



Chapter IV: Integration - domestic and transnational

THE GULF COOPERATION COUNCIL

I. Introductory remarks

The GCC was constituted in 1981 as a further experiment in regional cooperation in the Arab world. All previous attempts in the Arab as well as in the Third world in general to promote transnational integration and institutionalization demonstrated the difficulties which such unions had to face. To determine the factors at work requires a close look at each individual case as the reasons for such difficulties differ according to the state of development, of political consciousness, of local traditions and value systems, even within areas of overlapping religious and linguistic units such as the Arab world at large. This is even more true if one tries to make regional integration theories applicable on a wider scale i.e. to encompass developed and developing countries in order to filter out some common denominators. What fits in one or few cases can not be generalized and must, as a consequence, be reduced to the individual case of a given regional grouping or sub-system which proves to be sui generis. Due to this, all concepts or theories of regional cooperation and integration had invariably to be revised. Some approaches toward conceptualization in political and social science as well as in the field of economics provide, however, a catalogue of terms which might be helpful in our context:

- the neo-functionalist "spill-over effect" doctrine (in particular Haas 1961; 372). While according to this theory a spill-over effect is expected from cooperation in the economic sector into the political sphere, leading automatically to political integration, experience proves that political considerations are decisive;
- the "increasing rate of transactions" between states (Deutsch 1968 b):communications, travel, intraregional trade etc. as evidence of a process toward integration;
- "value integration" and "force integration" (Dougherty/Pfaltz-graff jr 1980; 279): common values and common threat perceptions as factors of integration;
- "transnational solidarity" (Tévaédjré 1976): a system of prior discussion between partners, enabling them to collectively define

their aims and means of action. Political and economic cooperation of the members of a group/union are considered as a prerequisite for 'Solidarity'.

Concerning the Middle East, it has been stated that "it is a part of the world which defies the application of rigorous methodologies" (Ramazani & Piscatori 1980; 296). One might contend that such defiance is all the more true for the Arabian Peninsula. With regard to the GCC, to characterize the notion of 'state' and to determine the new grouping's consolidating effect upon the constituents' domestic set-up, there is no other approach but the empirical one.

The Arab Gulf littoral stayed at the fringe of international political attention until it was thrown into global focus by the mid-seventies due to its oil resources and its strategic importance. Suddenly it turned into a highly conflict-prone area. At this time it became also clear - not least to themselves - that the Kingdom of Saudi Arabia, the Emirates, and the Sultanate of Oman shared many common characteristics and that they differed widely from all their neighbours. From this recognition, it was a matter of a few years only to lead them to a formalized union.

For the purpose of this contribution, the GCC as a subregional (1) cooperation system will be treated solely under the aspect of its effect on the statehood of its constituent members, on domestic and transnational integration. Thus, the roots and development of the Council will be traced as well as its organization, structures and particularities. Relevant in this context are the issues of economic and political cooperation, security, and social interaction. Finally, it is to be examined whether the GCC stands better chances of survival and consolidation—than previous cooperation/integration systems in the Arab world and b) if it could contribute to the larger goal of Arab integration.

II. 1. The growth of a regional consciousness

The British withdrawal'East of Suez', announced in the second half of the 1960s, had particular consequences for the Emirates of the lower Gulf. Confronted with the necessity to organize themselves for future independence, the rulers met repeatedly to discuss forms of cooperation. A union of the nine Emirates of the lower Gulf was envisaged.

Yet, finally, in the summer of 1971, Bahrain opted against formalized cooperation and for an independent development; Qatar followed suit. Consequently only a union of the seven smaller Emirates was constituted (December 1971), the 'United Arab Emirates' (UAE). Even if the meetings of the Gulf rulers did not lead to a greater union (Oman temporarily pondered to join such a larger entity), they furthered a sense of togetherness, of shared basic interests. Saudi Arabia and Kuwait were included in this process as they were in favour of a greater union and actively took part in these deliberations.

