



## CHAPTER 4

---

# Bitter Brethren: Freud's Narcissism of Minor Differences and the Gulf Divide

*Mohammed Hashem Al-Hashemi*

### INTRODUCTION

I was on a break with a European friend when the news broke that Saudi Arabia had decided to go ahead with its plans to dig a 60-km-long water canal to transform its neighbour Qatar from a peninsula into an island. My European friend's reaction was one of disbelief before he remarked, "No offense to you, but I still cannot understand this, and I cannot even tell a Saudi from a Qatari." Hours later, I was still reflecting on my European friend's remarks, and I could not but agree with him since the countries of the Gulf Cooperation Council (GCC), in general, have so much in common on the ethnic, historic, cultural, and political levels to the point that they are often perceived as one culture in the eyes of outsiders.

Regardless of how serious the Saudi announcement may have been, it was significantly symbolic on two levels. On one level, it reflected the intense nature of the conflict between Saudi Arabia and its allies on the one hand, and Qatar on the other. On a more relevant level, the planned geographic separation aimed at reinforcing the perception that Qatar no longer belonged to the in-group in the GCC, and that it was a different other, perhaps even a physically and geographically separate other.

---

M. H. Al-Hashemi (✉)  
Brunel University, London, UK

As surprising as the aggressive nature of the Saudi declared plan may seem to be, especially to observers from outside the Gulf region, the fact is that it may not be too unusual in the context of conflicts among close neighbours and related nations. Civil wars, for example, tend to be extremely and shockingly intense. This seems to sharply contrast with conventional wisdom and the general theory of power and violence which stipulate that conflict is more likely between nations, groups, and cultures that share very little in common. This conventional perspective was perhaps best developed by Samuel Huntington in his book, the *Clash of Civilizations* in which he highlighted the rift in major conflicts along civilizational and cultural lines. On the other hand, while Sigmund Freud never developed a real theory on this type of conflict, he attempted to explain the causes of intensity in conflicts between closely related groups on the basis of what he referred to as the narcissism of minor differences (NMD).

The first section in this chapter will discuss and evaluate Freud's propositions and reflect on the extent to which it may be useful in explaining conflicts among neighbours. The second section discusses the theoretical potentials of this hypothesis and proposes an expanded model that accounts for the rise and role of the narcissistic leader. The last sections of the chapter apply the expanded NMD to the Gulf crisis for an understanding of the crisis.

### HOW FAR CAN YOU HATE YOUR NEIGHBOURS?

According to an old Arab idiom, one must pick his neighbours before his home, and in Mark 12:31, the second commandment clearly and emphatically states, "Love your neighbour as yourself." Freud recognized the overpowering nature of such commandments, idioms, and feelings, but he also pointed out in his 1917 work *The Taboo of Virginity* that there exists a force that opposes love and which results in triggering "*the hostility which in every human relation we see fighting successfully against feelings of fellowship and overpowering the commandment that all men should love one another.*" He identified this force as the NMD, a term that he attributed to British anthropologist Ernest Crawley.<sup>1</sup>

<sup>1</sup>Freud, S. (1991). 'The Taboo of Virginity' [1917]. The Penguin Freud Library. In Angela Richards (ed.). Trans. James Strachey. *On Sexuality*, vol. 7 (p. 272).

In his 1921 *Group Psychology and the Analysis of the Ego* Freud referred to the behaviours of neighbouring towns and nations:

Of two neighboring towns each is the other's most jealous rival; every little canton looks down upon the others with contempt. Closely related races keep one another at arm's length; the South German cannot endure the North German, the Englishman casts every kind of aspersion upon the Scot, the Spaniard despises the Portuguese.<sup>2</sup>

In later works, Freud did not add much to this hypothesis, referring to it only briefly in two other works. The first was in his famous 1930 work *Civilization & Its Discontents*:

I gave this phenomenon the name of 'the narcissism of minor differences', a name which does not do much to explain it. We can now see that it is a convenient and relatively harmless satisfaction of the inclination to aggression, by means of which cohesion between the members of the community is made easier.<sup>3</sup>

Interestingly, Freud saw the NMD to be a harmless means by which individuals expressed and satisfied their inclination to aggression towards others who shared great resemblance with them. His explanation evidently is that this is necessary to keep the cohesion of a community strong vis-à-vis others.

Freud's assessment of this force as harmless may have radically changed by the time the Jews were being persecuted in Germany, and on this he argues in his 1939 work *Moses and Monotheism* that communities cannot feel complete until they have expressed hostility towards "some extraneous minority" and he goes on to explain the roots of anti-Semitism by pointing out that although the Jews seem to fit in well with the general European populations,

<sup>2</sup>Freud, S. (1991). 'Group Psychology and the Analysis of the Ego' [1921]. The Penguin Freud Library. In Albert Dickson (ed.). Trans. James Strachey. *Civilization, Society and Religion*, vol. 12 (pp. 130–131).

<sup>3</sup>Freud, S. (1991). 'Civilization and Its Discontents' [1930]. The Penguin Freud Library. In Albert Dickson (ed.). Trans. James Strachey. *Civilization, Society and Religion*, vol. 12. (pp. 304–305).

they are none the less different, often in an indefinable way different, especially from the Nordic peoples, and the intolerance of groups is often, strangely enough, exhibited more strongly against small differences than against fundamental ones.<sup>4</sup>

What Freud suggested was that sameness or the existence of minor differences between two groups may be the cause for tension between them, the result of which is the expression of aggression that may or may not be harmless. This force originates from the need for group cohesion, which only seems possible with the expression of aggression or hostility towards others. Yet, while the NMD may often be harmless as Freud originally claimed, it may also have “*a malignant potential to erupt in vast bloodbaths which have even reached the level of genocide.*”<sup>5</sup>

Referring to violent conflicts in Central Asia, Turkish researcher and political scientist Turkkaya Ataov relies on Freud’s hypothesis and even pushes it to the verge of theory, arguing

When relations are pleasant, their desirable parts come to the fore. When disagreements rise, differences are then magnified. Even if there are no minor differences, groups tend to create them.<sup>6</sup>

This drive for groups to differentiate themselves from similar others was also noted by French anthropologist Levi-Strauss who reflected on how primitive tribes used different animal totems as symbols “*adopted as emblems by groups of men in order to do away with their own resemblances.*”<sup>7</sup> Likewise, French anthropologist Bourdieu argued that the NMD is essential for the preservation of group identity against the threat of resemblance to the identity of the group: “*social identity lies in difference, and difference is asserted against what is closest, which represents the*

<sup>4</sup>Freud, S. (1990). ‘Moses and Monotheism’ [1939]. The Penguin Freud Library. In Albert Dickson (ed.). Trans. James Strachey. *The Origins of Religion*, vol. 13 (p. 335).

<sup>5</sup>Werman, D. (1988). Freud’s “Narcissism of Minor Differences”: A Review and Reassessment. *Journal of American Academy of Psychoanalysis*, 16 (p. 457).

<sup>6</sup>Quoted in Kolsto, P. (2007). The Narcissism of Minor Differences Theory—Can It Explain Genocide and Ethnic Conflict? *Filozofija i Društvo*, 2(33) (pp. 153–171).

<sup>7</sup>Levi-Strauss, C. (1966). *The Savage Mind*. Chicago: University of Chicago Press (p. 107).

*greatest threat.*"<sup>8</sup> In other words, when a group perceives itself vis-à-vis those who are different, its sense of identity tends to be stable and safe, but it is against those who are similar that identity becomes threatened, eventually leading to violence. According to Dutch anthropologist Blok, famed for studying the society of Sicilian mafia, when a group feels an erosion in its identity as differences with other groups disappear, violence towards those who are similar follows as a result of "*the absence of a stable, impersonal central power that is willing and able to protect minorities and their rights.*"<sup>9</sup>

Ironically, while Freud stands behind the NMD hypothesis, he never actually attempted to elaborate on it or expand it into a theory, nor did he seem to be interested in dwelling onto its assumptions in more depth or detail. Koltso argues that Freud must have realized the numerous inconsistencies of this idea which may be applicable to certain conflicts and particular events but not others, discouraging him from expanding it given the limitations of "*the utility of this idea.*"<sup>10</sup>

#### NARCISSISM OF MINOR DIFFERENCES, VOLATILE IDENTITIES, AND NARCISSUS

Much of the traditional theoretical work in political science and international relations has focused on power relations and international structures but engaged in "*intermittent episodes of amnesia*"<sup>11</sup> insofar as the critical dimension of the politics of culture and identity is concerned, especially in a globalizing world where differences among cultures, nations, and identities are diminishing. From a psychological perspective, Volkan argues that human groups create minor differences

<sup>8</sup>Bourdieu, P. (1984). *Distinction: A Social Critique of the Judgment of Taste*. Trans. Richard Nice. London: Routledge (p. 479).

<sup>9</sup>Blok, A. (1998). The Narcissism of Minor Differences. *European Journal of Social Theory*, 1:1 (p. 43).

<sup>10</sup>Kolsto, 'The Narcissism of Minor Differences Theory' (p. 166).

<sup>11</sup>Kratochwil, F. (1996). Is the Ship of Culture at Sea or Returning? In Y. Lapid and F. Kratochwil (eds.). *The Return of Culture and Identity in International Relations Theory*. Boulder: Lynne Rienner (p. 203).

“in order to strengthen the psychological gap between enemy and ourselves.”<sup>12</sup> Figlio also asserted that sameness is more likely to generate conflict than difference, further arguing that when the differences between two groups decrease, this creates a sense of unease as it undermines the ideal self-perception of the group, an unease that can be eliminated “by violence against the non-ideal, demeaned, other.”<sup>13</sup>

Ignatieff who observed the conflict in the Balkans intimately eventually realized that the civil war among Serbs, Croats, and Bosnians was not much of an ethnic or a religious war in as much as it was a war between volatile identities suffering the dread of sameness. In his attempt to dig deeply into the roots of hatred, Ignatieff eventually found that even the men sacrificing their lives in defence of their national identities against those who to a great extent resembled them.<sup>14</sup> The volatility of identity, perhaps perceived by outsider observers as a problematic factor, is actually what fuels nationalism in a globalizing world. “Nationalism creates communities of fear, groups held together by the conviction that their security depends on sticking together.”<sup>15</sup> On the other hand, St. Louis argues that narcissism of small differences is not activated in a vacuum between similar and closely related groups, but rather by status anxiety, economic competition, fear of failure or assimilation, and uncertainty.<sup>16</sup>

It is unlikely that the NMD can be developed into a full-fledged theory that can explain why violent conflicts erupt or do not erupt between resembling groups and/or nations,<sup>17</sup> but it is quite evident that violent conflicts have erupted and will continue to erupt in the future among

<sup>12</sup>Volkan, V. (1986). The Narcissism of Minor Differences in the Psychological Gap Between Opposing Nations. *Psychoanalytic Inquiry*, 6 (p. 187).

<sup>13</sup>Figlio, K. (2012). The Dread of Sameness: Social Hatred and Freud’s Narcissism of Minor Differences. In L. Auestad (ed.). *Psychoanalysis and Politics: Exclusion and the Politics of Representation*. New York: Karnac Books Ltd. (p. 10).

<sup>14</sup>Ignatieff, M. (1998). *The Warriors Honor: Ethnic War and the Modern Conscience*. Toronto: Penguin Books (p. 37).

<sup>15</sup>Ibid. (pp. 44–45).

<sup>16</sup>St. Louis, B. (2005). The Difference Sameness Makes: Racial Recognition and the Narcissism of Minor Differences. *Ethnicities*, 5:3 (p. 348).

<sup>17</sup>The most ambitious attempt to develop narcissism of minor differences into a full theory was undertaken by Anton Blok (1998) but it suffered significant theoretical gaps and weakness, see Pal Kolsto (2007).

groups and nations that share geographic spaces or borders<sup>18</sup> and that are distinguished from one another by minor differences. It is worth mentioning, however, that one of the major problems with the attempt to develop this theory lies in developing an accurate and reliable definition of what constitutes a minor difference in the first place, since what may be a minor difference in one region or culture, may not be so minor in another.<sup>19</sup>

In fact, the NMD may simply be, after all, just as Freud had suggested, a harmless means to vent aggression towards a similar other. Yet, at a certain time and point, minor differences suddenly stop being so minor, and this is when the balance is tipped, leading to the eruption of intense violence. According to an old Arab idiom, scarcity begets conflict among brothers, but on the collective levels, the problem of minor differences may go way beyond mere economic scarcity to include other insecurities. In this respect, Volkan (1998) has compellingly suggested that NMD presents its ugly face when the insecurities of the group are triggered

In times of conflict or stress, often initiated by real-world events such as economic failure, man-made disasters or ill-treatment by another group, minor differences between different groups assume major importance.<sup>20</sup>

The real causes may simply have nothing to do with identities, but as a group or a nation feel the heat under stress and pressure, collective insecurities about the uncertain future start to take over. In such a context, the ability to play on the rich symbolism of identity politics and the ease of mobilizing people and charging emotions around threats to identity, become too irresistible for aspiring and opportunistic leaders.

It is quite intriguing that while Freud used the term “narcissism of minor differences” and while various anthropologists, sociologists, and international relations scholars have followed suit, very little emphasis was given to narcissism itself. What is missing in almost all the analytic perspectives, however, is the origin of the term, namely narcissism itself.

<sup>18</sup>Watts, M. (2001). Violent Geographies: Speaking the Unspeakable and the Politics of Space. *City & Society*, 13:1 (pp. 85–117).

<sup>19</sup>Kolsto, ‘The Narcissism of Minor Differences Theory’.

<sup>20</sup>Volkan, V. (1998). Ethnicity and Nationalism: A Psychoanalytic Perspective. *Applied Psychology: An International Review*, 47:1 (p. 50).

It is true that collective identities are “inherently” and naturally unstable as Figlio argues,<sup>21</sup> but this is a constant rather than a variable. Collective identities are unstable at times of peace as well as at times of stress.

From a psychoanalytical perspective, Richards argues that any collective identity such as nationalism “*may function as part of a narcissistic structure wherein it rests heavily on the projection of the ego ideal into an idealized community.*”<sup>22</sup> What if at a time when the collective identity or perhaps the entire narcissistic structure of the group is under stress, and Narcissus himself took the helm of political leadership?

In fact, it is quite interesting that in many of the conflicts attributed to NMD, populist leaders with narcissistic tendencies seem to be in key leadership positions in their communities. This is as true of Hitler in Germany as it was of Radovan Karadzic,<sup>23</sup> Slobodan Milosevic, Ratko Mladic, and Slobodan Praljak in the Balkans and Kosovo just to name a few.<sup>24</sup> These leaders effectively combined their narcissistic and charismatic sides with their populist ideologies, taking advantage of the prevailing sense of insecurity about the future at turbulent times to persuade large numbers of their communities to commit violence and murder against others who resemble them except for minor differences, and who had coexisted with them for centuries.

The ability of the narcissist leader to rise to power is not coincidental, because it is specifically at times of turmoil, instability, and insecurity that narcissists bloom as charismatic polarizing leaders.<sup>25</sup> As uncertainty takes

<sup>21</sup>Figlio, K. (2012). A Psychoanalytic Reflection on Collective Memory as Psychosocial Enclave: Jews, German National Identity and Splitting in the German Psyche. *International Social Science Journal*, 62 (p. 161).

<sup>22</sup>Richards, B. (2012). Collective Identities, Breivik and the National Container. In N. Mircher and R. Hinshelwood (eds.). *The Feeling of Certainty: Psychosocial Perspectives on Identity & Difference*. New York: Palgrave Macmillan (p. 182).

<sup>23</sup>Radovan Karadzic, the psychiatrist/populist leader who became known as the Butcher of Bosnia, revealed strong narcissistic characteristics throughout his life and career. He was also a poet but claimed his ancestry 300 years back to one of the region’s most respected linguists bearing the same family name. For more on his narcissism See Donia, Robert. (2014). *Radovan Karadzic: Architect of the Bosnian Genocide*. Cambridge: Cambridge University Press.

<sup>24</sup>Interestingly, Slobodan Praljak, the Croat General committed suicide by drinking poison in courtroom at The Hague. For more see Alasdair Sanford. (2017). Slobodan Praljak: Croatian Theatre Director Turned War Criminal. *Euro News*, 29 November 2017.

<sup>25</sup>Neveckia, B., De Hoog, A., Van Vianen, A., and Ten Velden, F. (2013). Uncertainty Enhances the Preference for Narcissistic Leaders. *European Journal of Social Psychology*, 43:5 (pp. 370–380).

over on the collective level, irrational fears and insecurities prevail in the community, and while rational leaders struggle to search for solutions, the narcissist finds the opportunity to emerge and claim leadership, not necessarily because of an extraordinary capability to find solutions, but simply because he seems himself as capable.<sup>26</sup> This unusual but overinflated self-confidence, coupled with the charismatic nature of most narcissists as a result of “*an exaggerated sense of self-importance, fantasies of unlimited success or power,*”<sup>27</sup> attracts the masses.

On the surface, the narcissistic leader at times of turmoil appears to be a very attractive and charismatic source of a solution, but in reality, to the masses, he himself becomes the solution, a solution to which followers develop a real addiction. In the Chocolate Cake Model of Narcissism, Campbell argues that narcissists are appealing leadings, exciting their followers and keeping them agitated with enthusiasm, but sooner or later, followers begin to realize that they have been dishonestly manipulated, which leaves them with emotions of frustration and depression.<sup>28</sup> In fact, the narcissist, an individual who thrives on favourable self-image, is very likely to revert to aggressive and violent means, especially when he and his capabilities are questioned or doubted, “*When favorable views about oneself are questioned, contradicted, impugned, mocked, challenged or otherwise put in jeopardy, people may aggress.*”<sup>29</sup> Worst of all, the narcissist is extremely unlikely to appraise or evaluate himself negatively or to accept a more realistic perception of himself or his deeds,<sup>30</sup> which implies a vicious cycle of escalation, and unlimited aggression and violence.

<sup>26</sup>Brunnell, A., Gentry, W., Campbell, W., Hoffman, B., Kunhert, K., and DeMaree, K. (2008). Leader Emergence: The Case of the Narcissistic Leader. *Personality and Social Psychology Bulletin*, 34:12 (pp. 1663–1676).

<sup>27</sup>Blair, C., Hoffman, B., and Helland, K. (2008). Narcissism in Organizations: A Multisource Appraisal Reflects Different Perspectives. *Human Performance*, 21:3 (p. 255).

<sup>28</sup>Campbell, W., Hoffman, B., Campbell, S., and Marclisio, G. (2011). Narcissism in Organizational Contexts. *Human Resource Management Review*, 21:4 (p. 271). For more on Campbell’s Chocolate Cake Model and the dynamics of manipulation by the narcissist in any form of human relations, see Campbell, W. (2005). *When You Love a Man Who Loves Himself: How to Deal with a One-Way Relationship*. Chicago: Sourcebooks Casablanca.

