This paper examines the potential role that the six Gulf Cooperation Council (GCC) states—Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates (UAE)—might play in conflict resolution between Israel and the Occupied Palestinian Territories. Formally, there is little to no state-to-state contact between the GCC states and Israel, while geographically, the Gulf states are not, and have never been, “frontline states” in the Arab–Israeli dispute. Nevertheless, this paper documents a range of mechanisms that can, and in fact already do, constitute a practical basis for involving the Gulf states in regional mediation and conflict resolution initiatives. These range from the projection both of direct and indirect influence over the various Palestinian factions to quiet cooperation on technocratic and “non-political” issues such as energy and water, while the Saudi-proposed Arab Peace Initiative of 2002 remains the most comprehensive and credible plan to bring about a durable settlement of the Israeli-Palestinian conflict. Moreover, in the 12 years since the plan was unveiled, a realignment of regional geopolitics has created a convergence of interest between most GCC states and Israel over issues such as the Muslim Brotherhood, violent extremist groups such as the Islamic State (ISIS/ISIL), Iran, and Arab Spring challenges to the status quo. GCC states’ responses to the political upheaval combined a more expansive capability with greater policy intent and positioned them at the heart of regional policymaking as the Middle East and North Africa emerge unsteadily from the Arab Spring.

There are four parts to this paper. Part I provides historical context to the political, economic, and social connections that have bound the Gulf states to the Israeli-Palestinian conflict. These encompass far more than critical policy decisions at key junctures such as the Arab oil embargo following the 1973 Arab–Israeli War. Throughout most of their formative decades of development as nascent sovereign states, the Gulf monarchies tapped the human capital of the Palestinian diaspora, particularly in the fields of education and health. In its heyday in the 1950s and early 1960s, Gulf politics not only were inflected heavily by Arab nationalism but also influenced actively the emergence and growth of Palestinian political organizations. A dynamic process of mutual interaction lasted until the rupture in Palestinian-GCC relations in 1990 following Yasser Arafat’s support for Saddam Hussein after the Iraqi invasion of Kuwait. The Gulf War fractured the Gulf relationship with the Palestinian territories, which took years to repair. During this period, low-level ties with Israel began to develop as individual Gulf states engaged tentatively in creating political and commercial links after the 1993 Oslo peace accords.

Part II analyzes the technocratic cooperation in energy and water that has constituted both the most practical and the most viable mechanisms of Gulf–Israeli interaction, given the common interest in attaining resource security in a highly water-stressed environment. Sporadic and
issue-specific “under-the-radar” cooperation has in fact occurred for decades, beginning with the Trans-Arabian Pipeline (“Tapline”) in the 1960s and 1970s. More recently, the Middle East Desalination Research Center (MEDRC) in Oman—the only surviving organization set up as a result of the 1993 Oslo Accords—has become a model of cooperation in shared research and capacity-building. Furthermore, the experience of the MEDRC illustrates how such technocratic institutions can advance multitrack diplomacy between Arab states and Israel by providing opportunities for professional interaction between states that do not otherwise have formal diplomatic relations. This notwithstanding, the section ends by analyzing how the attempts to negotiate a Nuclear Weapons Free Zone (NWFZ) in the Middle East demonstrate the vulnerability of technocratic issues to rapid politicization and becoming themselves the source of contestation.

In Part III, the focus shifts to the GCC states’ post-2002 stance toward Arab-Israeli negotiations and Israeli-Palestinian conflict resolution. The section begins with an overview of the comprehensive Arab Peace Initiative put forward that year at the Beirut Summit of the Arab League by Saudi Arabia’s then-Crown Prince Abdullah. In addition to contributing to the international rehabilitation of Saudi Arabia following the events of September 11, 2001, the Arab Peace Initiative represented a significant breakthrough in the Arab position on Israel. Putting his personal imprint on the proposal, Crown Prince Abdullah not only committed Saudi Arabia to achieving a lasting settlement based on the “land for peace” formula but also formally accepted Israel’s existence within its 1967 territorial boundaries. Israel rebuffed the initiative, but the section continues by examining the growth of discrete Israeli trade relations with Qatar and Oman and unofficial commercial ties with the UAE. The section ends with the fallout from Israel’s December 2008–January 2009 offensive in Gaza, and the early signs of the divisions between Qatar and its GCC neighbors over Hamas that foreshadowed larger splits in policy toward the Muslim Brotherhood during the Arab Spring.

Part IV of this paper examines how the changing regional geopolitics of the Middle East have created new opportunities for the Gulf states to engage in Arab-Israeli conflict resolution after the Arab Spring. Gulf states’ responses to the Israel-Gaza war that erupted in June-July 2014 illustrated the shift in GCC states’ positions toward the Israeli-Palestinian conflict and must be viewed against the backdrop of the Arab Spring and the projection of assertive regional policies that combined growing capabilities with more expansive policy intent. Broader issues influenced policy on Israel and the Palestinian territories rather than the other way around, demonstrating how the Middle East peace process no longer was central to regional policymaking. The section formulates a set of policy recommendations on how the Gulf states can engage with regional and international partners and build upon the greater space for action as the shifting parameters of Middle East politics create new regional pathways for action and cooperation. As regional powers with a wide array of political and economic leverage, the Gulf states can play a significant role that goes beyond the provision of humanitarian assistance in conflict-affected environments to encompass a range of innovative conflict resolution tools as well.