The UAE's constitution can be considered as a first step toward regional integration, although in a limited way as the seven entities have not yet merged into a full-fledged federation. Even in this imperfect condition the UAE are universally considered to be a 'state'. (It is significant that the younger generation favours full federation and centralization). This case shows a feature peculiar to the region. It is therefore necessary to define more cogently the notion of 'state' for the Peninsula.

2. State, authority, legitimacy: common perceptions

The three constituent elements of statehood according to public law, territory, people, and a government in control of both, do exist in all six GCC member states. The governments share a similar concept of state and authority, they govern their countries as tribal chiefs in a paternalistic way. Territories on the Arabian Peninsula are not everywhere delimited. Among GCC member states there are disputed borders, and between them and third countries there are contested and undemarcated borders (Yemen Arab Republic, PDRY, Iraq, Jordan). Delimitation of borders was not a necessary prerequisite for the notion of 'state' in this area. External influences forced in particular Saudi Arabia during the second half of the 1920s to 'define her state on a territorial basis' (Helms 1981; 272). At the same time the founder of the present Kingdom, Abd al-Aziz, 'knew when to set territorial limits to conquests' (Habib 1978; 159). By the end of the 192os he refrained from further expansion in an endeavour to consolidate the conquered territories, to establish a centralized administration in a 'state' within respected borders (Braun 1981; 219). Clear border lines became more relevant when oil or water resources were discovered in certain areas; so demarcated borders are more and

more requested and enforced today. Territorial claims still raise problems even within the GCC, yet it seems no longer to be a cause for military action but a matter for negotiation between governments (this is one positive effect of the GCC). Within the predominantly respected boundaries the states of the Peninsula developed a certain political identity. The notion of state and boundaries, one aspect of the concept of 'nation-state', was thus readily adopted by the governments as a vehicle for the consolidation of domestic rule and central authority.

The ruling elites of the present GCC states claim legitimacy on the basis of customary right and heredity. All six ruling families achieved their predominant position over two hundred years ago as powerful sheikhs (see also Harik & Eickelman, vol.I). Historical claims to power, traditional tribal bonds as well as Islamic credentials - to a lesser degree in Bahrain and Oman - are their base for legitimacy. The process of modernization does not necessarily impair traditional structures and institutions no $m{r}$ does it entail the negation of traditional values. On the contrary, suitable traditional patterns and symbols continue to be valid (Petrovskaya 1983; Hudson 1977; 175-182). The Al Saud add to the claims of ancestral rights their divine right to rule. Their alliance with the Wahhabi movement in the mid-eighteenth century strengthened their Islamic credentials. The fact that during the last two hundred years the inhabitants of Central Arabia had come to identify themselves as 'muwahhidun', followers of the Wahhabi movement, favoured the creation of a centralized state by transcending tribal and urban particularisms (3). The legitimacy of the Al Saud is acknowledged by the ulama who have a strong position in the Kingdom. Town people and tribal leaders still express their loyalty by the act of allegiance to a new king (bai'a "-amma), a custom that does not exist in the Emirates. Formal recognition of the regimes by the outside world also fostered legitimization.

The traditional role of tribal chiefs consisted of assuring the well- being and the security of the tribal people. The means to consolidate power and achieve domestic cohesion, i.e. to 'buy loyalty', were subsidies, land awards, gifts etc.; they still play the same role today in these 'allocation states'. Dimensions have changed, yet there is continuity. One might add some new instruments at the disposal of the present central governments to attract young people: government positions, a career in the army, free education, social services etc.

These few remarks on common state structures and concepts of authority may suffice to show the degree of homogeneity among the six GCC states which at the same time distinguishes them from their neighbours.

3. Steps toward integration

In the 1970s contacts between Saudi Arabia and the Emirates and - to a lesser degree - with Oman were intensified. Besides exchanges of views among the rulers, various meetings on the ministerial level took place, they resulted in a number of multilateral committees and joint ventures. Since 1975 Iraq was partly included. Shared concerns about internal security led to some cooperation in this field. However, a multilateral (internal) security agreement failed because the smaller states feared that it might be used as a pretext for intervention by stronger partners.