<sup>29</sup>Baumeister, R., Smart, L., and Boden, J. (1996). Relation of Threatened Egoism to Violence and Aggression: The Dark Side of High Self-Esteem. *Psychological Review*, 103 (p. 8).

<sup>30</sup>Ibid.

Therefore, although Freud's NMD was probably never intended to be a full-fledged theory, it may be possible to develop it into a more complex model that takes into consideration the dynamics of collective feelings of insecurity, volatile identities, and opportunistic narcissists who tend to bloom amidst nations or groups facing uncertainty and the risks of the loss of economic opportunities, status, or privilege.

### IN A SEA OF NARCISSISMS: THE GULF CRISIS

Regardless of the diplomatic manoeuvring and the efforts to resolve the Gulf crisis, it all boils down to forcing Qatar to change its foreign policy and its regional strategy. More specifically, the major demands set by the quartet include closing Al-Jazeera, ending Qatar's support to Hamas, ceasing financing to terrorist groups, breaking Qatar's ties with Iran, just to name a few. These conditions, however, are merely excuses and do not justify pushing the crisis to the point that Saudi Arabia and the UAE were actually considering the military invasion of Qatar.<sup>31</sup> Although each and every one of these issues may have been annoying to Qatar's neighbours,<sup>32</sup> these are issues that have persisted for decades, and no new developments can justify triggering a major crisis, imposing an embargo, and even preparing for a military invasion of another state.

The real issue is in fact much simpler and quite straightforward, and it is at core a matter of control and power relations. In the context of the region's tensions, specifically those involving Saudi Arabia's ambition to lead the Arab and Islamic worlds and its ongoing rivalry with Iran, Qatar as a member of the GCC did not only pursue an independent foreign policy, but it has also defied and undermined Saudi Arabia's leadership, not only during the Arab Spring, but also by pursuing friendly relations with Iran and by presenting itself as a power to reckon with in the region. Qatar's growing role, influence, relevance, and image may have all distinguished it from its hegemonic neighbour. It is such distinction that may have led to the fuelling of NMD and to the instigation of Saudi aggression towards Qatar.

<sup>31</sup>Mohyeldin, A. (2017). Qatar and Its Neighbors Have Been at Odds Since the Arab Spring. *NBC News*, 7 June 2017.

<sup>32</sup>Haaretz. (2017). Why Are the Gulf States Turning on Qatar? The Biggest Split in the Middle East Since the Gulf War. *Haaretz*, 5 June 2017.

### *Identities Engulfed by Instability*

The Gulf region, and even the Arab world as a whole, has generally been characterized by instability, at least since the second half of the twentieth century. The region has also been politically, economically, emotionally, and socially divided between two extreme sentiments, namely Arab nationalism that calls for the unity of all Arabs in one nation to bring back the glorious past of the great Arab nation, and the drive for independence within nation states, each with its own political and national identity. Central to the tensions between these two ends of the spectrum is the Palestinian cause which brings all Arabs together, at least rhetorically. In addition to this, the catastrophic defeat of the Arab nations in the Arab-Israeli war in 1967 has dealt a severe blow to Arab nationalism, only to have it replaced by the rise of Islamic fervour which has much stronger appeal on the populist level, and a much more threatening stance towards the national identities of individual Arab nation states.

Amidst this volatile and complex context, it is not surprising that collective identities have been subjected to numerous uncertainties and insecurities, especially with every new crisis that hit the region every few years. This context, however, also represented an ideal environment for the emergence of opportunistic narcissists who confidently flaunted their capabilities, exploited their charisma to manipulate their insecure communities, and to grab power and hold on to it. As the magic of charisma and narcissism wore off, narcissistic Arab leaders have had to engage in new adventures to keep feeding the false hopes and to maintain their legitimacy intact.<sup>33</sup> It is true that most ruled by iron and fire, but it is equally true that most were also charismatic and derived a significant degree of legitimacy by none other than hating and fighting their neighbours, or by pursuing ambitious and costly adventures. The list of such authoritarian narcissists includes Nasser of Egypt, Quaddafi of Libya, Saddam Hussein of Iraq, Saleh of Yemen, Bin Ali of Tunisia, and Assad of Syria, just to name a few.<sup>34</sup>

The Gulf region, on the other hand, may have seemed to be a gulf of stability, even despite the historic rivalries among its leaders, not to

<sup>33</sup>Al-Samari, A. (2017). Arab Narcissism: A Disorder or a Trait? [My translation]. *Al-Jazirah Newspaper*, 15 June 2017.

<sup>34</sup>Ibid.

mention their border disputes and grudges over petty differences.<sup>35</sup> This stability may have been attributed to three factors. The first factor is the stability of the hierarchical and tribal structures which in the early years of nation state formation, contributed to the legitimacy of the ruling families and the new states they headed.<sup>36</sup> The second factor was the oil wealth which enabled the rulers of the Gulf to enjoy a significant degree of safety and stability away from the challenges posed by socio-economic suffering in the rest of the region.<sup>37</sup> The third factor was the willingness of the leaders of the Gulf region, to work on developing a shared identity under the umbrella of the GCC which also served as a basic step towards economic integration and regional security for the member nations. This regional structure was formed at a time when the nations of the region sensed real danger from powerful and menacing neighbours, namely Iraq and Iran,<sup>38</sup> consequently contributing to the rise of the shared *khaleeji* identity among the countries of the region. The *Khaleeji* identity was not non-Arab or non-Islamic, but it distinguished the people and nations of Saudi Arabia, Kuwait, United Arab Emirates, Qatar, and Oman from everyone else, not only on the basis of their geographic location, but also on the basis of other attributes such as oil wealth, common tribal ancestry and kinship, and shared traditions and values.<sup>39</sup>

NMD ultimately existed among the Gulf nations, even when they faced the danger of the Islamic Republic of Iran which threatened to export its revolution to the region, or when they faced the wrath and military adventures of Saddam Hussein. To the outside world, however, they constituted one region that to the outside world appeared to be homogeneous and harmonious. In this context, the NMD was of little

<sup>35</sup>Sandwick, J. (1987). The Gulf Cooperation Council: Moderation and Stability in an Interdependent World. *Foreign Affairs*. On examples of petty disputes in the Gulf see also Berger, C. (1992). Border Clashes Highlight Power Plays on Persian Gulf. *Christian Science Monitor*, 9 October 1992.

<sup>36</sup>Patrick, N. (2009). Nationalism in the Gulf States. *The Centre for the Study of Global Governance*, No. 9. October 2009.

<sup>37</sup>Champion, D. (1999). The Kingdom of Saudi Arabia: Elements of Stability Within Instability. *Middle East Review of International Affairs*, 3:4 (pp. 49–51).

<sup>38</sup>Wehrey, F. and Sokolsky, R. (2015). Imagining a New Security Order in the Persian Gulf. *Carnegie Institute*. Paper, October 2015.

<sup>39</sup>Abdulla, G. (2016). Khaleeji Identity in Contemporary Gulf Politics. In *Identity and Culture in the 21st Century Gulf*. Oxford: Oxford Gulf and Arabian Peninsula Studies Forum (pp. 2–5).

or no relevance, partly because GCC leaders often found ways to cooperate on matters that mattered, even if by finding the least common denominator, partly because of the common threats that faced them on the collective level, but most importantly, because despite all the threats and instability that surrounded them, they remained stable on the inside. Even when they engaged in petty politics, spited one another, and undermined mutual efforts for expanding and deepening the notions of integrated markets and collective security not to mention the personal differences and disputes among their leaders, the stability of regimes and societies remained persistently intact.

Trouble in the paradise of the Gulf nations, however, gradually started to ferment following the invasion of Iraq, the only Arab country that was powerful enough to keep Iran's political, ideological, and military threat in check. A more critical factor was the declining strategic interest of the US in the security of the region, leaving the security of the Gulf nations exposed, an exposure that became extremely serious and real when President Obama signed a nuclear deal with Iran. This awakened the old fears and anxieties in Saudi Arabia about giving up its regional leadership to Iran in an era where the US and Iran would be allies at the expense of Saudi Arabia just as the case was during the Shah era: "*Riyadh in particular worries that, even if there is a friendly regime in Tebran, the kingdom will be consigned to the status of junior partner.*"<sup>40</sup> While the waves of the Arab Spring never hit the shores of the Gulf countries,<sup>41</sup> Bahrain being the exception, it was a wakeup call as the revolt threatened to trigger the ambitions of the Shiite minority in Saudi Arabia itself. On the regional and strategic levels,<sup>42</sup> Saudi Arabia's losses as a result of the Arab Spring were substantial with the collapse of the Tunisian and Egyptian regimes, while Syria, Lebanon, Iraq, and Yemen fell to Iran's sphere of influence. To make matters worse, Saudi Arabia's economy has been strained since the global financial crisis, and with collapsing oil prices, a booming young population with no real future prospects, and

<sup>40</sup>Al-Saud, F. (2003). *Iran, Saudi Arabia and the Gulf: Power Politics in Transition*. London: I.B. Taurus (p. 17).

<sup>41</sup>Yom, S. (2016). How Middle East Monarchies Survived the Arab Spring. *The Washington Post*, 29 July 2016.

<sup>42</sup>Matthiesen, T. (2013). Saudi Royal Family Politics and the Arab Spring. *Foreign Policy*, 14 January 2013.

troubling socio-economic realities, Saudi Arabia found itself in unchartered territory.<sup>43</sup>

### *The Rise of the Narcissist Saviour*

The tremulous world in which Saudi Arabia suddenly found itself in, the unprecedented level of insecurity prevailing at the strategic political and economic levels, the uncertainty about the future, and the fear of the unknown, all created the ideal environment for the rise of the ambitious, narcissist leader, the innovative and self-confident saviour<sup>44</sup>—but also ironically the man that *The Independent* dubbed “*the most dangerous man in the world.*”<sup>45</sup> After successfully eliminating all competition within the ruling family, crown prince Mohammed Bin Salman effectively rules Saudi Arabia although he is just a crown prince. Through plans and actions that reflect grandiose and status rather than real content, policies that primarily aim at attracting positive publicity, and sufficient recklessness to wage wars that cannot be won,<sup>46</sup> he has managed to consolidate his power and to build some temporary and false hopes for the future,<sup>47</sup> specifically with respect to fighting corruption,<sup>48</sup> or winning a quick war in Yemen.<sup>49</sup>

In addition to projecting himself as the confident and capable accomplice and saviour, even if this means jumping into miscalculated adventures and wars,<sup>50</sup> the narcissistic leader will also thrive and bloom through manipulation, by inventing and overstating new threats, and

<sup>43</sup>Karabell, Z. (2017). Saudi Prince Plans a “City of the Future.” Don’t Bet on It. *Wired*, 6 December 2017.

<sup>44</sup>Vick, K. (2018). The Saudi Crown Prince Thinks He Can Transform the Middle East. Should We Believe Him? *Time*, 5 April 2018.

<sup>45</sup>Law, B. (2016). The Most Dangerous Man in the World? *The Independent*, 8 January 2016.

<sup>46</sup>Cockburn, P. (2016). Prince Mohammed Bin Salman: Naïve, Arrogant Saudi Prince Is Playing with Fire. *The Independent*, 9 January 2016.

<sup>47</sup>Hubbard, B. and Kirkpatrick, D. (2017). The Upstart Prince Who’s Throwing Caution to the Winds. *New York Times*, 14 November 2017.

<sup>48</sup>Ulrichsen, K. (2017). Mohammed Bin Salman Has Unrivaled Authority in Saudi Arabia. Is He Really a Reformist? *World Politics Review*, 29 December 2017.

<sup>49</sup>Lippman, T. (2017). The End of Saudi Style Stability. *New York Times*, 8 November 2017.

<sup>50</sup>Hubbard and Kirkpatrick, ‘The Upstart Prince’.

by fuelling the fear of those who are slightly different. Backed and mentored by a more seasoned narcissist, namely MbZ, the crown prince of Abu Dhabi,<sup>51</sup> MbS must have scanned the region for a potential victim to pick on.

Identifying the right candidate was not difficult. Bahrain's leadership owed its survival to Saudi Arabia and was completely dependent on it<sup>52</sup>; the UAE was fully behind in support of the Saudi leadership and willing to jump along into the foray of the Yemeni war; Kuwait was very keen to maintain distance and neutrality by avoiding any tension or upset with the Saudi leadership<sup>53</sup>; and Oman was unlikely to pass as a legitimate threatening target, not to mention that it was significantly different from Saudi Arabia both socially and religiously. Qatar, on the other hand, qualified perfectly as a legitimate target of narcissisms of minor differences.

Qatar became the lurking enemy, the stranger, the outsider. Suddenly, the Qataris were presented as the allies of Iran, the supporters of terrorism, and the "Jews of Arabia" pretending to be Muslims to undermine Islam. Since the outbreak of the crisis in the summer of 2017, Qatar as a state and a nation, Qataris as a group and as individuals, and everything related to Qatar, have been under constant political, diplomatic, economic, and public relations attacks. The most serious of these attacks came in the form of cyberwar and war over narratives, as Krieg writes in Chapter 5, waged by cyber-armies organized in the UAE and Saudi Arabia whose sole purpose was to vilify everything and everyone related to Qatar, to feed bitterness towards Qatar on the mass level, and to picture the Qataris as the villains of Arabia who have betrayed the region and its peoples.<sup>54</sup>

These attacks represent textbook examples of how the NMD can be manipulated to mobilize hatred and direct aggression towards a targeted group or nation. For example, of all the ruling families and societies in

<sup>51</sup>Henderson, S. (2017). Meet the Two Princes Reshaping the Middle East. *Politico Magazine*, 13 June 2017.

<sup>52</sup>Rieger, R. (2013). In Search of Stability: Saudi Arabia and the Arab Spring. In *Gulf Research Meeting Papers*. Cambridge, UK: Gulf Research Centre.

<sup>53</sup>Schanzer, J. and Koduvayor, V. (2018). Kuwait and Oman Are Stuck in Arab No Man's Land. *Foreign Policy*, 14 June 2018.

<sup>54</sup>Al Sharq. (2018). 1.5 Million False Accounts to Attack Qatar. *Al-Sharq Newspaper*, 5 June 2018.

Arabia, Qatar's social structure is the closest to Saudi Arabia. Qatari and Saudi tribes are more closely related and tied than tribes in any two other countries in the Gulf. In fact, even the ruling Qatari family itself traces its origin to extended tribes in Saudi Arabia. Even on the religious and ideological levels, Qatar is the only country in the entire region that embraces Wahhabism as a religious ideology, although its version of Wahhabism is slightly different and more liberal than its Saudi counterpart.<sup>55</sup> Ironically, propagating claims that the ruling family of Qatar is of Jewish descent is not only intended to position Qatar as the most hated enemy, but it is also the easiest and fastest way to invent a fake enemy and make it the target of mass hatred and paranoia. Because within an anti-Semitic environment, nothing seems to scream suspicion, insecurity, fear, and anger than a "lurking Jew" amidst others, an irrational sentiment that Hitler knew too well how to exploit and manipulate.<sup>56</sup>

In a region where Israel has since its formation been used as an excuse for every political, economic, and social ailment in the Arab world, branding Qatar with Judaism and close links to Israel does not only result in targeting waves of hatred towards it, but it also bestows legitimacy and mass support within Saudi Arabia for any action of aggression and violence against it. In this context, the ludicrous and meaningless idea of changing Qatar's geography by digging a 60-km-long canal to turn it into an island may not make sense, except on the symbolic level,<sup>57</sup> reinforcing the narcissist drive for attaining purity by cleansing the perception of the self from any impurity. If Qatar is the source of this impurity, the solution is easy, simply cutting it off from the pure body the Arab Peninsula to ensure that its territories and people do not touch Saudi land.<sup>58</sup>

<sup>55</sup>Dorsey, J. (2017). Qatari Wahhabism vs. Saudi Wahhabism and the Perils of Top-Down Change. *The Huffington Post*, 12 April 2017.

<sup>56</sup>For more on branding Qatar and its ruling family as Jewish, see posts under the Twitter hashtag #Qatrael in 2017 and 2017. Qatrael is the names of Qatar and Israel combined in one word.

<sup>57</sup>Taylor, A. (2018). Saudi Media Says Kingdom Could Turn Qatar—Its Neighbor and Rival—Into an Island. *Washington Post*, 21 June 2018.

<sup>58</sup>Duddley, D. (2018). Saudi Arabia Eyes Up Canal Border Idea, Turning Qatar from a Peninsula into an Island. *Forbes*, 4 June 2018.

## CONCLUSION

NMD seems to have manifested itself in the Gulf Divide between Qatar and its neighbours. This crisis has so far resulted in massive economic costs for all sides,<sup>59</sup> lost opportunities for substantial economic development,<sup>60</sup> and in undermining the future of the GCC as an effective collective organization.<sup>61</sup> As many excuses or rational justifications may be used to explain how this crisis started, its most likely roots can be traced to two important factors; first, the fact that Qatar had become a little too different and distinguished for the comfort of its hegemonic neighbour that expects homogeneity on every level possible; and secondly, the rise of the power-hungry narcissist whose ambitious quest for power requires him to search for a potential symbolic enemy that he can target. Targeting Qatar may or may not be so important on the strategic level, but it is critically relevant from the perspective of Mohammed bin Salman as an ambitious narcissist who can only thrive by turning a neighbour characterized by minor differences into a symbolic evil. Targeting and blaming such a symbolic evil is ultimately the tool of trade that a narcissistic leader needs to overstate his power, to justify his failure, and to keep manipulating the insecurities and fears of his followers to mobilize and rally them behind him.

<sup>59</sup>The Economist. (2017). The Boycott of Qatar Is Hurting Its Enforcers. *The Economist*, 19 October 2017.

<sup>60</sup>Kabbani, N. (2017). The High Cost of High Stakes: Economic Implications of the 2017 Gulf Crisis. *Brookings Institute*, 15 June 2017.

<sup>61</sup>Cafiero, G. and Karasik, T. (2017). Kuwait, Oman and the Qatar Crisis. *Middle East Institute*, 22 June 2017.



# The Saudi Dimension: Understanding the Kingdom's Position in the Gulf Crisis

*Neil Quilliam*

## INTRODUCTION

This chapter will question whether Saudi Arabia's role in the blockade against Qatar has been motivated by Crown Prince Mohammed bin Salman's personal ambitions, the primacy of national interests or a wider clash over values. The chapter will argue that the kingdom's decision to implement the blockade against Qatar was based upon four factors: primacy of national interest; personality of MbS; influence of Abu Dhabi Crown Prince Mohammed bin Zayed; and MbS and MbZ's vision for the regional order.

