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GCC Heads of State Summits: Context and Perspective

By John Duke Anthony

Publisher's Note:

Following is the first of several reports based on having attended the most recent GCC Heads of State Summit in Kuwait, December 21-22, 2003. Reports yet to come are listed at the end.

GCC HEADS OF STATE SUMMITS: CONTEXT AND PERSPECTIVE

By John Duke Anthony

(Kuwait - December 23, 2003) Since its inception in 1999, *GulfWire* has regularly published one or more reports on the annual GCC Heads of State Summit. For some years now, the yearly summits have convened in December. For previous coverage, veteran subscribers and newcomers alike are encouraged to reference the reports on the 2000, 2001, and 2002 summits. [See below]

This first report is for newer subscribers to *GulfWire* and those who seek a refresher as to why this particular sub-regional association grouping Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates is important at this time.

This analyst holds to the view that the holding of an annual GCC Heads of State summit is no ordinary happening. Regardless of the venue, which each year is different from the one before and the one to follow -- for the hosting of summits rotates from one year to the next among the members -- it offers an unparalleled opportunity.

Differing Viewpoints

Where else can one hope to witness efforts by an important assemblage of leaders to improve the regional circumstances in which they and their constituencies live? This said, this asked, it is undeniable that, among outside observers and among many inside ones as well, this is a minority view.

Indeed, all things considered, the analysts and writers who view what the GCC is and what it is not in a favorable light are not exactly numerous. Those inclined to cut it any slack for its obvious shortcomings and failures are limited. There is nothing new in this regard.

The organization's detractors are known for their criticism. They believe that, at best, the GCC's accomplishments have been modest. A common denominator among many GCC critics is their claim that the organization has been repeatedly unable to provide timely and effective solutions, whether near- or longer-term, to many of the region's and its people's challenges.

Ongoing Frustrations

This analyst does not fully agree with such an assessment, for reasons owing to its lack of adequate context and background. However, this is beside the point. Of greater importance is that the number of Arab and other monitors of the GCC's progress who rate its record as unsatisfactory has increased significantly in the past two and a half years.

In their defense, GCC boosters claim that such downbeat evaluations lack perspective. They say the critics fail to recognize the importance of patience and perseverance in the pursuit of goals that, from the beginning, were recognized and agreed as long-term. The critics, in this view, seem unable or unwilling to acknowledge that, just as Rome was not built in a day, neither was Riyadh.

There is little disagreement that the critics are right in pointing out how long it has taken, and apparently will yet take, to gain closure on important pan-GCC matters of substance. Here the reference usually has to do with the members' halting progress towards, among other things, a common market, a customs union, a common currency, a common passport.

Additional issues with which the GCC's critics find fault have to do with the nature, pace, and extent to which they have gone about improving their capacities for self-defense, achieving more rapidly effective educational reform, securing their more comprehensive admission into the World Trade Organization, and enhancing the degree of popular participation in the members' national development processes.

Contrastive Frames of Reference

GCC leaders often respond to such observations defensively. They point out that it took nearly twice as long as the GCC has been in existence for the European Union (EU) to succeed in its march towards similar objectives. They also emphasize that the EU, throughout the more than four decades in which its major goals were being pursued, benefited from two immensely valuable features that have largely been absent in the case of the GCC.

One was an internationally guaranteed defense framework, in the form of the North Atlantic Treaty Organization, of which the United States was from the beginning the most militarily powerful member. The other feature, which was related, was the absence of any major international conflict involving the EU, in contrast to the three substantial wars that have occurred on the GCC's watch.

In the EU's favor, it was also the case that it was able to build upon the pre-existing European Coal and Steel Community, which linked core attributes of the member-states' economies. No such community of manufacturing interests existed when the GCC came into being. What is more, for the most part, such a community does not exist now except in the most rudimentary form in which some of Saudi Arabia's more than 3,000 factories export their products throughout the GCC region.

More Recent Angst

The rise in the ranks of GCC critics and pessimists has not occurred in a vacuum. There is no lack of focus. Overall, both factors provide insight into a pan-GCC mood that is rooted in an ongoing reaction to a series of events related to the immediate region. This mood, with its behavioral attributes of varying forms of depression, resignation, humiliation, and a diffuse sense of being inadequately able to control one's destiny or even maintain one's identity and national dignity is not confined to the GCC region; it reflects a much broader malaise among Arabs and Muslims worldwide.

