

Are Saudi Arabia and Its Gulf Neighbors Close to Ending the Qatar Boycott?

Neil Quilliam | Friday, Jan. 3, 2020

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A Qatari flag flies in front of a banner showing King Salman of Saudi Arabia, in Riyadh, Dec. 9, 2019 (AP photo by Amr Nabil).

Saudi Arabia and Qatar appear to be closer to resolving a diplomatic feud that has isolated Doha from its neighbors since 2017, although wide gaps still remain. In an attempt to break the impasse, which has

sharply divided the six-member Gulf Cooperation Council, Saudi Arabia recently invited Qatar's emir, Sheikh Tamim bin Hamad Al Thani, to attend the annual GCC summit in Riyadh on Dec. 10. Tamim in turn invited the Saudi national soccer team to participate in the 24th Arabian Gulf Cup (https://www.nytimes.com/2019/12/19/world/middleeast/qatar-saudi-arabia-soccer-al-hilal.html), hosted by Qatar.

But while Saudi Arabia did ultimately compete in the tournament, Tamim decided to send his prime minister to the GCC summit instead (https://apnews.com/f9dba3d395d8477aafbb53d187bc3fd0). It was an unmistakable signal from Doha that while it wants to resolve some of its differences with its larger neighbor, it will continue to reject Saudi demands for deep changes in its foreign policy and regional footing. Tamim's snub is also a sign that he believes Qatar can negotiate with Saudi Arabia from a position of strength, as Saudi leaders, embattled on a number of other fronts, badly need a win. As Qatar's foreign minister recently told CNN (https://www.cnn.com/videos/world/2019/12/15/connect-the-world-doha-forum-gcc-qatari-foreign-minister-mohammed-bin-abdulrahaman-al-thani.cnn), the two countries are still "at a very early stage" in the process of rebuilding trust.

The crisis began in July 2017, when in a coordinated move, Saudi Arabia, the United Arab Emirates, Bahrain and Egypt cut off all diplomatic ties and imposed a blockade on Qatar, accusing it of supporting terrorists and aligning itself with Iran and Turkey, both regional rivals of Riyadh. Qatar strenuously denied those charges, which the bloc formalized in a list of 13 demands to end the standoff (https://www.aljazeera.com/news/2017/06/arab-states-issue-list-demands-qatar-crisis-170623022133024.html), including severing ties with Iran, closing the Doha-based Al Jazeera media network, and ending support for "terrorist, sectarian and ideological organizations," including the Muslim Brotherhood.

In leading the boycott of Qatar, Saudi Arabia and the UAE aimed not only to curtail Doha's support of Islamist groups, but also to re-orientate its foreign policy away from countries and parties considered inimical to Saudi and Emirati interests. But instead of realizing those sweeping demands, the boycott pushed Qatar to deepen its ties with Turkey and Iran. Since 2017, Doha and Ankara have increased bilateral trade and investment flows (https://www.reuters.com/article/us-gulf-qatar-turkey/qatar-turkey-to-scale-up-cooperation-qatar-foreign-ministry-idUSKBNIXF152), high-level

diplomatic exchanges and military cooperation. Iran has boosted food exports to Qatar (https://www.maritime-

executive.com/article/facing-embargoes-iran-and-qatar-deepen-trade-ties), helping mitigate Doha's dependence on its land bridge with Saudi Arabia for agricultural imports. And while the blockade has arguably dampened Qatar's appetite for supporting Islamist rebels throughout the Middle East and North Africa, it remains actively engaged in conflict resolution efforts in East Africa and the Gaza Strip (https://www.ft.com/content/560b9e3a-22e0-1le9-b329-c7e6ceb5ffdf).

Qatar has effectively managed to circumvent the effects of the blockade through a combination of economic resources and soft power, and by strengthening relations with other Arab states. Last year, it provided Jordan with a \$500 million aid package to boost its struggling economy (https://www.reuters.com/article/us-jordan-protests-aid-qatar/qatar-extends-500-million-aid-package-to-jordan-official-idUSKBNIJ921B), including guaranteed employment opportunities for 10,000 Jordanians in Qatar. The investment paid off last summer, when Jordan agreed to normalize diplomatic relations with Qatar (https://www.iiss.org/blogs/analysis/2019/07/jordan-qatar-restore-ties), after initially downgrading ties in 2017. Qatar's negotiating position has also been strengthened by a strident, nationalistic response from its population, which has rallied around Tamim's leadership, and its strong economy. Annual GDP growth recovered from 1.6 percent to 2.1 percent in 2018, and is set to increase to 3.4 percent by 2021 (http://documents.worldbank.org/curated/en/261591556548229456/pdf/Building-the-Foundations-for-Economic-Sustainability-Human-Capital-and-Growth-in-the-GCC.pdf). The government is also expected to maintain a budget surplus for 2019.