Whilst much analysis has focused on the historical nature of the struggle between Saudi Arabia and Qatar, and the Al Saud and the Al Thani families, this chapter will mostly focus upon contemporary events, starting with succession of Salman in January 2015. However, it does not discount history; indeed, it is informed by history. But, given the constraints on space, it takes a contemporary and forward look.

It should be noted that is not the author's intention to evaluate the merit of the accusations that Saudi Arabia (Egypt, Bahrain and the UAE)

---

N. Quilliam (✉)  
Chatham House, London, UK  
e-mail: [nquilliam@chathamhouse.org](mailto:nquilliam@chathamhouse.org)

have levelled at Qatar nor Doha's counterpoints. The author is interested only in evaluating the reasons behind the accusations and the outcomes that followed.

### DETERIORATING SAUDI-QATARI RELATIONS: FROM LOCAL TREMOR TO REGIONAL EARTHQUAKE

The Saudi-Qatari relationship has been well-documented; and, in most cases, analyses point to the uneasy relationship between the two states and, indeed, their ruling families.<sup>1</sup> The tension between Saudi Arabia and Qatar became notably strained during the Arab Spring, when Qatar lent political, financial and military support to groups, mostly Islamist groups, including the Muslim Brotherhood and Salafi Jihadi groups intent on overthrowing their governments, namely, in Egypt, Libya, Tunisia and Syria.<sup>2</sup>

It was clear from the outset of the Arab Spring that Saudi Arabia and Qatar viewed the protests differently. Qatar saw it as an opportunity to project its power throughout the region and be at the forefront of profound political change from which it could benefit. Cultivating and deepening relations with political actors that looked likely to govern their respective countries, such as Morocco, Tunisia, Libya, Syria and Egypt, offered Qatar the chance to extend its influence throughout the region and, by doing so, acquire strategic depth to balance the long-term threat its leadership felt from Saudi Arabia.<sup>3</sup> Qatar did see an opportunity to promote political Islam and arguably further democratic change, but national interest was at the heart of its policy. The Arab Spring provided the Qatari leadership with the chance to increase its presence in the region, deepen ties with key countries, especially Egypt, with the goal of counterbalancing Saudi hegemony.<sup>4</sup>

Saudi Arabia—at the time, a status quo power—viewed the protests with deep suspicion and saw in them a deep challenge to their leadership

<sup>1</sup>Zahlan, R.S. (2017). *The Creation of Qatar*. London: Routledge.

<sup>2</sup>Coates Ulrichsen, K. (2014). *Qatar and the Arab Spring*. Oxford: Oxford University Press.

<sup>3</sup>Khatib, L. (2013). Qatar's Foreign Policy: The Limits of Pragmatism. *International Affairs*, 89:2, 11 March 2013 (pp. 417–431).

<sup>4</sup>Ibid.

of the Islamic world. The fact that the Qataris were supporting mostly Islamist groups during the Arab Spring made the threat seem more pernicious: first, the emergence of new Islamist regimes with radical agendas could come to challenge one of the Al Saud's cornerstones of legitimacy, the Saudi king's role as Custodian of the Two Holy Mosques; second, it could foment dissatisfaction and unrest in the kingdom and give rise to a new generation of radical clerics able to tap into discontent amongst youth and come to threaten stability. Although the Saudi leadership's fears appear at first sight exaggerated, the same set of fears had been commonplace amongst successive leaders who saw perennial threats over the decades from the Arab Cold War,<sup>5</sup> Iranian Revolution, Iran–Iraq War, US-led invasion of Iraq and the Arab Spring. Those fears were symptomatic of several factors, including Riyadh's dependence upon the US security umbrella, suspicions of its own security establishment and the resulting position of the kingdom being a status quo power in a region full of activist powers.<sup>6</sup>

Like all states in the region, Saudi Arabia has had to adapt to a changing regional dynamic. In essence, the Saudi leadership has had to manage two major challenges. First, it has come to realise that whilst the US remains a key partner, it is disengaging from the region, at least, politically. The vacuum left behind is already manifest in Syria, and it has allowed Iran to extend its influence further into the Gulf and the Levant. This has heightened the kingdom's sense of insecurity, especially at a time when former US President Barack Obama signed the Joint Comprehensive Plan of Action (JCPOA) with Iran and criticised the Gulf Arab states for being 'free-riders'.<sup>7</sup>

Second, the Saudi leadership has long known that it must address two long-term, but looming, domestic issues. In the first instance, the country's demographics require a major economic transformation to meet the needs of a youthful population. The current economic model, which is

<sup>5</sup>Kerr, M. (1971). *The Arab Cold War: Gamal 'Abd al-Nasir and His Rivals, 1958–1970*. Oxford: Oxford University Press.

<sup>6</sup>Roberts, D. (2018). The Gulf Monarchies' Armed Forces at the Crossroads. *Focus Strategique*, No. 80, May 2018 (p. 14). [https://www.ifri.org/sites/default/files/atoms/files/roberts\\_gulf\\_monarchies\\_forces\\_2018.pdf](https://www.ifri.org/sites/default/files/atoms/files/roberts_gulf_monarchies_forces_2018.pdf), accessed 22 July 2018.

<sup>7</sup>Goldberg, J. (2016). The Obama Doctrine. *The Atlantic*, April 2016.

based on rent, patronage and buoyed by a parasitic business community is no longer sustainable. In the second instance, the kingdom's dependence upon oil will come to end and it needs to diversify now.<sup>8</sup>

Given these two major challenges—both of which are pressing matters and require immediate action, Saudi Arabia's national interest has arguably changed since MbS became defence minister in January 2015.<sup>9</sup> Saudi Arabia can no longer be a status quo power: in modern parlance, it can no longer be a rule taker. In the Gulf, it had to be a rule maker. To this end, since MbS emerged, the kingdom's national interest has changed. It can now be defined by the country's ability to manage US political disengagement and push back against Iranian influence in the region, and transform the kingdom's economic model to preserve the rule of the Al Saud.

The move against Qatar, therefore, fits with the Saudi leadership's new definition of national interest viz regional dynamics. In one fell swoop, MbS turned Saudi Arabia's tradition of sustaining the status quo and pursuing a cautious foreign policy into a policy of adventurism and intervention. MbS was persuaded that Qatar's policy in the region was inimical to Saudi interests because it supported groups opposed to the kingdom, maintained close relations with Iran, owned news channel Al Jazeera, which he deemed anti-Saudi and pro-Muslim Brotherhood and sponsored groups that Saudi Arabia considered to be terrorist groups.<sup>10</sup> Although Saudi Arabia had long complained about Qatar's foreign policy, which had resulted in an earlier diplomatic spat in 2014, the emergence of MbS as de facto leader brought with it a desire for action, rather than diplomacy.

### *Clash of Values or Interests?*

Although Saudi Arabia did not always oppose Qatari support to Islamist armed groups and, in many cases, notably in Syria, sponsored similar

<sup>8</sup>Coates Ulrichsen, K. (2015). *Insecure Gulf: The End of Certainty and the Transition to the Post-oil Era*. Revised, Updated Edition. Oxford: Oxford University Press.

<sup>9</sup>Al Arabiya. (2015). Saudi Prince Mohammad bin Salman Named Defense Minister. *Al Arabiya News*, 23 January 2015.

<sup>10</sup>Roberts, D. (2017). *Qatar: Securing the Global Ambitions of a City-State*. London: Hurst.

armed groups, such as the Nusra Front and Ahrar al-Sham<sup>11</sup> some of which were closely allied al-Qaida linked groups and Islamic State in Iraq and Sham (ISIS),<sup>12</sup> it came to strongly object to Doha's broader support for Islamist armed groups across the region. The Saudi leadership believed that Doha aimed at not only subverting domestic political orders but was also supporting the creation of a new regional order based on an alignment of Islamist governments. As such, this amounted to more than Qatar punching above its weight. It now posed a direct threat to Saudi Arabia's ability to influence events in the region and, at a particularly sensitive time; Iran's intervention in Syria had cost Saudi Arabia dearly.<sup>13</sup>

Qatar's effort, therefore, to be at the forefront of the Arab Spring supporting 'revolution' and overthrowing discredited dictatorships—reinforced with the populist narrative of its Arabic language news network Al Jazeera—posed a direct challenge to the status quo powers of the prevailing order, namely, Saudi Arabia and the UAE. Qatar had seemingly positioned itself as the doyen of democracy, the handmaiden of Islamist democracy and the trumpet major of the new order.<sup>14</sup> Qatar appeared to be challenging the legitimacy of leaders right across the region; unsurprisingly, it caused deep anger amongst Saudi and Emirati leaders and others.

Adding insult to injury, Western government support of Islamist parties, either vying for power or already governing, added to Saudi Arabia and the UAE's sense of vulnerability. Against the backdrop of the Arab Spring, Saudi and Emirati leaders viewed transnational organisations, notably, the Muslim Brotherhood, as not only a threat to the regional order but also a direct threat to their rule. Until this point in history, their main ally the US had largely stood against political Islam, particularly after the Iranian Revolution in 1979, the seizure of the Grand Mosque in Mecca, during the same year and the attacks against the Twin

<sup>11</sup> Blair, D. (2014). How Qatar Is Funding the Rise of Islamist Extremists. *The Telegraph*, 20 September 2014.

<sup>12</sup> Phillips, C. (2016). *The Battle for Syria: International Rivalry in the New Middle East*. London: Yale University Press (p. 122).

<sup>13</sup> Terrill, W.A. (2015). *The Saudi-Iranian Rivalry and the Future of Middle East Security*. Carlisle: Strategic Studies Institute.

<sup>14</sup> Roberts, D. (2017). *Qatar: Securing the Global Ambitions of a City-State*. London: Hurst.

Towers and Pentagon on US soil in September 2001.<sup>15</sup> Of course, it has been well documented how the US funded and helped equip Saudi-backed Islamist groups resist the Soviets in Afghanistan.<sup>16</sup> Nevertheless, these efforts were aimed at undermining Soviet expansion in central Asia and undertaken with Saudi co-operation and coordination,<sup>17</sup> rather than furthering the spread of political Islam or the promotion of democracy.

It, therefore, came as a major surprise to the Saudis and Emiratis that the US—and more broadly, the West—would lend political support to Islamist parties, especially the Muslim Brotherhood competing in democratic elections following the fall of Tunisia’s Ben Ali and Egypt’s Mubarak. After all, the experiments with democracy in Algeria in the 1990s had ended in civil war,<sup>18</sup> and the elections in Gaza in 2006 had produced the ‘wrong’ results—a Hamas majority.<sup>19</sup>

As mentioned elsewhere, then US President Obama’s decision to withhold support for long-time US ally Egyptian President Hosni Mubarak shocked the Saudi leadership.<sup>20</sup> It should not be underestimated just how this rocked the foundations of the Saudi–US and UAE–US relationships as Cafiero demonstrates in Chapter 8. At the time, it made the Saudi King Abdullah bin Abdul Aziz Al Saud question the very essence of the relationship, which had been founded on the US providing security to the Gulf Arab states for the free flow of oil. Moreover, the Saudi leadership, especially the then-National Security Adviser Prince Bandar bin Sultan, came to realise that the superpower’s willingness to project military power into the region was in irreversible retreat and the kingdom would need to work towards guaranteeing its own security.

<sup>15</sup>Wright, L. (2006). *The Looming Tower: Al-Qaeda and the Road to 9/11*. New York: Knopf Publishing Group.

<sup>16</sup>Coll, S. (2004). *Ghost Wars: The Secret History of the CIA, Afghanistan, and Bin Laden, from the Soviet Invasion to September 10, 2001*. London: Penguin Books.

<sup>17</sup>Riedel, B. (2014). *What We Won: America’s Secret War in Afghanistan, 1979–1989*. Washington, DC: Brookings Institution Press.

<sup>18</sup>McDougall, J. (2017). *A History of Algeria*. Cambridge: Cambridge University Press.

<sup>19</sup>Brenner, B. (2017). *Gaza Under Hamas: From Islamic Democracy to Islamist Governance*. London: I.B. Tauris.

<sup>20</sup>Quilliam, N. (2017). Saudi Arabia’s Syria Policy. In I. Galariotis and K. Ifantis (eds.). *The Syrian Imbroglia: International and Regional Strategies*. Florence: European University Institute, Robert Schuman Centre for Advanced Studies (p. 24).

Although Obama had made clear in 2011 that the US would pivot towards Asia,<sup>21</sup> few believed that it would result in a military drawdown in the Middle East. Whilst his policy, which set in train a new direction in policy towards the region, has not yet led to a military drawdown, it has already set in motion a process of political disengagement. Whereas MbZ had already recognised that the era of pax-Americana would come to an end during his lifetime, the Saudi leadership was caught unawares.

Obama's active pursuit of a nuclear deal with Iran, which appeared as a legacy project to most Saudi leaders, signalled strongly that the US no longer considered the kingdom a priority partner. Although the Saudis welcomed the goal of curtailing Iran's nuclear ambitions, they considered the expansion of Iranian influence throughout the region to be the more pernicious and immediate threat to their interests. Saudi officials including late foreign minister Saud al-Faisal and former ambassador to the US and General Intelligence Department Director Prince Turki al-Faisal argued both publicly and privately that any deal with Iran should be comprehensive and include provisions to roll back its influence in the region and stop its ballistic missile programme. The signing of the JCPOA in April 2015, therefore, was seen as another betrayal of Saudi interests by the US.<sup>22</sup>

Whereas Qatar was promoting the Arab Spring both materially and via the Al Jazeera network, Iran also looked to be benefiting from the ensuing unrest and conflict in the region. Despite its initial reluctance to either endorse or oppose the protests, Iran was able to extend its influence throughout the region either by supporting states, such as the Assad regime in Syria,<sup>23</sup> non-state actors, including the Popular Mobilisation Forces (PMFs) in Iraq, Hezbollah in Syria<sup>24</sup> and the Houthis in Yemen.<sup>25</sup> The Bahraini government and its Gulf Arab allies largely attributed the large-scale protests in Pearl Roundabout in

<sup>21</sup>Wang, C. (2015). *Obama's Challenge to China: The Pivot to Asia*. London: Routledge.

<sup>22</sup>Borger, J. (2015). Iran Nuclear Deal Reached in Vienna. *The Guardian*, 14 July 2015.

<sup>23</sup>Khatib, L., Eaton, T., Haid, H., et al. (2017). Western Policy Towards Syria: Applying Lessons Learned. Chatham House, March 2017 (p. 4).

<sup>24</sup>Akbarzadeh, S. (2017). Iran's Uncertain Standing in the Middle East. *The Washington Quarterly*, 40:3, Fall 2017.

<sup>25</sup>Saul, J., Hafezi, P., and Georgy, M. (2017). Exclusive: Iran Steps Up Support for Houthis in Yemen's War—Sources. *Reuters*, 21 March 2017.

Manama in 2012 to Iranian interference.<sup>26</sup> As such, the Saudis found themselves almost under siege from Doha and Tehran and their security partner looked to be missing in action.

The combination of Qatar's leading role in undergirding the Arab Spring, apparent US pivot away from the region, withdrawal of US support for Mubarak, advent of civil wars in Syria, Libya and later Yemen, success of Islamist parties in Tunisia, Morocco and Egypt and sustained protests in neighbouring Bahrain heightened Saudi and Emiratis own sense of vulnerability. As a consequence, MbZ, who had already begun a process of diversifying key partnerships away from the US and EU towards Asia, used his leverage—a combination of financial muscle, political capital (secular) and military strategy—to persuade both the Saudi leadership and his erstwhile allies to redesign the regional order—with the UAE at the centre of it.

### *Personality Politics*

Against this background, MbS became defence minister in 2015 when his father King Salman succeeded late king Abdullah and then replaced Muhammed bin Nayef (MbN) as Crown Prince in June 2017.<sup>27</sup> The combination of the historical struggle between Saudi Arabia and Qatar, Doha's hearty embrace and sponsorship of the Arab Spring, Saudi and Emirati growing sense of vulnerability, MbZ's vision for the new regional order and the new Saudi Crown Prince's youth set the kingdom on a direct collision course with its small neighbour.

MbS rose to power at a time when the kingdom had felt challenged on many fronts, especially from Doha and Tehran and from Washington's recalibration of interests in the region. Although late King Abdullah and his Gulf Arab partners had already used diplomatic isolation and a series of economic measures to censure Doha's behaviour in 2014,<sup>28</sup>

<sup>26</sup>Coates Ulrichsen, K. (2013). Bahrain's Uprising: Regional Dimensions and International Consequences. *Stability: International Journal of Security and Development*, 2:1.

<sup>27</sup>Al Arabyia. (2017). Saudi Arabia Declares Mohammed bin Salman as Crown Prince. *Al Arabiya News*, 21 June 2017.

<sup>28</sup>The National. (2017). Revealed: The Secret Pledges Qatar Made—And Then Broke. *The National*, 11 July 2017.

it soon became clear that the newly appointed crown prince was in no mood to countenance Qatar's 'bad' behaviour.

Typically, Western policymakers, academics and analysts have described the Al Saud's style of governance as slow and consensual.<sup>29</sup> The Saudi leadership would rarely make major decisions without reaching consensus amongst the kingdom's most senior princes and, by doing so, it would nearly always sacrifice urgency for finding a common position. It meant that Saudi decision-making, therefore, appeared slow, sometimes inert, deliberate and was based on the exercise of strategic patience. For example, King Abdullah afforded Syrian President Bashar al-Assad in 2012 three separate opportunities to desist crushing the Syrian uprising in return for Saudi diplomatic, political and economic support; Abdullah made this offer despite Assad having called him a 'half-man' following the Israel–Hizbullah conflict in 2006.<sup>30</sup> Similarly, Abdullah had given the new Qatari Emir Tamim a number of opportunities to realign Doha's foreign policy, amongst other issues, before withdrawing its ambassador in coordination with UAE and Bahrain in March 2014.<sup>31</sup> MbS has broken this mould; so far, he has proven to be an impulsive, dynamic, self-assured and retributive leader.<sup>32</sup>

The decision to place the blockade upon Qatar in June 2017 was one made in haste by MbS and apparently with little thought of the consequences not only upon intra-GCC relations to which he seems to have given scant regard, but also upon his population and its familial relations with Qataris.<sup>33</sup>

<sup>29</sup>Niblock, T. (2006). *Saudi Arabia: Power, Legitimacy and Survival*. London: Routledge; Madawi, R. (2010). *A History of Saudi Arabia*. 2nd Edition. Cambridge: Cambridge University Press; Thompson, M. (2014). *Saudi Arabia and the Path to Political Change: National Dialogue and Civil Society*. London: I.B. Tauris.

