Chapter  V

TURKEY AND THE ARAB
GULF STATES, 1970-1985:
CONSTRUCTIVE ENGAGEMENT
The Arab Gulf, once regarded as merely a backwater, peripheral to a more important Arab-Israeli conflict, has emerged in the recent years as the strategic vortex of international politics. Reflecting on its political vitality, geo-strategic location and above all its dominant position in the world oil reserves, a Gulf analyst has observed, "mankind's destiny in the 21st century may also lie in precisely the same region of the world". As the flow of events in recent years reveals, the affairs in the Gulf are no longer simply reflections of developments in the Arab-Israeli core. Instead, "the autonomy of the Gulf vis-à-vis the Arab-Israeli 'core' has by now developed to the point where Gulf actors are best considered, for many purposes, as constituting a subsystem into themselves".

Situated in a sedimentary basin which holds roughly two-thirds of the world's proven reserves of oil, the Arabian Gulf stretches from Turkey to Oman. It "juts like a broken finger northwesward from the Gulf of Oman to the marshes of the Shatt al-Arab river. Roughly 90,000 square miles in areas, it is 600 miles and 230 miles

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1 There is a considerable variation in the use of the term "Gulf". The national aspirations of both the Arabs as well as the Iranians are very much associated with the name of the Gulf. If Iranians insist that it is the Persian Gulf and even take umbrage over the neutral term, "the Gulf", the Arabs are equally insistent on calling it the "Arabian Gulf". We have chosen the latter for its contextual relevance in our study. However, the Gulf has been used here in a broader sense so as to include both Iran and Iraq besides the six core states now comprising the Gulf Cooperation Council (GCC states): Saudi Arabia, Kuwait, UAE, Qatar, Oman and Bahrain.


across at its widest point. With no discernible channel of thalweg, it is shaped like a flat, shallow basin over 300 feet in depth".4

Like most regions of the world, the Arab Gulf is characterised by striking asymmetries of size, population and other power resources among its constituent states (see Table 6.1). Saudi Arabia, for example, is the largest Gulf state in terms of population and also occupies 2240,000 square kilometers (four-fifths of Arabia). Qatar, on the contrary, has the smallest population numbering little more than 500,000 people. Foreign Workers in Qatar, in fact, outnumber the nationals by four to one. However, Qatar along with Kuwait and Untied Arab Emirates (UAE) has been classified by the World Bank as the high-income-economy, whereas Saudi Arabia, Oman and Bahrain are placed in the Upper-income category.5

The most visible difference among peoples of the Gulf is in ethnic composition and national heritage. The Gulf is sandwiched between two equally powerful cultural streams: on the eastern side is Persian, and the western side is Arabic. Although the overwhelming majority of the population is Muslims, they are divided by the Sunni-Shia schism. Besides, most Omanis follow the Ibad sect which is neither Sunni nor Shia, but the surviving descendent of the Kharijite movement. These ethno-cultural differences notwithstanding, dynamics of state formation in the core Gulf states are strikingly similar.


**State Formation in the Gulf**

The process of state formation is generally defined in terms of centralisation of state apparatus and expansion of the capacities of the state within a delimited territory. Nowhere in the world has the process of modern state formation begun ab initio. It is conditioned partly by the forms of social organisation that existed before the advent of the state system and partly by its location within the capitalist world market. In case of the Gulf states, the context of state formation is, provided by certain aspects of the region’s history before the discovery of oil and the impact of capitalist penetration through British colonial expansion. In brief, the Arab Gulf

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7 In Saudi Arabia, as much in other Gulf States, the natural ecology prevented any consolidation of a landed class, as in Egypt. The tribal forms of organisation remained the norm prior to modern state formation. Such pre-modern “organic social formations”, according to some analysts, constitute serious obstacles to state consolidation. The subsequent state instability, they argue, is the result of a variety of ways they are incorporated into the political system. Analysis of this type represents a broader “political culture approach” to the study of Arab state. For details, see E. Davis, “Theorising statecraft and social change in Arab oil producing countries” in E. Davis and N. Gavielides (eds.) *Statecraft in the Middle East* (Florida International University Press, 1991), pp. 125-132; Hisham Sharabi, *Neopatriarchy: A Theory of Distorted Change in Arab Society* (New York: Oxford University Press, 1988); Ahmad J. Daher, “Cultural politics in the Arab Gulf States” in Tawfic Farah and Yasuma asa Kuroda (eds.) *Political Socialisation in the Arab States* (Boulder: Lynne Rienner Publisher, 1987), pp. 59-71.
region, like the rest of West Asia, has experienced the process of dependent state formation.  

The Saudi State

Saudi Arabia emerged as a state in Central Arabia for the first time in 1745 based on a combination of the military force of Muhammad Ibn Saud, the amir of Dariyya, and the spiritual influence of Muhammad Ibn Abd Al-Wahhab, the puritan Hanbalite Shaikh. The fortunes of the new Saudi-Wahhabi state lasted until 1818 when it was defeated by Muhammad Ali of Egypt with the support from the Ottoman Sultan and the British. Another Saudi state re-emerged at the beginning of the 20th century under the leadership of a Saudi prince Abd al-Aziz Al-Saud (Ibn Saud) who in 1902 returned from a 12-year exile to recapture Riyadh of its then ruler, Ibn Rashid.  

Within the next two decades, Ibn Saud occupied all the major towns of the area including Taif, Mecca, Medina and Jidda, and destroyed the power of the Hashimites in the Peninsula, while bringing an end to the Rashidis as a competing

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8 The pattern of state formation is shaped by the position of state in the expanding world capitalism and the nature of indigenous response to this. In case of the Gulf countries, the subordinate position of the state in the world market and global state system has led to dependent state formation even though they were not formally colonised. The British played an important role in their integration into the world economy and influenced the nature of their relations with the dominant powers in the system. For a comprehensive analysis of the dependent state formation in the Gulf, see Khaldoun Hasan al-Naqeeb, Society and State in the Gulf and Arab Peninsula (London: Routledge, 1990), Chapters 4 & 5.

dynasty. Long before his death in 1953, he had restored the first Saudi state to its former dominions, establishing a centralised structure in the segmented tribal society.\(^{10}\)

Instrumental in the process of Al-Saud's conquest and expansion of his political authority was the role played by the Ikhwan (literally the Muslim Brethren) in their migratory camps (hijra).\(^{11}\) The new unified state was declared Saudi Arabia in 1932. Unlike other Arab states of the region, Saudi Arabia owes its existence to the alliance between deen and dunia (religious and political authority), ulema and umara (religious scholars and princes), between Sheikh Abdel-Wahhab and Al-Saud family.\(^{12}\) It is this spiritual-temporal alliance of the 18\(^{th}\) century which continues to serve as the single most important source of legitimacy for the Saudi Royal family. Although the 1926 constitution started that “His majesty is bound by the laws of the Sharia”, this has not in practice proved unduly restrictive. Instead, Saudi reliance on the Islamic orthodoxy has enabled its rulers to combat other challenging ideologies or competing sources of legitimacy.\(^{13}\)

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\(^{10}\) For a description of Ibn Saud's conquest and consolidation of his rule, see Leslie Mcloughlin. *Ibn Saud: Founder of a Kingdom* (Oxford: Macmillan Series, 1993), Chapters 3 & 4.

\(^{11}\) The Ikhwan were Bedouin Warriors who left their nomadic life to settle down in the agriculturally oriented colonies all over Najd. They recognised Al-Saud as the holder of the lawful Islamic leadership, or imamate and preferred to lead a life consonant with Islamic teachings. Between the year of their establishment in 1913 and their demise in 1923 following their conflict with Al-Saud, the Ikhwan constituted a formidable military force winning for the Imam every battle they fought. Ibid., Chapter 5.


The Saudi state rests on the rule of the monarchy with the King at the apex accountable to none save a defunct consultative assembly. The country has no written constitution or legal political parties; it has a centralised political system with the influential members of the Royal family and some representatives from the Al-Shaik family being the main policy-making force.\(^\text{14}\) The organisational development of Saudi Arabia was extremely limited until the late 1950s. In fact, "the process of state formation, in any recognisably modern sense, only gathered pace as oil was discovered and the oil rents began to enter the Kingdom".\(^\text{15}\) It was only the access to oil wealth that enabled the Saudi ruling family to retain state control over society through a process of economic expansion\(^\text{16}\) and development of administrative structures.

However, much of material development of the Kingdom was initiated by the US oil consortium, ARAMCO.\(^\text{17}\) It was "engaged not only in all phases of Saudi oil production, but also built housing, airports, hospitals and schools --- above all,

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\(^{14}\) See Nazih N. Ayubi, *Over-stating the Arab State: Politics and Society in the Middle East* (London: I.B. Tauris, 1995), p. 131. The composition of the principal decision-making body, according to Ayubi, reflects the Saudi process of integration, which is based on familial or tribal relationship. The Saudi strategy of co-opting the tribal leadership to the royal camp is described by him as “Gulf-style corporatism”. Ibid., pp. 240-245.

\(^{15}\) Bromley, *Rethinking Middle East*, p. 143.

\(^{16}\) Economic expansion does not mean economic development or economic growth, nor does it contribute to development of capitalism. Instead, it is fuelled by growth in consumption.

\(^{17}\) During the inter-war years, as Britain suffered a steady erosion of its pre-eminence in world trade and investment, Ibn Saud chose to give the most extensive oil concessions to the Americans, with whom he formed the Californian Arabian Standard Oil Company (ARAMCO) in 1933.
encouraged US government to install a military base near the oil fields that would protect them and people who worked there”. Thus, the US assistance (through oil companies) proved to be crucial to the development of organisational/administrative structures in Saudi Arabia, just as the British financial and military support had rendered the consolidation of Ibn Saud’s rule in the early stages of Saudi state formation. It was, in fact, because of the British backing that the Saudi ruler was able to crush the Ikhwan, which refused to acknowledge a territorially confined political authority in the region.

The Smaller Gulf States

As in Saudi Arabia, consolidation of state power in other Arab Gulf states was closely linked to the role played by outside powers in pursuit of their commercial and strategic interests. All these states, for instance, were progressively incorporated into the expanding European Capitalism through Pax Britannica established during the 19th century. By 1820s, the British had defeated the powerful Qawasim maritime

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20 The establishment of British dominance in the early 19th century global system was both the cause and consequence of the incipient generalisation of the capitalist market. Speaking of the role of the East India Company, historian Christopher Bayly has argued that “the commercialisation of political power within Islamic empires and the eastern areas, as much as the ruthless drive for European capitalism, was a critical precondition for European world-empire”. C.A. Bayly, Imperial Meridian (London: Longman, 1989), p. 74.
confederation of eastern Arabia, and enforced the “Trucial system” on them, and the Shaikhs of Ajman, Umm al-Qaiwain, Abu Dhabi, Dubai and Bahrain. Each of them signed a separate ‘General Treaty of Peace’ with the British government, “on the one hand signaling their capitulation to British power, while on the other hand constituting the genesis of the Gulf states as separate political entities”.  

The emirates of the Arab coast also established arrangement to prevent maritime warfare in 1835, and signed the perpetual Maritime Truce in 1853 with Britain. Kuwait and Qatar joined these states in the “treaty relationship” with Britain in 1889 and 1916 respectively. It is these politico-strategic arrangements, which laid the basis for a process of stable state formation in the Arab Gulf.

For the Treaty system of the 19th century Gulf meant not simply the consolidation of the British regional ascendancy, it also led to the breakdown of the “natural state and its economy based on traditional mudarabah trade.” Since the treaties were signed by the local ruler (Shaikh, amir or a Sultan), the application of all their clauses was his personal responsibility. Recognition of his political authority by the British assured the continuity of his influence within poorly defined rigid but often artificial boundaries, which restricted the movement of both the influential merchant families and pastoral nomadic tribes. Consequently, with the institutionalisation of the position of the local ruler, whose security was guaranteed by the colonial protection arrangements, a system of dynastic rule emerged.  

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21 Ayubi, Overstating Arab state, p. 132. Through the device of the Trucial System Britain assumed a regulating role and achieved a voluntary cessation and eventual end to maritime warfare and to piracy. For more on Trucial system, see J.B. Kelly, Britain and the Persian Gulf, 1795-1880 (Oxford: Clarendon Press, 1967), pp. 354-409.

22 Al-Naqeeb, Society And State in the Gulf, p. 51.
borders became the territorial boundaries within which these small Gulf states were to acquire their formal independence.

It was, however, with the onset of the petroleum era that the ruling families began to consolidate state power through development of modern administrative structures and a subtle policy of cooptation and incorporation. In a process similar to what occurred with the Ulema in Saudi Arabia, the merchant families were, for instance, reincorporated into the new states of the Gulf in a more subservient capacity as commercial agents or bureaucrats. In brief, as ‘petroleum era’ developed fully during the post-World War II years, the Arab littoral of the Gulf saw “a relatively smooth transition into oil monarchies”.24

Kuwait is one of such monarchies that has been ruled continuously by a single family of the Sabbahs since it was founded in the 18th century. Historically, the Sabbahs family came from the Utub tribe, a branch of Anaiza tribal confederation of Central Arabia which settled in Kuwait. In 1752, these new settlers appointed a Shaikh, founder of the present Sabbah dynasty to administer their internal affairs and external dealings with the Ottoman government.25 Although, Kuwaitis were never under direct Ottoman control, they paid tributes in recognition of the former tutelage over the mainland. In the latter half of the 19th century, particularly during the period of Midhat Pasha’s governorship in Iraq (1869-71), Kuwaiti amir Shaikh Abdullah
bin Sabbah al Jabir (1762-1812) accepted the title of commandant under the governor of Basra.²⁶

With the ever-growing British imperium in the Gulf towards the end of 19th century, Ottomans’ attempts to project their power into Arabia through construction of railways network led to confrontation. Fearing that the German proposal for a railroad from Berlin to Baghdad would threaten its communication and transport to India, the British assured formal control over Kuwaiti foreign affairs in 1899 though the Shaikhdom legally remained part of the Ottoman empire. This arrangement was formalised by the 1913 Anglo-Ottoman agreement. After the World War-I, finally acting on behalf of Kuwait, the British managed to get Ibn Saud to abandon his claim for much of the Basra Vilayet in what is now Iraq in return for a large part of the Kuwaiti territory on the Gulf.

In 1961, Kuwait was the first of the small Gulf states that renounced its protected status and was declared an independent state. Shortly after independence, Abdul-Karim Qasim of Iraq claimed sovereignty over Kuwait, as it had been once considered a part of the Ottoman province of Basra. The British military assistance to the Kuwaiti amir averted the Iraqi invasion. Since then, Kuwait’s external policy has consistently sought to compensate for its military weakness by conciliating possible enemies and acting as mediator in regional disputes.

However, the threat of Iraqi invasion prompted the ruler to convene a constituent Assembly, of which twenty members were elected, to draft the Kuwaiti constitution. Proclaimed in November 1962, the Kuwaiti constitution limits the ruler’s prerogatives’ and provides for an independent judiciary as well as an elected

National Assembly. The first assembly, which was dissolved in 1976, included a strong left-wing opposition that obstructed ruling family’s policies regarding distribution of the royalties from the oil companies. In 1981, about 90,000 voters elected a anew assembly, of which over half the members were fellow tribesman of the royal family. Suspended once again in 1986 on the ground that it was delaying legislation, the National Assembly was not restored until October 1992. After the Iraqi troops were forced out of Kuwait by the American led coalition, a new ‘national unity’ government was installed by the Amir. In comparison to other Arab states of the region, Kuwaiti democratic experiment has been a crowning achievement, much of which however, owes to the presence of a cohesive and organised merchant class demanding access to policy-making since the early 1920s.27

**Bahrain And Qatar**

Unlike Kuwait, the democratic experiment has stagnated in Bahrain since the dissolution of National Assembly in August 1975, while Qatar continues to be under absolutist rule. However, both these emirates, like Kuwait, have the traditional secular type political system within which “the authority is invested in a dynasty free from religious attributes”,28 as in case of Saudi Arabia. Further, it was originally a branch of the same Utub tribe that migrated from Kuwait in the 1760s and settled in al-Zubara in the area of Qatar. Two decades later, the Utub wrested the island of Bahrain from Iranian sovereignty,29 and established their rule over the predominantly

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29 Yapp, “The Nineteenth and Twentieth Centuries”, p. 46.
Shia population of farmers and fishermen. The founders of both the states belong to the same Khalifa family.

In the latter half of the 19th century, Qatar was annexed to the Ottoman Empire (1871), whereas the Shaikh of Bahrain, wary of the Ottoman expansion, signed a protection treaty with the British in 1861. In 1880, the Sheikh further undertook not to enter into any relations with other governments of the region without the British consent. Eventually, the island Shaikhdom became the headquarters of the British residency in the Gulf until Bahrain attained formal independence in August 1971.

Shortly after independence, Bahrain had a new constitution, which was largely modelled on that of Kuwait. The first elections were held for the National Assembly in December 1973 that returned a sizable bloc of radical members belonging to local branches of the prescribed revolutionary parties like the Baath and the Arab Nationalist Movement. In less than two years, the Assembly was dissolved for the ruler’s differences with elected members over social, economic and security issues. Since then, Bahrain’s experiment with the parliamentary process has not been resumed save the recent appointment of a 30-member consultative council. The actual power rests with the Khalifa ruling family aided by a Council of Ministers and some British advisers.

30 See Emile A. Nakhleh, Bahrain: Political Development in a Modernizing Society (Lexington, 1976), pp. 124-143 for the developments preceding to the promulgation of the Bahrain constitution. For the composition of the National Assembly and differences with the ruler over the purpose and functions of the majlis, see Fuad I. Khuri, Tribe and State in Bahrain: The Transformation of Social and Political Authority in an Arab State (Chicago, 1980), pp. 218-226.

31 In anticipation of independence, the amir Shaikh Isa bin Salman al-Khalifa undertook substantial administrative and political reforms. The Administrative Council was transformed into a 12-member council of state, serving as a de facto cabinet. After independence, this council of state became council of Ministers, whereas the British advisers, previously with considerable political influence were
So is the case with the ruling al-Thani family in Qatar that has dominated the country since 19th century. Although Qatar has seen some contested succession since the flow of oil wealth into the country in 1949, "the question of power leaving the al-Thani has never seriously been raised." Less than six months after independence (1971), the ruler, Shaikh Abdullah al-Thani was deposed by his cousin Sheikh Khalifa Bin Hamad al-Thani in a bloodless coup. In much the same way, Hamad al-Thani was ousted by the crown prince Shaikh Hamid bi Khalifa in June 1995. Thus, the absence of institutionalised succession mechanism has rendered Qatar highly vulnerable to pressures from within and without.

As compared to other emirates, the state in Qatar is underdeveloped; it is essentially a large fief controlled by the amir. There is, indeed, no meaningful distinction between the person of the amir and the institution of the state. For the amir enjoys absolute power being assisted by a Council of Ministers and an appointed Advisory Council. The Basic Law of 1970 provides for a partially elected Advisory Council, but no elections have ever been held. The relationship between the amir turned into civil servants. For example, a British former Special Branch officer who has headed the security service since 1965 is still kept in place and assisted by British contract officers. Andrew Rathmell, "Bahrain: the Pearl loses its Lustre", Middle East International, 28 April 1995, p. 18. Also, see John Duke Anthony, Arab States of the Lower Gulf: People, Politics, Petroleum (Washington, D.C.: Middle East Institute, 1975), pp. 47-49.

32 Crystal, "Coalition in Oil Monarchies", p.428.

33 Edmund O'Sullivan, "Khalifa will never be ruler again", MEED, 26 January 1996, p. 5.

34 A provisional constitution was declared in April 1970 in anticipation of independence. The amended provisional constitution of 1972 was enacted for a period of transition", but it still remains in force. The Constitution describes the state as democratic, Arab and Islamic with the Sharia as the fundamental source of legislation. Liesl Graz, "Qatar: Touchstone of the Gulf", Middle East International, 16 April 1993, pp. 18-19.
and the Advisory Council has become something like that between the Chairman of the board and the Chief operating executive.