Iraq had attempted even before the British withdrawal to bring about an alliance between the Arab Gulf states with the aim to counter Iranian aspirations for hegemony; it continued these efforts during the 1970s. Iran on its part was also interested in a Gulf pact — on its own terms. Both 'big brothers' failed

because the present GCC states were wary of Iranian as well as Iraqi domination. Common threat perceptions led in 1977 to a united reaction of all Arab Gulf states to repeated reports that the United States would take military steps to secure Western oil supply in a contingency. The Gulf states declared that security in the Gulf would be ensured by the regional states themselves; they feared that an intervention by one superpower would provoke the other, thus making the Gulf a theatre of their global confrontation. This led to discussions about a coordinated defense system among the conservative Arab Gulf states. In this context it became evident that the emerging states attached great importance to their respective armed forces as attributes of independance and a symbol of power, and that they had no inclination to give up sovereign decision-making in this field (a fact of relevance in the later GCC context). 4. The security environment

Developments in the wider region, i.e. from the Horn of Africa to Afghanistan at the end of the 7o's signalled a disruption of détente on the global level and rang the bell for a new round of superpower confrontation which had a strong impact on the states in the Gulf. This was further aggravated by simultaneous events in the Arab world, in connection with the Arab-Israeli conflict · Camp David agreements); they led to a split among the Arab countries and that again had repercussions in the Gulf. The newly accentuated American position vis-à-vis the Arab-Israeli conflict put serious strains on the relations between the US and the socalled moderate Arab Gulf countries which - with the notable exception of Oman + condemed the Camp David peace process. On the other side, Soviet power build-up at the Horn of Africa as well as developments in the PDRY which brought Aden even closer to Mos~ cow, meant a shift in the superpower balance which affected the Arabian Peninsula.

The so-called Islamic revolution in Iran which set free religiously motivated as well as social-revolutionary forces throughout the

Middle East, strengthened fears of internal threats by subversive forces particularly in the Gulf states. Anti-American and anti-Western slogans and campaigns could - it was feared - easily find resonance on their own side of the Gulf. Open ties with the West, previously perceived as a kind of security guarantee, now became rather a handicap as they could provoke internal opposition, not least because the new regime in Teheran immediately declared its solidarity not only with the Palestinians but with all "liberation movements" in the Gulf.

Even before the fall of the Shah the conservative Gulf states had developed new foreign and security priorities with the aim to distance themselves from open links with the West. As a result they emphasized:

- regional cooperation;
- a more active policy in the framework of the Non-aligned Movement;
- intensified cooperation under Islamic premises;
- neutralization of potential subversive forces by reducing the targets for attack (Palestinian problem, oil policy, links with the West);
- resolution to keep foreign military presence out of the Gulf.

This concept was, however, jeopardized by the new regime in Teheran. Iran caused further splits in the incoherent non-aligned movement. In the Islamic context it aggressively questioned the legitimacy of the "un-Islamic" governments on the Arab side of the Gulf, calling to overthrow them. Ayatollah Khomeini claimed a few months after his accession the position of the "Imam of the umma", i.e. the leader of all Muslims including the Sunnis. This was a provocation for Saudi Arabia in particular, but it affected the other Gulf states as well. In addition, it upset the concept of Islamic solidarity as a security umbrella. The last component of the security concept, namely to keep foreign military presence out of the Gulf area, was jeopardized by the danger that Iran's defiance of the Arab Gulf states might provoke superpower intervention. Moreover the Iranian revolution caused in 1979/1980 a positive echo in parts of the Arab Gulf population, especially among the Shiites.

As a result of the new regional constellation the six conservative Arab Gulf states moved closer together. 8addad watched their growing solidarity with suspicion. Heightening tension between Iraq and Iran, leading to open war in September 1980, put the six states in an awkward situation. Baddad considered them as natural allies; yet an open alliance with Iraq would have meant a provocation of Iran which, after all, by its resources and population continues to be the most powerful state in the Gulf. Only pan-Arab solidarity could match it, and this is not in sight. The six present GCC states thus realize perfectly well that they have to live together with their powerful neighbour.