<sup>30</sup>Quilliam, N. (2017). Saudi Arabia's Syria Policy. In I. Galarotis and K. Ifantis (eds.). *The Syrian Imbroglia: International and Regional Strategies*. Florence: European University Institute, Robert Schuman Centre for Advanced Studies (p. 21).

<sup>31</sup>Black, I. (2014). Arab States Withdraw Ambassadors from Qatar in Protest at 'Interference'. *The Guardian*, 5 March 2014.

<sup>32</sup>Younes, A. (2017). Bin Salman and the End of Saudi's Consensus Rule. *Al Jazeera News*, 7 November 2017.

<sup>33</sup>Bianco, C. and Stansfield G. (2018). The Intra-GCC Crises: Mapping GCC Fragmentation After 2011. *International Affairs*, 94:3, 4 May 2018 (pp. 613–635).

### *Influence of MbZ*

Since MbS' rise to power, the relationship between Saudi Arabia and UAE has gone from strength to strength. Whilst the relationship had been strong generally, a number of issues separated them, including long-running border disputes and territorial claims<sup>34</sup> and most recently, the UAE's frustration that the GCC Central Bank would be located in Riyadh instead of Abu Dhabi.<sup>35</sup>

On a personal level, whilst MbZ was known to respect Salman, he did not share the same sentiment with his contemporary MbN. Although the US and other international partners had invested considerable political capital cultivating close relations with MbN, especially as he was the prime candidate of the next generation princes to govern the kingdom, MbZ held reservations.

MbZ has developed a long strategic vision for the UAE and, in his estimation, MbN did not have the will, capacity or foresight to share that vision, let alone implement it. As such, MbN represented more of the same—a slow, consensual decision-maker, whilst the world around them was changing fast. Salman's decision, therefore, to appoint his preferred son to the post of defence minister and then ultimately to replace MbN as crown prince with MbS in 2017 was of major interest to MbZ.

MbZ had already begun to develop a close working relationship with MbS and impressed upon him the need for rapid change in both the domestic and regional environments. By doing so, MbZ, in effect, became a close confidante and adviser to MbS or perhaps more accurately, their relationship can be described as a tutor–tutee partnership.<sup>36</sup>

The influence of MbZ on MbS is manifest in many ways. First, MbS has learned from MbZ's Washington playbook. The appointment of his

<sup>34</sup>Saudi Arabia and the UAE signed the Treaty of Jeddah in 1974 to end forty years of territorial dispute. Saudi Arabia ratified the treaty in 1993, but it was not formalised until 2004. Al-Mazrouei, N.S. (2016). *The UAE and Saudi Arabia: Border Disputes and International Relations in the Middle East*. London: I.B. Tauris; Habeeb, W.M. (2012). *The Middle East in Turmoil: Conflict, Revolution and Change*. Westport: Greenwood Press.

<sup>35</sup>Morris, M. (2009). Riyadh Named as HQ for GCC Joint Central Bank. *Arabian Business*, 6 May 2009.

<sup>36</sup>Henderson, S. (2017). Meet the Two Princes Reshaping the Middle East, But for Good or Ill? *Politico*, 13 June 2017.

full-brother Khaled bin Salman to the post of ambassador<sup>37</sup> to the US and the direct access he now enjoys to key figures around the president echoes the UAE model. In the meantime, the Qatari ambassador, Sheikh Meshal bin Hamad Al Thani, is compelled to follow the formal diplomatic channels through the State Department. Second, MbZ has not only persuaded MbS that Iran poses a major threat to the region (pushing on an open door to use the vernacular), but also that the Muslim Brotherhood—in all its forms—does too. This amounts to a substantial leap of faith given that political Islam is an essential component of the Al Saud's legitimacy. Whilst the Al Saud saw Qatar's promotion of the Muslim Brotherhood during the Arab Spring as a threat, it was more that Doha was pulling the strings than the parties themselves.

MbS' introduction of social reforms in the kingdom, which have included curtailing the authority of the religious police (*mutawaeen*),<sup>38</sup> detention of dozens of clerics, including leading figures, such as Salman al-Auda, Awad al-Qarni, Ali al-Omari<sup>39</sup> and Safar al-Hawali<sup>40</sup> and opening up of social spaces for men and women to meet,<sup>41</sup> has the hallmarks of UAE-style development. Saudi Arabia is opening up the social agenda to help drive the economy, whilst further closing down the space for political opposition.

Of course, MbZ's influence on MbS is most obvious in Saudi Arabia's policy towards Qatar. As noted above, Saudi Arabia's decision to impose the blockade, alongside the UAE, Bahrain and Egypt, was determined by a number of factors, including structural factors, such as the US signalling its imminent withdrawal from the prevailing security arrangement and inter-state competition, as well as the catalytic component of MbS' promotion to crown prince. However, MbZ also seems to have played an instrumental role in persuading MbS to enforce the blockade.

<sup>37</sup>McKernan, B. (2017). Fighter Pilot Prince Named New Saudi Ambassador to US. *The Independent*, 24 April 2017.

<sup>38</sup>Worley, W. (2016). Saudi Arabia Strips Religious Police of Powers of Arrest and Says They Must Be 'Kind and Gentle'. *The Independent*, 14 April 2016.

<sup>39</sup>Reuters. (2017). Saudi Clerics Detained in Apparent Bid to Silence Dissent. *Reuters*, 11 September 2017.

<sup>40</sup>Reuters. (2018). Saudi Arabia Arrests Prominent Cleric Safar al-Hawali: Activists. *Reuters*, 12 July 2018.

<sup>41</sup>AFP. (2018). Saudi Arabia's First Cinema in Over 35 Years Opens with Black Panther. *The Guardian*, 20 April 2018.

### *MbZ's Regional Order*

The move against Qatar, however, differs from previous spats amongst the Gulf Arab states. It will have a profound and long-term impact upon the region. Saudi Arabia has signed up to a decision that will cleave the region into two distinct alliances, as envisioned by MbZ.

The core of one alliance is Saudi Arabia, UAE and Egypt, and the common factor that draws it together is strong, autocratic, military and secular leadership. The alliance is opposed to Iran, political Islam and political reform, but in favour of economic diversification, social reform and new partnerships.

This alliance also stretches to include Bahrain, Hafter in Libya, and enjoys good relations with Israel. In the Quartet's move against Qatar, Doha was basically given a stark choice—which was no real choice—you are either with us or against us. MbS and MbZ decided that Tamim was against them and therefore in the counter alliance, including Turkey and Iran.

The Quartet's move against Qatar was a defining moment in the shaping of the new regional order. It signalled the UAE and Saudi Arabia's intent to transform themselves from status quo powers into active participants in the regional security architecture. They would no longer wait for the US green light before pursuing their interests. Instead, they would act and then seek permission, retroactively, through direct channels to the White House and President Trump. MbS had already taken the lead in declaring war against the Houthis in Yemen and deploying forces—along with the UAE—against the Houthi-Saleh alliance.<sup>42</sup> However, the blockade against Qatar was different. The small archipelago off Saudi Arabia is a key US ally and houses al-Udaid airbase—a significant military installation that has allowed the US to prosecute wars against Saddam Hussein in Iraq, Taliban in Afghanistan and ISIS in Iraq and Syria.<sup>43</sup>

MbS and MbZ took a calculated risk that President Trump would not oppose the blockade; and, indeed, that has been the case between

<sup>42</sup>Roberts, D. (2018). The Gulf Monarchies' Armed Forces at the Crossroads. *Focus Strategique*, No. 80, May 2018 (pp. 15–17).

<sup>43</sup>Des Roches, D. (2017). A Base Is More Than Buildings: The Military Implications of the Qatar Crisis. *War on the Rocks*, 8 June 2017.

presidential tweets that both criticise<sup>44</sup> and praise Doha's efforts at combatting terrorism.<sup>45</sup>

They did, however, miscalculate Doha's resilience in the face of such a move and had expected the country to capitulate within a matter of days. After a shaky start, Doha has, by and large, weathered the storm and in the words of Qatari foreign minister Sheikh Mohammed bin Abdulrahman bin Jassim Al Thani, at the United Kingdom's Royal Institute of International Affairs (Chatham House) in July 2017 'turned crisis into opportunity'.<sup>46</sup> The increase in trade and diplomatic traffic between Doha and Tehran, and Doha and Ankara, and the very presence of a new large-scale dairy farm that meets the milk needs of Qatar's population, are cited as successes.<sup>47</sup>

The squeeze on Qatar was also intended to send a strong message to other states within the GCC and the wider region. Although Oman and Kuwait have not joined the blockade, when succession takes place in either state, they will expect to come under pressure to choose sides between the Saudi-UAE alliance or the Iran-Qatari alliance. To date, they have navigated the choice well; but next generation leaders will face a stark and far-reaching choice.

There is little doubt that MbZ sees Saudi Arabia as critical to his vision of a new regional order based on two alliances. The UAE started its own orientation away from the West or at least reorientation towards Asia over a decade ago and its efforts at acquiring strategic depth, a critical resource Qatar overlooked, is clear to see in its ports and naval bases across the Horn of Africa.<sup>48</sup>

The succession of Salman to the throne and the consequent moves that led to MbS becoming crown prince provided MbZ with the perfect opportunity to work with the young Saudi and persuade him that the

<sup>44</sup>Wintour, P. (2017). Donald Trump Tweets Support for Blockade Imposed on Qatar. *The Guardian*, 6 June 2017.

<sup>45</sup>BBC. (2018). Trump Praises Qatar's Efforts on Combating Terrorist Financing. *BBC*, 11 April 2018.

<sup>46</sup>HE Sheikh Mohammed bin Abdulrahman bin Jassim Al-Thani, Minister of Foreign Affairs. (2017). The Crisis in the Gulf: Qatar Responds. Chatham House, 5 July 2017, <https://www.chathamhouse.org/file/crisis-gulf-qatar-responds>, accessed 22 July 2018.

<sup>47</sup>Economist. (2018). Milk Sheikhs: Why Qatar Is Raising Cows in the Desert. *The Economist*, 17 May 2018.

<sup>48</sup>Brennan, A. (2018). The UAE Weaves a Regional 'String of Pearls'. *Asia Times*, 26 May 2018.

regional security architecture is changing and that both countries need to be much more active, diversify key partnerships, including with China and Russia and undertake change at home, not just attending to economic reforms, but also curtailing the influence of religion over policy. To that end, MbZ was able to capitalise upon the challenges that MbS faces within the kingdom and present him with a blueprint that appears to have appealed to his personality.

### *What's Driving Domestic Change?*

Although Saudi Arabia's leaders have known for decades that the kingdom has to diversify its economy and move away from its dependency upon oil and, at best, have made half-hearted efforts to do so, MbS seems intent to make it happen in double-quick time and with little consideration of the risks. In his landmark interviews with the Economist<sup>49</sup> and Bloomberg,<sup>50</sup> he made clear that he wanted to bring about a transformation of the kingdom's economy in order to prepare for the post-oil era.

Although his predecessors understood the need for reform, they moved at a snail's pace arguing that society was not ready for a rapid change. Given the country's demographics, however, with almost 50% of Saudi population under the age of 25,<sup>51</sup> it was clear that its septuagenarian and octogenarian leaders were out of touch with the kingdom's youthful and highly-connected population; most of whom were impatient for change.<sup>52</sup>

MbS recognised the pressing risks that the country would face if it continuously fails to diversify the economy; more importantly, it would come to pose a threat to the ruling family's ability to govern. Therefore,

<sup>49</sup>Economist. (2016). Transcript: Interview with Muhammad bin Salman. *The Economist*, 6 January 2016.

<sup>50</sup>Nereim, V. and Shahine, A. (2017). Saudi Arabia Crown Prince Details Plans for New City: Transcript. *Bloomberg*, 26 October 2017.

<sup>51</sup>General Authority for Statistics. (2016). <https://www.stats.gov.sa/en/5305>, accessed 10 July 2018.

<sup>52</sup>Internet users reached 91% (i.e. 30 million out of population of 33 million), with active social media account 75% (25 million) and active mobile social accounts 54% (18 million). Global Media Insights, Saudi Arabia Social Media Statistics. (2018). <https://www.globalmediainsight.com/blog/saudi-arabia-social-media-statistics/>, accessed 10 July 2018.

Salman's elevation of his son from Royal Court gate-keeper to defence minister in 2015 and then crown prince in 2017, empowered the latter to fast-track the transformation project in part via Vision 2030<sup>53</sup> and by pushing aside potential opposition figures within the kingdom's power centres, including the ruling family.

There are two main factors, therefore, driving domestic change in Saudi Arabia. First, an urgency to transform the economy away from rentierism and more towards a diversified and knowledge-based economy and, by doing so, better prepare and equip the Saudi workforce before the world moves irreversibly into a post-oil era; second, and most importantly, to ensure that the ruling Al Saud family undergoes its own process of reform, so that it is fit for purpose and continues to govern Saudi Arabia indefinitely.

MbS not only wants to push Saudi Arabia firmly into the twenty-first century, but he also wants to lead the country into his old age. This requires a major economic and social transformation; and in order to achieve it, he has sought to mobilise popular support behind him. As such, MbS has cultivated a much stronger sense of Saudi nationalism, especially amongst the kingdom's youthful population, most notably by developing new narrative of Saudi exceptionalism; and foreign policy adventures are in part intended to stoke national pride.

This section argues that the emphasis on shaping a new Saudi identity—counterpoised to a wider Gulf or GCC identity—has played a large part in determining recent foreign policy decisions, in particular, the blockade against Qatar. In other words, MbS has used the Qatar crisis to further the following aims: strengthen Saudi national identity; limit the role of the clerical establishment in defining the business environment; and portray the Al Thani as a threat to peace and stability in the region with the wider goal of attracting investment into the kingdom.

MbS has had to overcome a number of domestic peculiarities that have in the past frustrated efforts at deepening what it means to be 'Saudi' given the strong regional identities within the kingdom and the clerical establishment's belief that national identity is irrelevant vis-à-vis the *umma*. For example, it has only been in recent years that Saudi National Day has been celebrated widely inside and outside the kingdom despite late King Abdullah raising its profile in the late 1990s. At the

<sup>53</sup>Kinninmont, J. (2017). *Vision 2030 and Saudi Arabia's Social Contract: Austerity and Transformation*. London: Chatham House.

same time, the GCC has played a role in promoting a Gulf Arab identity amongst the populations of the six states; and its goal of further integrating the social and economic aspects of Gulf nationals seemingly obscured national differences, though more in theory than practice.

It soon became clear after MbS had become Minister of Defence that he would employ a more muscular approach to domestic and foreign policy. His leadership style differed drastically from his predecessors, and it was clear that he had a mission to make policy much punchier than passive. As a young dynamic leader with popular appeal in the kingdom, MbS has sought to transform self-identity amongst young Saudis from passive observers to active nationalists. Despite the apparent failures of his foreign policy initiatives to date, he has used his management style effectively to help forge a more assertive nationalism amongst Saudi youth and counterpoised to it Iranian nationalism and Qatar-driven pan-Islamism. By doing so, MbS—with the aid of strategic communications experts—has helped develop a new sense of national pride, which was previously missing—and his interventions in regional crises and tours of the US and European states have strengthened it further. To that end, a motivation for instituting the blockade against Qatar was to forge further a distinct national identity and mobilise widespread support behind it, thus, giving him political capital to implement changes at home. It set a direct challenge to not only Qatar, but also the relevance of the GCC and has since undermined its integrity as an organisation. Consequently, the ‘Gulf Arab’ identity is basically over.

It appears that MbS drew heavily upon MbZ’s playbook in sidelining the clerical establishment, attributing the ills of society to the role played by the Muslim Brotherhood, and ultimately placing full responsibility for the actions of the transnational Islamist organisation upon Qatar. The blockade against Qatar, therefore, played an important role in justifying MbS’ stringent actions taken against some members of the clerical establishment, reinforcing Saudi identity against a pan-Islamic identity emanating from Doha.

As noted above, MbZ has been influential in helping shape MbS’ worldview. The emerging personal relationship between MbS and MbZ has created an alliance based on mutual interests, ideologies and values. This is manifest in MbS’ domestic and foreign policies. It is clear that MbS has turned to Abu Dhabi as a role model for reforming the kingdom’s conservative society. Again, the goal of doing so is to transform Saudi Arabia’s economic model, so that the Al Saud can continue

to govern in perpetuity. The domestic changes that MbS has introduced echo some of the reforms that MbZ has introduced since becoming crown prince in 2004. This has included centralising powers in the hands of a few: in the case of the UAE, the Bani Fatima and a close circle of trusted advisers<sup>54</sup>; in Saudi Arabia, the Bani Salman and a close circle of technocrats.

Reforms also included a series of measures that appear intended to limit the role of clerics in determining or shaping the business environment. MbS has accelerated a pushback against the religious establishment's influence first started under late King Abdullah. Over the past few years, its activities have been curtailed, which have included a new regulation, passed in April 2016, restricting the powers of the Committee for the Promotion of Virtue and Prevention of Vice. The new regulation required them to report any suspected crimes witnessed to the relevant authorities who can then take the necessary action whether 'pursuit of suspect, capture, interrogation and detainment'.<sup>55</sup> The move has been instrumental in curtailing the activities of the Committee, but more importantly, changing the image of the country and arguably making it more welcoming of international investment.

These measures have also been followed by the arrest of popular clerics Salman al-Auda, Awad al-Qarni, Ali al-Omari and Safar al-Hawali and other high-profile social media activists, who have challenged current policies. Significantly, al-Auda's arrest followed his tweet welcoming a resolution of the Qatar crisis<sup>56</sup> and has given a strong indication that MbS will brook no public criticism of the government's domestic or foreign policy positions. MbS' objective in doing so is to promote an environment that is an attractive international investment, emulates the UAE business climate and stands in contrast to Qatar.

Saudi Arabia has long viewed Qatar's business environment with a mix of suspicion and envy. Former Emir Hamad was able to capitalise upon Qatar's North Field—the world's largest non-associated gas field and transform the country from a sleepy backwater into an active business hub and more significantly a global player. Whilst the kingdom sits on

<sup>54</sup> Gulf States News. (2014). Mohammed Bin Zayed—a President-in-Waiting. *Gulf States News*, Issue 963, 7 February 2014.

<sup>55</sup> Arab News. (2016). Haia Can't Chase, Arrest Suspects. *Arab News*, 14 April 2016.

<sup>56</sup> Al Jazeera. (2018). Cleric Salman al-Awda 'Held Over Qatar Tweet'. *Al Jazeera News*, 7 January 2018.

25% of the world's proven oil reserves, it faces a number of structural challenges that have continuously discouraged international investors from considering it outside of the energy sector. Neighbouring Qatar and the UAE have looked to be more promising centres for investment and neither country faces the same structural constraints as Saudi Arabia.

