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The U.S.-GCC Relationship Is It a Glass Leaking or a Glass Filling?

John Duke Anthony

The Middle East regional grouping with which the United States has developed its most extensive and multifaceted relationship is the Gulf Cooperation Council (GCC), composed of Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates (UAE). The GCC region's prodigious oil reserves, to be sure, have long figured prominently in any public discussion of the area.¹ However, the nature of U.S. involvement in the GCC countries in reality is much more diverse and complex than a focus on their energy resources alone would suggest. Although the United States has recently twice deployed armed forces to the region, most Americans still seem unaware of U.S. interests there other than oil.

The GCC countries have played, and are likely to continue to play, a major role in regional and world affairs. Despite broad agreement on this factual premise, there are few scholarly assessments of what the U.S. gains and does not gain from its relationships with the GCC countries. This chapter provides such an assessment, albeit mainly from only one side of the equation: what the GCC (as a nonsupranational organization) and its members do and do not contribute to their relationships with the United States.² The U.S.-GCC relationship is approached in terms of negatives and positives, or, metaphorically, from the idea that the relationship is a glass that is leaking and a glass that is filling. The "leaking," or negativist, thesis is presented first. We will look at five stated U.S. interests: strategic, economic, political, commercial, and defense.

The Glass Is Leaking: The Negativist Assessment

U.S. Strategic Interests

Both negativists and positivists agree that the United States, for at least a half-century, has had several *strategic* interests related to the Gulf. The four most important have been: to prevent the Strait of Hormuz and hydrocarbon resources in

the region from falling under the control of a power hostile to the United States; to ensure access for the United States and its allies to the region's energy reserves on manageable terms; to preserve the sovereignty, independence, and territorial integrity of all the Gulf states, since local conflicts could invite intervention by a hostile power and/or interfere with the region's production and transportation of oil; and to foster support for U.S. efforts to achieve a just, lasting, and comprehensive settlement of the Arab-Israeli conflict.

The negativist argument (that is, the argument of those who view negatively the extent to which GCC states have contributed to the achievement of these goals) goes as follows: Reaching back to the 1950s—before any of the other GCC members were independent—Saudi Arabia, the largest, most populous, and most powerful GCC country, refused to join forces with Western efforts to create and sustain regional defense systems, such as the Baghdad Pact and the successor Central Treaty Organization, despite the fact that Riyadh was avowedly anti-Communist and opposed to Soviet encroachment in the region. Further, even after being directly threatened by Iran in the 1980s and then Iraq in the early 1990s, the GCC governments have not been able to develop effective defense cooperation arrangements to deter neighbors. Nor has the group made much progress in working out the terms for ongoing regional defense coordination with other major Arab countries, such as Egypt and Syria.

Likewise, despite the existence of bilateral defense cooperation agreements between the United States and all of the GCC countries (except Saudi Arabia), the GCC states have not been able to reach *formal collective* agreements with the United States on deployment of forces, pre-positioning of weapons and related materiel, *multilateral* military exercises, and other measures that, the negativists insist, would help maximize deterrence and defense capabilities.

Moreover, even several years after being physically threatened and attacked by Iran and Iraq, the GCC remains unable to adopt and follow a unified policy toward Tehran and Baghdad. To be sure, of the six GCC members, Kuwait and Saudi Arabia remain the most opposed to normalization of relations with Baghdad in the absence of complete compliance with all United Nations (UN) Security Council resolutions resulting from Iraq's 1990–1991 invasion and occupation of Kuwait. By contrast, other GCC member states, though insisting that Iraq implement the resolutions, have followed a somewhat different course. They retain ties with Iraqi President Saddam Hussein's government and periodically call for finding ways to ease the effect of the sanctions on the Iraqi populace. In addition, there have been, and remain, differences among the GCC members over how best to deal with Iran. Thus, the entire Gulf region has been, is, and is likely to remain, an unpredictable if not unstable area. So goes the main negativist argument.

Other negativist concerns include the expense entailed in ensuring protection of U.S. access to the region's oil, which is likely to remain a heavy drain on scarce U.S. military and financial resources. In this regard, many are quick to recall that in 1967 Kuwait and Saudi Arabia (and in 1973 these two GCC states plus Qatar and the UAE), used their oil as a political weapon against the United States. "Not only that," say the negativists, "these countries also cooperated with other OPEC [the Organization of

Petroleum Exporting Countries] members in rapidly raising the price of their oil to consumers, setting off worldwide economic dislocations."³

Given the foregoing background, negativists ask: "What assurance can there be that, if the United States continues to rely heavily upon imports of Gulf oil, the GCC's governments, perhaps under less friendly regimes than are now in power, might not do the same thing again?" Such considerations offer a persuasive rationale for diversifying U.S. oil imports away from all the Gulf producers, that is, not just the GCC countries but Iran and Iraq as well. It is not a reach to then argue (as the negativists do) that such considerations constitute a compelling reason to work toward the ultimate reduction of U.S. dependence on imported oil entirely.

Along these lines, negativists argue GCC states have not contributed as much as they could to political stability and development within their region. The support by some GCC states for a breakaway movement in southern Yemen in 1994 is cited as an example. Such support merely prolonged the civil war there and raised questions about the ability of GCC countries to develop a consistent and supportive policy toward Yemen. GCC member states, even among themselves, have been unable to resolve border disputes to the extent that individual countries have boycotted ministerial-level GCC meetings. Even worse, Bahrain and Qatar and Saudi Arabia and Qatar have engaged in armed clashes.

Lastly, in terms of the major U.S. strategic interests noted, negativists complain that the GCC countries persist in enforcing, to a greater or lesser degree, their primary economic boycott of Israel. On such questions as the future status of Jerusalem, the Israeli settlements on expropriated Palestinian land in the Occupied Territories, and other highly controversial issues in the Middle East peace process, the negativists believe that the attitudes and viewpoints of most GCC countries' leaders are at odds with many in the United States. They also fault the GCC members for not pressing Syria and Lebanon to reach a peace agreement with Israel and for having manifested, until recent times, less than an overwhelming endorsement of what the United States has done to date to move the parties toward a just, durable, and comprehensive settlement of the Arab-Israeli conflict.

U.S. Economic Interests: GCC Shortcomings

In faulting GCC countries for their impact on U.S. economic interests, the negativists highlight several areas of concern (in addition to the Arab oil embargo already noted). For them, almost all GCC states continue to suffer record annual budget deficits caused by oil prices depressed for most of the period since 1983, lowered return on some foreign investments, and the tremendous expense of paying for Operations Desert Shield and Desert Storm. As to Kuwait, there are the added costs of reconstruction of its war-ravaged economy, environment, and infrastructure. Another concern, as expressed by one observer, is "the high percentage of GCC states' GNP [gross national product] that is spent on security, defense, public enterprises, subsidies, and public welfare benefits, not to mention funds consumed by waste, conspicuous consumption, and the support of large ruling families."⁴

To continue, a consequence of such economic shortcomings is that the United States can no longer look to the GCC countries for help with U.S. budget deficits through the purchase of U.S. Treasury notes. Neither can the United States any longer count on GCC countries to invest in U.S. securities and real estate or make sizable contributions to international banks and development funds.