Apart from the external protection guaranteed by dominant power, and strong material base formed by oil wealth that are common to all the Gulf states, there are certain other factors peculiar to Qatar alone, which account for the incomplete process of state formation. Firstly, Qatar has the largest ruling family in the area -- certainly largest relative to its population (approximately one Qatari in 14 is an al-Thani). Secondly, Qatar had no settled community and no central authority until the late 19th century when al-Thani rule appeared. Finally, the absence of entrepot economy and late development of a national market have either adversely affected the relative strength of social groups like the merchants (trading families), as in case of Kuwait or stymied the growth of a politically conscious urban intelligentsia as in Bahrain. In fact, no other Gulf Shaikhdom has experienced such organised political movement as Bahrain during the 1950s.35

Oman

The Sultanate of Oman lies at the extreme southeast of the Arabian peninsula and occupies a land area of 300,000 Square kilometers, more than the size of Kuwait, Bahrain, Qatar and United Arab Emirates (UAE) together. Once the forgotten backwater of the Arab World, Oman has undergone in the past decades an amazing

35 The 1950s saw a deepening politicisation in Bahrain, particularly through the development of social and cultural clubs and the founding of a local press. Formation of the Higher Executive Committee in October 1954 following the Shia-Sunni sectarian disturbances was the high water-mark in Bahrain’s pre-independence political struggle against the British interference in the internal affairs and the Amir’s monopoly of power. For details, see J.E. Peterson, The Arab Gulf States: Steps Toward Political Participation (New York: Praeger, 1988), pp. 65-68.
transformation presenting a modern image of the Sultanate. It enjoys one of the longest continuous statehoods in the Arab World, rivalled only by Egypt.

The Omani Islamic state or Imamate was established in the 8th century A.D. by a radical dissident Muslim group, al-khawarij, which broke away from the first four caliphs, al-Rashidun.36 The Ibadi adherents believed in the election of a pious Muslim by the people as the head of the state. However, with the consolidation of the Al Bu Said dynasty in the mid-18th century, when Oman reached the apex of its power, the hereditary rights to power gained ascendancy over that of election. Subsequently, the conflict between the two forms of rule figured significantly in the shaping of state authority in Oman. For it was this discord that not only provoked a prolonged civil war in the later half of the 19th century ending with the re-establishment of an Imamate in 1868, but also effected a de facto political division between the interior of northern Oman and the Sultan-controlled Muscat. The split was eventually formalised in 1920 with the Treaty of Sib, and lasted until 1954 when Oman was reunited by Sultan Said ibn Taimur, father of the present Omani ruler, Sultan Qaboos.37
In the process of consolidation of the Al Bu Said dynasty rule in Oman, did the British play an important role since the signing of the anti-piracy treaty in 1822. Although Britain never claimed that Oman was its colony, it maintained indirect rule in the country all through until Sultan Qaboos came to power as a result of a military coup against his father in the wake of a leftist revolution in the Dhofar province led by Dhofar Liberation Front (DLF) and the Popular Front for Liberation of the Occupied Arab Gulf (PFLOAG). By 1975, Sultan Qaboos succeeded in suppressing militarily the Marxist-inspired rebellion with the assistance of Iranian troops, and then, he turned to the issues of oil-led modernisation through establishment of modern government and administrative institutions.

Despite rapid economic and social reforms during the period of Qaboos, the spread of transformation in Oman’s political institutions has remained rather glacial. Unlike Kuwait and Bahrain, Oman never had a constitution or elected legislature. Instead, a State Consultative Council (SCC) was established in 1981. The mandate of this appointive 54-member council is suited to providing the recommendations to the ruler on specifically delimited issues. In the aftermath of the Gulf War of 1991, the Sultana replaced the SCC by a 59-member (later increased to 80) Consultative Council. On the whole, political power remains totally concentrated in the hands of the Sultan, though in public pronouncements on Oman’s political development he stresses a gradualist approach.

The United Arab Emirates (UAE)

The United Arab Emirates (UAE) is a loose confederation embracing the seven small shaikhdoms along what was formerly known as the ‘piracy coast’ or

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Trucial coast: Abu Dhabi, Dubai, Sharjah, Ras Al-Khaimah, Umm Al-Qaiwain, Ajman and Fujariah. Historically, not much is known about the scattered lower Gulf Shaikhdoms prior to the arrival of the Europeans. That their economy was dependent on the sea for pearl-fishing and slave trade became evident from the British attempt to impose a “General Treaty for suppressing Piracy and the slave Traffic” in 1820. By 1853, this developed into a permanent agreement whereby the Shaikhs undertook to bring to an end all hostilities by sea. Each of them also signed separate treaty with the British acknowledging its paramountcy in the region. It was under the British tutelage that Abu Dhabi and later on, Dubai rose to prominence as the leading commercial centres of the Trucial coast.

In the post-War II years, with the development of oil production, the rulers of the Trucial states formed a Trucial Council in 1952 with the aim of establishing a federation in future. In February 1968, rulers of Abu Dhabi and Dubai at first announced the setting up of a federation between their two states, and invited in the remaining five and also, Bahrain and Qatar. The rulers of Bahrain and Qatar opted not to enter the UAE, when it was established formally in December 1971.40

Reorganised two years later, the federal structure of the UAE consists of a presidency, a Supreme Council composed of the seven rulers, a Council of Ministers, and a legislature known as the Federal National Council (NSC). The role of the 40-member NSC is largely advisory, and its seats are allocated according to the


40 A provisional constitution was promulgated at independence, along with necessary executive and administrative organs for the new Federal state. Article 1 of the constitution described the UAE as a federal state and specified the nature of relationship between the federal unity and individual emirates. For the text of the constitution, see Amos J. Peaslee, Constitutions of Nations, Vol. 2 (4th edition); (Dordrecht: Martinus Nijhoff Publishers, 1985), pp. 1700-1724.
population of the respective member states and their economic clout. For instance, Abu Dhabi and Dubai contribute nearly 50 per cent of their oil revenue to the Federal budget, and hence, enjoy more influence as compared to other member-states. By convention, the presidency of the federation is with Abu Dhabi, whereas the Vice-presidency and premiership go to Dubai. Likewise, the appointment of ministers in the cabinet is based on the tricky tribal balances and counter balances.

The federal government’s jurisdiction extends only to those fields in which common interest is clear. In domestic matters, each ruler remains undisputed master of his own emirate. In all the emirates, society is basically organised along tribal lines, with authority vested in certain clans that have held their positions for many generations. The structural stability of the UAE federal experiment hinges partly on the ‘consociational principles’\textsuperscript{41} of loose alliance and sharing of power and economic benefits, and largely in the absence of popular demand for political participation.

**REGIONAL ENVIRONMENT**

After having discussed the process of state formation and consolidation of state power in the hands of the ruling families, we turn to analyse the fundamental characteristics of the regional environment in the Arab Gulf. For this would help us understand the factors that shaped Turkish foreign policy response, which was broadly predicated on the principles of “non-interference, neutrality and equidistance”. All through, Turkey’s Arab Gulf policy continued to be guided by

\textsuperscript{41} Some of the consociational features of the UAE federal arrangement include the mutual veto of the two largest emirates of the federation; control mechanism, consensus-building and principle of proportionality for representation. Ayubi, *Overstating the Arab State*, p. 246. For the functions of the Federal National Council of UAE, see Frauke Heard-Bey, *From Trucial States to United Arab Emirates*, (London: Longman, 1982), pp. 395-402.
these three fundamental principles until the dramatic developments that unfolded in the event of the 1990 Iraqi invasion of Kuwait. The ensuing analysis focuses on the extent to which this exceptional pattern of Turkish foreign policy behaviour was shaped by the unstable nature of the regional systemic environment in the Gulf. Before however, discussing the distinctive features of the regional system, we examine the two major developments of the 1970s: state stability and oil prosperity. Together, they contributed to an elevation of the status of the Gulf actors in the West Asian affairs, suggesting thereby a causal relationship between Turkey's efforts at constructive engagement in the area and the latter's growing centrality in post-Nasser Arab World.

State Stability

Unlike in the 1950s and early 1960s, when the individual Arab states were seen as "deviant and transient entities, their frontiers illusory, their rulers interim caretakers", a normal state system became a fact of life particularly in the years following the 1967 Arab-Israeli War. The 1967 Naksa (setback) and subsequent death of Gamal Abdel Nasser of Egypt not only deflated the pan-Arabist drive, but also deprived the Arab world of a leader who could mobilise the crowd transcending the 'artificial' territorial boundaries. Even those leaders (for example, Saddam Hussein of Iraq and Hafez al-Assad of Syria) who had in the past carried the banner of

Arab unity were in power at the end of the 1960s. Predictably, they concentrated on preserving the status quo rather than risking adventurist radicalism that could set off a chain reaction endangering their own survival. With the “bureaucratic authoritarianism”\(^\text{43}\) taking roots in the key Arab states, “raison d'etat, once an alien and illegitimate doctrine”\(^\text{44}\) gained ascendancy over unionist and integrationist schemes of the 1960s.

“Taking 1970 as an average year”, Zartman observes, “for over a decade and a half, Arab regimes have remained solidly in power and have created a stable organisational structure around them”.\(^\text{45}\) In contrast to the past decades of instability, contested regimes and structural upheavals,\(^\text{46}\) the mid-1970s witnessed the

\text{\footnotesize \^\text{43} The terminology is borrowed from G.O'Donnell to describe the post-1967 radical Arab regimes, wherein the authoritarian rule continues without attempts to create popular legitimacy through a mobilising ideology as in the past “populist authoritarian” regime of Nasser. For a fuller discussion of these models, see Michael C. Hudson, “State, Society and Legitimacy: An Essay on Arab Political Prospects in the 1990s” in Hisham Sharabi (ed.) The Next Arab Decade: Alternative Futures (Boulder: Westview Press, 1988), pp. 25-26. Also, see G. O’ Donnel, Modernization And Bureaucratic-Authoritarianism (Berkeley: University of California Press, 1973).}

\text{\footnotesize \^\text{44} Fouad Ajami, “The End of Pan-Arabism”, Foreign Affairs vol. 57, no.2, (Winter 1978-79), p. 355.}


\text{\footnotesize \^\text{46} As the earlier account of state formation process in the Gulf countries shows, each of them suffered serious domestic differences ranging from coup attempts and assassinations to the reformist, secessionist and revolutionary movements. While the Sultanate Oman was embroiled in a protracted conflict with the supporters of the Inanate during the 1950s and Marxist Dhofar rebels in the 1960s, the House of Saud encountered periodic disturbances including the abortive 1969 Nationalist-oriented coup and assassination of King Faisal in 1975. So did the small emirates like Qatar and Qasimi-ruled Ras al-Khama, a constituent of the present-day UAE. In the early 1960s, the former experienced a popular uprising in support of the proposed union of Egypt and Syria, which was followed by the formation of a National Unity Front clamouring for participation in policy-making. In case of the latter, the ruler himself committed to the ideal of pan-Arabism led the resistance in 1971 against the Iranian}
onset of what may be termed as “naturalisation” of the Gulf state-system. For the sovereign, geographic entities of the region and their internal structures have persisted since then without undergoing sudden, violent change.

The persistence of the Gulf states is generally attributed to a host of external factors ranging from the absence of a powerful destabilising core state in the Arab world and receding saliency of radical ideology (Nasserism or Bath socialism) to rise of Palestinian national movement autonomous from inter/intra Arab politics. All this, no doubt, effected a qualitative transformation in the region, especially in terms of weakening the regime – challenging forces within individual Gulf states. However, neither the weakness of the domestic opposition, nor the external seizure of Tunb islands recognised as Ras al-Khaiman territory. Likewise, Bahrain underwent a spell of Arab nationalist stirrings, particularly in the face of persistent Iranian claim on the country as part of Persia. The Shah of Iran dropped the territorial claim in 1971 after a UN-led referendum in which majority Bahrain’s chose independence. There are several instances like this indicative of a pervasive insecurity in the Gulf countries until the mid-1970s. For further details, see Calvin H. Allen Jr., Oman: The Modernisation of Sultanate (Boulder, Co: Westview Press, 1987); David Holden and Richard Johns, The House of Saud (New York: Holt, Rineheart and Winston, 1982); J.B. Kelly, Arabia, the Gulf and the West: A Critical View of the Arabs and Their Oil Policy, (New York: Basic Books, 1980).

47 In the years following the 1967 June debacle, Arab-Palestinian relations changed drastically. The Palestinian issue ceased to serve either ideological function of furthering the idea of common Arab destiny or political solidarity, or regime-legitimizing function for the Arab rulers, as in the 1950s. Instead, the Palestinian Liberation Organisation, the PLO was increasingly seen as a threat to domestic political stability, as it happened in Jordan in 1970-71. No longer was the PLO tolerated as the “irresponsible arm” of Arab armies. Also, the PLO on its part sought to bring an end to the Arab tutelage over the Palestinians, and substitute separate Palestinian nationalism for pan-Arabism. With the Rabat Arab summit of 1974 declaring the PLO as “the sole legitimate representative of the Palestinian people”, The PLO acquired the trappings of power and status to launch a more autonomous Palestinian guerrilla movement. For a critique of inter-Arab politics of the period, see F. Ajami, The Arab Predicament: Arab Political Thought and Practice Since 1967, (London: Cambridge University Press, 1981); William Brown, “The Dying Arab Nation”, Foreign Policy, vol. 54 (Spring 1984), pp. 29-42; Carl Leiden, “Arab Nationalism Today”, Middle East Review, vol. II, No. 2 (Winter 1978-79), pp. 42-47; M. Hudson, Arab Politics: The Search For Legitimacy (New Haven: Yale University Press, 1977), Chapter I & III.
developments alone can account for the durability of the Gulf Sheikdoms. Instead, it is the development of organisational structures combined with material prosperity of the citizens that explains the relative state stability in the region.

While the growth of security apparatus has for instance, enabled the state to contain and combat potential opponents, the expansion of bureaucracy has provided “the rulers with a stability platform, a control device and a space for extending patronage.”\textsuperscript{48} Besides, it constitutes a section of the population whose interests are associated with the maintenance of the state itself. Interestingly, much of the administrative structures of the Gulf states grew originally from the imperative to expend, rather than extract, wealth. Due to the “rentier”\textsuperscript{49} nature of the national economy, they do not depend on taxing a domestic productive base for revenues. Instead, the primary economic function of the state is concerned with allocation and distribution of the revenues accruing from oil exports (rents).

\textsuperscript{48} Ayubi, \textit{Over-stating the Arab State}, p. 308. The bureaucratic expansion here is meant to indicate the increase in the numbers of administrative units, personnel and rise in public expenditures, particularly, wages and salaries.

\textsuperscript{49} The concept of ‘rentier state’ was first suggested in relation to Iran by Hossein Mahadavi. It looks at oil revenue as external proceeds, that is as ‘rent’ derived from leasing lands to oil companies. In other words, it is an “external unearned income” not generated by the productive operations of national income. For a particular country to possess a rentier economy, a) rent should be predominant among its sources of income; b) this rent should be mainly externally derived and c) creation of wealth is centered around a small fraction of the society since the rest is only engaged in distribution and utilisation of this wealth. These states have been designated by Luciani as “allocation states”, where economic growth is not linked to an increase in government revenues through taxation, as in the case of “production” states. Giacomo Luciani, “Allocation vs. Production states” A Theoretical Framework”, in G. Luciani, \textit{The Arab State} (London: Routledge, 1990), pp. 65-84; Hazen Beblawi, “The Rentier State in the Arab World”, Ibid., pp. 85-97; Hossein Mahdavi, “The Pattern and Problems of Economic Development in Rentier States: the case of Iran”, in Michael Cook (ed.), \textit{Studies in the Economic History of the Middle East} (London: Oxford University Press, 1970), pp. 428-467.
As a result, the ruling stratum enjoys a fair amount of freedom in choosing its allies and changing their political allegiance through a policy of cooptation and incorporation. Indeed, it is through this practice of “inclusionary corporatism”, that the Gulf rulers have achieved, what Zartman calls a “dynamic stability”. Finally, stability of the Arab Gulf states is the function of their “structural dependency” on the West, especially the US. In fact, the Gulf monarchies have exchanged US military protection in return for managing the region’s oil in the interests of the Western consuming countries.

Oil Wealth

As noted, the prime factor behind the consolidation of separate state apparatuses in the Gulf was the huge abundance of oil in relation to the population (see table 5). Not only did it give the state a high-degree of ‘relative autonomy’ from the societal pressures, also helped to raise the politico-strategic saliency of the Gulf sub-system at the international and regional spheres. For the Arab Gulf states including Iraq and

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50 This briefly refers to a method of ensuring the domination of the state over society and economy by controlling corporate social forces such as the tribal corps (the Shaikhs), the merchant families, leaders of religious sects (i.e. Ibadites, Shia or Zaidis) and religious movements.


52 ‘Dependency’ is a broader, structural category and may be defined as an “actor-to-environment” relationship. On the contrary, the term ‘dependence’ refers only to an ‘actor-to-actor’ relationship. In case of the Gulf states, the dependency can be explained in terms of their linkages to Western capitalist market through trade, investment, import of technology industrial products and foodstuffs and finally, security for their resources. Kuwait, for example, provides a dramatic example of overseas financial investments located in the capitalist metropolis. By the end of the 1980s, it was gaining more income from vast financial investments abroad than from petroleum exports. See Paul Aarts, G. Isenloeff and A.J. Termeulen, “Oil, Money and Participation: Kuwait’s Sonderweg as a Rentier State”, Orient, vol. 32, no.2, (June 1991), pp. 212-215.
Iran provide about 26 per cent of world oil supply; no less than 67 per cent of proved world oil reserves are located in this region. Set against a world total of just under one thousand billion barrels, the Saudis, with 260 billion barrels, hold approximately 26 per cent of the world total. Iraq has 100 billion barrels, equivalent to 10 per cent, and is followed closely by the UAE with 98 billion and Kuwait and Iran having 97 billion and 93 billion barrels respectively.\(^{53}\) Besides, the region has large gas reserves, which is estimated at almost 14 per cent of world total.\(^{54}\) However, oil remains the preeminent source of energy accounting for an estimated 39 per cent of World energy consumption.

With a steady growth in oil demand, the global dependency on the supply from the Arab Gulf is likely to deepen further over the next few decades despite the increase in output among other non-OPEC countries like Norway, Mexico and the UK.\(^{55}\) For these Gulf states sit atop close to half of the remaining oil in the world, but generate less than half of its production and hence, have the greatest capacity to meet long-term energy demands. Moreover, Gulf states enjoy the most productive oil wells in the world, or roughly 53 times the global average.\(^{56}\) Thus, the Gulf’s


\(^{54}\) The gas rich countries of the region include Iran, Qatar, Sharjah and Oman. All of them are trying to develop their capacity by securing foreign company involvement to develop the gas fields. See, Serge Herzog, “Arms, oil and Security in the Gulf: a Tenuous Balance” in Abbas Abdelkarim (ed.), Change and Development in the Gulf (London: Macmillan Press Ltd., 1999), p. 249.

\(^{55}\) Norway, for instance, with an estimated annual 6,500 barrels per well after its recent North Sea expansion surpassed the Gulf states in oil well productivity, but at the expense of faster well depletion. See, “The Four Low Producers”, Petroleum Economist, no. 64 (February 1997), p. 2.

\(^{56}\) Herzog, “Arms, oil and security in the Gulf”, p. 251.
enduring role as the world's key hydrocarbon energy supplier has made the stability of the region a major concern for the global powers.

