

CHAPTER 4

THE ANALYSIS OF QATAR'S REASON TO STILL SUPPLY THE CLEAN NATURAL GAS TO UNITED ARAB EMIRATES IN THE MIDDLE OF CUTTING DIPLOMATIC

In the previous chapter, we have seen together on the relationship between Qatar and the United Arab Emirates. In this chapter, it is explained, that before the warm crisis that ended in heat, which occurred in the middle of 2017, relations between the two countries were quite good — many proofs that cooperation has taken place, both the collaboration between the government itself and even the private companies.

The good thing does not affect the results that occur after the crisis began. The fact is that the cooperation relationship between Qatar and the United Arab Emirates is very fragile. Judging from the many aspects, the collaboration was cut off due to the effects of the crisis. Not only is there some collaboration in supporting the increase in per capita income from the two countries. However, their diplomatic relations were interrupted and even continued with repatriation from the Qatari ambassador to Doha. (Farouk, UEA Tegaskan Sanksi Dibuat Agar Qatar Stop Danai Terorisme, 2017).

Termination of relations of cooperation and even diplomatic relations was spurred from the actions of Qatar accused of helping and supporting acts of extremist organizations or what we commonly call terrorists. Qatar also has a pretty good relationship with one country that is not one ideology with the Arab nation, namely the Iranian state. So that on June 5, 2017 (Wintour, Gulf terjerumus ke dalam krisis diplomatik karena negara-negara memutuskan hubungan dengan Qatar, 2017), 4 Gulf countries severed their diplomatic relations with Qatar. This action was considered as a form of warning against Qatar to stop the move and distance itself from the Iranian state.

At that time many impacts occurred between the countries as well as the cessation of supplies of essential commodities, and some transportation for crossing between countries. Not transportation, some of these countries also attracted their diplomats to return to their respective countries. However, when the countries decided to

cut ties with Qatar, Qatar first cut off its relations with these countries. Here can be seen from the decision of Qatar which decided to even close their flight offices or Qatar airlines in these countries namely Dubai, Sharjah and Riyadh (Tuwo A. G., 2017). The full translation has been explained in chapter 3 before.

After seeing the impact of the disputes that took place between the Gulf countries, this incident was not a trivial matter. Even in some media, it was mentioned that this had become the main topic of a trend in 2017. This dispute we are wrinkling with the relationship between Qatar and the United Arab Emirates. They have had several problems outside of this incident, but are getting heated up with the issue. Even then, it has produced several impacts which are very much considered by several countries with several decisions to cooperate from the two countries. However, when it arrived at this point, it turned out that there were some weaknesses in the United Arab Emirates which made him supposed to not apply that way in giving a warning to the country of Qatar.

The Arab emirate has a high dependence on one of the rich countries. Half of the electricity generation in the Abu Dhabi ash is the energy taken from the gas provided by the country of Qatar (headlingnews, 2017). With the sharpening of the crisis, there were several risks which resulted in the extinguishing of transmitter buildings in the United Arab Emirates, especially in the Abu Dhabi area.

Here happened because indeed the country of Qatar is one of the largest gas producing countries. Unlike the case with the United Arab Emirate that produces natural oil, it cannot yet make the developed country make its oil a medium for generating electricity. The state of Abu Dhabi itself has become one of the countries that are highly visited by world tourists. You could say this country is a European country version of the Arab nation. The metropolis country is acutely following the times, without exception the development from its development. Even in that country, there is one of the tallest buildings in the world — Moreover, the gathering place for the billionaires of the world.

High-speed and even sophisticated development has the same electricity capacity. Therefore the energy to maintain the stability of

the electricity must be adequate. Although the country is one of the biggest oil producers, it is not enough to maintain the stability of its electricity. Therefore, additional power plants are essential, and the Qatar state is also one of the countries to be invited to cooperate. Moreover, the country produces gas that is in high demand by other countries, even outside the circle of the Arab countries themselves such as Europe and even the Australian continent.

With this conflict, the supply of gas which is very much needed by the united state of the emirate is a little worried. In the midst of a heated conflict even with the severance of cooperation between the countries of Qatar and the United Arab Emirates, the supply that became the central heart of electricity in Abu Dhabi became very calculated. Here has given me a great deal of curiosity about what will be done by the country of Qatar in the midst of its crisis with the Abu Dhabi country. Will the state of Dhahi ash be decided to be given gas by the Qatar country amid the conflict? Alternatively, in the midst of this fight, the country continues to supply gas to the oil-producing country.

