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Nepal & Qatar

Abstract

This paper examines the geopolitical and economic positions of these two radically different countries.

Javier Solis

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The two states that I selected for the purpose of this project are Nepal and Qatar, two countries that couldn't be any more different. According to the Central Intelligence Agency (CIA), Nepal is a small landlocked country in South Asia with a population of 27 million and a Gross Domestic Product (GDP) of \$70.1 billion (\$2,500 per capita). Nepal is one of the most impoverished and least developed countries in the world (2015). Qatar is a tiny little country located on the northeastern coast of the Arabian Peninsula with a population of 2.5 million and a GDP of \$324.2 billion (\$145,000 per capita). This makes it the country with the highest per capita GDP (PPP) and highest gross national savings (51.4% of GDP) (Central Intelligence Agency).

GEOPOLITICS & ECONOMICS

NEPAL

Many call Nepal "a yam between two boulders," as the country is sandwiched in between the two regional superpowers, China and India. Both of these countries are vying for a larger, more secure sphere of influence in Southern Asia and have radically different approaches on how their state should help poorer nations in this region. As such, they often clash when it comes to who gets to influence Nepal. Nepal however, has maintained a strict non-alignment foreign policy. As a small, impoverished state torn between two competing superpowers, Nepal has focused on preserving state autonomy and

their domestic economy and security rather than attempting to project their power and influence outwards. Though Nepal has closer relations with India because of cultural and geographic reasons, China has recently been trying to increase the cooperation and trade between itself and Nepal. During a meeting last month between Nepali Prime Minister Khadga Prasad Sharma Oli and Chinese President Xi Jinping, Jinping suggested speeding up negotiations on the creation of a China-Nepal free trade area which would bring the economies of the two nations together by lowering trade barriers and increasing Chinese investment in Nepal (T.B.).

Nepal's geopolitical position has greatly damaged both the country's infrastructure and its economy. Since the nation is landlocked and thus has no ports, over 90 percent of Nepal's trade has to pass through India in order to reach other countries. Over half of Nepal's exports also go to India. However, last month's meeting between Jinping and Oli also led to the signing of an agreement that would allow some of these exports to be diverted through China instead. Due to the inhospitable and treacherous terrain between the two countries (better known as the Himalayan Mountains), many have their doubts that this agreement would even work. That hasn't stopped China from providing loans to construct an international airport in the Nepali city of Pokhara or from proposing a rail system to connect the two nations (Tiezzi). The physical position of Nepal—on top of the border between the Eurasian and Indian plates—did not play in its favor during the massive 7.8 magnitude earthquake that rocked the country in April of 2015, killing over 2,000 people and displacing millions more. Despite overwhelming support from the international community, recovery has been sluggish and difficult.

According to the CIA, Nepal's main economic sector is agriculture, which provides a livelihood for nearly 70 percent of the population and about one-third of the country's GDP. Since only 16 percent of Nepal's land is considered arable, many Nepalis live in poverty and squalor. Nearly half of the country is considered unemployed and a quarter of citizens live beneath the poverty line. Most of the country's industrial activity is also tied to agriculture, with the majority of industrial activity involving the

processing of pulses, jute, sugarcane, tobacco, and grain. There is an opportunity for Nepal to exploit hydropower both for the needs of its citizens as well as for commercial and industrial uses, but a lack of foreign investment coupled with political gridlock and instability within the country has put those plans on hold indefinitely (2015).

QATAR

Qatar's geopolitical situation is much better than Nepal's. Though the entire country is merely a peninsula attached to Saudi Arabia, Qatar is a very wealthy and very powerful country. During the collective series of revolutions in North Africa and the Middle East known as the Arab Spring, Qatar became a crucial player in shaping the region's governmental and political institutions while it attempted to transition from authoritarianism to democracy (Roberts). The country poured nearly \$5 billion into Egyptian President Mohamed Morsi's short-lived presidency, helping stabilize Egypt's economy in a time of great uncertainty, but saw that money mostly go to waste after Morsi and other officials of the Muslim Brotherhood were arrested by Egypt's military in 2013. The Qatari government has also funded the Libyan revolution, funneled weapons to anti-Assad rebels in Syria, and sent millions of dollars in aid to United States-designated terrorist group Hamas as extralegal ways of exerting their influence and power in the region (Walt).

Qatar has the world's third largest natural gas reserves (25 trillion cubic meters) and has enough oil in its reserves (25 billion barrels) that it could continue outputting at current levels for over half a century more before running out. The country's oil and gas industry is also its main economic sector, but manufacturing, construction, and financial services industries have been on the rise and now account for half of the state's nominal GDP. In 2015, Qatar exported a total of \$77.7 billion worth of products, primarily liquefied natural gas, petroleum-related products, fertilizer, and steel while importing just \$37.15 billion worth of products, mainly from the United States and China.