**Internal Prosperity**

Before the advent of oil, the Gulf region as a whole was one of the poorest in the world and the economic activities there largely revolved around fishing, pearling, boat-building, trade and agriculture. Although oil was discovered on a commercial basis first in Bahrain in 1932, its full impact on the economy was not realised until the early 1970s. During this period, the Gulf states dominated global oil production, and the magnitude of oil rents at the disposal of the governments soared dramatically due to the quadrupling of oil prices.\(^{57}\) In 1974, following the first oil boom, oil rents accounted for 85 per cent of total government revenues, though it decreased gradually as the oil prices fell sharply during the second half of the 1980s. The abundant flow of oil money into the Gulf countries led to what a critic calls the "bonanza development".\(^{58}\)

Together with a reasonably high degree of state stability, the oil prosperity of the 1970s gave the Gulf states more latitude to assert themselves at the Pan-Arab and

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\(^{57}\) The oil boom years saw the explosion of oil price from $2 per barrel prior to 1973 to nearby $42 by 1980. As the price per barrel continued to rise, revenues from oil exports increased sharply in 1973-74 and again in 1979-1980. Saudi Arabia was the largest recipient of revenues followed by Kuwait and UAE, whereas Qatar received the smallest amount of oil-based revenues. Deborah J. Gerner, "Petro-Dollar Recycling: Imports, Arms, Investment and Aid", *Arab Studies Quarterly*, vol. 7, no. 1 (Winter 1985), pp. 2-3.

\(^{58}\) The bonanza development is connected to what is known as "defensive modernization" as it represents a response by traditional regimes threatened by expanding western power and influence. David Becker, "Bonanza Development and the New Bourgeoisie" in D. Becker et. al (eds.) *Postimperialism* (Boulder, Co: Lynne Reinner, 1987), p. 339.
regional levels. In the next decade and half, as the oil came to play a central role in Arab diplomacy, the overall asymmetry of influence favoured the Gulf states more than those of the Fertile crescent countries.\footnote{J. David Singer, “Inter-Nation Influence: A Formal Model”, \textit{American Political Science Review}, (June 1963), pp. 420-430 quoted in Anderson, “The Persian Gulf”, p. 8} Parethetically, it should be noted that the “politics of oil has been the politics of control, and, in particular, who controls production and price”.\footnote{Neil Richardson, “Oil and Middle Eastern Politics”, \textit{Jerusalem Journal of International Relations}, vol. 13, No. 3 (September 1991), p. 35.} By the early 1970s, control had shifted irrevocably from the oil companies and the US government to the Arab Gulf states. Consequently, oil could be deployed as a tactical resource not only to pressure the western supporters of Israeli state to accommodate Arab interests, but also to buy political support at the regional and international levels.\footnote{For an analysis of oil-led linkages in the region and oil as source of levers or instruments, see Paul J. Stevens, “Oil and the Gulf: Alternative Futures” in Garry G. Sick and Lawrence G. Potter (eds.) \textit{The Persian Gulf At the Millennium: Essays in Politics, Economy, Security and Religion}, (London: Macmillan, 1997), pp. 85-89.}

For analytical convenience, we have identified four major instrumental functions of oil in the Gulf states’ foreign policy: i) promoting inter-Arab integration; ii) sustaining the Palestinian resistance movement, and strengthening the Arabs’ struggle for the recovery of Israeli-occupied territories; iii) fostering Islamic fraternity; iv) substituting collective leadership for ‘hegemonic stability’, of the 1950s and early 1960s. In brief, oil provided a potent diplomatic tool to the Gulf states notably Saudi Arabia and Kuwait to capture the political centre-stage of West Asia during the mid-1970s.
Oil and Pan-Arab Integration

First of all, the most important impact of oil boom of the 1970s was the development of what Roger Owen calls an “Arab oil economy”. During this period, oil represented half of the Arab region’s GDP and approximately three-quarters of its exports. More importantly, the Gulf states had large balance of trade surpluses due to their limited resource absorption capacity. Consequently, a considerable part of their surplus resources was transferred to the non-oil Arab states in the form of official development assistance (ODA) and Arab Joint ventures. In the period 1974-1981 for example about 15 per cent of their cumulative current account surplus were directed as official aid to the Arab countries. Of this amount about 85 per cent were bilateral (government-to-government) and the rest originated in multilateral sources.

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63 During the height of oil boom of the 1970s the Gulf states emerged as major aid donors of the World both in absolute terms and as a proportion of their GDP. Between 1973 and 1981, Saudi Arabia alone provided some $ 25.7 billion in development funds to at least 47 countries making it one of world’s top aid donors. Kuwait provided nearly $ 11 billion in ODA, and UAE, $ 8 billion. In comparison to 0.347 per cent of the OECD countries’ GNP for ODA, the Gulf aid as a percentage of their GNP was 7 per cent in 1975, 5% in 1978 and roughly one per cent by 1985. See, Gerner, “Petrol-Dollar Recycling”, pp. 17-18; Alan Richards, “Oil Wealth in the Arab World: Whence, to Whom and Whither?” in Dan Tschirgi (ed.), The Arab World Today (Boulder: Lynne Rienner Publishers, 1994), p. 71.

64 Generally a large portion of Gulf aid was distributed bilaterally, and this trend became pronounced in the late 1970s. Some of the major bilateral national aid agencies are: Kuwait Fund for Arab Economic Development set up in 1961, Abu Dhabi Fund for Economic and Social Development organised in 1971, Saudi Fund for Development set up in 1974 and Qatari Aid Account. For details, see Mohammad Imady, “Patterns of Arab Economic Aid to Third World countries”, Arab Studies Quarterly, vol. 6 No. 1-2, pp. 70-123.
The latter included mainly the multinational regional agencies such as the Arab Fund for Economic and Social Development (AFESD), Islamic Development Bank, Islamic solidarity Fund and Arab Monetary Fund. Resources from the Arab Fund are clearly intended for Arab states, while the objective of Islamic Bank is to foster economic development and social progress of Muslim countries. Both these regional agencies are controlled by Saudi Arabia and its Gulf allies, with 47.96 per cent of voting power in the Islamic Bank and 49.13 per cent of the votes in the Arab Fund. “For all practical purposes, therefore, these multilateral aid institutions operate as an extension of Saudi and Gulf state bilateral aid programme”.

What is noteworthy, however, is that the bulk of total Gulf aid between 1974-1983 was allocated to support the recipient state-budgets. The rest went to infrastructural development, and to a lesser extent, productive development projects. In relative terms though the investment flows to Arab countries was small, in terms of their support of Arab development programmes, the Gulf states played a substantial role. For the Gulf aid covered about one-third of the external resources required for the combined investment programmes in the Arab countries. While the oil boom did not stimulate inter-Arab trade in any impressive way, joint Arab investment projects grew to reach some 830 in numbers and about $36 billion in total capital value. The main areas in which these ventures were to function included financial investments, transport and communication and industrial development. Last but not the least, expansion of oil sector and infrastructural development in the Gulf triggered


67 Ayubi, Over-stating the Arab State, p. 160.
large-scale labour migration from within the Arab world. Out of six million expatriate workers in the early 1980s, roughly three million were Arab, whose remittances became an important channel of capital inflow for poorer Arab states.⁶⁸

In all, the financial flows and investments from the Gulf states came to assume a pre-eminent role in the economic development of the individual Arab countries. In fact, inequality among Arab states declined during the oil boom, as some non-oil states like Egypt recorded an impressive 12 per cent annual growth rate. In addition to overall economic growth, sharing of oil wealth created what a critic calls “social peace and regime stability”,⁶⁹ and more significantly, a greater degree of economic cooperation among Arab states.

As opposed to the unitary-state approach of the radical Pan-Arabists, who over-emphasised the role of a “pivotal territory” in overwhelming others into accepting unification, the Gulf actors adopted a functional approach to Pan-Arab integration.⁷⁰ Pan-Arabism from the Gulf perspective did not mean the creation of Staatnation—a supra-Arab political entity. On the contrary, it was based on the assumption that consolidation of individual Arab states would be the essential prerequisite for achieving Pan-Arab integration through closer policy coordination in economic, financial and other ‘functional’ areas.⁷¹

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⁷⁰ Ayubi, Over-stating the Arab State, p. 151.

⁷¹ An Assessment of the prospects of and progress in Pan-Arab integration is attempted in Makdisi, “Economic Interdependence”, pp. 131-133.
Gulf And Palestinian Question

The functional approach to Pan-Arab integration, presumably, derived from the Gulf rulers’ innate version for political Pan-Arabism being hostile to territorial exclusivity and state sovereignty. No wonder the Saudi official historical narratives represented Arab nationalism as “an atheist, Jahiliya, a movement of ignorance whose main purpose is to fight Islam and its teachings and rules”. All the same, the Gulf regimes could no longer afford to avoid facing the unsettled issue of Palestine partly because of certain objective factors, and in greater part, popular support among the Arabs for the Palestinian struggle for right to self-determination. Commenting on the steadily increasing importance of the Palestinian question in the late 1970s onwards, Anthony Cordesman writes, “virtually every citizen in the Gulf under the age of 25 has grown up in a political atmosphere that has made the Palestinian issue a sine qua non of Arab consciousness.”

In popular perception inside the Gulf countries, Israel was viewed as an “intruder”, “occupier”, and above all, an imperialist/Western bridgehead in the Arab land. Although these perceptions were not shared by all social groups with the same intensity, pressures from general popular perceptions demanded the adoption of clear nationalist positions. Besides, the presence in many Gulf countries of a substantial expatriate Palestinian population served as a crucial link between the Gulf and the

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transnational Palestinian resistance movement. Unlike in the countries directly bordering Israel (Jordan and Lebanon for example), the Palestinian presence in Saudi Arabia and other Gulf states did not produce the destabilising effects. For the Palestinian communities which settled in the Arab Gulf area neither involved themselves in the domestic politics of the host countries nor did they enjoy the political autonomy to organise guerrilla activities that would provoke Israeli reprisals, as in case of Lebanon. In comparison to those who lived in the refugee camps in Lebanon, Jordan and Syria, the Palestinians in the Gulf showed a greater degree of satisfaction with the social and economic conditions under which they lived. “There is also a Palestinian Middle class which is perfectly satisfied with its material status and shuns any Palestinian activity if it conflicts with current policies.”

Despite their relative material prosperity, the Palestinian communities in the Gulf brought with them a heightened sensitivity to the Arab-Israeli conflict. For the PLO’s policy of non-interference in Arab politics assumed that the conservative regimes in the Gulf could redeem themselves by adopting positive attitudes towards the Palestinian question. Further, the Palestinian migrants, by virtue of their involvement in education, media, Community associations and government services,


played an important role in building up a general Arab consensus which the Gulf rulers could not ignore.

However, the pro-Palestinian stances of the Gulf could not be solely attributed to internal political pressures or the risk of Palestinian subversion against Gulf states. Their support to Palestinian movement was a pragmatic policy response conditioned by certain objective factors. The most significant of them was the geographic proximity of Gulf states to those bordering on Israel. Saudi Arabia, for instance, is separated by a narrow stretch of Jordanian territory and the Gulf of Aqaba from Israel itself.

"Not surprisingly", a Gulf analyst observed in the early 1980s "there has been an increasing trend for Israel to consider Iraq and Saudi Arabia potentially hostile powers. On the other hand, these two Arab states are coming to view Israel as dangerous to them than even before." Israeli threat to the security of the Gulf states was not mere rhetoric. In fact, the Israeli air-raid on the nuclear reactor in Baghdad in 1981 and later, the invasion of Lebanon demonstrated the Israeli ability to undertake

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76 Although presence of Arabs from different regions did not result in the creation of a single Arab territorial entity, the interaction among migrant workers from the region had never been greater. Thus, the inter-Arab connectedness in the Gulf region and the important position of Palestinians contributed to the growth of Arab consciousness about the unsettled problem of Palestine, to which the conservative regimes were condemned to react. See, Sharon Stanton Russell, "Migration and Political Integration in the Arab World", in Lucian and Salame, The Politics of Arab Integration, pp. 206-208.

77 Khalidi and Mansouer, "Introduction", Palestine and the Gulf, p. 3.

78 In 1982, it was first time Israel laid seige to and occupied an Arab capital. At the same, the Israeli invasion dealt almost a deadly blow to the survival of PLO as a functioning revolutionary force. For it was in Lebanon that PLO had built an impressive political structure and more autonomous Palestinian guerrilla movement. After the first ever military confrontation between Israel and the PLO, latter was decimated and its leadership expelled from Lebanon. For an indepth analysis of the 1982 Israeli War on PLO in Lebanon, see Farid el-Khazen, "The Rise and Fall of the PLO", The National Interest (Winter 1978), pp. 39-43.
pre-emptive strikes on selected Gulf targets, particularly the oilfields and Saudi industries on the West Coast.

Another objective element in the link between Palestine and Gulf was Israel’s unprecedented military mobility since the conclusion of the 1979 Camp David Agreement. Peace with Egypt did not lead to an effective American restraint on Israel. Instead, “the special linkage to Jerusalem served no purpose other than to neutralise Cairo”. As the leadership role in the Arab world gradually fell to Saudi Arabia, Israeli diplomatic efforts were directed at frustrating Saudi bid to translate oil wealth into political and military power in the region. It was against this background that a special relationship between the US and Saudi Arabia was viewed in Israel as dangerous to its national security. Hence, its objection to the AWACS sale to Saudi Arabia, and outright rejection of the 1981 Fahd Peace Plan as an alternative to the Camp David Initiative.

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80 Although Israel never carried out direct military attacks on the Gulf states, it was certainly worried about the consolidation of a firm anti-Israeli bloc in the Peninsula. Moreover, it was opposed to any US arms transfer to Gulf states on the ground that the military balance would be disturbed, hence Israeli security. In order to prevent a close US alignment with Saudi Arabia. Israeli sources sought to depict Saudi Arabia as a medieval backward state unable to integrate itself effectively into the Western anti-Soviet force. Fred Halliday, “The Gulf in International Affairs: Independence and After” in Pridham, *The Arab Gulf and the Arab States*, pp. 102-104; Elias Shoufani, “Israel and the Gulf” in Khalidi and Mansour, *Palestine and the Gulf*, pp. 294-296.

On balance, the linkage between the Gulf and Palestine was largely the result of a radical shift in the regional political conjuncture of the 1970s. Thanks to the oil boom, the overall asymmetry of influence went in favour of the Gulf, which became the “repository of hopes and expectations”\(^\text{82}\) in the Arab World. Inevitably, the new regional role of the Gulf carried with it the responsibility of forging a Pan-Arab solidarity to confront the military might of the Jewish state and alongside this, advancing the cause of Palestine. While resources from the Gulf states had enabled the Palestinian factions to build a firm organisational base in Lebanon, their bilateral assistance to the Third World states served as an instrument in rallying international support against Israeli occupation of Arab territories. For instance, the Gulf aid was directed with a strong Arab and Islamic bias to four categories of countries in descending importance: 1) “front-line states”, 2) other Arab states, 3) not Arab but with a large Muslim population, 4) “friendly” to the Arab world or those who had appropriate policy towards Israel.\(^\text{83}\)

Collective Arab Leadership

No matter whether the Gulf states' financial role produced tangible results on Palestinian issue or not, it effected a fundamental change in the Arab regional order from what could be characterised as “hegemonic stability”\(^\text{84}\) to the one based on

\(^{82}\) Camillie Mansour, “Palestine and the Gulf: An Eastern Arab Perspective” in Khalidi and Mansour, Palestine and the Gulf, p. 331.

\(^{83}\) Gerner, “Petro-Dollar Recycling”, p. 18.

\(^{84}\) Hegemonic stability is basically engineered by a single protagonist, who “plays a leading role in establishing an institutional environment which is favorable to its own interests but also accepts costs in being the mainstay of the system provided financial services, a source of capital, and a pattern of military support”. According to this conception, “the hegemon is the main beneficiary of the system but also the main provider of externalities to the other members: it receives disproportionate benefits
collective leadership. Nowhere did it become more evident than during the 1973 October war when “Petrodiplomacy” was the only weapon used more unitedly in support of the two ‘confrontation states’ – Egypt and Syria – against Israel. As the war turned against the Arab states, the oil Ministers of the Organisation of Arab Petroleum Exporting countries (OAPEC) met in Kuwait on 17 October “Considering the ultimate goal of the current struggle is the liberation of the Arab territories occupied by Israel --- that the U.S’s the principal and foremost source of Israeli power --- that the industrial nations have a responsibility of implementing the UN resolutions”, the Arab oil ministers decided a monthly 5 per cent cut in the flow of oil to the US and other countries supporting Israel. The announcement added “further increase of 5% from each of the following months, until such a time as the international community compels Israel to relinquish occupied Arab lands”.

The oil embargo was officially lifted in March 1974 without any Israeli concessions on territory. Aside from giving publicity to the Palestinian issue, and prodding the US mediation to bring about a cease-fire, it failed either to effect any worthwhile change in the US West Asian policy, or secure recognition of the PLO by major West European countries. All the same, the Gulf states’ decision to join the


85 Quoted in Sheikh R. Ali, Oil and Power, (London: Printer Publishers, 1987), p. 53. While all the oil-exporting countries of the Gulf imposed 5% cut in oil production, Saudi Arabia independently cut oil production by 10% on 18 October, and two days later halted all oil exports to the US following President Nixon’s demand to congress for $2.2 billion in emergency security assistance to Israel. Ibid., p. 54.

confrontation states in their war efforts against Israel through the use of their lubricated resource as a weapon of diplomacy underlined the urgency of solving the Palestinian issue. More significantly, the active participation of Saudi Arabia together with Egypt and Syria in the “October War decision planning”,\(^87\) pointed to a new trend in inter-Arab politics based on consensus.

Despite a manifest shift of power in the region partly due to the loss of Egypt’s ‘core-state’ status\(^88\) and partly, its growing economic dependence on the Gulf states,\(^89\) the latter never made covert claims to leadership of the kind asserted by Iraq or Libya. Instead, their central concern throughout the post-Nasser period was that of upholding security, given their increasing vulnerability to the events occurring outside the Gulf. This, in brief, explained their pursuit of “policy of crisis containment in the region”,\(^90\) resulting either from inter-Arab conflicts or confrontation with Israel. While Saudi Arabia, remained de facto the principal state actor since the 1967

\(^87\) For a systematic analysis of decision-planning and decision formulation and implementation involving three Arab participants, Egypt, Syria and Saudi Arabia, see Bahgat Korany, “The Glory that was?: The Pan-Arab, Pan-Islamic Alliance Decisions, October 1973” in B. Korany (ed.), Foreign Policy Decision in the Third World (Beverly Hills, California: Sage Publications, 1984), pp. 87-110.


\(^89\) Until the signing of the Camp David Agreements, Egypt received about one third of total Gulf aid, followed by Syria with newly 18%, whereas remittances from the Gulf covered 30% of Egypt’s imports between 1973-1987. Farsoun, “Oil, State And Social Structure”, p. 157 and Alan Richards, “Oil Wealth in the Arab World”, p. 72.

\(^90\) B. Tibi, Conflict and War in the Middle East, p. 89. Also see Adered I. Dawisha, Saudi Arabia’s Search for Security, Adelphi Paper No. 158 (London: Institute of Strategic Studies. 1979), nn. 6-8 & 19-21.
Khartoum Arab summit, its petro-diplomacy was directed largely at "preventing the hegemony of any single Arab state in the region". The October War clearly demonstrated the Saudi preference for a "moderate Arab system of states based on a reasonable of measure consensus." In a sense, it is true that the war decision and oil embargo were a reflection of the rising "Egyptian-Saudi axis" or what Ajami describes, "a triangular system of power" bringing together Saudi Arabia, Egypt and Syria. What, nonetheless, should not be lost sight of was the function of oil-diplomacy in creating a basis of collective leadership that would transcend types of political systems and ideological cleavages.