Some media said that one of the most significant energy sources of entropy originated from a large gas supply from Qatar. It is not strange what happened between their collaboration. Qatar managed to send its gas not only to its neighboring country in the Middle East. However, Qatar has predicted to control the natural gas lane in Southeast Asia (Mubadala, Mubadala Petroleum is a leading international oil and gas company, 2018). Now the export of natural gas has penetrated to Australia and even to the continent of Europe and Africa.

The media crew is asking a feeling of the dilemma. In the midst of the crisis, even the heightened relations between the Qatar camp and several other Gulf countries have done much damage to Qatar. However, does Qatar still provide the natural gas? Much news that this is very worrying about the color of Abu Dhabi. Because the gas is the primary resource for half of the electricity in Abu Dhabi. However, many also revealed that the crisis did not interfere with the supply of Qatar's natural gas to the United Arab Emirates. However, in the end, Qatar will still supply its natural gas to the country, and

here are some considerations made by Qatar to continue supplying its natural gas in the midst of the conflict :

A. *Economic factors*

1. Economic stabilization

Some media said that one of the most significant energy sources of entropy originated from a large gas supply from Qatar. It is not strange what happened between their collaboration. Qatar managed to send its gas not only to its neighboring country in the Middle East. However, Qatar has predicted to control the natural gas lane in Southeast Asia (Mubadala, Mubadala Petroleum is a leading international oil and gas company, 2018). Now the export of natural gas has penetrated to Australia and even to the continent of Europe and Africa.

In the previous era, Qatar was a country far from prosperous, and even this country was one of the countries that had a high level of poverty. However, after the discovery of its natural resource wealth. Qatar immediately changed its nickname to become an established country, even one of the wealthiest countries among several rich countries in the Middle East. For this reason, this country is taken into account by one of the most significant events the world community has been waiting for, the world cup. Qatar will host the World Cup in 2022.

However, with the conflict in the Middle East, many issues mention doubts from the World Cup organizers to continue their big matches in the country. In response to this, Qatar has also made several preparations to accelerate development in the country. Especially from the impact of the conflict that has made Qatar a little busy to maintain the economic stability of their country. Therefore, the main thing is that it will safeguard Qatar to stabilize the economy of their country by continuing to launch the Dolphin gas project agreement to Abu Dhabi.

Here begin by the Mubadala group itself is a region formed by the Abu Dhabi government to control and even

accelerate the economic pace of the country, especially the city of Abu Dhabi itself. Mubadala itself can be regarded as a multifunctional company that controls and summarizes the functions of each of its sectors, such as aerospace, ICT, mining, finance and even in the UAE potential growth sector in general maintenance, real estate, and defense.

The company was built with an active branch of 13 sectors in 30 different countries (Mubadala, Mubadala is a global investment, 2018). Why can this company be in several countries? This is because the group's Mubadala has the leading power in accommodating as many investors as possible and playing shares in it. It is no wonder that this company has many subsidiaries in several countries. So that the scope of the business is comprehensive and connects the many cooperation between countries.

Qatar and the United Arab Emirates have made an agreement and cooperation through the company. Where the United Arab Emirates emirate, which is one of the neighboring countries with Qatar, does require some large supplies of natural gas. Finally, an agreement and cooperation were made to meet the needs of each country.

In this case, which will deal with the issue of gas distribution, the Mubadala group itself has a sector specifically for dealing with this matter, namely Mubadala petroleum. Qatar state itself has become the largest supplier country for its natural gas. Gas shipments have reached the continent of Australia and even Europe. Here I will tell a little about the flow that occurred in the delivery of the gas to the United Arab Emirates.

Mubadala petroleum has the task of maintaining production activities from development and exploration that focuses on optimizing geographical results in each country. Any country that invests its shares in this company will be helped to provide a solution and even use some land for the country just like what was done by the city of Abu Dhabi which needed massive power with assistance from the country's natural gas Qatar. There was also a continuation of

the activity. Oman requested to be sent from Qatar. This company is helping the Zohr project in Egypt (Mohamed, 2018) and its exploration to Southeast Asian countries, namely Indonesia, Malaysia, Thailand, and Vietnam (Mubadala, Mubadala Petroleum is a leading international oil and gas company, 2018)

In 2017, the company has issued an average of 320,000 gas exports to the state of Abu Dhabi, counting the equivalent oil count (Mubadala, Mubadala Petroleum is a leading international oil and gas company, 2018). Here proves that the city of Abu Dhabi is in desperate need of power from the gas. This gas is one of the primary sources of energy for Abu Dhabi, so this was considered for the smooth supply.

