

Globalization of Security in the Persian Gulf

Michele Brunelli*

Abstract

This paper intends to point out that threats and problems related to security and stability are common and affect the entire sub-regional system, necessitating common responses. The paper is structured in three parts. In the first part this paper intends to analyse and explain the concept of security, demonstrating that from a theoretical point of view, it must not be considered as a univocal problem, but regrouping different aspects. The second part of the paper analyses the many sources of instability affecting the Persian Gulf region today, with unavoidable consequences seen in the neighbouring sub-regional systems, such as the Caucasus, Central Asia, European Union, India and China. In the third part this paper will propose some theoretical ideas and pragmatic mechanisms aimed at suggesting different solutions to the issues analysed above. There will also be a review of the proposal for the creation of a common market involving Iran and the Persian Gulf Cooperation Council (GCC) countries as a prelude to a monetary union modelled on the experiences and results of the Euro. The effects of an end to the embargo on Iran will also be assessed. As for military security, I will assess whether the realisation of a sort of a Persian Gulf version of NATO would be possible.

Keywords: Globalization, Persian Gulf, Gulf Cooperation Council (GCC), Human security, Economic security, Military security

* Professor of History, Bergamo State University, Italy.

Introduction

This paper intends to point out that threats and problems related to security and stability are common and affect the entire sub-regional system, necessitating common responses.

The paper is structured in three parts. In the *first part* I intend to analyse and explain the concept of security, demonstrating that from a theoretical point of view, it must not be considered as a univocal problem, but regrouping different aspects. In a more pragmatic dimension, security doesn't affect only a country, but in such a globalised world, the security problems of a State inevitably affect all of its neighbours. In particular, this paper will focus on: i) human security, ii) economic security and iii) military security: three levels of security concerning both the State and its population.

The *second part* of the paper analyses the many sources of instability affecting the Persian Gulf region today, with unavoidable consequences seen in the neighbouring sub-regional systems, such as the Caucasus, Central Asia, European Union, India and China. Among the main sources of instability, this paper will analyse: i) the heavy foreign military presence at its borders; ii) the domestic and international consequences of so-called *failed states* such as Iraq and Afghanistan; iii) transnational crime and its main activities such as drug trafficking and human smuggling, iv) the impact of the so-called "Arab spring" on regional security and stability.

In the *third part* I will propose some theoretical ideas and pragmatic mechanisms aimed at suggesting different solutions to the issues analysed above. Starting from the three main areas of security, I



will develop some proposals. As for *human security*, there will be a discussion of national and international action aimed at fighting threats posed by criminal organisations, the exchange of methodologies and policies in the field of sustainable development, cooperation in the field of desalinisation of water, prevention of desertification and research into new agricultural techniques. As for *economic security*, this paper will underline the fundamental importance of Iran's Supreme Leader Ayatollah Khamenei's proposal that a "Natural Gas OPEC" be established. There will also be a review of the proposal for the creation of a common market involving Iran and the Persian Gulf Cooperation Council (GCC) countries as a prelude to a monetary union modelled on the experiences and results of the Euro. The effects of an end to the embargo on Iran will also be assessed. As for military security, I will assess whether the realisation of a sort of a Persian Gulf version of NATO would be possible.

There is an Italian motto, probably derived from an ancient Greek motto, saying *if Athens cries, Sparta doesn't laugh*. It refers to the ancient Peloponnesian wars, masterfully narrated by Thucydides in the fifth century BCE. This phrase insinuates that a problem of your potential adversary need not necessarily constitute an advantage for you; on the contrary, it usually becomes a source of danger, and/or instability even for its neighbours. This fact was underlined more than 25 centuries ago, but I still relevant today.

I- Concept of Security

What is security and what does security mean? Security is a multi-concept word which has evolved during the course of history. The term is derived from the Latin *securitas*. *Securitas* was one of the goddesses of the highly populated Roman pantheon. She represented the security of the Roman people (*populus romanus*), but the term 'security' was strictly connected with the ideas of Peace and Victory, especially if we take the motto-policy "*si vis pacem para bellum*" (if you wish for peace, prepare for war) - one of the main pillars of ancient



Rome strategy - into consideration. The representation of the goddess was quite common on the moneys coined during the Roman Empire. She was depicted as leaning on a column, meaning security for itself, and encircled by the inscription “*securitas Imperium*”, or the security of the Empire. Romans were convinced that she would have favoured the continuation of the Empire.

