ABSTRACT

The 2017 Qatar Diplomatic Crisis began when several countries cut off diplomatic relations with Qatar. These countries included Saudi Arabia, United Arab Emirates, Bahrain, Egypt. The severing of relations included withdrawing ambassadors and imposing trade and travel bans. The current crisis that has blown up in an unprecedented way reflects a new reality in inter-Arab relations. The Saudi-led coalition cited Qatar’s alleged support for terrorism as the main reason for their actions, insisting Qatar has violated a agreement with members of the Gulf Cooperation Council. Saudi Arabia and other countries have criticized Al Jazeera and Qatar’s relations with Iran. Saudi Arabia’s move was welcomed by United States president Donald Trump. A number of countries in the region, including Turkey, Russia and Iran, called for the crisis to be resolved through peaceful negotiations.

The countries withdrawing diplomatic relations accuse Qatar of supporting terrorism, of interfering with their internal affairs and of maintaining relations with Iran. Qatar denies allegations that it supported terrorism, and pointed out that it has been contributing to the U.S.-led fight against ISIL.

Keywords: Saudi Arabia; Qatar; Gulf Cooperation Council

INTRODUCTION

The Qatar Diplomatic Crisis began when several countries cut off diplomatic relations with Qatar in June. These countries included Saudi Arabia, United Arab Emirates, Bahrain, Egypt. The severing of relations included withdrawing ambassadors and imposing trade and travel bans. The current crisis that has blown up in an unprecedented way reflects a new reality in inter-Arab relations [1]. Before venturing into the Qatar crisis, let us look into the Gulf Cooperation Council (GCC) and why most of its member nations severed ties with Qatar.

GCC is also known as Cooperation Council for Arab States of the Gulf.

Headquarters: Riyadh, Saudi Arabia, Official Language: Arabic

Established: 25 May 1981

Type: Trade bloc

Member nations: Bahrain, Kuwait, Qatar, Oman, Saudi Arabia, United Arab Emirates.

Leader: Abdullatif Bin Rashid Al Zayani (Secretary General, Bahrain, from 1.4.2011).

Currency: Bahrain Dinar (BHD), Kuwaiti Dinar (KWD), Qatari Riyal (QAR), Omani Riyal (OMR), Saudi Riyal (SAR), UAE Dirham (AED).

The Cooperation Council for the Arab States of the Gulf originally known as Gulf Cooperation Council is a regional, intergovernmental, political and economic union consisting of all Arab states of the Persian Gulf except for Iraq [2].

All current member states are monarchies in there including 3 constitutional monarchies (Qatar, Kuwait, Bahrain) 2 absolute monarchies (Oman, Saudi Arabia) and 1 federal monarchy (United Arab Emirates). There have been discussions regarding future memberships of Jordan, Morocco and Yemen.

A 2011 proposal to transform the GCC into a ‘Gulf Union’ with tighter economic, political and military coordination has been
advanced by Saudi Arabia as a move to counterbalance the Iranian influence on the region [3].

**Objectives**

- Formulating similar regulations in various fields such as religion, finance, trade, customs, tourism, legislation, and administration.
- Fostering scientific and technical progress in industry, mining, agriculture, water and animal resources.
- Establishing scientific research centers.
- Setting up joint ventures.
- Unified military.
- Encouraging cooperation of the private sector.
- Strengthening ties between their people.
- Establishing a common currency.

**Economy**

**Internal market:** A common market was launched on with plans realize a fully integrated single market. It eased the movement of goods and services [4]. However implementation lagged behind after the 2009 financial crisis. It was further integrated allowing full equality among GCC citizens to work in government and private sectors, social insurance, capital movement etc. The creation of customs union began in 2003 and was complete and became fully operational on 1.1.2015

**Monetary Union:** In Bahrain, Kuwait, Qatar and Saudi Arabia introduce a single currency. A common market and a common central bank would also position GCC as one entity which would have great influence on the International Financial System [5]. However, plans to have a uniform currency was withdrawn due to financial crisis and political differences. These tensions came to a head during a March 2014 meeting of the Gulf Cooperation Council, after which the UAE.

