GCC, EU’S PROMOTION OF REGIONALISM AND THE LESSONS OF EUROPEAN INTEGRATION EXPERIENCE

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Introduction

The establishment of the European Coal and Steel Community (ECSC) in 1952 marked the start of a distinctive type of international relations, pursuit of regional integration. Although to date the successor of the ECSC, the European Union (EU) remains the only supranational regional integration project, over the last sixty years regional organizations have emerged in virtually all continents and have covered a multitude of issue areas. This trend towards regionalism has been especially pronounced since the late 1980s and the 1990s when two important developments reinforced it. Firstly, the European efforts to create an internal market led to fears of the emergence of ‘fortress Europe’ and prompted counteraction at regional level in other parts of the world. Secondly, the signing of the TEU created new competences for the Union in external relations, thus enabling greater scope for action in a field that became evident soon after the establishment of the European Community (EC), promotion of regional integration worldwide. One outcome of these developments has been the gradual emergence of interregionalism as a distinct diplomatic practice. Inter-regionalism denotes a situation in which two regional organizations formally conduct their relationship bloc-to-bloc. According to Hettne, this ‘phenomenon is very much a consequence of the EU policy of creating and relating to regions as preferred counterparts in the international system.’ Thus, the EU has become ‘the hub of a global pattern of interregional relations.’

Given this increased prominence of inter-regionalism in the contemporary world arena, an important question to consider is what lies at the heart of EU’s relations with other regions? Scholars have engaged with this question and one important finding that emerges out of their research points towards EU’s promotion of regionalism because it addresses important pragmatic and ideational needs of the Union. From this perspective,
the EU pursues this policy, as this is the area in which the Union has competitive advantage over other international actors (reference?). This advantage is a result of the EC/EU’s position as the organization in which the integration process is most advanced. This has enabled the Union to become the reference point against which regional organizations elsewhere are compared, or as Breslin and Higgot put it, the perception is ‘that the EU is not just one example of regional integration as much as the form of regional integration’.6

An important consequence of such thinking is the possibility to universalize the European experience, a tendency that is captured well in the references to the EU as a ‘model for regional integration’. For example, only a few years after the establishment of the European Communities (EC), Haas examined what factors were conducive to advancements in integration. He singled out the importance of institutional (type of bodies), functional (type of tasks) and environmental (type of social groups) factors as the lessons that can be learnt from the European integration. Importantly he also used these factors to explain progress (or lack of) towards integration in other parts of the world,7 thus providing an instance of a study that looks at lessons to be drawn for advancement of integration through the European experience. As the discussion below shows, practitioners have also reinforced this tendency to universalizing the experience in Europe through actively seeking and employing it on many occasions in their regional organizations.

Despite that there is also evidence that academics and practitioners are acutely aware that there are limits to this universality of the European experience and therefore, serious caution is needed when trying to use the EU as a model for regional integration elsewhere. Just two examples of this in the academic literature are Fabbrini who argues that there is a qualitative difference between the EU and other regional organizations and therefore viewing the EU as a model is inappropriate8 and Murray who focuses on the

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8 Fabbrini, S. СВЪРЖИ СЕ С НЕГО ЗА РАЗРЕШЕНИЕ ДА ЦИТИРАШ ИЗТОЧНИКА!!!
problems raised by the EU as a model in the case of East Asian integration. EU practitioners also confirm this by pointing out that the EU is not the only model possible; that what is done in the EU works for the EU and everyone else has to adapt it to their own circumstances and the reality on the ground. In the case of the EU-Gulf Cooperation Council (GCC) relationship this was expressed well by one EU official who emphasized that the GCC looks at the EU as a source of inspiration and not as a model because there are substantial differences between the two organizations.

This more scaled-down take means that a more sophisticated understanding of the European experience and the lessons that can be drawn from it are necessary when considering issues of advancement of regional integration projects. A crude transposition of various institutions or agreements based on the example of the EU is unlikely on its own to lead to greater integration between other regional organizations. The poor results in converting into practice the ambitious rhetoric of many regional organizations across the globe are a clear evidence of this. Furthermore, the stance of EU practitioners implies the necessity of acute awareness and appreciation of the particular circumstances that led to integration in each and every regional organization. This poses two interesting questions, which the current literature on regionalism and integration does not address in depth. Firstly, what other factors need to be taken into account when thinking about advancements in regional integration projects? Secondly, does the current EU practice in inter-regionalism show sufficient awareness and appreciation of the particular circumstances that have led to integration in a given regional organization?

