

THE GULF CO-OPERATION COUNCIL : PROSPECTS AND PROBLEMS

Introduction

The general tendency for greater co-operation both at regional and international level is mainly a phenomenon of the post-world war II period, when a large number of states became independent in Asia and Africa. The Arab world was not an exception to that trend. A number of attempts were made to promote political, economic and socio-cultural co-operation among the countries in the region. But most of them either failed or achieved only a limited success for lack of political understanding and socio-cultural integration. Sometimes a series of political changes in various Arab states spoilt the attempts and constituted a severe blow to the prospects of Arab unity.

The Arab countries of the Persian Gulf, majority of whom became independent only about a decade ago, played a very low-key role in international affairs in the sixties and early seventies. The geopolitical, economic and strategic importance of the region, however, drew the attention of the superpowers, particularly of the United States and it became the target of foreign designs and intrigues. At the end of seventies the region had emerged as a dynamic economic and political force in the international arena. At present more than 20% of oil imported by US, 56% by West Europe and 68% by Japan come from the Gulf region.¹ With a population of about 12 million only the six Gulf countries² produce more than half of the daily output of the OPEC and have almost one third of the total oil reserve of the non-communist world.

1. *Time*, 25 Oct. 1982 p. 23.

2. Consisting of Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates.

With the economic potentials, the political and strategic importance of the region had increased tremendously and gradually it became the main theatre of super power rivalry. On the other hand, the regional conflicts and continuous domestic political turmoil increasingly contributed to the complexity of the situation. The security of the region was thus threatened both from external and internal sources. Realization of this volatility and sensitivity of the region led the Gulf leaders to initiate greater co-ordination in socio-political development and military policy. The formation of the Gulf Co-operation Council was an outcome to this realization. The present article is an attempt to identify the motives of the formation of the Gulf Co-operation Council (GCC) and to give a preliminary appraisal of its activities. It is rather premature to evaluate the activities and make judgements on its future given the fact that the Gulf Co-operation Council (GCC) is still in a formative stage. The article is divided into three parts; (i) Why GCC? (ii) GCC: The Organization and (iii) Programmes and Activities.

Why GCC

Apart from membership of a number of international forums like the UN, the Non-aligned Movement and the Organization of the Islamic Conference, the Gulf Arab Countries also belong to regional groupings like the Arab League, the OAPEC and the Arab Common Market. The Arab League was particularly created to meet the challenges facing the Arab world. So question may arise as to what were the motive forces behind forming the GCC? In other words, what were the internal and external compulsions of the member states in forming the Council?

Formerly the Gulf was ruled and controlled by Britain. But in 1968 with the last withdrawal of British soldiers from the East of Suez a vacuum was created in the region and subsequently the United States exerted its influence on the two giants of the region—Iran and Saudi Arabia. The Soviets also tried to exert influence in the Gulf through Iraq and later on, through South Yemen. They also

got foot-hold in Syria and in the Horn of Africa. The Chinese did not lag behind in giving support to the radical groups such as the Popular Front for the Liberation of the Arabian Gulf.

The revolution in Iran and the downfall of the Shah changed the political balance in the region., Washington adopted immediate measures to counter threats from other sources in the region. President Carter stated in the State of the Union speech in January 1980 that, "An attempt by any outside force to gain control of the Persian Gulf region will be regarded as an assault on the vital interests of the United States. It will be repelled by use of any means necessary, including military force."³ At the same time the Rapid Deployment Force (RDF) was created with an object, ".....to respond quickly, effectively and even pre-empting a threat to the Gulf region."⁴

On the other hand, the Soviet Union dismissed the US concern over the Soviet threat and President Brezhnev, during his visit to India at the end of 1980, proposed a five-point peace formula for the Gulf. The main thrust of Brezhnev's proposal was to declare Gulf as a neutral zone, and to keep it free from super power influence, whether overt or covert.⁵

The subsequent events, such as Washington's ineffectiveness in solving the hostage crisis in Iran, continuous growth of radicalism in the region, total US support to Israel against the Arab world, the continuous Soviet influence in the region, it's invasion in Afghanistan and the position of Soviet troops in the Iranian border capable of a direct attack on the Gulf oil-fields just added to the complex situation. The leaders of the region became concerned about the US capability of defending the region and the Soviet sincerity to keep their promise. Considering all these things they preferred keeping a diplomatic

3. *Kessing's Contemporary Archives*, Vol. XXVI, 1980, p. 30246.

4. Quoted in HRH Crown Prince Hassan Ben Talal, Jordan ; "The Near and Middle East : A Bridge Between Regional and Real Politik ?" In Geoffrey Stewart Smith (ed.) *Global Collective Security in the 1980s*, (London), Foreign Policy Research Institute, 1982, p. 59.