During the Middle Ages, the concept of security also gained a religious connotation. “Security” was often related to the certitude, to the “assurance” of having a place in heaven,¹ especially if a man voluntarily chose to live in poverty.

Hence, since the beginning of history and following the establishment of the Nation State (from the 1700s and onward), security was one of the main components of the *Respublica*. The Republic was a political structure (*civitas*) having the form of security (*forma securitatis*) and (*autarkeia*, self-sufficiency); the elements able to “provoke happiness”, as Gottfried Leibniz argued in his *Elementa Iuris Naturalis* in the 18th century. Again, in the same period, Cesarino Furstenerio, in his *Treaty*, highlighted that the “*Civitas* is present (realised) if security, cohabitation and administration are common” (Leibniz, 1677: 53); and (Basso, 2005: 250).

Therefore, generally speaking, the concept of security implied (and implies) the state of being or feeling secure; freedom from fear, anxiety, danger, doubt; a state or sense of safety or certainty or something that gives or assures safety, tranquillity, certainty; protection; to be safeguarded. This has been the case since the 18th century. In a political context, “security” has proved to be a fundamental element of the State.

Why attain security? Making a State safe and granting security to its citizens is one of the main goals of any Government. The end of security and so of the Government is in fact to grant the *Gemeine Wohlfart* or the *Commune Bonum*, as stated by Christian von Wolff in 1740 (Von Wolff, 1740-49), both to the State and to individuals, as a composing part of the State. To attain this goal, a Government has to



use all its instruments, including force. Security is the base of stability and only once stability is attained can a State (but also an individual) enhance its condition and develop itself.

As mentioned above, this conception evolved during the course of the centuries, but can at the same time be considered as a metahistorical constant, characterising the course of States and by consequence, of all regional systems. In fact, if the traditional goal of 'national security' has been the defence of the State from external threats, in a more pragmatic dimension, security doesn't affect only a country; in a globalised world, the security problems of a State inevitably affect all of its neighbours (regional security and so stability).

During its evolution, security began to concern other subjects than the State. Since the mid-1990s, it has also started to involve individuals and their protection from very different sources of threats.

i) Human Security. Human security is a relatively new concept, now widely used to describe the complex of interrelated threats associated with civil war, genocide and the displacement of populations. Human security and national security should be - and often are - mutually reinforcing. But secure states do not automatically mean secure peoples. Protecting citizens from foreign attack may be a necessary condition for the security of individuals, but it is certainly not a sufficient one.

A new approach to security is needed because the analytic frameworks that have traditionally explained wars between states - and prescribed policies to prevent them - are largely irrelevant to violent conflicts within states. The latter now make up more than 95% of armed conflicts.

All proponents of human security agree that its primary goal is the protection of individuals. However, consensus breaks down over precisely what threats individuals should be protected from. Proponents of the 'narrow' concept of human security focus on violent threats to individuals, while proponents of the 'broad' concept



of human security argue that the threat agenda should include hunger, disease and natural disasters as these kill far more people than war, genocide and terrorism combined. While still subject to lively debate, the two approaches to human security are complementary rather than contradictory. Because human security deeply depends on wealth and welfare, human security is strictly related to development and thus economic security.

ii) Economic Security. Economic security has double dimensions. It could concern both individuals and the State. As for individuals, it is strictly related to human security, whereas for the State it is interrelated to a Welfare State system, and also to the protection of financial and economic branches of a Nation; i.e. the security of its strategic natural reserves. Economic security entails both diplomatic and military aspects.

According to the International Red Crescent and the International Red Cross, economic security is defined “as the condition of an individual, household or community that is able to cover its essential needs and unavoidable expenditures in a sustainable manner, according to its cultural standards. Needs include food, shelter, access to health care, education, and taxes, among others” (Economic security in brief). This is a definition mainly concerning individuals. The important message to be underlined is that food alone is not sufficient. Hence, it implies a necessary rethinking of most of the international aid projects in the least developed countries. The creation of a wider welfare system is thus increasingly necessary.

The second dimension refers to the State, i.e. national economic security. National economies could be threatened by a global crisis, as recently witnessed with the financial crisis originating in U.S. banking and financial systems, or as in Italy, criminal activities. According to some governmental sources, the four main Italian criminal groups (‘Ndrangheta, Cosa Nostra, Camorra and Sacra Corona Unita) represent the “*first industrial group or holding at the national level*”, with an annual turnover of 90 billion Euros, which is 7% of Italian GDP. In



this case, the response must be twofold: to establish a web of financial and economic security systems which could be formed by specific tools, such as a common currency or a common market with neighbouring countries; or, even better, economic integration supported by an univocal and strong political and political-economic institution as well as the use of force to fight non-State actors such as more and more powerful national and/or transnational criminal groups.