This paper aims to provide some answers to these questions using the example of the EU-GCC inter-regional relationship. The GCC is an interesting case study of inter-regionalism above all because it is one of the regional organizations with which the EU

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10 Author’s interview, Brussels, Belgium, April 2011

11 Author’s interview, Riyadh, Saudi Arabia, May-June 2011

12 A study that looks at very closely related problems, however, is Farrell, M., ‘EU Policy towards Other Regions: Policy Learning in the External Promotion of Regional Integration’, Journal of European Public Policy, 16: 8 (2009), pp. 1165-84
has had formal bloc-to-bloc relations for over 20 years now.\textsuperscript{13} This makes it one of the oldest inter-regional relations of the EU. Furthermore, the GCC already has 30 years of integration experience and is seen by the EU as ‘the only experiment of its kind in the Arab world’.\textsuperscript{14} Hence, it is a crucial case for examining the inter-regional relations of the EU in the Middle East. Also the EU and the GCC share important commonalities, as both of them ‘have chosen the path of multilateralism and integration’.\textsuperscript{15} Nevertheless, the record of 20 years of trade negotiations, which are still to be concluded,\textsuperscript{16} indicates the existence of serious obstacles to the development of this group-to-group relationship.

To date academic literature has provided a thorough examination of several crucial aspects of this inter-regional relationship by looking at its main achievements obstacles and prospects;\textsuperscript{17} the motivation for it;\textsuperscript{18} or its main foreign policy determinants.\textsuperscript{19} However, so far there has not been an attempt to examine this relationship through the lens of promotion of regionalism. Such an approach will shed new empirical light on the EU-GCC relationship and indicate whether the stated appreciation of the need to adapt regional integration to local circumstances is adhered to in the Union’s practice. Furthermore, it will provide conceptual insights into the lessons to be learnt from the EU integration experience. The paper argues that at present EU’s promotion of regionalism in the GCC is by and large geared towards universalizing the

\textsuperscript{13} The EC and GCC representatives agreed to work towards a comprehensive trade and cooperation agreement in 1985, just 4 years after the establishment of the GCC. The framework agreement was signed in 1988 and entered into force in 1990. In the same year (1990) negotiations began for the signing of a fully-fledged preferential trade agreement between the two regions. Nonneman, G., \textit{EU-GCC Relations: Dynamics, Patterns and Perspectives} (Dubai: Gulf Research Centre, 2006), p. 18

\textsuperscript{14} European Parliament, ‘Report on European Union Relations with the Gulf Cooperation Council’, RR\textsuperscript{860448EN.doc}, 10.03.2011, p. 16

\textsuperscript{15} Ibid., p. 5

\textsuperscript{16} Ibid.


\textsuperscript{19} Baabood, A. ‘Dynamics and Determinants of the GCC States’ Foreign Policy, with Special Reference to the EU’, in Nonneman, G. (ed.) \textit{Analyzing Middle East Foreign Policies and the Relationship with Europe} (London: Routledge, 2005), pp.145-73
Union’s integration model. As the case of the protests in Bahrain demonstrates, however, this has not led to convergence between the EU and the GCC on issues that have potential to further integration, which points towards a possible problem for the Union’s inter-regionalism policy. Thus, I suggest that greater awareness of the substance of integration in a given region can complement the current EU approach and indicate an interesting new lesson that can be drawn from the European integration experience.

I develop this as follows. Firstly, I review the major mechanisms for promoting regionalism the EU employs in its inter-regional relations and show how they have been used for encouraging GCC integration. Secondly, I present the interpretations of the EU and the GCC of the protests in Bahrain in 2011, which are important due to their propensity to trigger further integration in the Arab Gulf. Thirdly, I advance the notion of substance of integration as a way of understanding the different take of the EU and the GCC on the Bahraini protests. Fourthly, I analyze what new insights into advancements of integration can be gained by scrutinizing the European experience through the notion of substance of integration.

**EU’s promotion of regionalism - the case of GCC**

The successful conduct of EU’s policy of promotion of regionalism has necessitated the establishment of specific mechanisms for its implementation in practice. Scholars have conceptualized these in different ways: Börzel and Risse outline the ways in which ideas of regional integration are diffused,\(^{20}\) while Lenz\(^{21}\) differentiates between passive vs active promotion of regionalism. Despite differences in the thrust and approaches of these studies, they illuminate the most significant factors and mechanisms at play in EU’s policy of promotion of regionalism. Thus, I combine the factors delineated in these studies and classify EU’s promotion of regionalism along two dimensions, the relative strength of EU input and the overall direction of EU action. I distinguish between four main mechanisms the EU employs for encouraging regionalism,

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\(^{21}\) Lenz, T. СВЪРЖИ СЕ С НЕГО ЗА РАЗРЕШЕНИЕ ДА ЦИТИРАШ ИЗТОЧНИКА!!!
indirect EU encouragement of regionalism; conditionality, emulation, and support for capacity-building (see Table 1 below).

The first of these occurs when the EU takes actions, such as deepening its own internal integration, which result in altering the structural realities in the international arena. These in turn, can in some instances compel other groups to consider greater cooperation as a way of counter-balancing what from their point of view is a negative development. The literature on new regionalism, for example, refers to the fear of ‘fortress Europe’ as one of the factors that prompted regional integration in other parts of the world (reference?). Emulation is a result of the power of attraction of EU’s ideas, institutional arrangements, or practices that lead other regional organizations to employing the European experience. The primary objective of these two mechanisms, however, is not promote regionalism elsewhere. The two mechanisms used by the EU that are aimed explicitly and directly to promotion of regionalism are conditionality and capacity-building. The former occurs when the development of EU’s relations with an external partner is dependent on the fulfillment of a prerequisite that leads to greater integration for the external partner.\textsuperscript{22} Support for capacity-building is the EU’s willingness to share its integration experience and know-how with other regional organizations. Crucially, all of these mechanisms have an in-built predisposition towards universalizing the EU integration model as by definition they are a manifestation of the Union’s experience.