<table>
<thead>
<tr>
<th>Timeline</th>
<th>Relationship nature</th>
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<tr>
<td>September 3,1971</td>
<td>Qatar gains full independence from UK. Arab states recognize Qatar and it becomes a member of OPEC and a founding member of GCC.</td>
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<tr>
<td>June 27, 1995</td>
<td>Sheikh Hamad Bin Khalifa became emir of Qatar.</td>
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<td>36951</td>
<td>Qatar settles long running border dispute with Bahrain and Saudi Arabia.</td>
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<td>39326</td>
<td>Qatar and UAE become the 2 biggest shareholders of London Stock Exchange.</td>
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<tr>
<td>39783</td>
<td>Saudi Arabia and Qatar agree on a final delineation of borders and pledge to boost cooperation.</td>
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### Table 1: Timeline of GCC relations with Qatar.

#### 2014 Saudi-Qatar rift

Qatar’s support for the Muslim Brotherhood across the MENA area, Hamas and radical Islamists in Libya has led to increasing tensions with other Arab states of the Persian Gulf. These tensions came to a head during a March 2014 meeting of the Gulf Cooperation Council, after which the UAE, Saudi
Arabia and Bahrain announced the recall of their ambassadors to Qatar [6].

Some financial economists have interpreted 2014 Saudi-Qatari rift as the tangible political sign of a growing economical rivalry between oil, natural gas producers, which could "have a deep and long-lasting consequences" beyond the MENA area.

**Related organizations**

The GCC members and Yemen are also members of the Greater Arab Free Trade Area (GAFTA). However, this is unlikely to affect the agenda of the GCC significantly as it has a more aggressive timetable than GAFTA and is seeking greater integration.

**The 2017 Qatar diplomatic crisis**

The Saudi-led coalition cited Qatar’s alleged support for terrorism as the main reason for their actions, insisting Qatar has violated a 2014 agreement with members of the Gulf Cooperation Council. Saudi Arabia and other countries have criticized Al Jazeera and Qatar's relations with Iran. Saudi Arabia's move was welcomed by United States president Donald Trump. A number of countries in the region, including Turkey, Russia and Iran, called for the crisis to be resolved through peaceful negotiations [7].

The countries withdrawing diplomatic relations accuse Qatar of supporting terrorism, of interfering with their internal affairs, and of maintaining relations with Iran. Qatar denies allegations that it supported terrorism, and pointed out that it has been contributing to the U.S.-led fight against ISIL.

The countries have also stressed the measures are in response to Qatar’s violation of an agreement in 2014 to not undermine the “interests, security and stability” of other GCC countries.

**Previous diplomatic incidents**

2002: In 2002, Saudi Arabia removed their ambassador from Qatar over Al Jazeera's alleged critical stance towards Saudi Arabia. Diplomatic relations were re-established in 2008, after assurances that Al Jazeera would limit its coverage of Saudi Arabia.

2014: In March 2014, Bahrain, Saudi Arabia, and the United Arab Emirates removed their ambassadors from Qatar, citing interference with their internal affairs, but the situations were eventually defused after Qatar forced Brotherhood members to leave the country eight months later. In February, Egypt-Qatar the Egyptian Air Force conducted airstrikes on the United Arab states suspected ISIL positions. Additionally, Qatar’s foreign ministry expressed reservations over the airstrikes. This prompted Egypt to accuse Qatar of supporting terrorism.

Saudi Arabia and UAE notified ports and shipping agents not to receive Qatari vessels or ships owned by Qatari companies. Saudi Arabia closed borders with Qatar and restricted its Qatar, and deepened the rift between the two sides. On 9 June, Al Jazeera's media network was the victim of a cyber attack across all its platforms.

**Events leading up to crisis**

The exact reasons for the diplomatic break-offs are unclear, but contemporary news coverage primarily attributes this to several events in April and May 2017.

**April 2017 hostage negotiations**: In April 2017, Qatar is involved both Sunni and Shi'ite militants in Iraq and Syria. The deal had two goals. The immediate goal was to secure the return of 26 Qatari hostages (including Qatari royals) who had been kidnapped by Shi'ite militants [8]. The second goal was to get both Sunni and Shi'ite militants to allow humanitarian aid to pass through and allow the safe evacuation of civilians.

