

A Dangerous Gulf in the Horn: How the Inter-Arab Crisis is Fuelling Regional Tensions

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Qatari Emir Sheikh Tamim bin Hamad al-Thani inspects a guard of honor upon arriving at the Bole International Airport during his official visit to Ethiopia's capital Addis Ababa, on 10 April 2017. REUTERS/Tiksa Negeri

The Gulf crisis and the scramble for military outposts in the Horn of Africa are exacerbating regional tensions that risk triggering a conflict. In this Q&A, Crisis Group's Horn of Africa Project Director Rashid Abdi untangles the complex web of relations that tie the Horn and the Gulf.

How has the Gulf crisis affected security and stability in the Horn?

The Gulf and the Horn are intricately intertwined regions that face common threats and vulnerabilities: armed conflict, transnational jihadism and organised crime, including piracy, human trafficking and money laundering. The current crisis comes at a difficult moment for the historically conflict-prone Horn, much of which is either politically unstable, mired in internal armed conflict or still in a state of fragile post-conflict recovery. Turmoil in the Gulf has sharply escalated the region's already dangerous militarisation as governments are pressed to side either with Saudi Arabia and the United Arab Emirates (UAE) or with Qatar (and, indirectly, Turkey). This has been profoundly destabilising, sowing new regional divisions and rekindling old hostilities. Perhaps most alarmingly, the Gulf crisis potentially could put Ethiopia, Eritrea and Djibouti on a path toward armed confrontation, inflaming the Horn's most dangerous three-way territorial dispute.

Border tensions rose in June when Qatar [removed](#) 400 observers monitoring a ceasefire on the Red Sea island of Doumeira, claimed by both Eritrea and Djibouti, to protest the two countries' support for its Gulf adversaries. Taking advantage of the pullout, Eritrea swiftly deployed forces to cement its de facto hold on the island. Asmara may have intended to force a resolution of the island's status, which has remained unsettled since border clashes in 2008. But its actions have increased the danger of serious armed conflict, which would be likely to draw in neighbouring Ethiopia, Eritrea's bitterest foe and a strategic ally of Djibouti.

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Despite Djibouti's protests and calls for intervention by the UN Security Council and African Union (AU), Eritrea so far seems unwilling to withdraw its troops and engage in talks aimed at a peaceful settlement. Reports that Ethiopia is massing forces to dislodge Eritrean troops from Doumeira are unverified, yet plausible. Unless quickly contained, renewed regional tensions over Doumeira conceivably could trigger more serious flare-ups on both the volatile Eritrea-Ethiopia border and on the Djibouti-Eritrea frontier.

Attempts by both the AU and UN to promote dialogue have failed so far. Djibouti has [called](#) on the AU to insert neutral forces or observers into the disputed areas. Eritrea, which has already blocked a team of AU observers from visiting the island, would probably reject any such intervention, however.

China has [offered](#) to deploy troops to Doumeira, but though Beijing has good ties with both Eritrea and Djibouti, it is not clear whether this would be acceptable to either country. In July, China deployed its first contingent of combat troops to its new military base in Djibouti – a signal of its intent to play a more prominent role in the region.

Why are the reactions of Ethiopia, Egypt and Eritrea important?

Ethiopia, the Horn of Africa's preeminent diplomatic and military power, remains neutral. Prime Minister Hailemariam Desalegn, publicly articulated his country's anxiety on 7 July, telling parliament in a speech broadcast live that the Gulf crisis "must be resolved expeditiously" or it could "destabilise" the entire region. He expressed particular concern about the Gulf states' increased military presence, reflecting his country's fears that an emboldened Eritrea, which plays a pivotal role in

Riyadh's and Abu Dhabi's regional strategies, could use this as an opportunity to boost its military capacity.

The fresh urgency of the "Eritrea Question" in Addis Ababa also is linked to Ethiopia's rivalry with Egypt, which has close ties to the UAE and Saudi Arabia. Egypt is boosting its military cooperation with Eritrea as well as its presence in the Red Sea, deploying a flotilla of combat vessels that include a frigate capable of firing long-range missiles. While Eritrean and Egyptian officials claim their naval cooperation is for "counter-piracy" purposes only, some Ethiopian commentators dispute this, accusing Cairo of trying to isolate or destabilise Ethiopia through "strategic encirclement".

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Behind Ethiopia's rivalry with Egypt is their long-running dispute over construction of the Grand Renaissance Dam. The Gulf crisis has only magnified Ethiopia's suspicions regarding Egypt's ambitions in the Horn, which will almost certainly complicate already delicate negotiations over how to allocate Nile waters. In June, a meeting of the Nile Basin states called by the Ugandan President Museveni broke down, a reflection of growing Egyptian/Ethiopian tensions.

