Oman and the Gulf Diplomatic Crisis

by Abdullah Baabood

Escalating regional tensions test Oman’s distinctive foreign policy approach

The ongoing diplomatic rift between Qatar and its neighbors—mainly Saudi Arabia, the United Arab Emirates, Bahrain and Egypt—was largely unforeseen and, with no prologue, took most observers by surprise. In addition, the timing, severity and magnitude of the diplomatic crisis was alarming to all. This crisis has major ramifications for the region’s stability, security and even the future of the Gulf Cooperation Council (GCC) itself, especially as the crisis deepens and remains unresolved. It has also presented Oman, a member of the GCC, with some opportunities but also some challenges to its main foreign policy principles.

Oman’s stance

Oman’s neutral position in the current dispute is textbook Omani foreign policy. The Sultanate has long pursued an independent foreign policy stance, and has avoided falling into any particular faction or political bloc—maintaining friendly relations with neighbors and favoring non-interference in the internal affairs of other states as well as respect for international law, conventions and customs.

As a result, Oman has not sided with any party of the conflict despite enjoying a close relationship with Qatar. Doha at first looked to their counterparts in Muscat to mediate the row, and Oman initially agreed. But recognizing the sensitivities, Oman realized that it cannot play the role of principal mediator. The Sultanate chose to maintain its position of impartiality and non-interference—reverting to its typical strategy of supporting mediation and pursuing quiet diplomacy to bring the two sides together toward reconciliation. This approach explains why Oman’s foreign affairs minister, Yusuf bin Alawi bin Abdullah, recently met with Qatari officials both in Doha and Muscat to discuss bilateral relations, regional developments, and, significantly, Oman’s support for Kuwaiti- and US-led mediation efforts.

Preserving the GCC

Although Oman deviates from the GCC on certain aspects of foreign policy, it recognizes the institution’s importance for regional security and economic cooperation. These have always been Oman’s top priorities, and there is no doubt to the Sultanate that the GCC has played an integral role in enhancing prosperity and maintaining stability in the Arabian Peninsula.

The prospect of the Gulf crisis escalating into further tensions or military action between GCC members that may also involve other regional powers—primarily Iran and Turkey—adds more complications to an already-volatile security environment in the region. Oman already feels under pressure from the ongoing war at its own doorstep in Yemen. The Sultanate fears that the longer the diplomatic crisis drags on, the more difficult it will be for all sides to reach a compromise, which could further undermine the GCC as an institution.

To be sure, the Qatar blockade has presented Oman with some much-needed economic oppor-
opportunities, especially in light of the increasing budget deficit that Oman has faced in recent years. The national carrier Oman Air has gained a significant advantage over its rivals (Emirates, Etihad and Qatar Airways) because it does not face the same airspace restrictions resulting from the dispute. As well, Qatar Airways has routed much of its air traffic to Muscat International Airport, and has launched a new route to Oman’s Sohar International Airport. With Qatar being denied access to its only land border with Saudi Arabia and to UAE ports, on which it has traditionally relied on for imports and exports, Qatar has now turned to the Omani ports of Sohar and Salalah. According to Oman’s Chamber of Commerce and Industry, the volume of trade between Oman and Qatar has increased by 2000 percent since the first three months of the blockade. Oman is also poised to receive more much-needed Qatari foreign investment.

At the same time, such economic gains have not obscured Oman’s vision that regional integration and cooperation offer more long-lasting stability and economic prosperity than the quick and short-term opportunities presented by this crisis. Moreover, the measures taken against Qatar contravene existing GCC agreements like the Customs Union and Common Market, which demands the free flow of people, goods and capital. The fact that the blockade was initiated without any regard to GCC institutions and decision-making mechanisms, including the GCC Supreme Council or its Dispute Committee, has set a troubling precedent that is worrying for Oman.

**Who’s next?**

It is becoming increasingly apparent that Riyadh is attempting to pressure the smaller GCC states into aligning closely with its approach and cutting off ties with Tehran. The ongoing crisis might be a harbinger of how Saudi Arabia exercises this pressure—and this is unsettling for smaller Gulf states, especially Oman. Both Saudi Arabia and the UAE have already signaled their displeasure with Oman’s role in the nuclear deal between Iran and the P5+1 (JCPOA), as well as the Sultanate’s burgeoning relations with Iran across a host of sectors including energy, trade, investment and defense. Both countries have accused Oman of undermining the collective security of the GCC by cooperating closely with Tehran, particularly in Yemen, a charge which Oman has categorically denied. If Qatar’s relations with Iran were a factor for the punitive Saudi-led blockade, Oman may be apprehensive about suffering the same fate given its relations with Iran and its rather historically independent foreign policy.

There is no doubt that the ongoing crisis and the fear of further escalation poses a major foreign policy dilemma for Oman. Consistent with its neutral stance, Oman has maintained ties with Doha, sparing the latter from isolation, and has sought to resolve the gravest internal GCC crisis since the organization’s founding in 1981. Muscat fears that a failure to settle the crisis will break up the council and thus rein in its independent foreign policy, which would directly undermine vital Omani national interests and dramatically exacerbate regional instability. Oman will therefore continue to build up its relations with Iran to counterbalance Saudi dominance, in addition to helping support regional and international mediation efforts to find a quick resolution to the current Gulf crisis.

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