The efficacy of what Korany has termed "political petrolism" was further illustrated by the 1976 mini-Summit in Saudi Arabia, which contained the Egypt-Syrian rift and ended by establishing the rules for the presence of Syrian troops in Lebanon. Despite the defection of Egypt in 1979 following its peace treaty with Israel, the Gulf states continued their efforts in concert with all Arab actors to contain

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91 According to many analysts, the post-six-Day-War Khartoum Arab summit Conference (August 1967) was a turning point not as much because of its timing as its outcome. For an excellent discussion of the post-1967 developments, see B. Korany, "The Dialectics of Inter-Arab Politics" in Y. Lukacs and A.M. Battah (eds.) The Arab-Israeli Conflict: Two Decades of Change (Boulder: Westview Press, 1988), pp. 147-163.


94 The Egyptian-Saudi axis came into existence in 1973 and lasted until the separate peace between Egypt and Israel in 1979. It resurfaced in a modified form at the end of the Gulf War of 1991. For a critique of the axis and its regional significance, see Paul Jabber, "Oil, Arms and Regional Diplomacy: Strategic Dimensions of the Saudi-Egyptian Relationship" in Kerr and Yassin (eds.) Rich and Poor States in the Middle East, pp. 415-447.

the destabilising effect of the US-led partial peace process in the region. Not only did they (with the exception of Oman) refuse to back the US-brokered West Asian peace deal since it fell short of Palestinians self-determination, but also expressed disapproval of the Syria-led Rejection Front.

Instead, the Gulf rulers opted for framing a positive response to the Camp David initiative bearing a general Arab consensus. This was, indeed, the essence of the eight-point peace proposal put forward by King Fahd of Saudi Arabia in 1981. At the Arab Summit meeting held in Fez (Morocco) in September 1982, a few days after President Reagan’s announcement of a new peace initiative, Arab leaders reached a consensus on the 1981 Fahd Peace Plan. Significantly, both the PLO and Syria, which had earlier opposed the Saudi proposals, supported the 1982 Fez Declaration.

“There was absolutely no precedent for the Fez Summit in collective Arab diplomacy”, writes Walid Khalidi, who adds, “its orientation was unmistakably conciliatory toward a peaceful non-transitional and guaranteed settlement on the basis of co-existence with Israel within the 1967 frontiers”.

While the Arabs including the PLO sounded conciliatory, willing to negotiate, the Israeli side already at the zenith of its military might failed to reciprocate.

96 Sadat’s peace deal with Israel undermined Syrian diplomatic leverage and shattered the alliance of “big three”. In responding to the new developments, Syrian strongman Hafez al-Assad tried to build up a Levant bloc, comprising Lebanon, Syria and radical Palestinian factions to prevent separate dealing with them and hence, the legitimation of the Camp David process in the Arab World. See, Patrick Seale, Asad: The Struggle for the Middle East (Berkeley: University of California Press, 1988), pp. 185-302; Raymond A. Hinnebusch, “Revisionist Dreams, Realist Strategies: The Foreign Policy of Syria” in Korany and Dessouki, The Foreign Policies of Arab States, pp. 305-316.

97 For details, see Young, Missed Opportunities for Peace, pp. 81-84.

favourably. Thus, the stalemate continued through much of the 1980s, as the diplomatic efforts of the Gulf states, especially Saudi Arabia yielded no tangible results either in obtaining significant Israeli concessions or reversing the US position on the status of the PLO as a negotiating partner. The Gulf states’ inability to use their leverage so as to modify the US attitude towards the Palestinian issue led to a steady erosion of their internal and Arab credibility. Together with the apparent decline of the Pan-Arab mystique, the mounting popular frustrations within a centreless, fragmented Arab world, the rise in anti-American sentiments following the 1982 Israeli massacre of Palestinian civilians in Lebanon and the successful Iranian revolution of 1979 created a general atmosphere conducive to the resurgence of Islamic fundamentalism or militant Islam in West Asia. Interestingly, however, in the upsurge of a rigidly conservative and puritanical Islamic orthodoxy oil wealth of the Gulf states had played a significant role.

**Islamic Fraternity And the Gulf**

The oil boom of the 1970s was more than simply a politically pacifying factor (through distribution of revenues to appease larger sections of population) for the conservative Gulf monarchies; it provided the ground for constructing a new ideology to counteract the intrusive Pan-Arabism. Labeled by critics as “petro-islam”, it derives from the premise that “it is not merely an accident that oil is concentrated on the thinly populated Arabian countries rather than in the densely populated Nile

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Valley or Fertile Crescent, and that this apparent irony of fate is indeed a grace and a blessing from God that should be solemnly acknowledged and lived up to.”

On the regional level, an important ideological function of Petro-Islam was to promote Muslim universalism, which “is a safer doctrine than the geographically more limited but politically more troublesome idea of Pan-Arabism”

In other words, Islamic identity is supra-national, and hence poses no threat to reason of state. It aims at promoting Islamic fraternity rather than the unification of sovereign political entities. It was, in pursuit of this ideal that the Gulf states directed a substantial portion of their bilateral and multilateral aid towards the non-Arab states with large Muslim population. In addition, unofficial assistance was channeled through internal charity organisations and transnational bodies like the Organisation of Islamic Conference (OIC) either to support movements wedded to promotion of Islamic culture or to those confronting anti-Islamic regimes.

To cap them all, petro-Islam served crucial political function in rallying popular outside support for liberation of the land of holy shrines of Islam occupied by the “infidels”. In his first public speech after the October War, Saudi King Faisal, for instance, called on all Muslims of the world to mobilise their resources “to rescue over sacred places in Jerusalem from the Zionist and Communist menaces.”

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100 Ayubi, *Overstating the Arab State*, pp. 232.


the guardian of Islam’s two holy cities – Mecca and Medina – the Saudi ruler had a special responsibility for liberating Jerusalem, which includes the mosque of Omar, Islam’s third holiest place. Thus, for Saudi Arabia, and other Gulf states like Oman and Qatar, where religion and “our heritage” (turathuna) dominate the discussion of political development, the linkage between oil and Islam becomes unavoidable.

Patterns in Turkish Foreign Policy Behaviour

In summary, what emerges from the above analysis is that oil, Arabism and Islam constituted a unique nexus in the overall perceptions of the Gulf states during the 1970s and 1980s. Since these three components were inseparably linked to one another, Turkey’s conduct of Arab Gulf policy was but naturally influenced by the aforesaid nexus. In the ensuing discussion, the focus is primarily on Turkey’s actual foreign policy behaviour in the region in terms of its responses to events, its decisions on issues central to the area and its myriad of economic and cultural activities.

The discussion concludes with a general observation that Turkish foreign policy behaviour of the period revealed a distinct pattern characterised by maturity, flexibility and accommodativeness. All this unmistakably points to a definite change in Turkish attitudes towards the Arabs when compared to its past two decades of ambivalence, indifference and policy of isolationism.

Turkish-Arab relations since the dissolution of the Ottoman Empire have been of an exceedingly complex nature. There are at least four key factors that account for

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such complex nature of relations: 1) shared history but discrepancy in perceptions and interpretations, 2) contrasting models of development, 3) the geopolitical duality of Turkey itself, 4) divergence in foreign policy orientations during the Cold War period. These four factors also explain the fluctuating patterns in Turkish foreign policy behaviour towards West Asia in general, and Gulf states in particular.

Turkish – Arab Relations: 1923-1973

After the proclamation of the Republic in 1923 Turkey remained relatively indifferent towards the events in West Asia until almost the beginning of the Second World War. During the inter-war period, there can be identified only a few examples of Turkey's engagement in West Asia: a) the Mosul Question (1925-1926), b) Turkish-Iranian Treaty, c) the Saadabad Pact (1937). This low profile can be attributed to both external constraints as well as the socio-political transformation taking place under Ataturk's stewardship in Turkey. As Ferenc A. Vali noted, "even

\[105\] During the first two decades of the modern Turkish state two major territorial disputes came to the fore: Hatay or the former Ottoman Sanjak of Alexandretta, and Mosul. The negotiations between Kemalist republic and Great Britain, which held the League of Nations mandate for Iraq, failed to resolve the future of Mosul until June 1926, when the League of Nations decided in favour of Great Britain. Although Ankara has so far shown no signs of an irredentist policy regarding Mosul, its loss is still considered a matter of deep regret, mainly for its oil-fields. As a lons as the cohesion of the Iraqi state is maintained, Turkey will refrain from invoking its historical rights over Masul. For details, see Suha Bolubasi, "Turkey Challenges Iraq and Syria: The Euphrates Dispute", Journal of South Asian and Middle Eastern Studies, vol. 16, no. 4 (1993), pp. 9-36.

if Turkey had wished she could not have pursued a particular foreign policy towards these colonial or semi-colonial countries" under British and French mandate. Thus, the Turkish ‘indifference’ though not deliberate, Arab alienation increased when, with the consent of France, the city of Hatay was handed over to Turkey in 1939. The Hatay incident, which was to an extent also connected to the Turco-Anglo-French Treaty of 1939 triggered distrust and suspicions about Ankara’s collaboration with the West at the expense of the Arabs.  

Nevertheless, the Turkish Republic maintained good relations with its Arab and Islamic neighbours in accordance with the “peace at home, peace abroad” principle of Ataturk’s foreign policy. For example, Turkish leaders made it known to the world from the very beginning that Turkey had no territorial aspirations in its former Arab hinterland, and they favoured the application of the principle of self-determination in the area. Likewise, when Turkey decided to join the League of Nations in 1932, it laid down the reservation that this action did not imply Turkish government’s recognition of the mandatory regimes in the Arab countries.

Post-World War II Period

It was, however, after the World War II that the Turkish-Arab relations developed, though Turkish policy towards the Arab world was during this period determined, and limited by Turkey’s alignment with the West. It sided with the Arab

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108 See Chapter I, f.n. 132 for the Hatay issue.

states during the deliberations in the UN in 1947 with both its stance on an independent Palestine and its opposition to November 1947 General Assembly resolution calling for the partition of Palestine. Although Turkey’s pro-Arab stance was attributed by many to religious sentiments, in reality this had more to do with the country’s security concerns. Already confronted with Stalin’s territorial demands, Turkey was apparently suspicious of the Zionist enterprise with its socialist leadership.  

After the 1948 Arab-Israeli War, Turkey voted along with the West against the Arab camp by supporting the December, 1948 UN resolution for setting up a Palestine Reconciliation committee to find a workable settlement between Israel and the Arabs. Convinced by the Americans that Israel would not become a Soviet satellite, Ankara recognised Israel on 28 March 1949, and established diplomatic relations on 9 March 1950. It is true, as the Turkish experts often assert, that Turkey’s recognition did not contribute to the creation of Israel since Ankara gave recognition to Israel only after it was granted membership in the UN. It is also true that the decision to recognise Israel was prompted by Ankara’s desperate bid to establish intimate and


111 Explaining the compelling reasons for Turkey, the first Muslim country to recognise Israel, Yavuz has listed factors such as 1) Israel being a democratic-secular state 2) impressive military victories over the Arabs and its successful development projects, 3) moral necessity since the Jews had the right to determine their political future as Turkey did in 1923, 4) historically Turkey had provided asylum to the Jews, 5) Turkish concurrence on Israeli “periphery strategy” because of the two countries’ shared concerns about certain Arab countries, notably Iraq and Syria. Ibid., pp. 46-50. Also see, Mim Kemal Oke, “Arab Studies in Modern Turkey”, DIS POLITIKA, vol. 12, no. 1-2, 1985, p. 49.
permanent alliance with the US. Thus, the move “confirmed its alliance with the West, or more precisely, with the United States and soured its relations with the Arab nations.”

In the next two decades, Turkey’s relations with the Arab world were for all practical purposes subordinated to its commitments to the West. During the 1950s, Turkey under the Democratic Party rule became the linchpin between the NATO and West Asia.

While Turkey was overly concerned about the Soviet threat and trying to build up the Western-sponsored defense network in the region, the Arab states by and large remained indifferent. For the Arabs, a Soviet menace seemed remote when compared with Israeli threat in their midst. No wonder, Turkish diplomatic initiative to form an anti-Soviet pact, later named the Baghdad Pact failed to evoke favourable response from even those West-leaning regimes of Jordan and Lebanon. Instead, the whole exercise led to further alienation of Arabs, since the Arabs regarded entering into a western sponsored regional defense organisation as “simply recognising the status quo of Israel”.

During the Suez crisis in 1956, Turkey under the Democratic party rule sought to mollify the Arabs by denouncing Israeli aggression against Egypt, and later, recalling its ambassador from Israel. Curiously, Ankara tried to explain away its


113 By the time Iraq signed the Baghdad Pact in February 1958 Egypt, Syria and Saudi Arabia were opposed to it, while Jordan and Lebanon chose to remain neutral.

withdrawal later on “not as an hostile act to the state of Israel”, but a move intended to salvage the credibility of the Baghdad pact from the tense anti-Israeli atmosphere prevailing in West Asia. A Turkish commentator later observed, “The indecisiveness of Turkish diplomacy in this regard (Arab-Israeli conflict) has aggravated Arab disenchantment”.

Diplomatic relations with Israel were renewed, although at a lower level with a charge d’affaires.

Neither Turkey’s good-will gesture during the Suez crisis nor the Baghdad Pact helped in winning Arab sympathy as long as Ankara acted like what a critic has characterised “Cold war warrior” in the region. Contrarily, its support of the Eisenhower Doctrine of 1957, confrontationist policy towards Syria in 1957 and Iraq in 1958, and its granting of permission to the US to station troops at the NATO base in Adana during the 1958 Lebanese civil war – all caused Turkey’s credibility to sink even further in the eyes of the Arabs. Until the Cyprus dispute flared up in 1964, Turkish foreign policy towards the Arab world remained the function of its close identification with the West, especially the US. Whereas the leading Arab states became sympathetic towards a third (non-aligned) bloc, Turkish decision-makers


116 Ramazan Gozen, “Patterns in Turkish Foreign Policy Behaviour Towards the Middle East”, *Dis Politika* (Ankara), vol. XIV, no. 1-2 (1991), p. 91. During the period (towards the end of 1980s), Turkey became secretly a part of Israeli inspired “periphery Pact”. This was the brainchild of Israeli Prime Minister David Ben-Gurion who sought to formalise relations with the countries beyond the “Arab fence”. Turkey and Iran to the north were included along with Ethiopia to the South in an alliance of non-West Asian countries. Philip Robins, *Turkey and the Middle East* (Royal Institute of International Affairs, London: Printer Publishers, 1991), p. 77. Also see Michael Brecher, *The Foreign Policy System of Israel* (Oxford University Press, 1972), p. 48.
preferred the continuation of the country's alliance with the US since it was more credible in terms of guaranteeing national security than non-aligned alternative.

Interestingly, however, it was because of "the existence and effectiveness of the Turkish barrier that Soviet successes in the Arab countries, though often great, were always precarious, leaving the rulers of these countries the option of reducing or even eliminating Soviet influence if they so chose."117 In brief, what is argued by some experts is that a strong and determined Turkey had rendered the Arab states a "built-in security" from direct Soviet threat and thus, the luxury to pursue non-aligned policies or to flirt with Soviet Union.

**Tilt Towards Arab World: 1964-1974**

Starting from the mid-sixties, a distinct trend became apparent in Turkish foreign policy indicative of a pro-Arab tilt, though not outright shift at the expense of its intimate relations with the West. This was, a by-product of Turkey's re-evaluation of its own foreign policy in the wake of a severe diplomatic set-back in the UN over the Cyprus conflict in 1965. In pursuit of its new multi-dimensional foreign policy, Ankara adopted a twin strategy of avoiding interference with the relations between the Arab countries, and using its Eastern heritage to enlarge friendship in West Asia.

The June 1967 War broke out at a time when important incremental changes in Turkey's foreign policy were underway.118 Reflecting the changes in its external


policy were Turkey's pro-Arab stance in the UN, and denial of the US bases for providing logistical support to Israel. However, Turkey refrained from openly supporting Palestinian independence as it became evident in its differences with other Arab states in the 1969 Organisation of the Islamic Conference (OIC) in Rabat, Morocco. Apparently in an attempt to preserve the delicate balance between its pro-western foreign policy and its drive for Muslim fraternity, Turkish Foreign Minister Caglayangil reiterated his country's support for the UN Security Council Resolution 242, which does not mention the Palestinian people by name. 119 Although Turkish position was criticised by some Arab states, the overall change in Turkish attitude towards the Arab-Israeli conflict was welcomed in the Arab World. 120 More importantly, the decline of Egypt as leader of the Arab radical camp following the June debacle eased the earlier tensions between Turkey and nationalist regimes of the Arab world. The emergence of Saudi King Faisal as an influential Arab leader with his Pan-Islamic appeal, as opposed to Pan-Arabism, 121 created reasonable political and cultural space for Turkey to play meaningful role in the Arab world.

119 Statement made by the Turkish Foreign Minister before the Turkish National Assembly on 22 December 1965. See Bulletin of Turkish Ministry of Foreign Affairs, 15 December 1965, p. 99. Also, see Aykan, “The Palestinian Question”, pp. 95-96.


121 It should be noted that Faisal’s wife Queen Iffat was Turkish and his sons continued to maintain close personal and business ties in Turkey. See M. Hakan Yavuz and Mujeeb R. Khan, “Turkish Foreign Policy Toward the Arab-Israeli conflict: Duality and the Development (1950-1991)”, Arab Studies Quarterly, Vol. 14, no.4, (Fall 1992), p. 76.
Consolidation of Turkish-Arab Relations

During the period 1964-1974 the foundation was laid for rapid expansion and consolidation of Turkish-Arab relations, particularly in the next decade and half. What effectively brought about a shift in Turkish foreign policy during the 1970s was an usual sequence of events: the 1973 October War followed by the Arab oil embargo, and 15 July 1974 Cyprus crisis followed by a de facto partition of the island-state. While aware of the political and economic gains, Turkey pursued a pro-Arab policy during the October War by refusing the Americans to use Turkish bases to resupply Israel, (whereas Moscow’s Ove fights of Turkish airspace were tolerated). Its decision to upgrade its membership in the OIC was meant to neutralise the international condemnation provoked by Turkish military action in Cyprus. Yet another factor accounting for the shift was Turkey’s growing dependence on Gulf oil and aid and also subsequent expansion of trade ties with the region.

Turkey, the UN and Arab-Israeli Conflict

A close examination of Turkey’s voting pattern in the UN on Israel related issues reveals that Turkey has consistently supported Arab resolutions critical of Israel. In compliance with the new trend in its foreign policy, Turkey supported the Pro-Arab resolutions and the Palestinian issue at the UN General Assembly on 20 November 1974 inviting the PLO to participate in deliberations. Likewise, Turkey voted for the UN resolution of 10 November 1975 defining Zionism as a form of racism and racial discrimination. In fact, Turkey tended to vote for extreme Arab formulations even in instances when the United States voted against them and most of Turkey’s fellow European NATO members either joined the United States and Israel

in opposition or abstained. Indeed, Egypt, which is not only Muslim but an Arab country, has in recent years displayed a somewhat more pro-Israel voting pattern than has Turkey.\textsuperscript{123}

Among the rare instances in which Turkey did not fully go along with anti-Israeli positions were the attempts by Iran to deny Israel’s credentials at the UN. While Ankara sharply criticised Israel’s annexation of the Golan Heights, it abstained on a General Assembly resolution which would have mandated that all countries sever their ties with Israel.\textsuperscript{124} Also, Turkey voted for resolutions sharply critical of Israel’s 1982 invasion of Lebanon, but the Turkish delegate also abstained on a paragraph that explicitly accused Israel of ‘genocide’ in the Sabra and Shatila massacres.