Notwithstanding the GCC countries' past actions, yet another negativist concern is that in the mid-1990s GCC governments have reduced considerably the level of direct bilateral foreign economic assistance. Negativists maintain that continued deficit financing by the GCC states could bring them into competition with the U.S. government and U.S. business for loans in international money markets. Further, the long-term economic viability of the GCC states is questionable. They ask: How could it be otherwise given their dependence upon a single, depletable natural resource? In addition, technological trends—for example, development of an electric-powered automobile or utilities fueled by nuclear fusion—may result in these countries becoming less important to the United States in the next century.

According to negativists, GCC economic prospects are clouded further by three other phenomena: Agricultural production is expensive, heavily subsidized, and relies largely on rapidly depleting, nonrenewable groundwater resources; small populations whose level of training for work in high-tech industries is limited, and women and certain minorities—for example, Shi'a Muslims—sometimes have difficulty finding employment in the areas of national security and defense; and the consequent dependence on large numbers of foreign workers, many of whom are not encouraged or allowed to emigrate to GCC countries for the purpose of becoming citizens or otherwise developing a long-term stake in the societies of GCC states.

Lastly, the GCC's efforts at promoting economic integration and rationalization among its members have not gone very far. The reason, in large part, is twofold: These states still compete more than cooperate in developing infrastructures, utilities, and hydrocarbon-based industries; and the volume and value of their trade with each other, in comparison with their economic partners further afield, remains very small.

To continue, as in most other regional efforts to establish customs unions and a common market, GCC visionaries and leaders alike are frequently stymied. Scarcely a day passes when the enthusiasm of even the most proactive and optimistic among them is subdued when confronted with the many regionwide realities of reluctance rooted in conservative and parochial interests. In short, the negativist viewpoint holds that in the GCC region, as elsewhere, economic nationalism remains far more deeply entrenched and vibrant than the will to endorse, let alone implement, notions of supranational authority or shared sovereignty.

U.S. Political Interests: GCC Weaknesses

A substantial number of U.S. negativists find considerable fault with the domestic political systems of GCC countries. The force of domestic political opinion has frequently made it difficult for GCC leaders to pursue pan-GCC foreign policy objectives toward the United States openly and effectively. All GCC-state economic

strategists and planners, for example, want to increase the extent of trade, investment, and technological cooperation with the Western world in general and with the United States in particular. Yet, they and their fellow GCC citizens are keen to avoid granting the U.S. corporate sector the maximum advantages possible or proceeding on a "business-as-usual" basis until the United States has exercised the maximum leadership and influence possible in bringing about a satisfactory end to the Arab-Israeli conflict. Some go further, saying that the United States must work harder at diminishing the inconsistency in its application of various moral principles and international legal norms on matters of importance to Arabs and Muslims.⁵

These kinds of political difficulties aside, the U.S. and GCC governments have unofficially fenced off from their bilateral discourse significant areas of difference and disagreement over their respective internal political systems. Indeed, each would regard any negative commentary by the other as an unacceptable intrusion into internal affairs and would react accordingly. And though the U.S. and GCC governments have declared their respective domestic political systems "off limits" to the other, this restraint does not extend to foreign policies.

In this regard, many negativists maintain that the GCC countries have insufficiently taken into consideration U.S. political interests in inter-Arab and inter-Islamic councils. For example, notwithstanding the extraordinary role of several GCC countries in hosting Israelis involved in the multilateral dimensions of the Arab-Israeli peace talks, negativists cite the GCC-state inability or unwillingness to take a leading role in *formally recognizing Israel by name* through peace treaties or normalized relations with the Jewish state to the maximum extent possible, without regard to a settlement of the Arab-Israeli conflict.

Many negativists also fault other aspects of the GCC countries' foreign policies: for example, the support that some citizens give to radical elements in Middle East, African, and Asian countries, made all the more apparent in the aftermath of 9/11 with the negative publicity of being directly and indirectly associated with al-Qa'ida and the Taliban (for instance, other than Pakistan, Saudi Arabia and the United Arab Emirates were the only countries to recognize the Taliban). Other problems negativists identify include GCC countries' reluctance to stand with the United States and Israel on certain UN resolutions, such as the one rescinding the 1975 UN General Assembly's "Zionism-is-racism" resolution and other U.S. positions protective or exonerative of Israel; and their unwillingness to enter into serious discussions about regional nonproliferation of nuclear weapons until or unless the United States insists that Israel, a nuclear state within their midst, be held accountable to the same criteria, that is, that it be required to become a signatory to the nuclear Non-Proliferation Treaty (NPT), which all the GCC countries have signed but Israel has not.

On balance, however, U.S. criticisms of the political component of GCC countries' foreign policies, positions, actions, and attitudes vis-à-vis international issues have never been as great as those that U.S. officials direct toward other Arab countries, although armed with the knowledge that the majority of the terrorists who carried out the 9/11 attacks were Saudi in addition to publicized Saudi support for Islamic schools that preach a radical version of Islam. Riyadh has been held out for much more intense criticism of late. In the end, however, as shown below, the benefits that

the United States derives from GCC countries' foreign policies in general far outweigh the negative.

U.S. Commercial Interests: GCC Disadvantages

Negativists and positivists agree that U.S. commercial interests have steadily increased in the GCC since the mid-1970s. They also agree that these encompass a growing U.S. need to export U.S. goods and services to GCC countries, in part to pay for increasing U.S. imports of oil and petrochemicals from these producers.

The negativists, however, claim that GCC governments have made it unnecessarily difficult for Americans to trade, invest, and engage in mutually profitable joint ventures. They charge that if the United States is the trading partner of choice for GCC countries, then GCC member states could not be more self-defeating in pursuing that choice.

Some of the points of contention consistently articulated by the negativists are: prohibitions in most GCC countries on foreign ownership of real estate and on outright ownership of companies; prohibition on equity participation in petroleum, electricity, and communications companies; lack of effective dispute resolution mechanisms based on Western norms; the improving but still insufficiently effective enforcement of laws against copyright, trademark, and patent violations; the absence of a common external tariff or a customs union; difficult entry and residency procedures; the limitation of capital markets; the very beginnings of privatization of state-owned industries and services; the high percentage of GNP spent on security, defense, and other nonproductive sectors of their societies; and the uncertain situation regarding long-term water resources, seen by the lack of a single river or a perennially flowing stream in the entire GCC region. Additional complaints include a legal and bureaucratic system that appears to give unfair advantage to GCC host country nationals over foreign partners and employees; stringent labeling or quality standards that often keep out U.S. products while admitting those from Europe or Japan; and the uncertain extent to which the GCC countries are truly committed to interstate competition in light of various member-country de facto limitations on cross-border banking, trade, and labor movement.