5. *Ibid* ;

distance and seeking the ways and means to strengthen their own security systems without having to rely on the superpowers.

Washington tried to mend fences with her Arab allies and wanted to regain control in the region but the efforts ended with a very limited success. Because all these happened at a time when the US-Arab relations were in a very critical stage over the Camp David issue.

Later on, the outbreak of the Iran-Iraq war, division in the Arab world on the Camp David agreements, isolation of Egypt, disputes among various Arab states, ineffectiveness of the Arab League and OIC in mediating disputes, gloomy future of the Non-aligned Movement, attempt of seizure of holy Makkah by radical Muslims—all these compelled the leaders of the region to think over the formation of a Gulf Council through which the co-operation among themselves might be strengthened. So the GCC was a timely approach of the Gulf leaders for greater co-operations among themselves.

Gulf Co-operation Council : The Organization

Origin :

(The idea of the formation of a Gulf Co-operation Council was first mooted in the 3rd Summit of the Organization of Islamic Conference in Taif in January 1981.) Earlier in 1978 and 1979, mutual co-operation agreements were signed between Kuwait, Bahrain and UAE. Several committees at ministerial levels were also formed to promote and facilitate co-operations in the fields of customs, tariffs, protection of local industries, investment and joint ventures.

In their first Foreign Ministers' meeting in Riyadh, early February 1981, the participants decided to transform the bilateral agreements into multilateral ones and to form the Gulf Co-operation Council. Following Riyadh session, another meeting of the Foreign Ministers of six Gulf countries was held in Muscat (Oman) and the First Summit of the Heads of States of the GCC countries was

held in Abu Dhabi in May 1981. In the First Summit the leaders approved the statutes, aims, objectives and scope of programmes and activities of the Council.

Objectives :

The GCC was formed with the following broad objectives:

- “(i) To achieve co-ordination, integration and co-operations among the member states in all fields in order to bring about their unity;
- (ii) To deepen and strengthen the bonds of co-operations existing among the people in all fields;
- (iii) To draw up similar systems in all fields including economic, financial, trade, customs and transport, educational and cultural, health and social, information and tourism, judicial and administrative ; and
- (iv) To promote scientific and technical progress in the fields of industry, minerals, agriculture, sea wealth and animal wealth and to establish scientific research centres and collective projects and to encourage the private sector's co-operation for the good of the peoples of the member states.”⁶

(The Council members also emphasised the awareness of their special ties and common characteristics, similarity of political regimes and common faith in Islam.)

(The main objective of the Council is to forge closer ties among the member states in all aspects of socio-political and economic life.) The Council aimed at pooling up of their resources and by forming a strong economic community to face the economic threats posed from diverse directions. Talking about the objective of the GCC the President of the UAE reaffirmed the Gulf leaders' resolve to

6. *Kessing's Contemporary Archives*, Vol. XXVII, 1981, p. 30982.

“mould an ideal Gulf people and provide them with all means to live a dignified life.”⁷

Another significant objective of the Council is to safeguard the stability of the region dealing with the external and internal threats. The member states are quite aware of the vulnerability of the member countries and instability of the region. This is why the Council envisages the formulation of a “common plan” eventually leading to a complete co-ordination both in buying military armaments and in setting up indigenous military industries. In the sphere of socio-economic development the member states have a vision of EEC-like regional economic co-operation.

Structure:

The first Summit decided that the Council would be composed of a Supreme Council, a Ministerial Council and a Secretariat with its Head Quarters in Riyadh.

The Supreme Council is the highest authority which would consist of the heads and kings of the member countries. The Supreme Council is scheduled to meet twice in a year in May and November. But an emergency Summit may be held at the request of at least two members. The Presidency would be rotated in alphabetical order among the member states.

The Ministerial Council would be composed of the Foreign Ministers of the member states or their representatives. The meetings of the Council would be held once in every three months and the Chairmanship, would be rotated every six months in alphabetical order. However, in view of the need for co-ordination of wide ranging co-operation, additional Councils of Defence, Interior, Information Broadcasting, Finance and oil Ministers' were also formed.

The General Secretariat would comprise of the Secretary General assisted by Assistant Secretary Generals and by the “employees whom he may need”. The Secretary General would be appointed

7. *Emirates News*, 10 Nov. 1982.

by the Supreme Council for a period of three years and he would appoint the other assistants and employees in the Secretariat from the member countries.

In the First Summit five committees were formed to look after broad areas like (i) economic and social planning (ii) financial, economic and trade co-operation (iii) industrial co-operation (iv) oil and (v) social and cultural services.