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<th>Direction of EU action/ Strength of EU input</th>
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<tr>
<td>Internal (with important external side-effects)</td>
<td>Indirect EU encouragement of regionalism</td>
<td>Emulation</td>
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<tr>
<td>External</td>
<td>Use of conditionality</td>
<td>Support for capacity-building</td>
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\textsuperscript{22} Conditionality can take different forms depending on the particular partner in question. Thus, when the partner is a third country, the EU is likely to make the delivery of aid to this country conditional on it fulfilling requirements for advancement in integration with its neighbours. This is the case in EU’s relations with the ACP countries for example. In the case of EU’s negotiations for free trade agreements with other regional groups, the condition tends to be a requirement for the existence of a customs union between the member states of the partner group.
All of these mechanisms for promoting regionalism are discernible in the EU-GCC inter-regional relationship. With regards to the indirect EU encouragement of regionalism, Al-Momani argues that one of the reasons why the GCC member states have opted for closer integration is that it would increase their bargaining power vis-à-vis other regional organizations. Furthermore, she specifies the strengthening of the EU as one of the main driving factors that led to this reaction.

This is a very clear manifestation of the general situation outlined above in which the establishment of a common market between the EU member states altered drastically the environment in which non-EU member states made their decisions, thus creating new structural realities. Above all this holds true about trade relations, as access to the internal European market is paramount for many trade partners of the EU. In the case of the GCC-EU relations, the Gulf Arab countries strived to gain improved access to the EU market for their petroleum products.

The second major way in which the EU has prompted closer integration between the member states of the GCC is through proactively using conditionality. More specifically, as Nonneman states, after the Iraqi invasion of Kuwait in 1990, the two groups started negotiations for a FTA, which was desired by the GCC. However, progress was slow and the EU singled out the failure of the GCC to establish a customs union as one of the major problems that block the successful conclusion of these negotiations. As a EU official explained, the European position was that the GCC have to have a customs union and only then the EU can engage with them on FTA negotiations. Thus, in

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24 Ibid. This, however, did not happen and for a while was one of the major stumbling blocks in the on-going negotiations for a free trade area (FTA) between the two regions. For more details see Fürtig, H., ‘GCC-EU Political Cooperation: Myth or Reality?’, *British Journal of Middle Eastern Studies*, 31: 1 (2004), pp. 25-39 and Saleh, N., ‘The European Union and the Gulf States: A growing Partnership’, *Middle East Policy*, 7: 1 (1999), pp. 50-71


26 Author’s interview, Brussels, Belgium, April 2011. This is also confirmed by the partial declassification of a Council of the European Union of document 8255/01 GOLFE 6 COMER 44 WTO 47, 19 November 2010, p. 2
essence the EU has made FTA negotiations with the GCC conditional on successful establishment of a customs union within the GCC. This condition was fulfilled on 1 January 2003 when the existing GCC free trade area was transformed into a customs union.\(^{27}\) Importantly, some GCC officials have agreed that this EU conditionality has contributed to integration between the GCC member states.\(^{28}\) Another instance of EU using conditionality in its relations with the GCC, pointed out by Al-Momani is the Union’s insistence on better coordination of the internal GCC financial systems before signing a FTA.\(^{29}\)

Capacity-building as a way of promoting regionalism is an issue that has not received a lot of attention from scholars examining the external spread of EU norms.\(^{30}\) Nevertheless, the experience of the EU-GCC relationship shows that this has been one of the ways in which the EU has supported the integration efforts of the members of the GCC. More specifically, from the outset the European Commission has been willing to share its experience with colleagues from the GCC through workshops and even funding for research projects.\(^{31}\) One of the areas in which the EU has promoted regionalism through capacity-building is in support of the GCC’s efforts towards establishing a common currency. In an effort to facilitate the creation of the envisaged common currency area in the Arab Gulf, the European Central Bank (ECB) has had meetings with GCC currency experts.\(^{32}\)

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28 Author’s interview, Riyadh, Saudi Arabia, May-June, 2011. It has to be pointed out, however, that not everyone agrees with this representation and according to another GCC officials interviewed for this paper, this was not a EU condition but rather a suggestion.


31 Author’s interview, Riyadh, Saudi Arabia, May-June 2011

32 Author’s interview, Brussels, Belgium, April 2011
Another instance of this mechanism is the proposition made by the GCC in 2011, during a summit meeting with the EU, for an exchange of officials between the two organizations. The aim of this offer is to increase the capacities of the GCC. The EU side welcomed the idea and said that it should be reciprocated. This example is very interesting as it clearly shows EU’s willingness to learn from the experience of other regional organizations. Therefore, if/when implemented in practice it has the potential to provide two-sided exchange of expertise. This goes directly against the simplistic understandings of EU being a model and other regional organizations, such as the GCC, learning from it.

