

Policy Dialogue Brief

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The Future of Persian Gulf Security: Alternatives for the 21st Century

The Persian Gulf has become the United States' primary foreign policy focus in recent years, and the importance of the region will not diminish in the near future. Events in the region illustrate a growing need for constructive regional cooperation on everything from weapons of mass destruction proliferation to terrorism to socioeconomic development. As the situation in Iraq deteriorates, Iran becomes more vocal about its role in the region and transnational terrorism and domestic instabilities continue to trouble regional governments who depend on a largely unpopular external superpower to provide their security. Thus the need for a revamped, retooled, and more comprehensive regional strategy is evident. These developments also highlight a need for the entire international community—including Asian states dependent on Gulf oil—to work together in a way that motivates all concerned parties to go beyond their traditional positions.

In September 2005, the Stanley Foundation brought together officials, security analysts, and academics from the Arab Gulf monarchies, Iran, Iraq, other Middle East states, Japan, China, India, the European Union (EU), and the United States to discuss "The Future of Persian Gulf Security: Alternatives for the 21st Century" in Dubai, United Arab Emirates (UAE). The roundtable sessions focused on opportunities for positive change in the Persian Gulf, both through the actions of Gulf States and nonregional powers and partners.

Moving Forward: A Cooperative and Multilateral Approach for the 21st Century?

In the search for alternative security guidelines or frameworks, the Dubai conference participants focused on a principled, multilateral strategy for engagement that would include all relevant parties, including Iran, Iraq, and Yemen. Some participants expressed increasing hope for multilateral cooperation in the region based on two telling developments.

First, the fact that senior analysts and officials from multiple states chose to attend the Stanley Foundation conference demonstrated that there is real interest in the region for policy changes that go beyond traditional approaches—something not evident in the past. As one participant noted, this was perhaps because of the growing need of many rising economies around the globe for greater energy security. Increasingly, both regional and external powers are recognizing the importance of Gulf security for the continued growth of the global economic system. As new, rising powers seek energy security in the Gulf, this could slowly dilute American primacy in the region, which might lead to a shift in emphasis from the balance of power approach to a more inclusive, cooperative framework.

Second, it is becoming more evident that it is difficult to approach terrorism from a balance of power, state-centric perspective. Because

This brief summarizes the primary findings of the conference as interpreted by Program Associate Sherif Hamdy and Writer/Editor Jennifer Maceyko of the Stanley Foundation. Participants neither reviewed nor approved this brief. Therefore, it should not be assumed that every participant subscribes to all of its recommendations, observations, and conclusions.

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modern, transnational terrorism is a stateless entity with international reach, and because it is based on a fundamentalist, extreme ideology that lacks attachment to any form of nationalism in the region, interstate cooperation is the only way governments can maximize their efforts against terrorism.

Numerous proposals and suggestions were put forth to inform a larger regional strategy. One suggestion was that the current regional arrangement in Northeast and Southeast Asia could shed light on potential models for a Persian Gulf security strategy. Smaller countries in the East Asian region have historically feared a regional hegemon (China) and often used an outside power—usually the United States—to balance it. During a tense period of the Cold War, the United States ultimately chose to engage China rather than isolate, pressure, or threaten it. Without US engagement of China, there would not have been a 30-year evolution of strong trade relations between China and its Asian neighbors. Nor would the recent opportunity to negotiate multilaterally with North Korea—and with China as a central actor—via the “six-party talks” have presented itself. If the United States engages Iran in a similar way, it might be in a better position to mediate between Iran and its Gulf Arab neighbors. In short, what is needed is a regional scenario based on equal measures of interdependence, cooperative security, and realism.

Another suggestion envisioned Kuwait playing a lead role in facilitating negotiations that Gulf States or the United States want to have with Iran, as it already has a relatively close relationship with Iran. There is also the potential for cooperation on environmental issues and peaceful nuclear energy. This integration could be advanced by continuing to extend physical communication linkages. Kuwait has extended 154 kilometers of fiber optics, which could act as a “cornerstone of a [regional] communication system with Iran.”