The fact that it is in both Saudi Arabia and Qatar's interests to resolve the feud does not necessarily mean it will be smooth.

Saudi Arabia, on the other hand, arguably finds itself in a weaker position now than in 2017, as it struggles to fend off international criticism over a litany of issues, including its domestic human rights record, the 2018 murder of journalist Jamal Khashoggi at the Saudi consulate in Istanbul, and the Saudi-led war in Yemen. These issues will all be back in the spotlight in 2020, as Saudi Arabia becomes the first Arab country to take over the rotating presidency of the G-20. That will be an important opportunity to reset the kingdom's foreign policy missteps and redefine the troubled leadership of Crown Prince Mohammed bin Salman, starting with resolving the standoff with Qatar.

The United States, Saudi Arabia's most important security partner, has also been pushing all parties involved in the dispute to overcome their differences in a bid to make President Donald Trump's policy of "maximum pressure" on Iran more effective. It is quite a turnaround after Trump initially cheered the blockade of Qatar (https://www.theguardian.com/world/2017/jun/06/qatar-panic-buying-as-shoppers-stockpile-food-due-to-saudi-blockade) and even appeared to take credit for it. The U.S. delegation to this year's annual Doha Forum in December had an uncharacteristically clear and consistent message: that divisions among American allies in the Gulf do not serve the strategic interests of the U.S., and that the Trump administration is fully supportive of Qatar, which still hosts the largest U.S. military base in the Middle East.

This message will not have been missed in Riyadh. At the same time, the recent Iranian attacks on oil facilities in eastern Saudi Arabia (https://www.worldpoliticsreview.com/articles/28204/saudi-oil-attack-points-to-more-advanced-iranian-missiles-and-drones) demonstrated the limits of U.S. security guarantees, making GCC unity a higher-order priority.

As a result, Riyadh has every reason to advance talks and reach an agreement sooner rather than later. Qatar is also keen to normalize ties with its GCC partners, but given that it has weathered the storm successfully and finds itself in a strong negotiating position, it will likely not do so without first extracting certain guarantees. For example, Qatar will not break or downgrade its relations with Turkey, as that relationship has proven useful and Qatari leaders see it as an important counterweight to Saudi Arabia's wider regional ambitions. Doha is more likely to give quiet guarantees on the limits of its relationship with Iran, while the rest of the demands made in 2017 may just be shelved. The basis for a potential resolution could end up resembling the agreement that resolved an earlier rift within the GCC in 2014 (http://studies.aljazeera.net/en/dossiers/2015/03/201533172623652531.html) in the aftermath of the Arab Spring, although that agreement was never made public and there is some dispute about what it entailed, especially regarding Qatar's support for groups like the Muslim Brotherhood.

Still, the fact that it is in both parties' interests to resolve the feud does not necessarily mean it will be smooth. Qatar knows that Saudi Arabia is in a hurry, so it will bide its time until its demands are met. Just days after Tamim skipped the GCC summit in Riyadh, he showed up at a gathering of leaders from around the Muslim world in Kuala Lumpur—a meeting that was also attended by the leaders of Iran and Turkey, but which was shunned by Saudi Arabia and the UAE (https://www.middleeasteye.net/opinion/why-did-saudi-arabia-shun-kuala-lumpur-summit). Qatar clearly intended to signal that even if it mends fences with its neighbors in the Gulf, it will not give up its new partnerships or simply realign itself within the Saudi orbit.

For Saudi Arabia, the question is whether it will stick with aligning its foreign policy with the UAE's hard line, despite the economic risks. Riyadh is not in a good bargaining position, given its efforts to rehabilitate its global reputation and its desperate need for foreign investment to spur the crown prince's ambitious economic agenda. This means that it will most likely entertain compromises that were inconceivable just two years ago, even if it means breaking with the UAE on isolating Qatar and pressuring Iran. With the G-20 spotlight soon turning to Saudi Arabia, the kingdom will likely decide that swallowing its pride to reconcile with Qatar is more important than dragging out the dispute just to make a point.

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