Lastly, one of the most important ways in which the EU has encouraged regionalism within the GCC has been passively through attracting interest to its model and experience in integration. GCC officials singled out several main areas in which EU experience in integration has been or will be of particular interest for the Council: customs, monetary union, common market, enlargement. According to one GCC official, Council staff would travel many times to the EU to familiarize themselves with the EU model and sometimes would follow the EU experience step-by-step. Evidence shows, however, that in some instances, reliance on EU experience can slow the process of regional integration elsewhere. For example, according to the same official at present the GCC awaits the outcome of the crisis of the euro in order to decide how to proceed with its own plans for a currency union. This shows some parallels with the experience in other regions where the time lag between integration in Europe and the construction of regions elsewhere has allowed opportunity to learn and specific features of the EU have deliberately not been replicated.

All of the above mechanisms have provided an opportunity for the EU to influence the process of integration between the GCC member states. In fact, some of the

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33 Author’s interview, Riyadh, Saudi Arabia, May-June 2011
34 Author’s interviews, Riyadh, Saudi Arabia, May-June 2011
35 Author’s interviews, Riyadh, Saudi Arabia, May-June 2011
36 Author’s interview, Riyadh, Saudi Arabia, May-June 2011
37 Ibid.
biggest achievements of the GCC resemble very closely integration developments in the EU.\textsuperscript{39} Nevertheless, the discourse of the Council officials shows that there are limits to this influence: in some cases, such as the VAT system design, EU’s arrangements have deliberately been avoided, while at the same time it is stressed that there are important differences between the two organizations.\textsuperscript{40} Given that and in light of the above discussion about the applicability of European experience to other integration endeavours it is interesting to analyze whether the positions of EU and the GCC on an issue that can further GCC integration will overlap. If an overlap is indeed detected, this can be seen as a vindication of the EU as the model of integration approach. A divergence, on the other hand, will allow us to investigate if there are any lessons from the European integration experience that are applicable to the distinctive circumstances of the GCC. This will provide an indication of how to employ the more sophisticated understanding of EU’s experience, which avoids the danger of universalizing it. To assess this, I examine the stated positions of the two organizations on the recent protests in Bahrain, a member state of the GCC.

**EU’s and GCC’s understanding of the protests in Bahrain**

In order to assess the understanding of the EU and the GCC of the protests in Bahrain in 2011 I have analyzed the discourses of the two institutions through interviews with officials and examination of their documents. I have complemented this with inclusion of relevant media articles. My focus when reading these sources was to establish the predominant perception in each of the two bodies on what triggered the protests, which also impacts on the thinking of the approach for resolving this issue. My overall finding is that the EU and the GCC had a very different interpretation of key issues related to the Bahraini protests. Before I present these, however, I firstly very briefly outline the time-line of the recent events in this Gulf country.

In mid-February 2011, following the uprisings in Tunisia and Egypt, protests started in Bahrain. This is a small oil-rich country separated by a causeway from Saudi


\textsuperscript{40} Author’s interviews, Riyadh, Saudi Arabia, May-June 2011
Arabia that hosts the US Navy’s 5th Fleet. It has a Shia majority population but is ruled by a Sunni royal family. In the following days in clashes between the police and protesters several people (accounts vary) were killed. On the 14 March the UAE and Saudi Arabia sent solders under the Peninsula Shield force, on 15 March the King declared a martial law and a few days later the focal point of the protests, Pearl Square Roundabout was dismantled. The state of emergency was lifted on 1 June and on 1 July national dialogue including representatives of all major political groups in the country started.  

In the EU these protests were seen above all through the prism of democracy and human rights. This is easily noticeable from documents issued by various EU institutions that discuss the events in Bahrain. For example, a Joint Motion for a Resolution of the European Parliament states that demonstrators in Bahrain: ‘have expressed legitimate democratic aspirations and strong popular demand for political, economic and social reforms aimed at achieving genuine democracy, fighting corruption and nepotism, ensuring respect for the rule of law, human rights and fundamental freedoms…’ The statements by the High Representative Catherine Ashton talk about the need for security forces to respect human rights and fundamental freedoms including freedom of expression and freedom of assembly. This reading of the events in Bahrain is further confirmed by interviews with EU officials. One of them was of the opinion that the EU should support the legitimate grievances of the majority of the Bahrainis, while another one reiterated that the problem is always when there is violence and repression.

Given this understanding of the events, it is unsurprising that the EU has urged for the initiation of a political process that will address: ‘the legitimate demands and

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42 European Parliament, ‘Joint Motion for a Resolution on the Situation in Syria, Bahrain and Yemen’, RC863842EN.doc, 05.04.2011, pp. 3-4
43 European Union, ‘Statement by the High Representative Catherine Ashton on the Situation in Bahrain’, A106/11, Brussels, 15.03.2011.
45 Author’s interviews, Brussels, Belgium, April 2011 (emphasis added)
aspirations of the Bahrainis.’