From the above it appears that the GCC is designed to cover a very wide and ambitious range of areas of co-operation. Though it is too early to make any judgements but some preliminary observations may be made. Firstly, the member countries should identify the areas of co-operation on priority basis. Secondly, the frequency of Summits and ministerial level meetings also seem to be ambitious. So many political contacts without tangible outcomes may generate frustration among the members. Thirdly, in point of institution building, the Secretariat should be delegated more power and frequency of meetings at expert levels should be increased.

Programmes and Activities

Political

The leaders of the member states even before formation of the GCC emphasised the need for a permanent solution of the core problem of the Palestinians for permanent peace and security in the region. The Arab Gulf countries always supported the cause of the Palestinian people and major share of the Palestinian Fund comes from these countries. The leaders reiterated their position as an organized body on formation of the GCC. The GCC members co-ordinate their policy on Palestinian issue in various international and regional forums of which they are members. The first and significant foreign policy co-ordination within the framework of GCC was in 1981, when at an Arab League Summit the Council jointly sponsored the Saudi "8-point peace plan" for the solution of the long and complicated Middle East problem. Later on, on the basis of the Saudi Plan the

Arab League adopted a peace plan for Middle East in its Fez Summit in 1982. The member states are also examining the possibilities of co-ordinating their policies on different issues in various international forums such as the Non-aligned Movement, OIC and the United Nations.

The GCC member-countries played also a very vital role to ease the tense situation in Lebanon in 1981 over the Syrian missile crisis in the Bekka Valley. With the active involvement of Saudi Arabia the US special envoy Mr. Philip Habib was able to bring together PLO and Israel and a ceasefire agreement was signed between them. The GCC member countries always expressed their deep concern over the political crisis in Lebanon and appealed to all parties concerned for a peaceful settlement of the crisis. The leaders of the GCC countries even expressed their willingness to participate in a multinational peace keeping force for Lebanon.⁸

The role of GCC in mediating inter-Arab disputes is also worth mentioning. In 1980 the relation between Jordan and Syria worsened over the Iran-Iraq issue and both the sides mobilized soldiers in their borders. A GCC mission successfully mediated the dispute. In 1982 relation between Syria and Iraq worsened over the oil pipeline issue, Syria supported Iran in the Iran-Iraq war, closed its border with Iraq and blocked the pipeline which transported Iraqi crude oil to the Mediterranean. Syria also announced the ending of relations with Baghdad.⁹ A GCC mission visited both Baghdad and Damascus and successfully defused the crisis.¹⁰

Another long standing dispute in the Gulf was the insurgency problem in Oman with allegedly active support from Yemen PDR. On the basis of a decision of the second Summit of the GCC, Kuwait and the United Arab Emirates launched diplomatic offensive to mediate in the dispute. Finally, the two sides agreed to establish diplo-

8. *The Bangladesh Times*, 30 Nov, 1982.

9. *The Dawn*, 21 April 1982.

10. *Ibid.*, 23 April 1982.

matic relations ending 15 years of feuding and tension. The GCC also played an active role in normalising the relations between Oman and Yemen Arab Republic. Being inspired by the principles of the GCC, the Kingdom of Saudi Arabia is also trying to mend fences with Libya, Syria and South Yemen.

From the very outbreak of the Iran-Iraq war the GCC member states appealed to both the countries to end the hostilities between two Muslim states. With the Iranian offensive in the war in early 1982 the member states were seriously anxious about the possible implications of the war and the security of the region. In an emergency meeting the Foreign Ministers of the GCC countries expressed their concern over the situation and called for an emergency meeting of the Arab League to examine the eventualities and effects of the war for the region as a whole. The meeting warned that the continuation of the Iran-Iraq war might transform the region as a theatre for superpower rivalry. In early June 1982, the GCC countries adopted a three point peace plan to end the Iran-Iraq war. The plan called for (i) Iraqi withdrawal from Iranian territory to the common international border under 1975 Algiers Treaty (ii) a ceasefire and (iii) negotiations to solve the outstanding issues.¹¹ But the bid failed because Iran rejected the plan and the GCC countries expressed their total support to the endeavours of Iraq to end the war. They also pumped about \$30 bn. to Iraq as war assistance and showed their readiness to contribute to a "reconstruction fund" for both Iran and Iraq.¹² The Third Summit of GCC held in Manama in November, 1982 appealed to both countries to end the war for the sake of the Muslim Ummah. Saudi Arabia and Kuwait were authorised to launch fresh initiatives to end the Iran-Iraq war. It was also decided that a delegation of the two countries would start a tour to Washington, Moscow and some Arab capitals to find out a consensus to end the war. In this respect in Dec. 1982 King Fahd of Saudi Arabia visited Algeria, one of the potential mediators, to end the

11. *The Bangladesh Observer*, 3 June 1982.