Ethiopian relations with Saudi Arabia remain cordial, despite serious disagreements over the planned deportation of thousands of undocumented Ethiopian migrant workers (see below). The kingdom remains an important source of investment, but the Saudis' growing military profile in the Horn plays into traditional Christian fears of Arab/Muslim powers.

What makes Somalia vulnerable?

Somalia is a member of the Arab League, and rival Arab powers regard it as part of the Muslim *umma*. They see Somalia's strategic location as crucial for protecting the "Arab homeland" and *al-amn al qawmi al-Arabi* (Arab national security). But Arab powers have competed to maintain influence over Somalia. Until recently, Saudi Arabia and Egypt were the two most prominent rival players in Somalia. Now Qatar and the UAE have emerged on the scene. All these powers actively support rival Somali politicians, further [deepening its culture of clientelism](#).

President Mohammed Abdullahi Farmajo so far has resisted both pressure and financial inducements to back the Saudi-UAE axis and sever links with Qatar. By opting for neutrality, he appears to have enhanced his domestic credibility. Yet the Federal Government of Somalia (FGS) risks losing Saudi and UAE military and financial aid. Talks held in early July between Saudi Foreign Minister Adel al-Jubeir and Somali Prime Minister Kheyre were reportedly acrimonious. Jubeir is said to have launched a blistering attack on Mogadishu, warning of dire consequences unless it cut ties to Doha. The UAE allegedly is considering ending its program to pay, train and equip a special forces unit for the Somali National Army. It is not clear whether the UAE-trained Puntland Maritime Police Force (PMPF), Puntland's coast guard, will be affected, but that would be highly unlikely, not least because of the UAE's close links with Somali subnational governments.

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Some domestic critics allege the government's "neutrality" is both detrimental to the national interest and ideologically motivated. Farmajo, they claim, is beholden to certain individuals in key positions of authority with close links to

Qatar and ideologically linked to the Muslim Brotherhood. But the government has also received support from Qatar and, more importantly, from its ally, Turkey.

In mid-June, the prime minister sent out discreet distress calls to Western donors, indicating that Saudi Arabia and the UAE had decided to withhold direct general budgetary support. Loss of Saudi financial support would cause significant harm, disrupting the government's ability to function. But Somalia's appeal comes at an inauspicious time for the European Union (EU) and other key donors, which are straining to mobilise funds to avert famine and support the country's expensive peacekeeping operation.

What has Somaliland gained?

The Yemen conflict and the Gulf's internal crisis have catapulted Somaliland, which broke away from Somalia in 1991, into a position of geopolitical prominence. Both developments enhanced its strategic importance to Saudi Arabia and the UAE, which means that even as Mogadishu faces the prospect of a potentially crippling cash crunch, Somaliland stands to reap a hefty financial windfall.

The self-declared republic has secured a raft of lucrative military, commercial and infrastructure deals with the UAE. Under a deal to upgrade the port of Berbera, Somaliland will get \$442 million from the UAE's port logistics conglomerate, DP World. Under a separate agreement, Somaliland has granted the UAE a 25-year lease to build a military base and use the Berbera airport. This is expected to spawn some \$1 billion in investments to develop and modernise infrastructure.

In late June, President Ahmed Mohamed Mohamoud Silanyo [visited](#) the UAE to highlight its "strong strategic partnership" with Abu Dhabi and the Saudi-led coalition. The government

also cancelled an aviation agreement that allowed Qatar Airways to use Somaliland airspace.

The president and ruling party, which face a difficult election later this year, are marketing the UAE deal as a “development bonanza”. But it still faces hurdles. Somalia, which claims sovereignty over Somaliland, is challenging the agreement’s international legality, and Ethiopia is concerned about its military component. To assuage the Ethiopian government, Somaliland and DP World are giving it a 19 per cent commercial stake in the Berbera Port. Still, the Ethiopian prime minister’s warnings about the growing Arab military presence (see above) suggests Addis Ababa is far from reassured.

How significant is the Gulf’s military footprint in the Horn?

Saudi Arabia and the UAE have signed military cooperation agreements that significantly scale up and diversify their military presence in Eritrea, Djibouti, Somaliland and Somalia. Their primary motive is the war in Yemen, especially efforts to take control of the Yemeni coastline, cut off rebel supply routes, and increase naval and aerial attacks against the Huthi and Saleh forces via a southern flank.

