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CLIMATE CHANGE AND THE GULF: REPERCUSSIONS, ACTIONS, AND COMPETITION*

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Abstract

The Gulf countries have traditionally been categorized as rentier states due to their economic reliance on fossil fuels such as oil and gas and their immediate impact on the political system. By exploiting natural sources, Gulf countries design their foreign and economic politics. However, the intense extraction of fossil resources and overconsumption of energy sources worsened the impacts of climate change in these countries. Thus, these states are forced to transform their policies. In addition to climate reasons, such as increased temperatures, it has been revealed that oil and gas-based economies are in danger since the world is expected to rely on renewable resources daily. This study seeks to analyze how climate change transformed the geopolitics in the Gulf and argues that Gulf countries began to change their foreign policies by diversifying actors in foreign policy. Moreover, they are more eager to increase their income alternatives. For example, they launch visions encouraging investment in sports, music, and modern cultural events. Furthermore, Gulf countries have given more attention to green energy to preserve relations with Western countries, which seem sensitive to climate change. In this regard, competition has risen within the Gulf and contest in several fields, such as becoming a trade hub and leading the regional order by increasing soft power accelerated among Riyadh, Abu Dhabi, and Doha.

Keywords: *Climate Change, Gulf, Geopolitics, Rivalry, Competition.*

İKLİM DEĞİŞİKLİĞİ VE KÖRFEZ: ETKİLER, EYLEMLER VE REKABET

Öz

Geleneksel olarak, Körfez ülkeleri rantiyer devletler olarak bilinir. Bu ülkelerin ekonomik yapıları, petrol ve gaz gibi fosil yakıtlardan elde edilen gelire bağlıdır. Doğal kaynaklardan elde edilen bu gelirler, siyaseti doğrudan etkilemektedir. Örneğin Körfez ülkeleri doğal kaynakları kullanarak dış ve ekonomik politikalarını şekillendirmektedir. Ancak iklim değişikliği sıcaklık artışı gibi sorunlarla ortaya çıktığı için Körfez ülkelerinin politikalarını dönüştürmeye zorlamıştır. Bu durum Körfez ülkelerinin dış ve ekonomi politikaları açısından geleneksel konumlarını doğrudan olumsuz etkilemiştir. Ayrıca petrol ve doğalgaza

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dayalı ekonomilerin de tehlikede olduğu ortaya çıkmıştır. Nitekim bu kaynakların sona erdiğine dair raporlar yayımlanmıştır. Bu süreç Körfez ülkelerinin ekonomi politikalarını değiştirmiştir. Bu makale, iklim değişikliğinin Körfez'deki jeopolitiği nasıl değiştirdiğini analiz etmeyi amaçlamaktadır. Makale, Körfez ülkelerinin dış politikada aktör çeşitlendirerek politikalarını değiştirmeye başladığını öne sürmektedir. Ayrıca bu süreç, Körfez ülkelerini gelir alternatiflerini artırma konusunda daha istekli hale getirmiştir. Bu anlamda Körfez ülkeleri spora, müziğe ve modern kültürel etkinliklere yatırımı teşvik eden vizyonlar ortaya koymaktadır. Ayrıca, iklim değişikliğine duyarlı Batılı ülkelerle ilişkileri korumak için Körfez ülkeleri yenilenebilir enerji, nükleer enerji, maden arama gibi faaliyetlere daha fazla önem vermeye başlamıştır. Bu durum Körfez'deki rekabeti artmıştır. Riyad, Abu Dabi ve Doha yönetimleri ticaret merkezi olma ve yumuşak gücü artırarak bölgesel düzene liderlik etme gibi birçok alanda yarışmaktadır.

Anahtar Kelimeler: *İklim Değişikliği, Körfez, Jeopolitik, Rekabet, Yarışma.*

Introduction

Gulf Cooperation Council (GCC) states have accumulated wealth thanks to their hydrocarbon resources (Whiteaker, 2022). Since the 1930s (Al-Sarihi, 2018a), Gulf states have been for a long time defined by oil and gas wealth, resulting in a discussion about whether oil is a curse (Soto and Haouas, 2016, p. 373). These revenues have contributed to the economic stability of Gulf countries. Moreover, these revenues strengthened industrial developments and enabled Gulf countries to grow economically. Similarly, GCC countries, particularly the UAE, have become active in various areas such as politics, investment, and tourism thanks to oil revenues (Baycar, 2020; Henderson, 2014). However, reports published over the last decades have shown that these incomes revealed severe environmental problems. Among these problems, climate change and global warming have posed challenges to the Gulf states. In addition to environmental problems caused by oil and gas extraction, these states have been a target of international criticism.