Iran, and more generally the Persian Gulf region, is not immune from these threats: drug trafficking and human smuggling are two of the main crime problems affecting this area as well. Both these aspects are joined by “cooperation” as a system which could represent a useful and effective solution.

iii) Military Security is essentially to prevent threats from abroad. Force is a prerogative of the State. According to Max Weber and the classical political science theory of the State, the State requires an effective monopoly on the use or licensing of violence within a given territory as its necessary condition (Weber, 1919). The security of States is threatened by any change that might threaten that monopoly of violence, whether through external invasion or internal rebellion. The need for a new understanding of security is revealed by the changing nature of war over the last two centuries. In the 18th and 19th centuries, wars were generally short, lasting only two years or so between the declaration of war and the signing of peace treaties. Since the experience of the two World Wars, however, the nature of conflict has changed. Cross-border war has become a primarily “small- or medium-power activity,” and thus the attention of great powers has been focused on other types of conflicts (Holsti, 1996: 25). Holsti notes that security *between* states in many areas, including the Third World or in the former Soviet Union, “has become increasingly dependent on security *within* those states” (Holsti, 1996: 15).

The traditional concept of “national security” transformed itself and became “collective security”, a term which was coined in the



1930s, but reached its peak during the Cold War, with the Containment Pacts (Baghdad Pact, SEATO, NATO). A further step has been taken in our contemporary era, with the introduction of the asymmetric warfare concept or the “post-Westphalian war”, in which insecurity and conflict are primarily characterized by civil war, insurgency and state failure, rather than inter-state war. This war system negatively enhanced the proportion of military/civil casualties, and the civil population has been increasingly engaged in conflicts.

All these concepts of security (human, economic and military) face different sources of instability, threatening their full realisation. As for the Persian Gulf, the following paragraph underlines some of the sources of threats to the pluralist-conception of State security.

II- Persian Gulf Sources of Instability for Iran

The main concept that this paper wants to underline is that actual threats to one country, in this case Iran, do not only concern Iranian security. They do not exclusively affect Iran’s stability or Iranian national interests, but in the era of globalization, affect the whole sub-regional system - mainly the Persian Gulf area - with important consequences seen in Central Asia and the Caucasus as well. Thus, in a sort of pernicious Domino effect, they could have important effects in Turkey, European Union countries, the Russian Federation, India and China.

The main sources of instability affecting Iran and so the Persian Gulf area could be described as: the heavy foreign military presence at Iran’s borders; the presence and protraction of an economic embargo on Iran; the presence and the consequent influence of failed states in the area, such as Iraq and Afghanistan; and the impact of global socio-political transformations, such as the so-called “Arab Spring”. These sources of instability threaten all aspects of the types of security described and discussed above, having a deep impact.

The heavy foreign military presence in the Persian Gulf contributes to the idea of a “permanent state of insecurity” both at



the level of local governments but also among civil society. Foreign forces at the gates are a form of psychological pressure on the conduct of domestic and regional political affairs and so it could influence political decisions at different levels.

According to some scholars, such as Professor *Jules Dufour*, President of the United Nations Association of Canada (UNA-C), long-term foreign military deployment and especially permanent foreign military bases are the elements of a specific strategy, which “ultimately consist in a process of global subordination”. It is a U.S.-sponsored strategy, due to the fact that the U.S. maintains permanent bases in 63 countries, with a military presence in 156 different nations, with a total of more than 255,000 U.S. military personnel deployed worldwide (d’Andrade, Wing, 2002).

Dufour stated that: “the U.S. tends to view the Earth’s surface as a vast territory to conquer, occupy and exploit. The fact that the U.S. Military splits the world up into geographic command units vividly illustrates this underlying geopolitical reality. This militarisation process is characterised by armed aggression and warfare, as well as interventions called “cooperation agreements”. The latter reaffirmed America’s economic design in the areas of trade and investment practices. Economic development is ensured through the miniaturization or the control of governments and organizations. Vast resources are thereby expended and wasted in order to allow such control to be effective, particularly in regions which have a strategic potential in terms of wealth and resources and which are being used to consolidate the Empire’s structures and functions” (Dufour, 2007).

