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# RSIS COMMENTARIES

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## **Qatar & 2022 World Cup: Driving the Engine of Change**

By James M. Dorsey

### **Synopsis**

*Under pressure in its preparations for the 2022 World Cup, Qatar is undertaking socio-economic reforms that could spark social change. They could also force changes in other Gulf states to meet global demands for transparency and accountability.*

### **Commentary**

QATAR'S PREPARATION for hosting the 2022 World Cup is emerging as an engine of social and possible political reform in the Gulf. This is happening even as the region is strenuously trying to ring-fence a simmering groundswell clamouring for change that has its roots in widespread social, economic and political discontent, toppled four Arab autocrats in recent years, and led to a brutal civil war in Syria.

Pressure by human rights and trade union activists as well as the United Nations on Qatar -- perhaps the most stable of the six wealthy, energy-rich Gulf states -- to reform its restrictive labour system is proving to be a monkey wrench. This is cutting throughout the region and could spark change that goes far beyond the rights and working and living conditions of migrant labour that account for a majority of the population in much of the region.

### **Initial signs of change**

It is also sparking pressure on other states in the region. Prominent artists have called for a boycott of the Guggenheim museum being built on Abu Dhabi's Saadiyat Island, one of several high profile museums planned to position the emirate as a sponsor of the arts and a tourism destination, in protest against the conditions of workers involved in their construction. The artists are leveraging their campaign to press for an overall change of labour conditions in the United Arab Emirates including possibly Dubai which is hosting the 2020 World Expo.

The initial signs of change are tentative and have yet to be buttressed by robust legislation and implementation; but they are sparking a process that is likely to be irreversible. They are also taking on a dynamic of their own that Gulf regimes may find hard to control, and are part of a growing realisation in the region that they cannot escape global demands for greater transparency and accountability.

That realisation was recently evident beyond the labour issue with traditionally secretive, major state-owned companies such as Qatar Airways and the Investment Corporation of Dubai (ICD) that owns Emirates airlines

among the emirate's crown jewels, publishing their results for the first time to counter criticism by Western governments and airlines of unfair competition and to restore investor confidence.

In doing so, Dubai also laid bare one of the region's most fundamental problems: the fact that ruling families control many of the region's states as family corporations. ICD reported that Dubai ruler Sheikh Mohammed bin Rashid al- Maktoum had put under his personal control real estate assets worth US\$44 billion controlled by ICD.

### **Chipping away the “Chinese wall”?**

Similarly, the World Cup-driven pressure on Qatar has laid bare the region's long-standing, largely ignored lack of workers' rights and abominable living and working conditions. The pressure has already sparked initial social change on the soccer pitch in Qatar and the UAE: Clubs and federations that traditionally catered only to their country's minority citizenry are reaching out to foreign workers; there is tinkering in Saudi Arabia with restrictive rules applicable to foreign labour and the terms of labour contracts; the UAE has a declared intention to become a global benchmark of labour safety and security; and there have also been demonstrations by migrant workers in Lebanon.

The sports outreach to foreign workers constitutes a break with a regional policy that sought to maintain “Chinese walls” between nationals and foreigners by minimising social contact; segregating citizens by ensuring that they distinguished themselves with their flowing robes and head dress; and positioning non-nationals as the other.

In perhaps the most far-reaching indication of legal change, Qatar recently announced that it is about to unveil legislation that would substantially reform the country's kafala or sponsorship system that puts workers at the mercy of their employers. The reforms coupled with the adoption of lofty principles by Qatari institutions that ensure workers' welfare and seek to put an end to corruption in the recruitment system. Such abuses have locked workers into debt even before they arrive in the Gulf state. There has been unprecedented Qatari engagement with its critics, but this is unlikely to put criticism to bed.

On the contrary, they are the start of a process that, like the disclosure of corporate results, will highlight underlying fundamental problems and fuel demand for further reform. In the short-term, human rights groups, trade unions, the International Labour Organisation (ILO) and the United Nations Human Rights Council are unlikely to drop their demand for the complete abolition of the kafala system.

### **High stakes for Gulf states**

The stakes are high for Qatar and other Gulf states under World Cup-driven pressure to adhere to international labour and human rights standards and adopt greater transparency. The need for greater transparency was highlighted in early June by fresh allegations of bribery and wrongdoing by Qatar in its successful but controversial bid to host the 2022 World Cup.

Failure to address those allegations with a chapter-and-verse accounting of its bid process could cost Qatar its hosting rights, thwart achievement of its soft power goals and undermine the process of change it is championing.

There are no good solutions for a citizenry that wants to maintain its cultural and national identity as well as control of its society while the ruling families are determined to keep a grip on their sheikhdoms. Change threatens to open Pandora's Box. That is one reason why Gulf states have been slow in addressing the labour issue and why it took the World Cup to push it to the top of the agenda.

Sports and arts policies have put the Gulf states' warts in the spotlight and threaten to thwart the key soft and subtle power objectives of the heavy investments involved. A YouGov poll in Britain last September showed 79 percent of those surveyed opposed to the awarding of the World Cup to Qatar and 78 percent favouring the tournament being moved to another country.

A similar survey about Qatar Airways showed that the country's airline had succeeded where its hosting of the World Cup had failed: 96 percent of those polled rated the airline from positive to very positive.

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