**Riyadh summit 2017**: As part of the Riyadh Summit in late world leaders, including U.S. President Donald Trump visited the region. Trump gave strong support for Saudi Arabia's efforts in fighting against states and groups allied with Iran and the Muslim Brotherhood. The Saudi-led move was at once an opportunity for the GCC partners and Egypt to punish their adversaries in Doha, please their allies in Washington, and remove attention from their own shortcomings and challenges.

**Hacking Of Qatar websites**: The Qatar News Agency website and platforms were allegedly hacked in May. Hackers posted fake remarks on support for Iran, Hamas, Hezbollah and Israel. Qatar reported that the statements were false and did not know their origin [9]. The hacking incidents were part of long running cyber war between Qatar and other Gulf countries.

**Al Jazeera**: In May 2017, the email account of the UAE's to the U.S was hacked. It showed links between the UAE and a pro-Israeli group. The story was covered by Al Jazeera and HuffPost Arabi, both of which are funded by Qatar. Arab countries saw the media coverage of the alleged email hack as a provocation by Qatar, and deepened the rift between the two sides. On 9 June, Al Jazeera's media network was the victim of a cyber attack across all its platforms.

**Breaking diplomatic relations**

Between 5th and 6th June 2017, Saudi Arabia, the UAE, Yemen, Maldives, Egypt, Bahrain all separately announced they were cutting diplomatic ties with Qatar. A variety of diplomatic actions were taken.

Saudi Arabia and UAE notified ports and shipping agents not to receive Qatari vessels or ships owned by Qatari companies. Saudi Arabia closed borders with Qatar and restricted its airspace to Qatar Airways. Saudi Arabia’s Central Bank advised banks not to trade with Qatari banks and Qatari riyals.

Qatar verbally criticized the ban; arguing that it undermined Qatar’s sovereignty. Saudi claimed that Qatar was supporting Iran. All GCC countries involved in the announcement ordered their citizens out of Qatar. The 3 Gulf States gave Qatari citizens The countries withdrawing diplomatic relations accuse Qatar of supporting terrorism, of interfering with their internal affairs, and of maintaining relations with Iran. Qatar denies allegations that it supported terrorism, and pointed out that it has been contributing to the U.S.-led fight against ISIL.
and residents 2 weeks to leave their country. The Foreign Minister of Bahrain and Egypt gave Qatari diplomats 48 hours to leave their country. Qatar was expelled from the Saudi Arabian led intervention on Yemen.

Kuwait and Oman remained neutral.

Kuwait mediators in Riyadh were presented with a list of demands to Qatar. These included cutting off all links with Iran and expelling resident members of Hamas and the Muslim Brotherhood, curbs on the freedom of Al-Jazeera, to stop interfering in foreign countries affairs and to cease any funding or support for terrorist organizations.

As on 10 June 2017, nine sovereign governments have cut diplomatic ties with Qatar.

1. Bahrain
2. Saudi Arabia
3. United Arab Emirates
4. Egypt
5. Comoros
6. Maldives
7. Mauritiana
8. Senegal
9. Yemen

List of demands by Saudi Arabia and other Arab nations

1. Scale down diplomatic ties with Iran and close the Iranian diplomatic missions in Qatar, expel members of Iran's Revolutionary Guard and cut off military and intelligence cooperation with Iran. Trade and commerce with Iran must comply with US and international sanctions in a manner that does not jeopardize the security of the Gulf Cooperation Council.
2. Immediately shut down the Turkish military base, which is currently under construction, and halt military cooperation with Turkey inside of Qatar.
3. Sever ties to all “terrorist, sectarian and ideological organizations,” specifically the Muslim Brotherhood, ISIL, al-Qaeda etc. Formally declare these entities as terrorist groups as per the list announced by Saudi Arabia, Bahrain, UAE and Egypt, and concur with all future updates of this list.
4. Stop all means of funding for individuals, groups or organizations that have been designated as terrorists by Saudi Arabia, UAE, Egypt, Bahrain, US and other countries.
5. Hand over "terrorist figures", fugitives and wanted individuals from Saudi Arabia, the UAE, Egypt and Bahrain to their countries of origin. Freeze their assets, and provide any desired information about their residency, movements and finances.
7. End interference in sovereign countries' internal affairs. Stop granting citizenship to wanted nationals from Saudi Arabia, UAE, Egypt and Bahrain. Revoke Qatari citizenship for nationals where such citizenship violates those countries' laws.
8. Pay reparations and compensation for loss of life and other financial losses caused by Qatar's policies in recent years. The sum will be determined in coordination with Qatar.
9. Align Qatar's military, political, social and economic policies with the other Gulf and Arab countries, as well as on economic matters, as per the 2014 agreement reached with Saudi Arabia.
10. Cease contact with the political opposition in Saudi Arabia, the UAE, Egypt and Bahrain. Hand over files detailing Qatar's prior contact with and support for opposition groups, and submit details of their personal information and the support Qatar has provided them.
11. Shut down all news outlets funded directly and indirectly by Qatar, including Arabi21, Rassd, Al Araby Al Jadeed, Mekameleen and Middle East Eye, etc.
12. Agree to all the demands within 10 days of list being submitted to Qatar, or the list will become invalid.
13. Consent to monthly compliance audits in the first year after agreeing to the demands, followed by quarterly audits in the second year, and annual audits in the following 10 years.