Actually, the U.S. Fifth Fleet is deployed in Bahrain, composed of the Abraham Lincoln Carrier Strike Group (CSG) and its two Carrier Air Wing (CVW), and 9 guided-missile cruiser USS Cape St. George (CG 71) as well as an embarked Destroyer Squadron (DESRON) (Welch, January 19, 2012) with high striking capabilities.

The presence and protraction of an *economic embargo* on Iran since 1979 has severely damaged not only the economy and thus



development of the Islamic Republic, but also the development of the entire area, hindering the Persian Gulf region from enjoying the participation of an important actor.

Jahangir Amuzegar (Amuzegar, 1997a) and (Amuzegar, 1997b) argues that the U.S. sanctions have not produced the anticipated results or transformed the Islamic Republic. Patrick Clawson (Clawson, 1998) indicates that the sanctions have not persuaded Iran to change its behaviour. Kamran Dadkhah and Hamid Zangeneh (Dadkhah and Zangeneh, 1998) point out that the U.S. can better achieve its goals through some sort of dialogue with Iran. Ernest Preeg (Preeg, 1999) claims that the net assessment of the economic impact of U.S. sanctions on Iran is negative and believes the U.S. should unilaterally lift the sanctions. Hossein Alikhani (Alikhani, 2000) has conducted a general study of the sanctions against Iran from a political and historical standpoint. His overall evaluation is that the sanctions have failed to politically influence Iran. All of these scholars have demonstrated that the embargo strategy is an ineffective and disastrous policy, just as it was for the United Kingdom during the 19th century against Napoleon or, more recently for South Africa.

According to two U.S. scholars working with the National Foreign Trade Council, in the medium-term, lifting U.S. sanctions and liberalizing Iran's economic regime would increase Iran's total trade annually by as much as US\$61 billion (at the 2005 world oil price of US\$50/bbl), adding 32% to Iran's GDP. In the oil-and-gas sector, output and exports would expand by 25-to-50% (adding 3% to world crude oil production) and according to the gravity model elaborated and alternative estimates, Iran's non-oil trade would expand by between US\$17 billion and US\$35 billion. With the embargo lifted, Iran would enjoy new service imports from the United States and the European Union of about US\$1 billion, followed by substantial foreign investment in Iran's service sector, once economic policies are liberalized. The United States would also gain appreciably from normalization of ties. Provided no offsets to production occur



elsewhere in the OPEC area, increased oil production by Iran could reduce the world price of crude petroleum by 10%, saving the United States annually between US\$38 billion at the 2005 world oil price of US\$50/bbl and US\$76 billion at the proximate 2008 world oil price of US\$100/bbl. Opening Iran's market to foreign investment could also be a boon to competitive U.S. multinational firms operating in a variety of manufacturing and service sectors (De Rosa and Clyde Hufbauer, 2008).

In these conditions, Iran could play a major role in the development and trade within the Persian Gulf market. It could also act as a primary actor in the enhancement of diversification strategies for the economies of the Persian Gulf, emancipating itself and the region from excessive dependence on hydrocarbons.

Failed states are a dangerous reality in the Persian Gulf area. Iraq and Afghanistan could be considered as two fragile States whose internal stability is continuously threatened by various insurgent groups opposed to the restoration of a strong and effective government physically ruling over its territory, making collective decisions and providing reasonable public services. The destabilization of a country in a strategic area, as the Persian Gulf area is, could spread and the characteristics of failed states could easily be exported abroad.

According to Rotberg these conditions are: rise of criminal and political violence; a loss of control over borders; rising ethnic-, religious-, linguistic- and cultural hostilities; civil war; weak institutions; a deteriorated or insufficient infrastructure; an inability to collect taxes without undue coercion; a collapsed health system; rising levels of infant mortality and declining life expectancy; the end of regular schooling opportunities; declining levels of GDP per capita (especially inflation); a widespread preference for non-national currencies; basic food shortages – leading to starvation; leaders destroying the economic and political fabric of the country; and questionable legitimacy (Rotberg, 2002).



Among these sources, rising ethnic and religious hostilities bringing the potential of civil war and rise of criminal violence are particularly prevalent.

