeeping, international law, and intervention when necessary.[40] In foreign policy, small states are much more cognizant of their limitations and vulnerability and so may be more inclined to ensure their international security through a policy of effective alliance-building.[41]

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36. Harden, *Small Is Dangerous*, pp. 1-2.

37. George H. Quester, "Trouble in the Islands: Defending the Micro-States," *International Security*, Vol. 8, No. 2 (Fall 1983), pp. 164-165.

38. "In the developing south, most small and micro-states exhibit helplessness and vulnerability owing to a range of factors, many of which are externally induced while a number are indigenous and particular to specific states." Amalendu Misra, "Theorising 'Small' and 'Micro' State Behaviour Using the Maldives, Bhutan and Nepal," *Contemporary South Asia*, Vol. 13, No. 2 (June 2004), p. 145.

39. Ott, *Small Is Democratic*, pp. 128-129. Dag Anckar, in "Why Are Small Island States Democracies?" *The Round Table*, No. 365 (2002), pp. 375–390, suggests that small entities are more likely to generate feelings of fellowship and a sense of community and thus their populations are better informed about society and politics. Elsewhere, the same author notes the choice of type of régime in small states frequently is a consequence of colonial heritage and therefore the predominance of parliamentary régimes among such states arises because their ranks include large numbers of former British colonies. Dag Anckar, "Regime Choices in Microstates: The Cultural Constraint," *Commonwealth & Comparative Politics*, Vol. 42, No. 2 (July 2004), pp. 206–223.

40. Harden, *Small Is Dangerous*, pp. 115-123.

41. Barend A. de Vries, "Foreign Policy Coordination Among Small European States," *Cooperation and Conflict*, Vol. 23 (1988), p. 45; cited in Ott, *Small Is Dangerous*, p. 34. Of course there is always the alternative adopted by the Duchy of Grand Fenwick in Peter Sellers' classic film, *The Mouse That Roared*: declare war on the United States, then surrender and receive foreign aid.

Qatar's neighbor, Kuwait, serves as a good example of the advantages of smallness. As one analyst has written, "[D]espite its size, Kuwait has followed a unique path in its external orientation and its internal structure. Its foreign relations have been characterized by an activism disproportionate to the basic ingredients of state power. Simply put, Kuwaitis appear to be obsessed with something of a 'siege mentality' and have historically calculated that outside powers would safeguard their survival. ...Kuwait's post-independence foreign policy has been and is influenced by three major national goals: (1) political and military security; (2) Arabic ideology and Islamic values; and (3) the 'mission' to invest and share the nation's wealth with less fortunate Arab and Muslim countries."[42]

Strategies for Survival

The conclusion from these arguments seems to be that small states must adopt at least some of several complementary strategies for survival. First, they must be able to reach a *modus vivendi* with their neighbors, even at the cost of surrendering territory or other aspects of sovereignty, and to maintain correct arrangements despite all provocations (e.g., Kuwait and Iraq). Second, they generally require a powerful protector against larger neighbors. Third, they should exploit a unique niche whereby the small state provides a service or commodity that benefits neighbors, the region, or the broader world. In the first instance, this creates legitimacy. In the second, it demonstrates to outsiders that it is more valuable or useful as an independent entity than it would be if absorbed. Examples of the niche strategy abound:

- Luxembourg — the provision of air services and facilities for the EU
- Switzerland — neutrality, confidential banking, luxury consumer goods, and tourism
- Panama and Liberia — commercial ship flagging
- Monaco — gambling, a resort for the wealthy, and offshore banking
- Kuwait — formerly important activities in gold imports/re-exports, dhow building and trade
- Bahrain — regional commercial headquarters, financial services, regional service industries, and a weekend resort for neighboring states
- Dubai — gold imports/re-exports, emergence as a regional entrepôt, free trade zone, consumer bargains, and tourism

42. Abdul-Reda Assiri, *Kuwait's Foreign Policy: City-State in World Policy* (Boulder, CO: Westview Press, 1990), p. xiv.