To ensure the flow of gas supplies coming from Qatar to the United Arab Emirates. Mubadala petroleum creates a subsidiary branch that controls the problem explicitly. Dolphin project is the first energy project between countries in the Middle East where this project is what makes the delivery of gas from the gas fields to their respective destinations because the ocean only separates the location of the countries of Qatar and the United Arab Emirates. Then the delivery is done through the installation of several pipes. The primary source of gas is from the northern field sea of Qatar to the processing facility in Ras Laffan and then exported to the UAE through 48 detailed 364km underwater pipelines to its reception station in Taweelah. The gas is again distributed through the extensive gas network on the dolphin coast to UAE distribution utilities and customers such as the Abu Dhabi water and electricity company (ADWEC), Dubai supply authority (DUSUP), as well as water and electricity company (UWEC). Some of them were sent back through the pipes to the country of Oman (Mubadala, Mubadala Petroleum is a leading international oil and gas company, 2018).

This production began in 2007, but can only be used optimally in February 2008 with an average throughput rate

of 2 billion cubic feet per day. Even the increasing age of the operation began to be increased in 2016 so that the capacity of the gas pipeline became 3.2 billion cubic feet per day. Today, the number of exporters has reached 7 trillion cubic feet of export gas (Mubadala, Mubadala Petroleum is a leading international oil and gas company, 2018). So this is what makes the country of Qatar one of the wealthiest countries at the moment, which previously was not considered by other countries and even excluded. The discovery of natural gas is what makes the eyes of the world pay attention to the movement of the country of Qatar. Now Qatar has a priceless gem.

Because even this project has provided a massive output outpouring with a long enough agreement, if it will be stopped in the middle of the road it will add to the losses that will be faced by the country of Qatar.

Reported by many trusted media that the supply of natural gas to their respective countries, namely the United Arab Emirate is not disturbed at all. Qatar will continue to deliver natural gas according to what was previously. It seems like there are no fights between them. Here is a great relief from the worries of the Middle Eastern metropolis.

The chief director of the Qatar petroleum company, Saad Sherinda Al-Kaabi (correspondent, 2018), said that it would continue to supply natural gas to the United Arab Emirates through pipes from Dolphin Energy even though their country was still facing quite hot feuds and was estimated to be very long to end.

He explained, the Qatar petroleum company produces around two billion cubic feet per day. "About 30 percent for supply to the UAE," he said in front of reporters. "Qatar will also increase capacity equivalent to crude oil production from 4.8 million barrels per day to 6.2 million barrels," he explained. Even though the country of Qatar was experiencing a break in diplomacy, It even decided to cut off some transportation access from land, air, and even the sea.

Al-Kaabi still insists that Qatar will continue to supply natural gas to the United Arab Emirates.

It was dismissed because they had started the agreement until 2032. The designs used to flow the natural gas to the country of the united emirate were very cheap. Besides that, both of them have invested in the same container, where the container is not a place of local investment, but many neighboring countries outside of the Gulf region participate in planting shares in the Mubadala company, especially for dolphin projects from Mubadala petroleum itself. Even Qatar will increase its natural gas production to reach 2 billion cubics per day. Moreover, about 30% will be sent to the United Arab Emirates. Qatar will also increase its crude oil capacity from the previous 4.8 million barrels a day to be increased to 6.2 barrels a day (koresponden, 2018).

By looking at numbers that are practically not average numbers that are easily accessible. Here it can be concluded that the decision to stop gas supply to Abu Dhabi was not the right decision. Because this will cause huge losses. Quoted from rational choice theory, it is very contrary to what the theory says. If Qatar breaks the cooperation, Qatar will get a huge loss and can disturb the stability of other sectors.

2. *As the reliable supplier of clean natural gas*

According to the statement above, it has clearly explained what Qatar wants to continue to supply natural gas. The State of Qatar is a country which at first can be said to be one of the smallest countries in the Middle East. This country is a country that is below the standard of developing country positions. However, at this time who does not know that the country of Qatar is a prosperous country. Even now the country has its strength. Even one of those powers is only owned by Qatar, the largest natural gas mine.