Human Smuggling. Transnational crime, drug trafficking and human smuggling represent a clear and a present danger for the security and stability of the Persian Gulf. Human smuggling crosses the whole Persian Gulf sub-regional system. Starting from Pakistan, illegal immigrants usually pass through Iran, from points such as Taftan, and through small boats operating between the coastal belt of Baluchistan and Oman, the United Arab Emirates and other Persian Gulf states, they are “smuggled” to Europe, East Asia or North America. The Human Rights Commission of Pakistan (HRCP) estimates that up to 300,000 Pakistanis leave the country illegally each year *vs.* another 100,000 leaving legally. Criminal groups’ agents often demand fees of up to US\$ 8,500 or more, promising to smuggle an individual out to the Middle East in return.

Implications of human smuggling are multifaceted. It deprives a country of a young generation and so of the main labour force. It feeds organised crime through the high costs paid by immigrants and at the same time it supplies these organisations with manpower. Once at their final destinations, illegal immigrants are easily blackmailed as they constitute a cheap, low-skilled labour force damaging local economies.

Drug Trafficking. According to the UNODC (United Nations Office on Drugs and Crime), Afghanistan’s opiates production covered 74% of global production in 2010, and 82% in 2011. The amount of opium produced increased by 61 per cent from 2010 to 2011, from 3,600 metric tons to 5,800 metric tons. The potential gross export value of Afghanistan’s opiates rose 79%, from US\$ 1.4 billion in 2010 to US\$ 2.6 billion in 2011, equivalent of around 16% of the country’s gross domestic product (GDP). Export earnings from Afghan opiates may be worth \$2.4 billion - equivalent to 15 per cent of GDP. Such vast sums cannot easily be earned in other ways.



"Opium is therefore *a significant part of the Afghan economy providing considerable funding to the insurgency and fuels corruption*" as Yury Fedotov, the Executive Director of UNODC recently stated (UNODC, December 2011: 3).

In Afghanistan, drug use is representing a big problem, particularly among refugees. Drug addiction and HIV are spreading death and misery along opiate trafficking routes, and all along "drug highways" running through Central Asia and Russia in particular. Around the world, but especially in Europe, tens of thousands will die from heroin overdoses this year.

Drug consumption is a problem even for Iran. The number of drug addicts is not completely clear, but statistics assess this number as from 1.2 million only opiate-dependent users, equivalent to 2.26% of the population aged 15-64 (UNODC, 2011), to 2.2 million (Radio Free Europe and Payvand's Iran News, May 2005) and even up to 11 million (Iran Focus, Saturday, September 2005). More than 3,700 Iranian law enforcement officials have been killed in counter-narcotics operations over the last three decades. Ali Hashemi of the Iranian Headquarters to Combat Narcotics said that this staggeringly high figure represented people from all walks of life, including families whose lives had been totally destroyed due to drug abuse by family members.

Generally speaking, the implications of the drug trade are multi-faceted; through addiction, epidemics, and related crime, it affects public health and societal security; through its profit margin and sheer financial weight, it affects the economies of the region; by exacerbating and deepening political corruption and due to ensuing damage to the national and international legitimacy of governments, it affects political stability; and finally, through its role in the financing of terrorism and insurgency, it affects national security in the most basic, military sense of the term. Illicit drugs therefore pose a real threat to the security of states, societies and individuals.

As for the whole regional system and neighbouring countries,



drug trafficking represents an instability factor. There is growing evidence – from tougher counter-narcotics operations and improved intelligence – that some anti-government elements in Afghanistan are turning into *narco-cartels*. It has happened elsewhere in the world. In Colombia, for example, drug trafficking by *Fuerzas Armadas Revolucionarias de Colombia – Ejército del Pueblo* – FARC and *Ejército de Liberación Nacional* – ELN started as a means to a political end – a way of funding an ideologically motivated *guerrilla* movement, a base from which to establish a narco-state in the regions under FARC's rule.

Since December 2010, the Maghreb has seen an unexpected revolutionary wave, which, in its original and profound premises, tried to modify the inner structure of the State. This wave has been positively and enthusiastically hailed by Western countries, which have paid more attention to the potentials of the new democratic path these countries are starting to take instead of the causes at the base of the revolutions and their solutions. If Arab revolutions have become a fundamental step for the future arrangement of the region and for the new potential shape of the regional security and stability framework, they also represent an example of how national security and stability could be threatened if some of these problems are repeatedly and constantly neglected, both internally by the local government and externally i.e. by the EU, U.S. and Arab League, engendering different forms of protests and riots, if not real civil wars. The Arab democratic wave has been mainly generated by the underestimation of several factors all constituting the pillar of human security; weak governance, population growth – and thus youth unemployment – as well as an incorrect approach towards security structures both military and paramilitary considered in almost all cases as instruments to repress instead of to protect. This has been possible because of an excessive form of “tutorship”, if not real control wielded by some foreign actors, allowing local autocrats to rule in a non-democratic way.