Impact of the crisis

On 6 June 2017, Emirates Post of UAE, halted postal services to Qatar. Nearly 80 percent of Qatar's food requirements come from Gulf Arab neighbors, with only 1 percent being produced domestically and even imports from outside the Gulf states usually crossing the now closed land border with Saudi Arabia. Immediately after the cutting of relations, local reports indicated residents swarmed grocery stores in hopes of stockpiling food. Many food delivery trucks were idled along the Saudi-Qatari border. On 8 June 2017 Qatari Foreign Minister Sheikh Mohammed bi Abdulrahman Al-Thani said, "We're not worried about a food shortage, we're fine. We can live forever like this, we are well prepared." Qatar has been in talks with both Turkey and Iran to secure supply of water and food. On 11 June 2017 Iran sent four cargo planes with fruit and vegetables and promised to continue the supply. Turkey has pledged food and water supplies to go along with their troop deployment at base in Qatar [10].

Air Travel: Large airlines based in these countries, including to suspended flight service to Qatar. Gulf Air, EgyptAir, FlyDubai, Air Arabia, Saudia Arabian Airlines, Etihad Airways and Royal Air Maroc suspended their flights to and from Qatar, Bahrain, Egypt, Saudi Arabia, and the United Arab Emirates are also banning overflights by aircraft registered in Qatar (A7). Instead Qatar has rerouted flights to Africa and Europe, Iran.

Private jet travel is also being impacted by the crisis. Business aviation officials said private flights between Qatar and the countries that cut diplomatic ties now need to make a technical stop in a third country. Aircraft registered in Qatar cannot fly to currently under construction, halt military cooperation of Qatar banks not to trade with Qatari banks and Qatari riyals.
the countries that cut diplomatic ties and vice versa. The travel embargo has had a significant impact on foreign nationals living and working in Qatar and citizens from other countries stranded there, unable to book direct flights or obtain travel documents for their return.

### Shipping

The UAE banned Qatar flagged ships from calling at its ports and vessels at the port from directly sailing to Qatar. Similar restrictions were put in place at Jebel Ali, Bahrain, Egypt, Saudi Arabia. They also banned Qatar ships from their ports.

On June 8, 2017 shipping giant Maersk was unable to transport in and out of Qatar entirely. Due to Qatar’s shallow ports, large cargo ships are required to dock at Jebel Ali or nearby ports where a feeder service transports them back to Qatar. In response, vessels were rerouted to Salalah and Sohar in Oman.

On June 12, 2017 Chinese shipping company COSCO announced suspension of services to and from Qatar. Taiwan’s shipping constraints from the crisis have also rerouted multiple shipments of oil and gas to and from the Gulf, which has caused reverberations in many local energy markets. On 8 June 2017 United Kingdom, with nearly a third of all imported gas arriving from Qatar, gas futures spiked nearly 4 percent. A secondary effect of the dispute has been on worldwide supplies of helium, which is often extracted from natural gas. Along with Iran, Qatar is the world's second largest supplier of helium.

### Media Ban

Hamad Saif Al-Shamsi, Attorney General of UAE announced on June 7 that publishing of sympathy towards Qatar through social media or any type of written or verbal form is considered illegal. Bahrain also issued a similar statement with penalty, imprisonment and fine.

Saudi Arabia, Egypt, Bahrain, UAE – all blocked access to Qatari news agencies including the popular Al-Jazeera. Saudi Arabia shut down the local office of Al-Jazeera Media Network.