12. *Gulf News*, 10 Nov. 1982.

Iran-Iraq war. But in spite of all these efforts no substantial result on the issue has yet been achieved.

But it should also be mentioned for the sake of a balanced analysis, that the member states, despite their common cause of regional stability, do not see eye to eye on all issues and have identical approach to the same problem. In the first place they have bilateral problems, border disputes being the main. Secondly, some of the members differ significantly on their approach to external powers because of national compulsions as would be indicated in the following section.

Defence and Security

The Gulf and the rest of the Middle East had long been labelled as strategically important by contending great powers for its geographical location and possession of vast oil resources. Even as back as in 1951 President Eisenhower held similar view.¹³ The main oil routes from Europe to the Far East and from Asia to Africa pass through this area. We have also indicated earlier the strategic importance of the region on count of oil reserves. So domination and control of the whole or any particular part of the region will give an upper hand to the advantageously positioned super power. The concern of the Americans over the region grew particularly after the fall of Shah of Iran and the Soviet intervention in Afghanistan.

Defence and security of the Gulf region and protection of its oil installations is one of the motive forces behind the establishment of the GCC. The security perception of the Gulf countries appears to centre on the desire, "to keep the superpowers away from the Gulf area". The vision of Gulf security—said Emir Sheikh Isa bin Salman Al Khalifa of Bahrain, "emanates from its own self, depends on its own capabilities and on its own sons."¹⁴ Against this backdrop, the GCC members in general did not welcome the US desire of

13. *The Security of the Persian Gulf*, edited by Hossein Amirsadeghi,—(Introduction), (London : Croom Helm) 1981.

14. *Emirates News*, 10 Nov 1982.

increasing its military presence in the region, "to counter the growing Soviet encroachment in the Gulf" and expressed their strong opposition to the presence of any foreign troops in the region within the framework of RDF. The US and UK officials tried to explain that the RDF would not be used unless the rulers of the Gulf countries would request for it and also emphasised that the RDF was established not with specific reference to the Gulf but it may be deployed in any part of the world where troubles may be created. But the Gulf leaders are not convinced by these arguments and are in favour of strict non-alignment.

But it appears that these are agreements in principle. But in reality the member states have their own compulsions and constraints. Among the Member states Oman for example, has an agreement with the United States in which US will provide Oman with economic and military aid and in exchange Oman will permit the US to use Salalah and Masirah as staging bases. In an agreement Bahrain also permits the limited use of port facilities to the US Navy in the Gulf and in the Indian Ocean but there is no US bases in Bahrain.¹⁵ Saudi Arabia has no military pact with any superpower but in early 1982, the Saudi officials agreed to set up a Joint Committee on military matter with the US. The Committee would be headed by two Defence Ministers, which would meet periodically and consider the military projects of mutual concern.¹⁶ Of the six member states only Oman, whose soldiers are mainly foreign nationals and commanded by British officers, feels the need for the joint defence system in the region more than any other member of the GCC, because of its common border with Yemen PDR who has already signed a security pact with the Soviet Union.¹⁷

In the Second Summit of the Council Oman went to the extent of proposing for a joint defence system in the Strait of Hormuz in

15. *The Military Balance* 1982-83, IISS, (London) p. 51.

16. *The Dawn*, 10 Feb. 1982.

17. Salamat Ali ; "Moscow Widens the Gulf", *Far Eastern Economic Review*, 6 Nov. 1981 p. 28.

conjunction with the Western powers but Kuwait vehemently opposed the idea and expressed her strong desire to keep the region free from super powers' involvement. The other members of the Council also feared that any security arrangement with the West might provoke the radical Arabs like Syria, Libya and PLO and ultimately could seriously affect the Arab League and the chances of split would be enhanced.¹⁸ They called for the entire region to be kept "free of international conflicts and particularly the presence of military fleets and foreign bases," in order to "safeguard their interests and the interests of the world."¹⁹

The Second Summit of GCC discussed two working papers presented by Saudi Arabia and Oman. The Saudi proposal opposed the idea of joint military command. According to Saudi Defence Minister Prince Sultan, the co-ordination of defence policies of the GCC countries would be stronger than joint command. The Chiefs of Staff of the member countries also recommended for the creation of a Joint Committee to co-ordinate the defence policies. The Summit also recommended the appointment of an Assistant General Secretary in charge of Military affairs.²⁰

For strengthening the defence system the Gulf states have agreed to create a common air defence system incorporating the Airborne Warning And Controlling System (AWACS) planes of Saudi Arabia which are being procured from the United States. The Saudi officials feel that the four AWACS patrolling Saudi airspace would greatly contribute to the "collective defence of the Gulf."²¹

Taking into account the defence capability of the individual countries, it may be observed that their defence is still at a nascent stage but gradually picking up. According to a report of the London based International Institute for Strategic Studies, the GCC is emer-

18. *International Herald Tribune*, 11 Nov. 1981.