Besides the initial positive results obtained via regime change,



especially in Tunisia and Egypt, where the democratic challenge seemed to favour public participation through different political parties, there is still the risk that authorities will respond to the pro-democracy demands and reforms on the premises of guidelines imposed by external powers in exchange for economic support. This would transform the genuine aspiration for new and autonomous models of democratisation into old-imposed Western models. Moreover, one of the main limits which Arab revolutions are revealing is the absence of new economic models capable of replacing or representing an effective alternative to socialism or capitalism, which have been more and more decried, especially after the global financial crisis.

If not correctly managed, democratic regime change could represent a threat to stability instead of civilizational progress. This has been the case in Libya, which faces an unsolved internal situation after a bloody civil war. NATO intervention supported rebels bent on overthrowing Muammar Gaddafi, but it left a very fragmented situation which could lead to a “Somalization” of the country and thus dangerous destabilisation of the whole Mediterranean region.

In many different cases, demonstrations have been met by excessive force from security forces, representing one of the most dangerous threats to international stability. Syria is now embodying not only the failure of the rule of law, but it also emphasizes the politics of “two weights two measures” or the politics of the “asymmetric intervention” adopted by Western countries and by some powers in the Arab world. In fact, Syria is becoming the ground on which different actors are trying to elaborate their own strategic interests. According to *Realpolitik*, overthrowing the Assad government is not a matter of protecting civilians from repression, but a strategic game aimed at cutting Iran’s bridge to the Arab World, which Damascus has represented for Tehran in the past decades. The possible downfall of the Assad government would disconnect Iran from one of its strongest regional allies: Lebanon, damaging, if not



destroying, Iran's current strategic position in the region. This new scenario could be realised with the establishment of an anti-Assad coalition. Headed by Saudi Arabia, the main competitor of Iran's leadership in the Persian Gulf, this front also favours the participation of Turkey, the Persian Gulf monarchies and the Arab League - suddenly woken up by the Arab Spring - under the tutorship of the United States.

Another potential risk of the Arab Spring is that revolts could lead to failed states instead of a democratic transition process, due to the rival forces on the ground. Besides the case of Libya, Yemen could represent another meaningful case study. It is a country in which some terrorists have taken shelter. Now, the situation in the south of the Arabian Peninsula seems to be getting better, because of the decision taken by President Ali Abdallah Saleh to leave power after 33 years of rule and 10 months of protests. The decision was described as "*the turning of a new page in the history of Yemen*" by Saudi King Abdullah bin Abdul-Aziz Al Saud before the ceremony in Riyadh in which Saleh transferred his powers to his deputy, Abd-Rabbu Mansour Hadi. The king added that Saudi Arabia "*will remain as the best supporter for Yemen*" (Reuters, November 23, 2011). A normalisation of the situation in Yemen is deeply favoured by the Saudis.

III- Ideas, Strategies and Mechanisms

After having underlined the many threats to security systems, it is necessary to provide some ideas, strategies and mechanisms in order to prevent and fight these threats, but also to find new strategies and tools strengthening various aspects of security systems. All of the proposed solutions are predicated on international support and cooperation. In this case, their results could be more effective.

Human Security could be implemented through joint action on the national and international levels, starting with the elaboration of a collective security system protecting countries' economies, fighting



threats posed by national and transnational criminal organisations together, and exchanging methodologies and policies in the field of sustainable development; especially in the less developed areas of the Persian Gulf region. Among these policies, cooperation in the field of desalinisation of water, prevention of desertification and research into new agricultural techniques could favour huge development in peripheral and rural areas.

As for the industrial sector, a common effort to sustain “junior enterprises”, even through international projects (i.e. EU-GCC projects) at universities, could support the creation and the development of a web of small and medium enterprises and so the creation of new and diversified markets other-than oil and gas. This could represent an effective solution to high unemployment rates affecting some States in the Persian Gulf region.

Economic Security. When it comes to enhancing economic security, both at the national level and at the regional level, the main strategies proposed here are: the establishment of a natural gas OPEC; the realisation of economic integration through the creation of a Iran+GCC common market and the creation of a Monetary union among the Persian Gulf States; to enhance trade relations; and to end the embargo on the Islamic Republic of Iran.