Having faced criticism from the Western countries regarding human rights and democracy, the GCC countries found themselves in a dilemma whether they change their economic policies or encounter an increase of Western criticisms since they pollute the environment due to the production of carbon fuels. It has been stated that the Arab world has not yet grasped the significance of climate change since it is a systematic change affecting all aspects of life. Many Arab countries did not consider climate change a game-changer until the repercussions prevailed (Lazard, 2023, p. 37). Therefore, climate change has been a matter of politics for GCC members.

Table 1. Dependency of Oil and Gas on Gulf Countries' GDP

Country	Oil and Gas Dependency Ratio on GDP
Saudi Arabia	25
The United Arab Emirates	25
Qatar	35
Kuwait	45
Oman	35
Bahrain	15

Source: Moody's Report in 2019. Ratios are Approximately Written.

Table 1 shows that GCC members' wealth, to a certain degree, depends on oil and gas. Several reports have revealed that oil and gas reserves are about to run out soon, making the GCC members nervous regarding income. Moreover, the clock is starting to tick with climate change to end their excessive dependence on fossil fuels (Aljazeera, 2021). In this regard, it is not a rational choice to make the economy dependent on resources such as oil and gas since it has been reported that the reserves or stocks of these profits are about to end in the upcoming decades (The World Counts). Likewise, given the fluctuations in energy prices and markets, being dependent on oil and gas does not provide a stable outcome. For example, the oil price, which was $165 in 2008, fell below $20 in 2020, creating problems for the oil-based economy. It is commonly acknowledged that the economies of the Gulf Cooperation Council (GCC) are not just reliant on oil but also encompass several industries due to the investments of GCC member states in international firms.

Conversely, the rise in oil prices leads to increased hydrocarbon revenues for the Gulf region. Still, the decline in global economic activity diminishes the returns on Gulf investments worldwide. The decline in oil prices negatively impacts the hydrocarbon earnings of the Gulf region. However, there is a compensatory effect in the form of improved returns on Gulf investments worldwide, which can be attributed to the heightened global economic activity. There may exist notable disparities among the respective positions of each country in this context. Therefore, all GCC countries share a similar mentality to transform their economic model: a diversified economy away from oil and gas hegemony. In this sense, to deal with the challenges and geopolitical threats resulting from climate change, GCC countries actively participated in global platforms to recover from the adverse effects. In other words, since global warming has revealed that being a rentier state is not a pragmatic or rational choice, GCC members are determined to transform their economic policies. This process resulted in a boost in competition among GCC countries in terms of diversification policies.

It is more likely that the Gulf's geopolitical atmosphere has significantly changed due to the impacts of climate change. Even though many argued that climate change is expected to bring Gulf countries together (Hashemi, 2022) and boost cooperation bilaterally or within the scope of the GCC, this paper argues that the geopolitics in the Gulf paths through an environment has brought more competition to the region. Therefore, climate change accelerated the transformation of the economic model in GCC, resulting in a boost of rivalry. In this sense, all GCC countries are devoted to diversifying their incomes, creating a competitive region. Harvey argued that significant competition in climate action had been observed between Saudi Arabia and the UAE (Harvey, 2023). Both are set to reduce emissions per capita by more than 30% by 2030 (Al-Sarihi, 2018b).

Similarly, the UAE and Saudi Arabia announced net-zero targets in terms of emissions by 2050 and 2060, respectively. This study's primary objective is to examine climate change's effects on the Gulf region. This paper investigates the impact of global warming on the region's geopolitical dynamics and posits that this phenomenon contributes to the escalation of intra-Gulf competition. In this sense, even though the GCC countries cooperate to a certain degree to tackle climate change, global warming pushes them to vie for diversification policies. Therefore, the study expounds that climate change and diversification are interconnected (Al-Sarihi, 2019a; Al-Sarihi, 2018a; Al-Sarihi and Mason, 2020). The paper starts with a discussion of how climate change affects the Gulf countries and continues with the actions or plans implemented by the members of the GCC. Lastly, the study attempts to analyze the areas of competition, such as the transition to green energy and investments in different non-oil sectors.