The roots of these phenomena are numerous. They are also varied. However, it is undeniable that, as causal forces, they are associated in large measure with an array of accelerating challenges. There is no other way to say it, but they also have to do with a spate of devastating setbacks. These have confronted not just the Gulf region, in which the GCC is situated, but the broader Arab and Islamic worlds as a whole.

A Considerable Moment?

But these observations aside, something else is true. It is that, from the beginning of the organization's inception on May 25, 1981, and continuing to the present, the occasion of any GCC summit has always been an event of considerable moment. Whether deemed subsequently to have been a success or failure, or a mixture of the two, such gatherings have inevitably enabled observers to gain, and share with others, a range of privileged information and analysis.

About what, one might ask? About an important dimension and dynamic of inter-Arab affairs is one answer. About a window onto an array of sentiments and thinking among a significant number of Arab policymaking elites in a part of the world that would otherwise be hard to come by is another answer. This proved to be the case yet again at the most recent GCC summit in Kuwait December 21-22, 2003.

To be sure, there are periodically larger Arab summits held in other settings and under different auspices. Some involve more numerous Arab heads of state or their designees. Those that occur under the auspices of the 22-member League of Arab States and the 57 member-country Organization of the Islamic Conference are cases in point. Both deal with more macro issues of concern to Arabs and Muslims. Even at the more specialized meetings of the Organization of Petroleum Exporting Countries, a greater number of Arab countries' representatives, albeit ministers, not heads of state, are present than when GCC summits convene.

Location and Energy

Several factors make the GCC summits different from all the others. Not least is the fact that the member-states are all located in the Arabian Peninsula. Each also has varying degrees of coastal footage facing the Persian Gulf. Accordingly, few would take issue with the argument that this is one of the most strategically vital areas on earth. Beneath the GCC region lie half of the planet's known and extractable oil reserves: the lifeblood that powers the world's economies.

Second, the GCC region also possesses impressive amounts of gas. This resource, together with the member-states' petroleum deposits, both of which are the world's cheapest in terms of costs of production, are increasingly important to the international petrochemical industry.

Global Transportation Dynamics

Third, the sheer length and breadth encompassed by the GCC region's geography is formidable. Operationally, in terms of international aviation and navigation, it is pivotal. The member-states span an area that exceeds all of Western Europe combined.

In terms of global transportation and commerce, it is next to impossible to move long distances by air or sea from east to west, or vice versa, at will. Ordinarily, permission from those along the way is mandatory. One can scarcely proceed very far, let alone hope to reach one's destination, without passing through one or more of the GCC member-states' air space or their territorial seas.

A Giant Hub

Fourth, one of the GCC's member-states, Saudi Arabia, in which the organization's secretariat is located, in addition to providing the GCC unparalleled strategic depth, has stats that, relatively speaking, are off the charts. The Kingdom has a territory, economy, number of inhabitants, petroleum reserves, levels of oil production, export, and refining, foreign exchange holdings, and domestic as well as foreign investment that exceed the same ten categories of measurement in all the other five GCC countries combined.

Accordingly, to a greater extent than any of the other members, the Kingdom has always had an out-sized position and role in regional and world affairs. Viewed under the microscope, the reasons are obvious. Foremost is the fact that Saudi Arabia is the custodian of the Islamic world's two holiest places: Makkah and Madinah.

As such, the country is the epicenter of prayer and pilgrimage, of faith and spiritual devotion, for 1.3 billion Muslims. The latter constitute between a fifth and a quarter of humanity. Among the world's three monotheist faiths, Muslims are the fastest growing in terms of extent of adherents. For years on end, Christians and Jews, in increasing numbers, have been converting to Islam; the reverse, by comparison, is a rare occurrence.

Foreign Mobilizations and Deployments

Fifth, the member-states' international strategic importance is underscored not only by the above but, also, by the following. Each of the world's three most recent international wars has been waged in or adjacent to the GCC region. For the United States, and numerous other countries,

including the GCC members, the region, lacking the kind of peace and prosperity that would enable its peoples and partners to benefit to a far greater extent than they do, remains a zone of contention for reasons that are self-evident and show no early sign of abatement.