I. Historical Context

After the creation of the State of Israel in 1948 and the series of Arab-Israeli wars that followed, tens of thousands of Palestinians migrated to the Gulf states, with two notable spikes occurring in 1948 and 1967, respectively. The flow of Palestinian refugees was largely a function of labor supply and demand as the Palestinians possessed the educational and professional skills to staff the new bureaucracies in the rapidly developing Gulf oil states. This was particularly significant in health and education as Palestinians and other Arab expatriates plugged shortfalls in the pool of skilled indigenous manpower to meet
the transformative needs of modernization.¹ In Kuwait, for example, the number of Palestinian and Jordanian workers rose from 14,000 in 1957 to 78,000 by 1965—a figure that, by comparison, would have exceeded the entire population of the sheikhdom in 1938.² Palestinians filled numerous leadership positions in Kuwaiti institutions during this formative period of state-building immediately prior to and after Kuwait’s independence in 1961. Examples included the City Secretary of Kuwait as well as the Electricity Office, which was labelled informally “The Jaffa Colony” as the director, ‘Abd al-Muhsin Qattan, employed many fellow Palestinians from his hometown of Jaffa. A second wave of Palestinian migrants occurred after the 1967 Six-Day War, including the future leader of Hamas, Khaled Mishaal, whose family settled in Kuwait, where he first became active in Palestinian politics.³

The influx of Palestinians, Egyptians, Syrians, Jordanians, and Yemenis also acted as a transmitter of ideological and pan-Arab sentiments that fused local and regional political currents. Students in Kuwait began to protest against the rise in Jewish immigration to mandate-era Palestine as early as the 1920s in some of the first recorded political demonstrations in the Gulf.⁴ In the 1930s, the cosmopolitan merchant elites in Kuwait, Bahrain, and Dubai were at the forefront in developing local support for pan-Islamic and Arab nationalist movements. In the period before the opening of the first Arabic printing press in the Gulf, the Dubai merchants imported Arab books and nationalist magazines from Cairo for onward transmission to subscribers across the Gulf.⁵ In the 1950s, popular Arab nationalist movements were particularly strong in Kuwait and Bahrain and gathered additional momentum following the Suez Crisis of 1956. Anti-British protests occurred in both British-protected emirates and culminated in the resignation of the emir of Bahrain’s longstanding advisor, Sir Charles Belgrave, in 1957.⁶ Two years later, Yasser Arafat co-founded Fatah in Kuwait, where he and other leading Palestinian activists were located, and based the movement’s Central Committee in Kuwait City until it moved to Damascus in 1966.⁷

Gulf aid to the Palestinian territories and the “frontline states”—Egypt, Jordan, Lebanon, and Syria—became significant in the aftermath of the 1967 Arab-Israeli War, the passage to statehood of all six Gulf states by 1971, and the surge in oil revenues following the 1973 oil embargo. Generous aid and development policies enabled Gulf officials to demonstrate that oil revenues were being utilized to benefit the Arab and Islamic communities as a whole. This form of “dinar diplomacy” conceptualized aid as a tool of soft power intended to “help countries which have intentions to support us,” in the words of a senior Kuwaiti official in the 1980s.⁸ Hence, Kuwait’s finance minister (and later emir), Sheikh Jabir al-Ahmad Al-Sabah, founded the Kuwait Fund for Arab Economic Development on December 31, 1961, just six months after independence. Abu Dhabi followed suit with the creation of the Abu Dhabi Fund for Development shortly after the formation of the United Arab Emirates in 1971. The Saudi Fund for Development also was launched in the early 1970s, while in 1976, Kuwait spearheaded the establishment of the Arab Fund for Economic and Social Development, which remains headquartered in Kuwait City.⁹

Figures assembled by Sultan Barakat and colleagues at the Post-War Reconstruction and Development Unit at the University of York illustrate the scale and direction of the first generation of aid flows from the Gulf states. Since 1970, Saudi Arabia, Kuwait, Qatar, and the UAE have provided up to 90 percent of all Arab aid financing while more than half of all Gulf assistance between the late-1960s and late-1970s went to Egypt, Jordan, Syria, and Lebanon. Gulf aid budgets tracked oil prices, and both soared during the first oil-price boom in the 1970s (and declined correspondingly when prices slumped in the 1980s and 1990s); from 1974 to 1979, aid contributions from Kuwait, Qatar, and the UAE totalled between 6 and 8 percent of gross national income, compared with one-third of 1 percent
in Development Assistance Committee (DAC) countries.\textsuperscript{10} It was only in the 1980s that the focus of Gulf overseas development assistance (ODA) began to shift away from the front-line states as Gulf–based bilateral and multilateral aid institutions supported reconstruction projects in Afghanistan and elsewhere.\textsuperscript{11}

Gulf aid motivations were rooted largely in Islamic principles of zakat (charitable giving) and solidarity with the Palestinian cause, in addition to the abovementioned aim to redistribute at least a proportion of oil revenues to less well-endowed parts of the Arab and Islamic world.\textsuperscript{12} Thus, Yusuf al-Qaradawi, the Egyptian–born cleric who has resided in Qatar since the early–1960s, was instrumental in the creation of the International Islamic Charitable Organization in Kuwait. In 1984, al-Qaradawi appealed to participants at a conference of Islamic finance to “Pay a dollar, and save a Muslim.” His campaign gathered widespread support and after the concept was presented to Emir Jabir al-Ahmad Al-Sabah in 1986, an Emiri decree was issued that formally established the organization. As with the earlier creation in 1978 (by Saudi royal decree) of the International Islamic Relief Organization, both NGOs (nongovernmental organizations) expanded rapidly as a way of channelling zakat to worthy regional causes.\textsuperscript{13}