1. CLIMATE CHANGE AND GCC

By over-consuming and producing oil and gas, Gulf countries are considered to their footprints in global warming. Similarly, these states are more exposed to climate change/global warming than other regional actors since high temperatures, high humidity, and arid lands characterize the region. Several challenges are posing a threat to the GCC countries. Among the challenges of climate change, desertification, extreme weather or higher temperatures, more storms, biodiversity loss or lack of biodiversity, water scarcity, and sea level rise are prominent. Coral reefs and other marine species are particularly vulnerable to the effects of rising temperatures. The cities in the Gulf frequently experience temperatures above 50 degrees Celsius throughout the summer. These extreme weather conditions pose significant challenges to the residents, making their living conditions inhospitable. Furthermore, excessively high temperatures adversely affect the tourism industry, limiting the duration of tourist visits. Additionally, the scorching heat threatens the annual Islamic pilgrimage known as the Hajj (Chandler, 2019). Between 2003-2018, the sea surface temperature rose by 0.7 degrees. The IPCC states that anything above 1.5 degrees is dangerous climate change, such as 54 in Kuwait.

On the other hand, sea level rise occurs due to climate change in two dimensions. First, seawater expands since the world warms. Additionally, an increased volume of water is introduced into the Earth's seas and oceans due to the melting of glaciers and ice caps (Hausfather, 2019). Hausfather claims that Bahrain would be the first country to be affected by the rise in sea level since the country consists of islands. Kuwait and Dubai would also be damaged by this change caused by climate change (Zafar, 2023). To deal with challenges brought by climate change, Kuwait attempts to have a renewable energy situation (Zafar, 2022).

The main challenges that climate change poses to the Gulf include an exacerbation of an area with already scarce water sources, increasing aridity, and higher temperatures (Krane, 2019). Rising temperatures create an even more need for energy to cool down buildings, refrigerate food, and cool water. All GCC countries have to deal with environmental issues such as desertification, biodiversity loss, pollution of the ocean and shoreline, air pollution, and poor water quality and availability (Raouf, 2008, p. 1). Industrialized countries may import less oil and gas from GCC countries, reducing revenues—similarly, less secure food supplies because of climate change effects in producer countries. The GCC countries highly depend on food imports, with over 85% of their total food consumption sourced from external markets. Cereals account for a significant portion of these imports, constituting approximately 95% of the total cereal consumption within the GCC region. As a result, the GCC is impacted by how climate change affects the food supply. Climate change has made food security more sensitive, as has been addressed since 2008 (Akkaş, 2018, p. 70).

The Gulf suffers a lot from high humidity and arid lands. These come up with degraded soil and land damage—moreover, the food security threat increases since salt intrudes more into small-scale agricultural lands. Regarding the Gulf countries' low agricultural capacity, it can be stated that climate change disabled the possibility of an increment in agricultural activities. Since agriculture is collapsing, the farmers are moving to the cities, making them more crowded and pressuring the water supply. 70% of MENA is dependent on life in agriculture, and rain-fed agriculture is the most sensitive economic sector to climate change. If these countries do not move from rain-fed agriculture to a more competent agriculture production system like drip irrigation, climate change will severely affect them. Therefore, urban planning and migration exert an influence on the impacts of climate change.

Climate change is a crucial urban dimension in the Gulf. There is a critical need for city planning and urban governance in the region to address the threat of sea level rise in urban areas (Lambert and D'Alessandro, 2019). More than 80% of the population is urban. This figure is 99% in Qatar. Important cities and capitals are on the coast. Therefore, infrastructure along the coastal areas is subject to either inundation or damage from the waves of storms.

Ecologic disasters such as sand and dust storms (Cafiero, 2022) prove that the Gulf region has been exposed to climate change. The issues impact sectors other than oil, including agriculture, water fisheries, and tourism, which are deemed crucial for the economic transformation of the GCC countries. Therefore, GCC countries are dramatically affected by climate change. As estimated by Moody, the real GDP of Saudi Arabia will reduce by 10% by 2048, whereas Bahrain will face a 4% reduction because of global warming (Christian, 2019). The three key energy powers in the Gulf region, namely Qatar, Saudi Arabia, and the UAE, are autocratic regimes grappling with a sustained reduction in worldwide demand for fossil fuels. Additionally, these nations are experiencing adverse effects from climate change, including decreased rainfall and elevated temperatures (Economist, 2022). Therefore, not only for the sake of having or keeping good relations with Western countries but also to adapt themselves against the realities or challenges regarding the environment, the GCC nations have actively participated in international climate change debates for at least three decades. 1990s. In 2015, all GCC members ratified the Paris Climate Agreement.