The choice to continue supplying natural gas to the city of Abu Dhabi is one of the stakeholders that is very suitable to do in the present situation. In the midst of the

political truce that took place in the Middle East. With very elegant Qatar does not flinch even shows fang. As one of the largest exporters of natural gas at the moment, he shows himself by continuing to supply natural gas through the dolphin pipeline to Abu Dhabi. Even with this step makes consumers feel calm and prospective customers also feel more confident in what they will do for the future.

The cooperation and export of natural gas shaded by Qatar have a massive impact on them. You could say the rise of the country of Qatar from a country that has degraded helped by its natural resources, primarily natural gas itself. It can be concluded, too, that when Qatar cut off the supply of natural gas to the city of Abu Dhabi, it could make consumers shaky and could even doubt their prospective customers with the termination of the agreement in the collaboration. The loss of consumer trust is the worst thing experienced by business people, or it can say that this should be avoided from the basic principles of economics.

3. *To save the cooperation with Oman state*

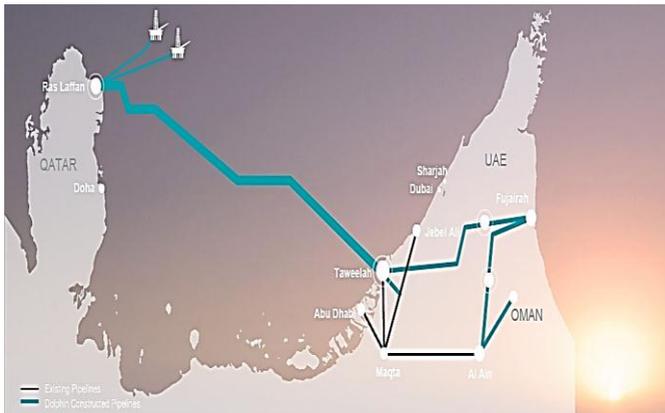
On many occasions previously presented about the dolphin project pipeline. Natural gas owned by Qatar is a necessity for many national interests. Some are used as electrical resources or as other power plants. Therefore, it was very many who took the opportunity to cooperate with Qatar. Especially the middle east countries or we usually call it in neighboring countries. The dolphin pipeline project that flows natural gas from the sea coast of the Raf lattan in Qatar to Abu Dhabi as the first supplier turned out to create a new movement in its neighboring country, Oman. This natural gas has indeed helped a lot in accelerating development and sophistication as a power source. Seeing the cooperation between Qatar and the United Arab Emirates, Oman does not want to waste this golden opportunity.

Finally, Oman also took part in the project. Pipes that previously only brought natural gas to Abu Dhabi, now that

natural gas can reach Oman by adding connections to the dolphin project. Here makes the continuation of mining in the country of Qatar if they have to cut off their gas supply to the United Arab Emirates. It can also disconnect supplies from Oman because it is not possible to flow Qatar's natural gas to Oman without passing through the port in Abu Dhabi. Alternatively, in another way to build a new pipeline project to bring Qatar's natural gas to Oman without going through the United Arab Emirates, and that is not to use a small fee, of course.

On the other hand, the country of Oman not involved in the heated conflict that occurred in the Middle East in the middle of 2017. Here makes the act of terminating natural gas supplies to the United Arab Emirates very ineffective. Even making new conflicts emerge or cause casualties to emerge in the midst of the conflict that is discussing. Qatar's decision to continue supplying its natural gas to the United Arab Emirates made much profit compared to the feeling that it had felt discriminated against and even severed all its cooperation with its neighboring countries. If Qatar complies with the desire for revenge to stop supplying natural gas to the united states of the emirate, the gas does not stop at the emirate alone but continues to Oman. That is one of the calculations of the country of Qatar. If he still follows the ego lust decision because of the termination of the relationship that happened, maybe that gives its satisfaction because gas supply for the United Emirate's country is significant, Qatar will cut off the supply. However, what about the country of Oman. Even Qatar has other consumers in various countries. That is why it has used as an excuse that will add new problems again.

DOLPHIN GAS PIPE MAP PICTURE



Source

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B. Political factors

1. The power to survive of sovereignty

In this factor, it explains the political factors that led to Qatar's decision to continue supplying natural gas to the United Arab Emirates. This political factor depends on the greatest strength possessed by Qatar, which until now has turned a poor country into a country that is highly calculated by the world. Qatar's natural gas is natural gas that is in great demand by many countries. Even the supply is not only in

the Middle East, but has crossed continents. The power of natural gas has been made like a pulse by its users.