The Iraqi invasion of Kuwait in August 1990 was a watershed moment in the modern history of the Gulf states. In addition to coinciding with the end of the Cold War and marking the acceleration of globalizing processes, the fact that the largest recipients of Kuwaiti aid—the Palestinians, Jordanians, and Yemenis—all supported Saddam Hussein hit hard.\textsuperscript{14} Numerous Palestinians in Kuwait and some of their PLO representatives played a role in the Kuwaiti resistance while several local Fatah officials also spoke out against the Iraqi occupation.\textsuperscript{15} However, Yasser Arafat’s outspoken support for Saddam Hussein and the deployment of an Iraqi–sponsored Palestinian organization (the Arab Liberation Front) to occupied Kuwait inflicted deep wounds on the Kuwaiti–Palestinian relationship that took years to overcome. Tens of thousands of Palestinians were deported from Kuwait in the aftermath of liberation, and relations only began to repair significantly following the death of Arafat in November 2004.\textsuperscript{16}

II. Technocratic Cooperation

Against the backdrop of the events described above, “official” contacts between the Gulf states and Israel were virtually nonexistent up until the 1990s. An intriguing exception was Israel’s partial involvement in the Trans–Arabian Pipeline (“Tapline”), which operated from Dhahran in Saudi Arabia to Zahrani in Lebanon between 1950 and 1982. After the Arab–Israeli War of June 1967, some 50 kilometers of Tapline lay in Israeli–occupied territory; the pipeline itself was closed down during the fighting as part of an Arab decision to suspend oil exports to the West. In August 1967, the Arab League decided at its Khartoum Summit to resume oil exports in order to finance the frontline states in the struggle with Israel. Recent research has documented how Israel “quietly approved the resumption of Tapline operations without demanding transit royalties” and “an Israeli paramilitary unit on Tapline’s payroll patrolled the line to guarantee its undisturbed operation.”\textsuperscript{17} Nonetheless, it was Israel’s invasion of south Lebanon in 1982 that signalled the ending of Tapline, which had become increasingly unprofitable when set against falling tanker costs for transporting oil from the Gulf. Small quantities of oil continued to flow through the portion of the pipeline between Saudi Arabia and Jordan until they, too, were abandoned in 1990, in part a result of Saudi anger at Jordan’s pro–Iraq stance in the Gulf crisis.\textsuperscript{18}

All six GCC states participated in the Madrid peace conference in 1991, and Saudi officials joined with their Egyptian counterparts to pressure Arafat and Syrian president Hafiz al-Assad to attend. By doing so, they accepted the Madrid framework of direct and bilateral Arab negotiations with Israel.\textsuperscript{19} Moreover, Oman, Bahrain, and Qatar all hosted working
group sessions of the multilateral committees established as a result of the Madrid conference. One year after the signing of the Oslo I Accord on September 13, 1993, the GCC ended its secondary and tertiary boycott of companies doing business with Israel, stating that Israel’s peace agreements with Jordan and the Palestinians rendered the blacklist unnecessary. In September 1995, the new Qatari emir, Sheikh Hamad bin Khalifa Al-Thani, attended in person the signing of the Oslo II Accord in Taif, while in November, Qatar and Israel signed a letter of intent for a long-term gas agreement. This involved the Enron Corporation as the go-between to avoid any direct dealings between the two countries, although subsequent negotiations failed to make progress on a deal that initially was reported to be worth up to US$4 billion.

It was nevertheless not long before direct, if low-key, trading relationships developed. Oman and Israel established trade offices in October 1995, 10 months after Oman had become the first Gulf state to host a visiting Israeli prime minister, Yitzhak Rabin, in December 1994. Israel also opened a trade office in Doha in May 1996, one month after Rabin’s successor as prime minister, Shimon Peres, visited Qatar. Another milestone occurred in November 1997 when Qatar displayed an early instance of its independent streak as it refused to cancel a MENA economic conference in Doha in the face of concerted pressure from across the Arab world to withdraw an invitation to Israel to participate. Qatari leaders instead insisted on their right to formulate an autonomous foreign policy and invite whomever they wished, provoking particular anger in Saudi Arabia and Egypt. Quiet low-level commercial contacts between Israel and the UAE also emerged in the early 2000s, particularly in Dubai, including a joint venture between Dubai-owned DP World and Israel’s largest shipping firm, Zim Integrated Shipping. During the political firestorm that followed DP World’s acquisition of a contract to run cargo operations in major US ports in February 2006, a counterintuitive situation arose whereby Zim’s Israeli CEO became a vocal defender of DP World against political critics in the US who opposed the move on national security grounds. In a letter to then-New York senator Hillary Clinton, Idon Offer criticized the “misinformation about DP World in the US media” and added that “as an Israeli company ... we are very comfortable calling at DP World’s Dubai ports.”

