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**BEYOND NATURAL RESOURCES: DEVELOPMENT
STRATEGIES AND IMPLEMENTATION, A COMPARATIVE
STUDY BETWEEN QATAR AND SINGAPORE.**

A Thesis in

Gulf Studies

By

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ABSTRACT

Qatar's leadership showed great ambition to transform the state into a developed country where its economy is based on knowledge and not rent; even though that Qatar is privileged to have massive natural gas reserves compared to a small population. Achieving this ambitious goal is a challenging task, but it is not impossible. Qatar would need to best utilize its advantages, such as political coherence and wealth. However, there are some strategic deficiencies and imbalances that can greatly hinder its long-term aspirations. Qatar can best achieve this goal and avoid potential drawbacks in the process by learning from the experience of others. Singapore's case is remarkable where it had virtually non-existent resources but it still managed to transform itself. Within a generation, Singapore became a first world developed country starting from an underdeveloped, newly born state. In addition, Singapore shares core similarities with Qatar in regards to similar country size and the role of leadership for example. The thesis compares between Qatar and Singapore by following a comparative public policy analysis framework. This approach is followed in order to achieve two primary goals. First is to highlight the significance of politics, education and labor market policies towards development, given their direct impact. This would aim to provide these three areas with further attention by policy makers. The second goal is to identify key success factors, by drawing from Singapore's experience. That would allow Qatar formulate better policies in those three indicated areas. The outcomes of the comparative analysis would then be reflected on Michael Porter's Competitive Advantage of Nations framework. This is in order to further underline their position on a macro level, especially in relation to other factors that contribute to the state's overall competitiveness.

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Chapter 1: Introduction

Oil and natural gas are the sources of Qatar's wealth. The rapid development that Qatar has seen, and is still experiencing, is primarily due to its finite natural resources. Therefore, building a development model that is fully reliant on natural resources is anything but sustainable. This highlights the necessity for Qatar to have a sustainable development strategy that does not depend on natural resources as the main driver for development. Diversifying away from the overdependence on a single dominant source of income would allow Qatar to reduce long-term risks to the economy. Achieving such a development goal is difficult, but not impossible, given that this has been done in developed economies. Singapore represents a rich example, where it astonishingly achieved the status of a developed economy while having no natural resources to depend on. Comparative analysis between Qatar and Singapore would result in substantial added value in the field of public policy. Such a contribution will be particularly valuable for Qatar's case, where lessons can be applied to enhance its ongoing development process.

The rationale behind choosing Singapore in the comparison involves various factors. First, Singapore has been chosen over developing Gulf emirates, such as Dubai or Abu Dhabi, simply because Singapore is already an established example of a developed economy. Therefore, Singapore's case provides broader insights given its relatively longer experience. Second, the

choice was a result of comparable characteristics, such as the small population size and landmass, similar competitive regional context, and the role of the ruling elite in policymaking. Third and most importantly, Singapore has virtually no natural resources; therefore, success was quite a challenge to achieve. This provides valuable observations and a high benchmark for comparison, which will ultimately benefit Qatar. Regional examples, on the other hand, are still developing and are reliant on oil revenues to a large extent. Other international examples are also less appealing cases given their distinct similarities. Thus, Qatar has fewer learning opportunities to draw from regional examples, as the cases are overly similar. This also applies to other international examples due to their numerous differences, which limit learning opportunities. However, via comparison involving a case that has proven to be successful but also shares key similarities, Qatar can best draw lessons from a comparison with Singapore.

Realistically, Singapore's case is more mature than that of Qatar, as it started the process much longer ago. Given the experience of Singapore, there are lessons to be learned from its case, whether in terms of success or failure. Therefore, it is crucial for Qatar to learn and draw from a very similar case. Moreover, Qatar is not only privileged to have the chance to reflect on a living success story, but the country can also learn from the drawbacks of certain policies that Singapore implemented. In so doing, Qatar can best utilize its natural resources to gain additional leverage that Singapore could not have. On

the other hand, there are some serious obstacles that are unique to the case of Qatar and that should be addressed.

1.1 Research Questions

The research questions that this thesis will aim to answer are as follows:

- 1- How can Qatar formulate better development policies by learning from the successes and drawbacks of Singapore's development model?
- 2- What is the significance of politics, education, and labor market policies in the context of sustainable development?

1.2 Research Objectives

The purpose of this thesis is to conduct a comparative study between Qatar and Singapore in three key development areas, namely politics, education, and the labor market. The outcomes of this research are expected to highlight areas that require reform in Qatar; the research will also identify points of strength where Qatar has an advantage. Comparison between Qatar and Singapore will be carried out in terms of selected areas that have a direct impact on sustaining the development process. The research aims to point out key policy considerations for Qatar in order to seek a sustained development model that is not based on natural resource revenues. This aim will be achieved by comparing Qatar and Singapore's development policies in the above-indicated

key areas. Another aim is to identify successes and drawbacks in each of the countries' plans and experiences in order to formulate better policies. The main expected outcome of this comparative research is to suggest very brief policy recommendations in each of the discussed areas. Such policy consideration can either be further developed in more focused academic research, or considered as a basis for discussion within the policymaking circles in Qatar.

The logic behind the preference for these three specific areas over others has to do with their direct impact on the development process, which occurs for the following reasons. First, as a relatively young state and a monarchy, the power centers in Qatar have limited stakeholders. The ruling elite has a strong influence on policy decisions, which is also a shared characteristic in the case of Singapore, demonstrating the importance of politics in terms of development. Second, education is highly regarded in both countries, with significant commitment by both governments. This is due to the need to build the capacity of human capital, as well as its importance for the quality of the workforce. Finally, the role of the labor market in relation to the overall economy can either be a major enhancement or hindering factor for growth and development. Both states have a monopoly in terms of the labor market policies; therefore, it is relevant to compare different approaches and contexts in the two countries.

This thesis will go beyond describing the context and policies implemented in the three areas of research to follow a comparative public policy analytical

framework based on a set of established theories aiming to identify the rationale and consequences of such policies. Following this approach, and within the scope of development, the thesis will be divided into three main parts, focusing on politics, education, and labor market policies in turn. Each part will contain subsections.

The politics section will be divided into three main components. First, it will discuss the political structure of both Qatar and Singapore. Second, tools of good governance will be assessed. Third, aspirations of sustainable development for both countries will be highlighted and evaluated. Meanwhile, the education section will discuss the components of the education systems in both countries by offering some comparative observations. Second, the importance and the macro-purpose of education in these countries will be discussed. The final part of the thesis, which will discuss labor market policies, will be divided into three main subsections. First, workforce policies will be discussed, specifically in relation to the different segments of foreign labor in both Qatar and Singapore. Second, national workforce policies will be addressed. Finally, the last subsection will cover the significance of the entrepreneurial workforce and the policies in place.

1.3 Methodology

This thesis will focus on multidisciplinary issues within a comparative public policy analysis framework. Elements of analysis will be based on

secondary sources, as well as the author's observations where indicated in the body of the thesis. Case studies and analytical publications for both Qatar and Singapore relating to the following key topics will be referenced in the analysis: politics, governance, economic development, development policies, public policy, education, the labor market, national competitiveness, and other subjects. In addition, other resources that do not directly relate to these two countries but are also relevant to both regions, that is, East Asia and the Gulf, will also be considered. Furthermore, statistics collected from official or academic publications will be utilized in the analysis. Finally, references on key conceptual baselines will be utilized in the body of the analysis, as explained in the following section.

The methodology of this thesis is to start from the conceptual framework defined below as the baseline for analysis. Centered on this conceptual baseline, the analysis will recode the existing views and data in order to conduct the multidisciplinary comparison. As an outcome, the comparative analysis will help to draw conclusions on how to move the wheel of development forward through learning from positive experiences and drawbacks. It will also help to craft policy recommendations and baselines for future research.

In addition, it is relevant to note that there has been a set of assumptions that influenced, in part, the choice of the three areas of discussion. Those were not hypotheses but instead assumptions based on the personal perspective of the author. The following discussion and outcomes of the thesis marginalize

the relevance of such assumptions in relation to the conclusions. However, it is noteworthy to indicate these assumptions, and also indicate the fact that they hold a simplistic nature given that they were not supported by research initially.

The first assumption was in relation to the political structure in Qatar. It was thought that additional political participation would greatly contribute to the imbalance present at the political structure and it will also help the state to become more immune to future instability. The second assumption was regarding the education system. There are well known deficiencies to the education system from the perspective of students or personnel within the education system. It was thought that resolving such, aging, deficiencies would result in better education overall. Thirdly, the labor market was seen as greatly imbalanced, in terms of skillsets and demographics. The assumption was creating a more balanced labor market by solving the most prominent issues would be a potential solution. These assumptions were held in perspective but were not a part of the analysis itself. The outcomes of the thesis proved that all three assumptions were quite deficient in both the identification of the problem as well as the proposed solution.

Such a qualitative methodology is preferred over a quantitative one due to the prevalence of qualitative data in the literature. This implies that the quality of an analysis based on the existing pool of qualitative data would result in a better outcome. In addition, quantitative analysis would inevitably require an original dataset, whether from surveys or interviews. This would be a valuable contribution, but given the multidisciplinary nature of this research, it is

beyond the capacity and scope of this thesis. Nevertheless, the purpose of this thesis can be achieved with a substantial degree of confidence by using a qualitative comparative analysis. What follows is a description of the conceptual framework used in the analysis.

1.4 Conceptual Framework

The theoretical basis for this framework will stem from the following set of paradigms that are relevant to the issues for discussion. The first contextual paradigm is Max Weber's (2008) famous definition of a "state" and "politics," which can serve as a basis for how Qatar and Singapore are viewed in this study; the significance of this background is to explain decisions made by those states in all of the areas that will be discussed below. As Weber stated in his lecture "Politics as a Vocation," "The State is the human community that, within a defined territory ... claims the monopoly of legitimate force for itself... For us, 'politics' means the attempt to gain a share of power or to influence the distribution of power ... among groups of people living within a state" (Weber, 2008). Weber also had a strong view on capitalism, referring to Karl Marx in his claim that "within the capitalist enterprise today the employees and the proletariat are 'separated' from the material means of production"(Weber, 2008). These views by Weber are considered of classical importance to studies within the field of political economy, and thus the paradigm of this thesis will follow Weber's definitions.

The second contextual paradigm involves the laws of comparative advantage that were formulated by David Ricardo, which will form a major part of the framework. The first law is the Positive Law of Comparative Advantage, while the second is the Normative Law of Comparative Advantage. The first suggests that if permitted to trade, a country will export the goods in which it has a comparative advantage. The second suggests that if permitted to trade, a country will benefit from the trade (Griffiths & O'Callaghan, 2002). Similar to this concept but with a modern context is the competitive advantage of nations, which was developed by Michael Porter.

Porter (1990) suggested a paradigm where there are certain determinants of national advantage. According to Porter, these are interlinked and interdependent and range from the consumer up to the state, passing through the private sector. The first determinant is the factor conditions, where the position of a nation in relation to factors of production gives it a competitive edge in a certain industry. The second determinant is the demand conditions, which represent the nature of domestic demand for such a product or service. Third, there is the presence or absence of related and supporting industries, and the nature of their competitiveness. Finally, firm strategy, structure, and rivalry highlight the nature of private sector regulation in a country and how firms are managed and compete domestically (Porter, 1990). Each determinant comprises sub-factors that contribute to the overall strength or weakness of the respective determinants and to the overall competitiveness of the country as a whole.

Although there might be a degree of concern that Porter's theory is applicable only to developed states, he indicated that the framework is also applicable to developing states: "While my focus has been on relatively advanced nations, the principles can be applied to developing nations as well" (Porter, 1990). Therefore, for the purposes of this thesis, Porter's concept will be referenced due to its specificity to the cases of comparison, appropriateness to the modern context, and applicability to these two states given its generic nature. On a case-by-case basis in the thesis, Porter's framework will be referenced, ultimately providing us with a clearer image in relation to the competitiveness of these two states.

The thesis will make extensive use of the terms *development* and *sustainable development* in the analysis. Therefore, it is critical to identify what is meant by those terms for the purposes of this research prior to starting the analysis. According to Griffiths and O'Callaghan (2002), "the word 'development' is open to a great deal of controversy". For the purposes of this thesis, the concept of the developmental state presented by Clark and Jung (2002) will be relevant to the analysis. Clark and Jung (2002) provided a comprehensive thesis of the different views on the developmental state. They cited eight sources that were primarily focused on the developmental state model. In their summary, the authors made two assumptions that would allow this model emerge. The first is that developmental states are at a disadvantage to compete in the global economy, while the second is that such states possess "power," resources, or the political will to overcome such barriers. The state

would then help the private sector to overcome the barriers to compete in the global economy; according to Clark and Jung (2002), such barriers are typically capital, human capacity, and security. Therefore, for the purposes of this thesis, the term *development* will refer to the process in which the state overcomes the barriers that hinder its economy from being competitive on a global scale. This definition includes the assumption that the quality of living standards for current and future generations is further enhanced and protected.

In terms of *sustainable development*, this concept will be used interchangeably with the term *development*. For the purposes of this thesis, this term will imply sustaining the development process in perpetuity. To generate a more functional analysis, the term will be considered from an outcome perspective instead of given a conceptual definition. This approach ought to reduce the potential of conflict and increase the probability of touching on the common grounds between the various debated definitions and perspectives. According to Dale and Newman (2005) there are hundreds of definitions for the term *sustainable development*. Given its vague nature, it is a “confused and sometimes contradictory idea and there is no widespread agreement as to how it should work in practice” (Griffiths & O’Callaghan, 2002).

The most common competing definitions were presented by Filho, Manolas, and Pace (2009), who gave four main definitions. Each took a very different perspective on sustainable development and was influenced by the scholars’ field. First, they described sustainable develop in relation to the use

of renewable energy so that it will continue to exist for future generations. Another definition was economic and social progression that did not harm the environment, which is related to the first definition. A third definition presented was economically sound development, which is also socially just, ethically acceptable and morally fair. The last definition was a type of development where economic indicators are as important as environmental ones. The third definition for sustainable development represents the best choice for this thesis in comparison with the other alternatives presented by Filho et al. (2009).

Chapter 2: Literature Review

The case of Singapore is quite intriguing for many scholars due to its unique position. Much has been written on its exciting decades-long story, as well as lessons learned along the way. Singaporean scholars, or those who are deeply affiliated with the country, have written most of the literature relevant to this thesis. Nevertheless, there are still many insightful contributions written by scholars outside of the Singaporean circle. In Qatar's case, however, only a handful of Western resources are available. Moreover, the vast majority of these resources only date to the latter half of the last decade. However, there are additional resources that specifically address the case of Qatar, most from the 1980s and 1990s and written by a prominent Qatari scholar.

Usually, the mainstream literature is targeted at the Gulf region as a whole and not at any specific country. This explains the scarcity of writings on Qatar. Moreover, actual specific case comparisons between the Gulf and Singapore have been quite uncommon, with the exception of the aviation and tourism sectors. The abovementioned broad highlights of the literature demonstrate that there is room for this thesis to make a valuable contribution.

This chapter will review the literature that specifically falls within the scope of development and addresses the three main components of the thesis: The first component is politics, governance, and development. The second component comprises education and its role in development. Third, the

literature review will describe the labor market composition and policies in relation to development.

A critical aspect to consider in comparing the two states' policies and actions to facilitate sustainable development is the national competitive advantage. Porter has written a notable book on discussing the competitive advantages of nation states. In his book, *The Competitive Advantage of Nations*, Porter argued that what contributes to the competitive advantage of a certain country is a compound cluster of different factors. He claimed that "national economic structures, values, cultures, institutions, and histories contribute profoundly to competitive success" (Porter, 1990). Porter's points are essential in drawing the commonalities and differences between Qatar and Singapore, as importantly, both of these countries have a fairly recent modern history. This makes it more demanding for both countries to find and capitalize on their competitive advantage. Therefore, making the connection between the cases of these two countries and how prominent literature characterizes competitive advantage is very important. Specifically, Qatar has advantages in terms of natural resources and political stability, while Singapore's human capital and historically strategic geographical position allow it to be a hub for Asian businesses.