Another two points are also of significance as they illuminate further EU’s reading of these protests. Firstly, although various documents urge all sides for restrain, those EU documents that talk about the use of force contain references to reports according to which security forces have continuously used violence. This reiterates the perception that the government and the security forces are the major source of threat of violence. This is further reinforced by references to protestors as ‘peaceful’. Secondly, the sending of foreign troops is presented in a negative lights and it is not always made explicit what these troops are. For example, the statement of the Delegation of the European Parliament on the situation in Bahrain notes the ‘deployment of the Saudi-led Peninsula shield forces’ with ‘deep concern’, while a motion for a resolution of the European Parliament makes a reference to Saudi troops and UAE police forces being sent to Bahrain.

This interpretation of the situation in Bahrain is in stark contrast to the prevailing reading in the GCC where the dominant lens through which these events are seen is security. The view is that the protesters in Bahrain are supported by Iran, which leads to a fear from Iranian involvement that can cause severe destabilization of the region. As a result, although some articulations of GCC officials acknowledge the necessity to accept peaceful demonstrations and that peaceful people wanted reform; and some local

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46 European Union, ‘Statement by the High Representative, Catherine Ashton, on Bahrain’, A 109/11, Brussels, 17.03.2011 (emphasis added). See also European Union, ‘Statement by the High Representative, Catherine Ashton on the Latest Developments in Bahrain’, A 257/11, Brussels, 01.07.2011
48 European Union, ‘Statement by the High Representative, Catherine Ashton, on Bahrain’, A 109/11, Brussels, 17.03.2011
50 European Parliament, ‘Statement on the situation in Bahrain’
51 Ibid.
52 European Parliament, ‘Motion for a Resolution on Syria, Bahrain and Yemen’, RE\863423EN.doc, point K. Other EU documents, however, are more precise in acknowledging that these are joint GCC forces and are sent on the request of the Bahraini government. See for example, European Union, ‘Statement by the High Representative Catherine Ashton on the Situation in Bahrain’, A 106/ 11, Brussels, 15.03.2011; European Parliament, ‘Joint Motion for a Resolution on the Situation in Syria, Bahrain and Yemen’, RC\863842EN.doc, 05.04.2011, point I.
53 As exemplified by a remark of a GCC official. Author’s interview, Riyadh, Saudi Arabia, May-June 2011
54 Author’s interviews, Riyadh, Saudi Arabia, May-June 2011
newspapers have referred to the protests as ‘pro-democracy’, the overwhelming perception is that the violence in Bahrain was not totally innocent. Recently this was expressed in Bahrain’s protests, through its ambassadors and permanent representatives to various international institutions, against the repeated Iranian interference in its internal affairs. Also, the GCC Secretary General has protested to the Iranian Ambassador in Riyadh that the sermon of an Iranian Ayatollah few days earlier was a blatant and unacceptable interference in Bahrain’s internal affairs. A similar concern can also be detected in Saudi Arabia. Back in March on a journalist’s question whether Iran was responsible for stirring up civil unrest in Saudi Arabia the Saudi Foreign Minister responded that the country would not tolerate interference in its internal affairs by any foreign party and if it finds such interference it will deal with it decisively.

The different understanding in the GCC of the cause of the protests has led to contrasting representations of the protesters and the Peninsula Shield Force in comparisons to those of the EU presented above. According to one GCC official, over time it became apparent that protesters were not peaceful but wanted to provoke the police. They occupied the main hospital and patients were thrown out; hospitals were turned into bases and in some instances they went over the bodies of policeman many times. This articulation clearly emphasizes the violence on the part of protesters and as such is in stark opposition to EU’s depiction of protesters as peaceful.

In a similar vein, there are two important points with regards to the Peninsula Shield force that GCC officials emphasize. Firstly, although the force that was sent to Bahrain contained troops only from some member states, they nevertheless represented

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56 Author’s interview, Riyadh, Saudi Arabia, May-June 2011
60 Author’s interview, Riyadh, Saudi Arabia, May-June 2011
all GCC members.\textsuperscript{61} This is in juxtaposition to some of EU’s articulations referred to above (‘Saudi troops’, ‘Saudi-led’) that can easily contribute to a perception of the overwhelming presence of a single external force. Secondly, the Peninsula Shield forces were sent on the request of the Bahaini government. Their purpose was not to suppress the protests as according to a GCC official there is no evidence for them being involved in Bahrain in that way. Instead the Force was sent to protect the Bahaini citizens. Importantly this protection was ‘necessary’ in order to show outside actors that the GCC as a whole is committed to security. Bahrain has enough forces to deal with the protests otherwise.\textsuperscript{62} This is a much more positive representation of the troops that aims to draw on the legitimacy and the beneficial contribution they have.

Thus, the divergence in the EU’s and the GCC’s understanding of the protests in Bahrain shows that it is inappropriate to see the EU as the model for regional integration because (as expected) varying realities on the ground result in substantial disparities between integration endeavours. This however, implies that the current Union thinking about factors that lead to advancement of integration is likely to be limited because as the previous section showed, it is geared towards universalizing the EU model. So, how can a more sophisticated understanding that takes into account the local integration experience be developed? In the next section I address this question.