More significantly, in the fall of 1980, Turkey voted in favour of a resolution harshly critical of the American sponsored Camp David Accords because they had not achieved a comprehensive resolution of the Palestinian issue.\textsuperscript{125} In his address to the General Assembly on October 4, 1984, Foreign Minister Halefoglu reiterated Turkey’s firm support for “the creation of an independent Palestinian state”, called Israel to “withdraw from all the Arab territories occupied since 1967, including Jerusalem”, and to “respect the human rights of the people in the occupied territories”. He added that Israel must not be allowed to further modify the demographic character and the institutional character of these territories”, because otherwise “Arab

\textsuperscript{123} G.E. Gruen, “Turkey’s Relations with Israel and its Neighbours”, \textit{Middle East Review} (Spring, 1985), p. 40.

\textsuperscript{124} For the text of the resolution and Turkey’s reservation, see \textit{Yearbook of the UN: 1982} (New York: Department of Public Information, UN, 1982), p. 508, 515-516.

\textsuperscript{125} Gruen, “Turkey’s Relations”, p. 41.
Palestinians will not have the territory upon which to establish their State”. He said that the Government of Turkey believed that “the opportunities created by the Fez Plan of 1982 and by the International Conference on the Question of Palestine held last year in Geneva should now be judiciously pursued”. Turkey also supported the originally Saudi idea of convening an international peace conference under UN sponsorship, in which “the Palestine Liberation Organisation must participate on an equal footing with the other parties”. 126

The support for the Arab League and the PLO-backed Geneva conference marked further policy shift by Turkey towards the Arabs and away from the American approach to the Arab-Israel conflict. In his address to the General Assembly in October 1982, the Foreign Minister Turkmen welcomed both the Reagan initiative and the “very constructive approach” which the Arab League had adopted at Fez. Although Reagan plan represented a certain improvement in the American conception of the West Asian situation despite all its shortcomings, Washington continued to believe that given the intractable, protracted nature of the West Asian conflict, resolving the Palestinian question would not guarantee regional peace and stability. In contrast, Turkish foreign policy establishment was convinced that the Arab-Israeli conflict had contributed to the deterioration of situation in the region imposing an enormous burden on Western security position. The Turkish policy-makers saw an inescapable link between the creation of a “consensus of strategic concerns” in the region and the Arab-Israeli conflict. 127 For majority of Arab leaders, Arab-Israel issue remained the centerpiece of their security concerns. 128


Further, Turkish analysts believed that together with the failure of the US-led peace initiatives, the inaction of Arab governments during Israeli invasion of Lebanon and Israeli repressive policy in the West Bank had led to a progressive erosion of the conciliatory forces, while increasing the credibility of the rejectionist camp. The latter had much to gain from seeking greater Soviet involvement in West Asian affairs. This assessment of Turkish side contrasted the American perceptions about Kremlin's deliberate aloofness from the region. In fact, even the moderate Arab regimes began to regard Moscow as an indispensable element in the strategic equation of West Asia. In all, the widely shared impression inside Turkey during the period was that because of US support for Israel, establishment of security ties with the US would become a heavy political liability. Moreover, failure to solve Arab-Israeli conflict would promote throughout the region not only the expansion of Soviet influence, but also such radical political movements as Islamic fundamentalism.¹²⁹

**Turkey’s Involvement in Islamic Politics**

From the above discussion, it becomes clear that the Turkish foreign policy behaviour in the early 1980s had a distinct pattern characterised by the tilt towards the Arab and Islamic World. Apart from its pro-Arab stances in the international forums, Turkey during this period embarked on an ambitious foreign policy of building intimate, long-term relationship with the Muslim East both through its active participation in the Organisation of Islamic Conference (OIC) as well as through expansion of bilateral ties. Between 1981 and 1985, for example, Turkish President

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Kenan Euren visited at least five Muslim countries including Pakistan (November 1981), Kuwait (21 March 1982), Jordan (3 December 1983), Saudi Arabia (21 February 1985) and the UAE (16 November 1985). Topping them all, President Euren was the first Turkish head of state to attend the Islamic summit in Casablanca, Morocco in January 1984.

In contrast, Turkey, in the first ten years of its association with the Islamic conference, acted rather hesitantly, preferring a low-key participation in its activities. Turkey’s association with such gatherings started way back in 1965 when then Demirel government had sent an unofficial delegation to the 6th conference of an organisation known as “The world Islamic Conference”, which met at Jeddah. At the First Islamic Summit conference attended by heads of states from twenty-four countries in September 1969, the Turkish delegation was headed by the Foreign Minister. Likewise, in March 1970 at the first OIC Foreign Minister conference in Jeddah, Turkrey was represented by the Secretary General of the Ministry. Not only did it abstain from the June 1971 Jeddah conference where the member-countries


132 The first Islamic summit conference was convened as a gesture of Islamic unity in reaction to the profanation of Al-Aqsa Mosque. Although the deliberations of the Summit centered around the act of arson in the Al-Aqsa Mosque, the Palestinian question and Israeli occupation of Jerusalem too figured prominently. The Summit ended with the resolution of the Governments to promote between themselves a close cooperation and mutual assistance in the economic, scientific, cultural and spiritual fields”. See Hasan Moinudin, The Charter of the Islamic Conference: The Legal and Economic Framework (Oxford: Clarendon Press, 1987), pp. 71-72. Prime Minister Demirel justified Turkish government’s decision to participate in the Rabat Conference on the ground that it was political rather then a ‘religious’ gathering. Yuksel, “Turkey and the OIC”, p. 68.
prepared the Charter of the OIC, but also refused to approve the charter in the Foreign Minister Conference in March 1972. 133

It was only in the seventh Islamic Conference of Foreign Ministers in Istanbul in May 1976 that Turkey declared its government’s decision to approve the charter of the OIC to become a full-fledged member. This, however, did not amount to a complete reversal of Turkish position since a reservation was also added to the declaration that Turkish approval of the Charter would extend only to those points that were in conformity with the secular Turkish constitution. In any case, the Charter of the OIC has yet to be approved by the Turkish parliament. Thus, Turkey has been attending the Islamic Conference meetings as a de facto member, putting reservations to the decisions that fail to conform either to its constitution or general principles of foreign policy. 134

Ironically, however, Turkey began to take an active role in such Islamic forums as the OIC at a time when the country was ruled by the generals, the ultimate guardian of the Kemalist ideal of secularism. Regardless of whether the policy of associating Turkey closely with the Islamic world was motivated by purely “instrumental concerns” or “self-interests”, 135 there seemed to be a causal relationship between Turkey’s growing assertion of Islamic identity and its progressive estrangement from the Jewish state of Israel. Stronger the identification with the Muslim East, greater was the distance between Turkey and Israel.

133 For the principles of the Charter and its assessment, see Mohinuddin, The Charter of the Islamic Conference, pp. 84-112.

134 See Seyfi Tashan, “Contemporary Turkish Policies in the Middle East: Prospects and Constraints:”, Middle East Review, vol. 17, no. 3 (Spring 1985), p. 15

135 Yavuz and Khan, “Turkish Foreign policy”, p. 79.
As long as Ankara maintained a low-profile at the OIC, it could withstand the latter pressures to break off relations with Israel. But, as Turkey got increasingly involved in the Islamic politics, its relations with Israel saw steady deterioration. So much so that the Turkish Foreign Ministry on 2 December 1982 announced: “Turkey has decided to limit its relations with Israel and to mutually reduce the level of representation”. The reason given by Ankara was that Israel would not “retreat from its intransigent policy toward the Middle East conflict and the fait accompli that it wishes to create in connection with the legal status of Jerusalem”. 136

In fact, the Turkish government had protested immediately after the Israeli knesset adopted on 30th July 1980 a basic law declaring that “Jerusalem united in its entirety is the capital of Israel”. Then Prime Minister Demirel publicly stated that “Jerusalem which is a holy city, should never be in Israeli hands”. The fierceness of Demirel’s remark was matched by his government decision on August 28 to close down its consulate general in Jerusalem”. 137 Similar anti Israeli rhetoric was echoed in the official statement of President Evren after his return from the Casablanca Islamic Summit Conference in January 1984. Informing the nation about the content of his speech at the Summit, he stated, “I reiterated that underlying the Middle East problem, there is the denial of the Palestinian people’s legitimate and inalienable rights. I also pointed out that to be able to cope with the continuing Israeli fait

136 Foreign Broadcast Information Service (FBIS), VII, 3 December 1980, p. 1; also see The Middle East, (February 1981), p. 30. According to some sources, seven months before the OIC summit meeting in Taif in 1981, Ankara was increasingly under pressures from the OIC secretariat to break relations with Israel. The Middle East (March 1981), p. 6.

accomplish there should be a united and realistic counter-strategy”. Along side this high-level of Turkish participation in the Islamic Summit meeting, President Evren’s call for the “Islamic states to unite” was interpreted in the Western media as a radical departure from Ankara’s previous policy towards the region.

Yet another important dimension of Turkey’s involvement in Islamic politics was “the dialectical relationship between the Arab states’ attitudes toward Cyprus and Turkey’s position on the status of the PLO”. As discussed before (see Chapter III), the eastward shift in Turkish foreign policy was largely spurred by the second Cyprus crisis on 15 July 1974. Faced with the US arms embargo and the UN General Assembly Resolution 3212 of 1 November 1974 that urged a return to the pre-1974 status quo, Turkey sought support of the Islamic world to defend its actions, especially the creation of a de facto Turkish Cypriot mini-state. It was, in fact, in the same year when the Turkish Cypriots proclaimed a Turkish Federated State of Cyprus (TFSC) that Ankara decided on an equal-level participation in the meetings of the OIC. The President of the TFSC, Rauf Denktas was invited to Jeddah Foreign Ministers Conference to provide further information on the issue.

Encouraged by these developments, Turkey recognised the PLO in January 1975 as the sole legitimate representative of the Palestinian people, and opened dialogue with the PLO through its embassy in Cairo. In the Seventh Foreign

138 New-Spot (Ankara), 27 January, 1984, p. 7. Also see Economic Dialogue, p. 15. For President Evren’s address to the Fourth Islamic Summit, see FBIS: Middle East, 18 January 1984, p. A2.

139 Yavuz and Khan, “Tukrkish Foreign Policy”, p. 80. Also see Shakir Alemdar, “Turkish Islamic Rapprochement and the Turkish Republic of Northern Cyprus”, Middle East Business and Banking, vol. 5, no.5 (May 1986), pp. 11-14.

Ministers meeting of the Islamic Conference hosted by Turkey in May 1976 in Istanbul, Denktas, once again, addressed the representatives of the forty-one Muslim countries. In this meeting, Turkish Foreign Minister announced Turkey’s willingness to allow the PLO to open its mission in Ankara.

In response, the 1977 Islamic Conference in Tripoli adopted a pro-Turkish resolution on the Cyprus dispute, with only Algeria, Syria and Lebanon opposing this. Two years later (1979), the PLO was allowed to set up its office in Ankara as promised by the Turkish side in Istanbul in May 1976. Among the factors generally attributed to the delay, most notable was the PLO’s support to the Greek Cypriot position over Cyprus. However, in the year when the PLO opened its office and Arafat’s first visit to Turkey, the Islamic conference granted observer status to the TFSC, and adopted a resolution calling for equal status for the Turkish Cypriots along with the Greek Cypriots in the international forums. All these developments taking place simultaneously suggest the catalyst function of the Cyprus crisis in Turkey’s growing involvement in Islamic politics.

Turco-Arab Cultural Relations

Finally, the Islamic Conference Organisation provided Turkey an effective platform to rebuild bridges of understanding with Arabs after three quarters of a century of mutual alienation. Although the OIC is based on religious functioning as a cohesive element beyond regional commitments and national ideologies, its principal objective has been to promote “Islamic solidarity” through consolidation of

141 Seyfi Tashan, “Contemporary Turkish Policies in the Middle East”, p. 16.

cooperation among the member-states in the economic, social, cultural and other vital fields. Thus for the Turks, the OIC in the mid-1970s represented a forum to establish the base for improving their fraternal bonds with other West Asian peoples.

In the seventh Islamic Conference of Foreign Ministries in Istanbul, for instance, the member-states approved the Turkish government's proposals to establish two subsidiary organs in the country: the Statistical, Economic, and Social Research and Training Centre for Islamic countries (SESRTCIC) in Ankara, and the Research Centre for Islamic History, Art and Culture in Istanbul.\footnote{143}

By establishing its Research Centre for Islamic History, Art and Culture in Istanbul, the OIC aimed to assess, protect and develop, through serious scholarly research, the Islamic culture and civilization, and their precious products, the Islamic arts. The OIC also assigned this Centre the task of studying and re-writing the history of Islamic nations, to ensure that Islamic history be re-interpreted objectively by Muslim scholars and passed to future generation, correcting thus the errors and misunderstandings contained in non-Muslim courses.\footnote{144}

The Ankara Centre was assigned with the three main tasks, all in socio-economic fields: collection and dissemination of data and information on the member countries, the undertaking of indigenous research to facilitate cooperation among them, and the organization of short-to-medium term training activities in selected subjects to benefit the OIC community as a whole. The details of these activities were laid out within the 1981-86 Five Year Work Plan based upon the "Plan of Action to

\footnote{143} See Ismail Soysal, "Turkey and the OIC", \textit{DIS POLITIKA}, vol. II, no. 3 (June 1984), pp. 56. Also see Seleuk Korkud, "Istanbul Islamic Conference of Foreign Ministers", \textit{DIS POLITIKA} vol. 5, no. 4, (1976), pp. 18-22.

\footnote{144} Ekmeleddin Ihsanoglu, "OIC Cooperation and Turkey's contributions", \textit{Economic Dialogue}, p. 22.
Strengthen Economic Cooperation among the OIC Member States" adopted in the Third Islamic Summit.  

In pursuit of its ultimate objective of achieving a high degree of integration among all Muslim member-countries, the third Islamic Summit conference held in Taif in January 1981 decided to set up three permanent committees, each chaired by the head of an Islamic state. The Chairmanship of the Standing Committee for Economic and Commercial Cooperation (COMCEC) was not established until the Fourth Islamic Summit held in Casablanca in January 1984. The Chairmanship of the Turkish President Kenan Evren to the COMCEC was confirmed at this Summit. The first session of the Committee was held in Istanbul on 14-16 November 1984 to explore ways of cooperation among member-countries in the economic and commercial fields so as to develop a concerted strategy of self-reliance.

While Turkey's active role in the Islamic forum contributed significantly to a growing Turco-Arab rapprochement in the 1980s, a myriad of other non-official associations like the Turco-Arab studies Foundation, which carried out efforts to dispel false images responsible for their drifting apart in the past. Established in Istanbul in December 1984, the Foundation organised a series of meetings of Turkish and Arab scholars and published books in different languages to facilitate greater cultural and scholarly interactions. In his address to the Arab and Turkish delegates attending the "consultative Meeting on Turkish-Arab Relations Studies", Turkish foreign Minister Vahit Halefoglu stated, "In the one thousand years since the Turks..."

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have adopted Muslim faith, we have lived in the same region of the world, sharing the same religion, the same moral and cultural values --- Today, we live side by side as independent states, but our heritage, our moral and cultural ties, and our brotherly relations continue to give inspiration to new forms of cooperation in scientific economic and cultural fields".  

On the whole, Turkey made impressive progress towards developing closer cultural relations with the Arabs, which had a definite bearing on its relatively new identity.

Expansion of Economic Relations

Until the onset of the oil crisis of 1973-74 there was hardly any economic cooperation between Turkey and the Arab world due to historical, political and even economic reasons. During the period, the Arab share in total Turkish exports was negligible, the highest percentage was registered was 3.3% in 1973.  

It was only when oil prices increased by nearly four times in 1974 that Turkey began to pay more attention and interest in the region. Because of its increasing dependence on oil (13 per cent annual growth rate) in the early 1970s, the international oil price rise of 1973-74 “triggered off a very serious weakening of Turkey’s terms of trade, which was one of the causes of the catastrophic growth in her foreign trade deficit after 1974.”  

After the second oil crisis of 1979, Turkey’s oil bill rose to around $2.5 billion that

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constituted 63 per cent of total foreign currency earnings. Commenting on the economic situation arising from the oil price-hike, Prime Minister Bulent Ecevit said, "a 50 per cent inflation rate, 16 per cent unemployment rate, a drastically falling production and export rate, to such an extent that last year Turkey's export earnings could not even meet her oil imports alone".\textsuperscript{150} Desperately seeking affordable oil, Turkey was forced to turn to its Arab neighbours notably Saudi Arabia, which responded positively in the mid-1980 by contributing two million tons of oil along with $75 million in economic aid.

However, it was with the first oil shock of 1974, that a new era started in the Turkish-Arab trade relations. The Arab share in total Turkish trade increased from 3.3% in 1973 to 12.8% in 1974. In absolute terms, Turkish exports to the Arab world increased from $44.12 million in 1973 to $197.3 million in 1974, and in 1981, it shot up to $1680.54 million from the 1980 level of $561.73 million, an increase of about 300% in one year. Thus, in 1981 Arab countries' share in total Turkish exports surpassed for the first time the margin of one-third to attain 35.7% of the total.\textsuperscript{151} By 1982, the percentage of Turkish exports to West Asia including the Gulf states increased from 40.3 per cent in 1980-81 to 44.2 per cent of total exports. Despite a declining trend in the following years, the Turkish exports to the region between 1980 and 1985 remained above those to the European Economic Community (EEC) (see table 5.4)


\textsuperscript{151} Abdel Rahman Zeinelabidin, "The present and Future Perspective of Arab-Turkish Economic Relations", \textit{Studies on Turco-Arab Relations} (Istanbul Annual, 1987), p. 106.
The significant jump in the Arab share of the total Turkish trade and an overall increase in its exports to West Asia cannot be attributed solely to the rise in oil prices. Other factors such as the internal economic reforms of Turkey, its active participation in the OIC, signing of bilateral agreements with Arab countries like Saudi Arabia, Iraq and Libya\textsuperscript{152} and the outbreak of the Iraq-Iran War did play a role in the expansion of trade relations. What is more relevant in this context was the low level of Turkish trade with Israel. The Turkish government's decision to downgrade relations with Israel came at a time when its exports to Israel made up only 0.5% of total exports compared with the 40.3% total for the rest of West Asia. No wonder, Turkish leaders clearly indicated their preference for the Arab states as economic alternatives “to secure oil; to pay reasonable terms; to attract some petro-dollars for investment in Turkey; and to increase Turkish exports to the oil producing Arab countries.”\textsuperscript{153}

As the table 5.5 shows, there was a clear concentration of trade within a limited number of countries, mainly Iraq, Saudi Arabia and Libya. However, the concentration was more pronounced on the import side. These three countries claimed more than 80% of the total Turkish imports from the Arab World during 1974-1986. On the import side also, a significant jump took place after the oil crisis of 1973-74, which continued till mid-1980s. While oil was the major import article of Turkey from the Arab states, Turkish exports to them was evenly distributed mainly


\textsuperscript{153} Jennifer Noyon, “Bridge over Troubled Regions”, \textit{The Washington Quarterly}, vol. 7, no.3 (1984), 77-85, particularly p. 78.
As the trade relations began to intensify in the 1980s, the tendency of concentration among a small number of Arab countries lessened. Turkish exports to relatively small Gulf states, especially Oman, Qatar and the UAE increased in importance (see table 5.5). Although number of Turkey’s trade partners increased from 6 in 1973 to 14 in 1981 from the region, Turkish trade with them showed a constant deficit. Started with a very negligible balance in favour of Turkey in 1971-72, the balance swung in favour of Arab states after the 1974 oil price rise and continued till the year 1985. In part, due to fall in oil price in 1983-84, and in greater part, a steady increase in Turkish exports, a declining trend of the deficit became visible since 1985.