Given this environment, MbS views Qatar as a regional competitor for foreign direct investment (FDI), as well as a global player and one which could undermine the fulfilment of Vision 2030. Until the blockade in 2017, Qatar's sovereign wealth fund Qatar Investment Authority (QIA) continuously outperformed Saudi Arabia's hamstrung sovereign wealth fund the Public Investment Fund (PIF) and enjoyed multiple high-profile and strategic international investments. PIF, on the other hand, has been playing catch up and waiting for the Aramco IPO to generate funds.

Although not a primary factor, Saudi Arabia's move against Qatar, which has not only blockaded the country but also sought to portray it as a sponsor of Islamist terrorism, has served to undermine the small state's integrity as a centre for investment and a global actor committed to international peace. Furthermore, it has given a boon to MbS' goal of cultivating a strident Saudi nationalism and helped justify his curtailing of the clerical establishment. As such, MbS has sought to reposition Saudi Arabia's image amongst the international community in a much more favourable and investment-friendly light and, at the same time, darken the image of Doha.

## CONCLUSION

This chapter has argued that Saudi Arabia's decision to implement the blockade against Qatar was based upon four factors: primacy of national interest; personality of MbS; influence of MbZ; and MbS and MbZ's vision for the regional order. Although the ruling families of Saudi Arabia and Qatar have long since quarrelled, the nature of the dispute in June 2017 was less personal and more structural owing to the political vacuum left by the US. Nevertheless, the combination of MbZ' strategic vision for the region and the strong personality of Saudi Arabia's new crown prince—and their shared common interests—have made sure that the conflict with Qatar cannot be resolved through diplomatic means, but submission to the new regional order.



## CHAPTER 8

---

# The “Trump Factor” in the Gulf Divide

*Giorgio Cafiero*

### INTRODUCTION

Donald Trump’s victory in America’s 2016 presidential election surprised government officials worldwide. Across the Middle East and North Africa (MENA), countless statesmen scratched their heads and asked endless questions. How would a Trump presidency change US foreign policy in the Arab world? What vision would the new White House have for America in the MENA region? In the wealthy states of the Arabian Peninsula, which have relied on Washington as a security guarantor for decades, regime officials had major concerns about uncertainties in US-Gulf Cooperation Council relations in the post-Barack Obama period.

Nonetheless, while extremely alienated by the Obama administration’s approach to the MENA region, the leadership in the Kingdom of Saudi Arabia and the United Arab Emirates welcomed, and quickly adapted to, the Trump presidency. Riyadh and Abu Dhabi saw Trump’s entry into the Oval Office as an invaluable opportunity to shift Washington’s foreign policy in a new direction that could serve Riyadh and Abu Dhabi’s perceived national interests. The inexperience of Trump and many of those in his inner circle, coupled with Trump’s anti-Iranian and anti-Muslim Brotherhood stances laid out on the campaign trail,

---

G. Cafiero (✉)

Gulf State Analytics, Washington, DC, USA

© The Author(s) 2019

A. Krieg (ed.), *Divided Gulf*, Contemporary Gulf Studies,  
[https://doi.org/10.1007/978-981-13-6314-6\\_8](https://doi.org/10.1007/978-981-13-6314-6_8)

127

left the Kingdom and Abu Dhabi convinced that they had a chance to settle scores with Qatar in ways that would have been far less realistic with either Obama or Hillary Clinton in the Oval Office. Indeed, leaked emails have illustrated how Saudi and Emirati interests influenced Trump, both as a president-elect and as commander-in-chief.<sup>1</sup>

This chapter analyses the Trump factor in both the GCC crisis' eruption and the dispute's unfolding since May/June 2017. This chapter argues that although it is nearly impossible to prove that the so-called "Anti-Terror Quartet"—Bahrain, Egypt, Saudi Arabia, and the UAE—would not have blockaded Qatar had Trump lost the 2016 election, there is solid reason to conclude that the Trump presidency was likely the most important game-changing variable that led to Riyadh and Abu Dhabi's decision to blockade a fellow and founding GCC member. As Andreas Krieg argues, the US has been the Qatar "*crisis' centre of gravity from the beginning.*"<sup>2</sup>

## US-GCC TENSIONS UNDER OBAMA

During Obama's presidency, Washington's alliances with Riyadh, Abu Dhabi, and Manama suffered significantly from numerous points of contest amid the Arab Spring's tumultuous fallout. Egypt was the first major source of tension. Most Arab Gulf rulers viewed Obama as willing to embrace a grassroots-driven revolution that led to the ascendancy of a Muslim Brotherhood-led government in 2012 and 2013, unsettling the Saudi and Emirati leadership which began questioning Washington's commitment to the survival of regimes in the Gulf that enjoyed strong alliances with the US as did the Hosni Mubarak regime. Angry at Obama, Saudi officials accused the former US president of discarding Mubarak like a "used Kleenex".<sup>3</sup> The last administration's meetings with members of Bahrain's now-dissolved Shia opposition faction, *al-Wefaq* National Islamic Society, fuelled more friction between

<sup>1</sup>Ulrichsen, K. (2018). The Needless Crisis in the Arabian Gulf. *Arab Center Washington DC*, 5 June 2018. [http://arabcenterdc.org/policy\\_analyses/the-needless-crisis-in-the-arabian-gulf/](http://arabcenterdc.org/policy_analyses/the-needless-crisis-in-the-arabian-gulf/).

<sup>2</sup>Krieg, A. (2018). One Year on, Trump Remains the Cause of—And Solution to—The Qatar Crisis. *Middle East Eye*, 23 May 2018.

<sup>3</sup>Lynch, M. (2013). *The Arab Uprising: The Unfinished Revolutions of the New Middle East*. New York: Public Affairs.

Washington and Manama, along with Bahrain’s Arab Gulf allies, which saw America under Obama’s leadership as failing to comprehend the nature of the perceived Iranian menace not only within the greater MENA region, but also within the GCC. Despite the UAE’s military joining both the US and Qatar during the NATO-led military campaign against the Libyan regime in 2011, the Libyan Civil War that erupted in mid-2014 quickly became a point of contest between the Obama administration and Abu Dhabi, as El Gomati will further illustrate in Chapter 11. The US backed Libya’s internationally-recognized Tripoli-based Government of National Accord (GNA). Yet the UAE’s Libya policy rested on working with Egypt to support the Tobruk-based secular-leaning House of Representatives (HoR) and Field Marshal Khalifa Haftar’s Operation Dignity campaign against Islamist militias operating under the GNA umbrella, namely the Doha- and Ankara-backed Muslim Brotherhood-linked Misratan fighters.<sup>4</sup>

Unquestionably, the Obama administration’s diplomatic overtures to Iran made the Saudis, Emiratis, and Bahrainis most nervous about the future of Washington’s role in the region. The watershed Iranian nuclear accord of 2015 left these Arab Gulf officials believing that Washington was set on restoring Washington and Tehran’s pre-1979 alliance with negative implications for Riyadh and Abu Dhabi in terms of their importance and relevance to US interests in the Gulf. Another key factor in play were Saudi/Emirati expectations that the lifting of sanctions on the Islamic Republic would embolden Iran’s confident foreign policy in the Arab world’s hotspots from Syria to Yemen and Iraq to Lebanon.

In Iraq, the meteoric rise of Islamic State (ISIS) in 2014 provided Iran an invaluable opportunity to earn more goodwill from the West as the Islamic Republic’s interests in fighting the extremist force overlapped with Washington and European capitals. From the perspective of Saudi Arabia and other Arab Gulf states, the Obama administration’s tacit alliance with Iran in the fight against ISIS only reinforced their belief that the White House failed to take sufficient consideration of GCC concerns over Tehran’s regional conduct into account.<sup>5</sup>

<sup>4</sup>Sheiko, Y. (2018). The United Arab Emirates: Turkey’s New Rival. *The Washington Institute for Near East Policy*, 16 February 2018. [www.washingtoninstitute.org/fikraforum/view/the-united-arab-emirates-turkeys-new-rival](http://www.washingtoninstitute.org/fikraforum/view/the-united-arab-emirates-turkeys-new-rival).

<sup>5</sup>Younis, N. (2017). ISIS: The Rise of ISIS: Iraq and Persian Gulf Security. In K. Ulrichsen (ed.). *The Changing Security Dynamics of the Persian Gulf*. London: Hurst.

Within this context, the Crown Princes of Saudi Arabia and Abu Dhabi—Mohammed bin Salman and Mohammed bin Zayed—initiated more muscular foreign policies to address the destabilizing impacts of the MENA region’s 2011 revolutions and uprisings against the backdrop of Tehran’s perceived regional ascendancy and the rise of ISIS in the Levant, Libya, and Yemen. With MbS and MbZ at the helm, both Saudi Arabia and the UAE’s regimes have further concentrated power within the hands of their de facto rulers and waged increasingly hawkish and more security-oriented foreign policy agendas.

In Saudi Arabia, power is far less diffused among members of the Al Saud family with MbS and King Salman driving the Kingdom’s foreign and domestic policies. Adel Abdel Ghafar explained:

MBS is signalling to the House of Saud and its estimated 15,000 princes that the old, consensus-based order and previous power-sharing arrangements amongst the various branches of the ruling family is effectively over. In the new political order, power is to be consolidated in the office of the king and the crown prince. MBS has established control over all coercive arms of the state apparatus: the army, the police, and now the national guard. The message is clear: Kinship does not guarantee safety; fall in line or be purged.<sup>6</sup>

In the UAE, political clout has been increasingly placed into MbZ’s hands with Abu Dhabi growing increasingly influence at the expense of Dubai and the other emirates, largely because of the financial crash of 2008 which resulted in Abu Dhabi bailing out Dubai.<sup>7</sup>

Within this context of Saudi and Emirati foreign policy becoming increasingly shaped by MbS and MbZ, the two leaders’ perceptions of dangers in the Middle East have driven both to seize any chance to position their countries as geopolitical drivers in the MENA region to fend off security threats. MbS and MbZ both saw the relative decline of US hegemony coupled with the inability of the Arab world’s traditional heavyweights—Egypt, Iraq, and Syria—to lead the regional transitions of

<sup>6</sup>Ghafar, A. (2017). Muhammed bin Salman and the Push to Establish a New Saudi Political Order. *The Brookings Institution*, 9 November 2017. [www.brookings.edu/blog/markaz/2017/11/09/muhammed-bin-salman-and-the-push-to-establish-a-new-saudi-political-order/](http://www.brookings.edu/blog/markaz/2017/11/09/muhammed-bin-salman-and-the-push-to-establish-a-new-saudi-political-order/).

<sup>7</sup>Ulrichsen, K. (2017). *The United Arab Emirates: Power, Politics and Policy-Making*. New York: Routledge.

the post-2011 period, given their internal conflicts and sources of instability, as an opportunity to assert Arab Gulf hegemony in a rapidly evolving region.

MbS and MbZ’s visions for the future of the MENA region are extremely similar and based on many of the same fundamental understandings of the perceived threats posed by Iran, Tehran’s regional Shia proxies, such as Lebanese Hezbollah and Iraq’s Popular Mobilization Units, among others, and Sunni Islamist actors, namely the Muslim Brotherhood.<sup>8</sup> Seeking to become a regional hegemon that continues serving a leadership role in the Islamic world, as the home to Islam’s two holiest sites—Mecca and Medina, Saudi Arabia is determined to have the smaller GCC states operating within Riyadh’s geopolitical sphere of influence with the Council being understood as a Saudi-led institution. Although the UAE’s concerns about Saudi Arabia’s hegemonic aspirations in the Arabian Peninsula have prompted officials in Abu Dhabi to worry about Emirati sovereignty, with MbS and MbZ both at the helm, the two states’ alliance has grown closer albeit with certain points of friction in bilateral affairs.

One issue which the Kingdom and the UAE currently see eye to eye on is Qatar’s role in the MENA region. As the world witnessed in 2014, and much more so in 2017, Saudi Arabia and the UAE have shared perception of Qatar as a “squeaky wheel” within the GCC as Bernard Haykel put it.<sup>9</sup> Basically, Doha’s foreign policy throughout the past 23 years (1996–2019) has frequently undermined the sub-regional organization’s collective security interests, according to Riyadh and Abu Dhabi’s perspectives. A geopolitical ambition shared by Saudi Arabia and the UAE is to reign in Qatar, limit Doha’s regional autonomy, and bring the Arabian Peninsula’s geopolitical order back to the pre-1996 period in which Qatar, much like Bahrain in the current era, joined the “Riyadh consensus” and acted somewhat as a vessel state, never veering too far from the “Saudi shadow.”

Saudi Arabia has had major problems with Qatari foreign policy since Emir Hamad bin Khalifa Al Thani’s ascendancy in 1995, which led to

<sup>8</sup>Gadel, A. and El-Bouanani, M. (2018). MbS and MbZ: Two Princes in a Hurry Shake Up the Gulf. *The New Arab*, 27 April 2018.

<sup>9</sup>Al Jazeera. (2017). What’s Next for Qatar and the GCC? *Al Jazeera UpFront*, 7 July 2017. [www.aljazeera.com/programmes/upfront/2017/07/qatar-gcc-170707094554748.html](http://www.aljazeera.com/programmes/upfront/2017/07/qatar-gcc-170707094554748.html).

Doha playing an “oversized” role in regional geopolitics and broadcasting media networks—namely Al Jazeera—that criticized Saudi Arabia’s rulers and other autocratic regimes in the GCC and greater Arab world.<sup>10</sup> MbZ, who has been the Crown Prince of Abu Dhabi since 2004, has long seen Qatar as a destabilizing force in the region that has undermined the GCC’s collective security interests. Equating virtually all forms of political Islam with terrorism, Abu Dhabi has been extremely angry at Doha over the years because of Qatar’s support for Muslim Brotherhood offshoots and figures. When the 2011 Arab uprisings erupted, Qatar saw the political openings as an opportunity to extend Doha’s clout throughout the MENA region via Qatari-backed Islamist factions in Egypt, Libya, Syria, and elsewhere. From Abu Dhabi’s vantage point, however, Doha’s pro-Muslim Brotherhood orientation constituted an unacceptable flaw in the GCC as Davidson argues in Chapter 5. It required the Council’s other members to act against Doha in order to pressure Qatar into realigning more closely with its Arab Gulf neighbours.

It is these tensions that have widened the Gulf Divide not least since the last diplomatic crisis in the Gulf in 2014. In contrast to Riyadh and Abu Dhabi’s diplomatic moves against Doha in March 2014, the Saudi and Emirati actions in the current GCC dispute—imposing a land, sea, and air blockade, publishing inflammatory articles calling for regime change in Doha in state-owned media networks, etc.—underscore not only how internal dynamics changed in Riyadh and Abu Dhabi between 2014 and 2017, but also how the Trump presidency encouraged MbS and MbZ to use their countries’ leverage over Doha in an effort to pressure the emirate into capitulating to a set of 13 demands which, in practice, would have required Qatar to relinquish its sovereignty.<sup>11</sup>

<sup>10</sup>Mangan, D. (2018). Tiny Qatar Plays a Big, Complicated Role in Trump’s World. *CNBC*, 10 September 2018. [www.cnbc.com/2018/09/10/qatar-plays-a-big-complicated-role-in-trump-world.html](http://www.cnbc.com/2018/09/10/qatar-plays-a-big-complicated-role-in-trump-world.html).

<sup>11</sup>Hennessey-Fiske, M. (2017). Will Qatar Agree to Arab Countries’ New List of Demands? Unlikely. *Los Angeles Times*, 24 June 2017.

## TARGET: QATAR

Saudi and Emirati anger towards Qatar’s post-Arab Spring foreign policy and media culture first culminated in the Gulf crisis of 2014. In March of that year, Saudi Arabia, the UAE, and Bahrain withdrew their envoys from Doha until November. During that spat the Obama administration maintained neutrality and believed that picking sides in the *Khaleeji* dispute would undermine US national interests in preserving Washington’s close alliances with all six GCC members. Rather than egging on either Qatar or its Arab Gulf neighbours, the White House pushed both sides to reach the November 2014 Riyadh agreement, which, at least on paper, resolved the spat. According to one interlocutor in Qatar, amid the Gulf crisis of 2014 the Obama administration conveyed to Saudi Arabia and the UAE that any military action against Doha would meet a firm response from the US, which has its largest military installation in the Middle East—US CENTCOM’s forward headquarters—based in al-Udeid, Qatar.<sup>12</sup>

According to Kristian Coates Ulrichsen, there were strong signs that Abu Dhabi sought to pressure Doha into changing its foreign policy during 2016. Yet the Obama administration rebuffed such Emirati efforts, only to exacerbate friction between the previous White House and the UAE.<sup>13</sup> In January 2018, Ben Rhodes, Obama’s deputy national security advisor for strategic communications and speechwriting, stated that during “*the break with Qatar, we basically had to spend a lot of time trying to prevent that from happening.*”<sup>14</sup> Rhodes affirmed that the Qatar crisis’ eruption in June 2017 was a development which the Obama administration had invested energy into forestalling in the interest of preserving the GCC’s institutional relevance.<sup>15</sup>

<sup>12</sup>Interview with interlocutor in Doha, Qatar (May 2016).

<sup>13</sup>Ulrichsen, K. (2018). Fire and Fury in the Gulf. *Gulf State Analytics*, 31 January 2018. <https://gulfstateanalytics.com/fire-fury-gulf/>.

<sup>14</sup>Glasser, S. (2018). The Full Transcript: Ben Rhodes and Samantha Power. *Politico*, 15 January 2018.

<sup>15</sup>Ibid.

## THE TRUMP FACTOR

MbS and MbZ quickly saw Trump's 2016 victory as a special opportunity to settle scores with Qatar given that the new US leadership had indicated that its preference was for discarding traditional and conventional decision-making that for decades had shaped Washington's foreign policy in the MENA region. In Ulrichsen's words, "*To the rulers of Saudi Arabia and the UAE, the Trump White House appeared to be operating in the same personalized top-down manner as their own royal courts in Riyadh or Abu Dhabi.*"<sup>16</sup>

Moreover, after Trump won the presidential election and began forming his cabinet, anti-Islamist regimes and administrations in MENA states—chiefly the UAE, Egypt, and Libya's HoR—were optimistic about the incoming White House reversing policies of the Obama administration in Egypt, Libya, and elsewhere, which the UAE and some of its regional allies saw as being pro- Muslim Brotherhood. Officials in Libya's UAE- and Egypt-backed HoR, which has aligned with the quartet against Qatar since June 2017, quickly expressed optimism about the incoming Trump administration following Clinton's defeat. In November 2016, one parliamentarian in Tobruk, Tarek al-Jaroushi, announced:

I strongly support Trump because of his and the Republicans' resolute and decisive attitudes... The Republican Party, which understands the truth about [ISIS] and the positions and the victories of the Libyan army, will support us.<sup>17</sup>

Indeed, rhetoric and legislative action from the new administration's officials served as the basis for this optimism on the part of Saudi, Emirati, Bahraini, and Egyptian officials that Trump's White House would remove pressure on Qatar's Arab neighbours to avoid confronting Doha. While campaigning for the presidency, Trump identified the Muslim Brotherhood as a "radical" group and joined officials in Riyadh and Abu Dhabi in criticizing Obama's response to Egypt's Arab Spring revolution

<sup>16</sup>Ulrichsen, K. (2018). The Needless Crisis in the Arabian Gulf. *Arab Center Washington DC*, 5 June 2018. [http://arabcenterdc.org/policy\\_analyses/the-needless-crisis-in-the-arabian-gulf/](http://arabcenterdc.org/policy_analyses/the-needless-crisis-in-the-arabian-gulf/).