The GCC countries are increasingly aware that many potential U.S. investors have jaded, pessimistic, and, in many cases, erroneous views regarding the prospects for mutually beneficial trade, investment, and joint ventures. In response, virtually all GCC countries have mounted campaigns to counter this less than positive image. To date, however, for many U.S. business leaders, the gap between the problems and the potential remains substantial, and this has only been exacerbated by the perceptual gap created by 9/11.

U.S. Defense Interests: GCC Limitations

One of the most frequently heard negativist criticisms is GCC inability thus far to develop greater self-reliance in the area of military preparedness. Many critics focus on the absence of a more effective pan-GCC system of deterrence and defense against threats to the member countries from within their own neighborhood. The

negativists, in particular, fault GCC countries for the following: an unwillingness to consider granting the United States one or more military bases from which it could be in a position to defend these countries more effectively from threat or attack; reluctance to accommodate U.S. logistical and operational needs to the extent some U.S. military planners would like, given the constraints on U.S. forces in terms of size and the distances from which they would have to be deployed, especially since most U.S. military planners believe that a future armed conflict in the GCC region will likely be quite different from the last one, in which the Iraqi invader, in effect, allowed the United States and the allied coalition six months to mobilize and deploy. Although the GCC has largely been supportive of the U.S. effort to overthrow the Taliban and root out al-Qa'ida in Afghanistan, there was an initial reluctance, especially with Saudi Arabia, to allow U.S. military access, a situation made worse by the deteriorating situation on the Israeli-Palestinian front throughout 2001 and into 2002. Negativists also criticize the unwillingness, notwithstanding the need for some semblance of geopolitical balance among great power supporters, to agree on a more unified approach to procurement that would enhance the effectiveness of military equipment and defense systems via specifications standardization and interoperability.

Additional shortcomings cited are lukewarm commitment to building a pan-GCC force in sufficient size and strength to enhance the credibility of collective defense capabilities and combined national force structures; reluctance to adopt a unified command and control structure and a system for mobilization and deployment familiar to Western forces that would be required to come to their defense; continuation of border disputes that tend to vitiate political trust and confidence among member countries; and failure thus far to create fully professional armed forces with promotions and assignments based solely on merit and experience (placing aside the concern for ensuring loyalty and enhancing political-military capabilities).⁶

For these and other reasons, there are few who regard the GCC and its member countries in positive terms. Finally, the negativists declare that the GCC and its member countries cannot: hold their own in the strategic context; ensure unhindered U.S. and other foreign access to the region's energy resources; manifest the critics' desired kinds of political commitment befitting an ally or partner; muster the will to extend the benefits of a level playing field for U.S. commercial interests; and bear a greater financial or soldierly share of the burden of defending the region. They therefore conclude that the GCC collectively and its member countries, either singly or jointly, should not be taken seriously in any U.S. plan for protecting and enhancing U.S. interests in the region.

The Glass Is Filling: The Positivist Assessment

U.S. Strategic Interests

The positivist school of thought stands in marked contrast to the negativist school discussed above. It argues that the GCC and its member countries have made numerous

important contributions to global strategic interests in general and to U.S. and other Western strategic interests in particular; this is likely to continue to be the case until far into the future. In fact, the positivists contend GCC countries have consistently brought a far greater number of assets to the strategic equation than negativists are willing to acknowledge.

With respect to strategic issues in general, positivists do not deny the degree to which the GCC member countries are weak, vulnerable, and exposed to the threat of stronger powers bent on subverting their independence, threatening the region's vital maritime arteries, and sabotaging energy production facilities. They would concede it is the failure of GCC governments to resolve intra-GCC disputes that impinges negatively on prospects for more rapid progress in defense cooperation. In fact, they concede such failures invite the interference, in support of one of the disputants, of a power hostile to GCC and/or U.S. interests.

At the same time, however, positivists point out GCC countries have and will continue to take steps to compensate for these shortcomings. In this regard, the words of a former high-ranking GCC official are instructive: "We are under no illusion as to our lack of effective power to dissuade our adversaries. The lack of such power has forced us to adopt a strategy, however, that, on balance, is almost as effective. That is, not having the requisite credible power of our own, we have had no choice but to *borrow* it from our friends."⁷ He continues:

We're well aware that the means may not have pleased everyone. However, the end result has been, and continues to be, compatible with our strategic interests and those of our friends. At the end of the day, with two important exceptions—the eruptions of the Iran-Iraq war in 1980 and the Kuwait crisis in 1990—this strategy, on the whole, has been successful. Given the circumstances in which we are placed, it has been our strategy every bit as much as our friends may like to claim that it is their strategy.⁸

In this light, the positivists fault the negativists for overlooking or disregarding the fact that a significant number of the strategic constants and more than a few of the variables vis-à-vis the GCC region are not in U.S. hands, or any other country's for that matter. For example, the globally vital Strait of Hormuz (which the United States and other nations seek to keep open) straddles sea lanes that pass into, through, and out of waters that are not within the sovereign reach of the United States but are in the riparian GCC countries. Their cooperation is more than desirable: It is absolutely critical for success in any U.S. or other allied country's efforts to protect and, if necessary, defend these waterways.

The same is true of the oil fields located in GCC states, as well as their gas-gathering systems, desalination plants, refineries and transportation fleets, harbors and airports, pipelines, military bases and supply depots, armed forces academies, and defense procurement agencies. Without exception, actual day-to-day control of virtually every one of these strategic networks and assets is under the sovereign, administrative, financial, logistical, and operational control of the GCC countries themselves.

The positivists also point out that Saudi Arabia, often supported by Kuwait, played an important role in rallying the world's broad and critically located Muslim populations against Soviet expansion, an answer to the negativist attack on the duo's failure to join Western-sponsored defense pacts against the Soviet Union.

This strategic role extended into the long southern frontier of the USSR, most prominently into the leadership and tangible assistance that Saudi Arabia and other GCC countries provided against the Soviet invasion and occupation of Afghanistan; across the northern half of Africa, where Moscow repeatedly sought footholds in the last several decades; into those parts of Southeast Asia where Communist influence was blunted in the last quarter-century—Indonesia, Malaysia, and the Philippines. The positivists thus argue that the net effect of protecting nearly one billion inhabitants of the Islamic world was as crucial as blocking Soviet expansion into Western Europe.

The GCC's past contributions have been in broad accord with U.S. global strategic interests. As to current and future U.S. strategic needs, the GCC countries' role vis-à-vis several issues is even more significant. For example, the positivists point out that within U.S. planning circles, a broad consensus exists on GCC countries' central link to U.S. strategic imperatives for arriving at 2020 C.E. with its superpower status and the concomitant benefits intact. In short, these states are viewed as essential to the U.S. ability to defend itself and its interests abroad against any and all would-be adversaries and—the other half of the equation—to steadily improve its standard of living.