Implications of These Strategies for Qatar

It is obvious that certain characteristics of small states cannot be altered: small physical size, small population (especially of nationals), or geopolitical situation. Oil and gas enhance Qatar's position but they can counteract the disadvantages only so much. It is also true that at times Qatar has engaged in risky foreign-policy behavior and alienated its neighbors and allies. In particular, it was embroiled in a long-disputed set of border issues with neighboring Bahrain that were finally settled in 2001 by a World Court judgment after the longest case in that institution's history. After Shaykh Hamad bin Khalifah Al Thani replaced his father as Amir in 1995, the new régime accused its neighbors of supporting his father's attempts to regain power. Relations with Saudi Arabia were tense already due to border altercations in 1992 and 1994, which were finally settled only in 2001. In addition to veiled Qatari accusations of Saudi support to Shaykh Hamad's father, improvement in relations was hampered by differing views on policy towards Iran, Saudi anger over the establishment of an Israeli trade office in Doha, and Saudi umbrage at criticism by television channel Al Jazeera. These issues led to the boycott by Saudi Crown Prince 'Abdullah of a GCC summit in Doha and to the abandonment of a natural gas pipeline from Qatar to Kuwait that would have crossed Saudi territory.

Nevertheless, Qatar has pursued some of the strategies outlined above at various times during its independent period. In terms of alliance-building, Qatar is a founding member of the GCC. Over recent years it has improved its relations with Bahrain and the UAE but it continues to have strained relations with the neighbor that matters the most, Saudi Arabia. It has strengthened relations with the United States to help improve its position regionally and to enhance broader regional security. It has enhanced its legitimacy on the world stage by engaging in peacekeeping and hosting major international meetings.

It has engaged in institution-building and political and bureaucratic reform to mold a more efficient government and better satisfy public expectations. Substantial changes have included abolition of the Ministry of Information, elections to municipal councils beginning in 1998 (in which women were allowed both to vote and run for office), a referendum in 2003 approving the country's first permanent constitution, and the scheduling of the first parliamentary elections for 2007.[43] This record

43. For more details on recent developments in political liberalization and participation, see Louay Bahry, "Elections in Qatar: A Window of Democracy Opens in the Gulf," *Middle East Policy*, Vol. 6, No. 4 (June 1999), pp. 118-127; Olivier Da Lage, "*La constitution du Qatar approuvée par referendum le 29 avril 2003*" ["The Constitution of Qatar was Approved by Referendum on April 29, 2003"], *Maghreb-Machrek*, No. 176 (Spring 2003), pp. 111-121; Fatiha Dazi-Héni, "*Des processus électoraux engagés dans les monarchies du Golfe: les cas du Koweït et du Qatar*," ["Electoral Processes Utilized in the Gulf Monarchies: the Case of Kuwait and Qatar"], *Monde arabe - Maghreb-Machrek*, No. 168 (April-June 2000), pp. 76-88; Michael Herb, "Emirs and Parliaments in the Gulf," *Journal of Democracy*, Vol. 13, No. 4 (October 2002), pp. 41-47; J.E. Peterson, *The Arab Gulf States: Further Steps Towards Political Participation* (Dubai: Gulf Research Center, 2006); and Andrew Rathmell, and Kirsten Schulze,

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and promise of political change and liberalization also serves to impress the West, especially the United States. Finally, it has emphasized niche exploitation on a number of fronts. In truth, this strategy of niche exploitation is actually the branding of Qatar.

THE STRATEGY OF BRANDING

A simple definition of brand is a product or service distinguished by some distinctive characteristic. According to one scholar, "Branding acquires its power because the right brand can surpass the actual product as a company's central asset."[44] But branding is not just limited to the commercial world.