The Israeli trade offices in Muscat and Doha both fell victim in the 2000s to the ongoing tensions in the broader Middle East peace process. The Israeli trade office in Oman was shut down in late 2000 after the start of the al-Aqsa intifada in September, and the current Omani position is that the office will reopen only when agreement is reached on a Palestinian state. Qatar also announced the closure of its Israeli trade office in November 2000, although contacts and cooperation continued for much of the remainder of the decade, as the following section details. These setbacks illustrated the vulnerability of Gulf-Israel ties to fluctuations in the broader relationship between Israel and the Arab world, as outbreaks of violence led to grandstanding among leaders on all sides.

As a result, the most tangible and sustained progress was made on technocratic cooperation related to a shared concern over a critical resource, namely water desalination. As part of the abovementioned hosting by Oman, Bahrain, and Qatar of working group sessions of multilateral committees established under the Madrid framework, Oman in April 1994 hosted a meeting of the working group on water. The talks led to the creation in December 1996 of the Middle East Desalination Research Center (MEDRC) headquartered in the Omani capital, Muscat. The MEDRC brought together Arab states, the Palestinian authority, and Israel to develop practical solutions to regional water challenges, with the support of the United States, Japan, the Netherlands, South Korea, and Qatar. Two decades on, the MEDRC is the only surviving organization from the Oslo Accords. As a research and capacity-building institution that shares expertise on desalination technologies and
clean fresh water supply, the center has been described by the Obama administration as “a role model for peace and regional integration.”

Over the years, the MEDRC has combined its functional remit as a regional training institute with quiet diplomatic outreach and multilateral track diplomacy between Israel and Arab states. Since its launch, the center has benefited from the staunch political and financial support of Sultan Qaboos and the Omani government. Speaking in 2011, the Dutch director of the MEDRC at the time, Ronald Mollinger, stated that Israel “takes the MEDRC and its regional role very seriously, as the center also gives them an opportunity to interact with states that they do not yet have formal diplomatic relations with.” The hosting of international expert workshops has facilitated such contacts between Israeli and Arab officials on the margins of the meetings. Meanwhile, senior officials from all affiliated states, including Israel, sit on the Executive Council, which is chaired by the secretary-general of the Omani Ministry of Foreign Affairs, Sayyid Badr bin Hamad Albusaidi.

Far less successful have been the persistent efforts to create a Nuclear Weapons Free Zone (NWFZ) in the Middle East. This illustrates again the vulnerability of sensitive issues to rapid politicization. The first attempt to establish a regional NWFZ emerged in a 1974 proposal to the United Nations General Assembly by the shah of Iran and Egyptian president Anwar Sadat. Their common objective was to force Israel to dismantle its (presumed) nuclear weapons, but it failed to gain traction, as did an Israeli initiative in 1980 that called for direct negotiations among regional powers rather than the creation of an NWFZ itself. During the Iran–Iraq War of 1980–88, the subsequent proliferation of chemical and biological weapons (and their use) posed a direct challenge to the security of the Gulf states as well as Israel. However, the shared threat from the spread of weapons of mass destruction did not, in this period, bring the Gulf states and Israel any closer together in the pursuit of a regional NWFZ. From 1991, the Gulf and other Arab states and Israel took part in the post-Madrid conference multilateral working group on Arms Control and Regional Security. However, academic Gawdat Bahgat observes that the talks “failed due to the large and deep differences between the parties” as they were unable to reach agreement on “the connection between nuclear disarmament, conventional weapons, and peace.”

The gap between the parties has narrowed significantly in recent years, and limited talks have resumed without yet leading to a breakthrough. In 2010, the Nuclear Non-Proliferation Treaty (NPT) called for a Weapons of Mass Destruction Free Zone (WMDFZ) in the Middle East by 2012. Finland was due to host the international conference in Helsinki and was close to securing agreement by all Arab states, Iran, and Israel to participate. However, the three depository powers of the NPT (the United States, the United Kingdom, and Russia) and the secretary-general of the United Nations, Ban Ki-Moon, agreed to postpone the conference until at least 2015 pending sufficient agreement on key issues. In lieu of the actual conference, a pre-consultation process has taken place since 2012 that has, for the first time, included representatives from Israel and Iran as well as regional Arab states. Three meetings have taken place at a Swiss lakeside retreat near Montreux under the leadership of Finnish diplomat Jaakko Laajava. Constructive negotiations have occurred on how to bridge key issues, such as the type of arms that would be discussed at the eventual conference, but agreement on the conference date and terms of reference has remained elusive, and since late-2013 the consultations have been overshadowed by the Iranian nuclear negotiations in Geneva.

And yet, as Part IV examines in greater detail, the shifting regional geopolitics of the Middle East offer a degree of optimism for further and sustained progress. Over the past three decades, the center of gravity of the regional opposition to an NWFZ has shifted from the Arab core to Iran. As a realignment of broad geostrategic interests has blunted the acrimonious relationship...
between the GCC states—led by Saudi Arabia and the UAE—and Israel, ongoing consultations and track-two diplomacy may bring into focus the outline of a compromise. Although a full agreement remains unlikely owing to the lack of domestic political and public support, the more that officials interact and become familiar with each other’s position, the greater the chance that confidence-boosting measures can be identified and also implemented. Such technocratic cooperation can, in turn, provide the basis for the articulation of policy responses to common threat perceptions whether from Iran, ISIS/ISIL, the Muslim Brotherhood, or the convoluted post-Arab Spring political reordering in the Levant and North Africa.