The first component of the thesis, government, is split into three main parts—politics, governance, and development. In Singapore's case, the breakdown of Singapore's political history, reforms, and current political structure has been discussed in various sources, including Mutalib (2000),

Haque (2004), Lele (2004), and Henderson (2012). Mutalib (2000) discussed the political paradigm that stretched from the 1960s, when Lee Kuan Yew was prime minister, to the late 1990s. He focused on the role of the People's Action Party (PAP) in marginalizing the other 20 official political parties in Singapore. By doing so, the PAP held a form of monopoly over public affairs and policymaking. As Mutalib (2000) argued, such illiberal democracy in fact resulted in political stability, which contributed to the overall development of today's Singapore. He also argued that beginning with the new millennium, there have been signs of openness and a pro-reform approach by the government. Although it might not be significant, Mutalib (2000) thinks that it is a positive step that can pave the way for additional engagement by the citizens.

On the same topic, Haque (2004) went beyond the timeframe of Mutalib's (2000) analysis, addressing the reform in the political structure from independence to the early 2000s. According to the author, these political and governance reforms were primarily growth driven, but not democratic (Haque, 2004). However, he also argued that internal and external factors influenced government decisions. Internally, the rise in economic prosperity resulted in social coherence and abundance of education, but also increasing social demand for inclusion and political reform (Haque, 2004). Externally, Singapore was pressured to be more competitive given the increasingly globalized integration of nation economies (Haque, 2004). This had the effect of limiting somewhat the advantage Singapore had in the past, namely its strategic

position for trade, as nowadays, foreign investments can be directed to areas in which it was difficult to invest a few decades ago.

Shedding more light on the decisions made by Singapore at the administrative level, a deeper insight into Singapore's governance model was presented by Neo and Chen (2007). The authors pointed out a very unique characteristic of Singapore's government, involving a framework where governments "think ahead, think again and think across" (Neo & Chen, 2007). The framework basically suggested a methodology for how Singapore's government prioritized their limited resources and efforts to tackle challenges more effectively. This is an interesting framework to consider in evaluating the effectiveness of government and investigating the lessons learned; indeed, this could be used to assess the way in which Qatar's government operates. Such of work can act as valuable basis for comparison, given that it not only applies to the case of Singapore, but can also be used to delineate general best practices learned through the Singaporean experience (Neo & Chen, 2007).

In their "think ahead" framework, Neo and Chen (2007) suggested that governments need to think ahead to the future, look for potential opportunities or threats, and formulate policies to best manage what is coming. In the second part of their framework, the concept of "think again" can encourage governments to redraw policy decisions that may be outdated. Lastly, "think across" means that governments should undergo a continuous learning process even outside of their own borders, seeking creative solutions to their policy challenges (Neo & Chen, 2007). These three components of the

framework result from a series of cases that Singapore experienced over the past few decades; the authors suggested that such abstract concepts can be contextualized in other contexts outside Singapore, which makes it valuable to apply them to the case of Qatar, as stated above.

An important statement was made by Henri Ghesquiere, who analyzed Singapore's decades-long successful journey: "Singapore's development strategy has been supported by political stability" (Ghesquiere, 2007). In this regard, the author agreed with other literature; he also elaborated intensively on the link between development and politics in the country. Although not an ideal democracy, and ruled by the PAP since 1959, Singapore's leadership by Lee Kuan Yew, then Goh Chok Tong and the current prime minister, Lee Hsien Loong, has helped it to develop from a third- to first-world country in a relatively short period of time. Although coming from the PAP, and the current prime minister is the son of the first prime minister of the country, Singapore's success has largely been a result of a harmony between leadership, political and economic institutions, values, and the diverse Singaporean society (Ghesquiere, 2007). Alan Chong (2010) highlighted the significance of the backgrounds of the leaders of the PAP, which resulted in an interesting combination of expertise in the government. The first prime minister, Lee Kuan Yew, was a lawyer; Goh Keng Swee was a British trained economist and civil servant; and S. Rajaratnam was a journalist (Chong, 2010).

The founder of modern Singapore, Lee Kuan Yew, best described his perspective on Singapore's development through several published books (e.g.,

The Singapore Story, From Third World to First, Hard Truths to Keep Singapore Going). In *From Third World to First*, the first prime minister of Singapore wrote about his journey and the lessons learned throughout his years in office. Singapore's developmental goal was to "establish ... a viable nation linked by trade and investments to the major industrial countries, and a successful hub for the dissemination of goods, services and information" (Lee, 2000). As a leader, he saw that the goal only began to solidify in the early 1970s; prior to that time, the primary objective was to take Singapore out of poverty and address the basic needs of housing and education (Lee, 2000). Looking at a first-person perspective is a valuable resource to draw a good analysis.

In terms of Qatar, as Mehran Kamrava (2013) described in his book titled *Qatar: Small State, Big Politics*, "Even scholars have long neglected Qatar, with only a few articles, and an odd book here or there published on the country, well into the 1990s" (Kamrava, 2013). In general, there is a lack of abundance of academic literature concerning Qatar. As stated earlier, the academic focus has generally targeted the Gulf as a whole, and not Gulf States as separate entities. Therefore, this thesis can contribute to the literature on Qatar. Nevertheless, there have been useful contributions in the literature.

Kamrava's (2013) discussed the politics within the country and how the ruling family solidified its rule. It described the composition of the internal politics in the country and how the former Emir Sheikh Hamad's role was to have a stable "house" domestically, specifically referring to the ruling family. In a sense, this is similar to Singapore, as under the leadership of Lee Kuan Yew,

one of the top priorities of Singapore is to maintain stability in order to seek prosperity (Ghesquiere, 2007). Moreover, Kamrava (2013) mentioned Sheikh Hamad's role in building public institutions and the significance of his leadership. The emir managed to empower public institutions by appointing "like-minded" ministers and gradually getting rid the old reign of ministers, whom he deemed incompetent. Again, this is similar to Singapore and the role of Lee Kuan Yew and the PAP in acknowledging and appointing highly skilled intellectuals to prominent governmental positions, for which they were criticized and referred to as "elitists" (Lee, 2000).

Development in Qatar is a monopoly of the ruling elite, unlike Singapore, where the government formulates sound policies through democratically elected members of parliament, although dominated by a single party (Haque, 2004). Singapore's single party system has been criticized and described as a "democratic dictatorship" (Lohmann, Albers, Koch, & Pavlovich, 2009). Here, the researchers are in agreement with Henderson (2006).

Given the limitation of being outdated, Ali AlKuwaiti, a prominent Qatari scholar, published a book in 1996 criticizing the Gulf States for failing to seize development opportunities through the waste of oil revenues (AlKuwaiti, 1996). In his book, AlKuwaiti (1996) argued that poor planning and corruption resulted in a waste of resources. An example resonating with these assertions was mentioned by Kamrava (2013), who stated that Sheikh Khalifa, Qatar's ruler in the period prior to 1995, used to sign all checks exceeding \$50,000. This mentality of the ruler highly hindered development, as compared to his

successor, whose own ambition influenced development. Therefore, Qatar's leadership plays a more significant role, whether positively or negatively, in governance and development compared to the case of Singapore. However, based on the literature, such a comparison has not been made.

The monopoly over public policy matters in the case of Qatar was discussed and evaluated by Rathmell and Schulze (2000). The authors were discussing the authoritarian nature of government in the Gulf as a whole, but used the case of Qatar as an example. One argument they made was that pressure for reform is absent due to citizens' acceptance of the status quo. They also claimed that the state does not wish to introduce taxation, along its potential implications, given the abundance of resources. However, Rathmell and Schulze (2000) also argued that maintaining the current position will not be feasible in the future due to the increase in population, particularly among the educated public, which will eventually raise demands for reform. This is an interesting assertion that will be further discussed in the thesis.

Qatar's 2030 Vision was introduced in 2008, preceding Qatar's National Development Strategy 2011–2016. Prior to these official government plans, little has been said about Qatar's development ambitions. Two notable examples of analyses that came afterwards are Fromherz (2012) and Kamrava (2013). However, these authors focused on history and foreign policy, respectively. Kamrava (2013) raised questions concerning the fulfilment of the actual goals behind the rapid infrastructural development, asking whether this might represent a rivalry with neighboring Abu Dhabi and Dubai. On the other

hand, Fromherz (2012) focused on the historical background of Qatar, briefly explaining that development initiatives are led by the ruling elite. Therefore, there is notable potential for this thesis to contribute in analyzing the basis of the development plans Qatar has in place.

In terms of the second area of discussion in this thesis, education, the main focus of the literature review is education in both Singapore and Qatar.

However, it is relevant to utilize and apply literature discussing the role of education in development and a knowledge-based economy. An example of such research is that of Powell and Snellman (2004), who conceptualized a knowledge-based economy where the dependence on intellect is prevalent over the dependence on natural resources or material input. Such an economy is strengthened through the emergence of new industries and technologies. An important assertion made by Powell and Snellman (2004) is that most literature has focused on knowledge production rather than knowledge dissemination and its impact on productivity. Therefore, there is room for this thesis to contribute to the significance of education in enhancing the productivity of the labor market.

Although many writing about Singapore were Singaporeans, others have also contributed. Most of the literature discussed the evolution of the education system over time and its interactions within the broader context of the state. The analyses in the literature highlighted success factors resulting the education system, as well as the process of developing the structure of the education system. An early example in the literature is the study by Wong

(1974), who described the important process of innovation in the Singaporean education system that took place at that time. Wong's (1974) evaluation indicated a consistent approach by the leadership in which education challenges were first solved by identifying the problem. Sections in Wong's (1974) work were based on the problems, challenges, or needs of the education system.

After each problem was identified, those responsible for the education system were obligated to introduce solutions that were innovative by nature. This problem-solving approach was further enhanced as the education system developed to tackle anticipated challenges instead of existing issues. As explained by Tan (1998), the education system shifted from being centralized to give more autonomy to schools; this resulted in the marketization of the education system to foster competition and innovation. The government took this approach in order to further increase the quality of education by motivating both schools and students in the newly created competitive environment. Such valuable observations in the literature, expressing shifts along periods of time, have still not been placed in an international comparative setting. For example, Marginson (2011) and Morris, 1996) explored the similarities and differences of education systems in an East Asian context. Such comparisons rely on the role of Confucianism in explaining the different approaches by the authorities in relation to the education system. Thus, there is an opportunity for this thesis to apply the existing analysis by scholars on the Singaporean education system from a different perspective.

Literature on Qatar in the field of education also represents an opportunity for contribution. The majority of what has been written was published by the RAND-Qatar Policy Institute, as original research led by the institution. Contributions by RAND include Brewer et al. (2007), Stasz et al. (2007), and Gonzalez, Karoly, Constant, Salem, and Goldman (2008). The purpose of the reports written by Brewer et al. (2007) and Stasz et al. (2007) was to help the Supreme Education Council in Qatar to better formulate education policies. The content had a critical nature with a large degree of comprehensiveness. Problems that range from the curriculum itself to the perceptions of the students were identified. In addition, the historical context of Qatar's education system was highlighted. Such reports are very informative; however, they were primarily written for the purpose of education reform. Qatar's 2030 Vision and the Qatar National Strategy 2011–2016 were not integrated within the analysis, as they were only introduced after the reports were public. Therefore, there is an opportunity to add to this research. Moreover, while there is emphasis on the importance of education throughout the literature, little effort has been concentrated on why is education important. Therefore, the thesis will further highlight the significance of education in relation to development.

In terms of literature related to the labor market, there is still a lack of comparative studies. However, a comparative analysis of foreign labor policies between Malaysia and Singapore on one hand and in the Gulf States has been undertaken (Ruppert, 1999). Ruppert (1999) makes valuable comparisons

concerning the actual policies implemented and their impacts. One example is the concentration of the national workforce in the public sector, which is common in most Gulf States. Actual solutions are beyond the scope of the thesis; however, it points out the significance of careful consideration before deciding on policy implementation, given the delicate nature of the labor market in the Gulf. Ruppert indicated that enforcing policies to increase the wages of foreign labor in the Gulf States would affect the prices of consumable goods. On the other hand, he did not discuss the significance of foreign labor in the context of current and future development, whereas this is indicated for Singapore and Malaysia. It can be inferred, however, that Ruppert (1999) only viewed the development of Gulf States through the lens of infrastructural development. Therefore, there is an opportunity for this thesis to contribute by discussing foreign labor policies within the context of development, as well as by explaining the rationale behind such government policies.

Regarding the literature discussing the labor market, a large body of literature has focused on the case of Singapore. For example, Fields (1994) discussed labor market conditions in the East Asian context by comparing Singapore to other developing East Asian countries. A key distinction in the case of Singapore is the early shift to skill and capital-intensive industries from labor-intensive ones. This was a result of increasing pressure to maintain competitiveness in the labor-intensive industries by repressing wages. Ruppert (1999) considered Singapore in a regional context from a purely economic perspective, and did not emphasize the link with the overall

development ambitions of the country. Moreover, he discussed labor market policies from a supply and demand perspective. However, an interesting paper by Wong (1997) explained the rationale behind Singapore's foreign labor policies in terms of both its poorly skilled and highly talented workforce.

Wong (1997) argued that the policies implemented by the government, in terms of the unskilled labor force, are an extension of government control over labor supply in the country; an oversupply or scarcity of labor force would affect the private sector, and thus the labor force is highly regulated. On the other hand, the highly skilled labor force is welcomed by government policies because of the foreseeable positive impact on local expertise. In addition, Wong (1997) went beyond the impact of the labor market on the economy: He also raised concerns about its impact on society and social structures. This thoughtful contribution can be built upon from a Qatari perspective by studying the potential impacts of integrating productive skilled foreign labor within domestic society.

As for the topics discussed above, literature that specifically discusses labor market policies in Qatar is scarce. However, Gulf-related articles do partially address the case of labor market policies in Qatar. Nevertheless, Berrebi, Martorell, and Tanner (2009) analyzed Qatar's labor market policies, taking into consideration various stakeholders (i.e., the state, national workforce, and foreign labor). They discussed the challenges for Qatar's labor market, including the imbalance of the labor force, productivity, and skillset issues. One issue that was identified was the inefficient role of education in preparing

nationals with the skillsets needed in the private sector. Another was the long-term threat to the economic and social security of Qatar if the dependence on foreign workforce persists in high-skilled jobs. Ultimately, Berrebi et al. (2009) presented a degree of “cautious optimism” in terms of the government’s response to and awareness of the issue.

One limitation of this thesis is that it neglected the significance of innovation and entrepreneurship among nationals. This limitation was addressed by Ennis (2015), but in a skeptical manner. Ennis’s (2015) skepticism was due to the fact that the state is the driver of entrepreneurship, which is an unusual scenario in entrepreneurial societies. This view is pessimistic because it focuses on the bureaucratic nature and hardships that exist in the face of entrepreneurship, pointing out paradoxical actions by the government. Ennis (2015) did mention realistic hurdles to entrepreneurship; however, the author’s skepticism resulted in disbelief in the necessity that innovation brings to the economy. The present thesis will contribute in this regard and link the significance of entrepreneurship to the context of the labor market in the process of development.

Overall, the literature provides a considerable degree of confidence in regards to the potential for contribution of this thesis. Articles on Qatar and Singapore provide rich content for analysis, linkages, and addition to existing knowledge, especially in terms of the significance of politics, education, and labor market policies in the context of development.

Chapter 3: Politics, Governance, and Development

The point of departure for this chapter will be the paradigm of the modern state and its role in society; Weber's views on this matter were discussed above. The goal of this part of the thesis is to highlight the importance of good governance for sustainable development. This outcome will allow lessons to be drawn through comparing and evaluating Qatar and Singapore's governance structures. Ultimately, this result will feed into the first significant outcome of the thesis, which will be to draw observations on how Qatar can build on its sustainable development plans through good governance strategies.