Where most of this gas plays a role as a substitute for the country's electricity resources. Therefore this gas can be used as a benchmark for Qatar's strength. The power of natural gas has been made like a pulse by its users. Where most of this gas plays a role as a substitute for the country's electricity resources. Therefore this gas can be used as a benchmark for Qatar's strength.

It was dismissed because Qatar and Uni Emirat had started the agreement until 2032. The designs used to flow the natural gas to the country of the united emirate were very cheap. Besides that, both of them have invested in the same container, where the container is not a place of local investment, but many neighboring countries outside of the Gulf region participate in planting shares in the Mubadala company, especially for dolphin projects from Mubadala petroleum itself. Even Qatar will increase its natural gas production to reach 2 billion cubics per day. Moreover, about 30% will be sent to the United Arab Emirates. Qatar will also increase its crude oil capacity from the previous 4.8 million barrels a day to be increased to 6.2 barrels a day (koresponden, 2018)

However, there is a big thing that Qatar is aware of, the countries in the cement bay and even the big countries in the Middle East are affluent in the results of natural resources in their respective countries. However, most of them get that wealth from abundant natural oil resources, and only Qatar is the biggest supplier of natural resources with natural gas. Here is the biggest strength of Qatar that is not owned by other countries. Many of them asked to be given the gas supply to continue the interests of the country.

Abu Dhabi is also one of the real examples at this time when the conflict occurred, but the power of electricity that supports the metropolitan city comes from the power of natural gas supplies shipped from the coast of the coast of Qatar. Then Qatar also took this opportunity to show that he

still had the strength in the presence of several countries that were still dependent on Qatar. However, if Qatar decides not to supply its natural gas to the United Arab Emirates, it will make itself worse in the current conditions of conflict.

During the crisis that was being faced by Qatar, this power could greatly support their greatness in the midst of conflict. The proof is that his resistance with the Emiret Union has gained a weak point. Where Abu Dhabi is very dependent on their source of electricity for the supply of natural gas from Qatar. This makes a golden opportunity for Qatar by giving its closest example that amidst the crisis that hit Qatar. Qatar can still survive with the strength it has.

If Qatar want to cutting down the supply of clean natural gas to Abu Dhabi. Maybe Qatar will be satisfied by cutting off the supply, but Qatar will eliminate their golden opportunity to show their greatest strength to countries that cut off diplomatic relations with Qatar. Qatar still supplying its gas supply to the United Arab Emirates in the same amount like before. He affirmed himself to the world that he had more powerful power than the conflict that was happening at this time. So even then it would give Qatar's position in the world natural gas business industry to be stronger. Even this could support the expansion planning strategy of the country of Qatar to have other business deployments (koresponden, 2018).

Here, the Rational concept has assumed if the choice has chosen considering the cost and benefit *calculation* not considering the right and wrong of the morality of each actor who decides by the rational way. When we do the rational theory, we cant use one actors to implicated the decision. There is no actor. Many actors will implicate the choice before the result. It is like the classical realism which looking for the hegemony, power, and sovereignty as the unity.

The implementation of rational choice can be an example often zero theory. Ten zero theory is about getting great benefits or significant loss. Its mean that the theory

gives the maximum benefit or maximum lost. Rationally, every one of human being will take the maximum benefits opportunity. 10 : 0 theory can be the example for implementation of this theory. The maximum risk with the minimum risk has shown clearly from the comparison in the table below. So rationally we will take in the option A, which is has a maximum benefit than the option B which all the impact of the option is in a significant loss. This example can be the correlation toward Qatar's policy to continue the supply of clean natural gas to the United Arab Emirates in the middle of their crisis. It is like the 10 : 0 opportunity. Qatar has a practical situation if they still supply the natural gas in the middle of its embargo.

So it is a warm crisis that has become the most popular conflict in 2017, which has resulted in a lot of diplomatic breakups — termination of transportation from land, air, and even water. Alternatively, from being ostracized by people who are citizens of Qatar in folded countries. Moreover, again some cooperation agreements were almost broken because there were those who resigned and other problems. Here Qatar decided to continue supplying its natural gas to the Abu Dhabi state and not see what the country had done because of this crisis. Even though he knows that the heart of the country is the natural gas he provides, he still sends it and even provides additional supplies (correspondent, 2018)