Illustrative of the gravity of what has been at stake in each of the Gulf region's past three conflicts, no other part of the planet has seen as many mobilizations and deployments of American, other Allied Coalition, and GCC armed forces. Neither has another corner of a major world region occasioned, together with the considerable financial contributions of three consecutive Allied Coalitions' GCC partners, the expenditure of more U.S. treasure en route to restoring regional peace and stability.

Burden-Sharing: Currency Stability and International Aid Flows

Sixth, the GCC states have denominated their exports, and pegged their currencies' foreign exchange rates, to the American dollar. This has long contributed to underpinning the acceptability, respectability, and universal utility of the dollar in international trade, investment, and commerce. It has also helped protect and further the ongoing preeminence of the American financial system and American banking institutions worldwide.

Seventh, in no other sub-region is there as pervasive a public and private sector commitment to assist the world's less fortunate peoples as that which has long existed in the GCC region. A valid question that is often asked, is, "But in accordance with what criteria?"

The criteria are two. One is the percentage of a country's annual gross economic productivity that is devoted to help those who are not as blessed. The second is the percentage of a country's charity per capita that is dedicated to aiding the world's have-nots.

Year after year, for decades on end, GCC member-states have annually occupied the top three niches of the world's most charitable countries and peoples in terms of both criteria. There is a reason why so few are aware of the extent to which the GCC countries annually rank in the forefront of the world's most generous contributors to alleviating poverty and other forms of misery.

In contrast to most Western providers of economic aid to the world's less fortunate, the GCC countries from the beginning have held to the view that, as a matter of principle grounded in their faith, it is not right to take credit for the good that one's wealth, shared with others, makes possible. The most ideal form of charity, many Muslims believe, is where the donor does not know who the recipient is, and the recipient does know who the donor is.

Many outsiders are shocked to learn that the level of aid to the world's less fortunate citizens provided by the far more economically powerful and developed countries, such as the United States and others among the Great Powers, is far less as a percentage of government and individual wealth than in the GCC region.

The amount of foreign aid that winds its way to the less developed countries' poorest peoples, including most especially the tens of millions of orphans, widows, and homeless, together with

those lacking adequate hospitals, medicines and health care facilities as well as services, is not lacking in means of measurement.

Gauged against the twin criteria of the percentage of a country's gross domestic product and its citizens' per capita income, what western and eastern nations contribute to humanitarian causes is far less than what is provided by the GCC region by a substantial degree.

International Organizations

Eighth, despite the fact that the GCC countries generally seek to maintain a relatively low profile in world affairs, they are active and often influential participants in numerous international organizations other than their own. It is a fact of life that most international associations ordinarily generate far less publicity than do national bodies. Yet, it is often the case that the organizations to which the GCC countries belong play a significant role in determining matters of policy and position that affect substantial segments of humanity other than their members.

Among such organizations with global and interregional reach in which the GCC countries have long been active are the United Nations, the World Bank, the International Monetary Fund, the United Nations Development Fund, the World Health Organization, the Non-Aligned Movement, and the Euro-Med Dialogue.

Additional groupings to which the GCC members belong and in which they frequently play leading roles are the League of Arab States, the Organization of the Islamic Conference, the Arab Fund for Social and Economic Development, the Organization of Petroleum Exporting Countries, the Organization of Arab Petroleum Exporting Countries, the Islamic Development Bank, and the Arab Monetary Fund, to name but the more prominent.

The Period Ahead

Ninth, no one denies that the past two years, and counting, have been among the most troubling of any since the GCC was founded. This is not only the result of the continuing fallout from the unending Palestinian Intifada against Israeli occupation and domination, the running wounds inflicted in the 9-11 terrorist attacks against the United States that have yet to heal, the uncertain future following the Allied Coalition campaign against the Taliban in Afghanistan and political extremism elsewhere, and the most recent U.S.-led invasion and occupation of Iraq.

The present is problematic for a host of other reasons as well. Of concern to all the GCC countries is how not only the forms but also the inner workings of their systems of governance remain profoundly misunderstood by most of the rest of the world and especially by the United States, with whom, perhaps unknown by most Americans, almost all of the GCC countries have Defense Cooperation Agreements.