<sup>17</sup>Lewis, A. (2016). East Libyan Factions See Possible Boost in Trump Victory. *Reuters*, 10 November 2016.

of 2011.<sup>18</sup> Secretary of State Mike Pompeo, who previously served as CIA director, co-sponsored legislation to ban the Muslim Brotherhood in his capacity as a Republican Congressman during the Obama presidency.<sup>19</sup> During his confirmation hearings as a nominee for Secretary State, Rex Tillerson accused the Muslim Brotherhood of being “an agent of radical Islam”.<sup>20</sup> Frank Gaffney, who served Trump’s team as an advisor, stated that the Sunni Islamist movement is set on “*destroying Western civilization from within*” and “*its penetration and manipulation of the Republican Party and the conservative movement in America*” was one of its “*most successful influence operations.*”<sup>21</sup>

Shortly after Trump defeated Clinton, Saudi and Emirati officials initiated contact with their counterparts in the incoming administration. In the month following Trump’s victory, MbZ quietly travelled to New York for a three-hour meeting in Trump Tower, which escaped the media’s radar at the time. The Crown Prince of Abu Dhabi met with Jared Kushner, Steve Bannon, and Michael Flynn. MbZ’s visit created a degree of controversy given that officials in Abu Dhabi did not notify the outgoing administration that the UAE’s de facto ruler was present in the US, which is customary for any leader of a foreign country visiting the US.<sup>22</sup>

Kushner, the Trump administration official responsible for devising much of the White House’s MENA foreign policy, developed particularly close relations with the UAE’s ambassador to Washington, Yousef al-Otaiba. An old confidante of Trump, Thomas Barrack Jr., facilitated Kushner and Otaiba’s meeting.<sup>23</sup> Annie Karni wrote in a *Politico* piece that early on in Trump’s term, Kushner and the UAE’s ambassador to

<sup>18</sup>Beckwith, R. (2016). Read Donald Trump’s Speech Criticizing Hillary Clinton on Foreign Policy. *Time*, 22 June 2016.

<sup>19</sup>Beinart, P. (2018). Mike Pompeo’s Allies on the Anti-Muslim Right. *The Atlantic*, 15 March 2018.

<sup>20</sup>Hosenball, M. (2017). Trump Administration Debates Designating Muslim Brotherhood as Terrorist Group. *Reuters*, 9 January 2017.

<sup>21</sup>Cafiero, G. (2016). Donald Trump: A Win for the UAE? *LobeLog*, 28 November 2016. <https://lobelog.com/donald-trump-a-win-for-the-uae/>.

<sup>22</sup>Kumar, A. and Wieder, B. (2017). Steve Bannon’s Already Murky Middle East Ties Deepen. *McClatchy Washington Bureau*, 23 October 2017. [www.mcclatchydc.com/news/politics-government/white-house/article180111646.html](http://www.mcclatchydc.com/news/politics-government/white-house/article180111646.html).

<sup>23</sup>Kirkpatrick, D. (2018). Who Is Behind Trump’s Links to Arab Princes? A Billionaire Friend. *New York Times*, 13 June 2018.

the US were “*in almost constant phone and email contact.*”<sup>24</sup> According to Karni’s article, Otaiba said that in his conversations with Kushner, “*he did all the asking, and I did all the talking.*”<sup>25</sup>

During the transition from Obama to Trump’s administration, one of Trump’s key fundraisers, Elliot Broidy, who worked in tandem with Lebanese business tycoon George Nader, pressed the incoming White House to adopt an anti-Qatar agenda. Reportedly, both Broidy and Nader were acting on behalf of MbZ “*in exchange for the promise of lucrative contacts in the UAE, some of which materialized.*”<sup>26</sup>

UAE-based Erik Prince, who was a strong Trump supporter during the 2016 election, brother of the Trump administration’s Secretary of Education Betsy DeVos, and former head of Blackwater, played a role in shaping the incoming White House’s special relationship with Abu Dhabi. Having been hired by the UAE to form a new private security force in the aftermath of Blackwater shutting down in 2009, Prince “*presented himself as an unofficial envoy for Trump to high-ranking Emiratis.*”<sup>27</sup> Additionally, he met with a member of Russian President Vladimir Putin’s inner circle in the Seychelles for a UAE-organized meeting in January 2017, shortly before the Trump administration entered the White House.<sup>28</sup> Reportedly, the meeting in the East African archipelago state was aimed at creating a solid backchannel between the Trump administration and the Kremlin on the Iranian and Syrian files.<sup>29</sup>

After Trump’s first term began, ambassador Otaiba deepened his relationship with Kushner who, at that time, also began consulting more frequently with Saudi officials, including his fellow millennial MbS. Kushner and MbS’ closeness was such that by October 2017, when Trump’s advisor and son-in-law made an unannounced visit to the

<sup>24</sup>Karni, A. (2017). Jared Kushner’s Mission Impossible. *Politico*, 11 February 2017.

<sup>25</sup>Ibid.

<sup>26</sup>Ulrichsen, ‘The Needless Crisis in the Arabian Gulf’.

<sup>27</sup>Entous A., Miller, G., Sieff, K., and DeYoung, K. (2017). Blackwater Founder Held Secret Seychelles Meeting to Establish Trump-Putin Back Channel. *Washington Post*, 3 April 2017.

<sup>28</sup>Ibid.

<sup>29</sup>Ibid.

Kingdom, the two allegedly stayed up until the early hours each morning “*swapping stories and planning strategy.*”<sup>30</sup>

By the time of Trump’s historic visit to Riyadh in May 2017, which was his first overseas trip as president, it appeared that Saudi and Emirati efforts to influence the White House to adopt a harsh stance against Qatar had proven successful. As one analyst contended, “*the blockading countries wanted the Riyadh summit and their relationships with the Trump administration to be a bridge to isolate Qatar and possibly invade it.*”<sup>31</sup> Despite the US President’s speech in Riyadh including praise for Qatar as a “crucial strategic partner” and a host of US CENTCOM, his reaction on Twitter to the blockade one day after its implementation led to officials in Doha interpreting his tweets to signal the White House’s green light for a Saudi/UAE-led military campaign against Doha, aimed at changing the regime in Doha.<sup>32</sup>

According to Bannon, Trump’s visit to Riyadh was the catalyst for the siege on Qatar. Speaking at a Hudson Institute conference in October 2017, titled “Facing Violent Extremism: Qatar, Iran and the Muslim Brotherhood,” the former White House strategist stated that the summit created a “fundamental change” in Saudi Arabia, the UAE, and Egypt’s approach to combatting terrorism with Qatar becoming their renewed target.<sup>33</sup> Bannon asserted:

I do not think it is just a coincidence that two weeks after this summit, you saw the blockade imposed by the UAE, Bahrain, Egypt, and Saudi Arabia on Qatar... We went to the summit with the UAE, Saudi Arabia and others. The first thing is that we have to pay attention to this funding for radical Islam, and there cannot be more [funding]... You cannot be on two roads. On the one hand, you cannot say you are a friend and an ally, and on the other hand you fund the Muslim Brotherhood or Hamas.<sup>34</sup>

<sup>30</sup>Emmons, A., Grim, R., and Swisher, C. (2018). Saudi Crown Prince Boasted That Jared Kushner Was “In His pocket”. *The Intercept*, 21 March 2018. <https://theintercept.com/2018/03/21/jared-kushner-saudi-crown-prince-mohammed-bin-salman/>.

<sup>31</sup>Qatar Tribune. (2018). A Year After Riyadh Summit, Unity and Stability Elude the Region. *Qatar Tribune*, 22 May 2018.

<sup>32</sup>Ulrichsen, “The Needless Crisis in the Arabian Gulf”.

<sup>33</sup>MEMO. (2017). Former Adviser to Trump: Riyadh Summit Triggered Siege on Qatar. *Middle East Monitor*, 25 October 2017. [www.middleeastmonitor.com/20171025-former-adviser-to-trump-riyadh-summit-triggered-siege-on-qatar/](http://www.middleeastmonitor.com/20171025-former-adviser-to-trump-riyadh-summit-triggered-siege-on-qatar/).

<sup>34</sup>Ibid.

Kushner provided the blockading states assurances that the White House would not defend a blockaded Qatar under siege or counter any of the quartet's actions against Doha.<sup>35</sup> Writing for *The Intercept*, Clayton Swisher and Ryan Grim reported that Kushner Companies—the real estate firm headed by Kushner's father Charles—turned to Qatar's Minister of Finance in an effort to receive investment for the firm's property at 666 Fifth Avenue in a brief meeting held at the St. Regis Hotel in New York during the final week of April 2017.<sup>36</sup> The following day there was a follow-up meeting at the Kushner property, which the Qatari Minister of Finance did not attend. The failure of both sides to reach a deal might have motivated Kushner to make moves which “*undermined efforts by Secretary of State Rex Tillerson to bring an end to the [Gulf] standoff,*” according to Swisher and Grim.<sup>37</sup>

### UPHEAVAL IN THE TRUMP ADMINISTRATION

One day after the ATQ blockaded Qatar, Trump took to Twitter to express his initial support for the bloc's unprecedented action against Doha. The American commander-in-chief tweeted:

During my recent trip to the Middle East I stated that there can no longer be funding of Radical Ideology. Leaders pointed to Qatar... So good to see the Saudi Arabia visit with the King and 50 countries already paying off. They said they would take a hard line on funding extremism, and all reference was pointing to Qatar. Perhaps this will be the beginning of the end to the horror of terrorism!<sup>38</sup>

Shortly after the diplomatic row broke out in the Gulf and just before Trump's perceived endorsement of the quartet's siege of Qatar on Twitter, Tillerson stressed the importance of GCC members remaining

<sup>35</sup>Qatar Tribune, 'A Year After Riyadh Summit'.

<sup>36</sup>Swisher, C. and Grim, R. (2018). Jared Kushner's Real-Estate Firm Sought Money Directly from Qatar Government Weeks Before Blockade. *The Intercept*, 2 March 2018. <https://theintercept.com/2018/03/02/jared-kushner-real-estate-qatar-blockade/>.

<sup>37</sup>Ibid.

<sup>38</sup>Rampton, R. (2017). Trump Takes Sides in Arab Rift, Suggests Support for Isolation of Qatar. *Reuters*, 6 June 2017.

“unified.”<sup>39</sup> Of course, Trump’s tweets severely undermined Tillerson’s statement and highlighted the inexperienced administration’s dysfunctionality. When asked about Trump’s tweets, Republican Senator Bob Corker, chairman of the Senate Foreign Relations Committee, was confused and asked who wrote those tweets and when they went out: “*The president? When did that occur?*”<sup>40</sup>

Yet, on the same the day which Trump tweeted his endorsement of the blockade, Tillerson and Secretary of Defense Jim Mattis began pressuring the president to take a more moderate and neutral approach to the Qatar crisis aimed at resolving the dispute to protect Washington’s interests in the Middle East. Within three hours of Trump harshly accusing high-ranking Qatari officials of sponsoring terrorism in his tweets, the Pentagon officially stated that America’s military was grateful for Doha’s support and “*enduring commitment to regional security.*”<sup>41</sup> The Pentagon’s spokesperson refused to comment on the president’s tweets from that afternoon.<sup>42</sup>

### TRUMP’S QUICK SHIFT ON QATAR

Soon after his controversial tweets in favour of the blockade, Trump completely changed his stance on the Qatar crisis. He not only quickly stopped accusing the emirate of sponsoring terrorism and extremism, but also expressed gratitude to Qatar’s Emir Tamim for supporting America’s struggle against terrorism and agreed to a USD 12 billion fighter jet deal with Doha—all that only a number of days after his tweets about Qatar.<sup>43</sup> In July 2017, Tillerson engaged in shuttle diplomacy in the GCC, travelling to Kuwait, Qatar, and Saudi Arabia with the

<sup>39</sup>Gaouette, N. and Starr, B. (2017). Trump Appears to Take Credit for Gulf Nations’ Move Against Qatar. *CNN*, 6 June 2017.

<sup>40</sup>Geltzer, J. (2017). What Trump’s Qatar Tweets Revealed. *The Atlantic*, 7 June 2017.

<sup>41</sup>Stewart, P. (2017). U.S. Military Praises Qatar, Despite Trump Tweet. *Reuters*, 6 June 2017.

<sup>42</sup>Al Jazeera. (2018). Qatar’s Blockade in 2017, Day by Day Developments. *Al Jazeera*, 18 February 2018. [www.aljazeera.com/news/2017/10/qatar-crisis-developments-october-21-171022153053754.html](http://www.aljazeera.com/news/2017/10/qatar-crisis-developments-october-21-171022153053754.html).

<sup>43</sup>Ajmera, A. and Stone, M. (2017). Qatar Signs \$12 Billion Deal to Buy F-15 Jets from U.S. *Reuters*, 14 June 2017.

objective of resolving the diplomatic crisis.<sup>44</sup> By July 11, Washington and Doha signed a counterterrorism agreement, and in November the US and Qatar held their first counterterrorism dialogue in Washington.<sup>45</sup> America's then-Secretary of State praised Qatar's response to the quartet's actions as "very reasonable."<sup>46</sup> That month, Trump told *CBN News* that Washington is "*going to have a good relationship with Qatar and not going to have a problem with the military base [at al-Udeid].*"<sup>47</sup>

Ultimately, pressure from high-ranking officials within the Trump administration led to the American president reversing his stance against Doha. Clearly, the political establishment in Washington and many entrenched interest groups with stakes in keeping the US–Qatar alliance strong did not adopt the president's position against Doha expressed in his June 6, 2017 tweets. Fortunate for Qatar was Tillerson's support for Qatar, rooted in his service as ExxonMobil's CEO. As Ulrichsen opined, Tillerson "*knows probably more than anyone else in the US the true value of the Qatari partnership to the US.*"<sup>48</sup>

America and Qatar's military-to-military relationship has institutionalized since the strategic alliance began to take off in the 1990s, and especially so after the George W. Bush administration relocated US CENTCOM's forward headquarters from Saudi Arabia to Qatar in the early 2000s. Mattis was fully aware of how the US military presence in Qatar makes the emirate a vital ally as the al-Udeid base has for years enabled the US military to conduct military operations in conflicts across Afghanistan, Iraq, and Syria.<sup>49</sup>

<sup>44</sup>Qiblawi, T. (2017). Gulf Crisis: Tillerson Leaves Qatar After Saudi Meetings. *CNN*, 13 July 2017.

<sup>45</sup>Finn, T. (2017). U.S., Qatar Sign Agreement on Combating Terrorism Financing. *Reuters*, 10 July 2017; United States Department of State. (2017). First U.S.-Qatar Counterterrorism Dialogue. United States Department of State, 8 November 2017. [www.state.gov/r/pa/prs/ps/2017/11/275409.htm](http://www.state.gov/r/pa/prs/ps/2017/11/275409.htm).

<sup>46</sup>Finn, T. (2017). Visiting Doha, Tillerson Calls Qatari Position 'Reasonable'. *Reuters*, 11 July 2017.

<sup>47</sup>Al Jazeera. (2017). Trump: We Will Maintain Good Relations with Qatar. *Al Jazeera*, 15 July 2015. [www.aljazeera.com/news/2017/07/trump-good-relations-qatar-170714230137824.html](http://www.aljazeera.com/news/2017/07/trump-good-relations-qatar-170714230137824.html).

<sup>48</sup>Mudahka, F. (2018). Trump's Renewed Reconciliation Calls 'Could Help Solve Gulf Crisis'. *Gulf News*, 1 February 2018.

<sup>49</sup>Des Roches, D. (2017). A Base Is More Than Buildings: The Implications of the Qatar Crisis. *War on the Rocks*, 8 June 2017. <https://warontherocks.com/2017/06/a-base-is-more-than-buildings-the-military-implications-of-the-qatar-crisis/>.

Scores of neo-conservative voices in Washington, who have grievances with Qatar dating back to al-Jazeera’s critical reporting on the US occupation of Iraq following Saddam Hussein’s ouster in 2003, as well as former Secretary of Defense Robert Gates, have advocated that Washington threatens to relocate the US military base at al-Udeid to another location in the Gulf if Doha fails to sever ties with Islamist “terrorists” in the MENA region.<sup>50</sup> Yet a host of logistical and political factors have made it unlikely that the US would ever do so.

Put simply, for all Arab Gulf leaders there are political risks associated with these countries’ indigenous populations seeing their rulers as “lackeys” of Western powers, chiefly the United States. Growing perceptions of Arab Gulf regimes being America’s puppets is a factor that would give most GCC states second thoughts about agreeing to host US CENTCOM’s forward headquarters. At a time in which perpetually low oil prices and regional unrest have, to varying degrees, challenged Arab Gulf leaders’ legitimacy at home, Qatar stands out among GCC governments as the least threatened by any internal ideational threats. Qatar’s small geography, tiny indigenous population of only 300,000, and financial resources, which the state has invested heavily in its own people via generous social programmes, have enabled the Al Thani family to avoid any credible threats to its legitimacy from any segments of its native citizenry.<sup>51</sup> Thus, for Qatar, the political risks of continuing to host the US military’s largest installation in the Middle East are substantially lower than they would be for other GCC states which have been more challenged to preserve internal stability throughout the post-2011 period. In other words, the comparative strength of the social contract between Qatar’s rulers and subjects has served to make the emirate a relatively safe place for US CENTCOM’s forward headquarters.

Qatar’s investments in the US economy, especially since the financial crash of 2008, have also curried Doha much favour among American officials. The Qatar Investment Authority, Qatar’s sovereign wealth fund (SWF), helped the US economy recovery after the 2008 crisis through large investments in major American cities such as New York, Chicago, and Phoenix. The fact that major American academic institutions, such

<sup>50</sup>Karam, J. (2017). Sanctions, Leaving Military Base ‘Possible Options Against Qatar’. *Arab News*, 27 May 2017.