One participant stressed the importance of the Gulf States having the freedom to negotiate directly with Iran without outside pressure against such contact. Ideally, the establishment of a security regime including Iran, Iraq, and Yemen could end a strategic problem that has lasted for centuries. Thus the region could evolve away from its status as a military zone of competition and conflict and could instead become a zone of economic cooperation.

Toward this end, socioeconomic confidence-building measures are essential to a lasting security arrangement. The key in this process would be for regional and extra-regional dialogues to be maximally inclusive, incorporating disparate voices and perspectives such as Iran’s security perceptions. One participant noted sarcastically, referring to current US practices, that “talking to people with whom you [already] agree is not a dialogue, it is a monologue.”

The rise of nationalism in Iran, warned one participant, could play a counterproductive role in the region’s efforts to achieve a lasting solution. But another participant suggested that the rise of nationalism and sectarianism in the region as a whole provides a venue for cooperation, as the negative stakes of noncooperation are made that much higher. Furthermore, there is a growing sense of militarization in the region and military-level dialogues would be very helpful in easing misperceptions and establishing channels of negotiation.

The regional media could also be involved in highlighting cooperative efforts rather than inflaming divisive issues by focusing on sectarian and national differences. Further, the expanding role of NATO in the region should be emphasized as a positive step toward cooperative military ties.

There was a general feeling that cooperation on counterterrorism was possible—if *terrorism* is defined comprehensively as a social and political problem, not just a military threat. Participants

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mentioned that terrorism would have to be confronted with determination, but that there are missing elements in how this fight is conducted. Terrorism in the region is a symptom of a more general problem—specifically, societies that cannot meet the complex economic, social, and political needs of their people. Therefore, to truly mitigate domestic instabilities and transnational terror, “societies resistible to extremism”—socioeconomically stable societies—have to be developed, and that can only be achieved by uprooting the terrorists from society.

Indeed, one participant argued that the most important issue to address is the new, regionwide form of nonstate, international social violence that is “diffuse, asymmetric, noninstitutionalized, and irresponsible.” This phenomenon presents no realistic possibility for governments to meet the terrorists’ demands or to disengage from the enemy. This violence, directed against both societies and ruling governments, is the result of familiar ideologies and systems falling apart under contradictory external and domestic pressures. Furthermore, this participant added, violence is being precipitated in the region because citizens live in “atmospheres of resenting national humiliation, injustice, and despair as individuals and as a sub-nation resort to violence [in order] to improve their lives and status.” Given the nature of this problem, external states (especially the West) should *not* focus on the religious or cultural divisions between East and West when approaching the issue, as this plays into existing grievances of Arab and Muslim populations and creates a sense of “clash of civilizations,” all of which hinder the resolution of differences.

One example to illustrate Western misunderstanding is the widespread belief that fatwas issued by clerics are a binding order for all Muslims to follow. In fact, they function more as an interpretive suggestion by religious scholars. Further, the West does not understand that within Islamic law and practice, not just anyone can legitimately issue fatwas. Thus to say that

“Osama bin Laden issued a fatwa,” and to attribute that to the normal functioning of Islam is grossly incorrect. In general, there needs to be better understanding of other cultures if states within and outside the Gulf are to cooperate on mitigating transnational terrorism.

Finally, there was a suggestion that another venue of cooperation would be the creation of a development fund, led by the Gulf States, which would focus on tackling the social and economic problems in the entire region, including the Levant and North African states. Further socioeconomic cooperation would not only create additional channels of dialogue but would also address poverty and other social problems related to terrorism.

Despite many positive contributions, however, conference discussion was beset by continuing national divisions, contradictory perceptions of security threats and interests, and ideological divides. These divides were most evident in regard to Iran-Arab relations, US-Iran relations, US and regional policy toward Iraq, and US dominance in the Gulf. The following sections explore each of these divisions in detail.

The Continuing Strategic Dilemma of Iran-Arab and Iran-US Tensions

One key theme of the discussions was the mistrust, tension, competition, and misperceptions between Iran, the Arab Gulf Cooperation Council (GCC) states, and the United States. All three sides of this triangle expressed their views frankly and bluntly during the conference sessions.