19. *Kessing's Contemporary Archives*, Vol. XXVII, 1981, p. 30983.

20. *International Herald Tribune*, 11 Nov. 1982.

21. *Statesman*, 14 Nov. 1981.

ging as a new military entity to be reckoned with in near future. The report also added that the total defence expenditure of the GCC countries in 1981 was about \$30 billion. But in comparison of the defence budget and armed forces of Saudi Arabia, the defence efforts of the other five members are very tiny.²² The defence capability of the individual GCC member has been shown in the Table I.

The total armed forces of the GCC countries is about 0.14 million of which the number of Saudi personnel is more than 52,000. The total GCC defence budget in 1981 was about \$30 billion of which the Saudi share was \$24.4 billion.

The GCC countries are co-ordinating their policies in buying weapons and training of armed personnels. A series of secret decisions have also been taken for joint actions to protect oil fields from outside attack. They also emphasise on self-reliance in arms production. In 1975 an Arab Organization for Industrialization was set up in Egypt to encourage indigenous Arab arms production. But in 1979, following signing of the Egypt-Israeli peace treaty, it was postponed and Iraq, Kuwait, Qatar, Saudi Arabia and UAE agreed to set up an \$8 bn. arms industry in the UAE. Now the project is being implemented for arms production for the member states.

With the attempt of a coup in Bahrain in Dec., 1981 which, according to the Bahraini authorities, was backed by Iran, the member states expressed their strong desire to sign bilateral pacts to ensure the security from internal subversive activities. Following the incident Saudi Arabia and Bahrain signed a security pact which covered co-operation between security forces in both countries in exchanging criminals.²³

The Interior Ministers of the GCC countries held their first meeting in January 1982 and decided to establish a "Standing Council" to co-ordinate internal security in a bid to counter subversions. They

22. *Ibid.* 18 Nov. 1981.

23. *The Bangladesh Observer*, 21 Dec. 1981.

Table 1: Armed Forces and Defence Budget of the GCC Members.

Sl No.	Name of Country	Total GNP	Military Service	Armed Forces			Total	Def. Exp.
				Army	Air Force	Navy		
1.	Bahrain	\$2.21 bn. (1980)	Voluntary	2,300	100	150	2,550	\$135m. (1980)
2.	Kuwait ¹	\$30.76 bn. (1981)	Voluntary	10,000	1900	500	12,400	\$1.3 bn. (1981)
3.	Oman	\$3.91 bn. (1981)	Voluntary	15,000	2000	1000	18,000 ²	\$1.69 bn (1981)
4.	Qatar	\$6.58 bn. (1981)	—	5,000	300	700	6,000	\$893.1m. (1981)
5.	Saudi ³ Arabia	\$118.99 bn. (1981)	Conscription Males 18-35 yrs.	35,000	15000	2200	52,200	\$24.4 bn. (1981)
6.	United Arab Emirates	\$29.68 bn. (1981)	Voluntary	46,000	1500	1000	48,500	\$1.2 bn. (1981)
Total				1,13,300	20,800	5,550	1,39,650	\$29.93 bn.

(Table contd.)

Iran ⁵	\$112.1 bn. (1980)	Compl. 2 years.	1,50,000	35,000	10,000	1,95,000	\$4.46 bn. (1980) ⁴
Iraq	\$38.98 bn. (1980)	Compl. 21-24 months	3,00,00	38,000	4,250	3.42,250	\$2.98 bn. (1980)
Israel ⁶	\$21.1 bn. (1981)	Men 2 yrs. Wemen 3 years (Compl.)	1,35,000	30,000	9,000	1,74,000	\$6.06 bn. (1981)

1. Para-military Forces,,18,000 police.
2. Excluding expatriate personnel.
3. 35,000 National Guards and 6,500 counter-terrorist unit.
- 4- According to another source that estimated defence expenditure in 1981 was \$13.3 bn i.e. 41.6% of total budget.
5. Revolutionary Guard Corps 40,000.
6. Reserves 3,26,000 in all services.