Branding and its Purpose

Since the beginning of civilization, producers of goods have used their brands or marks to distinguish their products. In part, this has been because of pride in the products but, more importantly, it has provided consumers a means of recognizing and specifying their products for repurchase or recommendation to others.[45] Over time, brands have developed in three different ways:

- Legal systems have recognized the concept of brands and protect them as intellectual property through trademarks, patents, designs, and copyrights;

- The concept of branding has been extended from products to services as well, which enjoy the same statutory rights; and

- Most importantly, the ways in which branded products or services are distinguished from one another increasingly depends on intangible factors, as well as product characteristics, quality, and price: "The brand qualities which consumers rely upon in making a choice between brands have become increasingly subtle and, at times, fickle."[46]

A brand requires distinctiveness, but the trick lies in how to make it distinctive, and to make it stand out in the consumer's mind. In the end, it is not the producer that

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[*Continued from previous page*]
"Political Reform in the Gulf: The Case of Qatar," *Middle Eastern Studies*, Vol. 36, No. 4 (October 2000), pp. 47-62. On foreign policy, see Jacob Abadi, "Qatar's Foreign Policy: The Quest for National Security and Territorial Integrity," *Journal of South Asian and Middle Eastern Studies*, Vol. 27, No. 2 (Winter 2004), pp. 14-37.

44. Peter van Ham, "The Rise of the Brand State: The Postmodern Political Image and Reputation," *Foreign Affairs*, Vol. 80, No. 5 (Sept.-Oct. 2001), p. 3.

45. John M. Murphy, "What Is Branding?" in Murphy, ed., *Branding: A Key Marketing Tool* (New York: McGraw-Hill, 1987), p. 1.

46. Murphy, "What Is Branding?" p. 1.

decides whether or not its brand is distinctive. It is only distinctive if the consumer perceives and believes that it truly is.[47] Since there is often little difference between products and brands in the same category, the only thing that differs is the story. Branding therefore is the application of a story to a product or a service. It is the story that makes one identify or desire a brand, more so than the product or service itself.[48] Or to put it another way, a brand must become *gestalt*, a bonding together of many different values, both tangible and intangible, that together make a brand distinctive.[49]

One author calls this change in the concept of branding from promoting a product to promoting the *gestalt,* or mystique of the brand, "emotional branding:" the idea that beyond a product's functional benefits, people wish to buy an emotional experience. "A brand becomes not just *what* we think about an object, but *how* we think about it."[50] Branding does not just tell the product's story but it determines the audience's response.

The difficult part in branding is creating or strengthening the intangible factors involved. There is no scientific formula to determine the blend of factors that actually work. In practical terms, this means that companies resort to one or more alternative strategies for developing new brands. "Me too" products are similar in concept, marketing, function, and brand name to the original. They cannot compete seriously with the original but they do give a producer a low-risk opportunity to enter a market at low cost and secure a modest market share. Another strategy is to create a new brand from the ground up, not by copying an existing brand but by creating an aura and demand for a new brand. This means identifying and exploiting a unique niche. It is also a costly and often unreliable process.[51]

The same factors in establishing and maintaining a brand apply to other sectors beyond the commercial world. Recent decades have seen the expansion of branding from consumerism to cultural values and beliefs, particularly by schools, churches, museums, hospitals, and in politics. These institutions embraced branding not just to make their ideological points and generate cultural capital but, just like consumer branding, to make the individual institution distinctive and therefore more desirable than its competition.[52] The same principles apply to international relations and the

47. Duane E. Knapp, *The Brandmindset*™ (New York: McGraw-Hill, 2000), p. xv.

48. James B. Twitchell, *Branded Nation: The Marketing of Megachurch, College, Inc., and Museum World* (New York: Simon and Schuster, 2004), pp. 4-5.