The positivists contend they are on solid ground. It is a tenet among strategic planners that, for the foreseeable future, the United States has no option but to ensure that it remain financially, industrially, and technologically strong. Economic, and especially financial, strength across the board is, of course, central to the prospects for success. To be sure, the 1992 presidential mantra was "It's the economy, stupid!" However, the crafters of such catchy clichés missed the more important point: Far more fundamental, though much less appreciated and far less discussed, is *energy*. Indeed, it is both raw and refined energy—as opposed to the more ill-defined and disputed concept of "economics"—that is undeniably essential to all three of the strategy's key components. Finally, at the root of the energy factor is the GCC region, if only because it contains and controls more than half of the world's hydrocarbon energy resources—the key to the strategy's prospects.

On matters pertaining to the strategic calculus of interests vis-à-vis the GCC countries, the positive outweighs the negative. Indeed, among the world's 193 nation-states heavily dependent upon oil and gas for economic growth and development, one country—the United States—dwarfs all others in terms of its privileged and strategic position vis-à-vis the owners of these prodigious energy supplies. The United States is the world's single largest importer and consumer of the GCC region's finite, depleting hydrocarbon resources and is more engaged than any other in the production, refining, and marketing of the GCC countries' energy supplies.

U.S. Economic Interests: GCC Contributions

U.S. and other national economic interests in the GCC region are herein defined as, first and foremost, assured *access* to GCC countries' energy resources without regard

to price or levels of production. Throughout this century, it has been overwhelmingly Western oil companies (mostly U.S.) that have not only enjoyed such access but also occupied the most envied and lucrative positions in the development of the GCC states' oil and gas reserves.⁹

Despite these powerful U.S. economic advantages, GCC countries played roles in the 1967 and 1973 Arab oil embargoes, inexcusable in negativist eyes. (The negativists also hark back to the frequent and sharp OPEC price hikes of the 1970s, which many still tend to confuse with the oil embargo.) In so doing, they express fear that OPEC (i.e., the GCC and other Arab oil-producing countries) might once again take advantage of a world energy shortage to manipulate oil prices for political or economic ends.

In response, positivists point out that the first of these very damaging blows to U.S. and other Western interests occurred more than a quarter century ago; the last took place more than two decades ago. Both preceded the GCC's founding. The positivists thus argue against clinging to the past.

Recent realities include GCC countries' roles and reactions regarding: Israel's air attack in the summer of 1981 on the Osirak nuclear reactor at Tuwaitha, near Baghdad; the 1982 Israeli invasion and occupation of Lebanon; the Iran-Contra affair; and Israel's efforts to forcibly repress the Palestinian *intifada* (uprising). The positivists stress that the GCC countries *did not* proclaim another oil embargo against the United States or other Western countries in spite of continuing strong U.S. support for Israel and assorted anti-Arab and anti-Muslim provocations.

The positivists further point out GCC actions in the aftermath of the August 1990 Iraqi invasion of Kuwait and the UN resolution barring purchases of either Kuwaiti or Iraqi oil as long as Iraq occupied Kuwait. Their actions resulted in a positive global effect: Decisiveness and boldness achieved not only the GCC countries' own economic goals but also those of allies and partners, including the United States. The specifics are worth recalling, because they enabled the United States, other members of the allied coalition, and the GCC members themselves to achieve common strategic and economic objectives.

The GCC countries met with one another, and the four GCC members of OPEC—Kuwait, Qatar, Saudi Arabia, and the UAE—called for an emergency meeting of OPEC to obtain, through consultation and consensus, the necessary support to legitimize increased oil production to compensate for the UN embargo. In calling for the meeting, the GCC members risked the further alienation of fellow OPEC members—Iraq, Libya, and other Arab countries—who only days earlier had voted against a resolution in the Arab League, sponsored by the GCC governments, calling for the mobilization and deployment of Arab forces in the GCC countries' defense.

Despite being outnumbered and militarily outgunned by their opponents, the GCC members of OPEC succeeded in obtaining authorization to raise production levels commensurate with the embargo-induced shortfall, thereby bringing demand for oil back into balance with supply and ensuring a steady flow of oil in adequate amounts at manageable prices. In effect, by moving quickly to compensate for the deficit in oil production, the GCC countries had a profound and very salutary

influence on the manner in which the world was able to respond to the energy dimension of the conflict.

The positivists will not downplay the overall positive role that the GCC oil-producing countries have played, and continue to play, inside OPEC. They note that the GCC members of OPEC have repeatedly exercised a restraining influence within OPEC councils and have been a consistently moderate force within OPEC for two decades, working to keep prices in tandem with, or lower than, rates of inflation. Indeed, from 1987 to 1990, several GCC oil-producing countries helped keep oil prices down by exceeding OPEC-assigned production quotas, and following 9/11, Saudi Arabia significantly increased its supply of oil to the United States to offset the expected economic downturn, and the GCC took the lead within OPEC to make certain that oil prices remained moderate in the aftermath of the tragedy.

The positivists will not view GCC countries exclusively in terms of energy. Rather they recognize the benefits the United States derives from an economic relationship with the GCC countries extend beyond oil. In fact, the GCC countries have provided substantial investment capital to both the public and private sectors of the United States and other industrial economies for most of the past twenty years.

Such investment, the positivists note, has played a significant role in the overall well-being of millions of Americans, contributed to U.S. corporate vitality, indirectly augmented federal and state tax revenues, constituted employment for several million Americans, and provided funds that enable research and development and lower overall production and per unit costs for the defense, civil aviation, telecommunications, and power-generating industries—all of which are fundamental components of U.S. strategic objectives. No remotely comparable contribution can be attributed to any, let alone six, of the more than 120 other countries that together with the GCC states make up the developing world. Moreover, for most of the GCC's existence, it has been second only to Japan as the single greatest underwriter of the U.S. national deficit. A corollary benefit of the billions invested in U.S. Treasury securities is the low and stable U.S. interest rate.

GCC countries remain key to continued international support for the U.S. dollar, in which the GCC countries' oil and gas exports are denominated. Such support, day in and day out, even when the dollar has been weak, has given the United States a privileged and much envied advantage over all other oil-importing countries. The positivists highlight the fact that this support has been, and continues to be, essential to the ongoing stability of the dollar in monetary transactions and to the strength of the U.S. financial system worldwide.

In addition, U.S. strategic, economic, political, commercial, and military interests have all benefited from GCC countries' developmental assistance to the world's poorer nations. As a percentage of their gross national products and their incomes per capita, GCC member states have long ranked second to none in philanthropy to the world's less fortunate peoples, as grants, concessional assistance, and in-kind aid to more than eighty developing countries for the past quarter-century attests.

To be sure, since 1991, relatively low oil prices, the costs of Desert Shield/Desert Storm, and Kuwaiti reconstruction, among other things, have resulted in major

cutbacks in the GCC countries' foreign aid. Also, some former aid recipients, notably Jordan and Yemen, were dropped for political reasons. However, the GCC states' charitable and international development agencies have continued to operate, with beneficial results for such economically needy and strategically important countries as Egypt and Syria as well as for numerous institutions serving the humanitarian and developmental needs of the Palestinians under Israeli occupation.