Iranian participants sought to disprove Arab and US perceptions of Iran’s role in the region. Iran is trying to play a constructive role, said one Iranian participant, as exemplified by its attendance at conferences on Iraq and by Iranian officials’ acceptance of Iyad Allawi’s government despite its appointment by the United States. According to this participant, Iran seeks, above all, legitimacy in the international community.

The rise of nationalism in Iran...could play a counter-productive role in the region’s efforts to achieve a lasting solution.

For instance, on the nuclear issue, Iranians across the spectrum recognize the leverage their nuclear program gives them. They discovered that they possessed “something which the world tends to respect them for” and something that forces Washington to take them seriously. “What people outside Iran do not realize,” said one participant, “is that the nuclear issue has become an issue of national pride.” One American participant, however, warned that by relying on nuclear power to gain prestige, Iran will be “digging itself into a diplomatic, political, and economic hole, if not more.”

Iran encounters problems particularly because the international community does not consider Iran a reliable local force in the region. But while Arabs and Americans view Iran as an unpredictable or “rogue” actor, Iran feels that it is largely *reacting* to external hostilities. Thus each side believes that the other is the locus of the security deficit in the Gulf. According to Iranian participants, as long as Iran feels threatened by outside forces, the balance of the Iranian government’s attention will be on traditional strategic security issues, which will, in turn, not allow growth in other areas such as cooperating against transnational threats. Said one participant, “Every trial to isolate Iran will have a negative impact on regional security and peace.”

Iran-Arab Threat (Mis)perceptions

The broader international community—led by the United States—is not the only thorn in the side of Iran. Tehran’s leaders are also skeptical of the GCC states. One Iranian participant argued that the Gulf States need to put more trust in their relationship with Iran and realize the strategic commonalities between their states. Too many of the Gulf States err in the presupposition that Iran is a threat, which then leads them to seek counterbalances from outside the region—namely the United States. A regionally expanded role is, however, natural for Iran given that the Gulf is Iran’s “domain of natural influence” in the cultural, economic, and political spheres. As argued by one participant, “The

international community should accept Iran’s rule and power in the region” and allow it due proportionality. Iran’s foreign policy aims not to dominate, but rather to establish the security of Iran by creating opportunities for positive cooperation with its neighbors.

As for extremism in Iran’s approach to its neighbors, one Iranian participant believed that the aggressive revolutionary stance of the 1980s has been decisively replaced by a more pragmatic approach to international relations. For instance, the Rafsanjani regime in the mid-’90s established better relationships with Saudi Arabia. Most Iranian analysts believe that it is time for regional actors to cooperate with one another, given the evident failure of current policies in Iraq.

Interestingly, the failed policies of late have created an opportunity for Iraq and Iran to “escape the traditional feelings of threat and to establish a new age, focused on opportunity and working together.” Regarding the accusations that Iran is meddling in Iraq, some participants stated that it was natural for Iran to have a central strategic interest in the bordering country. How can the United States criticize Iran when Americans themselves are in Iraq, asked one participant, even though the United States does not have the same natural geographical proximity that is driving Iranian concerns? In any case, most Iranian leaders do not perceive the establishment of a Shia government in Iraq as an end in itself. Rather, what is more important is that the final elected government not be too closely allied with the United States, since the United States has always been perceived as wanting to overthrow the Islamic regime in Iran.

But, warned one participant, “If the GCC states want to be close to the United States, and want to invite the US Navy, and want to have common military maneuvers with the US, they can do that, but they must remember that this is a sign of threat to Iran.” Regional actors are categorized by Iran into two camps: either colluding with the

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United States or being more independent. The present view in Iran is that all Gulf States are allied with the United States, which makes them a threat to Iran.

The Arab Response: Iran Talks and Acts Like a Hegemon. Several Arab Gulf participants countered these statements by suggesting that the GCC-US relationship is a “natural” bond that arose out of the need for security for the small GCC states in the 1990s. There was general agreement that Iran should not view regional actors as being “with the US or with Iran,” a sentiment also shared by many other participants from Europe and Asia. Nor should Iran view the GCC relationships with the United States as being an anti-Iranian partnership. According to one Arab participant, such zero-sum outlook will ensure the creation of enemies in the region and a never-ending feeling of mutual threat that will destabilize the region. To this, one Iranian participant countered that if Iran were allowed to have normalized relations with the United States, it would not mind if the GCC had a close relationship with the United States.