This chapter of the thesis will be divided into three main parts. First, it will discuss the political structure in Qatar and Singapore. Analysis of the role of the political structure on development will be central to the discussion. Second, the tools of good governance will be carefully evaluated through the example of Singapore. This will allow exploration of the possibility of utilizing such tools by the Qatari government. Finally, this section will look at sustainable development aspirations of both countries through the lens of Porter's (1990) paradigm of competitive advantage. Strategies that have been set and followed by the two governments will be analyzed. The aim is to evaluate the feasibility of these strategies, as well as proposing areas of focus in order to maximize the potential of the governments' resources.

3.1 Political Structure

The first part of this section will examine the characteristics that determine the political identity of Qatar and Singapore. It will discuss the components of the political structure, considering power structure, social identity, and the interactions between the two. Looking at the political structure necessitates highlighting the structures of power and how decisions are made. Both Qatar and Singapore have a unique set of characteristics that determine their political identity and largely support the prosperity of the two countries. Given the uniqueness of the two countries, they still share some similarities.

First, both Qatar and Singapore can in a sense be considered city-states. Small states are classified as having a population of 30 million or less, and can be vulnerable to resource shortages or threatened by other neighboring states(Chong, 2010). Although in comparison, Qatar has ample land space, at 11,5000 km² (Hukoomi, 2015) compared to the size of Singapore, which is slightly above 700 km² (YourSingapore, 2015). Qatar's population is approximately 2.3 million people (MDPS, 2015), and is concentrated in a limited number of residential areas. Singapore's population, on the other hand, is significantly higher, at an estimated 5.5 million (DSS, 2015). Therefore, both countries are quite small when considering both size and population. However, these city-states have both greatly amplified their potential as a result of exceptional leadership, which is the second similarity between the two.

Prior to discussing the role of leadership in the development of the two countries, the boundaries of the ruler's authority will first be discussed. Both

countries are governed by constitutions. Although Singapore is a parliamentary republic, it is criticized as authoritative, in part because of the dominance of the ruling party over the political arena since 1959. This one-sided rule has been consolidated over the years by electoral regulations and libel laws that limit active opposition (Henderson, 2012). However, with growing criticism and demands for reform, Singapore's leadership has shifted from being interventionist to a more consultative approach after the first prime minister left office (Haque, 2004).

In Qatar's case, the political context is dissimilar, with a major distinction in the role of the emir. Given the country's monarchical heritage, the emir, who is from the Al-Thani ruling family, is in the role of the state's highest authority. The emir can make any political or economic decision on behalf of the country, without referring back to the parliament, government, or any other bodies of authority (Fromherz, 2012). A specific example of this is the position of the Father Emir; however, it is also applicable to the roles of past rulers or the current Emir of Qatar. There is minimal distinction between the Father Emir's authority and that of the government. Although he does not have to micromanage the government, this figure's charismatic character is the major driver for the government. Although he has the final decision in state matters, the Father Emir has the expressed support of the population for his agenda (Fromherz, 2012).

After considering the political arena in both states and the power in the hands of their leaders, an important lesson can be drawn in the case of Qatar.

Singapore's political structure, after decades of continuous economic success, was challenged at a later stage via two critical stress factors. First, there was growing popular discontent concerning the lack of political inclusion, especially on the part of those influenced by Western political systems. Second, demands for power distribution were fueled by the slowing economic growth (Haque, 2004). The key lesson in this scenario is that given the massive popular support for the government for decades, Singapore was not immune to political unrest, even if this was minimal. It is true that the opposition in Singapore is weak due to the lack of leadership and coherence, and therefore it is not in a position to threaten to the current ruling party; however, it is a source of disturbance to the Singaporean government (Mutalib, 2000). What Qatar can learn from this is that more attention should be paid to citizens' express opinions. Currently, most of the Qatari population could not agree more with government reforms, especially since most of these reforms directly result in the increasing welfare of the society. However, no chance should be left open for the future risk of domestic disturbance, as the state is not immune to potential shocks to society. The government should lead an initiative and establish a channel for constructive feedback from Qatari society. This will result in long-term sustainable stability and prosperity.

For a government to act efficiently, bureaucrats only need to take into consideration what their superiors require them to do. Thus, it is inconvenient for government officials to consult the different layers of society before acting. In Singapore's case, the leadership was faced with an ever-changing

environment that required a prompt and agile response. In a stage of rapid development, maintaining close consultancy with all segments of society is simply not feasible. This would have retarded the progress of today's Singapore. The stage of development that Singapore underwent, and that Qatar is going through at the moment, is filled with uncertainty. This uncertainty creates speculation among members of the society in terms of what decisions the government should make.¹ Speculations and different opinions on the same table certainly lead to a form of inefficiency and disintegration in a world that requires nothing but agility and solid leadership. Therefore, under the leadership of its modern founder, Lee Kuan Yew, Singapore has made tough decisions without the type of consultation found in fully democratic systems. Nevertheless, this leadership correctly saw that this was necessary for the country's prosperity (Mutalib, 2000). What the government might not have foreseen was that its own pathway for development deliberately neglected the formation of foundations for a proper opposition movement. This backfired in a sense, resulting in social discontent with governmental policies. For long-term sustainable development, constructive political foundations are critical in reducing the risk of future unrest.

¹ This is the author's observation in regards to a trend evident in the Qatari society. Citizens are exhibiting a degree of uncertainty in relation to where the development plans are taking the country. This uncertainty indicates that for a significant portion of society, it is unclear whether or not Qatar's 2030 vision will become a reality, and what will happen afterwards. This skepticism, in large part, is fueled by the paradoxical co-existence of government reform rhetoric along with numerous constraints that require immediate responses. Further discussion on structural constraints and citizen skepticism can be found in Ennis (2015); this author constructed her paper based on a series of various interviews in Qatar and Oman.

The basis of Singapore's political system has aided its prosperity in the past. However, the same basis of a single ruling party has the potential to become a major threat towards Singapore's future prosperity. The social structure of Singapore will be discussed in the following section; however, it's important to acknowledge that slow political progression in Singapore can have a negative impact in regards to social coherence. Regardless if Singapore is indeed experiencing the benefits of economic prosperity, political multilateralism is a major stabilizing factor for the country. This is especially because that Singapore is well beyond its previous development stages; it is now at a stage where it would need to maintain what has been achieved. The process of sustaining it's previous advantages and leading future growth would also require stability, but not through the previous monopolistic approach of leadership. Nowadays the Singaporean population is at a much higher level of intellect than before, the ruling elite should not take chances in confronting the growing sense of worthiness within the society to help shape its own future.

The role of the society in the prosperity of both Qatar and Singapore is key, as it is the source of state legitimacy. Although both countries are very different in terms of social composition, they still face their own challenges. In Singapore, for example, the society consists of three main ethnicities—Chinese, Malay, and Indian, which make up 74.2%, 13.2%, and 9.2% of the population, respectively. The remaining 3.3% comprises other ethnicities that have mainly received Singaporean citizenship (YourSingapore, 2015). Maintaining social coherence is a much more complicated case for the Singaporean government

compared to Qatar. Locals are merely a minority and are socially coherent in Qatar; still, there is a lack of contribution by Qatari society in the decision-making structure. Although major Qatari tribes are represented in the Shuraa Council (Consultative Council), the role of that governmental body is largely symbolic. What determines the relationship between the state and its citizens is how the state reaches the society, and how the society responds and interacts on state issues.

Qatar has taken an important step toward shifting its dependence on natural resources through its 2030 vision and 2016 national strategy². However, the shift from a rentier state is one of the most difficult tasks to accomplish. It would definitely involve increasing the sense of responsibility of citizens, along with the increased citizen contribution. If done gradually and deliberately, the state could potentially create a culture of valuable constructive feedback provided by the small Qatari society, including non-Qatari nationals. This culture of constructive feedback could build on the solidarity of the relationship between the center of power and society in Qatar, which would only add to the political stability and prosperity of the country. There is definitely an advantage in having natural resources and social coherence in the state of Qatar, compared to Singapore. The key, however, is maintaining society's welfare not through the dependence on natural resources, but through serious efforts to reach the targeted goals. This can only

² Elements that relate to the focus on human capital and economic diversification are at the core of the 2030 vision. Such a step aims to reduce dependence on natural resources.

occur through social contribution, and therefore participation of members of society needs to be encouraged and nurtured by the state.

As a concept, a broad channel of consultation with society would definitely be a first in the region and the rationale behind it might be difficult to comprehend, especially by the ruling elite. However, in practice, it might not be as intimidating. Local Qatari society is quite coherent, and the role of tribalism is diminished under the modern state system, in which the tribe as a power is non-existent.³ Moreover, the small Qatari population of at most 300,000 currently has a high literacy rate of almost 95% (UNPAN, 2012), and most of the young generation is educated at the university level or higher. Therefore, the leadership, which is the youngest in the region and even in the world, would need to consider the inevitable aspirations of the generations to come. This universal constructive consultative transformation would definitely need to take place gradually. At the same time, a high level of political commitment is a necessity. At the moment, there is a channel of communication between the population and the government through a radio program that is more than a decade old, titled *My Beloved Country, Good Morning*. In this program, Qatari nationals can express their discontent or appraisal of actions or services by governmental agencies. The Father Emir himself used to listen to this program

³ The concept of the diminishing role of tribalism is the author's observation. To expand on this, this diminishing role is especially evident in the new generations. This is largely due to the role of education. In addition, the tribe as an entity represents an intangible bond that has lost its significance to the role of the state. The actions of the ruling elite point to a certain degree of tribal favoritism in prominent government positions, occurring because the ruling elite views certain tribes as a part of the identity of the state rather than to maintain social coherence.

at times⁴. Moreover, there are dedicated teams in all governmental agencies that monitor, compile, and follow up on issues raised by citizens in the radio program. There is a limit, however, to its effectiveness: Citizens do not have the full freedom to express themselves and air criticisms, as certain topics are off limits, and there is a back office that regulates the flow of calls to the program. Nevertheless, given the influx of daily comments and the relatively quick response by government agencies, this program represents an essential point of interaction between the political elite and the society that could be built on.

Another form of informal political interaction between the elite and citizens is through a deep-rooted element of the Qatari social paradigm, the Majlis. Citizens can freely go to the Majlis of an influential government official or a prominent member of the ruling family to express their needs, special requests, or in rare cases, soft constructive criticism of certain government policies by which they are affected. Of course, the social norms that govern such gatherings limit the amount of interaction or even access to certain people's Majlis. However, the Qatari community is relatively small and one can eventually reach out to influential people.

3.2 Social Identity

The outcomes of the previous discussion on the political structures of Qatar and Singapore and their relationship with society can be built on through a

⁴ This is an author's observation, as it is known among Qataris that the Father Emir pays special attention to this program, and advises ministers to quickly address the concerns raised by Qataris.

deep understanding of the social identity within the two countries.

Understanding the social identity and its influence on politics is a distinct issue from the relationship between social identity and the political structure. The weight of the society is quite important for policymakers. Beyond consulting the society, taking how it will respond and acquiring its explicit support for governmental policies is an ideal scenario of success for policymakers.

In Singapore, the social identity goes back to colonial times; the country was first founded as a British colony and a trade hub. Its location in a critical strait and on a trade route in South East Asia shaped its diverse but small population. As stated above, Singapore consists of three main ethnicities that have shaped its society and diverse culture. The Chinese represent the majority of society at approximately 74.2% of the population. Meanwhile, the Malay and Indian components of the society represent 13.2% and 9.2%, (YourSingapore, 2015). Given their position as the dominant component of the society, the Chinese have taken a leadership role in shaping Singapore's modern history. However, they have done so in harmony with the Malay and Indian components of society. Under the leadership of the People's Action Party (PAP), and specifically its co-founder, Lee Kuan Yew, social coherence was an absolute priority.

The government has strongly pushed for rapid development and job creation. In the government's view, this would minimize the room for social unrest or any form of divergence within the components of society. The Singaporean government strongly perceived this approach to maintaining

social coherence as a matter of national security.⁵ The Singaporean government's focus on maintaining mutual solidarity along with other obligations toward society stemmed from the East Asian Confucian roots of the government elite (Lele, 2004).⁶ The government heavily promoted Confucianism as a code of personal conduct in the country, although this was done only after it was set aside by the government for about two decades (Lele, 2004). Since the PAP took the leadership role in Singapore, it has realized significant progress in a relatively short period with virtually no resources. However, after two decades, the PAP saw its popularity in decline, and this could eventually pose a threat to its governance. As a result, Lee Kuan Yew and the government heavily sponsored "Asian values" as a code of conduct within the Chinese-majority society. According to Lele (2004) "Asian values" signify Confucianism, which the government heavily promoted, introducing it as a religious curriculum in schools in the 1970s. The reason for the government's

⁵ Lee Kuan Yew expressed this view in an interview, which was published later as the book *Hard Truths to Keep Singapore Going*. Lee listed social coherence among the top immediate needs for Singapore in order for it to continue prospering in the future. Lee also thought that Singapore could be vulnerable to social instability given its small size, location, and diverse social components. His views on strategic matters to the state were widely endorsed by government officials and PAP members, given his status.

⁶ For clarity, Confucianism is frequently brought up when discussing East Asian countries. Just to help understand what is meant by this term, it may be relevant to refer to Barr (2000), who stated that Confucianism does not represent the original set of ethics advocated by Confucius, but instead:

the state-centred form adopted by successive Chinese emperors from the second century BC onwards. At heart, Confucianism is about people and relationships, and it governs how everyone acts in a traditional Chinese hierarchical society.

promotion of Confucianism was “its emphasis on loyalty and mutual solidarity” (Lele, 2004).

Several scholars analyzed the impact of Confucianism after it was promoted in Singapore. According to MacFarquhar, Confucianism added a number of attributes to industrial Asian countries that led to their growth. He argued that Confucianism’s “self confidence, social cohesion, subordination of the individual, education for action, bureaucratic tradition and moralizing certitude” (cited in Lele, 2004), a valuable contribution as such, were doubtlessly also fueled by high ambition and aspirations of wealth generation. After all, Confucianism is a part of the Chinese merchant culture, a historic component in Singapore society.

Following the discussion of the impact of the social identity on state development in Singapore, the role that social identity played and its future potential on Qatar’s development will be considered. The two critical factors that shaped Singapore’s social identity were its history and social components; both played a significant role in its development. Qatar’s society is in a sense much less complicated than Singapore, putting Qatar at an advantage. In terms of history, being at the coast of Gulf essentially the Qatari society, along with other nearby coastal towns on the Gulf were relatively small. These small sheikhdoms were reliant on the sea as a source of income, whether from pearling, fishing, or maritime trade. Due to the urban, and not the bedouin nature of the coastal towns, tribalism and tribal conflicts over land and kettle were quite limited and were resolved through mediation.

The sheikh's role at that time representing a balance between the residing tribes, and he would govern the territory in return for taxes. Merchants, whether they were wealthy from pearling or other forms of trade, had extensive influence on the decision-making circle of the sheikh. Moreover, the sheikh was not only wealthy from tax collection; he was also a merchant with most of his focus overseas (Fromherz, 2012). The wealth of the ruler was important in consolidating power, as he would give away cash to supporters. Regardless of the sheikh's wealth, the coalition with the highly reputable merchants was of equal significance for his rule, due to their economic and social weight in the society. In times of crisis, the state would actually borrow from wealthy merchants.

Nowadays, Qatari society is still quite small in terms of the number of nationals, but much has changed. After the discovery of oil, the power of the merchants was severely limited, and it is now of symbolic value. The state is no longer required to form a coalition with the merchants to maintain its power; this is because oil wealth is in the hands of the state. Moreover, the citizen's respect for the emir as a leader, along with wealth distribution, has further limited any role the merchants had through job creation or wealth distribution to the less fortunate. As a result of oil revenues and the emir's symbolic role, he has gained further popular support. In terms of development, given the role of the emir, policies or calls for action by the Emir should have a large influence on the society. However, nationals' potential as an engine for development is greatly hindered due to the symptoms of the Dutch Disease. Having secured

governmental jobs as a form of a social contract with the ruling family or other social benefits as a part of the welfare state can greatly undermine the nationals' potential for productivity, even to the extent where calls by the emir might have minimal effects. This is an issue of high importance and could damage the overall plans for development by the state.

An important point to consider is the ultimate motivation for productivity. If government policies unintentionally discourage the indigenous component of the Qatari community for the sake of a social contract, then this contract will need to be updated and policies restructured. In a sense, the small number of nationals leaves no room for competitiveness, and as a result, productivity is lowered.