From these shifts in regional balance resulted the GCC's first institutionalization.

III. 1. Constitution of the Cooperation Council

Security concerns were thus the catalyst for the eventual union. The six states sought, however, to avoid the impression that the GCC was a kind of security alliance as this would have provoked both Iran and Iraq.

By February 1981 the six govern/ had declared their intention to formalize cooperation, underlining the similarity of their regimes and the unity of their objectives. The Council was supposed to be "the vehicle by means of which the maximal extent of coordination, integration and closer relations shall be realized in the fields of economy, finance, education, culture, social affairs, health, communication, information, passports and nationality, trade, customs, transport and legal affairs" *. In view of the common orientation of the six governments in the political, cultural, and social spheres, no controversy was to be expected in these fields. No word was lost in public declarations about security matters, a fact sharply criticized by Oman. Anticipating criticism from

^{*} SWB,ME/6650/A/4,16.2.81

other Arab governments, the six Gulf states stressed at various occasions that they considered themselves as part of the Arab world and that regional cooperation was encouraged in the Charter of the League of Arab States (Art. 9) as a means to strengthen the Arab nation as a whole. The Secretary General/confirmed the compatibility of the Council with the Charter and attended the founding summit together with his counterpart of the Organization of the Islamic Conference. Baghdad's attitude vacillated: at the outset it viewed the GCC as a welcome ally, but later - when the union did not openly side with it - it expressed criticism. Syria and the PDRY were particularly outspoken in their criticism arguing that the GCC states evaded Arab goals and responsibilities. Iran on the other hand considered the Council as a military alliance under the American umbrella, as a successor of CENTO, and warned that nothing could be achieved in the Gulf region without Teheran's consent.

A declaration for common action, published at the end of the (May 1881)founding summit of the GCC, read as follows: "The contemporary trend is towards large political and economic groupings for the preservation of stability and security, circumstances in the Gulf region are even more opportune for such cooperation. We - the six states - constitute part of an ethnic group which has one religion, a joint civilization, joint values and customs. Moreover our geographical location and oil resourcées make us vulnerable to international and political designs which almost amount to blackmail." With regard to the international dimension, the declaration continued:" the aim is to keep the region away from international competition and bargaining. International designs will not be able to find a foothold in a merged region....small entities...can easily be victimized." (SWB,ME/6735/A/1,29.5.81). The GCC can definitely be considered a case of 'value integration' and force integration.

Inspite of a common motivation for intensified and institutionalized cooperation, certain differences were evident. In particular Oman's and Kowait's attitudes towards regional security were initially opposed, yet during the first years of cooperation their views increasingly converged.

In May 1981 all six states agreed on the following issues:

- security and stability in the area is the sole responsibility of the Gulf states; the Gulf ought to be kept out of international conflicts;
- stability in the Gulf is closely linked to peace in the Near East which includes a just solution of the Palestinian question by respecting the legitimate rights of the Palestinians to return to their country, the creation of an independent state, Israel's withdrawal from the occupied Arab territories, above all from Jerusalem;
- the Iran-Iraq war has to be brought to an end, the Council supports all endeavours in this respect;
- the Council adheres to the Charter of the League of Arab States and to all Arab summit resolutions as well as to the OIC and its resolutions, it recognizes the principles of the non-aligned movement and the Charter of the UN.

At the same time a catalogue of sectors for closer cooperation was published, it comprises:

- -economic and social planning,
- -monetary affairs and trade,
- -industrial planning and joint ventures,
- -oil policy (speaking with one voice in international fora; coordination in all sectors of oil and gaz exploration and exploitation), -social and cultural affairs.