Another Arab participant argued pointedly that Iran has to recognize that it is intimidating to other actors in the region by virtue of its economic strength, high population, naval power, and territorial size. This natural dynamic is not helped by issues such as the second Iranian conventional armament program since 1989—a program that has missiles aimed at GCC states—and the building of nuclear reactors close to many GCC cities, considering the environmental dangers associated with nuclear power.

One participant went so far as to say that Iran looks at GCC states through a preconceived lens of them being “American stooges.” Iran has to understand that GCC states have their own national interests and goals, and this means that sometimes GCC interests will coincide with America and sometimes not.

In general, Arab Gulf participants agreed that GCC countries have a reason not to trust Iran, which stems from their history and is still rooted in the present. Iran has stated that it wants to expand its influence in the region, and leaders in Tehran apparently see this as an inherent historical right, which others must accept.

Asian and European Perceptions of the Iranian Regional Role

There were also frank exchanges involving participants from Europe and Asia. In response to the Iranian feeling that it is denied international legitimacy by its neighbors and external powers, one European participant argued that legitimacy comes only with “reciprocal action.” The problem is that Iran itself engages in zero-sum, competitive behavior that makes many governments wary of engaging Iran productively. In particular, this participant argued that Iranian leaders seem to view the EU as a “counterbalance” to the United States, and therefore plays one side off against another, exploiting differences. But in the same way that Iran wants the EU to take it seriously, Iran must act that way toward the EU. The EU is not a counterbalance to the United States. It is an independent, legitimate actor and broker in the international community.

Representatives from Pakistan and Russia testified to their state’s degree of comfort with Iran, and another participant stated that Japan does not view Iran as being as extreme as it is usually described. A Russian participant went on to point out that the recent inclusion of Iran as an observer in the Shanghai Cooperation Organization, a collective security organization “aimed at helping our Central Asian friends to become not objects, but subjects of international relations” was a step toward bringing Iran further into the international community. Moreover, future cooperation between both countries will materialize around Caspian Sea issues and problems with terrorism, extremism, and ethnic conflict in Azerbaijan and Turkmenistan.

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Perceptions About the Iranian Nuclear Issue

In regards to Iran and the Non-Proliferation Treaty (NPT), there were comments on the ambiguity of Article IV, which states that “Nothing in this Treaty shall be interpreted as affecting the inalienable right of all the Parties to the Treaty to develop research, production, and use of nuclear energy for peaceful purposes....” Some participants argued strongly that this language was meant to exclude any nuclear technologies that inherently lend themselves to weaponization in a way that is essentially impossible for the International Atomic Energy Agency (IAEA) or the international community to verify. Others, however, argued that the language does not bar any particular nuclear technology, and splitting hairs on enrichment versus reprocessing versus other types of reactor systems amounts to discrimination against Iran and others in the developing world.

China acknowledges the right of Iran to pursue peaceful nuclear technology and its definition of peaceful is much more broad than the strict interpretation of the United States. This broad definition essentially allows for Iran’s current activities, provided Iran gives a comprehensive, accurate, and transparent declaration of all its activities to the IAEA. However, China looks unfavorably on Iran using the technology to produce nuclear weaponry, which is one commonality with the US and GCC positions. According to Chinese experts, Iran’s possible pursuit of nuclear weapons should only be referred to the Security Council through the judgments and evidence of the IAEA.

Russia also recognizes the right of Iran to peaceful nuclear energy and is in fact cooperating with Iran in their efforts. But recent revelations of covert nuclear activities by Iran outside of IAEA inspections and declarations have created an aura of international mistrust. As in the case of China, Russian leaders and analysts believe that Iran should redefine its efforts and comply with its international obligations, represented

mainly by giving a full account of its nuclear infrastructure, materials, and activities to the IAEA. Ultimately, Iran has to choose between two routes: try to gain prestige by pursuing nuclear weapons or, instead, gain prestige and influence by being more cooperative and flexible in facilitating dialogue with the United States and the EU.