2. GCC ACTIONS AND PLANS

To tackle climate change, GCC countries have taken several steps, including playing an active role in at least three dimensions. Firstly, they are eager to contribute to international actions. For example, GCC members make severe efforts in global initiatives such as the Carbon Sequestration Leadership Forum, Oil and Gas Climate Change Initiative, and Global Methane Pledge. Secondly, GCC members are active in regional initiatives such as the Middle East Green Initiative, aiming to increase the amount of planting trees and decrease carbon emissions. Lastly, Gulf states have their plans to achieve. In this sense, these countries launched initiatives, regulations, programs, and national development strategies to mitigate the effects of climate change. GCC governments have extensive, capital-intensive climate change programs due to rising temperatures, decreasing arable land, and declining water supplies. The UAE's "Energy Strategy 2050" seeks to use 50% clean energy and boost efficiency. Qatar is also building "one of the world's largest sustainable cities" and spending extensively on solar power. Similar developments are happening around the GCC.

A Joint National Committee on Climate Change was formed in 2007 in Bahrain to observe climate issues. This committee cooperates with the UN in terms of preparing reports and communicating. Kuwait is another GCC member that has taken strides to prepare itself for climate change (Al-Sarihi, 2023). In this sense, the Environment Public Authority inspects the climate change issues in Kuwait. By 2030, the body plans to reduce greenhouse gases through the National Adaptation Plan.

Moreover, this plan is to improve community livelihood and achieve sustainability. Oman announced the 2020-2040 National Strategy for Adaptation and Mitigation to Climate Change in 2019, and Muscat pledged to reach a carbon-zero policy by 2050. Establishing the 'Oman Sustainability

Centre' responsible for developing and implementing carbon zero strategy, Oman has launched different initiatives actively. In 2021, Qatar also ratified the National Climate Change Plan. Moreover, the Doha administration authorized the Environment and Climate Change Ministry to deal with global warming. Saudi Arabia offered a circular carbon economy proposal during G-20 leadership, and the other members endorsed this plan. This plan aims to mitigate climate change effects, and it attempts to sort out greenhouse gas emissions.

Likewise, with this plan, Saudi Arabia tries to achieve three things. First, it targets greater energy efficiency and uses green energy resources. Second, it promotes using carbon to produce feedstocks and fuels. Last but not least, removal uses carbon capture, utilization, and storage techniques to deal with excess carbon (Al Shehri and others, 2023, p. 155). The UAE is another Gulf country that fights climate change institutionally. Abu Dhabi established the UAE Council on Climate Change and Environment in 2016. The organization oversees monitoring the execution of the 2015-released Green Agenda 2015-2030 and developing private-sector-academia relationships between ministries and local governments. In 2017, the UAE announced the National Climate Change Plan 2017-2050, making the country first in the Gulf. Through this plan, the UAE is committed to managing greenhouse gas emissions, maintaining economic growth, minimizing risks, improving climate adaptation capabilities, and boosting UAE economic diversification.

3. COMPETITION AND DIVERSIFICATION

Climate change altered the geopolitics in the Gulf. It galvanized the diversification of Gulf economies and triggered competition among the regional states. From media to tourism, GCC countries are highly interested in the non-oil and gas sector. Therefore, high-level competition has emerged with the rise of climate change since it has affected all GCC countries at high stake. Because all GCC countries are eager to alter the course of action regarding the economic model, intra-Gulf competition picks up in a wide range of dimensions. The first competition area is on green energy, where almost all GCC members itch to reach enough extent. The second is about investment and enlarging international partnerships.

3.1. Transition to Green Energy

A renewable energy system is almost an obligation to transform the GCC countries' economies and reduce emissions. New energy-saving methods are introduced to reduce atmospheric carbon dioxide. The members of the GCC swiftly vie to shift to more carbon-neutral policies. GCC countries are increasingly using renewable energy sources like wind and solar electricity. Thus, GCC nations commit to reducing global warming by adopting renewable energy and green technologies (Wehrey and Fawal, 2022).