Proposed by Iran’s Supreme Leader Ayatollah Khamene’i, and Russian Prime Minister Vladimir Putin who considered it as “an interesting idea”, the Gas-OPEC would represent a forum allowing Russia, Iran, Venezuela and Qatar – the potential members of this Cartel – to coordinate policies toward gas and in particular, as underlined by Putin, “*the possibility of cooperation and coordination between gas exporters principally to prevent competition*”. This proposal could be probably seen as a concrete alternative to an existing institution called the “Gas Exporting Countries Forum” (GECF) which has been shown to be a relatively chaotic organisation with unstable membership and an uncertain future (Hallouche, 2011).

A useful tool allowing states or a union of states to protect and



secure their own economies could be the drawing of inspiration from the experiences of the European Union during the past decades. In particular, the creation of a common market and a monetary union brought enormous benefits for the structural development of Europe. A common market and monetary union can be considered as two of the main steps in order to achieve *economic integration* among the Persian Gulf States. “Economic integration” stands for the unification of states by partial or full abolishment of customs tariffs as a main feature of this phenomenon. Through the creation of a PGCC market (Iran + GCC States); member countries could have access to a wider selection of goods and services not previously available; they could also acquire goods and services at a lower cost due to lowered tariffs or removal of tariffs. Hence, the money saved due to cheaper goods and services can be used to buy more products and services. Economic integration also allows freedom of movement for the factors of production (capital and labour) as well as enterprises, encouraging more trade between member countries.

A single currency could deepen integration of capital markets across the Persian Gulf states, bolstering foreign direct investment. Common economic policies and trade agreements among members could sharpen external competitiveness, paving the way for further sustainable growth beyond hydrocarbons. And in the wake of the global financial crisis, a common Persian Gulf currency may be able to establish itself as a global force alongside the Dollar and the Euro.

As such, a monetary union in the Persian Gulf is set to be an important part of the region’s efforts to tackle the growing economic challenges of globalisation. Beyond such economic advantages, the single currency project has political significance, too. The formation of a PGCC monetary union would create a political and institutional environment that would facilitate greater regional policy coordination. Such policy co-ordination could give the members a clearer political voice, both in the Persian Gulf region, and further afield. A common currency for the Persian Gulf States should have been realised at the



end of 2010, as it was projected some years ago by GCC states. However, the main mistake could be represented by the possible exclusion of Iran from this project; especially if we consider the Islamic Republic's economic and political weight in the sub-regional system, and in the light of Iran's recent economic growth due to a combination of factors, including rising international oil prices, regional economic growth, expansionary monetary and fiscal policy reforms as well as weather-related agricultural recovery.

Military Security. The collective defence system organised by the GCC countries demonstrated all of its fallacies during Saddam Hussein's invasion of Kuwait in August 1990. As a consequence of that fact, Arab littoral states of the Persian Gulf responded with a vast campaign of arms purchase, which provoked an exponential growth in defence expenditures and some paradoxes: in some cases States had more jet fighters than pilots. But the equation: "*possession of advanced weapons systems and military supremacy = win a war*" doesn't work, as widely demonstrated by the Vietnam War (1959-1975) and the Soviet-Afghan War (1979-1990). A common defence structure, modelled on the framework of NATO, could be a useful tool for all the Persian Gulf states' security and stability. The starting point could be represented by a common defence treaty to be signed by all the main states of the area. The defence treaty could be elaborated on the basis of shared points as well as common and mutual advantages.

Rationalisation of military expenditure, the development of joint industrial programmes and joint manoeuvres would have a positive impact, granting military security both at the national and international level. As for the national level, integrated forces and cooperation among intelligence agencies of regional states could prevent the proliferation al-Qaeda-linked insurgent groups and transnational crime. Saudi Arabia and more recently Iran have both suffered from different terrorist attacks.

At the international level, forms of military cooperation, again, could be useful for fighting international terrorism as well as to secure



oil and gas pipelines and strategic points such as the Strait of Hormuz or the North-South corridor; thus enhancing economic security. It could also help neighbouring failed states to recover their independence, autonomy, security and stability as the security and the stability of one State means security and stability for all.

Conclusion

Inclusive cooperation that favours participation of all main actors, including Iran, is the only way forward in the Persian Gulf region. It is also necessary to establish renewed cooperation with the EU aimed at rebuilding common interests: i.e. peace, development and human/collective security.