### Finances

The International Monetary Fund said it was too soon to judge the economic impact of a domestic crisis. However, due to the embargo, the Qatari Riyal fell to an all time 11 year low. Qatar's stock market dropped 7.3% in the first day of the crisis and reached a 9.7% drop by 8th June.

As per S&P Global Ratings, banks in Qatar are strong enough to survive pull out of all Gulf country deposits.

Petroleum and liquefied natural gas are the corner stones of Qatar’s economy and account to more than 70% of total government revenue.

### Energy

Qatar is a global leader in liquefied natural gas produced. Despite the severing of ties, Qatari natural gas continues to flow to the UAE and Oman through Abu Dhabi based Dolphin Energy's pipeline. The pipeline meets about 30-40 percent of UAE's energy needs.

Shipping constraints from the crisis have also rerouted multiple shipments of oil and gas to and from the Gulf, which has caused reverberations in many local energy markets. On 8 June 2017 United Kingdom, with nearly a third of all imported gas arriving from Qatar, gas futures spiked nearly 4 percent. A secondary effect of the dispute has been on worldwide supplies of helium, which is often extracted from natural gas. Along with Iran, Qatar is the world's second largest supplier of helium.

### Possible solutions to the crisis

Has the reality changed in view of the current Qatar crisis? It seems it has and very rapidly indeed, but it won’t be clear how far and deep and whether it is sufficiently effective unless we see how the crisis ends.

What are the possible solutions? It seems there are three:

1. The first is that Qatar accepts soon the list of demands presented by the three GCC countries and Egypt. So far, judging by their reaction to the demands, the Qatari government is clearly stalling and is denying all the accusations. It is obvious now that the so-called solution of 2014 failed to end the crisis with Qatar. At the time, the ambassadors were pulled out of Doha because the emir dishonored an agreement, known as the ‘Riyadh Agreement’, that he had signed in November 2014.

2. Secondly, a military action against Qatar to force it to change course. Clearly, none of the GCC countries or Egypt is talking about this option since it is not in the interest of the parties involved. Therefore, it is difficult to understand why Doha has unwisely turned to Turkey to send troops to Qatar since the two countries are already tied up by a joint defense agreement signed two years ago.

3. The third possible solution is to prolong the crisis as long as possible without an end in the foreseeable future, like many other problems in the region. This is totally out of tune with the philosophy of the GCC, of which Qatar is a founding member.

4. What’s clear so far is that Qatar wants to avoid the military option and prefers the first option with a bit of the third. It
claims that to change its political path undermines its sovereignty and its right to choose its own foreign policy. It is well established that political disputes are normally sorted out by negotiation, which requires in many cases mutual concessions, but also requires sometimes concessions by one party in the interests of the whole. We regularly find this practice followed by the European Union (EU) countries.

CONCLUSION

The reasons behind the latest crisis is a mix of immediate concerns between Doha and Riyadh. In simple terms, a want for Qatar to fall in line with the GCCs vision, aims and objectives. Instead of pursuing more independent, domestic and foreign policies.

While most GCC nations have had long standing issues with Qatar, the trigger for the diplomatic tiff comes from Doha’s constant attempts to punch above its weight in regional politics. The other issue was Qatar’s refusal to drop members of Muslim Brotherhood. The protesting GCC members believe that the Qatari’s have repeatedly failed to fulfill their part of the bargain and have continued to interfere in political issues in confliction with interests of GCC.

The Qatari’s blockage will also have geo-political ramifications. Amidst the chaos, the UA finds itself at an interesting juncture. It currently remains unclear whether the administration of President Donald Trump was given a heads up before this event. The American play in Qatar even goes beyond this, with energy giant ExxonMobil being the largest foreign partner in country’s rich natural gas arena. When the deal between ExxonMobil and Qatar’s RasGas was formulated, Rex Tillerson, the current US Secretary of State was the Executive Vice President of ExxonMobil. Recently, Rex Tillerson visited Doha to have a diplomatic settlement on the second leg of his 4 day trip to the Gulf.

Meanwhile Kuwait, USA, and Britain called on all sides in the Gulf to resolve their dispute through dialogue and expressed deep concerns over the continued rift.

REFERENCES