Gulf nations rush to net zero, whereas Saudi Arabia seeks to lead hydrogen exports. Because Gulf nations, including Saudi Arabia, exhibit notably elevated per capita energy consumption levels. The pursuit of transitioning towards clean and sustainable energy sources is partly motivated by the need to manage the escalating population and the growing domestic energy use. As an illustration, Saudi Arabia expends a daily quantity of 1.5 million barrels of oil alone to desalinate seawater. Hence, the pursuit of green and renewable energy sources is driven by the objective of managing rapidly escalating domestic energy consumption.

This plan is endorsed by the megaproject, ‘NEOM’. With this plan for building a city, Riyadh hopes to produce and export hydrogen since the city was created to be the world’s largest green hydrogen production plant with modern infrastructure. Similarly, Saudi Arabia could have two more green hydrogen plants since ACWA offered to help. Aramco will make two million tons of blue hydrogen by 2030, just like ACWA. Lastly, Saudi Arabia wants the Middle East’s largest solar power facility. These plans are almost the same for the UAE. Abu Dhabi’s hosting of COP28 in 2023 (Mazzucco and Alexander, 2023) signals that the UAE aims to represent itself as a clean and green energy leader. In other words, Abu Dhabi wants to be known as a Middle Eastern country working hard for decarbonization, pledging net-zero emissions.

In addition, many Emirate firms are dedicated to getting ahead of Saudi rivals. The activities of the Abu Dhabi National Oil Company and Emirates Water and Electricity Company exemplify this argument. Therefore, the transition to green or renewable energy is a concern that all GCC members have been conducting at the national level with little coordination. This process prevails over the competition among the GCC members. In this sense, it can be stated that there is a race between Gulf countries to increase cooperation and trade with China (Harvey, 2023a), Asian countries (Bettis, 2023), and the EU (Harvey, 2022) on green and renewable energy issues. For example, South Korea and Japan are countries where GCC members compete to cooperate more (Harvey, 2023b). In this regard, the UAE is prominent since Abu Dhabi received a 1 billion USD investment from South Korea and agreed to cooperate with Japan on green energy.

Similarly, the UAE leads the cooperation with EU members. An Emirate and four Dutch companies decided to create a green hydrogen supply network between the two countries. The UK, Italy, and Germany are also European countries where the UAE work together on green energy. Regarding global power, the UAE is one step ahead of its competitors in the Gulf since Abu Dhabi can simultaneously keep the balance in energy relations with the US, China, and Russia. Even though Saudi Arabia is also successful in having deep and institutional cooperation with the US, China, and Russia triangle, it is easily seen that the UAE has remained remarkably close to being the leader in the Gulf regarding diversification. In this sense, Dubai comes first in building significant renewable energy capacity today (Whiteaker, 2021). In Dubai, a green hydrogen facility that uses renewable energy to produce eco-friendly hydrogen was piloted in 2021. It is the first in the Middle East and North Africa.

Similarly, besides Oman, the UAE was the only GCC country that established national climate action plans, making it more potent in the race to net zero (Al-Sarihi, 2019b). There is intensified competition among GCC countries, especially between Riyadh and Abu Dhabi, regarding transitioning to green energy. All Gulf countries are determined to transform the rentier state economy model. Still, Riyadh and Abu Dhabi are the most competitive capitals to obtain the most significant portion of the green energy market.

3.2. Diversification Policies

In response to mounting pressure to address climate change, GCC countries are committed to reducing their dependency on oil and gas, making them find alternative sources of income. This policy could be implemented by only diversifying the income alternatives.

3.2.1. Clashing Visions

In this regard, all GCC members have launched visions and programs to augment the non-oil sector incomes. For example, promulgated in 2016, the Vision 2030 of Saudi Arabia presents a strategic plan to reduce the state's dependency on oil. As a result of the ascension of MBS as crown prince two years ago, it has been implemented. It altered the situation by creating the chance for Saudi Aramco’s IPO, which no one had anticipated being possible. Saudi Aramco, the largest global corporation in the oil and gas industry, underwent an initial public offering. It became publicly listed on the Saudi stock exchange and valued at 1.7 trillion dollars when it raised 25.6 billion. Kuwait’s Vision of 2035, Projects of the 50 of the UAE or the UAE’s Vision 2021 (Schneider, 2021), Qatar’s National Vision (Al-Kuwari, 2012) 2030, Oman’s Vision 2040, and Bahrain’s Economic Vision 2030 have almost similar goals like introducing major legal reforms to attract talent and business from abroad (Mogielnicki, 2022) but not all these countries receive the same rate. The Gulf countries compete extensively across various sectors, including finance, trade, business centers, tourism, and soft-power representation. These competitions involve supply and demand as governments strive to secure portions of a diminishing pool of foreign direct investment, multinational corporations, and international talent. Additionally, they also compete to market and sell similar goods and services on a global scale. Hence, the competitiveness among the Gulf Cooperation Council (GCC) states is readily apparent across all sectors.