Other participants suggested that nuclear weapons are not the only way to gain prestige, as exemplified by nonmilitary countries such as Norway or Switzerland. An American representative also stressed the importance of Iran disentangling diplomacy from morality and seeing diplomatic relations as a form of “doing business,” not as a form of moral approval or moral surrender to others.

In response to this back-and-forth debate about NPT ambiguities, one participant put forth a compromise position: rather than focusing on what is meant by “the right to pursue a peaceful nuclear program,” it would be better to consider whether Iran has been complying with straightforward and uncontroversial IAEA demands that are not contested by any party, whether Chinese, Russian, European, American, or Arab. Namely, is Iran meeting its stated treaty obligations for full, accurate, and comprehensive declarations of all nuclear activities as required of all NPT parties by legally sound and universally agreed IAEA Safeguards Agreements? There are no ambiguities about these requirements. Although the IAEA has not found proof of Iranian nuclear weapons activities, IAEA Director General Mohamed ElBaradei has refused to declare Iran in full compliance because Iran has yet to give a truly credible statement of all its nuclear infrastructure, materials, and research activities to the international community. Further, the Iranian Parliament still refuses to ratify the Additional Protocol to its Comprehensive Safeguards Agreement with the IAEA, which would formalize an increase in IAEA access to Iran’s nuclear sites.

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Finally, for Arab GCC states, Iranian nuclear weapons capabilities may run a distant second to Arab fears about the Russian construction of Iran's Bushrer plant and the reliability of Bushrer's safety and security measures. Indeed, according to some participants, senior Arab analysts and former officials have regularly voiced fears about the so-called "Chernobyl scenario." In the view of Arab experts, such an environmental catastrophe could shut down Gulf oil shipments and result in environmental crises within Arab countries, eventually leading to economic collapse. For the analysts and former governmental officials present, potential Iranian "worst safety practices," poor Russian construction, and the troubling fact that Bushrer is located atop an active earthquake fault line could be much more dangerous than an Iranian nuclear weapons capability.

The Iranian Response to Asian, European, Arab, and US Statements. From the perspective of Iranians, Tehran had originally decided in 2003 to freeze uranium enrichment programs at Isfahan and Natanz, but this was not met by a positive response from the EU, which failed to come forward with promised economic and political benefits. This lack of tangible benefits made the Iranian reformists' position hard to defend against charges by conservatives in Tehran that Iran is wasting its time negotiating with the EU.

All in all, according to Iranian perceptions, even though there were some "silly mistakes" made by Iran in regard to reporting activities and materials to the IAEA, Iran does not intend to develop a nuclear program. In a 2005 Friday prayer speech, Supreme Leader Khamenei even suggested that Iran will not go above 5 percent enrichment of uranium.

Policy Cooperation and Iraq

The situation in Iraq was characterized by participants in different ways, but under one particular theme: the need to manage the diverse factions within the country, whether political,

economical, or social. There was some discussion about Iraq being an artificial state ruled by the Sunni minority, and that sooner or later tensions between Kurds, Sunnis, and Shia would have been played out regardless of US involvement. But this point was countered by another participant who suggested that, given such criteria, the UAE, Kuwait, and Israel are also "artificial" countries. The divisions inside Iraq should not be given so much focus, for such divisions exist in many countries in the region. That said, another person argued, "A balanced government should consist of different ethnic groups that would have different interests with the neighboring countries: Sunnis with the Arab world, Shiites with Iran, Kurds with Israel or America."

One issue that stood out in the debate was the United States' failure to build a foundation for a multiethnic state—specifically, a structure that would provide genuine rather than mock inclusion of the country's diverse populations. The American-led coalition failed to accommodate or converse with moderate Sunni Muslims, which resulted in Sunnis having to make a difficult and very unpalatable choice, essentially "falling between the hammer and the anvil"—the US government or the transnational terrorist's fundamentalist cause. Tribal leaders, an important possible moderating influence, were also left out.