One of the GCC's greatest contributions to the economic side of the U.S.-GCC equation has been, and continues to be, the sharing of the financial burden. For example, the GCC countries defrayed U.S. and allied costs during Desert Shield/Desert Storm; by any standard, this was a major contribution to the reversal of Iraq's aggression, the liberation of Kuwait, and the defense of the GCC countries. Indeed, with the possible exception of the NATO alliance and the Organization of American States, no other regional grouping of countries was as well positioned as the GCC states to cover most of the costs associated with defense in the Iran-Iraq war, in the 1990–1991 Kuwait crisis, and in the October 1994 renewal of Iraq's threat to Kuwait. Had the GCC countries been unable to contribute in this way, the international coalition of forces may not have been as forthcoming or as large.

Certainly, in debating the extent to which the United States should become involved in reversing Iraq's aggression against Kuwait in 1990, negativists were quick to complain that the United States had no business mounting an operation so massive and of such uncertain duration in the absence of guarantees that Americans would not bear the costs alone. The need to deal with the U.S. national debt, the perennial U.S. budgetary deficit, the hope of many for a "peace dividend" for the pending troop reductions in Europe—these and other causes and campaigns were backed by powerful U.S. domestic interest groups that weighed into the debate, mainly on the negative side, about whether the United States was right to respond in the way and to the extent that it did.

In rebuttal, the positivists argue that their opposing arguments in favor of the massive U.S. mobilization and deployment have been vindicated. One should not lose sight or make light of what the GCC countries contributed during the crisis. From this perspective, had the international coalition not been able to deal quickly and effectively with this unfolding monetary dynamic of the crisis in its earliest days, there is little doubt that Iraq would have calculated differently and probably acted much more adventurously than it did following its invasion of Kuwait. In meeting this challenge, GCC countries and their supporters therefore demonstrated that the *financial* component of mounting a credible deterrence and defense can be as important as the *military* component. The GCC countries' cooperation on oil supplies and policies during the Kuwait crisis was thus a major factor in bringing the conflict to an end.

In addition to providing free fuel, water, utilities, and other provisions for aircraft, ships, and land-based vehicles, GCC countries contributed billions in cash to cover other costs incurred in responding to these conflicts and crises, including deployment costs themselves, weapons and equipment maintenance, and aircraft leasing. They also spared no effort, along with the United States, in persuading Japan as

well as Germany and other European Community countries to assume a significant part of the expenses incurred by countries as a result of the UN-mandated embargo. In so doing, Egypt, Jordan, Turkey, and Yemen—the four hardest hit by the enforcement of the sanctions—plus Bangladesh, eastern Europe, India, Morocco, and the Philippines, had their plights eased to a greater degree than would otherwise have been the case.

Lastly, the positivists emphasize the important and very costly logistical and operational decisions that the GCC countries and their allies took to deny Iraq any economic benefits from its actions. Pursuant to the UN-sanctioned embargo, Saudi Arabia shut two pipelines that had previously carried Iraqi oil through the kingdom to export terminals on the Red Sea. Turkey, which sided with the GCC countries throughout the crisis and beyond, also closed two pipelines that had carried Iraqi oil to a terminal on the Mediterranean. Ships carrying Iraqi oil were denied entry to any GCC countries' ports. The multinational naval forces, powered by free GCC countries' fuel, followed up on these decisive actions and effectively prevented tankers from delivering Iraqi or Kuwaiti oil or oil products.

The positivists, returning to their initial economic premise, rest their case by asking: What might have happened had the GCC countries not acted to limit the impact of the Kuwaiti crisis on world access to petroleum supplies, important as such access is, not only to the level of petroleum prices but to world economic and political stability?

U.S. Political Interests: GCC Strengths

The domestic political structures, systems, and dynamics of GCC countries and the United States—components that all sides agree ought to be immune from interference—are but half of any equation that seeks to evaluate the political component of the U.S.-GCC relationship. The other half, which both parties agree is more “legitimately debatable,” is external and rooted in the other aspects of foreign policy.

Except for most of the history of the Israeli-Palestinian conflict and the plight of the Muslims in Bosnia-Herzegovina, Chechnya, and elsewhere, the GCC countries' foreign policies have more often than not paralleled or complemented U.S. and other Western objectives. Moreover, the nature and orientation of international relations since the establishment of the GCC have been moderate, conventional, and predictable, as well as broadly compatible with most of the categories of the U.S. and other Western interests examined here.

The positivists believe that examples of the GCC's moderate, moderating, and, at times, even mediating behavior abound. As evidence they point to the outcomes of GCC summit meetings and summits and meetings of the League of Arab States, the Organization of the Islamic Conference (OIC), OPEC, and the UN, which are the four most important international organizations in which GCC countries' foreign policies are manifested. In support of this view, they advance some interesting arguments.

First, regarding the Israeli-Palestinian conflict, the GCC's and the GCC countries' contributions to a peaceful settlement have been far greater and come over a far longer period of time than is generally known. For example, at pan-Arab summits in

Fez, Morocco, in 1982, in Algiers in 1988, in Casablanca in 1989, and finally with the Saudi comprehensive Arab-Israeli peace initiative proffered by Crown Prince Abdullah at the March 2002 Arab League summit meeting in Beirut, the GCC countries had a significant impact on Arab League deliberations on how best to end the Israeli-Palestinian conflict. The GCC countries' proactive and forceful support of a peaceful settlement ultimately contributed to the PLO's recognition of Israel, its renunciation of terrorism, and its acceptance of a two-state solution (i.e., assisting in the strategic shift in PLO policy away from armed confrontation to a political and diplomatic resolution).

The Madrid conference in October 1991, at which GCC countries were represented, launched the most sustained Arab-Israeli and Israeli-Palestinian peace talks to date. Subsequently, GCC representatives have been first and foremost among all other nondisputant Arab parties in signaling support for the peace process. With minimal fanfare and in keeping with their traditional political values of moderation, balance, and low-key style, GCC representatives have participated throughout the peace process on issues of arms control, water, the environment, regional economic development, and refugees.

Moreover, the GCC itself, with the approval of its members, has been instrumental in arranging in the Arabian Peninsula and Gulf states region—in Bahrain, Oman, and Qatar—the first-ever official meetings of Israeli delegations with delegations from GCC countries and other Arab states. In the fall of 1994, all six GCC governments not only announced their formal rescission of the secondary and tertiary categories of the Arab League's fifty-year-old economic boycott of U.S. and other foreign firms that do business with Israel, but also participated with Israelis in a major international business conference in Casablanca shortly afterward. In addition, three GCC countries—Kuwait, Saudi Arabia, and the UAE—have surpassed all Arab, Middle East, Islamic, and other developing nations in the amount of economic assistance pledged in support of the Palestinian Authority, the principal Palestinian governmental body engaged in the transfer of Israeli colonial domination and control to Palestinian self-rule.

