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Qatar: Background and U.S. Relations

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Summary

Qatar, a small peninsular country in the Persian Gulf, has emerged as an important ally of the United States since the late 1990s and currently serves as host to major U.S. military facilities for command, basing, and equipment pre-positioning. Qatar holds the third largest proven natural gas reserves in the world, and its small population enjoys the highest per capita income of any Middle Eastern country. The Emir of Qatar, Shaikh Hamad bin Khalifa Al Thani, has embarked upon a limited course of political liberalization since replacing his father in a bloodless palace coup in 1995. The Emir also has undertaken several projects to diversify Qatar's economy and improve educational opportunities for Qatari citizens. As part of Qatar's liberalization experiment, the Qatari monarchy founded Al Jazeera, the Arab world's first all-news satellite television network, in 1995. In an April 2003 referendum, Qatari voters approved a new constitution that officially granted women the right to vote and run for national office. Under the new constitution, elections for a partially elected national assembly will take place some time in late 2006 or 2007.

Following joint military operations during Operation Desert Storm in 1991, Qatar and the United States concluded a Defense Cooperation Agreement that has been subsequently expanded. In April 2003, the U.S. Combat Air Operations Center for the Middle East moved from Prince Sultan Airbase in Saudi Arabia to Qatar's Al Udeid airbase south of Doha, the Qatari capital. Al Udeid serves as a logistics hub for U.S. operations in Afghanistan as well as a key command and basing center for Operation Iraqi Freedom. Nearby Camp As Sayliyah is the largest pre-positioning facility of U.S. military equipment in the world.

In spite of serving as the host to a large U.S. military presence and supporting U.S. regional initiatives, Qatar has remained relatively secure. A shooting attack took place at Al Udeid airbase in November 2000, and on March 19, 2005, an Egyptian national carried out a suicide car bomb attack at a theater popular with Western expatriates on the outskirts of Doha. The car bombing, the first terrorist attack in Qatar to target civilians, killed one British citizen and wounded twelve others. Recent terrorist statements indicate that U.S. facilities in Qatar remain potential targets.

U.S. officials have described Qatar's counterterrorism cooperation since 9/11 as significant; however, some observers have raised questions about possible support for Al Qaeda by some Qatari citizens, including members of Qatar's large ruling family. According to the 9/11 Commission Report, Qatar's current Interior Minister provided safe haven to 9/11 mastermind Khalid Shaikh Mohammed during the mid-1990s, and press reports indicate other terrorists may have received financial support or safe haven in Qatar after 9/11, including a Chechen terrorist financier who was assassinated in Doha in 2004 and Al Qaeda in Iraq leader Abu Musab Al Zarqawi.

This report was originally written by Jeremy Sharp, and has been revised and will be updated by Christopher Blanchard to reflect significant developments. For further information, see CRS Report RL31889, *The Al-Jazeera News Network: Opportunity or Challenge for U.S. Foreign Policy in the Middle East?*; and CRS Report RL31533, *The Persian Gulf: Issues for U.S. Policy, 2004*.

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Qatar: Background and U.S. Relations

Qatar, a small peninsular state bordering Saudi Arabia in the Persian Gulf, is a constitutional monarchy governed by the Al Thani family. The country gained independence from the United Kingdom on September 3, 1971. Qatar's Emir, Shaikh Hamad bin Khalifa Al Thani, replaced his father as Qatar's ruler in a 1995 palace coup and has survived at least one counter-coup attempt.¹

Political Profile

On June 27, 1995, in a bloodless palace coup, Shaikh Hamad replaced his father, Shaikh Khalifa, who had ruled Qatar for 23 years. The former ruler had been living out of the country in Cannes, France for most of that period and had turned over many routine affairs of state to Shaikh Hamad, then crown prince and commander of Qatar's small armed forces. The ruling Al Thani family rallied behind Shaikh Hamad, who quickly consolidated control. In February 1996, supporters of Shaikh Khalifa unsuccessfully attempted a counter-coup, which prompted Shaikh Hamad to initiate civil proceedings against his father to retrieve an alleged \$3-\$12 billion of state assets supposedly in his possession.² The alleged mastermind of the counter-coup attempt, cousin of the Emir and former minister Shaikh Hamad bin Jassim bin Hamad Al Thani, was captured outside of Qatar and prosecuted: he remains on death row. Saudi Arabian mediation facilitated an out-of-court settlement

Figure 1. Qatar and Its Neighbors



¹ The term “Emir” (or Amir), often translated as prince, is the term used for monarch or ruler in the Persian Gulf region. The term “Shaikh” (or Sheikh or Shaykh) is an honorific title, which can mean a ruler, a tribal leader, or a venerable religious figure. “Shaikh” is pronounced with a long A (as in “say”), not a long E (as in “see”).

² Some Qataris believe that the government of Saudi Arabia supported Shaikh Khalifa in his attempt to return to power in Qatar. See, Craig S. Smith, “A Tiny Gulf Kingdom Bets its Stability on Support for U.S.,” *The New York Times*, Oct. 24, 2002.

between the Emir and his father, and they have reconciled, although the former Emir has not returned to Qatar.