2. Organization and Statutes

The Charter of the GCC and the rules of procedure of its organs are most elaborate documents which seem to regulate everything in the minutest detail. It might suffice in our context to accentuate some points. Decisions rest with the <u>Supreme Council</u>, composed of the six rulers. They meet once a year in one of the member states, special meetings can be convened at the request of one member if supported by a second. Resolutions in substantive matters need consensus of opinion; each state has one vote (4). The Supreme Council determines the political guidelines and decides on all recommendations and proposals from the other bodies. Attached to

the Council of the rulers is a 'commission for the settlement of disputes'. This is an ad hoc commission of experts appointed by the Supreme Council according to the nature of a given dispute. The Ministerial Council is composed of the foreign ministers of the member states, it meets regularly every three months, special meetings may be requested. The principle of consensus applies here as well. The Ministerial Council's main function is to work out proposals for further integration in all fields. Ministers from other departments, representatives of the chamber of commerce or the private sector as well as experts shall be consulted in this process. - The charter of the organization does in no way restrict the sovereign decision-making of the member states. If the rulers unanimously agree on a resolution it is considered a law in all six countries; the Secretariat General has to 'follow up' the execution, there is, however, no provision to enforce it.

The only permanent organ which has at the same time some supra-national features is the Secretariat General; it is situated in Riyadh and headed by the Secretary General who is appointed by the Supreme Council for three years with the possibility of reappointment for further three years. As a rule the staff of the Secretariat shall be recruited among citizens of the member states, experts from other Arab countries may, however, be consulted. The staff is bound to act independently from national considerations and from instructions of the respective governments; but the development of a 'supra-national mentality' will certainly take time. The Secretariat General shall prepare steps for further integration. It acts upon instructions of the Supreme Council or the Council of Ministers,/the Secretariat is free to take the initiative in testing new possibilities for cooperation and for integrated action. In this respect it is actually very active by organizing numerous meetings at its headquarters. Ministers of the member states or their deputies as well as representatives of mass media or other sectors of public life participate in discussions on how to foster the process of integration. The Secretariat makes every effort to initiate a kind of 'Gulf region-building', e.g. by organizing seminars for civil servants of the six countries on special subjects, by united training programm's in a number of fields (technical, vocational, professional), thus starting the formation of a regional elite. It prepares special media programmes in

order to familiarize the public with the GCC and its structures as well as with the idea and the benefits of integration. It organizes sport camps and cultural events for young people of the six states etc. One might say that the Secretariat General takes the lead in 'influencing elite and popular attitudes' in an endeavour to prepare the ground for structural integration (5).

A disadvantage of the consensus system is certainly avoidance and postponement of decisions. Concerning the GCC this is above all related to the sensitive field of military cooperation. The list of resolutions of the Supreme Council in the other sectors listed above is quite impressive. (Officials of the European Community consider the progress of integration in the GCC amazing.) The fact that the Ministerial Council and the Secretariat General thoroughly prepare and 'test' proposals contributes to this. Proposals for cooperation in the military field (not mentioned in the Charter nor the rules of procedure) are prepared by high ranking officers, the chiefs of staff and the Ministers of defense. Among the military elite agreement seems fairly easy to reach as its members are guided by strategic considerations. Yet, at the highest level, among the rulers, unanimity is for reasons mentioned above difficult to reach.

The centerpiece of cooperation is the "unified economic agreement" (28 articles). Following the pattern of the European Community, the ultimate goal is the creation of a common market. This agreement is supposed to be the motor for integration based on the hypothesis - parallel to the EC - that integration in the economic field will have a spill-over effect into other spheres. (The example of the EC is, however, not very encouraging, it proves to the contrary that the political will of the respective parties is the essential factor.) Some results have already been achieved in implementing parts of the economic agreement:

- internal free trade has been established, yet intra-regional trade is limited;
- common external tariffs, ranging from 4 % to 20% have been implemented (members can apply for exemption from this rule Qatar, Dubai, and Oman did so);
- professionals in medicine, law, accounting, engeneering, and consultancy are now permitted to register and practice in the country of their choice (other professions may be included later);
- capital flow has been liberalized to a certain degree;
- collective negotiations of economic and commercial agreements with third parties have started, yet on a very modest basis.