**Substance of EU and GCC integration processes**

The example of the protests in Bahrain shows that the outcome of integration endeavours will vary; the different representations of the EU and the GCC of this event encapsulate the different thinking that characterizes some of the crucial goals pursued through integration in the EU and the GCC. In other words, the substance of integration is diverse. This, however, makes paramount the question how can we access these differences? Social constructivism provides us with tool for this. This approach emphasizes that reality as such is created through the social interaction of everyone involved via the gradual habitualization of different kinds of human activity. Over time this leads to the institutionalization of certain practices as they have become the uniform

\textsuperscript{61} Author’s interview, Brussels, Belgium, April 2011

\textsuperscript{62} Author’s interviews, Brussels, Belgium, April 2011 and Riyadh, Saudi Arabia, May-June 2011
and unchanging (or difficult to change) way for performing certain actions.\textsuperscript{63} Integration is one such instance of social construction of reality as it is reliant on a vast amount of social interaction, which gradually establishes the concrete meaning (substance) of the phenomenon. Furthermore, the habitualization and institutionalization of integration practices implies crucial importance for the initial steps of the process as it is at this time that important path-dependencies, limitations and predispositions are sown. Subsequently there is a scope for adjustments but the particular internal and external circumstances at the time of the establishment of a regional organization are most likely to continue to exert influence on its aims, institutions and practices. Therefore, in order to assess the substance of EU and GCC integration I outline the internal and external conditions at the time of each organization’s establishment.

The origins and initial set up of the GCC were a result of political pressures. As Tripp points out, in the Middle East in general as well as with the GCC in particular, the primary driving force behind regional integration efforts has been the survival of the ruling regimes.\textsuperscript{64} Thus, the GCC has tended to be explained by employing realist logic, which focuses on external threats and efforts to achieve regional balance of power.\textsuperscript{65} In partial opposition to this Cooper and Taylor have convincingly argued that there is a different mechanism that explains better GCC formation and cooperation.\textsuperscript{66} They agree that in the early 1980s there was a rising Iranian threat in the Arab Gulf but they maintain that this was primarily an internal, rather than an external threat. More specifically, the Shiite minorities, emboldened by the Iranian propaganda, started to increasingly push for political change (better standard of living and more political participation) in the early

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1980s. Some of the outcomes of these developments have been a severe threat to the religious legitimacy of the Al Saud family in Saudi Arabia (after the seizure of the Grand Mosque in Mecca in 1979), an attempted coup in Bahrain in 1981 and terrorist attacks in Kuwait.\footnote{Cooper, S. and Taylor, B., ‘Power and Regionalism: Explaining Regional Cooperation in the Persian Gulf’, in Laursen, F. (ed.) \textit{Comparative Regional Integration – Theoretical Perspectives} (Aldershot: Ashgate, 2003), pp. 105-24, pp. 113-7} This description shows some important similarities with the current situation in the Arab Gulf. As I pointed out above, at present there is also an acute fear of Iranian interference in the internal affairs of the GCC member states, while the on-going unrest in the rest of the Arab world is a potential threat to the legitimacy of the ruling families.

According to Cooper and Taylor, the GCC emerged as a response to the events in the early 1980s. Importantly they emphasize that the lack of enhanced military cooperation\footnote{For a good overview of the GCC military cooperation in the first decade and a half of the organization’s existence see Barnett, M. and Gause III, F.G. ‘Caravans in Opposite Directions: Society, State and the Development of Community in the Gulf Cooperation Council’, in Adler, E. and Barnett, M. (eds) \textit{Security Communities} (Cambridge: Cambridge University Press, 1998), pp. 161-97} is not surprising as it could have become a new source of threat for the Gulf states’ regimes. Instead, the areas in which integration developed were political coordination, as well as economic and intelligence cooperation.\footnote{More recent studies, however, have also argued that the GCC has facilitated societal integration in the region. See for example, Legrenzi, M. ‘Did the GCC Make a Difference? Institutional Realities and (Un)intended Consequences’, \textit{EUI Working Papers}, 2006, num. 1 and Barnett, M. and Gause III, F.G. ‘Caravans in Opposite Directions: Society, State and the Development of Community in the Gulf Cooperation Council’, in Adler, E. and Barnett, M. (eds) \textit{Security Communities} (Cambridge: Cambridge University Press, 1998), pp. 161-97} These helped reduce the regimes’ vulnerability by increasing the legitimacy of the governments concerned, providing economic benefits to the restive domestic groups and improving internal security.\footnote{Summarized from Cooper, S. and Taylor, B., ‘Power and Regionalism: Explaining Regional Cooperation in the Persian Gulf’, in Laursen, F. (ed.) \textit{Comparative Regional Integration – Theoretical Perspectives} (Aldershot: Ashgate, 2003), pp. 105-24.} In fact, some of the biggest achievements of GCC integration to date are in the economic field.\footnote{See the summary of GCC achievements in Baabood, A. ‘Dynamics and Determinants of the GCC States’ Foreign Policy, with Special Reference to the EU’, in Nonneman, G. (ed.) \textit{Analyzing Middle East Foreign Policies and the Relationship with Europe} (London: Routledge, 2005), pp.145-73, p. 145} Overall, the underlying logic that has allowed the beginning of and has determined the substance of cooperation and integration between the GCC member states has been insuring internal stability and preservation of the rule of the governing families of the oil-rich countries of the Arab Gulf.
For its part, the main factors that have moulded the substance of regional integration in Europe can be summarized as the need for a post-World War Two (WW2) economic reconstruction, disillusionment with nationalism, which had brought to Europe two devastating wars in less than fifty years, external threat from the USSR, and the related need to find a working solution for the so-called ‘German problem’. The crux of the German problem was that in the immediate aftermath of the WW2, with the rising animosity between the USSR and the Western members of the Alliance, Britain and the US wanted to speed up German recovery and even its rearmament, as this would provide them with a bulwark against the Soviets. This, however, went directly against French interests as in less than a century France had been invaded by a superior German rival three times. Gradually this predicament was resolved in a very novel way through the establishment of a supranational institution (the European Communities, which later became the EU). \(^7^2\) Since then, one of the hallmarks of European regional integration has been close Franco-German cooperation as a prerequisite for advancement of the integration project. \(^7^3\) Another crucial feature of this process, explained well by Wallace has been the US patronage over Western Europe, which resulted in a peculiar division between issues of economic integration (dealt by Europeans) and ‘high politics’ questions of security (preserved for the Atlantic fora). \(^7^4\)