Source: *The Military Balance* 1982-1983, The International Institute for Strategic Studies, (London), 1982.

also agreed on exchanging informations on subversive movement, procedures for the extradition of suspects sought in connection with terrorism or criminal offences and co-ordinate the activities of their border patrol police. They explored the possibilities of the joint ways of combating potential insurrection and subversive activities.²⁴ In their second meeting in Oct. 1982 the Ministers reviewed the question of unification of passports, nationality and identity card systems and the issue of extradition of criminals and exchange of security informations. The member states, except Kuwait, have already signed bilateral security pacts. Kuwait expressed its reservation on the point of joint internal pact where it is said that any state can send its police forces into the border of the neighbouring state for a distance not exceeding 20 kilometers when chasing wanted elements. A security Data Centre has also been established to help qualify the national cadre and the General Secretariat was asked to start the executive measures for implementing the project.

But inspite of all these efforts the GCC countries have not yet been able to sign a joint security pact for the region as a whole because any security pact may worsen the on-going tense situation particularly when the member states are identified as the supporters of Iraq. Iran will obviously treat any pact as anti-Iranian Arab coalition and whatever pact aims the GCC would have the possibility of an Arab-Persian war will be increased. Iran has already served a public notice warning that she is the region's "role saviour and principal power what must be taken into consideration in any Gulf security agreement."²⁶ Considering the situation in the region the security pact was not signed and the Gulf leaders clearly stated that the collective defence measures are not against any particular third country but only to secure the Gulf region from all sorts of interventions.²⁷

24. *The Dawn*, 25 Feb 1982.

25. *Gulf News*, 19 Oct. 1982.

26. *Ibid.* 10 Nov. 1982.

27. *The Dawn*, 16 March 1982.

The Gulf leaders have repeatedly stated that the security of the Gulf is the responsibility of the Gulf countries and its peoples, and some measures have already been adopted in this respect. But the question is whether the GCC countries are capable of defending themselves from any external threats. In other words, how viable is the GCC militarily? From purely military point of view GCC is yet to be viable because the total number of GCC armed personnel is less than any other country in the region.

The GCC members have only 287 combat aircrafts (Saudi Arabia 128, Kuwait 49, Oman 37, Qatar 9, UAE 52 and Bahrain 12) while Israel has 634 combat aircrafts (including perhaps 270 in store).²⁸ Furthermore not only in quantity but qualitatively their armed forces are inferior to other states in the region.

There are added considerations. In spite of the AWACS' patrolling in the Saudi airspace the Israeli aircraft flew over the territory of Jordan and Saudi Arabia, invaded Iraq's airspace and bombed the nuclear station centre in Tammuz near Baghdad in June 1981.²⁹ In Nov. 1981 the Israeli planes violated Saudi airspace for several times.³⁰ So, despite having all the modern arms and ammunitions available in the world market, the security of the region has not been ensured and the enemy can attack them at any time. At the same time the internal radical groups are not less threatening to them.

So there is a big question whether the GCC countries are capable of protecting themselves from internal and external threats. They also differ in their opinion on security issue, some are interested for co-operation with the West while the others are in favour of strict non-alignment. Meanwhile the superpowers are trying to penetrate in the Gulf through GCC by offering various proposals.

The main security problem of the Gulf countries is that they are very sparsely populated and their armed forces are in a very

28. *The Military Balance* 1982-83. IISS (London) pp. 53-60.

29. G. Kuvaldin, "Israel : Escalation of Aggression and Bandity", *International Affairs* (Moscow), No. 9, 1981, p. 63.

30. *The Bangladesh Observer*, 11 Nov. 1981.

formative stage. But they have all the potentials to strengthen their armed forces. They have ultra-modern arms and ammunitions in their arsenals and their defence expenditure is several times higher than any other country in the region. Recently the Gulf countries within the framework of the GCC are strengthening their armed forces realizing the fact that a strong Gulf will not only secure the interest of the region but the entire Arab world. So, using all the potentials available in their arsenals and taking help from the other Islamic countries, the GCC is quite capable of defending themselves from any sort of intervention. At the same time the security of any country is not only dependent on military strength but also on other factors such as economic strength, socio-political structure, foreign policy and international atmosphere.