Member states began to coordinate their financial, monetary and banking practices, to extend cooperation between their respective monetary agencies and central banks. A common currency is envisaged, but has little chance to be realized in the near future. A Gulf Investment Corporation was established with an authorized capital of \$2,1 bio. (member states Contribute equally to this fund), to embark on joint development schemes in member states, in the Arab world and further afield internationally.

Towards social and economic integration?

All this is a modest start. Coordination in the important field of oil policy has up to now been limited, national interests predominate. Some remarks on economic integration seem appropriate. The concept of regional planning has/ too late, too many competitive ventures have already been established or are under way. The necessity to reduce the number of foreign workers, technicians, and other personnel - a problem recognized by all six states -

can/be better achieved within the regional framework. Critics of the GCC (above all those who are in favour of pan-Arab development and want the GCC states as 'low absorbers' to invest in the poor, density populated Arab countries, the 'high absorbers') argue that the GCC states do not have the potential to form a common market, that intra-Gulf trade is small, the market limited, that there is no chance for complementarity, on the contrary, integration would mean cumulation of economic problems.

These arguments may be justified. Yet, our point here is that the increasing rate of transactions and of expanding communications between the six states has an integrating effect. The social factor is relevant, too. Freedom of movement between the GCC states (Oman maintains visa restrictions), special entries for GCC citizens at the airports (a common passport is planned for 1986), region—wide infrastructure projects, a coordinated system of education etc. will lead to perceptions in a regional framework: 'think Gulf' in analogy with ASEAN's slogan, 'think ASEAN'. Young people are in general in favour of the new range of action; the 'community-building' process engages segments of the new educated

middle class.They see the benefits of regional cooperation, of a regional bureaucracy for the provision of common services as well as the chance to reduce dependence on foreign personnel, and show a commitment for regional development.Parts of Kuwait's more ideologically motivated intelligentsia are, however, A number of young Kuwaitis view the GCC as a status quo oriented institution, criticizing at the same time that it would lead to splits in the League of Arab States. The GCC has to prove the contrary. It can very well have a positive effect by favouring neces sary changes in state structures, by providing better opportunities for the respective member states to adapt to new social developments; governments might feel stronger in a solidarity alliance and thereby be better prepared for controlled change. Consolidation of the respective member states within their present frontiers might be one effect of the GCC, it does not necessarily mean status quo consolidation with respect to their structures. Some process toward liberalization appears inevitable.

4. From military cooperation to a security alliance?

The endeavour not to make the GCC appear as a subregional security system dwindled in the first year after its constitution. At the summit meeting in November 1981, coordinated defense was already a topic. Following a coup attempt in Bahrain, which had obviously been supported by Iran, security issues were openly discussed. In the Gulf states internal and external security are closely linked and cannot be separarited in the analysis. As mentioned above, informal bilateral cooperation in the field of internal security had already existed before the constitution of the Council, by late 1981 a multilateral agreement was envisaged. Yet, Kuwait for a couple of reasons refused to participate; consequently, bilateral agreements were signed between Saudi Arabia and the other GCC states. After terrorist actions in Kuwait in December 1983 and in spring 1985, the government decided to abide by these agreements as well, without formal adherance.

Defense cooperation posed additional problems. In accordance with their above mentioned security concept the six states agreed agreed on 'self-reliance' and 'mutual assistance' as the guide-lines for a common security policy. In this paper the subject of military cooperation cannot be discussed in detail (6), suffice it to say that the six states are quite realistic in assessing their defense capability. They know that they are weak by com-

parison with their neighbours, so conflict prevention ranks high on their agenda, and in this respect their record is quite good. They wish, however, to provide their diplomacy with some 'teeth', to create a credible military deterrent; their arms purchases are impressive. Yet, doubts persist among foreign experts whether they are able to effectively use the highly sophisticated systems. Although practical cooperation in the military field (common manoeuvres, the establishment of a small Gulf-RDF etc.) is of limited value, it does prove the will to achieve a degree of 'self-reliance', and it aims at demonstrating that the GCC region is to be regarded as a united defense area.