Second, in the interplay of subregional political dynamics at the eastern edge of the Mediterranean, the GCC countries have been similarly effective as a moderating and mediating force on more than the question of Palestine. For example, they have been consistently supportive of the 1989 Saudi Arabia-mediated Taif Accord to amend the Lebanese constitution. They and many others, including the United States, reason that in no other way will Lebanon's legitimate government be able to consolidate its authority. They also worked diligently with the international community to facilitate the successful release of hostages (their own and others, including Americans), in Lebanon.

Regarding Syria, the GCC states have been more proactive than all others in pursuing policies of “constructive engagement” with the Damascus regime. Within days of the liberation of Kuwait in March 1991, the six GCC foreign ministers, together with their counterparts from Egypt and Syria, convened in Damascus to begin forging what they insisted would be the basis for a new Arab order. To be sure, many negativists have dismissed the resulting agreement, the Damascus Declaration, as being

inconsequential, mainly because its envisioned cooperation in matters pertaining to defense has yet to come to fruition. However, the declaration is mainly concerned with matters of a political nature, especially those that, in the absence of consensus, could become contentious and, if unresolved, might lead to intraregional acrimony and tensions or armed confrontation.

In pursuit of these components of the Damascus Declaration (and subsequent declarations) pertaining to issues of economic reform, development, and enhanced regional trade and investment, the eight foreign ministers continue to meet regularly on a twice-yearly basis. In the process, the GCC countries have helped to forge a significant degree of political balance among key friends and allies within the League of Arab States. At the same time, they have added important geostrategic and geopolitical depth and balance to their relationships with Iran and Iraq.¹⁰

Third, further afield, in 1987 the GCC's heads of state and foreign ministers worked harder than any other Arab leaders to bring about a rapprochement between Algeria and Morocco, at odds with one another for thirteen years over the former Spanish ("western") Sahara territory. The rapprochement and growing North African admiration for the GCC countries' achievements in economic and political cooperation paved the way for the establishment of the Arab Maghreb Union—a grouping of Algeria, Libya, Mauritania, Morocco, and Tunisia.

Fourth, with regard to Egypt—the most populous Arab country, a major center of Arab and Islamic culture, and one of the region's strongest military powers—the positivists argue that the constructive political roles that the GCC and its member countries have played have been no less significant. In the aftermath of the Camp David accords between Egypt and Israel, which caused Egypt's expulsion from the Arab League and OIC, the GCC countries were among the leading forces for politically reintegrating Egypt into the Arab world, resuscitating Egypt's regional position and prestige, and paving the way for its readmission. Here, again, much broader international interests than those of the GCC and the United States were served.

Fifth, in the Gulf itself, the GCC countries have contributed directly to strategic objectives with regard to enhancing regional security. For example, providing continuous logistical, operational, and financial support for the 1987–1988 Gulf ship protection scheme (the "reflagging") helped to bring about the 1988 cease-fire in the Iran-Iraq war and to ensure freedom of navigation in the region.

Overlooked by many in the process was a pan-Arab political and diplomatic milestone: This security action, which the GCC countries persuaded Arab colleagues to accept at the 1987 pan-Arab summit in Jordan, represented the first Arab consensus in history in support of a U.S. or any other foreign military presence in the region. Subsequently, this consensus has been extended and enhanced through the five bilateral defense cooperation agreements, noted earlier, that individual GCC states have signed with the United States.

U.S. Commercial Interests: GCC Advantages

The positivists acknowledge that most if not all of the limitations and shortcomings noted by the negativists, addressed earlier in the section on U.S. commercial

interests in the GCC region, are valid. However, they point out the premier position of the United States among all the world's countries as the trading partner of choice for most of the GCC countries. Even where the United States is not in first place, as in the case of Oman and the UAE, it frequently occupies a spot among the top five trading partners.

Moreover, although the United States has experienced overseas trade deficits overall in recent years, trade with the GCC countries has frequently yielded a surplus. In the mid-1990s, U.S. annual exports in commercial goods and services to the GCC region averaged \$25 billion and imports approximately \$13 billion. Such exports supported more than 650,000 U.S. jobs and were the primary source of livelihood for nearly 2.4 million Americans. Annual U.S. defense sales to the GCC countries constituted additional billions of dollars in income to the U.S. defense industry and were the source of primary, high-paying jobs for tens of thousands of Americans.

In addition, the positivists point out that the more than 700 U.S.-affiliated companies that operate in the GCC states employ 16,000 Americans and are the direct means of support for more than 50,000 U.S. dependents in the GCC region. In all of this, perspective is important: The value of U.S. private sector investments in the GCC economies represents half the world's investment in the GCC.

These investments, the positivists emphasize, pay more than dividends: They are critical to the economic growth and standard of living in the United States. Again, context is essential: The number of U.S.-GCC countries' joint ventures exceeds by far those of any other country. The positivists suggest that one should not lose sight of the fact that, cumulatively, all of these demonstrably positive features of the commercial dimension of the U.S.-GCC members' relationship have made, and continue to make, their mark on a much broader U.S. national interest; U.S. trade with the GCC states helps substantially to reduce the overall U.S. trade deficit.

The positivists also point out that since the GCC countries promote free-market economies and are strong proponents of private ownership and since their merchants have long manifested a commercial acumen that is the envy of many, U.S. companies have a competitive edge in the GCC states' markets. As thousands of GCC citizens are graduates of U.S. institutions of higher education, there is also a broad-based preference for U.S. technology, standards, and management techniques.

In support of their argument, the positivists emphasize that the array of incentives and benefits for U.S. and other foreign firms to do business in the GCC remains extensive. They include: free, or heavily subsidized, fuel, utilities, and water; extensive financial assistance; full repatriation of profits; extended tax holidays; tariff exemptions for capital imports; no personal taxation; free land use in specialized industrial zones; offshore banking arrangements; and free-trade zones.

It is increasingly apparent to U.S. corporate leaders that the GCC is becoming, in effect, one market instead of six. Initially, many were unimpressed by the limited size of the GCC market in terms of consumer goods and services. Subsequently, however, fewer and fewer deny the reality that the GCC region is rapidly becoming a hub for trade, services, and investment opportunities in the eastern Mediterranean, the Indian subcontinent, East Africa, the Caucasus, and central Asia—a megamarket that embraces more than one billion people.

U.S. Defense Interests: GCC Strengths

The positivists are quick to note that the GCC countries have done what no other Arab nations have ever done: They have forged the series of Defense Cooperation Agreements with the United States, Great Britain, France, and Russia to ensure that they are never again exposed to a threat from anyone without adequate mechanisms capable of deterring any threat and mounting an effective defense if deterrence should fail.

Negotiated over a three-year period in the aftermath of the 1990–1991 Kuwait crisis and war, the agreements have in common commitments by the respective GCC countries to: pre-position vital military equipment to be used in defending the GCC signatory to the agreement; conduct regular exercises and maneuvers with the non-GCC country partner to the agreement; and extend such other assistance as mutually may be agreed upon by the parties.