III. Regional Diplomacy

Since 2002, Saudi Arabia and, to a lesser extent, Qatar have engaged actively with the Middle East peace process with a series of initiatives that have placed the Gulf states at the forefront of Arab attempts to identify the parameters of a long-term settlement of issues. The most significant and durable of these is the Arab Peace Initiative that was formulated in 2002 by the current king (and then-crown prince) of Saudi Arabia, Abdullah. This represented Saudi Arabia’s second attempt at resolving the Arab-Israeli dispute two decades after King Fahd put together the Fahd Plan for Arab recognition of Israel in return for Israeli withdrawal from occupied Arab land. Whereas the Fahd Plan failed to gain the full support of the Arab League in 1981, with Hafiz al-Assad’s Syria resisting strongly, Crown Prince Abdullah’s proposal was endorsed unanimously by all Arab League member states on March 27, 2002. Moreover, when the Arab League Summit met in Riyadh in 2007, Saudi Arabia secured the unanimous re-endorsement of the Arab Peace Initiative.34

In media circles, the Arab Peace Initiative is commonly perceived to have originated in a February 2002 discussion between Crown Prince Abdullah and New York Times columnist Thomas Friedman. During their meeting, Friedman summarized a recent article he had written that suggested that all 22 members of the Arab League offer Israel full diplomatic relations, normalized trade, and security guarantees in return for total Israeli withdrawal to the pre-1967 boundaries and the establishment of a Palestinian state. According to Friedman, “the crown prince looked at me with mock astonishment and said, ‘Have you broken into my desk?’ before adding that ‘The reason I ask is that this is exactly the idea I had in mind ... I have drafted a speech along those lines ... The speech is written and it is in my desk.’”35 In reality, six months after the terrorist atrocities of 9/11 that involved 15 Saudi nationals, the Arab Peace Initiative represented a means of repairing both the Kingdom’s international reputation and the relationship with the United States. Moreover, to ensure that the proposal did not suffer the same fate as the Fahd Plan, Saudi officials engaged in extensive consultation with Egyptian and Jordanian counterparts before agreeing to take the lead on the peace initiative.36

When unveiling the Arab Peace Initiative at the Beirut Summit of the Arab League, Crown Prince Abdullah stated:

We believe in taking up arms in self-defense and to deter aggression. But we also believe in peace when it is based on justice and equity, and when it brings an end to conflict. Only within the context of true peace can normal relations flourish between the people of the region and allow the region to pursue development rather than war.37

Although the Arab League unanimously endorsed the plan, it happened to coincide with a major upswing in Israeli-Palestinian violence and failed to win traction among US or Israeli policymakers. Moreover, the plan did not mention Hamas or Hezbollah, the two most direct sources of threat to Israeli security. Nevertheless, the Arab Peace Initiative was significant in two major regards: first, it signalled a breakthrough in Arab willingness to formally and collectively recognize Israel’s existence and end the “rejectionist”
stance laid down at the 1967 Khartoum Summit; and second, it continues to constitute the starting point for any resumption of Arab-Israeli efforts to reach a comprehensive peace settlement. Ban Ki-Moon stated in 2007 that the Arab Peace Initiative “is one of the pillars of the peace process,” while in April 2009, the new Obama administration’s Middle East envoy, Sen. George Mitchell, announced that the US intended to “incorporate” the Arab Peace Initiative into its Middle East policy.

More recently, efforts to revive the Arab Peace Initiative have again resumed. Shortly before he left office in June 2013, Qatar’s prime minister and foreign minister, Sheikh Hamad bin Jassim Al–Thani, met with US Vice-President Joe Biden and Secretary of State John Kerry on behalf of an Arab League delegation to propose modifying the Arab Peace Initiative with mutual land swaps rather than the wholesale Israeli withdrawal to pre-1967 boundaries. The proposal had been debated and approved in advance by officials from Bahrain, Egypt, Jordan, Lebanon, Saudi Arabia, and the Palestinian Authority in consultation with Secretary Kerry. As in 2002 and 2007, however, the Arab proposal was not taken up by Israeli leaders, despite former foreign minister and lead negotiator Tzipi Livni stating that the initiative “could allow the Palestinians to enter the room and make the needed compromises,” and former Prime Minister Ehud Olmert calling the land swap modifications “a very important development” as well as “an opportunity that must be seized to renew the diplomatic process.”

Qatar’s involvement in the latest bid to revive the Arab Peace Initiative represented the culmination of a decade-long attempt to incorporate the Israeli-Palestinian issue into its regional mediation efforts. Qatari mediation was spearheaded by Emir Sheikh Hamad bin Khalifa Al–Thani and Foreign Minister (and Prime Minister after 2007) Sheikh Hamad bin Jassim Al–Thani (both men stepped down in June 2013). In addition to carving a regional niche in mediation and developing a reputation for autonomy in foreign policymaking, the eponymous sheikhs were the twin architects of Qatar’s emergence as a regional power with international reach. In the early- and mid-2000s, Qatar assumed the rotating leadership of the Organization of the Islamic Conference (2000–03) and the Gulf Cooperation Council (2002), as well as the chairmanship of the major G-77-China grouping at the United Nations (2004). These roles provided a regional and international platform for the assertion of Qatari foreign policy ideals, and they culminated in the prestigious award of a two-year seat on the Security Council of the United Nations in 2006–07.