The logic underlying all these actions in an environment of emerging Cold War division between the East and the West was ensuring the survival of liberal democratic political systems as well as of capitalist economies in Western Europe. This has defined the nature and identity of the member states of the EC/ EU and has put a stamp on the substance of European regional integration. For example, Farrell describes the EU as: ‘a

\(^7^2\) There is a vast amount of literature available on matters of origins, initial set up and evolution of European integration under the EC and the EU. See for example, Dinan, D. *Origins and Evolution of the European Union* (Oxford: Oxford University Press, 2006); Dinan, D. *Ever Closer Union – an Introduction to European Integration* (3\(^{rd}\) ed) (Basingstoke: Palgrave Macmillan, 2005); Dinan, D. *Europe Recast: a History of European Union* (Basingstoke: Palgrave Macmillan, 2004)

\(^7^3\) With successive Enlargement rounds this has been somewhat watered-down. Nevertheless, as commentators pointed out this trend was demonstrated again in July 2011 when a decision for the eurozone crisis was attributed to a successful resolution of Franco-German differences. See for example, ‘Franco-German Pre-accord Key to Ending Euro-crisis: France’, *EUBusiness*, 21 July 2011, available at http://www.eubusiness.com/news-eu/eurozone-summit-key.bgg, accessed on 25.07.2011

governance model based on institutionalized decision-making, with legal rules that support such principles of regional integration as competition, liberalization, mutual recognition and subsidiarity, and a set of normative values based on democracy, rule of law, respect for human rights and multilateralism.\textsuperscript{75}

If the substance of regional integration in the two organizations is taken into account their interpretations of the protests in Bahrain are not surprising at all. In fact it is to be expected as the prior integration experience of each of the organizations predisposes it to read these events in a particular way. In light of this, in the next section I argue that EU’s policy on inter-regionalism will benefit if the Union takes seriously the differences in the substance of integration in an organization such as the GCC. This will focus its attention more on considering what internal and external circumstances can be conducive to advancements in integration in various regions in the world, on which the European experience offers a crucial lesson.

**The lesson from the European experience and its relevance for GCC integration**

60 years of integration in the EU have gone through ups and downs, through various moments when important advances in the process have been made. However, I would argue that one instant stands out, the late 1980s and the early 1990s when an agreement was reached for the establishment of a new institution, the EU. It incorporated the already existing EC and expanded integration into new areas (foreign and security policy, justice and home affairs, currency union), which many have argued are too sensitive as they infringe too much on state sovereignty and therefore would stay beyond the remit of integration efforts.\textsuperscript{76} So, how have EU studies explained these developments?

According to Menon: ‘The ‘German problem’ of the 1990s was eerily reminiscent, both in its nature and in the approach adopted towards it, of the events of the


late 1940s. Sandholtz advances a similar proposition with regards to the agreement of most member states to create an Economic and Monetary Union (EMU). Thus, by and large the significant advancement in European integration became possible due to a peculiar combination of internal and external developments that in many important respects resembled the circumstances at the time when the European integration process started. More specifically, the German reunification after the fall of the Iron Curtain arose new fears of German domination in Europe, which the Federal Republic again sought to diffuse by confirming its commitment to integration.

Thus, the lesson that can be drawn is that EU integration has advanced most under conditions very similar to these that enabled the project in the first place. As I pointed out above, the current situation in the Arab Gulf shares some crucial characteristics with the conditions in that part of the world at the time when the GCC was established. This, as the European integration experience shows, can potentially trigger further notable integration between the GCC member states. In fact, some steps in this direction have already taken place. For one, the protests in Bahrain are very likely to have important unifying effect on the GCC. Council officials’ statements clearly point in this direction. According to one official, during these events, he felt that he was witnessing the GCC in action, it proved to be a coherent group, capable of acting together and knowing what it wants. Another official stated that the protests proved the need to strengthen relations within the member states. Without the GCC support some member states feel they would not have been able to face the external pressures. Also, there are some indications that as a result of the Bahraini protests, cooperation in the security and military spheres may be boosted, as there are indications from the Saudi government that the Peninsula Shield forces maybe enlarged.