Shaikh Hamad, at age 54, has been described as a representative of an emerging new generation of Persian Gulf leaders.³ Like King Abdullah II of Jordan, Shaikh Hamad was educated in the United Kingdom and holds degrees from Sandhurst Military Academy and Cambridge University. He has three wives and eleven children. In 1997, the Emir underwent kidney transplant surgery in the United States. Since then, there have been no new reports regarding his health.

Structure of Government. The Emir is head of the executive branch of the Qatari government and appoints members of the Al Thani family and other notables to a governing Council of Ministers (cabinet), which is headed by his brother, Prime Minister Abdallah bin Khalifa Al Thani. The country's constitution (approved in April 2003 and in force as of June 2005) stipulates that the rule of the state is hereditary within the Al Thani family and that future successors to the throne will follow the line of the Emir's male offspring.⁴ In August 2003, the Emir replaced his third oldest son, Jassem bin Hamad Al Thani, as heir apparent. His fourth oldest son, Tamim bin Hamad Al Thani, is now the named successor to the Qatari monarchy.⁵

The constitution also states that legislative authority will reside in the hands of a 45-member Advisory Council (*Majlis Al Shura*), two-thirds of which will be directly elected and one-third appointed by the Emir from among ministers or others.⁶ National elections for the new Advisory Council are expected to take place some time before the end of 2007, and women will have the right to vote in the elections and to run for office. The Advisory Council will have oversight authority over the Council of Ministers and will be able to propose legislation and review budgets. The constitution also empowers the Advisory Council to issue motions of no-confidence against government ministers; no-confidence motions must be approved by two-thirds of the Advisory Council. Council members will serve four-year terms.

³ The Emir's official website is available at [http://www.diwan.gov.qa/english/main_page_english_NF.htm].

⁴ The constitution was approved in a nation-wide referendum in which 96.6% of participating voters (68,987) approved the constitution and only 3.3.% opposed it (2,145).

⁵ Jassem bin Hamad reportedly was either dissatisfied with his lack of substantive responsibilities, or did not have an interest in continuing to serve as crown prince. According to some reports, the Emir's second oldest son, Fahd bin Hamad Al Thani, closely associated himself with Arab volunteers to the anti-Soviet conflict in Afghanistan during the 1980s and is believed to retain close ties to conservative Islamic figures. See Michael Knights and Anna Solomon-Schwartz, "The Broader Threat from Sunni Islamists in the Gulf," *PolicyWatch* #883, Washington Institute for Near East Policy, July 19, 2004.

⁶ Prior to the establishment of a partially elected national assembly, Qatar had a fully-appointed, 35-member advisory council that could only make recommendations to the Council of Ministers. Qatar's old Provisional Constitution provided for a modified electoral procedure in choosing members of the Council and a three-year term; nevertheless, the Council remained appointive in practice, and terms of the Council members were extended in three or four-year increments since 1975.

Political Reform and Elections. Shaikh Hamad and his advisers have embarked on a limited political reform program designed to gradually make Qatar's government more participatory and accountable. Although a series of national elections have been held (see below), the government continues to maintain strict limits on freedoms of assembly and association: a series of new laws allow for individuals to organize political demonstrations and public gatherings, but organizers must obtain a permit from the government, and Qatari authorities may impose restrictions on the topics of discussion. Political parties are not allowed in Qatar, and all private professional and cultural associations must register with the state and are monitored.

Qatari authorities have allowed a series of national elections as components of the country's gradual transition toward greater democratic participation. The elections also have provided a "trial and error" setting for the creation and improvement of Qatar's national electoral infrastructure. In April 1998, 3,700 business community leaders participated in an election for a national Chamber of Commerce, selecting 17 members from a slate of 41 candidates. In March 1999, a Central Municipal Council election occurred in which 248 candidates (including 6 women) competed for 29 seats, and all adult Qatari citizens, with the exception of members of the police and armed forces, were allowed to vote and run for office. The election marked the first time a Persian Gulf country had enfranchised all of its male and female citizens in a nation-wide election.⁷ In April 2003, national elections for the Municipal Council's new term resulted in the first electoral victory for a Qatari female candidate, Shaikha Yousef Al Jiffri, an appointed officer at the Education Ministry who ran unopposed.⁸

Although the Municipal Council functions primarily in an advisory role to the Ministry of Municipal and Agricultural Affairs, some observers view it as a stepping-stone to the wider political liberalization implied by the creation of the Advisory Council by the new constitution. Similarly, the national elections for the Municipal Council are seen by Qatari officials as test cases for future Advisory Council elections.

Some observers and Arab commentators have questioned the timing of Qatar's reforms, calling them symbolic and primarily geared toward satisfying U.S. policy goals of promoting democracy in the region. In response to this criticism, one Qatari politician wrote that "the truth is that this constitution is not a reaction to these events, and as a Qatari politician, I can assert that the democratic trend and the desire to establish a state of institutions and rule of law represents a deep conviction that the Prince of Qatar beholds ... even before he became a Prince."⁹

⁷ All six female candidates were defeated in the 1999 election.

⁸ "Qatar Elects First Woman to Council Doha," *Gulf News*, Apr. 8, 2003.