One participant mentioned the irony of history repeating itself—that the Kurds and Shia who were persecuted earlier will now persecute the Sunnis. That the Sunni faction was never truly a part of the political process constructed by the Kurds and Shia, but was only included at the forceful request of Secretaries Rice and Rumsfeld, demonstrates the unwillingness by many Iraqi groups to build a sustainable foundation for a cohesive, stable Iraq.

With these unfortunate policy failures in mind, three scenarios for Iraq's future were laid out by one participant. The best-case scenario would involve a democratic, stable, undivided Iraq with a social system that could provide the necessary

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welfare for the state's people, an Iraqi military able to defend the country independently, and a minimal American role to assist in those issues. At best, this scenario would develop after five to ten years of real progress. This first scenario would have the most positive outcome for Iraq and the region—it would result in a strong Iraq that could balance Iran, participate in a regional security system, and encourage political and social reform by providing an example of democracy and economic success.

The worst-case scenario would be that of an unstable and divided Iraq with a government incapable of establishing democratic rule or improving the economic situation. This scenario would also be characterized by a weak military and an early pullout by the United States, which would leave the country unstable and unable to balance Iran—a predicament that would destabilize the region as a whole, not just Iraq itself. Other regional implications could be military buildup in the Gulf countries or the destabilization of oil supplies and prices. It is also likely that this scenario would lead to Iraq becoming the regional home for terrorist groups.

The most likely scenario is one in between the two above-mentioned proposals, with a semi-stable Iraq functioning as a loose federal, semi-democratic system with a significant Shia authority in the government. Economic development, reconstruction, and the rebuilding of military power would be slow. The United States would provide modest support, and there would be a partial pullout. GCC countries, according to one participant, would like the solution to include a timetable for the American pullout, better representation of the Sunnis in the government, and an improvement in the economic situation and welfare of the Iraqi people.

Iran's Role Vis-à-Vis Iraq

Also related to Iraq is the question of Iran's regional status and overall Iranian influence. One representative noted a shift in regional power from the Arab states to Turkey and Iran and that

Iran will be a great force in the region, particularly if it acquires nuclear weapons. Another participant suggested Iran perversely owes a great deal to American policy in the region, as America eliminated its two greatest enemies, Saddam Hussein and the Taliban. Additionally, the current government composition in Iraq is very favorable to Iran. These environmental factors will allow Iran to more effectively redefine its role in the Middle East, both politically and through resources such as oil availability.

Participants, in general, felt that Iran must either help Iraq become a successful, viable sovereign state or leave it to fragment. An Iranian representative suggested that there are many different views coming from Iran on the issue. There are those who are happy with Iraq having a similar government to that of the Islamic Republic of Iran (Shiite and theocratic), while others insist that Iraqis should be left alone to decide their fate for themselves. Additionally, there is fear in Iran that a federal state might prove problematic for Iran in relation to the Kurdish issue.

After Talibani became the president of Iraq, there was an outpouring of Kurdish people in Iranian streets because Talibani then became a hero not only to Iraqi but also to Iranian Kurds. Many of them had to be arrested, and this connection makes the possibility of an independent or autonomous Kurdish region in Iraq worrisome to a lot of Iranians. Therefore, many Iranians do not support federalizing Iraq. This viewpoint, in turn, does not necessarily allow for the creation of a fair, equitable, and balanced government that can incorporate all major sectarian and ethnic groups. Moreover, there are radical Iranian Shia who prefer a more radical Iraq, which they perceive would be weaker internationally and also would diminish the power of Iraq's Sunni neighbors. Some nationalistic Iranians are not thinking about Iraq per se, but instead are focusing on the United States' involvement in the region and "how to teach a lesson to those Yankees in Iraq—we must not let them leave safely and successfully."

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Regardless of the myriad of Iranian debates about the future of Iraq, there is a strong communal feeling between Shiites in Iraq and Iran, historically based, that cannot be easily disentangled. Hence a good relationship between Iraq and Iran is essential for the future of Gulf security. The important common factor to nearly all factions in Iran (except the most radical) is a shared focus on the betterment of bilateral economic ties and successful domestic stabilization in Iraq, since massive Iraqi instability, uncontrolled terrorism, civil war, crime, and weapons proliferation do not benefit Iranian security. A chaotic and violent Iraq is ultimately a negative outcome for all regional states, Iran included.