No GCC leader is unmindful of the venom tucked into the anti-Arab and anti-Islamic statements of growing numbers of pundits and political operatives in the West, and in the United States in particular. Neither are they oblivious to the fact that many of their foreign critics have concluded, with an apparent glee based more on ideological grounds and hearsay than any verifiable empirical evidence, that it is only a matter of when, not whether, all or most of the

GCC countries, like so many faded dandelions, will be blown away and swept into the desert's dust.

In this regard, it has to be said that while the GCC region's Arab critics can be harsh, they are in general far better informed and much more knowledgeable of the member-states' prospects for meeting the many challenges that confront them in the period ahead than are most American or other Western analysts.

Few if any of these critics envision the toppling of any of the GCC's governments in the foreseeable future. But despite this, even the organization's and member-states' more charitable observers appear to be less certain than in years past of how sure the region's and the member-states' footing is likely to be in the period immediately ahead.

The Recent UN Arab Human Development Reports

Many who monitor the GCC region and express misgivings and concerns about the near-term view the member-states through the prism of the two most recent 2002 and 2003 United Nations Development Program Arab Human Development Reports. The reports, unprecedented in the nature and extent of their published criticisms of Arab societies across the board, have been praised far and wide within the GCC and elsewhere for their degree of objectivity, clarity, and overall professionalism.

Even the critics acknowledge that, in their timeliness and relevance, the reports have surpassed all comparable previous efforts to diagnose the ills of the contemporary Arab world. For those unfamiliar with their existence or content, the reports fault the Arab countries as a whole for their being woefully deficient, in comparison to most other areas on the planet, in numerous areas of development, but most specifically in the areas of knowledge, freedom, and women's empowerment.

While many in the GCC region immediately welcomed the publication and distribution of these reports, and expressed appreciation for their calling attention to areas that are long overdue in terms of their need of urgent and far-ranging improvement, there were others who, at the same time, had a slightly different take on the reports' observations and conclusions.

Some GCC policy elites, for example, believe that, certainly as far as the GCC region is concerned, the overall picture conveyed in the UN reports, if not misleading, has to be taken with a grain of salt. The reason, they claim, is that various aspects of the reports' findings could lead a non-specialist to believe that, if not the entire Arab world, then much of it, is going to hell in a hand basket. With regard to the GCC region, all acknowledge that times are admittedly difficult, to be sure, but in the same breath they claim that hard and fast evidence of the GCC's imminent or eventual demise is simply not at hand.

Nuanced Criticisms

The overall dire-bordering-on-desperate image of the Arab world that many claim the UN reports tend to convey may be forthrightly expressed, say the critics, but it is not altogether accurate or fair.

The reason, they stress, is that vastly different resources and prospects to ameliorate the circumstances exist in some countries but not in others. As a case in point, many acknowledge that the situations applying to much of Arab North Africa regarding the phenomena of emigration and brain drain are dire indeed. However, no one can say they are even remotely comparable to the situation facing the GCC countries, where, for the most part, neither phenomenon exists.

It would be just as false were one to paint an overall largely negative picture of the state of economic and human development regarding the United States without calling attention to the many exceptions and similarly stark discrepancies between and among the fifty American states.

According to one critic of the UN reports, "Everyone who knows anything about the United States knows that the range of economic and related resources among Alabama, Mississippi, and West Virginia, on one hand, and California, New York, and Texas, on the other, is enormous, as are the policy implications. Who can claim," he continued, "that the two sets of states are, or have been, remotely comparable in terms of their [respective] economic endowments, human resources, higher institutions of education, state of science and technology?"

In conclusion, no one in the GCC region pretends that the circumstances pertaining to where the member-states rank on the Richter scale of human development is synonymous with nirvana. Yet it is also the case that more than a few within the GCC are not overstating reality when they note that, for all their shortcomings, the member-states have registered more than a few achievements, most of which are yet to be matched by any other Arab sub-regional organization.

Some GCC critics, to be sure, have concluded that the representatives of the GCC member-states are oblivious to the plight of, or not nearly as generous to, their less fortunate colleagues living in the 16 other Arab polities as they could be. But as the GCC member-states' foreign aid record attests, this is hardly the case. Nor is there any indication that the GCC countries' elites are unmindful of how fortunate their own situation and circumstances are in comparison to those of others elsewhere. They are aware.

Note:

Part Two in this series summarizes some of the highlights of previous GCC summits. Part Three is a primer on GCC decision-making. Part Four deals with the GCC and Iraq.

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