Expatriates, on the other hand, make up close to 90% of the Qatari population. This significant component is part of Qatari society, but raises the question of the extent to which it can contribute to development. This cannot be addressed without looking at the role and consequences of labor market policies. For now, the discussion will concentrate on expatriates as part of Qatar's social fabric. Although it is viewed as the "other" component of Qatari society, the expatriate community is quite diverse in itself. Human capital in the expatriate community consists of highly skilled talent in the oil or service industries, for example, as well as a massive number of unskilled workers in the construction industry. The sponsorship system can have both a positive and a negative effect on the productivity and engagement of the expatriate community. This issue will be discussed in the labor market chapter.

Additional engagement and interaction between the Qatari and expatriate communities should be enhanced. However, it will be quite difficult to accomplish this due to the short-term nature of contracts, language differences, and cultural barriers. One way to mitigate these difficulties and at the same time increase the engagement and participation of expatriates in development would be to introduce permanent residency plans or attractive social benefits for non-Qataris who are of high value to Qatari society.

To make a brief comparison of Qatar and Singapore within the scope of the political and social structures, it is evident that there are a few intrinsic similarities between these states. First, there is the paternalistic nature of the state, where the power structures are centralized in the hands of the leadership and ruling elite. This explains the strong influence of the state over societal matters, as well as the process of policy making. Another major similarity is the role of leadership, which shapes the role of the state given its charismatic nature. The role of social coherence also has a high level of importance for both countries, but in the case of Singapore, this requires more effort, given the country's diversity. Meanwhile, Qatar needs to develop the excellent existing channels of communication among its citizens to anticipate the future complexity of the social demands. The natures of both states comprise points of strength to drive the development process. However, it is essential to maintain such advantages; it is also important to be willing to implement positive change in the political structure in anticipation of future societal advancements. The next section will discuss the nature of the

governance structure in both countries, with the aim of highlighting the mechanisms of the policymaking process.

3.3 Public Governance

Having considered the political structure, for this section, it is important first to reiterate the importance of the role of leadership in determining the direction of both Qatar and Singapore; leadership is also a core factor in shaping the governance structure and determines the role of public institutions in both countries. Here, the goal is to dissect the governance structure and assess the role of public institutions in development. A comparison between Qatar and Singapore will be conducted for the three components of the modern state—the legislative, executive, and judicial branches—with most of the focus on the legislative branch due to the policy nature of this thesis. The comparison, as stated above, will primarily highlight the role of governance in development.

Qatar's governance is dissimilar from that of Singapore, but also shares a few core characteristics. After gaining independence from the British in the early 1970s, Qatar did not envision being as complex as it is now. Citizens that were of working age suffered from low literacy rates and the leadership did not possess as much oil wealth as in modern days, not to mention development plans. Even with the increasing flow of oil revenue, it was the leadership of Qatar that took the initiative and sought to develop the country and its citizens. Singapore is almost identical in this sense, as the initiative of Singapore's

leadership has managed to succeed in the face of tough challenges. Although using different approaches, both countries have strongly capitalized on governance and sound policymaking to maintain and promote development.

Qatar, as discussed above, is a monarchic system in which most of the critical decision making stems from the ruling elite led by the emir. Like any modern state, the bureaucratic system consists of legislative, executive, and judiciary branches. However, the independence of these systems is limited. Laws in Qatar are passed as emiri decrees, but require the approval of the Shuraa Council, which is fully appointed to represent Qatari society. The head of a prominent ministry enters the position through an emiri decree rather than a parliamentary or an electoral system. Moreover, there are at least three higher authorities that limit the independence of each ministry, namely the prime minister, the deputy emir, and the emir. This system, although modern in appearance, it is highly influenced by the monarchic heritage of the state, and although this is not completely negative, it does have major flaws. As stated above, the role of the leadership is key, especially in monarchic Qatar, as the emir is the one who drives development and can have a major influence compared to democracy, or Kuwait's partial democracy, for instance. Ironically, the system's essential characteristic is also its major downfall.

Given the monarchic nature of the state, governance and policymaking follow a top-down approach. The ruling elite largely, if not solely, takes the responsibility for decision making, and thus traditional metrics of policy analysis are taken into consideration only if the ruling elite deems necessary,

which it does in many cases. However, it cannot be overlooked that some policies are implemented as a result of unplanned or emotionally driven decisions. This has been more common in the past decade than at present; nevertheless, it still exists even, within the mid-level bureaucratic system. In the past, being recruited mid-level of junior governmental jobs, promotions and decision making could be highly influenced by non-professional factors. This was a reflection of how the higher bureaucratic level operated, and was acceptable to a certain degree within society. Nowadays, this has been diluted, but it is still evident. In part, this is due to the monarchic history and rentier mentality of the bureaucratic system, which has ample room for improvement.

One area of improvement is translating the national vision and strategy into a robust roadmap and most importantly communicating it to the bureaucratic community. There is a sense of disengagement and misconceptions on what is actually aimed at in the 2030 national vision. Members of public institutions should clearly know the present role of their institution, as well as what is required within the short to the long term, within the 2030 national vision. Such clarity in purpose is essential in order to have active engagement by members of the public sector. The absence of such clarity and the ambiguity of the roadmap to achieve the 2030 national vision by public sector personnel would result in major inefficiencies and lost efforts.

Another area for improvement is to strengthen the link between governmental agencies and the aspired national vision. There exists a limitation in which there is a lack of synchronization between what

bureaucrats undertake on a daily basis and what is aspired by the national vision. This is partly due to the lack of awareness on this matter as well as limited efforts towards capacity building for workers of the public sector. Such a limitation is being addressed recently since the inauguration of the current Emir.

Coming into power recently as a result of the Father Emir stepping down, the current emir has made significant progress with the aim of gradually restructuring the bureaucratic system, which is quite a challenging task. This issue will be discussed in more detail in the labor market chapter. However, what is important to acknowledge at present is that the bureaucratic system as a whole in Qatar has great potential to contribute to state development.

The bureaucratic system is meant to act as a facilitator of the economy, helping to build and extract the full potential of the country, rather than hindering development. Looking at Singapore's case, the leadership first saw the major hurdle that would need to be overcome in order to transform Singapore into a prosperous country. As a result, and deeply trusting this notion, Lee Kuan Yew helped to build an efficient governance system that would only act in favor of the economy. This model was referred to as "business-oriented public administration" (Haque, 2004).

The basis of the governance system is the people. In Singapore, people compete to join the bureaucratic workforce and the incentives are quite substantial when compared to those of the private sector. Moreover, career development within the public sector is an intensive and competitive process.

As a result, high-level officials in this small country are quite knowledgeable and on par with officials representing international superpowers. As for public institutions in Singapore, it is important to note that the heads of those institutions (ministers) are members of parliament appointed by the president on the advice of the prime minister. Since a single party mainly dominates Singaporean parliament, it is more likely that these ministers will have a similar view concerning state building. Moreover, it is also likely that as individuals, these ministers represent the best that the PAP, or its allies, can offer in public service.

The parliament acts as the legislative authority, and given that it dominated by a majority party, obstacles to policy formulation are minimized. Moreover, the intellectual leverage of the PAP members provides an advantage when it comes to sound policymaking. Although some policies have purely political intent, it is clear that successful policy decisions have been achieved in this way. From the perspective of Singapore's leadership, one can infer that they believe this domination of the political scene is the only way to focus on formulating a solid governance structure without unproductive distractions.

In terms of the mentality of public institutions in Singapore, it is highly affected by the lack of resources. The very existence of the country depends on factors other than natural resources. As a result, the government needs to continuously seek methods to improve the wellbeing of the nation, and when looking at Singapore's history, the government's economic strategies have been continuously revised in order to bring Singapore's position to where it is

now. Moreover, sound government policies were needed to take into account certain intrinsic characteristics of Singapore that, if not addressed properly, could have catastrophic consequences. Maintaining the coherence of ethnic diversity is a matter of important for Singapore. This can be largely affected by rising rates of unemployment, inequality or, low standards of living. As a result, public institutions need to act proactively and deliberately, and this has become the culture of the public sector in Singapore.

For both Qatar and Singapore, the culture of the public sector is key in setting expectations and evaluating actions. A culture of corruption or responsibility, dependency on rent or functionality, inefficiency or effectiveness would be reflected in government outcomes. Qatar and Singapore have a similarity when it comes to the role of leadership. As a result, for Qatar to see a more robust government, the leadership needs to acknowledge its own significance in the process. Recruitment should be based on qualifications, while the performance of both institutions and individuals should be critically evaluated and continuously improved. Finally and most importantly, professional improvement of the government officials is critical, as this will be reflected on the output of the governance system as a whole; thus, continuous progress in the pathway to sustainable development. As explained by Clark & Jung (2002), the qualities of Qatar discussed above qualifies it to become a developed state. It has the means to overcome the barriers facing it as a “late

developer.”⁷

3.4 Aspirations for Development

In terms of development, prior to discussing the directions that both countries have followed on the path towards development, it is necessary to acknowledge where both countries are right now and where they aim to go. Qatar and Singapore are distinct cases, where each country has its own development history and future prospects. For Singapore, it was simply a matter of survival. The country had gained independence from the British and had virtually non-existent resources to rely on in order to prosper. This vision was clear from its early stages: Singapore’s leaders wanted to create a first-world country in South East Asia, and they utilized everything at their disposal to achieve this aim. Qatar, on the other hand, is resource rich, and its development plans are not centered on survival in the short to medium term. Rather, the plans centered towards achieving a sustainable level of development that is not dependent on natural resources. Qatar’s dependency on fossil fuel revenues is a threat to its long-term prosperity; the leadership has realized this and is trying to shift to a knowledge-based economy. This

⁷ Clark and Jung (2002) provided a comprehensive thesis of the different views on the developmental state. They cited eight sources that were primarily focused on the developmental state model. In their summary, the authors made two assumptions that would allow this model emerge. The first is that developmental states are at a disadvantage to compete in the global economy, while the second is that such states possess “power,” resources, or the political will to overcome such barriers. The state would then help the private sector to overcome the barriers to compete in the global economy; according to Clark and Jung (2002), such barriers are typically capital, human capacity, and security.

realization by the Qatari leadership occurred decades after Singapore's development experience, which puts Qatar in a position to learn from the case of Singapore.

It is also important to consider how Singapore defines development, given its current first-world status. Singapore's first prime minister, Lee Kuan Yew, expressed his concern that Singapore needed to maintain its leadership status, and stated that this task would be quite challenging. In his view, economic development would highly affect social coherence within the country, and Singapore's leadership would need to do what it could to achieve this on a sustainable basis. On the other hand, today, Qatar is not classified as a first-world country; as a matter of fact, it is still a rentier state with a developing economy. In its 2030 vision, Qatar aims to become a developed country able to sustain its own development along with high standards of living for its citizens (GSDP, 2008).

To summarize the previous points, Singapore's initial prospects for development were delineated for the purpose of survival. Currently, Singapore is challenged to maintain and grow its leadership position and economic status. Qatar, on the other hand, has just entered the development phases and aims to become a developed country in the future, so that it will not need to rely on natural resources as a primary source of income.

The two cases are fairly distinct, it is still possible to draw lessons for Qatar. One such lesson from Singapore is the need for commitment and clear vision. In the early 1960s, after gaining independence from Britain and the accession

of the PAP to power, Singapore was one of the poorer countries in Asia. As a typical third-world country, Singapore lacked some basic infrastructure, not to mention having poor housing and low literacy rates. However, its leadership wanted Singapore to become a first-world country, with its citizens behaving as first world citizens. This vision helped Singapore's leadership to guide the country to where it is today. Still, the vision in itself is insufficient; rather, careful planning and tremendous effort needed to be made. Therefore, the planning process for Singapore at its early stages and its systematic evaluation and revisiting of its policies were key to the country's prosperity.

An example of the planning process can be seen in urban planning in Singapore. Given its size of 712 km², Singapore needs to efficiently manage its space in order to optimize its use, as well as ensuring enough land for the future growth of the population and economy. The process of structured urban planning started after independence in the housing projects of the 1960s. However, this was only consolidated after the introduction of the Concept Plan in 1971, where the government set a 40–50 year urban development plan that set the long-term uses of land in the country. More specific than the Concept Plan is the Master Plan, which has a relatively shorter interval of 10 to 15 years and is more detailed in setting the use of each land. The most important characteristic of this system is that the strategic Concept Plan is revisited every 10 years and is modified based on national goals and in response to current circumstances (Henderson, 2012). This self-correcting process maximizes the value of Singapore's most scarce resource, namely land. It also supports a

culture of reevaluating previous decisions to best serve the public interest.

Systematically following such a process at the macro-level has helped to solidify the effectiveness of Singapore's government. This framework aligns with the analysis given in Chapter 2 concerning the effectiveness of governments. Effectiveness is determined by the ability to think again, think ahead, and think across institutions (Neo & Chen, 2007).

Qatar, on the other hand, has a system that is similar in a sense, but lacks certain critical components. The sectorial system of the "Concept Plan" in the case of urban development in Singapore can be compared to Qatar's National Vision 2030. The shorter-term Master Plans are comparable to Qatar's National Development Strategy 2011–2016. Although there has not been a formal declaration to the effect that there will be a series of interim National Strategies similar to that mentioned above, this can be assumed.

Qatar's 2030 Vision contains the primary conceptual elements that Qatar will need to focus on in order to achieve the goals it has set for itself. Human, social, economic, and environmental development are the four pillars of Qatar's 2030 Vision. The vision serves as the ultimate goal for where Qatar would like to be in 2030; the Development Strategy, on the other hand, delineates the issues that need to be resolved along with the benchmarks or best practices that ought to be achieved. The strategy goes into sufficient detail to point out specific targets that are critical for the country's development. For example, the strategy targets the efficiency of the water desalination system and states that the current process lacks efficiency when compared to the

global standard. In Qatar, desalinated water is wasted at a rate of 30–35% compared to the Organisation for Economic Co-operation and Development (OECD) average of 18% (Qatar General Secretariat for Development Planning, 2011). The strategy suggests that inefficiency should be limited and that the implementation of reverse osmosis technology, which requires less energy, should be considered.

As an outcome of this recommendation, as an example, Kahramaa announced in March 2015 that it had signed a \$500 million project with Mitsubishi to construct a reverse osmosis plant that will start operation in the third quarter of 2016 (Kahramaa, 2015). A point to note here is that progress is being made in line with the National Strategy. However, periodical or even biennial reports are not being published to track the progress of the projects or targets in the strategy. This is not to state that the strategy is not being monitored; the Ministry of Development Planning and Statistics is responsible for supervising the progress of the strategy, as stated by the text of the strategy itself. At the end of 2014, the minister of Development Planning and Statistics declared that the ministry is reviewing a mid-term progress report in 2014 (QNA, 2014).

It can be observed that progress is being made and efforts are being carried out. However, the level of achievements throughout all of the stakeholder organizations is not equal. For example, government-owned companies such as Kahramaa or Manateq are making progress in their designated duties. However, a significant element of the strategy, namely the need to increase the

capacity of government workers or the percentage of Qataris working in the private sector, is occurring at a slower pace. This is in part due to the nature of the goal itself and the difficulty of achieving it because of its complexity. For example, the goal of the 2016 strategy is to have 15% of the Qatari workforce working in the private sector, in which government-owned companies are not included. Realistically, this target is questionable simply due to the lack of incentives for Qatari nationals to work in this sector. The same applies for private sector employers, which can simply employ non-nationals with the needed set of skills at a lower cost. This is only one example, but the lesson learned can be applied to achieve other targets in the strategy. There needs to be infrastructure in place to meet the goals that have been set.

The significance of the overall political structure in relation to development is evident. Leadership played a key role in Singapore's success and is driving Qatar's development. Social coherence is an advantage in the case of Qatar, and this can become a powerful catalyst for development; in Singapore, on the other hand, maintaining coherence requires significant effort. As for governance, there is much yet to be done in Qatar's case, especially in terms of further enhancing the role of meritocracy in policymaking. Nevertheless, given the comparison to Singapore, Qatar does possess qualities that would allow it to further utilize its potential to reach its development goals. In addition to what has been stated above, Qatar's political structure possesses the potential to catalyze all four Determinants of National Advantage, delineated in the conceptual framework as stated by Porter (1990).