49. Murphy, "What Is Branding?" pp. 1-2.

50. Twitchell, *Branded Nation*, p. 38. Another practitioner divides branding into phases: the 1950s were characterized by the USP (unique selling proposition, with emphasis on the product rather than the brand); the 1960s saw the emergence of ESP (emotional selling proposition, with brands seen differently primarily because of an emotional attachment); the 1980s produced the OSP (organizational selling proposition, in which the organization or corporation behind the brand was in fact the brand, rather than a product); and the 1990s saw the BSP (brand selling proposition, in which the brand was stronger than the physical dimension of the product). Martin Lindstrom, *Brand Sense: Build Powerful Brands Through Touch, Taste, Smell, Sight, and Sound* (New York: Free Press, 2005), p. 4.

51. Murphy, "What Is Branding?" pp. 1-2.

52. Twitchell, *Branded Nation*, p. 3.

role of states in the international system.

The Branding of States

In the words of one scholar, "A brand is best described as a customer's idea about a product; the 'brand state' comprises the outside world's ideas about a particular country."[53] Branding for political entities is relatively new and may be seen as an extension of cultural branding. This is well established in the United States, where different states are well-known for different characteristics: Florida and Hawaii for their beaches and tropical fruits; Maine and Oregon for the beauty of their coasts; New York for being a center of arts and shopping; and Nevada as a gambling and entertainment capital. Where states do not have instantly identifiable brands, they have developed slogans: "Virginia is for Lovers," "You've Got a Friend in Pennsylvania," and "Oklahoma Is OK." These slogans don't say anything about the state but the slogan is remembered and makes one automatically think of the state.[54]

In the international arena, some nations are well-known for their brands: France for culture, as well as good food, cheese, and wine; or Switzerland as a banking haven and for its neutrality. Where states do not have easily identifiable brands, they must exert extra effort to create them from scratch. Branding may be contextual, as when the West regards countries in the same way as products that are consumed, i.e., "friendly" (Western-oriented) and "credible" (an ally), or "aggressive" (expansionist) or "unreliable" (a rogue state).[55]

But success in state branding is just as difficult and mercurial as in consumer branding. In both arenas, the top brands are very competitive. Coca-Cola may be the most valuable brand in the world, but it must protect its brand at all times against Pepsi. The difference between them is not in the product but in the image.[56] "Image and reputation are thus becoming essential parts of the state's strategic equity, its export capital, what it offers to those it wishes to influence.... The battle is for audience share — the new market of diplomacy."[57] A beneficial side-effect of this drive for brand recognition may be less chauvinism and provincialism as the state strives to achieve wider consumption and broader appeal: "To make the sale, you have to talk the consumer's language, not just your own."[58]

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53. Van Ham, "The Rise of the Brand State," p. 2.

54. Twitchell, *Branded Nation*, p. 290.

55. Van Ham, "Rise of the Brand State," p. 3. Van Ham goes even further in asserting that " ... state branding is gradually supplanting nationalism. The brand state's use of its history, geography, and ethnic motifs to construct its own distinct image is a benign campaign that lacks the deep-rooted and often antagonistic sense of national identity and uniqueness that can accompany nationalism. By marginalizing nationalist chauvinism, the brand state is contributing greatly to the further pacification of Europe." Van Ham, "Rise of the Brand State," p. 3.

56. Twitchell, *Branded Nation*, pp. 13-14.

57. Twitchell, *Branded Nation*, p. 294.

58. Twitchell, *Branded Nation*, p. 294.

To be successful, state branding needs to be assertive and even brash. Globalization and the growth of international media increasingly serve to redefine the state by its image and reputation. For this reason, Belgium sought to rebrand itself a few years ago and replace its dowdy image with a livelier, hipper one: according to one Belgian official, the goal was to emulate Virgin — Sir Richard Branson's British commerical empire — which "isn't big but you see it everywhere you look."[59] Similarly, Tony Blair's government, itself built on the brand of "New Labour," forged the elaborate advertising campaign based on "Cool Britannia."[60] Branding has emerged as a state asset to rival geopolitics and traditional considerations of power. Assertive branding is necessary for states as well as companies to stand out in the crowd, since they often offer similar products: territory, infrastructure, educated people, and, for example in the Gulf, almost identical systems of governance.