The geopolitical situation of Qatar greatly helps the country out. Qatar's position as an oil-wealthy nation has led it into prosperity and has gained the country a lot of influence and power over poorer nations in the region. The bountiful spoils of Qatar's oil and natural gas industries are shared by the citizens of the country, with less than one percent of the population being unemployed and a negligible amount of Qataris living under the poverty line. Qatar also does trade with European, American, and Asian countries, exporting fossil-fuel related products and importing machinery and vehicles.

HUMAN RIGHTS & INFRASTRUCTURE

NEPAL

The Nepali civil war (1996-2006) saw wide-spread abuses of human-rights from both government forces and Maoist rebels, ending in the death or disappearance of over ten thousand civilians. Despite a massive shift in power in Nepal's government that occurred in 2014 which created a new state constitution, the human-rights situation in Nepal is still pretty deplorable, especially among the Tibetan refugees residing within Nepal. Under pressure from China, Nepal has limited the rights of these refugees and has forbidden them from publically celebrating the Dalai Lama's birthday or the Tibetan New Year. The government also monitors Buddhist religious sites and monasteries.

Nepal's often strange citizenship laws have left an estimated 2.1 million people in legal limbo without any official status in the country, putting them at a risk for statelessness and exploitation. The people most affected by these law are women, children born out of wedlock, or children born to refugee fathers. These people find it extremely difficult if not impossible to secure drivers' licenses, passports, bank accounts, or even voting rights. This hampers other aspects of their lives and makes them increasingly prone to poverty.

Women's rights in Nepal are also lagging behind, with victims of rape and other sexual violence committed by either side during the civil war being excluded from any government compensation. Victims have also been denied access to Nepal's justice system for a variety of reasons, including the country's stiff 35-day statute of limitations on reporting rape. Nepal's citizenship laws also put them at a disadvantage and makes it more difficult for them to obtain legal proof of citizenship, often times leaving them to the mercy of male family members who can decide to not assist them (World Report 2015: Nepal).

In the 1950s, planners and foreign aid donors attempt to give Nepal a strong infrastructure with the belief that this would lead to economic development. They built over 8,500 miles worth of paved roads throughout the country that linked the entire country together, but monsoon rains caused widespread landslides, driving up the cost of maintenance. Nepal's infrastructure remained shoddy ever since, with minimal roads and railways being built compared to other countries during the same time period. The earthquake of 2015 only made matters worse by destroying various villages or burying them in subsequent avalanches, by demolishing buildings, and by splitting roads in various cities throughout the country. The earthquake also caused grave damage to the country's main airport, preventing large military and cargo planes from landing and providing relief aid (Al-Jazeera). Already a nation struggling to modernize, the US Geological Survey estimated that the earthquake could potentially cost Nepal anywhere between a 9 to 50 percent loss in GDP, with the best guess being pinned at 35 percent (Pearson and Rastello).

Many outside entities (including the World Bank) have argued that the best chance that Nepal has at becoming a developed society is to exploit the bountiful resources of hydropower they have throughout the country. Estimates show that hydropower in Nepal could potentially harness as much as 27,000 megawatts (MW) to power homes and drive industry, but is currently only generating a mere 333 MW. Locals have fired back saying that the development of more hydroelectric plants will displace

thousands of impoverished farmers from their ancestral lands and are simply unsustainable and wasteful (Banerjee, Singh and Samad).

QATAR

Despite being much wealthier than Nepal, Qatar also has its own host of human-rights abuses. The most concerning abuse of human-rights by the Qatari government is the treatment of migrant workers from Asia and Africa. Employers take exorbitant fees from the migrant worker's checks, confiscate their passports upon arriving in Qatar, and often times fail to pay their wages on time if at all. Migrant workers, who happen to be mostly women, are also prevented from unionizing or striking and are forced to live in cramped, dirty living quarters. If any migrant worker wants to leave the country and go back home, they are required to obtain exit permits from their sponsor (typically their employer) who can easily prevent them from leaving if they please. Workers can also become undocumented if their employer fails to renew their annual ID cards, potentially setting them up for imprisonment, deportation, or further exploitation. These abuses have been rampant for quite a while but were only recently brought back into the spotlight due to construction of new stadiums and facilities by migrant workers to accommodate for the 2022 World Cup which will be held in Qatar.

The dichotomy between Qatar and Nepal's infrastructure is accounted for by the differences in the two countries' wealth. Qatar has more than enough money from oil and natural gas which they have reinvested into the country to help build roads, schools, buildings, hospitals, airports and other crucial pieces of infrastructure. Nepal does not enjoy this perk. Its agrarian citizens are unable to produce enough products or tax revenue in order to help their situation in a significant manner. The similarity in the two's human-rights record is probably because neither country is fully a democracy, with both still having a far way to go to ensure equality and liberty for all citizens.