Ricardo and Weber's works are both of classical importance. The way Ricardo views the significance of governments is to a certain degree in line with Porter, as it is primarily to ease the process of trade. As described in the conceptual framework, Ricardo's law of comparative advantage revolves around the role of the state, where it does or does not have a comparative advantage in a certain trade. This is the role of the state to focus on formulating its comparative advantage in trade. Such a high level view is indeed beneficial to look at in the case of Qatar, where most of the attention should be on enhancing the role of the private sector instead of the public sector's bureaucracy.

As per Weber's views on politics, both Qatar and Singapore's ruling elite are monopolizing the decision making process. Therefore given the findings of this chapter, both states should have more inclusion of the society in decision making. However, such a task might be difficult given the monopolistic nature of the state as described by Weber, in addition, it could also be projected on Weber's views of capitalism. Where he explains that the proletariat (the majority of the society) are separated from the means of production, and in this case, the means of political decision. Nevertheless, given the nature of states as described by Weber, there is room for rational decision to be made that is outside of the mold described by Weber.

Porter (1990) highlighted a critical consideration in terms of the role of government, stating that the government should be a "pusher and a challenger." The role of the government should not be to assist industries, as

this would harm these firms in the long run. Instead, a government should provide the necessary tools for firms to be competitive (Porter, 1990). Therefore, it is important for Qatar to draw a line that would prevent overly supporting industries. It is crucial to take into consideration that the goal of the government support is to create competitive companies in the future, that can be fully independent of such support. The following section discusses education, which is considered an effective tool in creating a competitive advantage, if it is developed correctly by the government.

Chapter 4: A Case Study of Education in Qatar and Singapore

Beginning with the concept of education at an abstract level, it is relevant as a first step to highlight its relation to development; also in addition, more specifically, it is important to highlight its significance in relation to a knowledge-based economy, which is the model that Qatar aspires to implement. Given the role of policy in forming the infrastructure for development, it is also necessary to consider the role of education in relation to development. The role of education in terms sustainable development has been a debated topic (Filho et al., 2009). As a matter of fact, as described above, the definition of sustainable development as a concept is not clear-cut. As stated in the conceptual framework, for the sake of this research, the concept of sustainable development will be considered from an outcome perspective instead of a conceptual ones. This approach ought to reduce the potential for conflict and increase the probability of touching on the common grounds between the various debated definitions and perspectives.

Sustainable development can “refer to long-term prospects with ecological, political, economic and social implications” (Filho et al., 2009). Therefore, maintaining a focus on positive long-term changes in terms to the essential aspects of development requires the continuous reform of education. Education as a tool for sustainable development necessitates inter-community, and institutional collaboration to reform the outcomes and inputs of the education system so that it will better suit the demands for development, as sustainable development is “a dynamic process, whose implementation

depends on due consideration of social processes of which individual engagement and participation are essential elements” (Filho et al., 2009).

A more advanced role of education within plans for development can be seen when a country aspires to become a knowledge-based economy. One interpretation of the key characteristics and definitions of a knowledge-based economy can be delineated following Powell & Snellman (2004), who stated the following:

We define the knowledge economy as production and services based on knowledge-intensive activities that contribute to an accelerated race of technological and scientific advance as well as equally rapid obsolescence. The key components of a knowledge economy include a greater reliance on intellectual capabilities than on physical input of natural resources, combined with efforts to integrate improvements in every stage of the production process.

This part of the thesis will primarily discuss the role of education in relation to development, as quality education is a key factor when it comes to supporting the development of a country. However, it is important to highlight the various components, strategies, and outcomes evident in the education systems of Qatar and Singapore. First, this chapter will discuss the importance of higher education and the macro-purpose of education in these two countries. Second, it will discuss the components of the school education systems in both countries by offering comparative observations. These are the two high-level outcomes of this section; conclusions will be drawn through a

discussion and analysis of other medium-level components of the education systems in the two countries.

The areas of discussion will include the role of teachers, the focus on innovation, and strategic planning. The reason for discussing such elements is that they represent turning points in the success of the Singaporean education system. The literature is undecided when it comes to prioritizing the importance of such elements (Filho et al., 2009; Tan & Ng, 2007)). However, few studies have overlooked the link between the success of the education system and the elements analyzed in the following sections.

4.1 Education Objectives

In order to initiate the discussion on the components of the education systems of Qatar and Singapore, it is first relevant to discuss the objectives of these systems. This section will focus on the purpose of the education systems and how the two countries view the significance of education in terms to development. This question will be addressed based on the historical context of the two countries. A good analysis of Singapore's education system was carried out by Tan and Ng (2007). After gaining independence from the British and throughout its modern history, according to Tan and Ng (2007), Singapore's leadership pursued a functional (pragmatic) approach to education, as opposed to the liberal (educational) view of education in the Western world, Singapore's education ideology was dissimilar. A description by Bailey, 1984, cited in (Tan & Ng, 2007) showed that the liberal point of view

of education stems from the philosophy of the value of education in itself, and allowing freedom of individual cognition through increased knowledge and understanding. As Tan and Ng (2007) also pointed out, values such as individualism, neutrality, and rational autonomy, although accepted and rationalized in Western societies, are less preferred in Asian societies compared to communitarian values.

Why Singapore adopted such a functionalist approach from its early days can be explained through its education history. After its independence from the Britain, Singapore's education system underwent through three primary phases (Tan & Ng, 2007). First, there was a stage of survival, where Singapore was faced with the reality that it needed to produce trained workers to support the early days of industrialization after independence. Second, there was an efficiency stage, where Singapore needed to adjust the system in order to produce a skilled workforce to support the economic system in an efficient, streamlined manner. This step was also necessary to put Singapore ahead of the industrialization cycle of other Asian countries. Today, Singapore's education system is centered on the paradigm of "ability-driven education." Interestingly, this paradigm represents a shift from a pragmatic, functionalist orientation toward a liberal education system. In ability-driven education, students are equipped to face the challenges of the knowledge-based economy by building on their talents, abilities and interests (Tan & Ng, 2007). Therefore, instead of providing citizens with education and knowledge for the purpose of the country's current and future economic needs, the newly formed system

runs on the philosophy that education needs to help students to discover what their talents and interests are. This is considered to result in higher creativity, productivity and an advantage in Singapore's fields of excellence.

Reflecting on Singapore's history, which primarily helped to shape the identity of its education objectives, one can deduce that economic needs and education policy have a causal relationship. The purpose of education in the case of Singapore is anything but static, and therefore this is a difficult question to answer. However, the perspective described below may help to delineate the actual purpose(s) of education in Singapore. As in any country, Singapore has been faced with a series of challenges and hardships; it needed to overcome these challenges and help to secure its future for the next generations. As a result, Singapore needed to utilize education as a tool to overcome the challenges it faced, which changed over time; as a result, the target of education changed over time. Thus, education is not only a goal in itself; rather, it is an effective tool to better equip citizens with the necessary skills to prosper in the modern, globalized society and also drive the country's prosperity. As it happens, economic prosperity is a need for the Singaporean government, as it helps in neutralizing potential social unrest that may arise due to poverty or unemployment. With this need being satisfied to a certain degree, the government is faced with a very competitive present and future, even though that the present is beyond a knowledge-based economy. Therefore, the government needs to release its citizens' potential talents through its education system. With this approach, the Singaporean

government will have a better chance of securing its future. This is exactly the statement made by Singapore's current prime minister, Lee Hsien Loong (Lee, 1997, cited in Tan & Ng, 2007): "[B]y judiciously investing to educate our young to become thinkers and learners, we will maximize our chances and secure our future".

Another perspective put forward by Lee's father in the early stages of Singapore's development provides time-proven evidence of the importance of education to the country: "The importance of education, the need of stability and work discipline ... these are vital factors for progress" (Barr, 2000; Nair, 1976, p. 175). The education system in Singapore has implemented the self-correcting principles and processes. However, it's important to acknowledge the fact that the goals of the education system are primarily set by the ruling elite of the PAP. This raises a concern similar to the one in Chapter 3, that monopolizing the decision making in a changing socio-political structure that demands multilateralism can potentially become a threat to the system as a whole.

Qatar's commitment to education has been substantial, especially in recent years. However, it is important to portray the purpose of capitalizing and focusing on education in the country. According to a book published by the RAND-Qatar Policy Institute, the Ministry of Education, which was established in the mid-1950s, and had a defined goal: Its mandate was to provide free education to a highly illiterate population (Brewer et al., 2007). To a large extent, this purpose has been achieved, as the illiteracy rate was 13.6% in

1997, which dropped further to 9% in 2004 (Peninsula, 2004c; Brewer et al., 2007). A key observation related to the philosophy behind Qatar's education system is that it stems from a welfare perspective. In addition, the goal of the education system is to provide education for free to members of the society; this was indeed the case for a substantial period of time, without undergoing substantial evolution that would reflect a development plan set by the ministry or driven by the state.

Historically, education in Qatar and Singapore has been similar, in that it was founded to address a clear need that was evident in an uneducated society. However, Qatar's system did not evolve to the same degree as the Singaporean system. In addition, it is clear that there was an unfortunate lack of vision, or even understanding, of the purpose of a modern education system in Qatar. As stated by Brewer et al. (2007), one of the problems of Qatar's education system is a "[l]ack of vision or goals for education". This can be related to the views of the leadership concerning their significant role, as emphasized above. The leadership of Qatar at the time of establishment of the education system came from the pre-oil era. Given the influx of oil revenues and the poor situation of citizens, the education system was a priority and its purpose was to serve all Qatari children. It has succeeded in its initial purpose (Brewer et al., 2007).

Decades later, Qatar underwent societal changes, with the region becoming more competitive, and Qatar's leadership set ambitious plans for the future. Needless to say, an education system that did not undergo a substantial change in its goal structure or quality of outputs since the early days of its

establishment will not be able to realize such needs related to society, regional competitiveness and leadership aspirations. The education system in Qatar was not actively thought of as a substantial contributor to development; this was a result of the weak developmental vision on the part of the early Qatari leadership, given the historical backgrounds.⁸ Moreover, the primary focus was to enhance the energy sector, which captured most development attention; the rest of the focus was on resource allocation and very little attention was given to long-term future planning (AlKuwary, 1996).

As to what the case in Singapore, the leadership made foundational changes to the education system that touched its core objectives, this was based on the needs of the country, and of course driven by the demands of the leadership. Qatar is currently undergoing a similar phase, with the leadership actively seeking to develop and enhance the qualities of the current education system. What drives such optimism is the high goals set by the government for Qatar's 2030 vision, specifically the capitalization on human development for Qatar's knowledge-based economy. The mechanisms and structures that are being implemented will be discussed and analyzed in the next section. The significance of setting a clear vision and strategy for the education system, and allowing this strategy to be questioned, reviewed, and even restructured, is an

⁸ Qatar's rulers prior to and during the early days of the Ministry of Education saw this as a major achievement, given the non-existent education system at that time. They did not have access to formal or modern education in their childhood, and the notion of having free education in society was seen as satisfactory. The notion of development that emerged in the 1950s until the 1970 or possibly later was yet to solidify due to the indiscrimination of the ruler's wealth and the state's treasury (Rathmell & Schulze, 2000).

absolute necessity to support the true role of education in the process of development.

4.2 The K-12 Education System:

Typical education systems around the world consist of stages of teaching. However, it is how the system is engineered and the outcome it produces that determine its effectiveness. As to what the issues discussed above, the goals and philosophy of education are quite different between Qatar and Singapore; the K-12 education system is no exception. This section will look at how the different education systems have been engineered in terms of structure and output. First, the history of education in the case of Qatar will be discussed.

It is relevant to note that there is a lack of resources that would specifically address the case of education in Qatar, which is indeed a limitation, but also represents an opportunity for the contribution of this research. However, there are a few relatively recent reports published by the RAND-Qatar Institute that have dissected the education system in Qatar.

In terms of the history of modern education, Qatar and Singapore are both relatively new to the concept of schooling. Prior to the discovery of oil, there was no form of formal schooling in Qatar. This can be attributed to several factors, including a lack of funds, as well as the fact that oil was not a resource yet, and pearling was in the hands of merchants. Therefore, the scope of public spending was very limited. Moreover, most male citizens were pearl divers or fishermen, and they would start this profession at a very young age. Finally, the

utility of being literate was limited, and this resulted in a lack of interest in education.

According to Brewer et al. (2007), there were 12 Katatib in Qatar in the early 20th century.⁹ Although not a formal setting for education, this was where children learned how to read and write. The first school was for boys and opened in 1948; this was not established by the government, and in fact only gained government support in 1951. In addition, the government established three more schools in 1954, all of which were for boys. As for girls, the first public school was established in 1956, which was an improvement over the Kuttab for girls that was established in 1938 (Brewer et al., 2007). The establishment of schooling occurred shortly after the establishment of the Ministry of Education in 1950 (Brewer et al., 2007).¹⁰ Although private schools have also been established, for the sake of the discussion, only public schools will be considered.

Several years after the establishment of the Ministry of Education, the education system in Qatar was structured into three main levels. This occurred throughout public and private schools in the country. There were three levels

⁹ Katatib, the plural of Kuttab, is an old setting for popular elementary teaching that was common in most populated Arab towns. Cities, on the other hand would have had more advanced forms of teaching influenced by the Ottomans, British or French, for example. The instruction that students would receive involved basic knowledge in reading, writing, and math. However, it would mostly revolve around the Quran or theological teachings by a Mullah, an Islamic teacher.

¹⁰ On its inception, the ministry was called the Wizarat of Maaref, which translates to Ministry of Knowledge. It adopted the Egyptian system and curriculum, as well as aspects from other Arab states; this was the case until the 1950s and 1960s. The initial goal was to provide free education to the Qatari population (Brewer et al., 2007).

of education in total, with 12 grades. Students attended primary (grades 1 to 6), preparatory (grades 7 to 9), and secondary school (grades 10 to 12). This system was the same for public and private schools and for both genders, which also shared the same class material (Brewer et al., 2007). The structure of the education system itself is not an issue; what matters is the governance system and its impact on the quality of education. One major issue with Qatar's education system, as well as its bureaucratic system, is that it was highly centralized, with decisions coming from top to bottom. This allowed little opportunity for improvement and creativity, while entrenching rigidity. This has improved in recent years, as discussed below; however, maintaining the status quo in education systems and curriculums would result in a diminishing quality of output overtime. In the best case scenario, the quality produced by the education system would not make former students competitive in the labor market, never mind being able to navigate through world-class postsecondary education.

Based on the analysis by Brewer et al. (2007), the education system was over-centralized and rigid in nature. Ministry-developed textbooks were taught in all classes. This system was considered as a means to develop the education system by the Ministry of Education. However, the education system was of low quality for numerous reasons. First, the centralization of the textbooks resulted in outdated curriculums throughout the different school grades. This is evident in the output of the education system, where students were not able to perform adequately in postsecondary education. This could be

is attributed to the relatively decentralized structure of postsecondary education and the comparable change in education paradigms.

In postsecondary education, students were required to have certain skills that they had not acquired in their previous schooling. Aside from being literate in English, being resourceful or technologically literate represented skills that were poorly encouraged by the previous schooling system.

Furthermore, students in postsecondary education needed to be actively interested, curious, and exhibit critical thinking. Such qualities were either non-existent, or at worst discouraged in the previous schooling system.

This system was primarily based on a single-direction channel of teaching. Teachers would communicate the lesson to students, assuming that students should always remain quiet unless asked to contribute. Questioning or counter-argumentation was discouraged; however, students were encouraged to ask questions regarding the point being discussed in order for the teacher to explain properly. The education system was built in a way that teachers and students alike were required to stay within the boundaries of the curriculum. Most curriculums saw little if any improvements over the years in which they were taught in schools. The teachers became accustomed to the exact type of lessons and forms of teaching that they had delivered to a different set of students years before. For example, a science textbook for grade 5 had to wait around 12 years to be updated (Brewer et al., 2007). Thus, there was little space for creativity, curiosity, and argument. Critical thinking was also omitted, thereby positioning the outputs of the education system at a disadvantage in

more professional workplaces such as joint venture energy companies.