During its two years on the Security Council, Qatar attracted international attention, both positive and negative, which fostered an awareness of the sometimes contradictory dimensions of the country’s careful balancing of regional policies. In July 2006, it was the only country to vote against Security Council Resolution 1696 (passed by 14 to one) expressing concern over Iranian intentions regarding its nuclear program and demanding that Tehran halt the enrichment of uranium. That same month, Qatar advocated dialogue between Israel and the Lebanese government during the July 2006 war while maintaining contact with Hezbollah, and abstained from Security Council Resolution 1757 in May 2007 that called for an international tribunal to investigate the assassination of former Prime Minister Rafiq Hariri. In October 2006, Qatar sponsored mediatory efforts between the competing Palestinian factions of Hamas and Fatah in an attempt to bring about reconciliation between the split control of West Bank and Gaza. This initiative was quickly upstaged by the Saudi-sponsored (and ultimately short-lived) Mecca Agreement between Hamas and Fatah in March 2007, which failed to prevent the descent into all-out conflict between the two sides in June, and the consequent division between the Hamas-controlled Gaza strip and the West Bank governed by the Palestinian Authority.

In addition to the mediation attempts described above, on several occasions in the
2000s, Qatari leaders engaged in direct talks with their Israeli counterparts. This official and high-level contact distinguished Qatar from all other Gulf states bar Oman. In May 2003, Foreign Minister Sheikh Hamad bin Jassim Al-Thani met with Israeli Foreign Minister Silvan Shalom in Paris to explore ways of reaching a Middle East peace settlement. Their meeting was notable for being the first ever between the foreign ministers of any Gulf state and Israel. The bar was raised higher still in September 2007 when Shalom’s successor as foreign minister, Tzipi Livni, met with Qatari Emir Sheikh Hamad bin Khalifa Al-Thani on the margins of the United Nations General Assembly meeting in New York. The unscheduled meeting occurred at the invitation of Emir Hamad and came at a time when both Israel and the George W. Bush administration in the United States were seeking to increase their engagement with “moderate” Arab states across the Middle East. Livni subsequently visited Qatar in April 2008 and met with both the emir and with Sheikh Hamad bin Jassim, by now also Qatar’s prime minister.

However, the steady increase in high-level Qatari meetings with Israeli leaders did not survive the Israeli launching of Operation Cast Lead in Gaza in December 2008. Qatari officials permitted local demonstrations against Israel to take place in Doha and ordered the final closure of the Israeli trade representation office, which had been allowed to resume low-level operations, and gave its staff seven days to leave the country. This was part of a general suspension of ties with Israel announced by Qatari officials at a hastily convened Arab “summit” in Doha in January 2009. Saudi Arabia, Bahrain, Kuwait, Egypt, and six other members of the Arab League stayed away from the Doha meeting, which was attended by Syria’s President Bashar al-Assad and the Hamas leadership, and organized instead a rival summit in Riyadh. The dissenting countries expressed their anger not at Qatar’s longstanding connections with Israel, but at its perceived support for Hamas, and constituted an early example of the growing differences between Qatar and its Gulf neighbors that burst into the open during and after the Arab Spring. Developments in October 2012 reinforced the divergence of Qatar’s approach to regional policymaking as the emir, accompanied by the prime minister, became the first head of state to visit Gaza since the Hamas takeover of power in 2007. Their visit symbolically represented a breaching of the tight Israeli- and US-led sanctions on the Hamas-controlled territory only weeks before a new Israeli attack began the following month. In his welcoming address, Hamas’ prime minister, Ismail Haniya, acknowledged the significance of the visit, telling the emir that “Today you are a big guest, great guest, declaring officially the breaking of the political and economic siege that was imposed on Gaza … Today we declare victory on this siege through this blessed, historic visit.” The emir reciprocated his warmth by pledging to increase Qatari investment in Gaza from US$250 million to US$400 million to finance urgently needed housing, health, and infrastructural projects, although it remains unclear whether and how much any of the pledge was actually distributed in practice.

The careful balancing of competing and sometimes conflicting positions that was characteristic of Qatari foreign policy in the 2000s became evident in the final months in power of Emir Hamad and Prime Minister Hamad bin Jassim in 2013. Qatar hosted the Arab League annual summit in Doha in March 2013, and the emir used the occasion to call for the creation of a US$1 billion “Jerusalem Fund” for preserving the city as the capital of a Palestinian state. In doing so, Emir Hamad stated bluntly that “Arab rights are not [up] for compromise and Israel has to be aware of this fact.” Only several weeks later, an Israeli trade delegation visited Doha in May 2013 amid talk of a potential reciprocal visit to Israel by a Qatari delegation as well as possible Qatari investments in Israel’s thriving hi-tech sector. Yet the subsequent handover of power in Qatar in June 2013 was followed immediately by the rolling back of Arab Spring
gains and reassertion of a shaky status quo ante in many of the transition states. This placed the new government of Emir Sheikh Tamim bin Hamad Al–Thani on the defensive as Saudi Arabia and the UAE took the lead in engaging with regional issues, and Qatar’s ties with the Muslim Brotherhood and affiliated organizations, such as Hamas, came under intense scrutiny.