**Financial Relations**

Some of the key indicators of the financial relations between Turkey and Arab Gulf states include: a) loans from Arab Funds; b) Arab capital investment in Turkey; c) Turkish contracting activities in the Gulf countries, d) Arab tourists coming to Turkey. The major sources of Arab aid to Turkey during the first half of the 1980s

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154 In the early 1970s, the main sub-group of base metal was aluminum and related articles. Iron at that time constituted only 3.6% of exports to West Asia. This increased to 17.6% since 1984 because of rise in demand from Iraq and Iran. For composition of exports to West Asia, see Mustafa Ozel, “Turkey’s Trade with the Muslim countries: A Model in the Islamic world”, *Economic Dialogue: Turkey*, pp. 100-101.


157 It may be noted that the choice of these indicators is dictated by the availability of data, and the financial aid outside the scope of Development Fund is not included.
were: 1) Islamic Development Bank (an important financial institution of the OIC)\textsuperscript{158}, 2) the Abu Dhabi Fund, 3) the Saudi Fund, 4) the Kuwaiti Fund. These four Funds provided $1030.57 million to Turkey during the period 1980-86 (see table 5.6). The IDB took the lead providing 56.4% of the total, followed by the Saudi Fund with 32.3%, Kuwaiti Fund with 8.7% and Abu Dhabi Fund with 2.6%. These were largely the official development assistance (ODA) provided to Turkey with highly concessional terms and a relatively high grant element.

Second indicator of the Arab Capital inflow to Turkey was the number of Arab firms operating inside Turkey. Between 1984-86, the number of Arab firms jumped from 58 to 106 representing 17.4% of the total which amounted to 609 firms. The Arab share was marginal as compared to other firms since the Arabs concentrated mainly in the small firms.\textsuperscript{159}

Third most important indicator of the Turco-Arab financial relations was the dramatic increase in the activities of the Turkish contractors working in the Arab world.\textsuperscript{160} They not only facilitated the financial flows, also had a significant
due to non-availability of authentic information. However, the financial firms presented here shall be considered an approximation of reality.

\textsuperscript{158} See Clement Henry Moore, "Islamic Banks and Competitive Politics in the Arab World and Turkey", \textit{The Middle East Journal}, vol. 44, no.2 (Summer 1990), pp. 236-240.

\textsuperscript{159} Zeinelabidin, "The Present and Future Perspective of Arab-Turkish Economic Relations", p. 122. Prominent among the Arab firms is Turkey in the early 1980s were the Faisall Finance group, at Baraka Corporation and the branch of Islam Development Bank (IDB).

\textsuperscript{160} The Turkish contractors have proved their ability in constructional contracting such as infrastructure services, roads, bridges, tunnels, electricity buildings, hotels, airport and industrial installations with a turnkey capacity. Ali Coskun, "Turkey’s Increasing Economic Relations with the Arab World", \textit{Middle East Business and Banking} (Istanbul), vol. 5, no.3 (March 1986), pp. 6-8.
domestic impact in terms of lessening pressure on the labour market and alleviations the acute unemployment problems.

The number of Turkish construction firms on contract abroad in 1978 was only 22. The total volume of bids was 1.675 million dollars and the remittances including worker's remittance) was only 65.3 million dollars. In 1985, 296 firms were engaged in contracts worth 15.5 billion dollars, and remittances rose to 250 million dollars. In other words, Turkish contracting companies operating in the West Asian countries held contracts amounting to 15.5 billion dollars by 1985. Profit transfers, workers remittances and other foreign exchange inflows of Turkish contracting companies increased from $56.3 million in 1978 to $250 million in 1985.  

As the figures in table 5.7 shows, the contracting activities during the 1980s was an extremely important aspect of Turco-Arab economic relations. In addition, there was a steady increase in the number of Arab tourists visiting Turkey. In the early part of the 1980s, Arab tourists visiting Turkey represented roughly 10.4% in 1983 and 11.9% in 1984 of the total number of tourists coming to Turkey. Thus, the foreign exchange brought in by the Arab tourists would amount around $90 million between 1984 and 1985.

The oil boom of the 1970s triggered off a large-scale labour movement from Turkey to the Gulf region. In 1975, for instance, nearly 54 per cent of the Turkish workers travelling abroad went to the Arab countries and the numbers kept rising to attain 94.9%, 98.2%, 98.6% and 98.2% of the total going out in 1981, 1982, 1983 and

161 Ibid., p. 115. Also see Oktay Orhon, "Turkish contracting services Abroad" in Erob Manisali (ed.), Turkey's Place in the Middle East, pp. 89.

1984 respectively. The three main receivers of the Turkish workers in the Gulf were Saudi Arabia, Iraq and Kuwait. In 1985, Saudi Arabia had become the country with the second largest number of Turkish expatriates in the World, after Germany. In all, in the first five years of the 1980s, the number of Turkish expatriates in the Arab world increased by over 210 per cent. According to a Survey, more than 150,000 Turkish workers in West Asia in general sent remittances totaling $1.3 billion a year, exceeding the amount sent back by Turkish workers in Europe. 163

Summary

From the above presentation it becomes evident that the Arab states’ share in total Turkish trade grew constantly since 1973-74. The oil prices certainly played a central role in the trade relations between them, but the reversal of the oil prices in the mid-1980s has not affected their trade relations adversely. Instead, trade relations between Turkey and the West Asian region grew fast to reach the level as those with the EEC in a relatively short period of time. 164

Confronted with a severe economic crisis in the mid-1970s, Turkey took initiatives to expand economic ties particularly with the Arab Gulf states for hard-currency and energy. Turkey’s economic dependence on the Arab states during the period was viewed by many Western critics as the single most important factor for downgrading diplomatic relations with Israel. According to George Gruen, the Saudi


164 Some Turkish experts even began to speculate whether export expansion in the region would replace the economic importance of the EEC from Ankara’s point of view. See Halis Akder, “Turkey’s Export Expansion”, pp. 563-566; Mustafa Ozel, “An Analysis of Turkey’s Export Trade with the Middle East”, in Erol Manisali, *Relations and Possibilities of International Economic Cooperation* (Istanbul: University of Istanbul, n.d.) pp. 72-88.
Check of $250 million was delivered to Turkey on 2 December 1980, the day Turkey announced the withdrawal of its charge d’affairs in Tel Aviv and leaving official representation at the second secretary level. Whether such an accusation could be true or not, the fact remains that Turkey’s economic expansion with the Arab world and downgrading of ties with Israel took place almost at the same time. While the Turco-Israeli relations continued to stagnate at least for the next few years, the flow of financial resources from oil-rich Arab states enabled Turkey to rebuild its tattered economy. Further, the economic and commercial cooperation based on a “natural complementarity” had a positive fallout in terms of strengthening Turco-Arab “interconnectedness”.

External Arena: The Arab Gulf

In the concluding section, discussion focuses on the external arena, that is the overall security conditions in the Gulf during the early 1980s. Although much has changed since then, the regional environment continues to be fundamentally instable. Keeping in view the regional systemic constraints, Turkey has steadily developed a set of principles to define and underpin its policy-making on the area. To understand the extent to which Turkish foreign policy conduct is shaped by the external setting, it

165 George Gruen, “Turkey’s Relations with Israel”, p. 38. Refuting the charge, Turkish commentators argue that had the Turks solely acted out of economic considerations, then to please the Arabs they should have broken off diplomatic relations with Israel altogether, as this was what the Arabs really wanted Turkey to do. Further just two years later this incident, Turkey abstained from voting UN Resolution in February 1982, which condemned Israeli annexation of the Golan Heights. See Aykan, “The Palestinian Question”, pp. 101-102.

166 The interconnectedness refers to the connectedness across national frontiers through labour movement, tourism, cultural contacts and mass communication.
becomes imperative to highlight some of the distinctive features of the Gulf's regional system.

Firstly, the Arab Gulf states – with the possible exception of Saudi Arabia – fall under the category of small states. In the absence of a general consensus among scholars as to what constitutes a small state, we prefer to define small-ness according to the realistic criteria of strategic power, which implies a substantial resource base including the territorial size, population, the GNP, industrial capacity and level of military strength.

Secondly, as the earlier discussion of the process of state-formation in the Gulf suggests, state legitimacy in the region is neither historically rooted nor structurally conditioned. The political legitimacy rests with the ruling families, and consent is derived either through the allocation/distribution functions of the state, or by the usage of control instruments. Thirdly, since the ruling families only embody the legitimacy of the existing regimes, raison d'etat in these states is not easily distinguishable from raison de famille. Also, “making a distinction between regime and state is difficult in the Gulf where the two are often conflated, and diplomacy naturally involves dealing with existing regimes”.

167 According to Keohane, “a small power is a state whose leaders consider that it can never, acting alone or in a small group make a significant impact on the (international) system”. R.O. Keohane, “Lilliputian’s Dilemmas: Small states in International Politics”, International Organisation, vol. 23 (1969), p. 296. Similarly, Rothstein has described a small state as “small power .... which recognises that it cannot obtain security primarily by use of its own capabilities, and that it must rely fundamentally on the aid of other states, institutions, processes or developments to do so ....”. R.L. Rothstein, Alliances and Small Powers (New York: Columbia University Press, 1968), p. 29.

168 For further analysis, see Ayubi, Over-stating the Arab State, pp. 447-459; Mohammad Ayoob, The Third World Security Predicament (London: Lynne Rienner, 1995), Chapt. 2.

Fourthly, the inter-state borders are fragile due to the very artificial nature of the Gulf states themselves. Consequently, disputes over territorial borders (see table 5.8) constitute an enduring source of regional instability and state insecurity. Fifthly, this region is arguably the most militarised and penetrated part of the World. The great powers, attracted by its strategic location and immense oil reserves, have historically penetrated and shaped it far more than any other regions. Last but not the least, the endemic regional-power rivalry, particularly between Iraq and Iran has turned the Gulf into an arena of conflict and crucible of peace.

Security and Survival of Gulf States

Given the above systemic roots of instability, the small Gulf states are faced with enormous challenges not only to their security, also to their survival as stable, autonomous entities. "What makes these countries unique as a group", writes an western analyst, "is their external strategic importance and extreme military weakness, combined with their economic wealth, consequent rapid economic development, and social change juxtaposed against their traditional forms of patriarchal rule." In brief, together with their limited power resource, especially a deficiency of military potential, the internal structural weakness render the Gulf states unusually sensitive to changes in the external arena. They, like other small states, remain more vulnerable to pressure and more likely to give way under stress.

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In search for regime survival, the Gulf leaders have at varying degrees followed the strategy of what Steven David has termed as “omni-balancing”. It refers to the actors’ attempts at “balancing against both internal and external threats”. The strategy of omni-balancing is useful in those states where internal threats are greater than external ones. In such conditions, balancing against domestic threats through external alliance becomes an attractive option for state-leaders, as did the Gulf rulers throughout history. Until the British began their withdrawal in the 1960s, they had relied on its security protection, and in the post-UK Gulf, the US became the de facto security guarantor. Interestingly, however, in their dealing with the dominant regional powers (i.e. Egypt and Iraq), the Gulf Shaikhs preferred to adopt the policy of “purse-strings” or what is popularly known as “cheque-book diplomacy”.  

Whereas the latter type of diplomacy served its objective of containing threats to regime stability emanating from within the region, albeit temporarily, the Gulf states’ proclivity to rely on the outside powers’ support has led to a high level of international penetration. The hegemonic powers’ penetration has not only exacerbated insecurity and upset local power-balance, but also opened door to frequent wars in the region. The following discussion of the regional security environment in the Gulf during the period, 1974-1986 would illustrate the politico-economic costs of “acquired dimensions of security”.

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173 Bassam Tibi, Conflict and War in the Middle East, p. 86.  
174 This part of analysis is drawn on the recent study by A. Ehteshami and Raymond A. Hinnebusch, Syria and Iran: Middle Power in a Penetrated Regional System (London: Routledge, 1997), pp. 9-11.  
175 This refers to the Gulf states’ dependence on outside military assistance including high-tech weaponry, bases and even presence of troops, the costs of which
Regional Security Environment in the Gulf

The interaction of Gulf states are not relation among equals. Historically, the strongest countries on the Gulf lay in the north – Iran and Iraq. Iran’s geopolitical importance is greater than Iraq’s, as it continues to exert more influence over the small Arab Gulf states since the 60s both politically as well as ideologically.

Iran, after the return of the Shah in 1953 following the collapse of the Mossadeq’s regime, and Iraq, after turning to the Soviets for arms, were the primary military powers on the Gulf littoral. In the 1960s they engaged in an arms race that left Iran with an especially impressive arsenal. But before the late 1960s neither Iran nor Iraq had any real capability to project and support sustained military power significantly beyond its borders.

Iran shared some principles with the Arab states of the Gulf: suspicion of Arab radicalism, and of Iraq in particular; a close relationship with the US; a desire to minimise Soviet influence given its past experiences, and a shared interest in higher oil prices and security of oil supplies. All this persuaded the American policy-makers are borne by them. In contrast, the innate strength stems from such factors as political cohesion and legitimacy which, in turn, enable ruling elites to mobilise greater military resources through introduction of conscription. But, the latter fosters a concept of citizenship and allegiance to the state rather than to the ruling family per se. Thus, the attempts to develop innate strength entails risks of instability of the regime. This explains why Saudi Arabia maintains a small standing army, which is again balanced by a parallel force, the National Guard. See, Yezid Sayigh, “Regional Security in the Gulf: The Structure of Domestic Political power and Regional stability”, Middle East International, 28 June 1991, pp. 17-19.

176 For a detailed description of Iraqi-Iranian relations of the late 1960s, see R.K. Ramzani, Iran’s Foreign Policy, 1941-1973 (Charlottesville: University Press of Virginia, 1975), pp. 398-402.
during the early 1970s to construct a system of Arab-Iranian security under the US direction and as a concrete implementation of “Twin Pillar” policy.\textsuperscript{177}

However, no such security system came about. Instead, what appeared was a unilateral de facto Gulf security system, one of Iranian hegemony. For the Shah of Iran, partly because of his country’s military superiority, viewed himself as the appropriate successor to the United Kingdom, the new Gulf policeman, and saw the special relationship evolving with Washington as reinforcement of that role.\textsuperscript{178} In 1971, Iran seized control of Abu Musa and the Tumbs, the Gulf islets and, therefore, controlled nominally parts of the then newly formed UAE. The Islamic Republic has maintained its claim to and control of these islets (see table 5.8). Moreover, Iran’s unilateral armed provocations in the disputed Shat al-Arab and support of Kurdish rebels in Iraq inflamed already sensitive Iranian-Iraqi relations.

The Iranian Revolution of 1979-80 radically altered the US Gulf security framework. The overthrow of the Shah regime dealt a severe blow to the so called “surrogate strategy” advanced by the Nixon administration. Not only did the US lose the “policeman of the Gulf”, but it also became in the eyes of the ruling mullahs the source of all evil and embodiment of the “Great Satan”.\textsuperscript{179} But for its conservative

\textsuperscript{177} This involved US reliance on two client states, Iran and Saudi Arabia, to maintain equilibrium and protect US interests. The inclusion of Saudi Arabia with its military force and population was partly intended to give the Arab states of the Gulf a feeling of equality with non-Arab Iran whose intentions were viewed with suspicions by them. See Hussein Sirriyeh, “Security and Stability in the Gulf: Background to US Policy” in Ronald G. Wolfe (ed.), \textit{The US, Arabia and the Gulf} (Washington, D.C.: Centre for contemporary Arab Studies, Georgetown University, 1980), pp. 44-47.


Peninsula neighbours, the revolutionary regime posed multi-sided challenges, not just hegemonic ambitions of the past. For the Saudis, in particular, the Iranian revolution's "anti-monarchical, anti-western, anti-American, anti-feudal and anti-privilege thrust threatened all the major pillars on which the Saudi system rested." 

The success of the radical Islamic forces in Iran stirred fears among the conservative Gulf regimes about similar revolutionary upheavals from within, partly because of their pro-western leanings, and partly, the presence of large Shia minorities in the Arabian peninsula. Indeed, the impact of Iran's "export of revolution" was felt as signs of unrest among the Shiite population became evident in Saudi Arabia's eastern provinces, Kuwait and the attempted coup in Bahrain. While in the post-Shah period, conventional military threat to the Gulf states did not seem likely, the Revolution was seen as posing a potent challenge to the Gulf stability.

However, as Iraq's gamble on a quick victory in September 1980 against Iran failed and resulted in a protracted war, the threat posed by Iran became more of military than that of ideological or revolutionary. Although its clashes with Saudi Arabia in 1984 at the beginning of the 'tanker war' were controlled, Iran often warned the Arab Gulf states that their support for Baghdad would go "unpunished".


Despite their proclaimed neutrality, the Gulf states supported Iraq diplomatically and financially during the war. However, they did seek to influence the Iranian government to pursue a more conciliatory path and decided not to include Iraq as a member of the Gulf Cooperation Council (GCC) established in the early 1981.\textsuperscript{183}

The GCC could be viewed less as an economic forum or a mere "club des riches" than a regional defensive alliance designed to ensure collective security of the small Gulf states. For, behind the setting-up of the GCC was the founders' supreme concerns with their growing strategic vulnerability mainly because of the collapse of the de facto US security umbrella with the overthrow of the Shah regime. Without aligning with either of the belligerents, they chose to keep the "entire region free of international conflicts, particularly the presence of military fleets and foreign bases".\textsuperscript{184} The GCC member-states sought to ensure regime security along with regional autonomy. While the GCC through its diplomatic manoeuvres succeeded in

\textsuperscript{183} Although the GCC states provided Iraq with annual financial aid amounting to US $ 35 billion during the eight-year war against Iran, it was clear from the very outset that this aid was neither whole-hearted nor comprehensive. After the cease-fire on the Iraqi-Iranian border, the Gulf states began to grow nervous, as Iraq demanded to be accepted as the seventh member of the GCC. Mohsen M. Milani, "Ian's Gulf Policy: From Idealism and Confrontation to Pragmatism and Moderation" in Jamal S. Al-Suwaidi (ed.), Iran and the Gulf: A Search for Stability, (Abu Dhabi: The Emirates Centre for Strategic Studies and Research, 1996), pp. 87-88.

\textsuperscript{184} The GCC's position against foreign military presence in the region stemmed not only from its concerns about the escalation of super-power rivalry with Soviet Union seeking to expand its influence, but also its reduced faith in the US security commitment to the survival of consenative regimes following the 1979 Revolution in Iran that became the catalyst of the GCC. See Amitav Acharya, "Regionalism and Regime Security in the Third World: Comparing the origins of the ASEAN and the GCC" in Brian L. Job. (ed.) The Insecurity Dilemma: Security of the Third World States (London: Lynne Rienner, 1992), pp. 151-161. Some observers have concluded that the establishment of the GCC in itself was a negation of the much-propagated western theory of power vacuum created by the British withdrawal. See Emile A. Nakhleh, The Gulf Cooperation Council (New York: Praeger, 1986), especially Introduction Chapter; John Duke Anthony, "The Gulf Cooperation Council", Journal of South Asian and Middle Eastern Studies, vol. 5, no.6, (Summer 1982), pp. 7-19.
containing the spill-over effect of regional hostilities, the extra-regional or super-power rivalries over the region showed no signs of abating. 185

Super-Power Rivalry

From ‘containment’ policy of the 1950s 186 to the “strategic consensus” 187 of the Reagan administration, US foreign policy in the Gulf, based on using surrogates to counter Soviet threats precipitated an arms race among the states in the region that threatened their very existence. At the time of the British withdrawal from the Gulf in 1971, the United States used Iran as a proxy and sold it billions of dollars worth of arms to defend US interests in the Gulf.