Socio-Economic

The common socio-economic bond of the member states is a positive factor for strengthening co-operations among them. All the GCC countries are capital surplus. In 1978 the oil revenues of the six states (Iraq, Saudi Arabia, UAE, Libya and Qatar) totalled at \$ 79 bn. and in 1980 their external assests were about \$300 bn. But only a quarter of that amount was spent on imports and roughly half was deposited with banks in the industrial countries or in the Euro-currency market.³¹ The Economy of the member states is heavily dependent on oil, more than 90 per cent of their total revenues comes from oil (see Annex. 1). Industry and agriculture are also undeveloped, more than 40 per cent share of total imports goes to machinery and transport equipments and they have to spend 10 to 15 percent of total revenues for importing foods. The GCC countries have the highest GNP per capita (Annex-1). According to a World Bank report in 1980 the official development assistance of four GCC countries (Saudi Arabia, Kuwait, UAE and Qatar) was \$5589 million which equal to 3 to 4 per cent of their total GNP. But at the same period the official assistance of the wealthy OECD countries was

31. World Bank, *World Development Report 1981* (Washington DC), p. 91.

less than one per cent of their GNP. In comparison with the communist bloc, Council for Mutual Economic Assistance (CMEA), the GCC members are contributing almost 12 times to world aid projects.³²

Since the primary objective of the Council was to expand the economic co-operation among the member states, from the emergence of the Council various steps were taken to co-ordinate policies in the field of oil industry. Decisions were taken to co-operate in all stages including drilling, refining, marketing and pricing as well as transporting and exploiting natural gas and developing sources of energy. In the field of trade and commerce a collective co-operation pact has been signed aiming at abolishing all trade and custom barriers and unifying financial and banking regulations and encouraging capital investments in the member states.

The Third Summit of GCC held in Manama in Nov. 1982 decided to convert the bilateral agreements among the members into multilateral ones. The member countries have already harmonised the internal tariffs but no immediate plan has been taken to introduce a common external tariffs as custom tariffs play a different role in various states. But the leaders discussed the way of removing the customs barriers and co-ordination of trade policy over a five year period. The Summit also approved the establishment of a 2.1 billion dollar Gulf Investment Authority for expanding investments in the member states.³³ The Gulf Arab investment Company owned by the investors from the GCC countries have decided to set up a palm oil refinery in Egypt, at a cost of about \$500 million, with the help of raw materials and technology from Malaysia.³⁴

For strengthening co-operation in the field of oil, the Ministers expressed their desire for co-ordination of policy in petro-chemical industries, joint ventures, oil processing, marketing and so on. The

32. Robert Little ; OPEC States are World's Top Aid Donors", *Gulf News*, 10 Aug. 1982.

33. *Khaleej Times*, 13 Nov. 82.

34. *Gulf News*, 17 Oct. 1982.

officials of the member countries are also seeking the alternative sources of energy to diversify the resources and incomes and to establish alternative industries so that their dependency on oil may be reduced.³⁵ In their November 1982 session, the oil Ministers decided to build a huge petro-chemical complex in Oman: The project also includes the establishment of a pipeline transporting UAE crude oil to Oman, which would be an alternative to the highly vulnerable sea route through the Strait of Hormuz, the narrow neck of water leading into the Gulf.³⁶

The GCC countries have agreed that if any Member state is unable to maintain crude oil output as a result of war, sabotage or unrest, the other members will step in to meet domestic needs and also guarantee exports to foreign customers.³⁷

The member states are also planning to integrate their land and marine transport system to ensure the easy flow of passengers and goods. Ministers for Communications and Transport of the GCC countries, in a meeting in Muscat in July 1982, decided to connect the coastal harbours with a marine transport network to facilitate transport between the member countries and the outside world.³⁸ As a part of developing the communication system, Bahrain and Saudi Arabia have already taken a project to build up a giant causeway that will integrate the island states of Bahrain and mainland of Saudi Arabia. The project, which is being financed by the Saudis, has been started and will be completed by 1986.

The GCC members have signed agreements which will stipulate equal treatment of citizens without discrimination in the domains of freedom of movement, employment, residence, ownership, inheritance, business activities and transfer of capitals. For proper utilization of human and natural resources, the member states are

35. *The Dawn*, 8 Feb. 1982.

36. *Emirates News*, 15 Oct. 1982.

37. *The Dawn*, 5 Feb. 1982.

38. *Gulf News* 31 July 1982.

studying the possibility of free flow of capitals and manpower among them. In this respect Oman has already done away with the requirements of entry visas for businessmen and citizens of GCC member countries. The Labour Ministers of GCC countries held a meeting in early 1983 to endorse legislation relating to the employment of foreign labour in the region. According to the Minister of Social Affairs of Bahrain, foreign employment in the Gulf region should be classified in accordance with agreed professional standards which would assist in the implementation of the agreement on unified economic performance to stipulate equal treatment for all the Gulf nations.³⁹

In the field of health and medical care, a Joint Arab Gulf Committee for drugs has been set up to co-ordinate the policy of using the drugs in hospitals as well as the regulations governing the unified registration system for companies producing drugs and other by-products in the member states. The Committee is examining a project proposed by Saudi Arabia for producing liquid medicines for the GCC countries. The Committee also reviewed the proposal for the establishment of a directory for dispensing certain medicine at the hospitals of member countries.⁴⁰

For co-operation in the field of press and broadcasting the Directors of censorship and the publication departments from Ministries of Information of the member states, have decided to establish a permanent committee, which will meet twice a year, to formulate the strategy on the implementation of censorship regulations. The Committee also recommended to distribute the newspapers of each country among all members without any censorship barrier. The Committee has expressed the desire to adopt a joint censorship policy and is determined to counter any hostile propaganda against GCC countries in foreign media. It was also emphasised the need for closer contact of the journalists of the member states and to adopt a joint strategy in the field of media and publications.⁴¹

39. *Emirates News*, 8 Dec. 1982.

