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What Does Jordan's Bid for GCC Membership Imply for the Arab Spring?

Amara, Jomana

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What Would Jordan’s Membership in the GCC Mean?

What would Jordan’s membership in the Gulf Cooperation Council (GCC) mean? There has been a great deal of excitement and anticipation surrounding the prospect – and a lot of speculation about the implications. In May 2012 there were reports that Jordan was being considered for membership – after a five year waiting period. Ostensibly, the purpose of the waiting period is to prepare Jordan economically for membership, a process reminiscent of that for aspirant nations preparing for EU membership. The members of the GCC pledged financial support over the period to assist Jordan in its bid for membership. A year later, in May 2012, the leaders of the six GCC states, Saudi Arabia, Qatar, Bahrain, the United Arab Emirates, Oman, and Kuwait, met to discuss creating a closer federal unit among them. The union would result in close cooperation and coordination in defense and security policies and a $1.4 trillion economic zone with a population of over 42 million. However, no mention was made of including Jordan in this union, thus reigniting the discussion of the reasons behind the impetus for the GCC to extend membership to Jordan.

The GCC is the strongest effort at formal economic cooperation in the Middle East. Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and United Arab Emirates ratified the charter of the GCC in 1981 establishing plans for full economic integration. In the interim, several policy measures and common economic agreements have been adopted to enhance cooperation and ensure progress in integrating the economies of the GCC. The culmination of the economic integration was supposed to be the establishment of a single currency by 2010. Oman and UAE withdrew from the proposed GCC monetary union. Only four countries Saudi Arabia, Kuwait, Qatar and Bahrain remained committed; but the GCC failed in 2010 to finalize the currency union with persistent rifts among the members about their monetary and economic merger. After the upheavals following the Arab Spring and the resulting challenges to the existing regimes, the GCC may be in the process of reinventing itself and morphing into an alliance with a security bent intent on perpetuating the existing political status quo.

While the prospect of Jordan joining the alliance of Gulf nations could bode well for the nation, the form the Jordan/GCC agreement will take does not appear to be clear. One of the key issues in the formation of alliances is the question of burden sharing. The uncertainty surrounding the characteristics of the GCC make it difficult to determine the costs and benefits of Jordan’s potential membership. Are we witnessing a GCC that will remain an economic cooperative effort, similar to the EU in its early stages or a GCC that is evolving into a military alliance more akin to NATO? Perhaps the truth is somewhere in between, a hybrid combining elements of economic and geo-strategic considerations.

According to the pundits, the benefits to Jordan from joining the alliance are primarily economic. Jordanian officials are touting the benefits of job opportunities for Jordanians; the opening of markets in the Gulf for Jordanian products; increase in aid; and easing of investment regulations. The problem is that the Gulf already attracts the best and brightest of the Jordanian labor force to the detriment of business development in Jordan; Gulf markets are open for quality Jordanian products; Gulf tourists have open access to Jordan; Saudi Arabia is the largest donor to Jordan; GCC money is encouraged to flow into Jordan and every attempt is made to facilitate investments.
In fact, GCC membership will bring economic benefits to Jordan only if issues of equity and fairness are addressed in labor and market policies. These issues include: wage equity between Jordanians and GCC citizens; freedom to choose and change employment; freedom of movement for labor across borders; employment of the unemployable section of the Jordanian workforce; issues of equity and fairness in employment. The market issues to address include: facilitating investments for Jordanians in the GCC; ownership rights of Jordanians in the GCC; facilitating and easing cross border transactions; gaining economies of scale that result from successful integration and elimination of domestic and cross-border distortions that hinder trade and investments.

The cost to Jordan will be on the geo-strategic front. Extending membership to Jordan may have been an attempt to forestall the spread of the Arab Spring and political reform in Jordan, and by implication for Jordan to stand as a bulwark or buffer zone against the spread of reform. In addition, Jordan may be the source of military personnel to defended existing regimes. Joint strategic planning between nations is a noble cause. Alliances are a way of increasing resources available for national defense and rectifying of national deficiencies. However, GCC membership for Jordan could be a case of “hiring” Jordan as the defense against internal and external security threats for GCC nations. It may force Jordan into delaying reform, neglecting its security concerns, and embroiling itself in GCC security problems.

Even though the status of Jordan’s membership in the GCC is unclear, it is arguably an excellent opportunity for Jordan and the current GCC members. However, it is not a panacea for Jordan’s political troubles or a quick cure for its economic woes. It should not be a diversionary tactic or security blanket for the GCC nations to forestall much needed internal reforms and avoid dealing with external challenges resulting from the Arab Spring. It should be regarded as a first step in measured, steady progress toward a much needed regional economic and security stability from which Jordan and the Gulf nations would benefit.

Tags: Arab Spring, Gulf Cooperation Council, Jordan