The Shah, seizing the opportunity presented to him by the British withdrawal and the offer of American help, sought to fulfil his dream of becoming the gendarme of the Gulf. Moreover, both the US and Iran had a confluence of opinion on the principal source of threat to security of the region, namely the Soviet Union and Soviet-backed subversion. Consistent with these perceptions, the US became the major contributor to Iran’s militarisation in what one US congressman described, “the


187 The policy of ‘strategic consensus’ was associated with the Reagan administration. It was based on Henry Kissinger’s philosophy of American globalism. Kissinger believed that “The US is no longer in a position to operate programme globally, it has to encourage them. It can no longer impose its preferred solution; it must seek to evoke it. Our role will have to be to contribute to defense and positive programmes, but we must seek to encourage and not stifle a sense of local responsibility”. H.A. Kissinger, American Foreign Policy (New York: N.W. Norton and Company, 1974), P. 93.
most rapid build-up of military power under peacetime conditions of any nation in the
history of the world”. 188 The reckless militarisation, however, contributed eventually
to the collapse of the Shah regime. As Ramzani commenting on the Shah’ demise, has noted, “... there is little doubt that these unrestrained arms transactions contributed to (the Iranian revolution’s) outbreak by diverting badly needed funds from social and economic projects and by placing unprecedented burdens on Iranian skilled manpower resources and economic and communication infrastructures.” 189

US support of the Shah’s armament build-up triggered an arms race all over the Gulf and the Arabian Peninsula. With US arms sales to the Gulf increasing 3,600 per cent from 1970 to 1975, the United States could be said to be a major beneficiary of the Gulf region’s arms race. 190 Some experts would even argue that the US military complex was deliberately stoking turmoil in this sensitive part of the world to encourage the recycling of petrodollars through arms purchases. No matter what the interests or intentions of the US were, the collapse of the Shah regime demonstrated that “all these arms could not save the Shah once his subjects were determined to abolish monarchy”. 191

The Shah’s downfall, along with the Soviet invasion of Afghanistan forced a definitive shift in Washington’s Gulf policy. The Carter Doctrine of 1979 provided the strategic foundation for the formulation of a new policy aimed at maintaining


direct US military presence in the area so as to safeguard its “vital interests”. The result was the establishment of the Rapid Deployment Force (RDF) designed to operate independently of allied basing facilities. However, his successor, President Reagan altered the concept of RDF to a force that could operate in a “permissive environment”. In the place of the unilateral US military intervention in the Gulf to cope with the contingencies, the Reagan administration attempted to forge a “strategic consensus” throughout the region.

Strategic consensus required access and a regional network of support facilities for the US central command (CENTCOM) formed in January 1983. The CENTCOM was a new geographic unified command with the headquarters at MacDill Air Force Base in Florida. The CENTCOM was a more formalised and revamped version of the Rapid Deployment Joint Task Force (RDJTF) created during the Presidency of Jimmy Carter. The RDJTF’s primary theatre of operations would be Southwest Asia and its list of priorities included: 1) support for the moderate Arab states of Saudi Arabia, Oman, Egypt and Jordan against direct attack by radical states or internal subversion; 2) the limitations of Soviet military influence/leverage in the region, and 3) deterrence of a Soviet invasion of the Gulf.

192 The new security framework developed by the Carter administration was articulated in President’s State of the Union Message in January 1980, “Any attempt by outside forces to gain control of the Persian Gulf region will be regarded as an assault on the vital interests of the United States of America, and such an assault will be repelled by any means necessary, including military force”. Thus, in a departure from the Nixon Doctrine, the Carter Doctrine made it clear that the US assumed ultimate responsibility for Gulf’s regional defense. See George Lenezowski, American Presidents and the Middle East (Durham and London: Duke University Press, 1990), p. 206. It should be, however, noted that the USA had never totally abandoned the Arab Gulf. While relying on the Shah, the US had maintained a modest force in the region since the end of the World War II, known as the Middle East Force (MIDEASTFOR) based in Bahrain.

193 For details on the CENTCOM, see Charles Kukpchan, The Persian Gulf and the West: The Dilemmas of Security (Boston: Allen and Unwin Publications, 1987),
Paradoxically, the US Gulf policy was dominated by “military metaphysic”\textsuperscript{194} to deal with the Soviet threats in the region at a time when the Soviet influence had been actually on the decline. While Moscow’s attempts to improve its relations with revolutionary Iran did not fructify due to the latter’s foreign policy of \textit{na sharaq, na gharb} (neither East nor West),\textsuperscript{195} its regional ally, Iraq began to move closer to Washington for military purchases.\textsuperscript{196} In effect, Soviet influence in the 1980s was confined to the People’s Democratic Republic of Yemen (PDRY) and to an extent, Syria. Arguably, the only strategic leverage that the Soviet Union had was that it could strangle the West economically by blocking the Straits of Hormuz through which most of Europe’s and almost all Japan’s oil supplies pass.\textsuperscript{197} But, this too involved the risk of a serious confrontation, which the Soviet leaders would prefer to

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\textsuperscript{195} For a critical analysis of the Islamic Republic’s foreign policy, see R.K. Ramazani, \textit{Revolutionary Iran: Challenges and Responses in the Middle East} (Baltimore: Johns Hopkins University Press, 1986), Chapter I.

\textsuperscript{196} Although the Soviet Union had signed a treaty of friendship and cooperation with Baghdad, it tried to exploit the political situation in Iran following the fall of the Shah regime. During the war, Moscow vacillated between the two sides without wholly committing itself to either of the belligerents. Consequently, Iraq moved away from the USSR and towards Washington and its allies for the supply of weaponry. The US-Iraqi military ties were further strengthened after November 1984 resumption of diplomatic relations, as Washington began to recognise the convergence of interests, central to which was Iraqi role as the de facto protector of status quo in the Gulf. Laurie Mylroie, “The Baghdad Alternative”, \textit{Orbis} (Summer 1988), pp. 339-354; Alexander J. Bennett, “Arms Transfer as an Instrument of Soviet Policy in the Middle East”, \textit{Middle East Journal}, vol. 39, no.4 (Autumn, 1985), pp. 758-760.

avoid. "The Soviets", Kuniholm has pointed out, "as always, are prepared to take advantage of opportunities, but only when the risk is small". 198

In explaining the Soviet Union's role in the Gulf, analysts, mostly from the Arab world believe that it was more of counterbalancing in nature than that of expansionist since the 1967 Arab-Israeli War. 199 Although Soviet invasion of Afghanistan in December 1979 heightened American sensitivity to the strategic vulnerability of US interests in the Gulf area, Moscow had no official Gulf policy until December 1980. It was during the visit of President Leonid Brezhnev to India that he suggested some proposals for peace and security in the Gulf that were later adopted in the 26th congress of the Communist Party of the Soviet Union in February 1981. Broadly, the proposals focused on freeing the area of foreign military bases and outside interferences in domestic matters and respect for sovereignty and non-aligned status of the Gulf states. All this boiled down to a "shared definition of what constitutes behaviour by outside powers in the region" 200, and what would be an appropriate starting point for reducing Super-power tensions in the Gulf. In the absence of convergence of strategic interests between the two superpowers, any


agreement on the principles of conflict management in the Gulf was difficult to achieve.

Although both sides refrained from direct involvement in interstate disputes as evident during the Iran-Iraq War, the subordination of the locally generated security dynamics of the region to the global level East-West conflict rendered the Gulf perennially unstable. For the superpowers during the Cold War period perceived issues of peace and security in the region through the prism of their global concerns to the exclusion of their regional context. The result was to exacerbate local sources of conflict and along with it, growing militarisation of the area (see table 5.9). During the period 1980-84, the import of arms from abroad by West Asian countries made up 50.8 per cent of total imports by the Third World countries. By contrast, the import of arms by Latin American nations constituted 13.5 per cent and that of South Asia, only 10 per cent of the total. In fact, in the decade after the 1973 Arab-Israeli war, West Asian Countries spent over half a trillion US dollars on the military.201

In terms of percentage of the GNP, Iraq outspent Iran during the course of the War. Compared to Iran’s 12.3 per cent of GNP spent on military purchases, Iraq devoted 50.1% of its GNP to defense. Whereas the military expenditures of Saudi Arabia, Iraq’s principal war ally, comprised nearly 24.3 per cent of its GNP, smaller Gulf states like Bahrain and Kuwait expended 4% each, and UAE, Oman and Qatar spent 7.9%, 27.9% and 3.5% respectively of their GNP by 1985. Of all the major supplier of arms to the region, the US topped the list. Saudi Arabia alone bought nearly $14 billion worth of US arms between 1982-85, and according to the US Arms

control and Disarmament Agency, Washington provided nearly 27 per cent of Tehran's arms shipment. 202

In addition, the US maintained a huge naval presence in the Gulf with thirty-five American and thirty-eight Western European ships deployed in and around the Gulf in the mid-1980s. Despite the massive projection of military muscle, the hegemonic world powers could not impose stability in the region, as the "dynamics of local instability are beyond their control." 203 No outside power has been able to dominate and organise the West Asian system because of what Carl Brown calls, region's "stubborn penchant for Kaleidoscopic equilibrium". 204 This, in great part, explains why the Reagan administration failed in its efforts to construct a viable security arrangement in the Gulf. Wary of antagonising Moscow and provoking yet another round of arms race, the Arab Gulf states chose to avoid any close association with the US-led security project. Further, popular suspicion of the US role in the region was sufficiently deep, which militated against intimate relationship of the Gulf regimes with American interests. The collapse of Iranian Shah's regime and

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assassination Egyptian president Sadat in 1981 always served as a stark reminder of the risks involved in close identification with Washington.\footnote{S. Ibrahim, “Super-Powers in the Arab World”, \textit{Washington Quarterly}, vol. 4, no.3 (Summer, 1981), pp. 73-86.}

Not surprisingly, therefore, the American proposal for establishing forward base in Saudi Arabia was quickly rebuffed by the Saudis.\footnote{Cordesman, \textit{The Gulf and the Search for Strategic Stability}, p. 253; for an analysis of Saudi reluctance see Bruce R. Kunholm, “What the Saudis Really Want: A Primer for the Reagan Administration”, \textit{Orbis} (Spring 1981), pp. 107-22.} Despite much US exhortation and even Congressional approval for the AWACS deployment, Riyadh showed no interest in assuming a larger strategic role in the Gulf. So did Kuwait which exerted pressures on the Omani ruler to loosen his Shaikhdom’s military ties with Washington. In what turned out to be a rebuke of the US insistences on forward bases, the newly-formed GCC called for common defence efforts based on nonalignment. On the whole, Washington’s search for strategic consensus evoked scepticism among the conservative Arab states about the motivations behind US Gulf policy.

In explaining the failure of the US strategy for the Gulf in the aftermath of the Iranian upheaval, critics have pointed out the tendency of American policy-makers to “interpret events within a fixed conceptual framework provided by containment.”\footnote{Charles A. Kupchan, “American Globalism in the Middle East: The Roots of Regional Security Policy”, \textit{Political Science Quarterly}, vol. 103, no.4, (1988), p. 610.} The primacy of containment in American thinking led to an exaggerated perception of Soviet threat and the exclusion of regional political realities. It was, for instance, too much to expect the moderate Arab Gulf states to join hands with Israel in an
“unofficial and nonspecific arrangement to counter Soviet influence in the region.\textsuperscript{208} In the absence of a comprehensive settlement of the Arab-Israeli conflict, especially a halt to further Jewish settlements in the West Bank, the Gulf rulers found the US a far less attractive partner for strategic cooperation.

The basic problem of the US security policy for the Gulf lay in its approach of “looking at the region from the outside rather than from the inside.”\textsuperscript{209} The result was that it did not reflect the fears and requirements of the local powers, it simply subsumed regional concerns within an East-West context. Hence, America’s strategic entry into the Gulf became all the more unacceptable particularly in the event of the Israeli invasion of Lebanon in June 1982. The Israeli aggression gave a serious jolt to the already shaky Arab-US relationships, as some Gulf leaders threatened to withdraw Arab assets from the West or impose a new oil embargo.\textsuperscript{210} Thus, with the changing scenario in the Gulf, the foreign policy perceptions and perspectives of the states there had also changed from a substantial measure of dependence to an increasing assertion of autonomy. At the same time, the security dilemma facing these states was formidable, given the exceptional penetration of the area by the global hegemonic powers and structural weakness of each individual state.

\begin{flushleft}

\textsuperscript{209} Gerges, “Regional Security after the Gulf crisis”, p. 61.

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Turkey and Security of Arab Gulf States

An exceptionally unstable regional environment in the Gulf constituted a potent security and strategic challenge to Turkey, partly due to its geographic proximity, historical and cultural (religious) ties and partly, its dependence on oil supply and structural linkages to Western security. The threat perceptions among the Turkish decision-makers largely stemmed from three separate but functionally interconnected sources:

1) super-power rivalry impinging on Gulf stability;
2) rise of the revisionist Iranian state, protracted conflict between the dominant regional powers, Iran-Iraq and its linkage to Kurdish insurgency;
3) the growth of regime-challenging ideological movement either in the rightist-fundamentalist or radical anti-clerical leftist moulds.211

The super-power rivalry in the backyard of Turkey raised the prospects of Soviet politico-military influence that would have calamitous implications for Ankara. For the control of Iran and the Arab Gulf area by the Soviet Union would result in the

encirclement of NATO’s southern flank. Moreover, Soviet control of the Gulf oil-
directly -- or more likely through surrogates -- would cripple Turkey’s economy and
defense. As noted, Turkey was heavily dependent on the imported oil from Iraq and
the Gulf (nearly 60 per cent by the mid-1980s) for the functioning of its economy. At
a time when the import of oil was on the rise, sudden increase in oil price or
interruption in the oil-flow would bring about shocking distabilisation of Turkish
economic system, probably leading to serious domestic disturbances.

The strategic aspects of oil are equally important. Since oil plays central role in
achieving a viable conventional defence during international crisis or war, “Soviet
threat would loom more ominously over Turkey if the country were deprived of a
secure oil supply”. Finally, Turkey’s political and diplomatic concerns stemmed
from its geographic position and growing economic ties with the regional states. All
this explains why Turkey was more interested in the peace and stability of the region
than in allowing further exacerbation of the East-West tensions.

Although Western strategists underlined Turkey’s potential role in the defense
against Soviet incursion in the area, Turkish government refrained from assuming
any responsibility outside the NATO area. Instead, it sought to promote a favourable
milieu in which threats were minimised and economic relations maximised. Yet
another reason why Ankara refused to take part in the RDF was the ill-defined
objectives of the military programme of the US. The Turkish policy-makers believed
that interests of the Alliance would be better served by avoiding such military


213 For Turkey’s potential role in the NATO’s southern flank in the 1980s, see
Albert Wholstetter, “Meeting the Threat in the Persian Gulf”, Survey, vol. 25, no.2
(1981), pp. 174-188; William T. TOW, “NATO’s out-of-Region challenges and
Extended containment”, Orbis (Winter 1985), pp. 834-842.
intervention in the region. For the RDF was viewed by the local Arab states as a threat to their oil resources and own security rather than as a protector against the Soviet threat.

Sensitive to both global and regional aspects of the Arab Gulf security, Turkey chose to conduct a subtle foreign policy based on a series of principles\(^2\) that are as follows:

- non-interference in the domestic affairs of individual states
- non-interference in inter-state conflict
- maintaining neutrality and equidistance from parties to the intra-state or inter-state conflicts
- treating all Arab Gulf states as equal, thereby shunning the regional leadership role or pursuit of irredentist aims such as Pan-Ottomanism,
- developing bilateral relations while rejecting the Western offer to enter into any regional multilateral political or military arrangements.\(^3\)

Until the Iraqi invasion of Kuwait in 1990, Turkey’s Gulf policy was largely guided by this broad set of principles. It was because of its neutrality and policy of equidistance that Turkey achieved the seemingly impossible task of staying on


\(^3\) Turkey was, however, not opposed to multilateral arrangement in the economic sphere. Even though Iran and Pakistan withdrew from the CENTO in 1980, they preferred to keep alive the Regional Cooperation for Development or the RCD. This regional multilateral economic forum was revived and renamed as Economic Cooperation Organisation (ECO) on 28 January 1985 with active support of Iran and Pakistan. MEED, vol. 24 no.5 (1 February 1985), p. 11.
reasonably good terms with both belligerents. At the same time, Ankara tried to help the conflicting parties to bring an end to the war through a peaceful and honourable solution to their dispute. In fact, Turkey was one the members of the Islamic Good Offices Committee set up by the OIC immediately after the outbreak of War.

Although efforts of the Islamic Peace committee proved unsuccessful in conciliating the two parties mainly due to Iranian misgivings about the Committee functioning, Ankara always offered its services at bilateral level to achieve a peaceful settlement of the Conflict. Turkey’s anxieties about the effects of a prolonged war on its border derived mainly from three factors. Firstly, considerable destruction to the material resources of both Iraq and Iran wrought by the war would adversely affect Turkey’s growing economic cooperation with them.

Secondly, the continuation of war created a dangerous power vacuum in the region, which was more disturbing from Turkey’s security standpoint. The apparent inability of both states to control their own territories conduced to a dangerous growth in the activities of various Kurdish separatist groups and forces opposed to the regimes in Iran and Iraq. Already the Kurdish insurgency in the south-eastern parts of Turkey had started by 1983 with Syrian-trained PKK partisans often infiltrating into Turkish territories from Iraq. As mentioned earlier, the PKK struggle for a separate, independent Kurdistan had undergone a qualitative transformation in the

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mid-1980s from a small band of Ocalan’s followers to a potent political challenge to the cohesion of the Kemalist state. 218

Finally, the fratricidal war of attrition between its two neighbours increased Turkish government’s fear of further radicalisation of regimes in Iran and Iraq. For instance, the new clerical regime in Tehran had posed a serious challenge to Turkey’s secular establishment by publicly questioning the legitimacy of the Kemalist ideology. While the Turkish press took on the Iranian challenge by portraying Ayatollah Khomeini simply as the diminutive “Mullah”, Turkish government avoided responding to Khomeini’s provocative statements. 219 Instead, Turkish political elites cutting across left-right ideological divide believed that Ankara’s interests were best served by developing bilateral relations with Tehran.

In trying to cope with the revolutionary Iran, Turkey quickly recognised the new regime on 13 February 1979, within forty-eight hours of its establishment. More so, Ankara refused to “go along with any type of US measures against Iran during the hostage crisis”220 between November 1979 and April 1980. This decision was taken


219 The initial years of the Iranian Revolution coincided with the military regime in Turkey (1980-83), during which there was heavy crackdown on all kinds of political activity. The Turkish police, according press reports thwarted plots by pro-Iranian Hezbollah activists, but Iran’s involvement could not be established. Although Turkey is a Sunni-majority country and hence, least vulnerable to Iranian brand of Islamic fundamentalism, Radio Tehran continued boardsides denouncing Ataturk and describing the Turkish government illegitimate. See, Suha Bolukbasi, “Turkey copes with Revolutionary Iran”, Journal of South Asia and Middle Eastern Studies, vol. XIII, no. 1&2 (Fall/Winter 1989), pp. 101-102. Also see Cengiz Cander, “Turco-Iranian Relations” in Manisali, Turkey’s place, PP. 38-42.

together with an earlier Defence Ministry announcement that the Turkey would not allow the US to use its bases for an intervention in Iran.

After the Iraqi attack on Iran in September 1980, Ankara assured Iranians of its neutral stance and willingness to expand economic ties. Accordingly, both sides signed a $1.8 billion barter agreement in March 1982 under which Turkey was to exchange food for 60-100,000 barrels of Iranian oil. In 1984 during the Prime Minister Ozal’s visit to Iran, there was yet another agreement signed to increase the trade volume to $3 billion, while allowing Turkey to re-export western goods at a profit. Besides, a draft agreement was signed in Tehran during the visit by a Turkish economic delegation in September 1982 for the construction of a pipeline between the two countries for the supply of its natural gas.221

Notwithstanding the dramatic growth in bilateral trade and commerce, the Turco-Iranian relations continued to be disturbed by a litany of diplomatic grievances, frustrations and irritations on both sides. Of all, the most important source of frictions between them was the issue of Kurds, especially those active in northern Iraq. For the Iraqi Kurdish factions, the Kurdish Democratic Party (KDP) and Patriotic Union of Kurdistan (PUK) were the allies of Iran during the Gulf War. Backed by Syria and Iran, the KDP and PUK preshmargha – guerrillas began to recapture those positions they were forced to abandon in 1975. As the Iraqi authority failed to put down the Kurdish rebellion in northern Iraq, the area became a safe haven for the PKK rebels to regroup and carry out cross-border raids, provoking Turkish incursions.