3.2.2. Investment, Tourism and Aviation

Gulf states engage in overseas investments to acquire a competitive edge. Therefore, the Gulf states strategically utilize their financial resources to engage in competitive investment endeavours with other entities. The Gulf nations aspire to project a particular image and employ a specific approach to establish themselves as more proficient than other governments, enhancing their prestige and fortifying their position by deterring potential investments from other states. The competition between the national airlines of Abu Dhabi, Dubai, and Doha revolves around pursuing greater influence among the Gulf Cooperation Council (GCC) governments. Development trajectories will inevitably intersect and overlap as regional governments persist in diversifying their economies away from oil. One illustrative instance of this phenomenon of competitive overlap can be observed within the aviation and tourism sectors.

In June 2021, the Crown Prince of Saudi Arabia, Mohammed Bin Salman, officially declared the intention to establish a second national airline. This initiative is set to be implemented through the Public Investment Fund. This plan was implemented in March 2023, increasing the non-oil growth of the kingdom. Riyadh Air, a Saudi type of national airline, is compatible with the 2030 Vision. Owned by the Public Investment Fund (PIF), the new airline is set to diversify Saudi Arabia's income rather than oil and tries to reduce dependency on oil and gas (Lawson, 2023).

What is more attractive about the new airline is how this affects the geopolitics in the Gulf. In this sense, creating Riyadh Air will increase the competition among GCC countries. Saudi Arabia intends to establish itself as a formidable competitor in the regional aviation industry alongside established leaders such as Qatar Airways and Emirates. Therefore, aviation is another dimension in which GCC countries compete. By creating a national airline, Saudi Arabia aims to make the kingdom more cosmopolitan and attract tourists (The New Arab, 2023). Therefore, tourism is another topic that reveals the intra-GCC competition. Saudi Arabia is ambitious to establish itself as a prominent global tourism destination by establishing cruise companies and developing new luxury tourism resorts along the Red Sea, including the notable NEOM project (Hassan, 2020) and other entertainment and cultural offerings. In this sense, Saudi Arabia's will to be the leader in terms of tourism will directly affect Dubai and Abu Dhabi since these two cities attract more tourists. Domestic tourism will significantly influence the early development of Saudi Arabia's tourist sector. However, as this developing sector progresses, it will inevitably face competition from international tourism industries in nearby countries such as the UAE, Bahrain, and Oman (Allison, 2021).

3.2.3. Sport and Trade

The Gulf region has strategically invested in sporting events to enhance its global awareness within the worldwide media landscape to foster lucrative economic prospects with Western nations (Baycar, 2021). A broader investment portfolio subsequently encompasses more enduring investment prospects. Saudi Arabia, the United Arab Emirates, and Qatar express a keen interest in hosting sporting activities within their respective nations to showcase their accessibility and dispel any perception of being distant or unfamiliar destinations. Some speculated that Gulf countries' diversification policies in terms of sports could be defined as a move of sports washing. In this race, the UAE is one of the most prominent actors, and the Premier League is the league where the investment race of the Gulf is most concentrated (Yücetürk and Keskin, 2022, p. 123). The Abu Dhabi United Group, based in the United Arab Emirates, made a sizable investment in 2008. In this regard, Abu Dhabi United Group has overseen managing Manchester City since 2008.

In addition to Manchester City, the Abu Dhabi United Group invested financially in New York City, a team in Major League Soccer (MLS), by acquiring an 80% ownership interest. The Abu Dhabi United Group has also obtained full ownership of Melbourne City FC in Australia and Manchester City and New York City football clubs. Khaldoon Al Mubarak, a prominent Emirati entrepreneur, assumed the club's managerial position.