IV. Shifting Geopolitics

The changing post–Arab Spring regional geopolitics of the Middle East present new opportunities for Gulf states’ engagement in Arab–Israeli conflict resolution. Leaders in both the Gulf states and in Israel have expressed repeated and vocal concern at US policy toward the Arab Spring, which, they argued, merely exacerbated regional instability. In the words of veteran Kuwaiti academic and foreign policy advisor Abdullah Al Shayji, “The drift and incoherence of US foreign policy under the Obama administration has not gone unnoticed in the Arab world and the Middle East, especially among America’s Gulf allies.” As officials became disenchanted with what they perceived as increasingly discredited “Western–centric” approaches to the region, they began, in turn, to develop more assertive policies of their own. As post–2012 policies toward Syria, Egypt, and Libya have indicated, Gulf officials are prepared to “go it alone” and act unilaterally or, at best, as a loose regional bloc to secure their interests in transition states.

The emergence of the Gulf states as visible global actors pre-dated the Arab Spring but accelerated and acquired a potent new dimension once the initial shock of the upheaval had subsided. Over the past three years, the Gulf states have therefore aligned their growing capabilities (in the political, economic, and security arenas) with a far more expansive policy intent. Engaging with a muscular Gulf across the Middle East and North Africa is likely to be a feature of the regional landscape for the foreseeable future. Between them, GCC states took the lead in responding to the political and economic challenges triggered by the Arab Spring, albeit in very different and sometimes competing ways. Gulf assistance to Egypt illustrates the policy implications of this process in action as first Qatar and then Saudi Arabia and the UAE backed different sides in the post–Mubarak maelstrom of Egyptian politics. Here, as elsewhere, Gulf assistance was linked indelibly to particular political currents rather than being tied to outcomes such as reforms to governing frameworks.

It is therefore against the backdrop of the rise of the Gulf states as visible and proactive regional and international actors that fresh approaches to Arab–Israeli issues can and should be measured. Importantly, also, there is a growing acknowledgment across the Middle East that the Middle East peace process is no longer the defining epicenter of regional politics or the touchstone of contestation that renders practical engagement in other areas virtually impossible. On the contrary, a new set of challenges and fault lines has emerged across the region that has taken precedence in the eyes of political and security officials in Israel and Arab capitals alike. Increasingly, a sense of shared concern over these emergent challenges has not only overridden dogmatic approaches to Arab–Israeli issues but also, more significantly, set in train a pragmatic reconsideration of how regional actors may work together to restore a minimal level of political and economic stability following the upheaval of the Arab Spring.

Mention has already been made about the emerging differences between Qatar and its regional neighbors, which include Israel as well as Saudi Arabia and the UAE. This reflects the realignment of regional geopolitics that has gathered pace since the outbreak of the Arab uprisings in early 2011. While concern for the ideological and security threat posed by Iran has continued to manifest itself in Gulf capitals and Israel, particularly over the content and potential outcome of the ongoing nuclear negotiations in Geneva, the new regional fault line has centered
on the role of political Islam, and specifically the Muslim Brotherhood, in the Middle East. Inextricably linked to this is a concern for domestic and regional security—focused most recently on the rise of ISIS/ISIL—as the transitions underway in states that underwent regime change in 2011 have become contested, violent, and deeply destabilizing. Notably, on all three issues—Iran, the Muslim Brotherhood, and the political status quo—the “conservative” Gulf states (Saudi Arabia and the UAE) share a broad, if tacit, convergence of interest with Israel. This is significant as it suggests that the Gulf states can actively become involved in Arab–Israeli conflict resolution in a context that is far removed from any notions of a “zero-sum” game mentality.

The “new” politics of the Middle East were on display during the two-month conflict between Israel and Hamas in Gaza between June and August 2014. Speculation in media circles over alleged meetings between Israeli political and security officials and their colleagues from Saudi Arabia and the UAE was difficult to substantiate but had more than a ring of truth to it. During the conflict, Israeli officials spoke in public about their cooperation with the Egypt of President Abdel-Fattah al-Sisi and the Arab Gulf states over regional issues. General Amos Gilad, director of the Israeli Defense Ministry’s Policy and Political–Military Relations Department, told academic James Dorsey that “our security cooperation with Egypt and the Gulf states is unique. This is the best period of security and diplomatic relations.” Former defense minister Shaul Mofaz also alluded to a cooperative role for Gulf partners when he stated on Israeli television that Saudi and Emirati funds should be used to rebuild Gaza after the end of the conflict. Similarly, the serving finance minister, Yair Lapid, called on “moderate Arab states, including Saudi Arabia,” to participate in a joint conference with Israel to discuss post-conflict reconstruction in Gaza.

Such statements additionally built upon several recent developments that all portend a greater outreach between Israeli and Gulf officials and policymakers. In May 2013, an Israeli foreign ministry economic plan for the 2013–2014 year revealed that Israel had established a diplomatic mission in an unnamed Gulf state. At around the same time, the foreign ministry also launched on Twitter a “Virtual Embassy to [the] GCC countries, dedicated to promoting dialogue with the people of the GCC region.” This was followed in May 2014 by the first meeting in public of former heads of the Israeli and Saudi intelligence agencies at an event in Brussels organized by the German Marshall Fund of the United States and hosted by Washington Post associate editor David Ignatius. The panel discussion between HRH Prince Turki bin Faisal Al-Saud and General Amos Yadlin covered the various efforts to resolve the Arab–Israeli dispute as well as the current security situation in the Middle East. The lively debate highlighted the differences in Israeli and Saudi positioning on key issues, yet the fact that it took place at all was a breakthrough in itself.

