Qatar is Russia’s chief rival in the natural gas market

Qatar recently announced that it plans to compete with Russia in Southern Europe’s natural gas market. Qatari Prime Minister and Foreign Minister Hamad bin Jassim acknowledged that on April 1 at the Brookings Doha Energy Forum, where he spoke of the need to link the Middle East’s gas transport system, i.e., gas producing countries like, primarily, Qatar itself, as well as Egypt, possibly Iraq and Iran in the future, to Southern Europe’s gas transport system, i.e., Turkey, Bulgaria, Romania, Hungary, Albania, Greece, Croatia, Italy, etc.

The Qatari elite hatched these plans a long time ago, and in 2010-2011 they even held high-level secret talks with potential members of the gas “alliance,” primarily Turkey and Iran. However, Doha kept them carefully hidden. Officially, the Qataris said they intended to place their main emphasis on supplying liquefied natural gas (LNG) to Asian markets. Negotiations were also held about constructing terminals to receive Qatari LNG in Europe, including Turkey, Greece, Albania, Poland and even Ukraine. However, the price was too high — tens of billions of dollars would have to be invested. The political aspect of all this is quite interesting. After all, these countries are traditional customers for pipeline gas from Russia. This can only mean that Qatar, which was saying something different, actually wanted to squeeze Gazprom out of its traditional Southern European markets.

Considering the growing Asian demand for LNG from Qatar, which has already signed major agreements with India, Sri Lanka and several Southeast Asian countries over the last three years, and given that there is no shortage of demand for gas from Doha, there is only one explanation for its unusual “move” to Europe — to bring down the price of Russian gas and significantly reduce Russian gas supplies to Southern Europe. Since Doha obviously does not need it for commercial reasons, I can only draw a conclusion about who benefits from an attack on Russian energy interests in that region. The answer is abundantly simple — it is needed by the United States and its European allies who have long wanted to reduce Southern Europe’s and Turkey’s energy dependence on Russia while simultaneously undermining its political influence in that strategically important region. Qatar has become an instrument for achieving that goal.

However, LNG exports cannot be increased quickly due to the need for huge investments in marine terminals to receive liquefied gas, in regasification capacity and in the construction of storage facilities. It is much faster and cheaper to deliver gas to customers over land, especially since the climate and terrain in the Middle East make construction of gas pipelines much cheaper than laying them under the sea, as is the case with North Stream and South Stream. In addition, this dwarf emirate is very close to Southern Europe: Look on the map to see where Qatar lies and where Siberia and Yamal are located. Gas can also be supplied to other customers along the same route — Jordan and Israel, for example. The Qataris have engaged in closed negotiations with those countries, as well.

But Syria stood in the way of constructing that gas pipeline. And there is no way to circumvent the country. Therefore, Doha, which until 2011 had no problems or conflicts with Syria and had even invested heavily in its economy — more than $8.5 billion in tourism and real estate, among other things — suddenly changed its position over the course of a few weeks and became the most ardent member of the anti-Syrian coalition. It had nothing to do with an overall policy towards the Arab “revolutions” or personal conflicts between heads of state. After all, Assad, unlike Gadhafi, did not say at Arab League summits in the presence of the other Arab leaders that “the Emir has
grown as fat as a barrel of oil and no longer fits in his chair,” nor, unlike Mubarak, did he say that “Qatar’s entire population could be housed in the Cairo Ramses Hilton Hotel.” The point is that Doha was ordered to put a gas pipeline through to Southern Europe. Hamad bin Jassim’s recent statement was not made by accident. Indeed, it contained a veiled threat against Russia — if you support the Assad regime, we’ll take away your gas markets in Southern Europe. However, it was already clear that they were going to squeeze Moscow out of the region anyway.

And that gives rise to a very important question — why did Qatar found the Gas Exporting Countries Forum (GECF) in 2009 and locate its headquarters in its capital city? In light of recent events, there would seem to be no doubt here, either. On the one hand, they would fool Russia by pretending to establish a mechanism for gas producing countries to coordinate their policies on the global and regional markets, including prices, and avoid intruding on each other’s territory through gentleman’s verbal agreements. On the other, they would obtain as much information as possible about Russia’s intentions as the largest natural gas producer and then “report” them to their American patrons. After all, there is always a confidential exchange of views and information at events put on by this kind of organization. Russia did not become a leading member of GECF, and Qatar, which succeeded in transforming the organization into a “forum for the Arab majority,” is able to block any decision. And Doha acquired even more powerful ideological supporters after the regime changes in Egypt and Libya, whereas Moscow, unfortunately, can actually count on support only from Iran — and comparatively little at that — and from Algeria. After all, no one doubts that the West and the Wahhabi monarchies of Arabia will undertake a “color revolution” in Iran after dealing with Syria.

It is possible that Doha and Riyadh will want to get rid of the secular regime in Algeria, where radical and moderate Islamists are still very strong. It is difficult to say what will happen in Venezuela — also an influential member of the GECF — after Hugo Chavez dies.

Therefore, we should harbor no illusions about Qatar and its potential investments in Russia. The Emirate exists today and will continue gaining strength by virtue of US support solely because it functions as Moscow’s chief competitor in the gas market by knocking together various alliances around itself to squeeze us out of the European energy market. But Doha will be afraid to confront Russia openly so long as the legitimate Assad government remains in power. However, it will continue playing dirty with Russia by giving money and weapons to the armed Syrian opposition and, most importantly, torpedoing all of Moscow’s initiatives for a peaceful settlement of the Syrian conflict.

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