Soccer Could Break the Ice of the Gulf Crisis

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EXECUTIVE SUMMARY: June 5 was the second anniversary of the GCC boycott of Qatar. In a soccer-mad region, Qatar’s World Cup 2022 might turn out to be the catalyst to finally bring the boycott to an end.

It was on the soccer pitch that 2022 World Cup host Qatar definitively shrugged off the UAE-Saudi-led economic and diplomatic boycott of the Gulf state as the crisis entered its third year with no prospect of resolution.

World soccer body FIFA’s abandonment of Saudi-United Arab Emirates-backed plans to expand the 2022 World Cup from 32 to 48 teams just days before the boycott’s June 5 second anniversary could not have come at a more opportune moment.

The FIFA decision came on the heels of Qatar’s unexpected victory at the Asian Cup and was followed by reports that the Gulf state’s sovereign wealth fund is negotiating the acquisition of British club Leeds United.

The acquisition would give Qatar a second top European team after Paris Saint-Germain. The soccer side of the Gulf rift could potentially go to the English Premier League, home to UAE-owned Manchester City. So would a possible Saudi acquisition of Manchester United.

The soccer pitch is but one venue on which Qatar has been scoring points. Three years into the boycott, Qatar’s detractors – Saudi Arabia, the UAE, Bahrain, and Egypt – have failed to either force Qatar to accept demands that would have undermined its independence and sovereignty or convince the international community of the legitimacy of their approach.
On the contrary: Qatar is thriving economically. Oman, Turkey, and Iran have compensated for the rupture in logistics caused by the breaking off of air links with its detractors and the closure of its only land border with Saudi Arabia.

Moreover, rather than being internationally isolated, Qatar has deepened relations with the world’s major powers – the US, China, Europe, Russia, and India – and reinforced its position as mediator or key player in conflicts ranging from Afghanistan to Gaza.

Ironically, Qatar has been able to turn the Gulf crisis into one of the few issues the world’s rivaling powers agree on, which narrows the cul de sac in which its detractors find themselves. Washington, Beijing, Moscow, Brussels, and Delhi all want the Gulf crisis resolved, but have failed to convince Riyadh and Abu Dhabi that everyone would be best served by a resolution that allows all parties to save face even if it falls far short of the boycotters’ demands.

Those demands reflect a broader Saudi and UAE policy that aims to shape the greater Middle East, stretching from Central Asia to the Horn of Africa, in their mold. They aim to force governments to tow a Saudi-UAE line that promotes autocracy, rejects political participation, opposes political Islam, and violates human rights.

The boycotters demand that Qatar align its military, political, social, and economic policies with those of other Gulf states, shutter its Al Jazeera television network and other Qatar-funded media outlets, end military cooperation with Turkey, and close down a Turkish military base in the country.

In a rebuke to the boycotters, who also demanded that Qatar revoke citizenship granted to political refugees from Saudi Arabia, the UAE, Egypt, and Bahrain, the Gulf state – on the third anniversary of the boycott – issued the region’s first asylum law.

The law applies explicitly to human rights defenders; journalists, writers and researchers; political, religious, and ethnic minority activists; and former or current officials opposed to their government’s policies who are threatened with persecution.

To be sure, Qatar’s positioning of itself as a defender of human rights has holes in it that make it look like Emmenthaler cheese. Domestically, press freedom is nonexistent. In May, the government abruptly closed the Doha Centre for Media Freedom after firing its first two directors for taking the organization’s goals literally. It took widespread criticism for Al Jazeera to suspend two journalists and pull a recent seven-minute, Arabic language video it had posted to its social media channels that claimed Jews exploit the Holocaust and that Israel is the
genocide’s “greatest beneficiary.” (To be fair, the network said the video “contravened its editorial standards” and mandated that all staff participate in a bias and sensitivity training.)

The contradiction between Qatar’s advocacy of political change everywhere but at home is rooted on the one hand in the recognition that transition is inevitable, and that Qatar is best served by being in front of the cart rather than behind it; and on the other the seemingly naïve belief that the Gulf state itself can remain immune.

This explains the crisis and the demands of the boycotting alliance.

