

Opportunities and challenges for Jordan and Morocco

By Nehad Ismail

The new Secretary General of the GCC Abdul Latif Al Zayan announced recently that Jordan and Morocco have been invited to join the GCC (Gulf Co-operation Council). This is positive news that will offer opportunities and challenges and will have geo-political implications for the entire region.

When in 1958 the European Economic Market (EEC) idea was first mooted, it started with four countries, then six and now it comprises some 27 member countries with a population exceeding 500 million and a huge economy (16282 trillion US Dollars in 2010) which is equal to 26% of the global economy.

There are no legal or political impediments to prevent the expansion of the GCC to increase its membership by two new members. Currently the GCC consists of six Arabian Gulf Countries namely Saudi Arabia, UAE, Kuwait, Oman, Bahrain and Qatar. Inviting Jordan and Morocco is a shrewd step. Jordan and Morocco are two moderate pragmatic monarchies that have a lot to offer. The enlarged GCC will have a bigger population that will increase from 33 million to 77 million if you take into consideration the population of countries like the Palestinian territories and Syria which are bordering Jordan and the countries of Algeria and Mauritania that are bordering Morocco.

This will create a much bigger market and will increase the size of the GDP by an extra 200 billion US Dollars. The current GDP of the GCC is around 1400 billion dollars which is the world's 13th economy.

There will be massive opportunities for trade, industry, inter-Arab tourism and economic growth. The Arabs in the current GCC excepting Saudi Arabia are a minority due to the massive influx of foreign workers. The GCC members are hosting millions of workers from the Indian Sub-Continent and South East Asia.

The integration of Jordan and Morocco will redress the demographic imbalance and will rectify the distortion.

Politically the new expanded GCC will have more influence on the international stage. The increased economic clout would help in the geo-political balance of power. An expanded GCC will act as a bulwark against Iranian expansion and its unhealthy interference in Arab affairs. It would be a coalition of monarchies and emirates to face Iran's constant meddling into the internal affairs of the Gulf States. Iran is accused by some Arab States of instigating the Shiite

unrest in Bahrain. Iran reacted angrily to the Saudi military intervention to aid the Bahraini Government.

The Arab League has failed to bring about any kind of union or co-operative effort among Arab countries.

Some observers believe that this is a political move to strengthen the Sunni Defence Alliances in the region.

Jordan already has strategic interests with the Gulf States to counter-balance the Iranian threat. Jordan over the years has been a reliable ally of the Gulf States. The fear in Jordan is that by joining as the seventh member will delay the promised reforms. Some observers believe that the economic benefits of joining will be cancelled out by the military burden that will be imposed on Jordan.

The above reservations aside, it must also be said that the decision to invite Jordan to join the club was not a spur of the moment whim but was the result of several months of discussions and studies. Geographically Jordan occupies a pivotal place in the region, sharing borders with Iraq, Syria, Palestine and Saudi Arabia which makes it a vital bridge between the Gulf States and their Arab neighbours in the north.

Jordan and Morocco need reliable oil supplies at concessionary prices and economic aid. But it is important to remember that the GCC is not a charitable organization but a political and economic unit working for the common good of its members. Jordan being the closer geographically has to play its role. It has to put its army and military at the disposal of the GCC. In other words there are benefits but also obligations. It is not going to be a free ride or free ticket to riches. But it is often said it is better to be inside the club than an onlooker from the outside.

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