In the mid-eighties the air defense system in particular has made substantial progress. In summer 1984 it stood a test when Saudi Arabia and Kuwait proved their ability - in a common effort - to protect their Gulf coast against Iranian air attacks. (The Iranian air force is of course weak at present.) The GCC states were able to avoid the danger of being dragged into the Iran-Iraq war and to protect their interests by a number of diplomatic steps. (To be sure, the Western and the Soviet desire to prevent an escalation of the Gulf war helped to achieve this.) GCC air defense is centered around Saudi Arabian AWACS and its F-15 fighter aircraft, a system heavily dependant on foreign, mainly American personnel. Inspite of reservations vis-à-vis the US, mainly in Kuwait and the UAE, the air defense infrastructure can be considered as an integrating factor for the GCC.

IV. Some conclusions on GCC integration

The future development of the Cooperation Council will not be determined by the elaborate charter and other documents but by the will and objectives of the rulers. On this level the organization has brought about some change by institutionalizing their cooperation; the rulers will be obliged to achieve more and more consensus as the Council is supposed to speak with one voice in international fora. A certain lack of coherence in foreign policy orientation can at present be regarded as an advantage as it allows for a kind of informal distribution of roles by using special channels of communication (e.g.Kuwait/Moscow, UAE/ Teheran; Saudi Arabia/USA). Yet, outsidethe Arab and Islamic context national self-assertion in foreign relations seems to be quite strong.

The Charter contains the aim to 'effect integration', the hope for development on the path to unity. It is, however, evident that only a confederation of independant states is envisaged. The principle of consensus, the rule one-state-one-vote, the discus\$ion of problems and proposals and the adjournment of decisions until consensus is achieved; all these elements guarantee at present the functioning of the organization. Yet, as mentioned , there is progress toward closer cooperation and even integration in a number of fields; recent developments point to the establishment of permanent regional institutions at the committee level, e.g. for the administration of water and land use. It is also to be expected that the regular meetings of Ministers, the frequent meetings of their deputies and other members of the bureaucracy advance the process of region-building. There is evidence of a process in the social sector. One might draw the conclusion that the development of the GCC tends to go in the same direction as that of the European Community where we are confronted with the puzzle of both nationally autonomous and community elements.

Within the Council itself, Saudi Arabia's state is important. Its size and its resources as well as its place in the Islamic world put it into a predominant position, its leading role is internationally accepted as natural. Riyadh has, however, been cautious not to overplay its card. The GCC is frequently regarded as a purely Saudi project with the aim to increase its power and to serve its ultimate goal of controlling the Arabian Peninsula. Yet, Riyadh might realize that by openly claiming hegemony it would jeopardize the organization; Kuwait would withdraw, so would Oman. The formula 1:5 can as well mean five against one. Experience during the first five years of the GCC's existence has proved that the Kingdom cannot impose its will on the Emirates and the Sultanate.

Further development of the Cooperation Council and its eventual survival will depend on developments in the wider region on which the Council has little influence. A second factor will be the rather unpredictable effect of declining oil revenues: it could strengthen centrifugal tendencies, it might just as well strengthen integration for meeting common problems in a concerted way. A unified stance strengthens the bargaining power. The Iran-Iraq war was a catalyst for the constitution of the GCC, yet, the wish to

become a third factor at the Gulf is its raison d'être. The six member states want to avoid Iranian as well as Iraqi hegemony, this can only be achieved by increasing unity.

V. The GCC and the Arab world

According to a number of indicators, conditions in the Arab Gulf littoral are markedly different from other areas in the Arab world where integration projects have repeatedly failed. Better prospects for the GCC are attributable to geographical proximity, to both a more modest and a more realistic approach in organizing cooperation as well as to common values and social structures. All these factors make the six states appear as being close to a 'natural community'.