Saudi Arabia and the UAE strive to maintain the region’s autocratic status quo by suppressing dissent and activism and projecting military as well as soft power. Qatar’s strategy, which embraces change to a certain degree, is wholly built on soft power.

This strategy is built on diversified gas sales; maintaining relations with all parties to position Qatar as a go-to-mediator; projecting the Gulf state as a global, cutting-edge sports hub; siting Qatar as a transportation hub connecting continents with a world-class airline; turning the Gulf state into a cultural hub with dazzling museums and art acquisitions; and investing in Western blue chips and high-profile real estate.

Alongside diplomacy, economics, media, and football, gas is increasingly emerging not only as a battlefield but also as a driver of the Gulf crisis. Gas may also prove to be a gauge for the timeframe that Saudi Arabia, supported by the UAE, has in mind, and one reason why they have so far refused to contemplate unconditional negotiations and compromise.

The significance of gas was highlighted when The Wall Street Journal recently disclosed that US officials had prevented Saudi Arabia prior to the declaration of the boycott from invading the Gulf States and seizing Qatar’s operations in the world’s largest gas field.

Taking control of Qatari fields would have not only forced Qatar, the world’s largest liquefied natural gas (LNG) exporter, to effectively surrender, but also turned Saudi Arabia into the world’s second-biggest exporter overnight.

If gas proves to be a major driver of the rift, the recently announced Saudi plans to become a major gas player suggest that the dispute could take at least another six years, if not a decade, to resolve.
Amin Nasser, the chief executive of Saudi national oil company Aramco, said during the World Economic Forum in January that he expects $150 billion to be invested in the Saudi gas sector over the next ten years. Nasser envisions gas production increasing from 14 billion standard cubic feet to 23 billion by 2030.

Saudi energy minister Khalid al-Falih said in April, following the disclosure of recently discovered major reserves in the Red Sea, that the kingdom may achieve its goal in five to six years.

In the meantime, Saudi Arabia is pushing to become a major gas trader and marketer, primarily in the spot and short term markets, by partnering with producers across the globe, including in the Russian Artic.

The kingdom has expressed an interest in acquiring a 30% stake in Russia’s Novatek Arctic LNG project. Access to the project’s gas would allow Saudi Arabia to negotiate long term deals and/or sell cargo on the spot market or increase domestic supply.

Aramco agreed in May to a buy a 25% stake in Sempra Energy’s Texas liquefied natural gas terminal in one of the biggest gas deals ever. The deal involves a 20-year agreement under which Saudi Arabia would buy 5 million tons of gas annually from Sempra’s Port Arthur plant, due to begin operations in 2023.

Qatar has partnered with Exxon Mobil Corp. in a $10 billion LNG plant in Texas and has plans to pour a total of $20 billion into US oil and gas fields.

The Saudi Qatari gas rivalry is also playing out elsewhere.

An Aramco delegation visited Pakistan in April to discuss gas sales as a way of addressing the South Asian country’s energy shortage as it opens its multiple gas fields to foreign investors. Qatar responded by lowering the price of its offering in a move that appeared to give it an advantage despite the kingdom’s increasingly hefty investment in Pakistan.

The prospect that Saudi Arabia and the UAE may only be willing to seek an end to the Gulf crisis once the kingdom has secured its position as a major gas exporter would mean that their boycott of Qatar would still be in place when the Gulf state hosts the World Cup in 2022.

That, more than FIFA president Gianni Infantino’s unsuccessful ploy to persuade Qatar to agree to an expansion of the 2022 tournament from 32 to 48 teams, could prove to be a potential icebreaker.
The tournament puts Qatar’s detractors in a bind. It will be the first time the world’s foremost mega sporting event is held in the Arab world, a soccer-crazy region – and the event will take place in the boycotting Gulf states’ backyard.

The boycott bans nationals of the boycotting states from travel to Qatar. Even if fans were to defy the boycott, they would have to go to greater expense and accept more complicated logistics because of the rupture in air and land links.

As a result, the boycotting states, in a bid to cater to domestic demand and stave off potential protests, could be forced to breach their own embargo and potentially create an opportunity to put an end to the boycott.

That may seem a long shot at this point, and much can change in the coming three years. But if the status quo remains unchanged, soccer could emerge as the Gulf’s best hope.

This is an edited version of a story that was first published by Global Village Space.

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