Saudi Arabia joined this race later than the English Premier League teams Sheffield United, Manchester United, and Newcastle United. They are now ahead of those teams. The Saudi government has only been able to buy the whole of Sheffield United until February 2020. The talks about buying Newcastle United have been going on for a long time. Along with the problem with Newcastle United, Saudi Crown Prince Mohammed bin Salman's long-awaited purchase of Manchester United is now stuck. Qatar has also been eager to get the most out of sports investments. In this way, Qatar Sports Investments has overseen PSG since 2011. There is a race among GCC countries to put money into sports. They are also trying to host sports events that are known all over the world. People will go to the Gulf for the FIFA 2022 World Cup, important fighting games, and essential race platforms. This will make the Gulf states solid and independent. GCC countries are trying to host many foreign sports events, which shows how fierce the competition has become (Telci and Ereli, 2021, p. 7).

To diversify the economy, almost all GCC countries target to be the trade hub in the region. In this sense, it is easy to say that they are in deep competition. Economic competition has increased recently in Gulf countries, especially the UAE and Saudi Arabia. While trying to reduce its dependence on oil in line with its 2030 targets, Saudi Arabia continues its efforts to become a regional commercial center at full speed. This is what the Abu Dhabi administration has been doing and trying to do for years. However, the Riyadh administration's rapid implementation of these decisions led to the formation of new tension points between the two countries. For example, even though both countries are known as an ally, their regional policies clash in several areas, such as Yemen (Akkaş, 2021, p. 718).

In 2021, the Kingdom of Saudi Arabia unveiled a strategic initiative known as Programme HQ, which stipulates that any foreign corporation seeking to engage in governmental endeavors must build regional headquarters within the nation. In other words, the Riyadh administration decided not to award government tenders to companies that do not move their Middle East logistics center or commercial headquarters within the borders of Saudi Arabia. With this, the only way to get a tender from the Riyadh administration is to move regional centers to Saudi territory. This is an attempt by Saudi Arabia to cut the dominance of the UAE (Bohl, 2021) since the regional office of 45 of the world's 500 largest companies announced are in the UAE (Acar, 2021).

The kingdom wants to be the trade and business hub of the Gulf. Multinational companies operating in technology, food and beverage, consultancy, and construction sectors, including Unilever, Baker Hughes, and Siemens, also have their share of these decisions and must move the company's regional headquarters to Riyadh or another Saudi city until 2024. Like Saudi Arabia, the UAE announced the removal of the obligation of international companies wishing to do business in the UAE to choose a local partner. Although it is seen as a development that can weaken the social contract between family companies and managerial families in the kingdom, it would be easier for international companies to do business, increasing the power of the UAE. Another reason for the UAE's activity is breaking the monopoly of family companies in specific sectors and making room for international companies and, thus, foreign direct investment. These sectors and topics prove that GCC countries, especially Saudi Arabia and the UAE, are racing to diversify their economy and prepare themselves for climate change.

Conclusion

Gulf economies rely on revenue from fossil resources like gas and oil. These natural resource-derived profits have a direct impact on politics. For instance, Gulf nations crafted their foreign and economic policies using natural resources. However, due to issues such as a rise in temperatures and climate change, Gulf countries are pushed to adjust their approach. Even though climate change is a global concern for all countries, it is considered a severe challenge to the Gulf countries since global warming directly affects their economy and policies. This directly impacted the Gulf nations' established diplomatic and economic policy positions.

Additionally, it has been found that economies dependent on oil and gas are at risk because these sources are nearing the end. This process transformed the economic politics of the Gulf nations. Therefore, the members of GCC are almost the same in terms of the transformation of the economic models. In this sense, the post-oil economic models of Gulf countries are clashing. In nearly every non-oil sector, such as tourism, investment, green energy, and sports, GCC countries are in a race and compete. Therefore, the similarity among GCC members brings them into the competition. Even though they seem to be allies under the GCC, each country planned for its own growth that put national interests first because of economic worries. In this way, the primary goal of countries like Saudi Arabia, the United Arab Emirates, and Qatar is to broaden their economies based on oil and natural gas.

This study revealed that climate change has evolved Gulf geopolitics in a competitive direction. Policies carried out within this framework reveal the processes of competition among the countries of the Gulf. In this framework, the diversification of their economies based on the export of hydrocarbon resources has been put forward as the main objective of the countries' development plans. Saudi Arabia and the UAE also carry out activities to research, examine, and implement their development plans with diversified economic resources instead of an economy based on hydrocarbon exports. This study found that the Gulf countries, especially Saudi Arabia and the UAE, were seriously affected by climate change and revealed with many examples that the Gulf countries have entered the competition in many areas from the media to trade in the context of their economic diversification policies.

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