Notes

1. We have to make reference to the *Sacrum Commercium cum Domina Pauperitate*, an ancient popular Franciscan text, talking about the choice of voluntary poverty: "... *vera regni coelorum investitio est et aeternae possessionis in eodem regno securitas* [which could be translated with the term "security", but also – and better in this case – with "assurance" ac futurae beatitudinis quedam praelibatio sancta". See: *Sacrum Commercium cum Domina Pauperitate*, Firenze, Quaracchi, 1926. See also (Paolo, 1977: 79).

References

- "Domestic Drug Abuse, Smuggling on The Rise", Radio Free Europe and Payvand's Iran News, 12/5/2005.
- "Iran tops world drug addiction-rate list – report", Iran Focus, Saturday, September 2005.
- Alikhani, H. 2000. *Sanctioning Iran*, I. B. Tauris, New York.
- Amuzegar, J. 1997a. *Adjusting to Sanctions*, in *Foreign Affairs*, 7, 3, pp. 31– 41
- Amuzegar, J. 1997b. *Iran's Economy and the US Sanctions*, in *The Middle East Journal*, 51, 2, pp. 185–99.
- Basso, L. 2005. *Individuo e comunità nella filosofia politica di G. W. Leibniz*, Rubattino Editore, Roma.
- Clawson, P. 1998. *Iran*, in R. N. Haass (ed.), *Economic Sanctions and American Diplomacy*, Council on Foreign Relations, New York.
- d'Andrade, Hugh and Bob Wing's. 2002. Map 1 "U.S. Military Troops and Bases around the World, The Cost of Permanent War".
- Dadkhah, K. and H. Zangeneh. 1998. *International Economic Sanctions are not Zero-sum Games: There are only Losers*, in *CIRA Bulletin*, 14, 1, pp. 24–3.
- De Rosa, Dean A. and Gary Clyde Hufbauer. 2008. *Normalization of Economic Relations: Consequences for Iran's Economy and the United States*, US Report – National Foreign Trade Council.
- Dufour, Jules. July 1, 2007. *The Worldwide Network of US Military Bases, The Global Deployment of US Military Personnel*, in *Global Research*, <http://www.globalresearch.ca/index.php?context=va&aid=5564>.



- Hallouche, Hadi. 2011. The GECF: is it really a gas-OPEC in the making? <http://www.oxfordenergy.org/pdfs/NG13.pdf>, accessed December 15, 2011.
- Holsti, Kalevi J. 1996. *The State, War, and the State of War*, Cambridge Studies in International Relations, Cambridge University Press, NY.
- International Committee of the Red Cross, Economic security in brief, http://www.icrc.org/eng/assets/files/other/icrc_002_0954.pdf, accessed December 29, 2011.
- Leibniz, Gottfried Wilhelm. 1677. *Caesarini Furstenerii de Jure Suprematus ac Legationis Principum Germaniae*, cap. X, p. 53.
- Paolo, Evangelisti. 1977. *Per una storia dell'etica economica mercantile: la scelta di vita pauperista* and Duane V. Lapsanski, *Evangelical perfection: an historical examination of the concept in the early Franciscan sources*, Franciscan Institute, St. Bonaventure University.
- Preeg, E. 1999. *Feeling Good or Doing Good with Sanctions*, CSIS Press, Washington, DC.
- Reuters. November 23, 2011. "Yemen's Saleh signs deal to give up power", <http://www.reuters.com/article/2011/11/23/us-yemen-idUSTRE7AM0D020111123>, accessed, January 10th, 2012.
- Rotberg, R. I. 2002. Failed States in a World of Terror, in *Foreign Affairs*, 81 (4), pp. 127–140.
- UNODC, Tehran Office. 2011. *Technical cooperation on Drugs and Crime in the Islamic Republic of Iran 2011-2014*, http://www.unodc.org/documents/islamicrepublicofiran//CP_Iran11-14.pdf, accessed, January 14, 2012.
- UNODC. December 2011. *Islamic Republic of Afghanistan Ministry of Counter Narcotics, Afghanistan Opium Survey 2011*.
- Von Wolff, Christian, *Jus naturae methodo scientifica pertractatus*, 1740-49.
- Weber, Max. 1919. *Politik als Beruf*, Duncker und Humblot, Berlin.
- Welch, Zachary. January 19, 2012. *Abraham Lincoln Arrives in U.S. 5th Fleet*, <http://www.cusnc.navy.mil/articles/2012/017.html>, accessed January 20, 2012.