The Interests of External Powers in Ensuring Regional Security

In addition to obvious US involvement in the region, rising powers such as China, Japan, and India are increasingly aware of the nuances of Persian Gulf security. The Gulf's oil reserves are the most stable and "long-lasting" in the world. One participant, harking back to realpolitik, suggested that an interstate struggle over those resources in the future is all but guaranteed. Meanwhile, in a more transnational sense, the region is important because as an open market its imports are roughly equal to the imports of India and Russia combined, and Gulf oil profits are continually invested in new ventures around the world, further fueling the growth of the global manufacturing and trading system.

According to one participant, Chinese experts on the Persian Gulf believe the current situation in the Gulf to be highly volatile and characterized the Chinese strategy of engagement as being "three-pronged" in nature. First, states in the region should respect each other's sovereignty. Second, states should adopt a policy of noninterference in each other's internal affairs. Third, states should realize the mutual benefits of economic cooperation. These guidelines direct what China believes to be a mutually beneficial plan of engagement with the region that extends beyond traditional security concerns.

One Chinese participant asserted there has been a positive diplomatic evolution in Chinese relations with regional states—including at high-levels—through exchanges of officials and noticeable growth in the amount of non-oil trade. Indeed, even as the United States is cementing its bilateral Free Trade Agreements with the GCC states, Chinese officials have been pushing forward the establishment of a free trade zone with the same GCC countries, as well as furthering ties with more isolated states such as Iran. Together, these states comprise one-eighth of China's exports.

Japan similarly considers the stability of the region to be in its national interest. Because it imports 80 percent of its oil from the Persian Gulf region, an attack on the Gulf's oil infrastructure would disrupt the flow of essential resources to the country. Beyond resource competition, however, Japan has been increasingly interested in establishing regular face-to-face dialogues that will further embolden states to find enduring solutions to regional problems. Such dialogues, according to one participant, minimize misunderstanding and prevent a lack of information or transparency between various actors—all of which are a recipe for conflict. The key of such dialogues is to educate everyone on each other's strategic security perceptions: what each side defines as threats, opportunities, and enduring national interests within the region—variables that differ markedly between Arab, Persian, Asian, European, and US actors. Furthermore, Japan has been interested in discussing a more effective nonproliferation regime with regional actors.

India's attraction to the region is rooted in its geographical proximity to the region, trade relations, energy needs, and its expatriate workers who send funds back into the Indian economy. In addition to its international cooperative concerns, Indian leaders also are careful to recognize links between India's large Muslim population, émigrés from this population to the Gulf, and the larger Muslim population of the GCC states

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as a whole. Indian leaders believe there is the potential of a radicalized population in the Gulf that could have a spillover effect on Indian Muslims, with negative consequences for Indian domestic stability, socioeconomic development, and political evolution.

Pakistan shares some of the same interest in the region as India—particularly in regard to immigrant workers and oil interests. According to one participant, it also shares an affinity for the region because of Pakistan’s identity as a Muslim country—evident, for example, in its position as a proxy ground for sectarian wars over the years. It is also evident in its commitment to the Palestinian cause and, historically, the independence movements of Muslim forces (such as in Tunisia).

The Continued Dominance of the US Presence in the Gulf

Also inherent in the relationship between Persian Gulf States and extra-regional states are the overwhelming presence of the United States and the dominant role of US policy in defining regional security. Thus international tensions between regional states are greatest where they directly conflict with the policy views and prescriptions of the United States. In this way, US policy may be an aggravator as well as ameliorator of interstate conflict. One participant pointed out that since the collapse of the USSR, there has been only one power in the region—the United States—and that when such a power is unbalanced by the interests and concerns of others, only the interest of that dominant power will be served.