<sup>51</sup>Adams, T. (2018). From Qatar’s Blockade, a Bold, Unexpected New Vision Is Emerging. *The Guardian*, 6 May 2018.

as Cornell, Carnegie Mellon, Georgetown, Texas A&M, and Virginia Commonwealth universities, have branches in the emirate has further cemented the bonds between America and Qatar. Additionally, Doha, as a major purchaser of arms, is important to America's defence sector, having spent USD 9 billion on American weaponry between 2001 and July 2017, including US weapons systems such as Apache attack helicopters, Javelin missiles, and missile defence systems.<sup>52</sup>

Trump's firing of Tillerson on March 13, 2018 raised questions about how or if the US would change its stance on the Qatar crisis. With Pompeo replacing Tillerson, many analysts expected Washington to embrace a new stance on the Gulf dispute far more favourable to the quartet. Pompeo's record as being extremely hawkish on Iran and staunchly opposed to the Muslim Brotherhood informed such analyses, which predicted that the new Secretary of State would not share Tillerson's view that maintaining neutrality in the Gulf crisis and pushing for GCC unity would best serve Washington's interests. Given that the quartet did not share Tillerson's perceptions of the Qatar crisis, there was much speculation that Trump's decision to fire him was triggered by pressure from the Gulf. Shortly after the press reported on Tillerson's ouster, the Dubai-based Emirati political scientist Abdulkhaleq Abdulla labelled Trump's first Secretary of State "*the worst foreign minister in the history of America*" and suggested on Twitter that Saudi/Emirati dissatisfaction with Tillerson led to his firing.<sup>53</sup> Abdulla wrote, "*History will remember that a Gulf state had a role in expelling the foreign minister of a superpower and that's just the tip of the iceberg.*"<sup>54</sup>

Nonetheless, with Pompeo serving as Washington's chief diplomat, the US has stood by Qatar and refused to buy the quartet's narrative about Doha being a sponsor of violent extremism. Pompeo, while travelling from Europe to the Middle East within 48 hours of being sworn in as Secretary of State in April 2018, called for an end to the GCC crisis. He stated that "*enough is enough*" in a message intended for Riyadh.<sup>55</sup>

<sup>52</sup>Enos, E. and Stohl, R. (2017). Examining US Arms Sales to Qatar. *Stimson Center*, 20 July 2017. [www.stimson.org/content/examining-us-arms-sales-qatar](http://www.stimson.org/content/examining-us-arms-sales-qatar).

<sup>53</sup>Arab News. (2018). Gulf Arabs Relish Tillerson Firing; Iran Weighs Nuclear Deal. *Arab News*, 14 March 2018. [www.arabnews.com/node/1266091/middle-east](http://www.arabnews.com/node/1266091/middle-east).

<sup>54</sup>Ibid.

<sup>55</sup>Harris, G. (2018). Pompeo's Message to Saudis? Enough Is Enough: Stop Qatar Blockade. *New York Times*, 28 April 2018.

Since becoming Secretary of State, Pompeo has clearly joined other high-ranking officials in Washington in viewing GCC unity as an important US national interest. The White House’s efforts to unite America’s Sunni Arab allies against Iran’s expansion and consolidation of influence throughout the Middle East have suffered from the Qatar crisis, which the Trump administration recognizes has given Tehran yet another wedge in the Arab world to exploit for its own geopolitical and economic empowerment. As Simon Henderson argued, “*Pompeo’s decision to take the Tillerson perspective on the Gulf crisis was probably a consequence of the simple judgment that there is a more important issue to focus on — namely, Iran.*”<sup>56</sup>

Illustrative of how the US–Qatar alliance has only strengthened since Pompeo replaced Tillerson is the fact that in July 2018 Qatari and American officials announced the launching of a project to expand the US military presence at al-Udeid amid discussions about making it “permanent.” Qatari state-owned media reported that

the construction of barracks and service buildings to support joint security efforts, as well as improving the quality of life of the troops stationed at the airbase... underscores Qatar’s commitment to deepening its strategic military relations with the United States.<sup>57</sup>

## CONCLUSION

Nearly two years into the Qatar crisis, the Trump administration faces a major dilemma albeit one that is largely of its own making through the White House’s encouragement of hawkish conduct on Saudi Arabia and the UAE’s part. With MbS and MbZ in power and Emir Tamim at the helm in Doha, odds are good that the Gulf Divide will become a permanent reality in the Arab world’s geopolitical order with serious implications for alliances, strategic partnerships, and trade relationships in the increasingly polarized Gulf and beyond. How could

<sup>56</sup>Henderson, S. (2018). Pompeo Says ‘Enough’ to Gulf Royals’ Rift with Qatar. *The Hill*, 30 April 2018. <https://thehill.com/opinion/international/385435-pompeo-says-enough-to-gulf-royals-rift-with-qatar>.

<sup>57</sup>(2018). Qatar, US Plan ‘Expansion’ of Al-Udeid Airbase. *The New Arab*, 25 July 2018. [www.alaraby.co.uk/english/news/2018/7/24/qatar-us-plan-expansion-of-al-udeid-airbase](http://www.alaraby.co.uk/english/news/2018/7/24/qatar-us-plan-expansion-of-al-udeid-airbase).

Trump get MbS and MbZ to make certain concessions to Qatar to resolve the *Khaleeji* dispute is the one-million-dollar question. His failure to, thus far, bring the leaders of the involved countries to a summit in the US suggests that certain GCC leaders' refusal to come tells us that Washington's mediation may fail to end the crisis.

Undoubtedly, aside from Iran, all states in the Gulf region—plus the US and other Western countries—are set to be long-term losers from the Qatar crisis even if such short-term gains are evident, highlighted by the boost to Oman's economy thanks to Qatar relocating its logistics hubs from Dubai to Sohar and increasing Qatari investment in the Sultanate on top of growing bilateral trade stemming from Muscat's "neutrality" in the crisis.<sup>58</sup> Trump's speech at the Riyadh summit in May 2017 emphasized the need for the Arab/Islamic world to unite against violent fundamentalists, which the president blamed Iran more than any other state for emboldening and sponsoring. If the White House remains set on pushing back against Iran's regional ascendancy, a functional GCC will be essential from an American perspective. At a time in which Tehran asserts influence in the Arab/Islamic world by supporting militias in Iraq, Syria, Lebanon, and elsewhere, difficult questions about how the US will interact with the Islamic Republic in a post-nuclear deal environment remain open. If Washington's allies in the Arabian Peninsula can move past this highly emotive dispute, which has been unprecedented for the GCC since its founding in 1981, the White House will be in a far stronger position to counter Iran.

If the US—or any other state in the world such as Kuwait, France, Oman, or Russia—will ever prove capable of providing Riyadh and Abu Dhabi with ways to ease their current stances against Qatar while maintaining a sense of dignity remains to be seen. If not, it would be safe to bet that future historians will interpret the institutionalization of the GCC's Qatar rift as a legacy of the Trump administration's first year in the Oval Office.

<sup>58</sup>Baabood, A. (2017). Oman and the Gulf Diplomatic Crisis. *Oxford Gulf & Arabian Peninsula Studies Commentary*, Autumn 2017. [www.oxgaps.org/files/commentary\\_-\\_baabood.pdf](http://www.oxgaps.org/files/commentary_-_baabood.pdf).



## CHAPTER 9

---

# The Political Economy of the Gulf Divide

*Steven Wright*

### INTRODUCTION

The coordinated campaign of Saudi Arabia, the United Arab Emirates, Bahrain, and Egypt, which culminated in the 5th June 2017 severance of diplomatic relations and enactment of an embargo on Qatar, can be understood from the outset as constituting a fundamental rupture of the regional order. The character and severity of the crisis is a watershed moment in regional relations as it has fractured commonly held outlooks on regional order to an extent where their incompatibility goes beyond manageable state-to-state friction over autonomy, to being one where national security and monarchical stability is seen to be threatened. While the six states which comprise the Gulf Cooperation Council have intermittently suffered from rivalry and actions that challenged both autonomy and security of fellow member states, a common understanding and outlook on regional order had largely prevailed that allowed for reconciliation and pragmatic cooperation.

While the consensus for cooperation and progressive cooperation between the GCC countries has stood since the organization was founded in 1981, the ‘Ramadan Blockade’ of 2017 is an action which reflects a fundamental difference in outlook between Qatar and the

---

S. Wright (✉)  
Hamad Bin Khalifa University, Doha, Qatar  
e-mail: [stwright@hbku.edu.qa](mailto:stwright@hbku.edu.qa)

© The Author(s) 2019  
A. Krieg (ed.), *Divided Gulf*, Contemporary Gulf Studies,  
[https://doi.org/10.1007/978-981-13-6314-6\\_9](https://doi.org/10.1007/978-981-13-6314-6_9)

blockading states on regional order, in addition to the ideals of gradualist regional integration through the GCC as an organization. As highlighted above, while various historical grievances have undoubtedly existed between the six GCC states; it was the 2011 region-wide uprisings which were to be decisive in reshaping the geopolitical landscape of the wider region, and the legacy of which is still being felt in the contemporary age through the way it challenged the GCC consensus on regional order. These different outlooks by the Gulf States on regional order were to crystallize into incompatible positions, with Qatar taking the view that the region-wide uprisings, against long-standing rulers, heralded an opportunity for a new progressive era for the region. Essentially, Qatar's outlook has been one of gradualist and progressive-pragmatism, as it sees a greater emphasis on popular self-determination, the rule of law, and an opening of civil society, to be at the forefront of what the region needs for development and security to be achieved. Comparatively, the Saudi-led group is seeking maintenance of the traditional monarchical status-quo, as social or political liberalism, and an opening of civil society, is viewed as a threat to their national security and dynastic rule. Indeed, the manner in which the 2011 uprisings took place, in addition to a resurgent Iran, has heightened a sense of insecurity that has sharpened this interpretation of the risks of progressive-pragmatism and gradualist liberalism.

Such incompatible views on regional order are instructive given they are interpreted as detrimental to the 'others' national security as well as overall regional order. In light of these positions, and the actions taken against Qatar, the strategic goal of the 2017 Ramadan crisis can be understood as fixated on seeking regime change to force Qatar into a subservient vassal-state relationship that is contrary to international legal norms on the need to safeguard state sovereignty. While such motivations and the incompatible outlooks on regional order have clear longer-term ramifications, they are also useful in contextualizing the drivers behind the political economy impact of the actions taken, in addition to Qatar's response, and therefore aid in the below evaluation. In essence, it reflects incompatible conceptions of security needed for survival, and thus underlines the challenge of conflict resolution and reconciliation. Indeed, the character of mutual security guarantees, which would be needed to enable an easing of the crisis, seems to many seasoned observers as something which can both prolong the crisis in a manner which

sees it become a new regional norm, which would shape security calculations and international relations.

From the outset, it is important to recognize that the March 2014 withdrawal of ambassadors by Saudi Arabia, the UAE, and Bahrain, which ended following Qatar signing the 2014 Riyadh Agreement, was a key event which impacted on Qatari decision-making about its neighbours during the reign of Qatar's Emir, Sheikh Tamim bin Hamad Al-Thani. The abrupt withdrawal of the ambassadors came within the first twelve months of Sheikh Tamim becoming Emir. Yet, the manner in which it occurred, in addition to how it was used to get Qatar to commit to the provisions of the Riyadh Agreement, which typified the outlook of the Saudi-led bloc on regional order, underlined a duplicity on behalf of the UAE, Saudi Arabia, and Bahrain, in their dealings with Qatar given the abrupt nature of the 2014 crisis. What is important here is that, for Qatari policymakers, it undoubtedly confirmed that such actions might reoccur in the future. While the 2014 withdrawal of the ambassadors did not extend to a maritime, air or land embargo, it is clear that it prompted contingency planning by the Qatari government for such a possibility, regardless of how remote. In terms of understanding how Qatar was able to respond to the June 2017 crisis and manage its economic impact, it is therefore necessary to contextualize it as a coordinated response which had been contemplated since the end of the 2014 crisis, which itself was a product of the incompatible views on regional order which had crystallized since 2011. Such contingency planning would have varied in its sophistication across different arms of the government, but it is sufficing to recognize that it existed.

As will be shown in this chapter, the impact of the 2017 Ramadan Blockade proved to have a controllable impact based on such planning and proved unable to destabilize the economy, thus impacting the political system, which was the strategic intention. During the crisis, it was progressively turned into an opportunity for economic diversification and self-sufficiency in crucial areas. In order to demonstrate this further, this chapter will engage with the three core issues of macroeconomic and financial resiliency, the impacts on trade, and finally the context of Qatar as an energy exporter. The central argument, however, remains that the embargo on Qatar failed to achieve its strategic objective based on the resiliency Qatar has shown for the reasons discussed above, in addition to it progressively building on the circumstances in a manner which spurred greater self-sufficiency and development.

## ECONOMIC RESILIENCE

A central aspect of the 2017 Gulf Crisis was an effort to undermine Qatar's economy as a means of applying pressure on the political system and leadership of the country. This was done through three main pillars: disrupting Qatar's trade, seeking to undermine confidence in the economy, and through attempting to destabilize Qatar's currency. While a discussion on Qatar's trade logistics will be discussed in a subsequent section, attention here will be given to the other two pillars identified.

A vital characteristic of the Ramadan Blockade has been the way cyber warfare has employed disinformation as Krieg writes in Chapter 6. This was directed towards impacting Qatar's international standing, fostering social divisions between society and the political elite, in addition to raising concern among investors and financial analysts towards impacting on Qatar's economic standing and suitability as a venue for foreign direct investment. Ultimately, Qatar proved resilient against these challenges and at a social level, the opposite impact was observed through social cohesion and support for the Qatari leadership intensifying among Qatari nationals and resident expatriates in the face of the existential threat. In the initial period of the blockade, disinformation created a climate of uncertainty internationally as the coordinate campaign was instigated. This manifested itself through Qatar's sovereign credit rating being downgraded by S&P Global Ratings on 7 June 2017 from AA- to AA, based on the concerns that were created by the enactment of the blockade and the disinformation that had been used to heighten a sense of alarm.<sup>1</sup> This was followed by a downgrading of one level by the agency Fitch, to AA- with a negative outlook. Such ratings are instructive as it underlines how global markets perceive Qatar's long-term and short-term foreign and local currency sovereign rating.

When viewed holistically, the crisis economically impacted all principal countries party to the dispute as the perception of regional risk was heightened. One of the more informative measures on the economic health of any country is its ability to raise capital, and also its ability to attract foreign direct investment. Indeed, the bond market can be understood as a national barometer on the robustness of a national economy. Regarding raising capital through sovereign bond issuances, Qatar issued a triple-tranche of bonds amounting to US\$12 billion in April 2018,

<sup>1</sup>Anonymous. (2017). S&P Lowers Qatar's Credit Rating. *BBC News*, 7 June 2017.

and it proved to be oversubscribed with orders being estimated to have exceeded US\$52–53 billion.<sup>2</sup> It is instructive that following Qatar’s announcement for major bond issuance, Saudi Arabia unveiled a call for its own triple-tranche of sovereign bonds totalling US\$11 billion, which was widely interpreted as a means of absorbing liquidity which would impact the success of Qatar’s own bond sale. It is noteworthy that Saudi Arabia’s own bond issuance attracted a comparable level of orders to Qatar’s own sovereign bond sale, which given the comparable sizes of the economies, is an indicator of positive sentiment on Qatar’s economy less than 12 months after the crisis had unfolded.

It was Vladimir Lenin who is said to have remarked that, ‘*the best way to destroy the Capitalist System was to debauch the currency*’<sup>3</sup>—Lenin was astute to understand the importance of a nation’s currency and its link to political order. A destabilized currency has the potential to wreak economic instability that can have profound impacts on the social and political fabric of a country. Within the context of Qatar, monetary policy is shaped through the currency peg that Qatar has with the US dollar. A forced revaluation posed the threat of a spike in inflation, a decline in per capita purchasing power, in addition to impacting on broader international confidence in Qatar’s economy. Luiz Pinto noted that the scale of the impact was significant as during the initial six months of the blockade, ‘*Qatari banks faced \$35.4 billion in capital outflows and its central bank witnessed a \$21 billion drop in official foreign exchange reserves*’.<sup>4</sup> According to S&P, Qatar was forced to inject around \$43 billion into the local banking system during the first six months of the blockade.<sup>5</sup> The intention here was to impact Qatar’s currency, yet it is essential to appreciate why this was unsuccessful:

The [Qatari] government holds net financial assets of at least \$331.1 billion or 203 percent of GDP, 87 percent of which is estimated to be held

<sup>2</sup>Al-Sayegh, H. (2017). Qatar Riyal Stabilizing in the Offshore Market After Central Bank Pledge on Dollar Supply. *Reuters*, 3 December 2017.

<sup>3</sup>Keynes, J.M. (1971). *The Collected Writings of John Maynard Keynes. Vol. 2, The Economic Consequences of the Peace*. London: Macmillan.

<sup>4</sup>Pinto, L. (2018). *Sustaining the GCC Currency Pegs: The Need for Collaboration*. Doha: Brookings Doha Centre.

<sup>5</sup>Sharif, A. (2018). Qatar Injected \$43 Billion to Help Banks After Boycott, S&P Says. *Bloomberg*, 20 February 2018.

overseas or in hard currencies. This sovereign economic dominance was vital to withstanding what would have otherwise been a significant financial hit. Notwithstanding the blockade, economic factors commonly associated with a currency crisis or a devaluation are simply not found in Qatar. The country runs structurally large fiscal and current account surpluses and is able and willing to sustain the dollar peg with its external revenues and financial buffers.<sup>6</sup>

Despite these fundamentals, efforts were being made to influence the Qatari Riyal peg to the US dollar. Through the blockading countries and their citizens repatriating capital, it created downward pressure on the Riyal. Although Qatar's Central Bank guaranteed the official exchange rate to the US dollar for domestically exchanged currency, the rates in which Qatar's currency was being traded internationally went beyond the official rate which raised concerns that a forced devaluation would occur. This continued for a period of six months and culminated in the 5 December 2017 decision by MSCI, whose MSCI Global Investable Market Indexes (GIMI), is an industry leading indicator on market capitalization.<sup>7</sup> Following MSCI conclusion that Qatar's peg to the US dollar was sustainable, the speculation on the Qatari Riyal subsided and allowed Qatar to use its large fiscal and current account surpluses to further strengthen its banking sector and reserves to fortify its currency position.

The conclusion that can be reached here is that despite the concerted effort to destabilize Qatar's economy, with particular emphasis on its currency, its ability to attract international liquidity, in addition to the bond values of the country, it is the fundamentals that Qatar had which enabled it to withstand what can be understood as economic warfare. In essence, with global crude oil prices having been on a high-price cycle from around 2000 to 2014, Qatar was able to secure a vast financial surplus during this era which fed into its sovereign wealth fund being in a strong position. While the capital outflows and reduction in official foreign exchange reserves were considerable; it is essential to recognize that the country had both introduced counter-credit precautionary

<sup>6</sup>Pinto, L. (2018). *Sustaining the GCC Currency Pegs: The Need for Collaboration*. Doha: Brookings Doha Centre.