⁹ "The Constitution's Referendum: Proof of the Democratic Experience in Qatar," *Dar Al Hayat*, Apr. 22, 2003.

Human Rights and Social Issues

Human Rights. The U.S. Department of State Country Report on Human Rights for 2004 states that “although there were some improvements [in Qatar] in a few areas, serious problems remained.”¹⁰ According to the report, the rights of non-citizens are at times abused, particularly among domestic servants from the Philippines and South East Asia. As in other Gulf countries, expatriate laborers are vulnerable to exploitation by employers who capitalize on their fear of deportation. Citizenship is withheld from foreign workers, who outnumber native Qataris in the labor force by an estimated ratio of more than 5 to 1.¹¹ In December 2004, Qatar announced that it was banning the use of children as camel jockeys, a practice long decried by the international community.

In May 2004, the Emir issued a new labor law, which gives Qatari nationals the right to form associations with legal status and allows workers to go on strike. The new legislation also bans employing youth under the age of 16, sets the working day at eight hours, and grants women equal rights with men, in addition to a paid 50-day maternity leave. Some observers have criticized the new legislation for not extending legal protections to Qatar’s large foreign workforce. Critics charge that the labor law places additional restrictions on guest workers by prohibiting non-citizens from forming labor unions and restricting their ability to bargain collectively and to strike.

Islam and Religious Freedom.¹² Islam is the official religion of the state of Qatar. Conditional freedom of worship is protected under the constitution, although proselytization by non-Muslims is illegal. Qatar, like Saudi Arabia, officially adheres to the Wahhabi version of Sunni Islam; however, in contrast with Saudi Arabia, Wahhabi tenets are not publicly enforced or strictly adhered to in most public settings.¹³ Qatar hosts a number of conservative Islamic clerics, including Dr. Yusuf Al Qaradawi, a controversial figure whose views on the conditional legitimacy of suicide bombing and whose outspoken critiques of Israel, the United States, and terrorism have made him a target of criticism from a wide range of observers.¹⁴

¹⁰ U.S. Department of State 2004 Country Report on Human Rights Practices in Qatar available at [<http://www.state.gov/g/drl/rls/hrrpt/2004/41730.htm>]. Released on Feb. 28, 2005.

¹¹ The new Qatari constitution does not address the rights of foreign guest workers.

¹² U.S. Department of State’s 2005 International Religious Freedom Report on Qatar available at [<http://www.state.gov/g/drl/rls/irf/2005/51608.htm>] Released on Nov. 8, 2005

¹³ For more on Sunni Islam and Wahhabism, see CRS Report RS21745, *Islam: Sunnis and Shiites*; and CRS Report RS21695, *The Islamic Traditions of Wahhabism and Salafiyya*, both by Christopher M. Blanchard.

¹⁴ Qaradawi is regarded as moderately conservative by many Muslims, although his declared views on the legitimacy of “struggle” and “martyrdom operations” against “occupation forces” have made him controversial to some in the Islamic world as well as many in the United States and Israel. He also is frequently criticized by violent Islamic groups for his condemnations of terrorist attacks on civilians. Qaradawi hosts a popular weekly call-in television show on Al Jazeera and frequently delivers sermons in Qatari mosques. He also

(continued...)

In November 2005, the Emir donated a plot of land for the construction of a \$7 million Anglican church to be built during 2006.¹⁵ Qatar established diplomatic ties with the Holy See in November 2002. Qatar does not ban alcohol, which is available in licensed premises such as the bars of major hotels and clubs.

Al Jazeera and the Qatari Media. Shaikh Hamad helped establish the Al Jazeera satellite television news network in 1996 with a \$140 million grant. Since then, the Qatari government has provided most of the channel's funding, as advertising revenue only meets 35%-40% of Al Jazeera's annual operating expenses. Qatari government officials and Al Jazeera executives argue that the station's inability to attract sufficient advertising revenue is a function of the channel's controversial status across the Middle East. These officials and executives allege that other Arab governments exert pressure on companies based in or operating in their countries to refrain from advertising on Al Jazeera, because the channel may provide coverage of internal political, social, and economic developments that are unflattering to ruling regimes or less biased or censored than traditional government-run media outlets.¹⁶ Al Jazeera devotes less of its air time to coverage of Qatari affairs than of the internal affairs of other Arab states. Recent British media reports concerning alleged comments made by President George W. Bush referring to the possible bombing of Al Jazeera headquarters in Doha sparked widespread concern and debate in Qatar, leading some Qataris to question their country's support for U.S. policy initiatives.¹⁷

Although the Qatari government lifted formal censorship of the Qatari media in 1995, journalists tend to exercise a degree of self-censorship, particularly with regard to the Emir and his immediate family. Internet service in Qatar is monitored for pornography and other material considered insulting to Islam.