Perhaps no example is more striking than that of the European Union (EU), an artificial creation that relies upon extensive branding to underpin its legitimacy. The EU has achieved recognition as a distinct entity with its own logo, the circle of stars on a blue background, and has fostered the term "euro" to apply to nearly everything from song contests ("Eurovision") to the rail connection of Britain with mainland Europe ("Eurostar") to even a common currency. The European Union proclaims to its clientele that buying its product — in this case, belonging — represents security and sophistication, as well as a sense of self and belonging.[61]

To be sure, there are negative aspects to competitive branding. Reaching out to consumers means losing uniqueness. The inexorable march of malls across America and the world means that the same shops and brands are everywhere. The ever-growing ambitions of Dubai means that that city-state has become like nowhere else but, at the same time, it is like everywhere else. From another point of view, branding creates a need to "stay the course," to maintain the same outlook and policies in order to protect the brand image. It introduces constraints on both domestic and foreign policy.

QATAR AS A CASE STUDY OF BRANDING FOR SMALL STATES

Few countries seem to have taken the lessons and importance of branding to heart more thoroughly than Qatar has in recent years. The emirate's branding strategy encompasses a number of fronts. Politically, Qatar has adopted a high-profile independent stance within the GCC. It has raised international awareness of the microstate by hosting major international conferences and enhancing its involvement with international organizations. The US-backed Middle East and North African regional economic meeting took place in Doha in November 1997 and included Israeli representation. The World Trade Organization (WTO) ministerial meeting in November 2001 continues to give Qatar exposure through the continuing "Doha Round" of trade negotiations. Its profile in the Islamic world was enhanced by the meeting of the

59. Quoted in Van Ham, "Rise of the Branded State," p. 4.
60. Van Ham, "Rise of the Branded State," p. 4.
61. Van Ham, "Rise of the Branded State," pp. 5-6.

Organization of Islamic Conference (OIC) summit in Doha in March 2003. More recently in June 2005, it was the venue for the Second South Summit of the Group of 77. In October 2005, it was elected to a two-year term on the United Nations Security Council.

The branding strategy has involved economic objectives as well. Qatar's oil wealth and production have long been part of its branded image, but more recently, of course, Qatar has begun development of natural gas production. Inevitably, news articles speak of Qatar's immense reserves and they generally begin with the confirmation that Qatar has the third largest natural gas reserves in the world. Another economic aspect of Qatar's branded image has been the creation of Qatar Airways, Qatar's very own airline. The airline represents the state by flying airplanes with Qatar's name into airports around the world and the word Qatar appears, of course, in its advertising.

Sports are another important aspect of Qatar's branded image, particularly with regard to annual sporting tournaments. In tennis, the ExxonMobil Open tournament has taken place in Qatar since 1998, with the top-ranked player in the world, Roger Federer, successfully defending his title in the 2006 tournament. The Qatar Masters has been a fixture on the European and Asian Professional Golfers' Association (PGA) circuits since 1998. The country also hosts the annual Qatar International Rally. The biggest venture into international sports will come in December 2006 when the country is scheduled to host the Asian Games. Qatari sports also have ventured into international running and wrestling events, but controversially so, since many of the athletes have received Qatari nationality so that they can compete for the country.