40. *Ibid.* 18 Oct. 1982.

41. *Khaleej Times*, 18 Oct. 1982.

So, we see that within this short time GCC has taken a number of steps for socio-economic co-operations among the member states, but it is too early to predict on its effectivity and viability. They have their own constraints, problems, reservations, divergency of interests and above all internal compulsions which sometimes seriously affected their inter-relations. For example, the Central Banks of the GCC countries were working on replacing the existing currencies with a common Gulf currency, but the bid failed because of a quarrel between UAE and Bahrain.

The economic structure of the member states is, broadly speaking, similar with narrow industrial base. In foreign trade they are dependent on oil export and main import items are machinery and equipments. Agriculturally they are underdeveloped and have to import a major portion of their foodgrains from abroad. Oil is the only source of their income and oil revenue has started to decline in some of the countries. The Gulf leaders should co-ordinate their policy in the field of oil, so that they can get the maximum benefit from it. Since the GCC members are all capital surplus countries, they may take the initiatives for joint ventures in various fields. For food security the Gulf countries may invest, a portion of their assets and surplus funds deposited in Western countries, in various Arab countries or other Muslim states who have agricultural potentials. The Gulf leaders should also think seriously of setting up various industries in their own countries or in other Islamic countries where labour and raw materials are available. It will, on the one hand, strengthen their industrial bases, guarantee the security of investment, on the other hand, will enable them to diversify their sources of revenues.

Conclusion

Despite the region's long history of dissension stemming from rivalries and strong tribal and personal antipathy, the GCC has presented itself as a potential model to be adopted by the Arab states

to forge co-operation and unity. In the prevailing atmosphere of despair resulting from the consecutive frustrations in earlier abortive unifying attempts and in the wake of internal and external threats, the GCC has emerged as a beacon of hope and a pioneering movement for the entire Arab world. It is in the process of translating the vision into actuality in the forms of institutions, laws and agreements which together constitute a formula for joint co-operation and co-ordination in various fields. As has been discussed earlier, it appears that the GCC has made considerable progress in co-operation in economic programmes and co-ordination in political fields. Presently what is required to consolidation of these achievements and identify priority areas to mobilise concerted efforts. Road blocks to signing of a joint security pact may be removed through mutual understanding and consultation. Co-ordination in internal security measures as have been shown earlier and that existing bilateral agreement in matter of defence may provide the foundation toward of such joint action.

It is true that politically the regimes of the GCC countries remain vulnerable. All the countries are ruled by either dynasty or tribe or a family in the form of kingdom or sheikhdom or sultanate. Considering the need of time, it is imperative that the GCC leaders should start a process of political liberalization, of course, preserving the present political institutions, while sharing powers with the growing national bourgeois and intelligentsia. Otherwise, any radical change in any member state will seriously destabilize the region and the very existence of the GCC may be endangered. The Gulf leaders should take lesson from the events in Iran that without peoples' participation, no regime can survive only by signing security pacts and strengthening armed forces. So the GCC leaders should explore all possible ways and means to make it a real Council for the people of the Gulf.

Annex-1
Basic Facts of the GCC Members

Sl/No	Name of the Country	Area (Sq. Miles)	Population (millions) 1982	Oil Reserves (1976 bb)	Per Capita income 1980 US \$	Total exports 1977 (Million US \$)	Oil exports as % of total exports 1977
1	2	3	4	5	6	7	8
1.	Bahrain	230	0.4	0.3	5,560	—	—
2.	Kuwait	5,000	1.4	70.2	19,830	9832	90.3
3.	Oman	82,000	0.9	3.2	4,380	—	—
4.	Qatar	4,000	0.24	5.3	26,080	2,048	99.1
5.	Saudi Arabia	9,27,000	8.1	107.9	11,260	40,929	—
6.	United Arab Emirate	32,000	1.0	42.2	26,850	9,489	96.3

Sources; World Development Report 1982, OPEC Yearbook 1979, The Military Balance (IISS, London) 1982-83