This paper ends with the following policy recommendations that officials, policy practitioners, and scholars may explore in greater detail. The late August 2014 announcement of a ceasefire to end the latest round of violence in Gaza offers an opportune moment to devise fresh approaches to Arab–Israeli conflict resolution. Moreover, the changing landscape of Middle East politics provides multiple points of entry for discrete, and likely issue-specific and technocratic-led cooperation among all principal regional states. Above all, the emergence of the Gulf states as proactive regional actors makes it imperative for international actors and multilateral agencies to identify ways of working together in pursuit of a common objective. Syria offers a salutary example of the difficulties that arise when the international community is divided and when regional and international actors pursue unilateral policies that follow competing or contradictory lines.
**Policy Recommendations**

1. Prioritize practical avenues of cooperation along issue-specific and technocratic lines.
   - While the thawing of relations between Israel and the Gulf states is significant, any attempt to move too far or too fast will set back the process and lead to mutual recrimination and acrimony.
   - Discrete technocratic cooperation can strengthen networks of confidence and trust that may, over time, facilitate and underpin the creation of more visible political relationships based on common and shared interest.
   - Working groups of multilateral agencies and international institutions provide an opportunity for representatives from the Gulf states and Israel to discuss, debate, and become accustomed to respective policy motivations and end-objectives.

2. Follow a top-down approach that gains the support of key principals and decision-makers.
   - Decision-making in GCC states is the preserve of an elite circle of officials and senior government ministers who set policies and whose support is vital to implementation, monitoring, and follow-up measures.
   - Ensuring the buy-in of principals is critical to tapping into the “state capitalist” development model in Gulf states whereby the full resources of the state can be mobilized in support of a particular policy objective.
   - Strong leadership on all sides will be necessary to mitigate any public or political unease at measures to cooperate on issues as sensitive to domestic and regional opinion as the Arab-Israeli issue.

3. Leverage the rising influence of the Gulf states as diplomatic mediators in regional issues.
   - The Gulf states’ more assertive regional policies in the wake of the post-2011 Arab Spring upheaval have positioned them as critical stakeholders in the “new Middle East” with a direct interest in the direction of political and economic transition.
   - Practitioners should utilize Gulf diplomacy in both conventional mediation settings and as third-party interlocutors capable of facilitating and enabling indirect contacts between groups that cannot engage in direct negotiation.
   - Care must be taken to ensure that Gulf actors work closely with local institutions and civil society organizations and engage governmental and multilateral bodies rather than operating independently and pursuing exclusively national agendas.

4. Reaffirm a modified Arab Peace Initiative as the starting point of a sustained process of regional peace-building.
   - Progress on the Arab Peace Initiative will involve reaffirming it as the basis for a comprehensive regional settlement but repackaging it into a series of incremental steps to allay Israeli skepticism of the initiative as a one-time “take it or leave it” offer.
   - Saudi Arabia, the UAE, and Qatar can use their influence over Palestinian groups and leadership within the Arab world to rally support, reframing the initiative into distinct yet mutually reinforcing blocks.
   - Israeli and Gulf officials should participate in working groups with regional and international partners to devise a realistic timetable for implementation of each step of the process and identify policy outcomes that measure and evaluate progress.

5. Utilize the Gulf states’ long record of aid and development to conflict zones across the Middle East.
   - Saudi Arabia, the UAE, Kuwait, and Qatar possess extensive expertise in engaging with post-conflict reconstruction and recovery across and beyond the Arab world and have
built up longstanding networks of local partners in host societies.
- By virtue of the greater financial resources available to them, Gulf institutions can form the cornerstone of reconstruction projects and programs in Gaza, but care needs to be taken to ensure that these are not tied to particular political currents.
- Embedding Gulf assistance into multilateral initiatives facilitates the closer harmonization and coordination with international humanitarian organizations that hitherto has been a weakness in relations between Gulf and DAC donors.

6. Remain aware of, and sensitive to, partners that might not necessarily share the same norms.
- Finding common ground and operating objectives will be critical if international organizations are to absorb and accommodate the views of Gulf institutions and develop deeper partnerships based on shared interests.
- Identifying where sources of difference lie and pinpointing areas of potential cooperation will enhance policymakers’ understanding of the practical measures that can bridge sometimes competing interests and create durable new partnerships.
- Practitioners should identify best-practice experiences from cooperative frameworks such as the Friends of Yemen process that have functioned efficiently, and learn the lessons of examples such as the Deauville Partnership, which have not.

7. Think creatively, outside of the box, and over the medium- to long-term.
- The changing geopolitics of the Middle East are creating new possibilities for regional engagement as the upheaval generated by the Arab Spring gives way to a set of political and economic transitions that are themselves highly uncertain.
- No longer is the Arab–Israeli dispute the source of, or trigger for, the new fault lines across the Middle East, thereby relieving some of the pressure on policymakers and opening up new options for innovative engagement on peace-building issues.
- With Israel becoming a significant producer of natural gas, and the Gulf states embarking on major programs of economic diversification, mutual exchanges of energy and hi-tech expertise can act as powerful multipliers of shared interest and engagement.

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