In what Ankara officially called a “limited operation”, the Turkish forces first time in May 1983 penetrated northern Iraqi territory up to 20 miles and captured

hundreds of PKK members. Since Turkish incursion coincided with the Iraqi move from the South, the KDP considered Ankara an ally of the Iraqi regime. Consequently, KDP and PKK came together to form a Pan-Kurdish alliance based on “solidarity principles”. This, in turn, resulted in the consolidation of the PKK bases and formation of the PKK’s armed wing known as the HRK (Kurdistan Freedom Unit). Predictably, the KDP-PKK alliance paved the way for the formalisation of Turco-Iraqi agreement on containing the cross-border terrorism. According to the Security protocol signed by both sides on 15 October 1984, forces from either country would be allowed to pursue “subversive groups in the territory of the other” up to a distance of 5 kilometers (or almost three miles).

The Iranian reacted sharply to the Turco-Iraqi treaty and Ankara’s August 1984 “operation Sun” in the Mount Ararat area near the Iranian border. However, to allay Turkish anxieties, Tehran signed a security agreement with Turkey on 28 November 1984, which required each party to prohibit any activity on its territory aimed against the other’s security. Consequently, the Iranian-backed KDP leader

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222 What prompted the Turkish operation was the killing of three Turkish soldiers by the PKK guerillas in Hakkari province. Prior to this in July 1982, the PKK had called for “war of independence” in the second Party conference held inside Syria. See Sukha Bolukbasi, “Ankara, Damascus, Baghdad, and the Regionalisation of Turkey’s Kurdish secessionism”, South Asia and Middle Eastern Studies, vol. 14, no.4, Summer 1991), pp. 22-24.

223 For the agreement on the “hot pursuit”, see Foreign Broadcast Information and service Reports: Western Europe (FBIS/WU), 22 October 1984, p. T1. However, there was in the past a Turco-British-Iraqi Border Treaty of 5 June 1926 which provided for a 75 km security zone on both sides of the border. The parties pledged to curb “hostile activities” in their zone directed toward the other state. According to Robert Olson, “16 of its 18 articles dealt with measures for border security and control of the Kurds”, Robert Olson, “The Kurdish Question in the Aftermath of the Gulf War: Geopolitical and Geostrategic changes in the Middle East”, Third World Quarterly, vol. 13, no.3 (1992), p. 478.
Masud Barzani coming under Ankara's pressure began to distance himself from the PKK in northern Iraq. On the whole, Turkey by the mid-1980s had achieved a reasonable measure of success not only in deterring the PKK's cross-border attacks, also containing its activity in the area without being drawn into the on-going Iran-Iraq conflict. While Iraq was apparently pleased with the Turkish actions in the North, Iran, despite its official indignation, acted with restraint towards Turkey. Further, both sides, relied heavily during the war years on Turkey for their export of oil and import of western goods.

For Iraq in particular, Turkey served as an important outlet for its oil supply, and direct land bridge to Europe for trade and transit. With the onset of the Gulf War, a structural interdependence between Turkey and Iraq developed, especially in the oil sector. Following the closures of Iraq's Gulf terminals in September 1980 and Syrian decision to close Iraqi pipeline traversing its territory, Baghdad had no other choice but to turn to the only alternative route available via Turkey. At first, both sides agreed to expand the capacity of the existing Iraqi pipeline going through Turkish territory to one million b/d by the end of 1984. In the same year, the two countries signed a protocol for the construction of second pipeline, which opened in 1987 with a capacity of 1.5 million b/d.\(^{225}\) During the War, Iraq also exported considerable volumes of oil via Turkey by tanker-truck, the so called "moving pipeline".

Thus, the expansion of the pipeline network between Iraq and Turkey, and the proposed Iran-Turkey pipeline turned Turkey into the main transit route for the supply

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\(^{224}\) FBIS/WE, 29 November 1984, P. T1. For the Iranian reaction to the Turco-Iraqi hot pursuit treaty, see the statement by the speaker of the Majlis, Hashemi Rafsanjani in FBIS/WE, 22 October 1984, p. T1.

of Oil and natural gas through its Mediterranean ports. Not only did this enable Turkey to meet its growing energy requirements, but also eased the problem of hard currency. Besides, Turkey’s location made it the obvious and cheapest route for Iraqi imports from Europe. Bilateral trade between the two countries was also vigorous with Iraq becoming the largest trading partner of Turkey importing merchandise goods worth $7.93 billion.227

In summary, that Turkey had managed to adhere to its official policy of active neutrality through entire duration of Iran-Iraq War enhanced its credibility as a “regional stabiliser”. However, by scrupulously avoiding its involvement in the conflict despite frequent Iranian provocations and convergence of interests vis-à-vis Iraq, Turkey reaped rich economic and political dividends. An unprecedented rise in volumes of trade with the two neighbours and other Gulf states (particularly through Iraq) came as a boon to Turkish economy at a time, when it was undergoing the painful process of structural transformation. Politically, Turkey carved out a place for itself in the Islamic World as a ‘bridge’ between East and West, and in the Arab Gulf region, a ‘balancer’, rather than an ambitious power with interventionist predilections.

226 According to Borovali, with an increase in oil and natural gas traffic being routed through Mediterranean and the Red Sea, the indispensability of the Gulf as a transportation corridor would be diminished. And, this might help defuse the tensions over Arvand Road and the Gulf. Borovali, “Turkey and the Persian Gulf”, pp. 54-55.

227 See P. Robins, Turkey and the Middle East, p. 60.
<table>
<thead>
<tr>
<th>States</th>
<th>Area (Sq. km.)</th>
<th>Land Border (km.)</th>
<th>Coastline (km.)</th>
<th>Population (1,000s)</th>
<th>Population Growth (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bahrain</td>
<td>691</td>
<td>0</td>
<td>161</td>
<td>590</td>
<td>2.27</td>
</tr>
<tr>
<td>Kuwait</td>
<td>17,818</td>
<td>462</td>
<td>499</td>
<td>1,950</td>
<td>6.65</td>
</tr>
<tr>
<td>Oman</td>
<td>300,000</td>
<td>1,374</td>
<td>2,092</td>
<td>2,186</td>
<td>3.50</td>
</tr>
<tr>
<td>Qatar</td>
<td>11,437</td>
<td>60</td>
<td>563</td>
<td>547</td>
<td>2.39</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>2,240,000</td>
<td>4,415</td>
<td>2,640</td>
<td>19,400</td>
<td>3.45</td>
</tr>
<tr>
<td>United Arab Emirates</td>
<td>77,700</td>
<td>867</td>
<td>1,318</td>
<td>3,057</td>
<td>4.33</td>
</tr>
</tbody>
</table>

Table 5.2

Accessions to the Throne in the Gulf Monarchies

<table>
<thead>
<tr>
<th>Ruler</th>
<th>Reign</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Bahrain: Independence date:</strong> 15 August 1971</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Isa Ibn Sulman Al-Khalifa</td>
<td>1971 --</td>
<td></td>
</tr>
<tr>
<td><strong>Kuwait: Independence Date: 19 June 1961</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Abdullah Al-Salim Al-Sabah</td>
<td>1961 – 1965</td>
<td>Died</td>
</tr>
<tr>
<td>Sabah Al-Salim Al-Sabah</td>
<td>1965-1977</td>
<td>Died</td>
</tr>
<tr>
<td>Jaber Al-Ahmad Al-Sabah</td>
<td>1977 –</td>
<td></td>
</tr>
<tr>
<td><strong>Oman: Independence Date 20 December 1951</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Said Ibn Taimur</td>
<td>1951 – 1970</td>
<td>Deposed by a son</td>
</tr>
<tr>
<td>Qaboos Ibn Said</td>
<td>1970 –</td>
<td></td>
</tr>
<tr>
<td><strong>Qatar: Independence date: 1 September 1971</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ahmad Ibn Hamad Al-Thani</td>
<td>1971 – 1972</td>
<td>Deposed by a cousin</td>
</tr>
<tr>
<td>Khalifa Ibn Hamad Al-Thani</td>
<td>1971 – 1995</td>
<td>Deposed by a son</td>
</tr>
<tr>
<td>Hamad Ibn Khalifa Al-Thani</td>
<td>1995 –</td>
<td></td>
</tr>
<tr>
<td><strong>Saudi Arabia: declared a unified Kingdom:</strong> 23 September 1932</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Abd Al-Aziz Al-Saud</td>
<td>1932 – 1953</td>
<td>Died</td>
</tr>
<tr>
<td>Saud Ibn Abd Al-Aziz</td>
<td>1953 – 1964</td>
<td>Deposed by a brother</td>
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<tr>
<td>Faisal Ibn Abd Al-Aziz</td>
<td>1964 – 1975</td>
<td>Assassinated by a nephew</td>
</tr>
<tr>
<td>Khalid Ibn Abd Al-Aziz</td>
<td>1975 – 1982</td>
<td>Died</td>
</tr>
<tr>
<td>Fahd Ibn Abd Al-Aziz</td>
<td>1982 –</td>
<td></td>
</tr>
<tr>
<td><strong>UAE: Independence Date: 2 December 1971</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Zayid Ibn Sultan Al-Nahyan</td>
<td>1971 –</td>
<td></td>
</tr>
</tbody>
</table>

## Table 5.3

**External Rents as a Share of Total State Revenue (%)**

<table>
<thead>
<tr>
<th>States</th>
<th>1984</th>
<th>1990</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bahrain</td>
<td>68.4</td>
<td>65.0</td>
</tr>
<tr>
<td>Kuwait</td>
<td>93.6</td>
<td>91.2</td>
</tr>
<tr>
<td>Oman</td>
<td>81.0</td>
<td>85.1</td>
</tr>
<tr>
<td>Qatar</td>
<td>n.a.</td>
<td>n.a.</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>69.4</td>
<td>76.1</td>
</tr>
<tr>
<td>U.A.E.</td>
<td>n.a.</td>
<td>86.4</td>
</tr>
</tbody>
</table>

**Note:** n.a.: Not Available

**Source:** Giacomo Luciani, “Resources, Revenues, and Authoritarianism in the Arab World: Beyond the Rentier State)” in Rex Brynen et. al. Political Modernization and Democratization in the Arab World: Volume I, Theoretical Perspectives (London: Lynne Rienner Publisher, 1995), p. 213.
<table>
<thead>
<tr>
<th>Year</th>
<th>Turkey's Exports (total)</th>
<th>Exports to West Asia</th>
<th>West Asia as per cent of total</th>
<th>Exports to EEC</th>
<th>EEC as per cent of total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1976</td>
<td>1,960</td>
<td>238</td>
<td>12.1</td>
<td>960</td>
<td>48.9</td>
</tr>
<tr>
<td>1977</td>
<td>1,753</td>
<td>220</td>
<td>12.5</td>
<td>868</td>
<td>49.5</td>
</tr>
<tr>
<td>1978</td>
<td>2,288</td>
<td>323</td>
<td>14.1</td>
<td>1,095</td>
<td>47.8</td>
</tr>
<tr>
<td>1979</td>
<td>2,261</td>
<td>387</td>
<td>17.1</td>
<td>1,097</td>
<td>48.5</td>
</tr>
<tr>
<td>1980</td>
<td>2,910</td>
<td>630</td>
<td>21.6</td>
<td>1,251</td>
<td>42.9</td>
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<tr>
<td>1981</td>
<td>4,703</td>
<td>1,895</td>
<td>40.3</td>
<td>1,502</td>
<td>31.9</td>
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<tr>
<td>1982</td>
<td>5,746</td>
<td>2,543</td>
<td>44.2</td>
<td>1,755</td>
<td>30.5</td>
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<tr>
<td>1983</td>
<td>5,728</td>
<td>2,447</td>
<td>42.7</td>
<td>2,010</td>
<td>35.0</td>
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<tr>
<td>1984</td>
<td>7,133</td>
<td>2,768</td>
<td>38.8</td>
<td>2,731</td>
<td>38.2</td>
</tr>
<tr>
<td>1985</td>
<td>7,958</td>
<td>3,188</td>
<td>40.0</td>
<td>3,134</td>
<td>39.4</td>
</tr>
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</table>

### Table 5.5

**Distribution of Turkey's Exports among West Asian Countries**

(in Percentage of Turkey's total exports to the region)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Libya</td>
<td>4.1</td>
<td>15.3</td>
<td>9.5</td>
<td>23.3</td>
<td>9.2</td>
<td>7.5</td>
<td>5.1</td>
<td>1.8</td>
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<td>6.3</td>
<td>11.5</td>
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<td>4.9</td>
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<td>2.7</td>
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<td>18.0</td>
<td>16.3</td>
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<td>2.4</td>
<td>2.2</td>
<td>1.7</td>
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<td>21.4</td>
<td>21.3</td>
<td>29.4</td>
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<td>13.0</td>
<td>33.7</td>
<td>30.1</td>
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<td>13.4</td>
<td>12.3</td>
<td>31.1</td>
<td>44.4</td>
<td>27.1</td>
<td>33.8</td>
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<td>2.0</td>
<td>1.2</td>
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<td>0.4</td>
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<td>7.6</td>
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<td>3.8</td>
<td>3.5</td>
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<tr>
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<td>5.4</td>
<td>6.9</td>
<td>9.8</td>
<td>14.0</td>
<td>14.9</td>
<td>13.6</td>
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<td>7.9</td>
<td>3.7</td>
<td>3.4</td>
<td>3.5</td>
<td>3.8</td>
<td>3.6</td>
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<tr>
<td>Others*</td>
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<td>1.0</td>
<td>1.2</td>
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<td>1.5</td>
<td>1.7</td>
<td>1.7</td>
<td>4.7</td>
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* Others: Bahrain, Qatar, Abu Dhabi, South Yemen, and North Yemen.
Table 5.6

**Loans From Arab Funds to Turkey**

<table>
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<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>Islamic Development Bank</td>
<td>66.61</td>
<td>69.34</td>
<td>87.25</td>
<td>45.00</td>
<td>114.20</td>
<td>87.95</td>
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<tr>
<td>Abu Dhabi Fund</td>
<td>26.97</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<tr>
<td>Saudi Fund</td>
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<td>56.76</td>
<td>17.92</td>
<td>59.75</td>
<td>-</td>
<td>87.95</td>
</tr>
<tr>
<td>Kuwaiti Fund</td>
<td>11.10</td>
<td>-</td>
<td>-</td>
<td>39.10</td>
<td>16.66</td>
<td>-</td>
</tr>
</tbody>
</table>

Source: *Studies on Turco-Arab Relations* (Istanbul), Annual, 1987, p. 121.
### Table 5.7

**Turkish Contractors Operating in the Gulf States**

<table>
<thead>
<tr>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Saudi Arabia</td>
<td>684m</td>
<td>1.130m</td>
<td>3.302 m</td>
<td>4.125m</td>
<td>4.567m</td>
<td>4.954m</td>
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<tr>
<td></td>
<td>13F</td>
<td>19F</td>
<td>79F</td>
<td>109 F</td>
<td>115F</td>
<td>120F</td>
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<tr>
<td>Iraq</td>
<td>430m</td>
<td>728m</td>
<td>952m</td>
<td>1.031m</td>
<td>1.031m</td>
<td>1.297m</td>
</tr>
<tr>
<td></td>
<td>7F</td>
<td>13F</td>
<td>35F</td>
<td>35F</td>
<td>35F</td>
<td>35F</td>
</tr>
<tr>
<td>United Arab</td>
<td>35m</td>
<td>39m</td>
<td>39m</td>
<td>39m</td>
<td>39m</td>
<td>51m</td>
</tr>
<tr>
<td>Emirates</td>
<td>2F</td>
<td>2F</td>
<td>2F</td>
<td>2F</td>
<td>2F</td>
<td>2F</td>
</tr>
<tr>
<td>Kuwait</td>
<td>11m</td>
<td>12m</td>
<td>16m</td>
<td>17m</td>
<td>17m</td>
<td>17m</td>
</tr>
<tr>
<td></td>
<td>3F</td>
<td>5F</td>
<td>6F</td>
<td>6F</td>
<td>6F</td>
<td>6F</td>
</tr>
<tr>
<td>Iran</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>70m</td>
<td>171m</td>
<td>171m</td>
</tr>
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<td>1F</td>
<td>1F</td>
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**Note:**

M = Million US Dollar  
F = Number of firms

Table 5.8
Border Disputes in the Gulf

<table>
<thead>
<tr>
<th>DISPUTANTS</th>
<th>DISPUTED SITES</th>
<th>STATUS</th>
<th>REMARKS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Iran vs. Iraq</td>
<td>Shatt al-Arab Waters</td>
<td>Dormant</td>
<td>1975 Algiers Accord failed, leading to 8-year old War</td>
</tr>
<tr>
<td>Iran vs. UAE</td>
<td>Abu Musa (Sharja state) Tunbs (Ras al-Khaimah state)</td>
<td>Active</td>
<td>1971 MOU between the two proved unworkable; Iranian decision to deny access to non-UAE nationals in 1992 to the areas.</td>
</tr>
<tr>
<td>Iraq vs. Kuwait</td>
<td>Definition of land boundary (160 km in length); Iraqi claim for the islands of Warba and Bubiyan; its historical claim over whole of Kuwait</td>
<td>Formally Resolved</td>
<td>1990 Iraqi invasion; Its acceptance of the UN verdict on international land and water boundary with Kuwait in November 1994.</td>
</tr>
<tr>
<td>Qatar vs. Bahrain</td>
<td>Hawar islands and Dibal and Jarada shoals close to Western shore of Qatar; Bahraini claim to sovereignty over its ancestral seat at Zubarah</td>
<td>Active &amp; unresolved</td>
<td>Seemingly intractable, though currently treated by the ICJ</td>
</tr>
<tr>
<td>Saudi Arabia vs. Qatar</td>
<td>Land boundary delimitation of 1965</td>
<td>Active</td>
<td>Egyptian-mediated negotiation since 1996</td>
</tr>
<tr>
<td>Saudi Arabia vs. Kuwait</td>
<td>Islands of Qaru and Umm al-Maradim</td>
<td>Low-Key</td>
<td>Bilateral negotiations since 1995</td>
</tr>
</tbody>
</table>

Table 5.9

Military/Economic Data of the Gulf Monarchies

<table>
<thead>
<tr>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Bahrain</td>
<td>5.0</td>
<td>10,700</td>
<td>120</td>
<td>24</td>
<td>8</td>
<td>-0.7</td>
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<tr>
<td>Kuwait</td>
<td>6.5</td>
<td>16,600</td>
<td>245</td>
<td>71</td>
<td>2</td>
<td>1.1</td>
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<tr>
<td>Oman</td>
<td>15.8</td>
<td>39,700</td>
<td>76</td>
<td>38</td>
<td>4</td>
<td>0.5</td>
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<tr>
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<td>n.a.</td>
<td>11,100</td>
<td>24</td>
<td>18</td>
<td>3</td>
<td>-2.4</td>
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<tr>
<td>Saudi Arabia</td>
<td>17.7</td>
<td>105,500</td>
<td>770</td>
<td>314</td>
<td>20</td>
<td>-1.7</td>
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<tr>
<td>U.A.E.</td>
<td>4.7</td>
<td>70,000</td>
<td>130</td>
<td>68</td>
<td>10</td>
<td>0.4</td>
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