Education. Qatar has invested heavily in improving the educational opportunities available to its citizens in recent years. Prominent Qatari women also have taken a leading role in a number of education reform programs. On May 5, 2003, Shaikh Hamad appointed Shaikha Bint Ahmed Al Mahmoud, daughter of the Minister of State for Foreign Affairs, as Minister of Education. This appointment signified the first appointment ever of a female cabinet minister in any Persian Gulf state. In October 2003, Shaikha Mozah Bint Nasser Al Missned, one of Shaikh

¹⁴ (...continued)

operates a charitable umbrella organization known as the Union of Good that coordinates the delivery of relief and assistance to Palestinians in the West Bank and Gaza Strip. Some of the Union's member organizations have been described by Israeli sources as fundraisers for Hamas and other Palestinian terrorist groups. For more on the Union of Good, see [<http://www.101days.org/>] and [http://www.intelligence.org.il/eng/sib/2_05/funds.htm].

¹⁵ The Church of the Epiphany will not feature a steeple or rooftop cross. Michael Theodoulou, "Muslim State to Build first Christian Church for 1,400 Years," *The Times* (London) Nov. 2, 2005.

¹⁶ Author meeting at Al Jazeera headquarters, Jan. 2005.

¹⁷ The White House refused to comment on the reported comments other than to characterize them as "outlandish and inconceivable." *The Peninsula* (Doha) "Doha Shocked, Sit-in Today," Nov. 24, 2005.

Hamad's wives, helped launch Qatar's new "Education City," a state-of-the-art campus complex in Doha that offers degrees from several U.S. universities including Weill Cornell Medical College, Georgetown University's Edmund A. Walsh School of Foreign Service, Texas A&M University, Virginia Commonwealth University, and Carnegie Mellon University. Shaikha Mozah serves as the Chairperson of the Qatar Foundation, which directs Education City's activities.¹⁸ The RAND Corporation has evaluated and recommended reform options for Qatar's primary, secondary, and post-secondary education systems and operates a public policy analysis center in cooperation with the Qatar Foundation on the Education City campus.

Economic Overview

Oil and natural gas production is the mainstay of Qatar's robust economy, which has experienced an average annual growth rate of 7.5% over the last five years. Income from oil sales accounts for nearly 70% of government revenues. Japan, South Korea, and Singapore are the leading importers of oil from Qatar. With regard to Qatar's economy, in a major departure from his more conservative-minded father, Shaikh Hamad has borrowed heavily from foreign banks since the late-1990s in order to modernize Qatar's energy infrastructure.

Oil and Natural Gas Production. Qatar Petroleum (QP), the state-owned oil company, has increased its output from 593,000 barrels per day (b/d) in 1999 to meet Qatar's current OPEC production quota of 726,000 b/d.¹⁹ However, with oil reserves likely to be exhausted by 2026 at current production rates, Qatar is rapidly moving to exploit its vast natural gas reserves.²⁰ As part of a long-term development strategy, Qatar has tapped international financial markets and invited foreign investment in recent years in order to finance the expansion of its gas extraction and liquified natural gas (LNG) production facilities.²¹ The Export-Import Bank of the United States has provided over \$1 billion dollars in loan guarantees to support the

¹⁸ For more information on Education City and the Qatar Foundation, which oversees its activities, see the Foundation's website, available at [<http://www.qf.edu.qa/output/Page1.asp>].

¹⁹ Qatar is the smallest oil producing member of OPEC. Revenues from petroleum exports account for 60%-70% of government revenues.

²⁰ With proven oil reserves of 15.2 billion barrels, Qatar has far less oil than the major Persian Gulf producers, such as Kuwait (96.5 billion barrels), Iraq (112 billion barrels), and Saudi Arabia (252 billion barrels). However, Qatar has the third largest natural gas reserves in the world behind Russia and Iran. Qatar's supply of natural gas doubled in 2002, when surveyors discovered new gas deposits in Qatar's north field.

²¹ Qatar's government has a 60%-70% stake in two joint partnerships with foreign firms, including ExxonMobil (USA), TotalFinaElf (France), KoGas (South Korea), and Matsui (Japan). In February 2005, Qatar Petroleum signed a \$7 billion agreement with Shell and a \$12 billion agreement with ExxonMobil to export natural gas to the United States and Europe.

development of Qatar's gas production facilities in cooperation with a range of U.S., European, and Asian companies, banks, and export credit agencies.²²

Qatar intends to expand its yearly LNG output, which is not subject to OPEC production quotas, from 4.5 million tons per annum in 2002 to 14 - 18 million tons per annum by 2010. Although Qatar's LNG industry has low capital costs due to government investment, it has high operational costs, which has required Qatar to develop economies of scale in order to be more competitive with established LNG exporters such as Indonesia and Nigeria.²³ The large natural gas production and shipping facilities at the coastal city of Ras Laffan in northern Qatar serve as the main site for the country's gas development projects, with several independent gas production and conversion "trains" linked to corresponding fields and contracted export markets.

Qatar has signed several agreements with U.S. energy companies (ConocoPhillips and ExxonMobil) and other international companies to develop facilities to export LNG to the United States, the UK, Spain, Italy, South Korea, Taiwan, and India. Qatar also is in the midst of building the largest gas to liquids (GTL) plant in the world. Under Project Dolphin, Qatar is planning to build underwater pipelines to export natural gas to Kuwait, Oman, and the United Arab Emirates. Qatari government officials estimate that natural gas revenues will outstrip oil income in the near future.