Whereas other attempts of intra-Arab regional integration were welcomed in the Arab world (e.g. the United Arab Republic, repeated endeavours to create a 'greater Maghreb'), the constitution of the GCC provoked open criticism in various Arab capitals. It was evidently feared that the six conservative Gulf states aimed at distancing themselves from pan-Arab goals and at isolating themselves by 'planting the seeds of a restricted Gulf identity, distinct from their broader Arab obligations' (Kechichian 1985, 880). Saudi Arabia in the first place, but also Kuwait and the UAE, were addressed by Arab authors (e.g. Al-Hout 1982) as a factor to fortify the Arab political position due to their 'immense economic weight' and their enormous oil revenues. Being the core countries of OPEC, they should use their income to further pan-Arab goals, in the first place for the Palestinian cause. Such demands may lose some of their relevance with falling oil income and with the decreasing importance of oil as a potential 'weapon'.

Arab criticism was anticipated by the GCC governments while they prepared the Council's constitution; they tried, therefore, to dissipate related suspicions by formal declarations (see above). From the mid-seventies, the Arab Gulf states had become increasingly involved in Arab policy planning, intensified contacts had led to growing integration in the Arab world. This also applied to Oman which had been at the fringes of the mainstream of Arab politics. Saudi Arabia, Kuwait, and the UAE were fully prepared to use their newly-won clout i.e.their financial means to further Arab political consensus, witness their record of mediation efforts. This policy was in no way diminished after the constitution of the GCC. With regard to the Palestinian cause, the GCC governments have repeatedly

proved their pan-Arab responsibility. Apart from diplomacy, this has found expression in considerable financial support. The rulers must take the strong popular backing for this core issue into account, they are aware that any erosion of existing relations between their governments and the Palestinians could lead to internal repercussions.

The Iran-Iraq war has tested Arab solidarity in a severe way. As mentioned above, the GCC states know that they have to live with Iran which will remain their most powerful neighbour, and that they could not afford to provoke it. Yet, they support Iraq as an Arab brother country, financially as well as by other forms of practical assistance (providing infrastructural and some arms aid, making oil revenues available for Baghdad). When Iran stopped oil deliveries to Syria in 1985, GCC countries made up for it. Other examples of Arab solidarity could be quoted. Whereas some critics in the Arab world see in such actions signs of weakness, these might just as well be put to the account of Arab solidarity. The GCC governments are aware that they are part of the Arab community with which they identify themselves and which they need to 'ensure their prestige and survival' (Mansour 1982;334).

It can therefore be argued that the GCC is a positive step toward Arab unity. Coordination and cooperation among the six states facilitate collective action within the framework of the League of Arab States. To be sure, the GCC does not take 'Arab unity' as a demand for immediate unification and formal integration of all Arab states but as progressive pan-Arab consensus-building to promote unity of opinion and action. This is certainly the optimal goal in an era in which the 'withering' of existing nation-states is nowhere on the political agenda.

NOTES

- 1) Non-Arab scholars tend to view the Gulf area, including Iran, as a subregion of the wider geographic entity, the Middle East, whereas Arab scholars see it clearly as a subregion of the Arab regional system (e.g.Matar/Hilal 1983,pp.24 32). This approach must be kept in mind in view of the Arab attitude toward the GCC.
- 2) For a Soviet scholarly view of particular interest in this context see: I.L. Petrovskaya. Compare as well Hudson 1977; pp. 175-182.
- 3) For an excellent and detailed analysis: Moss Helms 1981. See also Salamé, vol. I, and Belaid, vol. III.
- 4) The Charter and the rules of procedure provide for a quorum and a qualified vote. Yet, in practice consensus is the rule.
- 5) Compare Boyd(1980; pp.422/3) for such considerations. His essay is not specifically related to the GCC.
- 6) For a detailed analysis see Braun, 1985b, pp.58 85.

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