The positivists are unabashed protagonists when it comes to defending the value of the new U.S.-GCC defense arrangements for the region. They argue forcefully that the contribution these agreements make—to the GCC countries, to the United States, the other great powers, and, most of all, to expansionist-minded leaders in the region—cannot be overestimated.¹¹ To be sure, the agreements fall short of being formal basing arrangements and are considerably less than formal treaty commitments. Even so, they constitute a clear signal, particularly to Baghdad and Tehran, of an unambiguous U.S. and allied coalition determination to support the GCC member countries' defense.¹² They further signal the GCC countries' determination to do whatever necessary to uphold their inalienable right to self-preservation. They do more than draw lines in the sand; they demarcate no-trespassing points in the sky and sea as well.¹³

To the surprise of even many of the positivists, these agreements have worked more quickly and effectively than anticipated. Joint exercises have increased to an all-time high, military training programs have expanded at an unprecedented rate, and U.S.-GCC states' military cooperation at practically every level has intensified to a degree that, ten years ago, virtually no one imagined would be possible.¹⁴

Two dramatic manifestations of the value of these agreements have already occurred, once when Iraqi troops moved toward Kuwait in October 1994 and again in reaction to a possible similar threat to Kuwait and Saudi Arabia in August 1995. The rapid integration of the brigade-sized pre-positioned equipment in Kuwait and other defense materiel stored elsewhere in the GCC region was decisive in ending these episodes.¹⁵

If these and similar agreements succeed in ushering in an era of regional peace and stability in the Gulf, the positivists recognize the GCC countries brought to the table essential military, financial, logistical, technological, and infrastructural assets. The low-key, behind-the-scenes contributions of the GCC itself, as a forum within which regional perceptions and priorities can gain consensus and other forms of support, will also be seen as critical.

Even without allowing the United States a formal military base in the region, GCC countries' contributions to member and allied defense requirements are considerable.

They are, by any standard, immense. Moreover, the GCC states, in concert with the United States, followed by Great Britain and France, helped line up additional support in the UN Security Council, Europe, and the rest of the international community to pressure Iran to accept UN Security Council Resolution 598—adopted by the Security Council on July 20, 1987, it was the first unanimously adopted UN peace-keeping resolution since the Korean War—thereby accommodating collective pressure to bring about a cease-fire in the Iran-Iraq war, one of this century's longest interstate conflicts.

Throughout the Iran-Iraq war, Desert Storm, and the U.S.-led military action in Afghanistan started in 2001, the GCC countries' assistance to armed forces of friendly foreign powers and their quiet cooperation with the coalition were critical. Saudi Arabia used its AWACS (airborne warning and control system aircraft) to monitor and help protect the reflagged tankers, flew its F-15 aircraft to provide protection for Saudi and U.S. AWACS, and, within its territorial waters, worked to clear mines to protect vessels from all over the world. Such assistance and cooperation protected the interests not only of the kingdom, but also of more than 100 countries with individuals, investments, and interests in the region that were threatened.

There are other, lesser-known facts. For example, when the *USS Stark* was attacked by Iraq in May 1987, Bahrain's navy rescued U.S. sailors who would have otherwise drowned. Further afield, at the southernmost end of the Gulf, Oman allowed emergency landings of U.S. aircraft on its territory, thereby saving the lives of thirty-seven U.S. pilots. In the face of Iranian threats to its security, the UAE (home to thousands of Iranian nationals) also allowed U.S. naval vessels to repair in UAE shipyards.

Looking to the future, the GCC and its member countries are attempting to construct a credible regional defense structure based on deterrence that acknowledges that responsibility for the security of member countries—as opposed to the main shipping lanes, which lie in international waters and, hence, are an international responsibility—resides with the countries themselves. The GCC's modest, 10,000-man joint force is stationed at Hafr al-Batin, a settlement near the Saudi-Kuwaiti border. The force is in the process of being expanded to 25,000. The negativists are correct, however, in arguing that such a force is unlikely to be an adequate deterrent to a menacing power. They are equally correct in noting that these agreements essentially obligate the United States to intervene on behalf of the GCC states against external threats (especially given President Bill Clinton's emphasis on "dual containment" of Iraq and Iran that, by default and/or design, strategically attaches the United States to the GCC countries).

The positivists concede the point. They counter, however, that the mere existence and readiness of the joint force telegraphs an important message to Baghdad, Tehran, and all others in the international community, namely, that an attack on any one of the GCC countries will be considered as an attack upon all. As such, the force symbolically gives credibility to the GCC countries' commitment to collective security. Moreover, the fact that the force not only exists but is being strengthened and expanded is likely to facilitate the highly political task of reestablishing another allied coalition in support of the GCC countries' right to self-defense.

The GCC states' demographic, industrial, and technological constraints notwithstanding, since 1983, all six countries have participated in joint military exercises and bilateral maneuvers. Recognizing the constraints of their limited populations for building and sustaining large land forces, the six members have focused on augmenting and improving the credibility of their air forces and achieving a more effectively coordinated air defense network.

Few negativists seem to appreciate the major geopolitical and political-military roles the GCC played with other Arab and Islamic nations in the effort to free Kuwait. Indeed, in addition to turning to the United States and European powers for help, the GCC countries' leaders also successfully enlisted Egypt and Syria, thereby broadening the base of the allied coalition, demonstrating that other key Arab states opposed Iraq's aggression, and making the Desert Storm operation more palatable to the international community.

Lastly, the GCC military leaders acknowledged the crucial necessity of enhancing the coalition's capabilities for rapidly deploying to the area. As the United States is farthest away from the GCC region, the challenge of being rapidly deployable is formidable. Effective military strategy requires that much of the equipment, vehicles, ammunition, and related military hardware be in place before intervention.¹⁶ In the final analysis, one truism in this regard continues to dwarf all others: Defense equipment and systems not in place have never deterred anyone.

Conclusion

This chapter has sought to evaluate the U.S.-GCC relationship in terms of its overall value to U.S. stated strategic, economic, political, commercial, and defense interests. Negativists and positivists differ widely in their assessments of the GCC and the U.S.-GCC relationship. The conclusion is obvious: The GCC and its members, like other regional organizations and their members, can be likened to a glass that is leaking and a glass that is filling.

However, there are disagreements in assessment, perception, and interpretation, as well as differences in interests and frameworks of analysis. Thus, a net assessment of the GCC, at least in terms of U.S. interests, does not differ fundamentally from one of NATO, the Organization on Security and Cooperation in Europe, the Organization of American States, the Organization of African Unity, and the Association of Southeast Asian Nations.

Analytical differences and disagreements are not uncommon; they are more the rule than the exception, as there are individual biases and preoccupations among analysts. An additional explanation is that it frequently reflects the different ways that analysts deal with the complex and changing realities within which members of regional organizations live—not only in terms of their immediate environment but also in terms of their relationships with other countries, including the United States. One need only consider failures in the former Yugoslavia, Cuba, Haiti, Rwanda, Somalia, and the international drug trade to appreciate that, among regional organizations, the GCC and its member countries are not alone in their imperfections and limitations.