U.S.-Qatari Relations

A U.S. embassy was established in Doha in 1973, but U.S. relations with Qatar did not blossom until the 1991 Gulf war. During fighting with Iraqi forces in January 1991, Qatari armored forces helped coalition troops repel an Iraqi attack on the Saudi Arabian town of Kafji, on the coastal road leading south from Kuwait into Saudi Arabia's oil rich Eastern Province.²⁴ The United States promptly recognized the assumption of power by Shaikh Hamad in June 1995 and has welcomed Qatar's defense cooperation, as well as Qatari political, economic, and educational reform efforts since then. U.S. concerns regarding alleged material support for terrorist groups by some Qataris, including members of the royal family, have been balanced over time by Qatar's counterterrorism efforts and its broader, long-term commitment

²² For example, since 1996, the Export Import Bank has provided loan guarantees to support the export of U.S. equipment and services for the construction of facilities at Ras Laffan, including most recently, the construction of natural gas liquefaction plants and facilities associated with the QatarGas II and III projects. See Export Import Bank of the United States, "Ex-Im Bank \$930 Million Guarantee Supports U.S. Exports to Build LNG Plant in Qatar," Nov. 18, 2004; and Export Import Bank of the United States, "Ex-Im Bank Finances QatarGas 3 Liquid Natural Gas Complex, Dec. 15, 2005.

²³ Meeting with Qatar Petroleum, Qatar Gas, and Ras Gas executives, Ras Laffan, Qatar, Jan. 2005.

²⁴ Thomas Ferraro, "Allies Retake Saudi City," *United Press International*, January 31, 1991; and Joseph Albright, "Marines Take Credit for Khafji Victory," *Atlanta Journal and Constitution*, Feb. 3, 1991.

to host and support U.S. military forces being used in ongoing operations in Iraq, Afghanistan, and the global war on terrorism. Qatari-U.S. relations remain cordial and close. In September 2005, Qatar offered to donate \$100 million to victims of Hurricane Katrina in the U.S. Gulf states.

Defense, Security, and Terrorism

U.S.-Qatar Defense Cooperation. With its small territory and narrow population base, Qatar relies to a large degree on external cooperation and support for its security. With a personnel strength of 11,800, Qatar's armed forces are the second smallest in the Middle East.²⁵ Qatar, like other Gulf states, contributes military units to a small Gulf Cooperation Council rapid deployment force of 5,000 - 10,000 known as Peninsula Shield. France has provided approximately 80% of Qatar's arms inventory. Since the 1991 Gulf war, Qatar has pursued a limited program of force modernization. To date, however, it has not purchased U.S. weapons.

In April 2003, the U.S. Combat Air Operations Center for the Middle East moved from Prince Sultan Airbase in Saudi Arabia to Qatar's Al Udeid airbase south of Doha, the Qatari capital. Al Udeid serves as a logistics hub for U.S. operations in Afghanistan as well as a key command and basing center for Operation Iraqi Freedom. Nearby Camp As Sayliyah is the largest pre-positioning facility of U.S. military equipment in the world. Qatar invested over \$1 billion to construct the Al Udeid air base during the 1990s: it did not have an air force of its own at the time. Qatar is currently contributing \$400 million to U.S. efforts to upgrade and construct facilities there, including a new air operations command center.²⁶

Internal Security. Terrorist attacks in Saudi Arabia during 2003 and 2004 forced U.S. and Qatari officials to focus on Qatar's internal security, as analysts have expressed concern that Al Qaeda operatives displaced by an ongoing Saudi crackdown or other local terrorist cells could try to establish a presence and destabilize Qatar. In November 2004, the U.S. State Department issued a warning of a possible terrorist attack against a hotel or hotels used by Americans in Doha. The warning expired without incident. On March 19, 2005, an Egyptian national carried out a car bomb attack at a theater popular with Western expatriates on the outskirts of the capital city of Doha. The car bombing, the first terrorist incident of its kind in Qatar, killed one British citizen and wounded twelve others. The suicide bomber was an engineer employed at Qatar Petroleum, and authorities have been unable to definitively link him to Al Qaeda or other terrorist groups. The attack came on the second anniversary of the beginning of Operation Iraqi Freedom and a week after an Al Qaeda leader in Saudi Arabia called for a new wave of attacks against Western interests in the Persian Gulf. The Qatari Ministry of the Interior is responsible for internal security and is legally empowered to detain suspects without trial for up to two years.

²⁵ Bahrain, with an estimated 11,000-member force, has the smallest.

²⁶ Michael R. Gordan and Eric Schmitt, "U.S. Will Move Air Operations to Qatar Base," *New York Times*, Apr. 28, 2003; and Eric Schmitt, "Pentagon Construction Boom Beefs Up Mideast Air Bases," *New York Times*, Sept. 18, 2005.