Cultural efforts include the annual Qatar Cultural Festival, with its fifth appearance in 2006. The very ambitious plans for the development of a number of world-class museums has put Qatar on the map of the art world. The flagship museum will be the Museum of Islamic Art, scheduled to open in late 2006 in a building designed by I.M. Pei. Nearby will be the National Library and Natural History Museum. Work is also underway on the Museum of Photography and the Museum of Traditional Clothes and Textiles, to be fitted in Doha's old fort. An Arab Museum of Modern Art is also planned.[62] Another major initiative has been the Education City, established and still growing under the aegis of the state-supported Qatar Foundation for Education, Science and Community Development. The complex contains local branches of Texas A&M University (concentrating in engineering); Cornell University (medical college); Virginia Commonwealth University (fine arts and design); Carnegie Mellon University (computer science and business); and Georgetown University (foreign affairs), as well as hosting the Rand Qatar Policy Institute. The Qatar Science and

62. These immense and costly projects also gained the emirate some notoriety with the abrupt dismissal and temporary house arrest in early 2005 of Shaykh Sa'ud bin Muhammad bin 'Ali Al Thani, the head of the National Council for Arts, Culture, and Heritage. Shaykh Sa'ud had created ripples in the art world with the scope and deep pockets of his acquisitions of Islamic art. No reason was given for his dismissal but it is thought to have been the result of his mixing acquisitions between the state collections and his private collection. The events have been covered in the *New York Times*, March 9, 2005, and *The Art Newspaper* (London), March 14 and 31, 2005.

Technology Park is also under construction.

Bearing in mind the constrictions on successful branding outlined above, Qatar's continued success in its branding strategy must keep a number of essential questions in mind. What are Qatar's goals? Why is Qatar branding? What is the market? What is Qatar's audience? Who is Qatar trying to reach or seduce with the Qatar brand? What means does Qatar intend to use to accomplish its goals?

Creating a new brand is difficult, a long process, and expensive. It requires creating or exploiting a unique niche. As one of the Gulf's petroleum-driven, traditionally inclined, micro-states, Qatar's first priority is in creating distinctiveness. A strategy based on a "me too" product is not likely to be successful. In other words, its brand must be differentiated from those of its neighbors. This means, among other things, rejecting a strategy of simply copying Dubai's success. Sporting events, Qatar Airways, and cultural and shopping festivals may broaden Qatar's appeal but they are not sufficient to create a distinctive brand.

To borrow from commercial branding objectives, Qatar must keep in mind that it is not the product that is essential; rather it is the experience. Products fulfill needs, but experiences fulfill desires. Qatar's "product" must stretch beyond establishing quality to creating preference for its brand. Similarly, identification is only the initial step in branding; creating a welcome, trustworthy personality is essential. Emphasis must go beyond communication of the brand to embrace dialogue. Honesty is expected in a brand but trust must be earned and maintained.[63] Finally, the last step on the road to success is growing the brand.

The advantages of branding are reasonably obvious. It increases the prestige of the country. It may also raise recognition around the world of Qatar: what it is, where it is, what is important about it, and what is unique about it. With proper branding, Qatar becomes more than simply a place where oil or natural gas is produced, and Doha more than an anonymous city with modern buildings and shopping malls. The fundamental advantage, however, is that it assures the legitimacy of the micro-state. This in turn leads to the single most important factor: increased awareness of and legitimacy accruing to Qatar — in domestic and external terms — enhances the prospects of the state's survival.

At the same time, it should be remembered that there are disadvantages and limits involved with branding. One difficulty mentioned earlier is that of acquiring distinctiveness, of avoiding the "me-too" brand and finding the unique niche. In economic terms, Qatar as a Gulf oil-producing state is faced with the problem of "comparative advantage:" Qatar and its neighbors are all resource-poor apart from oil (and often gas); and thus they find themselves competing tooth-to-tooth in their similar efforts at diversification. This also holds true in their branding strategies: they are competing on the same grounds and thus whoever is first with a unique aspect of branding not only takes the lead but assumes what is often an insurmountable advantage. Just as small states will always be small states, so branding must always reflect the fundamentals that make up Qatar.

63. Marc Gobé, *Citizen Brand: 10 Commandments for Transforming Brands in a Consumer Democracy* (New York: Allworth Press, 2002).