The relationship between Pakistan and Iran—due to their geographical proximity and Pakistan’s large Shia population—is an interesting example of contradictions between US and local policy preferences. As described by one participant, Pakistan is not interested in isolating Iran, but rather in integrating it. Pakistan also disagrees with the United States’ broader Middle East Initiative, as it views the initiative as a pretext for

US interventions leading to regime change. Further, Pakistan and many Arabs view the Greater Middle East Initiative as an effort to undermine Arab nationalism by reshaping the image of the region through the incorporation of non-Arab nations into the Middle East (the initiative geographically extends into South and Central Asia).

One participant highlighted that there are a number of key disagreements between the United States and China as well. China’s relatively new entry into the region has allowed it to focus more on cooperation rather than confrontation—putting it at odds with American policies toward some regional actors.

Some participants suggested that the EU could provide a counterbalance to US power in the region, but this was met with some skepticism. On the positive side, the European approach is based on multilateralism and mutual global interdependence, and it has enlarged its concept of security to include not just hard security issues but a more comprehensive outlook that incorporates economic growth, political liberalization, pollution, crime, smuggling, and terrorism. There is definite European-wide agreement that it is not in the EU’s interest to see Iraq break down, and the EU is involved in supporting democracy, fighting terrorism, and encouraging nonproliferation in the region.

The EU states are relying on strong analytical concepts in their approach to security, and at the philosophical level, they enjoy widespread popularity among many actors in the Gulf. However, there is still some concern among Gulf leaders that because the EU is composed of independent states, those states have the prerogative to disagree on policy approaches in a way that directly undermines European strength and credibility in the region. In the end, although the EU wants to further be involved in the region, it does *not* see itself as being a counterweight to the United States’ influence, in large part because a unified European security and foreign policy is still sorely lacking.

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In general, there was a consensus that neither rising Asian powers—such as Japan, China, or India—nor the EU as a whole can or should act as the new “security guarantors” for the Persian Gulf, essentially replacing US Central Command, the US Fifth Fleet, or other US military services in the region. Participants from many non-Gulf nations were very clear in stating that their countries could not embrace the overall military security roles of the United States anytime soon, for domestic, political, or military reasons. For instance, one participant argued that India was nowhere close to intervening militarily in the Gulf, or even patrolling it regularly, despite its recent high-profile acquisition of a large aircraft carrier from Russia, its acquisition of long-range bombers, and its growing space capabilities. Instead, rising external powers seemed to want a better-defined, balanced, and equitable US *leadership* role (as opposed to US hegemony) that would create a stable regional environment for European and Asian foreign direct investments, new energy projects (such as pipelines through Central Asia), trade, cooperation on transnational security concerns, and the provision of aid for domestic political development in the region. Above all, other external powers believed (in contrast to the United States) that Iran’s security and economic concerns should be better integrated into the regional order.

Thus there was agreement from various regional participants on the inevitability of having to deal with the United States in the region. Rather than demonstrating outright opposition to this presence, one participant argued for a pragmatic approach in which regional actors and other external powers calculate how best to use the US presence as opposed to making “emotional” decisions. The Gaza pullout was given as an example of pragmatic progress that could not have happened had it not been for the practical cooperation of the Egyptian government with America and Europe.

Conclusion

Despite conflicts of interest, particularly between external powers, there is room to move forward. Inherent in each state’s security concerns is a larger, shared interest: that the Persian Gulf as a region maintains a stable—and therefore profitable—environment for global engagement and economic integration, including but not limited to energy cooperation. While there was general agreement that Asian powers would not play as significant a role in the region as the United States, there was also an understanding that given the region’s vital role in supplying energy to the world, the Gulf will undoubtedly remain the focus of all major global powers in the future.

The basic question facing all parties is simple, and remains largely unanswered: Will states’ core interests and security concerns be better met through more comprehensive forms of multilateral cooperation or will they instead be met through bilateral deals and unilateral actions? Policy inertia and traditional, competitive, zero-sum notions of security interests still dominate the actions of both regional and external powers, but the liveliness of debates at the Dubai event showed that, increasingly, analysts and officials from all sides are thinking about viable alternatives for security in this geopolitically crucial region. ■

External powers believed (in contrast to the United States) that Iran’s security and economic concerns should be better integrated into the regional order.

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