Terrorism Concerns. According to the 9/11 Commission Report and former U.S. government officials, royal family member and current Qatari Interior Minister, Shaikh Abdullah bin Khalid Al Thani, provided safe harbor and assistance to Al Qaeda leaders during the 1990s, including the suspected mastermind of the September 11 hijacking plot, Khalid Shaikh Mohammed.²⁷ Former U.S. officials and leaked U.S. government reports state that Osama Bin Laden also visited Doha twice during the mid-1990s as a guest of Shaikh Abdullah bin Khalid, who then served as Qatar's Minister for Religious Endowments & Islamic Affairs, and, later, as Minister of State for Internal Affairs. During a January 1996 visit to Doha, Bin Laden reportedly "discussed the successful movement of explosives into Saudi Arabia, and operations targeted against U.S. and U.K. interests in Dammam, Dhahran, and Khobar, using clandestine al Qaeda cells in Saudi Arabia."²⁸ According to other accounts, Shaikh Abdullah bin Khalid welcomed dozens of so-called "Afghan Arab" veterans of the anti-Soviet conflict in Afghanistan to Qatar in the early 1990s and operated a farm where some of those individuals lived and worked over a period of several years.²⁹

In January 1996, FBI officials narrowly missed an opportunity to capture Khalid Shaikh Mohammed in Qatar, where he held a government job at Qatar's Ministry of Electricity and Water and had been targeted for arrest in connection with an

²⁷ According to the 9/11 Commission Report, Khalid Shaikh Mohammed provided financial support to a co-conspirator in the 1993 World Trade Center bombing while living in Qatar and later moved his family to Qatar at Shaikh Abdallah bin Khalid Al Thani's suggestion. The Report also states that Mohammed "claims that Sheikh Abdallah was not a member, financier, or supporter of al Qaeda," and that Mohammed admitted "that Abdallah underwrote a 1995 trip [Mohammed] took to join the Bosnia jihad." Final Report of the National Commission on Terrorist Attacks Upon the United States (The 9/11 Commission Report), pp. 73, 147-8, 488-9. The Emir named Shaikh Abdullah bin Khalid Al Thani to the post of Minister of Interior in January 2001, a post he continues to hold. His deputy, Minister of State for Interior Affairs Abdallah bin Nasir bin Khalifa Al Thani, currently serves as the official ministry liaison to foreign governments, including the United States. James Risen and David Johnston, "Qaeda Aide Slipped Away Long Before Sept. 11 Attack," *New York Times*, Mar. 8, 2003; Josh Meyer and John Goetz, "Qatar's Security Chief Suspected of Having Ties to Al Qaeda," *Los Angeles Times*, Mar. 28, 2003.

²⁸ Memorandum from the Department of Defense to the Senate Select Committee on Intelligence partially reprinted in Steven F. Hayes, "Case Closed," *Weekly Standard*, Nov. 24, 2003. Pentagon spokesmen responded to the publication of the excerpts from the memorandum in the Hayes article by indicating that the memorandum was a collection of intelligence data from various sources which did not constitute a finished intelligence product. It is unclear if Bin Laden's reported visit was related to preparations for the June 1996 attack on the Khobar Towers military barracks in Saudi Arabia that killed 19 U.S. servicemen. Press reporting from the late 1990s cites a former U.S. intelligence official as indicating that the "Qatari individual" who hosted Bin Laden was Abdullah Bin Khalid Al Thani. See James Risen and Benjamin Weiser, "U.S. Officials Say Aid for Terrorists Came Through Two Persian Gulf Nations," *New York Times*, July 8, 1999.

²⁹ James Risen and Benjamin Weiser, "U.S. Officials Say Aid for Terrorists Came Through Two Persian Gulf Nations," *New York Times*, July 8, 1999. James Risen and David Johnston, "Qaeda Aide Slipped Away Long Before Sept. 11 Attack," *New York Times*, March 8, 2003; Josh Meyer and John Goetz, "Qatar's Security Chief Suspected of Having Ties to Al Qaeda," *Los Angeles Times*, Mar. 28, 2003.

investigation of his nephew — 1993 World Trade Center bombing mastermind Ramzi Yousef.³⁰ The FBI dispatched a team to arrest Mohammed, but he fled Qatar before he could be detained. Some former U.S. officials have since stated their belief that a high ranking member of the Qatari government alerted Mohammed to the impending raid, allowing him to flee the country.³¹

More recent concerns regarding potential support for terrorism by prominent Qataris have centered around claims that Abu Musab Al Zarqawi may have transited Qatar after September 11, 2001 and benefitted from a safehouse and financial support provided by a member of the ruling Al Thani family.³² It is unclear what types of discussions Clinton Administration or Bush Administration officials conducted with the government of Qatar regarding these allegations. U.S. security officials working to ensure the safety and security of U.S. facilities, citizens, and assets in Qatar report that their relationships with Ministry of Interior officials are positive and cooperative.