Although there are programs that aim to remedy the capacity gap set by such companies, and to a lesser degree in the public sector, many chose to work for the military branch of the government—given the financial incentive and social status. Many chose to work in the public sector. The choice of vocation will be further discussed at the coming chapter on the labor market, but it is important to note that students did realize their inferior capacity after exiting secondary education; this limited their ambition and choice.

As a result of this problem, the government adopted transition programs that would encourage students to apply for postsecondary degrees (e.g., Community College, the Foundation Program in Qatar University, the Bridge program in the Qatar Foundation) or pursue technical career paths with energy companies, for which there was a designated college (College of the North Atlantic Qatar). Moreover, many of the energy companies would train school graduates in junior level technical career paths.

Until recently, the government adopted a schooling system that took into consideration the downfalls of the previous one. In 2004, the first batch of Independent Schools was officially opened. The system was decentralized in the sense that although a government body called the Supreme Education Council supervised the school, the council did not develop the curriculum. Instead, it put in place a set of standards that schools were required to meet. These covered the curriculum, teaching methods, teaching environment, days of schooling, and so on. This system represented a clear improvement and had

the capacity to produce a better output. However, to truly accomplish this, the system needed to be implemented carefully nature. A very important point is that those implementing this system (i.e., teachers, administrators, etc.) were members of the old system, and often had been so for a long time. Drastically shifting the approach to thinking and teaching can be a very difficult task, and this was borne out in the case of Qatar. From the author's perspective, as a previous outcome of the system that had many dedicated talents, teachers were not very welcoming to the series of workshops that accompanied the shift. Some viewed it as offensive that with 20 years of teaching experience, individuals of their children's age wanted to teach them how to do their job¹¹. A possible approach by the Supreme Education Council would be to gradually and systematically introduce capacity building workshops that did not demand drastic change immediately to reduce potential resistance.

Another alarming downfall in the rapid implementation of the new system had to do with the students themselves, especially those in secondary school. Those students using the old curriculum one year, and experienced a very dramatic shift the next. This shift does not necessarily mean that the material became more challenging, or that many different concepts were introduced. Instead, it was a change in the approach to teaching, which was different from what students had experienced throughout their years in school. For secondary students, the school grades suddenly represented only 30% of the

¹¹ This is an author's observation as this specific example was during the time where the Supreme Education Council piloted policies that aimed to reform the education system. Some policies happened to continue due to their success, while others were reconsidered.

total grades at the end of the year. This included, homework, classwork, participation, essays, quizzes, midterms, and final exams. On the other hand, the external unified exam of the Supreme Education Council at the end of the year represented 70% of students' results. Furthermore, students were required to study material from three grades to prepare for the exam at the end of the year for grade 12¹². In addition, students found it disturbing that they had to write their Science test all in one day, which required them to study the material from Biology, Chemistry and Physics from grade 10 to 12. This put enormous pressure on students, which resulted in panic among both teachers and students. What is more surprising is that this was not implemented only once, but in at least two consecutive years.

Change and improvement is essential. However, for a social issue such as education, the input of various stakeholders must be taken into account¹³. The previous system was criticized for being too centralized and for not being consultative enough. The new system gave a form of freedom for each school to practice what would benefit the students within the standards framework provided by the Supreme Education Council. However, some new and very important policies were implemented with limited consultation with the stakeholders. The outcomes of this newly implemented system are difficult to determine at this point, as many of them have a mixed background between the old and new systems of education. In addition, teachers need time to adapt

¹² This is also an author's observation following the previous footnote. Such policy was reconsidered in the years following its initial implementation.

¹³ Stakeholders of the education system can range from government and private sector employers, universities, teachers and parents.

to the new system, and the proper capacity building is taking place regularly in this system compared to the almost non-existent career development plans for teachers under the previous regime.

Singapore's K-12 education system has exhibit a series of active changes. The most important point to acknowledge is the correlation between industrialization and economic development on one hand and education on the other. Singapore's economic and industrial transformations required the education system to transform in order to cater to market needs. This framework was a result of Singapore's planning, as it had a large role in the development of its industrialization, education, and labor market needs (Foo Seong, 2008).

Singapore has undergone four primary stages of industrialization, each requiring special educational policies to accompany it. Moreover, Singapore faced numerous challenges during its stages of development; as a result, the government enacted certain policies that would help the country to overcome such issues. Education policies were a part of this continuous reform system. This resulted in the transformation of the education system from a typical developing country education system in the early 1960s into a system comparable to the best member countries of the OECD (Goh & Gopinathan, 2008).

As stated above, a functionalist perspective on education influenced the K-12 education system in Singapore from the early days of development in the mid-1960s. After the separation of Singapore and Malaysia, the most

significant challenge Singapore faced was unemployment. This was significant due to its promulgation of social unrest, as discussed in the third chapter. In addition, the problem was amplified in the sense that the British employed 40,000 workers, who would be jobless in a few years. Therefore, unemployment rate would rise above the 10% unemployment at that time (Foo Seong, 2008).

To best address this challenge, Singapore's government, represented by the Economic Development Board, had to establish a strong manufacturing sector. This was achieved by attracting foreign multinational corporations to set up manufacturing plants in Singapore, which was promoted as a country with low labor cost. At that time, multinational corporations had specific needs for their business, including workers' knowledge of English and technical skills throughout the different roles in each plant. Such skills ranged from simple operating tasks to substantial engineering knowledge. Therefore, the education system was designed to cater to the needs of multinational corporations (Foo Seong, 2008).

This plan in itself was quite challenging, given the nature of the education system at that time, as it was highly decentralized. Each ethnic group had its own education system, where schools were governed independently. To resolve this issue, the government needed to follow a highly centralized education system, for free and for all citizens. It applied a 5-year Master Plan that would gradually promote teaching in English and would highly promote

vocational training to suit the needs of multinational corporations (Foo Seong, 2008).

As a result of the first education reform, enrollment was encouraged by universally free primary education. In addition, the English language barrier was overcome by compulsory bilingual education in all schools. Students still had the freedom to learn in their mother tongue as the school curriculum was standardized for all schools and in the four official languages—Chinese, English, Malay, and Tamil. Most importantly, technical subjects such as mathematics and science were emphasized in the education system (Foo Seong, 2008).

As the situation progressed in Singapore, a similar approach was applied in shaping the education system. Entering into the 1980s, Singapore was faced with strong regional competition, whether in terms of the low cost of labor or other, cheaper means of production. Multinational corporations had other promising investment opportunities away from Singapore. As a result, in order to stay competitive, the government sought to enable the role of education to provide the country with a competitive advantage. The educational reform that took place in this phase drastically transformed the education system and its outputs to what it had been a decade before. In 1981, Goh Chock Tong—then trade and industry minister and later prime minister—explained the new education system that was being implemented: “The prime objective of the plan is to develop Singapore into a modern industrial economy based on science, technology, skills and knowledge” (Foo Seong, 2008).

Drawbacks of the initial education system included extensive focus on stabilizing education and breaking barriers for students. The bilingual system resulted in a waste of resources and a lack of standardized procedures, which created inefficiency. Moreover, less attention was paid to updating curriculums, which was the most significant drawback. As a result, a new institute was formed in 1979 whose sole mandate was to develop all the school curriculum and teaching materials. This newly formed body was called the Curriculum Development Institute of Singapore.

It is critical to draw a lesson here and link it to what was discussed in the literature review concerning the concepts developed by Neo and Chen (2007). *Thinking again* was very important and Singapore utilized this process quite well with its continuous review of its Concept Plans and 5-year Master Plans. In order for a state to continuously prosper and tackle emerging challenges and trends, policies need to be revisited regularly. The Curriculum Development Institute was directly related to the K-12 education system. However, other institutes and initiatives were built to serve the education needs of the labor market. Such initiatives between governments (e.g., Germany or Japan) and Singapore generated institutions that would educate the Singaporean laborers and equip them with the skills needed in various manufacturing industries. Another example is the Vocational and Industrial Training board, which was targeted to adults that did not get a chance to complete their primary education. Enrolling in this technical institute would

give graduates the skills and qualifications of primary level education, which was needed in the labor market (Foo Seong, 2008).

In the mid-1980s and into the 1990s, Singapore was faced with increasing competition and needed to further enhance its position by developing a more robust competitive advantage. Singapore needed to utilize its labor force in a more efficient way by equipping workers with higher levels of education, as well as fortifying their intangible skills such as creativity, leadership, initiative, work ethic, and other values deemed important for a successful work environment. As a result, the role of teachers and school principals was greatly enhanced. Principals were given more autonomy over their schools and were expected to provide quality education for students, which was monitored through periodic evaluations. In addition, teachers were given the role to facilitate the classroom and encourage interaction between classmates while empowering students and encouraging them to be resourceful.

Innovation cannot be achieved without unlocking the unique abilities of individuals, as modern education is not a one-size-fits-all system. Therefore, as discussed above, a new ability-driven approach was introduced in order to enhance the outputs of Singapore's education system. The key difference between this framework and the previous one was the wide variety of choices given to students in primary and secondary education. One example of this is the newly introduced Integrated Program, which combined secondary and junior college education. This program was designed for bright students who excelled in technical subjects. For Singapore to have a competitive advantage

in a highly competitive globalized world, it needed to continuously build its knowledge base and capitalize on its human development.

Singapore could not have become a competitive knowledge-based economy without building on its previous experiences. This required the transfer of knowledge of multinational corporations and the decades-long active experience it had with its education system. Singapore's experience first resulted in better systems within schools; it then implemented a system where curriculums would be continuously improved. Simultaneously, principals and teachers were empowered and invested in, as well as held accountable for their roles. With time and continuous effort and improvement, Singapore became competitive in various fields of manufacturing and services, which were used as pillars to support future growth (Foo Seong, 2008). Finally, when it reached a certain level, Singapore was able to leverage its cumulative practical and academic experience to be able to educate students such that they possessed the appropriate intellect and would be competitive in a knowledge-based economy. It would not have been possible for Singapore, even with ample resources, to achieve what it did without careful planning, motivation, dedication, time, and cumulative learning.

As explained in this chapter, both countries acknowledge the significance of education; this is clearly evident in the political and material support provided to this sector. In the case of Singapore, the results of the long-term reforms to its education system were of great value to the state, and especially to its economy. As explained above, such reforms involved a series of continual

improvements, especially to key areas such as curriculums and the role of teachers and principals. Qatar, on the other hand, is at a comparatively early stage of development. It is necessary to direct the focus toward enhancing the outputs of the education system so that they will be better aligned with the development aspirations as discussed in this chapter. The significance of education is that it enhances the quality of human capital, which in Porter's (1990) framework is a key factor in improving competitiveness.

In terms of Porter's (1990) Framework, although the government can act as a catalyst in relation to the four components, governments of developing states have more influence over factor conditions compared to the other determinants of national advantage (Porter, 1990). Education is significant in this framework as it has a direct relationship with two of the five elements of the factor conditions, namely human resources and knowledge resources. Therefore, education is critical for development, especially in terms of formulating a competitive advantage. Thus, Qatar needs to go beyond its education capacity to sponsor its graduates in gaining actual work and knowledge experience via its international investments. This will transcend the current education system and represent an effective tool for transferring knowledge and experience domestically, this time through Qatari nationals with international work experience.

Ricardo's views in terms of comparative advantage significantly rely on cost; as an economist, his views are highly influenced by costs. Nowadays, the processes in which goods are produced, or value is added has a more complex

nature to it. Fundamentally however, the core is similar. The role of knowledge in production processes (for tangible and intangible products) is critical. In addition, the knowledge base of the labor involved is of comparable significance as well. These two primary factors highly influence on the value and cost of products, and in turn position the state at an advantage or a disadvantage. The significance of the labor market, especially the role of knowledge and the national workforce, will be discussed in Chapter 5.

Chapter 5: A Case Study of Labor Market Policies

The engine for economic development is human capital. Regardless of the type of economic system in a country, human capital is of high importance. A rentier state such as Qatar requires human capital to extract its resources. Similarly, a country such as Singapore with virtually no natural resources would need to best utilize its human capital in order to prosper. However, both countries need to build a system that adds value to the labor force participating in the economy, as well as to the institutions that act as employers. Only then, when value is created at those two levels, will the country be in a better position to generate sustainable economic growth and development.

This chapter will discuss the role of labor market policies in the development of Qatar and Singapore. The goal of this chapter is to address the significance of labor market policies in an economy. It will look at how successful labor market policies can have a positive influence on the economy in the medium to the long term. The chapter will also consider the dynamics of both Qatar and Singapore's labor market systems in order to further highlight the importance of deliberate planning and the implementation of policies in the development of a country.

The relation between the labor market and the economy is very complicated. What determines successful labor market policies? Is it economic growth, high wages, the employment rate, the productivity of the workforce, or

the overall competitiveness of the economy? Each of the abovementioned issues would require very different sets of policies to be implemented.

Drawing from the direct relationship between a government's economic goals and labor market policies, it is generally the case that the former represent the major influencing factor for the latter. However, labor has been systematically excluded from the policy process, even in the presence of democratic institutions (Öniş, 1991).¹⁴ However, the following question remains unanswered: What determines successful labor market policies? A simplified response is that when a country reaches its economic goals for a specific period of time, the policies have been successful. The difficult task is how to formulate correct labor market policies in order to reach the targeted economic status. In this case, this requires a knowledge-based economy for Qatar and one of sustainable economic growth in the case of Singapore.

This chapter will be divided into three interrelated parts. First, workforce policies will be discussed, particularly in relation to the different segments of foreign labor in both Qatar and Singapore. This chapter will look at all the dynamic outcomes that result from workforce policies. Points of discussion will include skillsets and the contribution to the competitiveness and

¹⁴ A comparison between different developmental state models was introduced by Öniş (1991). He argued in part that whether the model is corporatist democratic, autocratic, or tailored to a specific context such as the Japanese model, labor is excluded from the policymaking process, even when democratic institutions are present. This can be attributed to the leverage of the state over the private sector, or to the significant influence of corporations on policymaking. This leaves little room for labor to have a say in the policymaking. This claim resonates highly with the case of Singapore, which has pro-corporation labor policies, as well as that of Qatar, where it is necessary to have access to cheap labor.

productivity of the foreign workforce. Second, national workforce policies will be discussed. A key point in this part is the perception of both countries in relation to the rights of citizens, as well as the significance from the perspective of the state in employing the national workforce. This discussion will help us to characterize the actual significance of the state in creating a competitive labor market for nationals, as well as realizing and extracting the potential of the national workforce. Finally, the last section will discuss the significance of an entrepreneurial workforce. It will not only the approaches that states take to encourage entrepreneurship, but also discuss a more important characteristic, namely the absorption of the created entrepreneurial energy, which makes it less difficult for entrepreneurs to contribute to driving economic growth and development.

5.1 Perspectives on Foreign Labor

Both Qatar and Singapore are examples of city-states. For those states to become active economic members of the globalized world, it is necessary to bring in human capital from abroad. This is because their populations are both quite small. With the goals that these countries have in mind, do their labor market policies support such goals, or are they indirectly hindering their achievement? This broad question can be inferred from the conceptual discussion of the role of foreign labor in the two countries. This perspective will guide us to determine whether they value the significance of the talented foreign workforce as inputs to the economy. Viewed through this lens, the

actual contribution of the foreign workforce, whether in productivity or in providing economic competitiveness, can be regarded as outputs and will be assessed as such.

Beginning with the case of Qatar, according to a 2011 census by Qatar Statistics Authority (QSA, 2012) the non-Qatari workforce is estimated to represent 94% of workers. Since 1995, Qatar has pursued rapid development, where the population—fueled by the influx of foreign workers—saw a comparably rapid increase. Many of the existing buildings, roads, major intersections, and other famous landmarks had not yet been built two decades ago. This level of rapid infrastructural development is ongoing, and still requires manpower. Statistics in the report point to the alarming reality that 46.3% of male workers are laborers in the construction industry. In addition, 65% of female non-Qatari workers are employed in households. The report stated that 61.1% of the jobs are ordinary occupations concentrated in the abovementioned sectors (QSA, 2012).