As we have entered the new millennium, it is clear that the GCC countries have done more than most Arab and Islamic countries to help bring about a peaceful resolution of the Arab-Israeli conflict. The maxim "It takes two to tango" can be applied in the sense that the Israeli government often seemed to be more interested in Arab surrender than in an Israeli-Arab peace that could endure. The failure to move the peace process forward to a successful conclusion lay in the capitals of Israel and the United States, not in the GCC region.

The GCC's counsel in military matters may not always have been welcomed, but only the most hawkish take issue with the more generalized view that the GCC countries' refusal to countenance yet another bombing of Baghdad in 1998 was wise. Their recommendations of caution and restraint, coupled with their strong support for the mission of the UN secretary-general, helped spare the United States, and possibly the GCC states themselves, a potential disaster.

Regarding Iran, the United States can only welcome the moves toward détente and potential rapprochement between the GCC countries and Iran. Mired for twenty years in its own myopic vision of Iran's position and role in the region as the GCC countries' largest neighbor, Washington stands only to benefit from the GCC countries' efforts to engage Tehran in expanding their joint cooperation on matters of mutual interest and concern. The dictum "Better to engage than enrage" is applicable.

As for Iraq, although the GCC countries have come out against renewed U.S. military action against Saddam Hussein's regime in early 2002 as the Bush administration seemed to be ramping up to undertake such action—implicitly linking such support to more U.S. engagement in the Israeli-Palestinian conflict toward resolution—they have remained opposed to lifting the sanctions on Iraq in the absence of Baghdad's failure to comply fully with the most important UN Security Council resolutions enacted against it in the aftermath of the 1990–1991 Kuwait crisis. These included the resolutions pertaining to compensation, return of the vast amount of stolen equipment, documents, and national artifacts, and, most important, the return or full accounting for the Kuwaitis and other nationals seized and held hostage by Iraq since the end of Iraq's aggression.

Many Americans and others think these matters are of little significance. They fail to see their relevance in the larger balance-of-power considerations and strategic calculus of Gulf defense and stability. The GCC countries, however, view these matters differently. Their leaders point out that in an American context, the number of Kuwaiti and other citizens missing and unaccounted for in Iraq, nearly a decade after the end of the war, is equivalent to 250,000 Americans being missing and unaccounted for in Canada or Mexico or 1 million British or French citizens being missing and unaccounted for in a neighboring country. These are but a few of the more slippery stepping stones that lie in the path of the GCC countries' march toward the next century.

In conclusion, from the practical perspective of the U.S. national interest, the GCC glass is more half full and filling than half empty and leaking. The strategic and economic strengths are simply undeniable. The combination of geological realities, energy economics, and the exercise of national sovereignty—always a potentially volatile mixture—is likely to ensure the GCC countries' importance in regional and

global affairs for quite some time to come. They have an abundant supply of vital energy; they lie astride a crossroads between Europe, Asia, and Africa; and they are critical not only to the Western alliance but to much of the rest of the world as well.

Notes

1. See, for example, John Duke Anthony, "Energy: The Gulf Region's Engine of Development," in *Wall Street Journal*, special supplement on Saudi Arabia, July 28, 1989, p. 1.
2. The sources for this essay are predominantly firsthand observations by the author, who has been invited to attend, as an observer, each of the GCC's Heads of State Summits since the organization's inception in 1981. They are supplemented by information and insight obtained in the course of conducting more than 200 interviews with the GCC secretariat and officials from GCC member countries and private sector leaders; the author has also participated in a number of background briefings, interviews, and other sessions with U.S. officials responsible for pursuing U.S. goals in and among the GCC countries. A condition insisted upon by virtually all of these officials, Arab as well as those of the United States, is that they not be quoted or otherwise mentioned as a source by name.
3. Author's interview with a retired career U.S. Foreign Service officer, who was posted for a total of eight years to U.S. embassies in three GCC countries during the period examined in this chapter, Washington, D.C., December 1994.
4. Ibid.
5. See Robert G. Lawrence, *U.S. Policy in Southwest Asia: A Failure in Perspective*, National Security Essay, Series 84-1 (Washington, D.C.: National Defense University Press, 1984). Former Undersecretary of State George W. Ball has written that during 1970 to 1991 in the United Nations (UN) Security Council, the United States "cast 69 vetoes, of which 39 were devoted to avoiding even mild censure of Israel. In practically all cases where it has used its veto to protect Israel, America has acted alone. Even such friendly nations as Great Britain and France have refused to join in our Israeli-inspired vetoes, and have either voted for the relevant resolution or abstained." George W. Ball and Douglas B. Ball, *The Passionate Attachment: America's Involvement with Israel, 1947 to the Present* (New York: W. W. Norton, 1992), p. 307.
6. For an account of different schools of thought within the GCC countries on these matters, see John Duke Anthony, *The Dynamics of GCC Summitry Since the Kuwait Crisis* (Washington, D.C.: U.S.-GCC Corporate Cooperation Committee, Occasional Papers Series, No. 2, 1993), pp. 2-9.
7. Author's interview with Abdalla Y. Bishara, GCC secretary-general (1981-1992), Kuwait, September 1987.
8. Ibid.
9. See Joseph C. Story, *U.S.-Arab Relations: The Economic Dimension* (Washington, D.C.: Middle East Policy Association and the National Council on U.S.-Arab Relations, 1985).
10. See the official Arabic text and English translation in *Damascus Declaration for Coordination and Cooperation Among the Arab States*, Secretariat General, "Coordination and Cooperation Among the Arab States," Secretariat General, Cooperation Council for the Arab States of the Gulf (Riyadh: GCC), Articles One and Two (1) A-C, pp. 5-9. See also John

Duke Anthony, "Betwixt War and Peace: The 12th GCC Heads of State Summit," in *Middle East Insight* 8(6) (July-October 1992), pp. 54-61.

11. See U.S. Secretary of Defense William Perry, "U.S. Security Policy in the Gulf," remarks to the Middle East Policy Council, Washington, D.C., December 7, 1994. For an early analysis of a system of deterrence backed by credible defense capabilities (that is, among the United States, GCC, and allies), see John Duke Anthony et al., *A Postwar Gulf Defense System* (Washington, D.C.: Coalition for Postwar U.S. Policy in the Middle East, 1991).
12. See John Duke Anthony, "After the Gulf War: The GCC and the World," in Ibrahim Ibrahim, ed., *The Gulf Crisis: Background and Consequences* (Washington, D.C.: Center for Contemporary Arab Studies, Georgetown University, 1992), pp. 121-140; see also John Duke Anthony, "If Our Friends Are Weak, So Are We," in *President's Report* 8(1) (Winter-Spring 1993) (Washington, D.C.: National Council on U.S.-Arab Relations), pp. 1-3, 16.
13. Ibid.
14. Author's interviews in October 1994 with U.S. armed forces commanders whose units responded to the threat; see also, Perry, "U.S. Security Policy in the Gulf."
15. Author's interviews in October 1994 with U.S. armed forces commanders whose units responded to the threat.
16. Ibid.