Counterterrorism Support. The U.S. Department of State has characterized Qatar's counterterrorism support since September 11, 2001 as "significant."³³ Qatar's Combating Terrorism Law, passed in March 2004, established definitions of terrorism and terrorist financing and broadened the government's power to detect and prevent terrorist threats and to investigate and prosecute terrorists and their supporters. Qatar also established the Qatar Authority for Charitable Activities (QACA) in March 2004 to monitor the activities of all Qatari domestic and international charitable organizations, including prominent organizations such as the Qatar Charitable Society and the Shaikh Eid bin Mohammed Al Thani Charitable Association. All international financial charity transfers and project verification fall within the jurisdiction of the new QACA.³⁴ However, Article 24 of the law establishing the Authority allows the Emir to grant an exemption from QACA oversight to any organization at any time. Qatar's central bank operates a financial intelligence unit (FIU) which monitors activity in Qatar's banking system and serves as a liaison office to similar units in the United States and around the world.³⁵

³⁰ According to the 9/11 Commission Report (p. 147), Khalid Shaikh Mohammed "engaged in extensive international travel during his tenure [at the Ministry of Electricity and Water]... much of it in furtherance of terrorist activity."

³¹ "The U.S. Attorney obtained an indictment against KSM in January 1996, but an official in the government of Qatar probably warned him about it... In January 1996, well aware that U.S. authorities were chasing him, he left Qatar for good and fled to Afghanistan." 9/11 Commission Report, p. 73. The Report provides the following citation: "Intelligence report, interrogation of KSM, July 23, 2003."

³² Patrick E. Tyler "Intelligence Break Let Powell Link Iraq and Qaeda," New York Times, Feb. 3, 2003.

³³ Country Reports on Terrorism, Released by the U.S. Department of State - Office of the Coordinator for Counterterrorism, Apr. 27, 2005.

³⁴ Author interview with QACA Chairman Abdul Aziz bin Abdul Rahman bin Hasan Al Thani, Doha, Qatar, Apr. 2005.

³⁵ Meeting with QCB Governor Abdallah bin Khalid Al Attiyah, Doha, Qatar, Apr. 2005.

Assassination of Chechen Terrorist Financier in Doha. On February 13, 2004, a Chechen national named Zelimkhan Yandarbiyev was assassinated in a car bombing outside a mosque in Doha.³⁶ In the past, the Russian government had accused Yandarbiyev of funding Chechen terrorist activity. Soon after the bombing, Qatari authorities arrested two Russians and filed criminal charges against them. In July 2004, a Qatari court sentenced the two Russians to life in prison, though there is some speculation that Russian and Qatari officials have been conducting negotiations over the release of the two Russian detainees.

Trade and Economic Relations

Trade between the United States and Qatar has increased since the 1990-1991 Gulf war. U.S. exports to Qatar amounted to \$454 million in 2004, consisting mainly of machinery and transport equipment. U.S. imports from Qatar, mainly fuel and fertilizers, totaled \$387 million in 2004.³⁷ Although the bulk of Qatar's trade continues to be with a few European countries and Japan, several U.S. firms, including ExxonMobil, Occidental Petroleum, and Pennzoil are active in the development of Qatar's oil and gas resources. Despite the presence of U.S. firms in the Qatari energy sector, the United States imports virtually no oil from Qatar.

Qatari Foreign Policy

Qatar is a member of the United Nations, the Arab League, the Organization of Islamic Conference, and the Gulf Cooperation Council (GCC).³⁸ Qatar is also a member of the Organization of Petroleum Exporting Countries (OPEC).

Persian Gulf States

Qatar's relations with its neighbors have fluctuated over the last decade. Territorial disputes have marred Qatar's relations with Bahrain. In the past, both Qatar and Bahrain have claimed the nearby Hawar island chain, along with the abandoned town of Zubarah on Qatar's northern border. On March 16, 2001, after seven years of deliberations, the International Court of Justice (ICJ) found that Qatar has sovereignty over Zubarah, and that Bahrain has sovereignty over the Hawar islands.³⁹ Since the resolution of the dispute, Qatar and Bahrain have discussed a

³⁶ David Ignatius, "In Qatar, Standing Up to Putin," *Washington Post*, Mar. 16, 2004; and Andrew McGregor, "The Assassination of Zelimkhan Yandarbiyev: Implications for the War on Terrorism," *Terrorism Monitor*, volume 2, Issue 14, July 15, 2004.

³⁷ United States International Trade Administration, U.S. Department of Commerce, TradeStats Express - National Trade Data, available online at [http://tse.export.gov/ITA2003_NATIONAL/TSEIntro.htm].

³⁸ The GCC is a sub-regional organization consisting of six states (Saudi Arabia, Kuwait, Bahrain, Qatar, the United Arab Emirates, and Oman) bordering the Persian Gulf and the Gulf of Oman.

³⁹ "The Islands Dispute - Resolved," *Middle East Economic Digest*, Sept. 28, 2001.

plan to construct a 28-mile causeway, aptly named the “Friendship Bridge,” which would connect the two kingdoms.

Relations between the new Emir of Qatar and Saudi rulers were strained in the first few years of his rule. Some Qatari officials accused Saudi Arabia of plotting to restore the former ruler of Qatar in 1996. Since then, Al Jazeera’s treatment of Saudi Arabia in its programming has been the largest point of contention between the two regimes. Saudi Arabia withdrew its ambassador from Doha in September 2002 in protest of an Al Jazeera program that criticized the kingdom’s founder, King Abdul Aziz Al Saud. The following month, Kuwait closed Al Jazeera’s local office in response to an allegedly insulting report on a member of the Kuwait royal family.