Such furthering of GCC integrative actions is also discernible in two other areas. Firstly, at a meeting between the member states on 10 March 2011 it was decided to establish a $20 billion financial fund targeting the most vulnerable members. The money

79 Author’s interview, Riyadh, Saudi Arabia, May-June 2011
80 Author’s interview, Riyadh, Saudi Arabia, May-June 2011
81 Author’s interview, Riyadh, Saudi Arabia, May-June 2011
is to be divided between Bahrain and Oman over a ten-year period.\footnote{Goodenough, P., ‘Gulf States Close Ranks Ahead of Anticipated Saudi Protests’, \textit{CNSN News}, 11.03.2011, available at \url{http://www.cnsnews.com/news/article/gulf-states-close-ranks-ahead-anticipate}, accessed on 01.08.2011} It will be spent on housing, infrastructure and job-generating projects.\footnote{Laessing, U. and Johnston, C., ‘Gulf States Launch $20 Billion Fund for Oman and Bahrain’, \textit{Reuters}, 10.03.2011, available at \url{http://www.reuters.com/article/2011/03/10/uk-gulf-fund-idUSLNE72906X20110310}, accessed on 10.08.2011} Oman and Bahrain have significantly lower oil revenues in comparison to their neighbours and thus, have always benefited from GCC financial help.\footnote{Author’s interview, Riyadh, Saudi Arabia, May-June 2011} However, this decision really boosts the support from the other member states as the package amounts to over half of Bahraini economy and nearly 22 percent of Oman’s GDP.\footnote{Laessing, U. and Johnston, C., ‘Gulf States Launch $20 Billion Fund for Oman and Bahrain’, \textit{Reuters}, 10.03.2011, available at \url{http://www.reuters.com/article/2011/03/10/uk-gulf-fund-idUSLNE72906X20110310}, accessed on 10.08.2011} Since the announcement of this decision a Steering Committee has been established. It will put together the framework for the rules and the structure of the program. Bahrain and Oman are expected to give their requests to the GCC and after that projects can start.\footnote{Author’s interview, Riyadh, Saudi Arabia, May-June 2011}

Secondly, the decision to enlarge the GCC to Jordan and Morocco, taken in May 2011, should also be read in light of the recent developments in the Arab world. The two countries that received invitations to join the Council share several important similarities with the current member states of the GCC. Firstly, they are monarchies, in which similarly to the Gulf area, protests have so far been less widespread than in the rest of the Middle East. Secondly, they have traditionally been Western allies. Thirdly, Jordan has opposed Iranian meddling with the region, such as intervening in the internal Bahraini affairs.\footnote{Al-Khalidi, S., ‘Arab Dynasties Lure Jordan, Morocco into Anti-Iran Bloc’, \textit{Reuters}, 13. 05.2011, available at \url{http://af.reuters.com/article/moroccoNews/idAFLDE74A0HM201110513?pageNumber=4&virtualBrandChannel=0&sp=true}, accessed on 01.08.2011} Thus, the decision to enlarge the GCC fits well with the substance of this integration endeavour, ensuring the preservation of the rule of the current dynasties in the oil producing countries and increasing the internal security of the member states. Hence, although the actual process of enlargement may have similarities with the European experience and there are indications that the GCC will take EU’s practice into account,\footnote{See p. 10 above}
any expansion of the Council membership will not be likely to lead to significant move towards accepting EU’s substance of regionalism.

Conclusions

This paper engaged with the tension between the tendency to see the EU as the model for integration and the realization that such an approach has crucial limitations. It aimed to provide an alternative way of conceptualizing the lessons that can be learnt from advancements in European integration. To that end it introduced the notion of substance of regional integration. It used the example of the EU-GCC inter-regional relationship as a case study. It showed that the current mechanisms EU uses for promoting regionalism are geared towards perceiving the EU as a model. Despite that, the different readings in the EU and the GCC of an event with a potential to further integration, such as the protests in Bahrain, indicates very little convergence between the integration processes in the two regions. Therefore, I suggested that the EU’s inter-regionalism policy would benefit from applying the lesson that EU’s integration has advanced most when the internal and external circumstances resembled the conditions at the time of the organization’s establishment. In distinction to the primary mechanisms that are currently employed by the EU, this approach requires more attention to be paid to the local circumstances, thus facilitating avoidance of perceiving the EU as the model for regional integration. The present situation in the Arab Gulf shows important similarities with the circumstances in the region at the time of the establishment of the GCC, which implies a likelihood of further integration between its members. In fact, there already are some indications that this is actually happening. Importantly, however, it should not be expected such a development to converge with the EU model. An early realization of this will provide more time for the EU and its members to consider their possible responses.