<sup>7</sup>Anonymous. (2017). UPDATE 1-MSCI to Continue Using Onshore FX Rates for Qatari Riyal for Now. *Reuters*, 6 December 2017.

policies following the financial downturn since 2003. This was promoted by Qatar Central Bank having encouraged all domestic banks to comply with the Basel Committee's guidance on Sound Practices for the Management and Supervision of Operational Risk.<sup>8</sup> This catered for greater liquidity which softened the full effects of the capital outflows and drops in official foreign exchange reserves. It was the size of the sovereign wealth investment fund, at over US\$330 billion, which was a primary reason sufficient confidence was able to be restored to the international market. Ultimately, despite the upheaval, the crisis has proved to be an acceleration for national economic and monetary stability.

### TRADE, FOOD SECURITY, AND SELF-SUFFICIENCY

The embargo closed off access for Qatari registered shipping, in addition to shipping carrying cargos to and from Qatar, and thus disrupted Qatar's logistics. It was fortunate for Qatar that in December 2016, Hamad Port became operational, and it was officially launched on the third month anniversary of the embargo on 5 September 2017. The construction of the Port began in 2010, but its importance to Qatar would have been underlined following the 2014 crisis which culminated in the Riyadh Declaration. Essentially, the strategic significance of the port is that it heralded the end of reliance on ports in the UAE for the shipment of goods to Qatar. The reason being that the long-standing and smaller Doha Port, was unable to handle the large container ships, which meant that Qatar was reliant on ports in the UAE, primarily Jebel Ali and Fujairah Port, for the larger ships to unload their cargos to smaller container ships which would then sail onwards to Qatar. This ability to move beyond the longstanding reliance on the UAE is an essential reason why the impact of the campaign on Qatar and suspension of relations was quickly overcome.

Hamad Port constitutes a US\$7.4 billion investment over a space of 28.5 km<sup>2</sup>, with a projected capacity of 7.5 million containers per year. At the point of completion, Hamad Port will be around the 20th largest port globally in term of container capacity. With it having become functional from December 2016, its role has proved to be timely and critical for the manner in which Qatar was able to handle the logistical challenge

<sup>8</sup>Qatar Central Bank (2011). *Instructions to Banks*, vol. 2. Doha: QCB.

of the closure of the Saudi border. To illustrate this, it is noticeable that before the embargo on 5 June, Hamad Port was receiving an average of 650 containers per day with a monthly average of around 20,000.<sup>9</sup> The impact of the embargo can be determined by the container traffic in the first four weeks of the embargo as container traffic dropped by around 38% to 250 containers per day, and a monthly average of 7000, which constitutes a drop of 35%. After mid-July 2017, the daily average had risen to 900–1000 containers per day which is a 46% increase in traffic since before the embargo, and a monthly average of 25,000 containers.<sup>10</sup> Interestingly, the impact was limited to the first month, but logistics had adjusted after this as supplies were re-routed. After the blockade, 70% of Qatar's imports were entering the country through the Port.<sup>11</sup>

According to Qatar's General Authority for Customs, most of its staff who were stationed at the Abu Samra customs facility on the Saudi Border were redistributed to both Hamad Port, Hamad International Airport, and Al-Rowais Port at the northern part of the Qatari peninsula. While Hamad Port is the primary facility for large cargo container ships, the Al-Rowais Port played a critical role in enabling Qatar to manage the impact of the closure of the Saudi border and its customs facility at Abu Samra. Al-Rowais Port was expanded within the first week of the blockade, most notably in terms of the development of a facility to receive camels and other livestock, in addition to refrigeration units to cater for perishable foods. The critical difference between Al-Rowais Port and Hamad Port is that the former can only cater for smaller cargo vessels such as wooden Dhows. Large and medium-sized Dhows were routed to the port to bring perishable goods, general supplies, in addition to both the livestock and belongings owned by Qatari nationals in the blockading countries. In total, Al-Rowais handled around 20% of Qatar's total imports.<sup>12</sup> Much of the traffic coming to this port came from Turkey, Iran, Kuwait, Oman, Azerbaijan, Sudan, and also Somalia. Given its location at the northern tip of Qatar's peninsula, goods could reach the port from Iran and Oman in under 12 hours. Qatar's General Authority for Customs cooperated with Qatar's Ministry of Economy and Trade to

<sup>9</sup>Qatar General Authority of Customs. (2017). *Magazine Customs*, vol. 66. Doha: GAC.

<sup>10</sup>Ibid.

<sup>11</sup>Ibid.

<sup>12</sup>Qatar General Authority of Customs. (2017). *Magazine Customs*, vol. 67. Doha: GAC.

find ways of expediting the clearance process of perishable goods, after implementing a new system within the first week of the blockade, the clearance time was reduced to 16–24 hours.<sup>13</sup>

The provision of high demand perishable goods was an activity which was coordinated by Qatar's Hassad Food, which is a wholly owned subsidiary of the Qatar Investment Authority (QIA) that focuses on food and agricultural investments. For the first month of the blockade, Hassad Food took the lead in sourcing high-demand perishable products for the Qatari market which included poultry, dairy, eggs, vegetables, fruits, and juices in addition to others.<sup>14</sup> For the first four weeks of the embargo on Qatar, Hassad Food coordinated the provision of these good through both air and sea freight. New logistical pathways were established through the Iranian port of Bushehr which received goods from Azerbaijan and Turkey. The first shipments of additional food items were delivered to Qatar by 6th June, and within under a week of the embargo, Hassad Food had secured 50% of the national food needs of Qatar. The nature of the response underlines both the pre-embargo contingency planning, the way the company was able to act, and also the financial reserves available to Qatar through QIA. After four weeks of Hassad Food began gradually handing over the food supply to the private sector as the impact was mitigated against.

These actions proved critical in maintaining stockpiles of perishable good in supermarkets to maintain public confidence. Such goods are important as they constitute key products which cannot be stockpiled and thus are visible indicators to the public on the impact of a disruption in logistics. Based on participant observation, what was noticeable to this author was that adequate stocks in significant supermarkets existed as both perishable and non-perishable goods were being proactively replenished, which underlined a recognition of the need to ensure public confidence through a visible abundance of consumer goods. The only immediate impact was mainly concerning poultry, eggs, and milk, yet within around 48 hours supply chains had responded to any discernible shortages of these products. Regarding non-perishable goods, shortages were not observable as a strategic stockpiling strategy had been

<sup>13</sup>Ibid.

<sup>14</sup>Anonymous. (2017). Hassad Hands Over Food Supply Task to Private Sector. *Gulf Times*, 14 November 2017.

prudently employed by the state in advance of the embargo to mitigate against any such eventualities. This was an important factor which bolstered societal confidence.

A goal for self-sufficiency was adopted as part of Qatar's National Development Strategy 2018–2022, which was released in March 2018. Even before its formal announcement as a national strategy, the drive for food security had seen emphasis given towards how self-sufficiency could be achieved in key areas. While the sourcing and provision of food items was the initial priority given the closure of the Saudi border, the embargo proved to be a catalyst in Qatar moving towards domestic self-sufficiency in key areas of food production. In the first six months of the blockade, Hassad Food undertook investments to develop 140,000 square metres of land for agricultural cultivation, which allowed Qatar to achieve a 20% self-sufficiency within 6 months for fresh vegetables, and with a declared target of 70% of domestic chicken needs being domestically produced within a period of two to three years following the embargo.<sup>15</sup> Adding to this, Hassad Food announced in July 2018, that it intended to invest US\$500 million in Sudan's agricultural and food sector.

Regarding milk and dairy, before the embargo, Qatar was only able to produce around 10% of its needs and imported around 400 tonnes of milk and yoghurt daily from Saudi Arabia. As part of the drive towards self-sufficiency, a rapid expansion took place with the Qatari dairy and meat company, Baladna, received its first batch of 4000 cows from the United States and Europe by August 2017.<sup>16</sup> As part of the drive towards greater self-sufficiency for food security, Baladna announced it planned to provide a sufficient quantity of milk and dairy for the country to be both entirely self-sufficient, but also emerge as a net-exporter, within a two-year time frame from the onset of the crisis.<sup>17</sup>

<sup>15</sup>Pathak, S. (2017). Qatar's Hassad Food Increases Vegetable Production by 35%. *Qatar Tribune*, 24 December 2017.

<sup>16</sup>Anonymous. (2018). Qatar Will Have Enough Milk by Ramadan: Baladna. *Al-Jazeera*, 10 March 2018.

<sup>17</sup>Ibid.

## IMPACT ON ENERGY TRADE

While the embargo on Qatar by its neighbouring states has proved to have had a limited economic impact given the factors discussed above, what can be concluded is that its broader economic impact is one of opportunity cost. It is clear that the mainstay of Qatar's economy remains the export of its LNG, yet changes were occurring in the LNG sector which would necessarily have changed the calculations which feed into Qatar's LNG export strategy, and ironically had the potential to be a driver for greater economic integration between Qatar and its GCC neighbours given their own projected demand for natural gas.

In terms of rising demand for natural gas, it is noteworthy that Saudi Arabia, the UAE and Bahrain, are projected to progressively have an increasing demand for natural gas to meet their domestic needs. Indeed, such shortfalls in natural gas are part of a wider regional problem facing countries Gulf region: it is only Qatar and Iran that have ample supplies of this resource, while all other states need to rely on imports in the face of dwindling domestic supplies. For Oman and the UAE, they import gas from Qatar through the Dolphin pipeline. Yet for Oman, its own energy security needs to prompt it to act pragmatically by agreeing with Iran to enter into a gas supply agreement through new pipeline-based supply. While Oman has traditionally been a pragmatic and neutral actor, the same cannot be said for the United Arab Emirates, Saudi Arabia, and Bahrain, as the prospect of importing Iranian gas for their domestic needs remains politically unrealistic. It is in this context that a reasonable expectation as part of the drive for greater political and economic integration between the Gulf Cooperation Council member states would have seen Qatar fill that void providing a fair pricing regime could be achieved. Moreover, given that natural gas could be provided through a pipeline-based supply, it held the prospect of being more cost-effective than having to rely on imports from suppliers such as the United States which, as of 2016, saw the UAE and Kuwait become importers of US natural gas.

It is noteworthy however that despite the regional demand having grown, Qatar had not entered into further supply agreements with its neighbouring states prior to the cessation of relations with the GCC-3 in 2017. While Qatar had started supplying LNG through the first cross GCC pipeline in 2004 with Dolphin Energy Limited, it did not reach full operational capacity. The main reason for this has been established as

one of opportunity cost for Qatar. Ultimately with the development of an LNG carrier fleet, Qatar was able to position itself as a global supplier which was driven by market fundamentals and profit maximization.<sup>18</sup> The rates to which Qatar supplied gas were done at a discounted rate. While the agreement for the supply of gas through the Dolphin pipeline is distinct from the commercially driven global LNG supply where Qatar focused on maximizing revenue, it should be recognized that the earlier agreement Qatar had with the UAE was very much an agreement of its time. Indeed, it is conceivable that the favourable contract Qatar agreed with the UAE not only served as a recognition of UAE's support for a transnational pipeline but also the political issues the Dolphin agreement heightened give Saudi Arabia's reticence on cross-regional projects which could traverse its demarcated territory. Equally with the UAE's increasingly divergent outlook from Qatar in the context of the regional upheaval of 2010 and 2011, the prospect of the UAE seeking to secure further gas from Qatar to meet its projected shortfalls faced practical political obstacles, and therefore the prospect of the UAE having a degree of energy dependence on Qatar would have served as a deterrent. This is despite the stated goals of the GCC collective seeking economic integration and thus underlines how broader political considerations and differing conceptions of regional order, proved to overwhelm the logic of greater cooperation and integration.

Although the further development of a regional gas market and higher gas supply agreements held the prospect of furthering integration which served all parties, the political obstacles which limited greater regional cooperation was a key factor which in Qatar deciding to maintain a globally orientated LNG strategy. On a broader contextual level, global changes in the market fundamentals of the LNG sector were observable which warrants placing Qatar's LNG strategy into perspective: in terms of global demand, the indicators underline a modest future demand with China and the Middle East being notable geopolitical exceptions where an increased demand is expected. Importantly, demand within Europe, in addition to the key markets of Japan and South Korea have peaked and show little indication of future growth in demand. Indeed, upwards of 60% of global demand comes from the combined markets of Japan, South Korea, and China, yet it is only China

<sup>18</sup>Krane, J. and Wright, S. (2014). *Qatar 'Rises Above' Its Region: Geopolitics and the Rejection of the GCC Gas Market*, vol. 35. London: LSE Kuwait Programme.

where demand is expected to grow, while the other countries demand has peaked and can be expected to decline slowly. This was illustrated in September 2018 with QatarGas signing a 22-year deal with PetroChina to supply around 3.4 million tonnes of LNG annually.<sup>19</sup> Nevertheless, while sluggish future demand is an important indicator; it is when this is considered in the context of an identifiable growth in supply that the complexity of the challenge facing Qatar comes into perspective.

Regarding the nature of the supply dynamics of the LNG sector, it is important to appreciate that the sector is in the midst of a transformational change. Less than a decade ago, the United States was projected to become the world's largest importer of LNG, yet in a reversal of fortunes that has been enabled from the exploitation of Shale, it has emerged as an actual exporter of LNG and is projected to be the world's largest exporter by 2022. As indicated earlier, as of 2016, it has begun exporting LNG to both Kuwait and the UAE, but it is also competing for market share in the key East Asian market which has been largely enabled through the landmark expansion of the Panama Canal. It is important to recognize here that with the expansion of the Canal, the transport time for LNG shipments from the United States to the lucrative markets in East Asia, has been cut to around 20 days. For US-based suppliers, it allows it to compete favourably against Qatar and other leading international suppliers and under its location, US suppliers are also in a favourable position to supply LNG to the European market. Adding to the increased projected competition from the United States, both Australia has rapidly expanded its production capacity of coalbed methane so a level which, as of 2018, allows a degree of parity with Qatar's export capacity. Russia too is striving, and in March 2017, President Putin stated ambition for Russia to be the largest producer of liquefied natural gas in the world.

The significance of the rapid increase in export capacity of operators in the USA, Russia, and Australia, translates to a new era of competition on a global scale in the face of a more challenging demand environment. At a geopolitical level, the rise of these major players in LNG means that existing and future consuming markets for LNG will increasingly be able to draw from the supply in North America, Central Asia, and Australasia,

<sup>19</sup>Anonymous. (2018). QatarGas Agrees on 22-Year LNG Supply Deal with China. *Reuters*, 10 September 2018.

which underlines the competition Qatar faces.<sup>20</sup> With short transit route times, a more global supply network can be drawn on by consuming countries that will be a beneficiary of lower process induced through competition. As countries seek to achieve energy security through a diversified energy supply base, these emerging competitors have the potential to make clear inroads in markets where Qatar is an established supplier. In essence, the LNG sector is heating-up to a new era of competition whose primary beneficiary will be consuming countries.

Adding to the complexity of the global LNG market is that while it is increasingly being dominated by the LNG giants of Qatar, USA, Russia, and Australia, there is little to indicate that these states will cooperate in a meaningful way given the context of an oversupplied market LNG market.<sup>21</sup> The rising quadripartite of Japan, South Korea, China, and India, constitute global LNG demand more than 60% of global market demand. The potential and logic for cooperation on LNG procurement have not been lost on these countries given their energy security and national economic interests and in that in 2018, Japan, China, and South Korea signed a tripartite agreement cooperate on LNG procurement. Such moves underline the nature of change and the way in which Qatar's economic mainstay will have to adapt with what is a trend towards more challenging conditions.

The breakdown in relations between Qatar and its gas-short neighbours, therefore, underscores a missed opportunity for all parties concerned. Cooperation and the supply of Qatari gas had the potential to ensure energy security, lower cost, and also to serve the interests of regional political and economic integration. For Qatar, the move towards supplying its regional neighbours would have allowed it to mitigate against the changing market environment which is becoming more competitive with the prospect of lower yields.

## CONCLUSION: RESILIENCE AND OPPORTUNITY

What has come to be known as the Ramadan Blockade initiated by Saudi Arabia, the UAE, Bahrain, and Egypt, in addition to the severance or diplomatic downgrading of ties with Qatar by Comoros, Djibouti,

<sup>20</sup>Wright, S. (2017). Qatar's LNG: Impact of the Changing East-Asian Market. *Middle East Policy*, 24:1 (pp. 154–165).

<sup>21</sup>Wright, S. (2018). *Shifting Markets of Liquid Gas: Emerging Producers and Alternative Geo-Strategies*. Doha: Al Jazeera Centre for Studies.

Maldives, Mauritania, Jordan, Senegal, the Libya and Yemen; constitutes a fundamental rupture of the regional order. As has been highlighted above, the actions taken against Qatar underlines an incompatibility of world views. Such incompatibilities motivated Qatar's neighbours to take actions which are understood here to fixated on achieving regime change as a means of forcing Qatar into a subservient vassal-state relationship. While the actions instigated against Qatar are multifaceted and include cyberwarfare, disinformation, and efforts to foment social upheaval among others, it is clear that the economic and financial dimensions were a central pillar that was used to heighten pressure on Qatar as a means of this strategic objective being realized. While the immediate actions of the Ramadan Blockade had an impact, the overriding conclusion is that Qatar proved resilient given its forward contingency planning that had been initiated since 2014. Through new logistical infrastructure being completed, which allowed it to adopt new supply lines, it lessened the actual impact. Moreover, the financial reserves held by the state also allowed it to maintain the stability of the Qatari Riyals peg to the United States dollar, which as highlighted above, was one of the more acute threats Qatar faced given the implications of a revaluation.

While Qatar was resilient to the external pressures, one clear impact was the social solidarity that cross-cut all segments of society. Such social solidarity has proved an important means for both buttressing political support for the government, social optimism, and crucially feeding into a shared social understanding that Qatar's future success rests on self-sufficiency, diversification, and a gradual expansion of civil society. These have emerged as arguably a common zeitgeist within Qatar on what would be an effective means of both resistance and resiliency against the threats faced. Indeed, as greater understanding has permeated society in Qatar about the distinctions in political outlook between Qatar and its neighbours who have led such actions, it has become increasingly apparent of the need for a progressive strategy to be taken which transforms the embargo into an opportunity for social, political and economic growth in the country. On this basis, it can be characterized as a monumental turning point in Qatar's political and social fabric which can be used as a basis for future development. In terms of Qatar's political economy, the actions taken against Qatar has propelled a national drive for self-sufficiency in strategic areas, economic diversification, as well as social and political progress.