The significance of infrastructure development is comprehensible, especially since it is needed for hosting the 2022 FIFA World Cup, and considering that Qatar initially lacked such essential infrastructure. However, it is difficult to explain the lack of workforce in knowledge-based sectors. For example, the category of occupation labeled as “Scientific and Technical” employed around 24,000 non-Qataris from a total of 1.2 million working individuals in that year (QSA, 2012).

It seems clear that the main reason for having the majority of the population made up of foreign labor is to carry out specific tasks that are mostly labor intensive. This approach is not an issue in itself. However, the limited focus on bringing technical expertise from abroad that would add value to the economy is a limited problem. In part, this is due to the fact that most of the money is circulated within the construction sector. In addition, private companies would not have a substantial return on investment if they were to operate in other sectors that do not have an appealing cash flow or a substantial market. Knowledge-based services or industries will have difficult challenges given the orientation of the market at the moment, aside from the small size and lack of business opportunities. Most of the money spent by the government is directed toward infrastructure or other non-knowledge-based activities. As a result, the private sector, which is the largest employer of foreign labor, simply participates in such income generating activities. In addition, there are low incentives in the private sector for establishing knowledge-based business, in contrast to the greater stability higher status of typical labor-intensive business related to services or construction.

The discussion is still within the scope of Qatar's philosophy concerning foreign workforce. However, a link needs to be made in the case of Singapore. Throughout its different approaches to becoming a knowledge-based economy and seeking to further sustain its leadership position, Singapore has always depended on two strong pillars, which it still highly encourages—manufacturing and services. For Qatar, much of the knowledge needed for

these and other pillars for the economy cannot be found in the local expertise. A knowledge base is even more difficult to attain. Therefore, Qatar will need to reconsider its unintended encouragement of the construction sector, which has overshadowed other sectors that may be more relevant to Qatar's long-term goals. A possible approach to this issue is adopting the same level of commitment that was needed to optimize the energy sector, as well as other energy-related manufacturing. For private businesses, costs to develop a competitive product can be overwhelming, not to mention the difficulty of finding local expertise. Therefore, Qatar would need to commit to encouraging and supporting talent from abroad to come to the country. At the same time, they should be required to disseminate their knowledge within a domestic institution or to individuals in the country. The more attractive it is for ready-made talent, the more rewarding the final results will be for the country.¹⁵

Singapore's initiative in this respect is remarkable to consider. It is enough to understand the significance of the foreign workforce by referring to Lee Kuan Yew's perspective. When asked whether Singapore would continue to attract foreign workers and talent in the future, he gave a very brief reply: "Of course!" (Kwang et al., 2011). Singapore's policy of depending on foreign workers, and especially talents, is very interesting to observe. The most

¹⁵ Qatar University and the Qatar Foundation sponsor talented students to study in Qatar. However, one limitation is that students are not necessarily obligated to pursue their medium to long-term careers in Qatar. After receiving their education and fulfilling their obligations based on the agreement, usually to work for the same number of years they were sponsored, these talents are better off working in other countries that can grant them citizenship or long-term residencies. Therefore, it is important to secure a social status for talented workers, given that they provide productive output and transfer their knowledge.

interesting fact in this context, as explained above, is that Singapore is seriously concerned with maintaining the highest possible levels of employment to avoid social unrest. Therefore, attracting and retaining foreign talent would not necessarily help in that regard. However, from the perspective of Singapore's leadership, foreign talent is key to further enhancing the local pool of expertise, as well as contributing to the development of the state. Singapore has made this decision from a strategic planning perspective.

Qatar can learn from this approach by developing clear plans and goals to enhance the quality of the foreign talent base in the country, since this constitutes around 94% of the workforce. Plans and goals should be considered beyond the role of manual labor in construction. The manufacturing sector, for example, still lacks the support seen in the construction sector; it only employs about 100,000 people, one-fifth of that in construction (QSA, 2012). Needless to say, the overwhelming majority of those employed in manufacturing actually work in oil-related or energy-intensive industries (i.e., aluminum, plastics, steel, etc.). If Qatar is serious about building a competitive advantage, a more balanced allocation of the foreign workforce is needed across industries of importance. In addition, ready-made foreign talents would need to be attracted, motivated, and retained in order to add value to the local talent base, as well as the economy.

For Qatar, initiatives are relatively easier to introduce given the political commitment of the country to development and building the knowledge base

of citizens. As part of this political commitment, it is also noteworthy that legislations have been introduced through decrees, which have a comparatively short timeframe and elasticity when compared to traditional processes in democratic systems. It is necessary to acknowledge the importance of foreign talent in building a knowledge-based activity that has an attractive economic yield. Qatar can utilize its resources in this direction to build a competitive advantage for the country. As discussed below, it is not sufficient to provide capital commitment; rather, it is of even higher importance to provide an ideal working environment for innovation. In addition, it is most important to expose potential outcomes to a large market. Only then will it be attractive for foreign talents to join the targeted knowledge-based economy.

Within Qatar, the role of income in talent attraction is also critical, but given the standards of living in the country for skilled labor, this is not an issue. There are typically generous benefits provided by employers, from healthcare to schooling. However, this spending needs to have optimal results in terms of attracting and continuously assessing the quality of output provided by foreign skilled talent. Attractive packages represent a policy of the government that has existed for some time. However, this policy needs to be revisited to have a more targeted approach, to be carefully planned and executed. Such a task can be difficult to justify to nationals in Qatar due to the sociopolitical complexities

of the society. In addition, this would contradict the Qatarization policy¹⁶ of employing Qataris in technical positions.

The potential of applying and executing such a system would greatly enhance the national advantage of the country. However, its practicality is questionable. With the Qatarization policy in place, what is the incentive for non-nationals to transfer their knowledge to Qataris, particularly if they were to work in a company in which they would not have majority ownership? Answering such questions is not an easy task, but the importance of motivation is absolutely critical. Compromise can represent a solution in this case, providing freedom of activity for certain high-tech business activities, while at the same time, enforcing regulations for such entities to transfer their knowledge base to locals by simply allowing or even subsidizing the cost of local contribution. Creative solutions can be hypothesized, but ultimately, it comes down to practice and actual effectiveness. This highlights the significance of the need to revisit policies continuously after collecting feedback from implementation. This is indeed a rigorous approach, but in reality, there are no shortcuts in breaking new ground.

¹⁶ Qatarization is a policy where Qataris are structurally favored over foreigners in private/public institutions operating in Qatar. The intention is to reduce the dependence on the foreign workforce in the labor market, as well as helping to create a skilled Qatari workforce (Vora, 2014). This policy exists along with the sponsorship system, where foreign workers are brought to work based on renewable contracts sponsored by an institution or a Qatari national. Such policies contribute to the sense of insecurity of the foreign workforce in Qatar. These policies do not discriminate between highly skilled and unskilled labor. Singapore, on the other hand, has policies in effect that would prevent the influx of unskilled labor. On the other hand, they would welcome skilled foreign workers and incentivize their settlement, even making it possible for them to attain Singaporean nationality.

5.2 The Dynamics of the National Workforce

There are different perceptions by different societies and economies in relation to the idea of employment. For instance, Singapore views employment as a matter of national security. This is due to the impact of unemployment on social unrest. In order to keep this risk at a minimum, Singapore seeks to foster economic growth and enhance the quality of its national workforce to be competitive in the labor market and to maximize its human potential.

Meanwhile, Qatar represents a much milder case due to the availability of natural resources and the relatively small number of citizens. However, there is an intrinsic sociopolitical problem which needs to be addressed. Qatari nationals in general view it as their birth right to be employed, without giving significant attention to their actual contribution and productivity. This belief is supported to a certain extent by the low competitiveness in the market, along with the role of personal connections for employment in highly secure jobs. This part of the section will look at the segmentation, roles, and problems of the national workforce in Qatar and Singapore.

In Qatar, the government is faced with a difficult challenge in transforming the current reality of the national labor market to become aligned with its aspirations. It is relevant that the state is acknowledging that there is a problem related to the quality of human capital in the country. This is evident in the speech made by the current emir when he came to power after the Father Emir stepped down. He spoke of the need to encourage productivity while criticizing weak productivity, which is typical of the government sector.

The focus and rush of Qatari citizens to be employed in public administration or other government-related jobs has led to a major imbalance, where the private sector only employs 5% of the Qatari working population (Qatar General Secretariat for Development Planning, 2011). With the government calling for productivity and innovation, actual output from citizens in the private sector is quite scarce.

Some of the factors that hinder the participation in the private sector are the vast difference in wages, working hours, social status, and job security. For example, employees in the private sector work at least 10 more hours per week (QSA, 2012). Furthermore, private sector jobs are more demanding, less secure, and provide comparatively less pay than those in the public sector. The massive government spending on wages for citizens with similar job expectations has largely caused this imbalance. What the government has created is a culture of welfare and demotivation for citizens to perform well. This has indirectly hindered creativity and ambition indirectly. While many citizens pursue on-the-side private businesses, the vast majority suffers from the growth problems and remain within the scope of small and medium-sized enterprises (SMEs). This is partially due to the small market that the business is exposed to, but has also been brought about by the mentality of operation. On-the-side businesses are simply established as a second source of income and a way to channel extra funds. They are not intended to become producers, but instead represent agents and service providers of imported products. Such businesses are not designed to promote growth, like manufacturing businesses

in Singapore, although they are fueled by foreign capital. A dynamic, growing, value producing private sector aligned with the aspirations of a knowledge economy has little in common with such a form of business. Such vibrant, growing private businesses cannot be established without a proper knowledge base and experience. Aside from attracting this knowledge base, as discussed above, citizens would need to be encouraged to be a part of an active private sector.

Such encouragement can be achieved by making the job market in the public sector less appealing. The public sector is more rewarding and less demanding, which creates an imbalance in the Qatari component of the job market. Therefore, more attention should be given to enhancing the productivity and efficiency of the public sector, which is currently oversaturated. Such reforms are not only a difficult policy task to achieve, but also touch upon the welfare of the majority of the Qatari population, making them a political challenge as well. It is also necessary to adjust the mentality and expectation of nationals newly entering the labor market, so that they do not expect to be spoon-fed by the state. There is definitely substantial political ambition and commitment to accomplish this in the future. For instance, the Ministry of Administration Development was established in 2013, with its mandate taking effect in 2014. The goal of this ministry is to develop administrative procedures and build the capacity of public sector employees. The component of the ministry that is responsible for the capacity building of public sector employees is the College of Public Policy. This college was an

independent institution that existed before the inception of the ministry; it is now within the umbrella of the newly formed ministry, on the assumption that centralization would yield better results than the previous, decentralized structure.

A comparative example is the Civil Service College (CSC) in Singapore, established in 2001, which has a similar aim. However, the CSC is different in the sense that it is an actual college that offers various curriculums aimed toward government employees. It may seem that the Qatari government is following a gradual approach to reform the public sector; however, given the goals set in the National Development Strategy 2011–2016, Qatar is lagging behind in relation to its 15% private sector employment goal. Although there are no official recent statistics on this point, seeing that the same barriers are still in existence, while there is continuous promotion and sponsorship of public/semi-public employment, it can be concluded that citizen employment in the private sector is still limited.

The Singaporean government has taken a different approach. Its public sector employed only 13.6% of the workforce in 2014 (Manpower, 2014). The philosophy behind this action is to optimize and increase productivity. More interestingly, the second Prime Minister Goh Chok Tong has bluntly declared the reason behind for a policy in the *Strait Times*: “There is nothing like the bitter, real life experience of having to hunt for a job, and finding it difficult to get one, to make Singaporeans take seriously the call to increase productivity” (Eng Fong & Lim, 1982). This kind of approach is radically different from the

welfare approach in Qatar, and it is more realistic for Singapore's context. It is medicinal in the sense that it will inevitably result in a level of unemployment. However, in the medium to long term, it will push for further productivity and competitiveness within the population. This will reduce the need for foreign worker in some areas of the private sector due to the availability of qualified skillsets.

This approach was integrated with the role of functional education from the 1970s to 1990s, and was later reformed to become the ability-driven education system discussed above. The education system was designed to produce a labor market-compatible workforce. This was influenced by an already functional private sector that had certain labor needs. As a result of this, the education system output was absorbed by the private sector. It is not enough to state that there is an imbalance in the labor market, where most of the workforce is in the public sector, such as in the case of Qatar, and therefore that a transition to the private sector should be encouraged. The question is whether the private sector is developed enough and ready to accept the skillsets produced by the reformed education system. Will it be competitive enough to accept a comparatively higher cost but lower productivity workforce when compared to the foreign workforce? Even if it will, are there enough private institutions that would add value to the national workforce? Such questions are very difficult to answer and are beyond the scope of this work. However, acknowledging the extent of the matter is critical, where over simplification can result in reverse results.

In Singapore, multinational corporations are encouraged to set up offices to run local and regional activities. The government knows that this is an attractive bargain for such corporations due to the ease of doing business and the availability of local skill. In Qatar, many multinational corporations would need to seek partners to operate; partners would typically own the majority and provide a substantial amount of financing. On the other hand, the foreign counterpart would undertake the actual business activities and hire foreign labor to work, with much of the expertise and know-how maintained without transfer. A potential solution that would allow nationals to become exposed to the activities of such multinational corporations is to allow them to maintain equity while employing nationals.

The Qatar General Secretariat for Development Planning (2011) suggested that Qatar could subsidize some of the training cost for nationals in the private sector; given the low number of citizens, this would represent a much lower cost than employing them full time in the public sector. It will be difficult to create a balanced labor market in Qatar, but needless to say, compromise and creative decisions will be necessary to address the issue. Realizing the size of the problem, which could greatly hinder the achievement of Qatar's vision, may be enough to convince the government to make bold decisions.

5.3 The Entrepreneurial Workforce

Unlocking the potential of human capital necessitates the removal of constraints on innovation and opportunity. Qatar and Singapore are both

pursuing a top-down approach to entrepreneurship, which is unusual, as state-driven innovation is not a typical scenario (Ng, 2012). Nevertheless, support for the establishment of SMEs is a positive step. However, driving economic growth and enhancing the quality of the labor market through dependence on entrepreneurship may become difficult and risky. This is not to say that the support for entrepreneurship should be reconsidered; in fact, this thesis argues that such support should be maintained and strengthened in both Qatar and Singapore, but in a careful, deliberate manner. The key claim here is that entrepreneurship should be seen as a self-sustaining engine for continuous growth.

Entrepreneurship should be sought as a goal in itself, and not as means to achieve the country's targets. This is because, if viewed as a self-sustaining engine, entrepreneurship will require a continuous feedstock of qualified human capital from the education system or from a pro-innovation society. It will require tremendous effort to generate such supply, not to mention the efforts needed for sustainability and development. In addition, the output of entrepreneurship, whether a service, product, or in this case, experienced human capital, will need a place to be utilized or marketed. Development occurs through continuous value creation; therefore, inputs need to be of continuously enhanced value for the entrepreneurship engine to prosper. On the output side, the value created through entrepreneurship will need to be utilized efficiently for this output to gain and deliver value.

Qatar requires diversification from its energy income, not to mention reduction in the imbalance of the labor force working in the public sector. Therefore, the government has pursued a top-down approach to promote entrepreneurship. However, if such policies are not deliberately set and continuously reassessed, they could have reverse consequences to those intended. If entrepreneurship were a relatively easy task to achieve, it would probably become the solution to every problem that an economy faces, but this is not the case in reality.

It is first necessary to further explain what is meant by innovation. According to the World Bank, innovation is “technologies of practices that are new to a given society” (Aubert et al., 2010). It is very important to know that innovation does not necessarily arise from the utilization of new technology; rather, it can also be a result of employing existing low-technology tools or practices. Thus, innovation is a social process with entrepreneurs spurring innovation and innovative processes at its core. From the previous discussion, one can acknowledge the significance of the right type of human capital needed to drive innovation. However, the case is more complicated, raising the question of whether such aspired innovation will solve the lack of economic diversity and the labor market imbalance in Qatar.