Iraq

A combination of factors — strains with Saudi Arabia and Bahrain and aspirations to a more influential role in regional affairs — has contributed to Qatar’s increasingly independent foreign policy since 1992. Although it was an active member of the allied coalition formed during the 1990-1991 Gulf crisis and participated in post-war security arrangements, Qatar adopted a conciliatory stance toward both Iraq and Iran before the other members of the GCC did. Qatar restored diplomatic ties with Saddam Hussein’s regime shortly after the 1991 Gulf war, hosted visits by the Iraqi Foreign Minister, and called for relaxing economic sanctions against Iraq.

Nevertheless, Qatar played an important logistics role in Operation Iraqi Freedom, providing headquarters for the U.S. Central Command and pre-positioning facilities for U.S. tanks and armored personnel carriers. At the same time, the Al Jazeera news network, has been criticized by some U.S. officials for being sensationalistic and slanted in its coverage of U.S. military operations. On May 8, 2003, President Bush hosted the Emir of Qatar at the White House, thanking him for his steadfast support during Operation Iraqi Freedom and highlighting his role as a reformer. Qatar continues to serve as an important base of operations for U.S. forces in Iraq and Afghanistan.

Arab-Israeli Issues

Although Qatar and Israel do not have formal diplomatic ties, Qatar has been in the forefront of Arab-Israeli talks on expanding economic ties during periods of progress in the peace process. Qatar’s position regarding the Arab boycott of Israel is governed by the September 1994 decision by the GCC to terminate enforcement of the indirect boycotts, while maintaining, at least in theory, the primary boycott. Qatar has hosted meetings of multilateral Arab-Israeli working groups and then Israeli Prime Minister Shimon Peres visited in April 1996. In addition, Qatar agreed to the establishment of an Israeli trade mission in Doha, Qatar’s capital city, although relations cooled after the peace process slowed down in 1996. Since the beginning of the second Palestinian uprising in 2000, Qatar has claimed to have shut down the office; however, according to Qatari officials, it continued to operate at a very low

level.⁴⁰ Prior to the start of Operation Iraqi Freedom, the Israeli Foreign Ministry closed the trade mission in Doha and evacuated three Israeli envoys and their families. Israel promised to reopen the office after the war.⁴¹ Despite pressure from some other Arab states, Qatar hosted the fourth annual Middle East/North Africa Economic Conference (MENA) in November 1997. This was a gathering that brought together some Arab and Israeli business and political leaders to discuss regional economic cooperation.

In May 2003, Qatari and Israeli Foreign Ministers met in Paris to discuss ways of reviving the Israeli-Palestinian peace process. The meeting took place only a week after the Emir's visit to Washington DC, prompting speculation that President Bush encouraged Qatari officials to take a more active role in the peace process. Shaikh Hamad has acknowledged that Qatar is keen to play a role in encouraging negotiations between Israelis and Palestinians, but that it is too early to open full diplomatic ties with Israel. Analysts regard Qatar's exchanges with Israel, though limited, as broadly in accord with U.S. efforts to foster an expanding dialogue between Israel and Arab states.

⁴⁰ Meeting with the Qatari Minister of State, Ahmed Abdullah Al Mehmood, Jan. 12, 2003.

⁴¹ "Israel Shuts Qatar Mission, To Reduce Staff in Egypt, Jordan, Mauritania," *Yedi'ot Aharonot*, Mar. 3, 2003, translated by the Foreign Broadcasting Information Service (FBIS), Document ID: GMP20030311000208.

Appendix A: Qatar in Brief

Area:	11,437 sq km (slightly smaller than Connecticut)
Population (July 2005):	863,051
Literacy:	89%
Religion:	95% Muslim
Ethnic Groups:	40% Arab, 18% Pakistani, 18% Indian, 10% Iranian, 14% other
GDP (2004):	\$23,200 per capita
Inflation (2004):	3%
Oil Reserves:	16 billion barrels
Gas Reserves:	14.41 trillion cubic meters
Armed Forces:	11,800 active personnel, 34 tanks, 18 fighter aircraft

Source: The United States Central Intelligence Agency World Factbook 2005.

Appendix B: Chiefs of State and Cabinet Members of Qatar

Emir	Hamad bin Khalifa Al Thani
Heir Apparent	Tamim bin Hamad bin Khalifa Al Thani
Prime Minister	Abdallah bin Khalifa Al Thani
Deputy Prime Minister	Muhammad bin Khalifa Al Thani
Foreign Minister	Hamad bin Jassem bin Jabr Al Thani
Energy Minister	Abdallah bin Hamad Al Attiyah
Interior Minister	Abdallah bin Khalid Al Thani ⁴²
Finance Minister	Youssef Hussein Al Kamal
Ambassador to the United States	Nasir bin Hamad bin Mubarak Al Khalifa

⁴² Minister of State for Interior Affairs Abdallah bin Nasser bin Khalifa Al Thani conducts much of the official business of the Ministry of Interior, including serving as liaison to foreign governments and security services.

Figure 2. Map of Qatar



Source: Shaded Relief Country Map of Qatar, Central Intelligence Agency, 1995.