U.S. & INTERNATIONAL RELATIONS

NEPAL

Nepal is a member of various intergovernmental organizations (IGOs), such as the International Monetary Fund (IMF), the United Nations (UN), the World Bank, the Asian Development Bank, and the South Asian Association for Regional Cooperation. Two of the most prominent non-governmental organizations (NGOs) within Nepal are Agroforestry, Basic health and Cooperative Nepal (ABC Nepal) and Shatki Samuha; both NGOs are focused on the human trafficking and women's rights issues that plague the country.

United States policy towards Nepal has been consistently positive and cooperative since diplomatic ties were first established in 1947. From 1951 onwards, the United States has given Nepal more than \$791 million in bilateral economic assistance primarily through the US Agency for International Development (USAID) to support the country's agricultural, environmental planning, democratization, and hydropower development efforts. The US also contributed an additional \$725 million to multilateral organizations working within Nepal. Following the devastating 2015 earthquake, the US granted \$130 million to Nepal to assist with rebuilding and recovery efforts (U.S. Relations With Nepal). During the country's civil war, the US also provided government forces with light weaponry and other military assistance in its fight against the Maoists. In 2006, the US increased the Foreign Military Financing (FMF) to Nepal from \$1.5 million to \$4 million in order to prevent a Maoist takeover of the country (Vaughn).

QATAR

Qatar is a member of both the Gulf Cooperation Council (GCC) and the Arab League, both regional IGOs. Two of the most prominent NGOs within Qatar are the Qatar Orphans Foundation, which seeks to take provide shelter and care for orphans in the state, and the National Human Rights Committee, which is tasked with investigating human-rights abuses within the country.

Qatar has proven vital for the United States in its effort to maintain diplomatic relations and increase security in the Middle East and the Persian Gulf. The two nation's hydrocarbon and oil industries have bound the two country's economies closely together. The United States also established military ties with Qatar during the onset of the First Gulf War. Qatar is now home to the US Central Command's Forward Headquarters and the Combined Air Operations Center as well as a US air force and an army base, meaning Qatar played an important role in the wars in Iraq and Afghanistan. Last year, the US sold a total of \$11 billion worth of Apache helicopters, Patriot, and Javelin defense systems to help them in the fight against terrorism (Dillow). The Pentagon and the States Department also recently signed a \$4 billion deal with Qatar which gives them 36 F-15E fighter jets. US is also the main importer of Qatari goods, which come primarily in the form of petroleum gas and crude petroleum (Simoes).

The main differences in US policy towards Nepal and Qatar boils down to money, oil, and power. Qatar has all three in abundance while Nepal has little. Qatar is also strategically placed to help the United States in its military endeavors in the Middle East and provides a vital ally against terrorist groups such as the Islamic State. Since Qatar has plenty of oil money to quench the thirst of America's military industrial complex, the US often turns a blind eye to the human-rights abuses that occur within the country. Nepal on the other hand, is impoverished and has little geopolitical significance to the United States, so we are a little bit more vocal with our concerns. However, since they have remained on our good side for as long as relations have existed between us two, we are more than happy to assist them with monetary and occasionally military aid, especially when a crisis like the 2015 earthquake occurs.

THE FUTURE

Nepal's future looks very bleak at the moment, primarily because of the damage that last year's earthquake has had on the already struggling country. The effects of the earthquake will be felt for

potentially decades to come as the country tries to rebuild and move forward. However, foreign aid and help could increase the standard of living and provide Nepalis with non-agricultural related jobs and education opportunities to help them better their lives while simultaneously internally invigorating the country. If both China and India were to pour resources and know-how into the country, I believe that the future of Nepal could be much, much brighter and prosperous than it currently is.

As for Qatar, I see them potentially having some trouble in the future if the Islamic state continues to spread and grow, which would undoubtedly threaten their national safety and perhaps their sovereignty as well. Terrorist attacks will become more commonplace in Qatar and other Arab countries if the Islamic State continues to expand, with the instability they bring further exasperating the current refugee crisis in the region. The falling price of oil and its eventual complete depletion or replacement by renewable energy could also potentially cause Qatar some financial woes in the future, but I believe that they still have time to better diversify their economy to ensure that when oil does get phased out or runs out, they are still able to survive and thrive.

I believe that the biggest problem facing Qatar and Nepal moving forward is by far climate change. Climate change is poised to make Qatar and other Middle Eastern countries into even more of an inhospitable desert than it already is. Researchers from Loyola Marymount University in Los Angeles and the Massachusetts Institute of Technology published a paper which indicates that the entire Middle East could become inhabitable within 100 years if fossil fuel consumption continues at its current rate (Schwartz). In Nepal, monsoon rains will come down even harder, triggering massive floods and landslides that could potentially destroy what little infrastructure they have left. Changes in rainfall patterns could also potentially cause great damage to the country's agriculture, decimating the lifestyle and food sources of millions of people (Dixit). The effects of climate change will undoubtedly affect impoverished citizens of these countries much more so than their wealthier counterparts.

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