Although beyond the scope of the analysis, it is important to point to a significant property of SMEs. That is, it is highly unlikely that SMEs will solve national employment problems (Ennis, 2015). There are countless reasons for this; most are related to the size of the businesses, the difficulty associated

with their operations compared to large enterprises, and their lack of resilience in responding to crises. For example, 55% of the gross domestic product (GDP) in the European Union (EU) results from SME activity (Ennis, 2015). However, looking at Spain and Germany as members of the EU, only 0.8% of Spanish firms employ more than 50 employees, while in Germany, this figure is 3.1% (*Economist*, 2015).

A scenario with more potential is having an entrepreneurial society, although this will be more difficult to implement in order to solve employment problems. This scenario is more difficult for Qatar when compared to Singapore, although it is also immensely challenging in this country. This is due to the rentier mentality of the state and citizens in Qatar, where the population is over-dependent on the state in practically everything from market opportunities to health care. Such hindering factors rooted within the nature of society and the state can become a source of motivation and competitive advantage, especially in the presence of ample resources.

It will be very difficult to reducing the imbalance of the labor market in Qatar by encouraging entrepreneurship. The diversification of industries within the country can be invigorated by the role of entrepreneurship. However, even if individuals possess the necessary mindset, and the country has the necessary resources, these two factors are not sufficient for building successful entrepreneurial ventures. Having mechanisms of production in place along with channels of distribution is also key, especially given the scarcity of both experienced personnel in competitive non-energy-related

industries, whether nationals or non-nationals. In addition, the market provides little scope for truly competitive enterprises to operate. These factors represent major obstacles in the path of economic diversification. However, even with the success of state-sponsored innovation, the citizen part of the labor market will see minimal change, especially with the continuation of the generous government spending on wages. This is simply because it is highly unattractive for nationals to work in new ventures, regardless of their success. It is also difficult for such ventures to compete with the level of state payrolls.

Efficient state spending is a major determinant of steady economic growth. Therefore, the imbalanced spending in a certain sector will create a form of inefficiency and long-term negative growth (Devarajan, Swaroop, & Zou, 1996).¹⁷ The imbalance in this case is related to the private sector, in terms of the activities of these companies and the number of those who are employed. Regardless of how attractive such a sector may appear in terms of capital, it will have a negative effect on the overall diversification of the private sector as a whole.

In Qatar, most government spending is on infrastructural projects, which is absolutely critical and justifiable in terms of its plans to host the World Cup

¹⁷ The economic model suggested by the authors operates in relation to controlled economic assumptions. However, the conclusions were derived from studying the data of 43 developing countries over a period of 20 years. As a result, the model does have a degree of relevance to this on an abstract level, although it is not technically applicable given various assumptions of the model that do not apply to the Qatari economy (e.g., tax).

and its 2030 Vision.¹⁸ However, this has resulted in a major influx of unskilled or semi-skilled workers, adding up to almost half the Qatari population, working solely in construction. In 2011, the number of foreign laborers was estimated to be around 500,000 working in construction (QSA, 2012). This number definitely saw an increase in light of the start of the World Cup projects. Most of the growth is driven by the construction sector, which in itself is propelled by government spending. What kind of competitive advantage or entrepreneurial initiative does this create? For Singapore, the state wanted to position itself as a regional hub for multinational corporations to operate. This created a transfer of knowledge to its citizens; it also created a build-up of knowledge for the state as well. Singapore has learned continuously from its decades-long experience in terms of interaction with various stakeholders globally; thus, it is more positioned than any other regional state to ease the conditions for multinational corporations wanting to do business in the region.

Singapore's technocratic ruling elite has leveraged the strength of the state over the years. The policymaking process was discussed above; however, it is relevant to reiterate the notion that the practical monopoly over state matters in Singapore has resulted in minimal disturbances to the political system. In Qatar, the state is the strongest, if not the only actor. It can influence the business elite, along with driving initiatives from the public. Therefore, the

¹⁸ Relative to Qatar's small size and large income, government budgets are quite high. There is generous spending on health care and education, given the ambition and political will of the leadership. While infrastructural projects represent a significant share, this does not result in a lack of financing for other vital sectors given the government budget of \$63.6 billion for 2014 (Dokoupil, 2014).

state could use this characteristic to leverage entrepreneurship and innovation. This approach is unusual, as discussed above. However, the state would need to build the social infrastructure for entrepreneurship aside from building the material infrastructure, which is of comparatively less importance to innovation.

The state needs to carefully advocate for entrepreneurship without depending on it prematurely. For instance, resources and expertise could be dedicated to transforming star ideas into businesses. These ideas can stem from the solid technical knowledge and dedication of the owners. Such ideas should also have a proven business model which can be scalable regionally and globally, sponsored in part by the state—and not just financially—to add value to the private business without creating inefficiencies. This proposed model is different from the existing mechanisms of the Qatar Development Bank, which has schemes in place to enforce the role of the private sector and decrease difficulties, whether financial, legal, or technical, aimed toward nationals. On the other hand, the proposed model is different in the sense that it aims to produce large corporations in a relatively short period of time, given that eligible ideas are exceptional, and can be proposed by non-nationals to create value for the national economy, as well as encouraging productivity and competitiveness of nationals.

It is not easy to hypothesize on such matters given their immense practical complications. However, the purpose is to criticize and analyze current processes and contribute by refining the current expectations and

perspectives. For Singapore, encouraging entrepreneurship involves a critical difference that its purpose is to drive employment primarily as a part of economic growth. However, one downfall in case of success is “brain drain,” where Singaporean talent would leave the country to work elsewhere (Ng, 2012). The overdependence on foreign capital has caused Singapore to become vulnerable to recessions; thus, its administration has acknowledged the importance and urgency of resilient national corporations and national capital (Yeung, 1998).

Another reason for Singapore to push toward entrepreneurship is the exclusion of companies in its own private sector in the policymaking process, while multinational corporations have been favored to attract investment, along with state-owned enterprises. This resulted in a delay of the emergence of private Singaporean companies up to the late 1980s, while hindering the entrepreneurial initiative of citizens (Yeung, 1998). However, Singapore is supporting entrepreneurial initiatives and trying to foster strong relations with the domestic private sector in order to drive regionalized domestic businesses. With this relation in mind and considering the resources of the state, Singapore has contributed in role-modeling entrepreneurial initiatives, as well as practically driving its growth by supporting entrepreneurs through regional exposure (Yeung, 1998).

As discussed in this chapter, the role of foreign labor in Qatar’s economy is quite significant, but can still be amplified through policies that draw talents and skillsets. Such policies will be fully successful if foreign skillsets are

actually transferred to the national workforce. Smooth knowledge transfer in the labor market, along with the active presence of nationals in the private sector, are two important goals to achieve in the labor market. If successful, Qatar can liberate itself from focusing only on factor conditions as the major determinant of a national competitive advantage. The evolving private sector, fueled by these two goals, would help the state to focus on enhancing the other three determinants of national advantage in Porter's (1990) framework.

In addition, a major determinant of comparative advantage can be deduced by Ricardo's examples mentioned in his work, which mostly involve labor. Therefore this adds another dimension to the significance of labor market policies in case of Qatar; as labor (this includes knowledge and skills, not just physical manpower) has been a major determinant of competitive advantage. Qatar is working towards building its knowledge base, but it is important to benchmark the progress being made to the knowledge base of other countries. As for Weber's views, they are a bit distinct from the labor market case at hand; this is due to the scope of labor in Weber's terms. Labor is referred to as the workers class in industrial factories, not necessarily knowledge producers as this case.

Chapter 6: Conclusions

This thesis comparatively highlighted some of the development strategies that have been implemented in Qatar and Singapore. This comparison aimed to serve as a tool for Qatar in order to formulate better policies. Lessons were drawn from this comparative analytical study; however, prior to making use of such lessons, it is essential to acknowledge the limitations of the scope of this thesis, as well as the framework that was used. The main findings of the thesis will be summarized below, and the limitations and opportunities for further research on the subject will be delineated.

In terms of politics, governance, and development, both countries have unique approaches and advantages. Qatar's closely tied social structures, along with the citizens' trust in leadership, are key points of advantage, granting both political stability and social coherence. Singapore had to overcome difficult challenges in order to achieve those qualities. Although the challenges are what contributed to Singapore's success to a certain extent, these qualities give Qatar valuable potential.

Successful public governance was the key to Singapore's success story. Building a culture around transparency, productivity, meritocracy, and the continuous improvement of public affairs has made Singapore a model for success. Qatar has the political commitment to overcome the difficulties at hand, such as rigidity in the decision-making process, the poor productivity of the bureaucratic system, and the sociopolitical obstacles in the face of reform.

Effectiveness and productivity necessitate exiting the country's comfort zone, as in the approach taken by Singapore. However, this raises the following question: Is it a path that Qatar's leadership and citizens are both committed to taking?

The ambitions for development are high in the case of Qatar, particularly given the relatively short timeframe: The transition from a rentier developing economy to a knowledge-based developed economy is quite substantial. The process of planning and self-correction that was undertaken by Singapore went on for decades. Deliberate decision making while building on qualities of strategic competitiveness aided Singapore to achieve its current status, which is beyond that of a knowledge based economy. Qatar would need to build on points of a competitive advantage that would aid in achieving its difficult goal. The plans that are set would need to be continuously revisited and assessed. In addition, implementation should be of a higher significance due to its difficulty, given the obstacles to Qatar's aspirations.

Education has been regarded as the most strategic tool to enhance Singapore's only resource, human capital. As a result, the country saw continuous innovation, which was genuinely regarded as an asset to the country. One successful action that resulted in great value for Singapore was the integration of education within its broad strategic goals. The education system was designed to create outputs that possess the exact skillsets needed in the labor market. This saw a later shift to ability-driven education accompanying the strategic goal of becoming, and moving beyond, a

knowledge-based economy. This shift was a result of the need for entrepreneurial outputs of the education system to drive innovation and additional economic growth for the state. Purposeful change while maintaining focus on strategic goals, along with continuous innovation and improvement, are the key characteristics of Singapore's education system.

For Qatar, the vision of the importance of education did not emerge until recently. The commitment is nevertheless there to improve and capitalize on education as a strategic tool to develop its human capital. However, the process of transition represents a major difficulty. Evidence of this can be found in the frequent changes in policies, which gives the impression that such actions are not well planned. In addition, the outputs of the existing reformed education system are comparable to those of the previous one in terms of the difficulty for former students to merge into the labor market or pursue higher education. Therefore, one could skeptically postulate that the changes are superficial when it comes to the quality of the output. A consultative approach with academic institutions, as well as with representatives of major employers, would be needed to enhance the output of the system. In addition, motivation and a sense of responsibility could have a major influence on the receptive ability of students.

In terms of the labor market, each of the countries exhibited a different perception of its purpose and significance. The importance of human capital in Singapore is amplified as a result of the lack of resources, thus, labor market policies are crucial. These policies were put in place in order to generate a

more competitive labor market that would require citizens to be more productive. In addition, policies related to foreign labor were intended to attract and disseminate talent and knowledge in the local labor market. This has created a culture of productivity and continuous gain of experience and knowledge. Such policies have allowed Singapore to become a knowledge-based economy. Without such collective knowledge, it would not have been possible for Singapore attain its current status.

Qatar's approach primarily involved satisfying the labor needs stemming from its rapid development. Another purpose of its labor market policies was to try and enhance the nationals' capacity through measures such as Qatarization. Qatar also has a different set of challenges; the most prominent of these is the imbalance in the labor market, where most nationals are employed by the public sector. In addition, the private sector has exhibits an imbalance when it comes to the over-concentration of business activities in sectors such as construction. As a result, the private sector may not be able to contribute to the country's competitive advantage. There is also an issue when it comes to disseminating the knowledge of foreign expertise due to the fear of a negative effect of the Qatarization policy on job security.

Qatar's sustained progression would be greatly catalyzed by formulating areas of national competitive advantage. One of which that has been highlighted in the thesis is the socio-political environment in the country. There exists a sense of coherence and stability between the society and the political elite; this structure is the most ideal regionally. Qatar has actually

been building on this advantage by channeling its focus towards development. This advantage however would need to be further capitalized on by improving the level of social engagement in decision making through consultation. The government could also be more demanding of its national workforce to increase their productivity at work, such policies would not need to be confrontational. For example, the current paradigm of public sector employment is a form of wealth distribution, where nationals would find adequately rewarding jobs that does not require much productivity of effort; this paradigm could be gradually shifted, resulting in major change in the labor market structure. Such a potential change in the labor market structure would not be possible without the leverage given by the socio-political structure.

Qatar's competitive advantage, a side from fossil fuels, would need to be formulated further. As such a matter is not at all simplistic and it is highly dynamic given the competitive nature of the world economy. One direction towards this is the formulation of human capital, which is one of the goals of the 2030 national vision. It is also highly significant to establish the environment to retain and allow skilled individuals, and communities, to perform and prosper. Such an environment is essential to have, and the region as a whole is currently lacking such a creative environment. Global competitiveness is to a large extent the end product of proving to be a regional leader in a certain industry. Becoming a global player cannot override the fact that a country needs to be well established regionally and outperform international players in the domestic or regional market. It is too soon to speak

of global competitiveness without having a well established presence regionally in a certain industry.

In his framework regarding what a developing country should do, Porter (1990) stated that it must strengthen its position in the global economy. Interestingly, Singapore went through this process and Qatar on the road to accomplishing it. Porter (1990) suggests the following measures:

Investments in education, research and infrastructure should concentrate on these clusters [businesses]. Indigenous companies should be encouraged to become multinationals, to acquire technology and skills, and to gain direct access to foreign markets.

Formulating effective policies and development plans represents a set of very complicated tasks that are well beyond the scope of this thesis. The contribution of this work is to highlight the significance, and the challenge, of effective policymaking through a comparative study of Qatar and Singapore. This can help to draw the broad lines that Qatar should consider when formulating policies related to the discussed fields.

This comparative study does have a set of limitations that can be addressed in further research. The first limitation is the methodology of the research, as it was based on a limited number of concepts and theories. Research could make use of additional theories within the specified areas of the study. However, using Porter's (1990) framework provided the advantage of looking at the role of each of the three areas within the scope of national competitiveness. The second limitation has to do with the nature of this research. Here, the

qualitative approach was limited to analyzing a set of primary and secondary resources. Surveying stakeholders would represent a good opportunity to identify additional perspectives, problems, and potential solutions.

Another limitation is that the research addressed three distinct categories related to development. First, the research could have been more specific to a certain category, such as the influence of politics on development. Focusing on one category would have resulted in much more detailed and technical outcomes. However, the aim of the thesis was to draw the broad lines between development and the dynamic and complicated factors that contribute to it; such a link would highly benefit from specializing on a single factor, but would not serve in highlighting broader phenomena. Second, other areas could have been included in the analysis aside from the three chosen categories. For instance, a broader perspective on the political economy could have been included by considering the regional influence on development. The role of internal politics and state legitimacy in terms of development could also have been considered. Such examples of areas that have a major role in development have not been deeply discussed in this thesis. This is both a limitation and an opportunity for future research.

Highlighting the significance of the political structure, education, and labor market does not exclude the importance of other factors for development. The choice of these three areas was due to the intrinsic similarities, in the case of politics; the policy learning opportunity, in the case of education; and a success example, in the case of the labor market. Singapore appears to be very

dissimilar to Qatar. However, it shares some intrinsic similarities that can be compared. It also represents a living, prospering example of a country that had continuously faced challenges that were beyond its capacity. Such an extreme case represents a valuable learning opportunity.

Future research could look further into each of the three categories individually to draw a solid set of policy solutions. In addition, further areas can be discovered for comparison between Qatar and Singapore that would highlight additional lessons and areas of similarity. The relationship of trust between citizens and rulers can be highlighted and learned from, as this has a massive potential for sustaining development. In addition, a more abstract nature of research could draw on this comparison to examine how success in one context can mean failure in the other. Generalization when it comes to policy transfer, for example, might not be effective in the areas that were highlighted in the thesis. Finally, this case comparison can act as a bridge between purely theoretical qualitative research and practical policy research in the highlighted areas.

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