The two Gulf states initially set up a logistics hub in Djibouti’s Haramous facility near Camp Lemonier, stationing specialised troops there to help prosecute the war in Yemen. A dispute – whose cause remains unclear – led Djibouti to evict the Emiratis and Saudis, which moved to Eritrea in 2015. The UAE temporarily broke ties with Djibouti, which were quietly restored in 2016. Saudi Arabia reached a separate agreement to establish a base there.

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Eritrea has obvious appeal to Gulf military strategists: it has well-developed military facilities, experienced armed forces and is close to Yemen's important southern flank. The two Arab states signed an accord with Eritrea in 2015 that granted them a 30-year lease to use the port of Assab, a military airfield close to the port and other facilities on Eritrean-owned islands in the Red Sea. The UAE can use these sites to launch naval and aerial strikes deep inside Yemen. Hundreds of Eritrean troops and special forces back the Saudi-led coalition in Yemen, in addition to other troops from Sudan and Somalia.

The Emiratis also have trained hundreds of Somali commandos in Mogadishu. Increased military support to the Somali government has three primary goals: to bolster counter-terrorism efforts in Somalia, counter the growing military influence of Turkey (which has a base in Mogadishu) and secure regional military allies for its Yemen campaign.

Finally, the UAE signed an agreement with Somaliland to build a naval base in Berbera. The proposed naval base is adjacent to the port of Berbera, which, as noted, is partly managed by an Emirati company. The Somali government protested the deal, but has softened its stance, following President Farmajo's trips to Riyadh and the Emirates.

It is worth noting that three Horn states are now actively engaged in the Yemen conflict: Sudan, Eritrea and Somalia.

Why is the Horn so important to the Gulf?

Centuries of shared faith and commerce have placed the Gulf and the Horn among the world's most interdependent regions. Gulf powers view the region bordering Africa's Red Sea and Gulf of Aden as their natural sphere of influence. For the Saudis, in particular, the pursuit of strategic influence has traditionally combined aid, humanitarianism and

proselytisation of their Wahhabi faith. The latter assumed greater priority following Iran's 1979 Islamic Revolution and the growing assertiveness of Shia Islam. Until recently, trade was not very high on the agenda.

Today's scramble for influence is driven by both geo-economic and geo-security imperatives: securing a post-oil future and prepositioning for a potential future conflict with Iran.

Gulf states, with the UAE taking the lead, have significantly increased investments in infrastructure, real estate, hospitality, transportation and telecommunications in the Horn. In addition to its deal with Somaliland (see above), DP World has won concessions to manage a string of ports in the hands of national and subnational governments – Djibouti, Bosaso (Puntland), Kismayo (Jubaland Interim Authority), and most recently Barawe (southern Somalia, South-Western state). In the words of a senior EU diplomat, the UAE is “pursuing a one-belt-one-port strategy in the Horn, mimicking China's One belt and One Road.

Abu Dhabi Fund for Development also provides loans and grants to fund infrastructure projects in Somalia and Kenya. Kenya is now buying the bulk of its oil from the UAE and in return exporting coffee, tea and textile products.

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As food security becomes a key component of the Gulf's regional strategy, their sovereign wealth funds are acquiring agricultural land in the Horn. Saudi Arabia long has been interested in Ethiopia, a country with abundant water and fertile land. Mohammed al-Amoudi, a Saudi-Ethiopian billionaire, owns a massive rice plantation in Gambela, in south-western Ethiopian, irrigated with water diverted from River Alwero.

Finally, Qatar, the most food-import dependent of the Gulf states, has also been seeking agricultural investments. It negotiated with Kenya in 2009 to obtain 40,000 hectares of land in the fertile Tana Delta, though negative domestic publicity (land issues are extremely sensitive in Kenya) have put the talks on hold. But the Qatari Investment Fund recently signed a contract worth \$1 billion to support plans by a Doha-based food conglomerate, Hassad Foods, to develop 20,000 hectares in northern Sudan.

The Horn also supplies the Gulf with cheap, often unskilled workers, who send home significant remittances. Though economically beneficial, this migration causes political friction. Horn states accuse their Gulf counterparts of poor labour standards that encourage maltreatment; Arab states say governments in the Horn are not doing enough to stem illegal migration, which has risen significantly in the last two decades. Periodic crackdowns and expulsions of migrant workers have strained relations between the Gulf and countries such as Ethiopia, Sudan and Somalia.

Ethiopia, with an estimated 500,000 workers in Saudi Arabia alone, has suffered the gravest consequences. Some 23,000 Ethiopians in the country face imminent deportation. The situation has political overtones: both Saudi Arabia and the UAE seem intent on using the threat of mass expulsion to pressure Horn states into cutting ties with Qatar. This is putting Ethiopia's official stance of neutrality under considerable strain.