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The Stagnant Union: The Dual Division of Gulf Integration

The Persian Gulf region has gradually emerged from its peripheral position as a result of its rapid economic and political development. In line with the broader wave of regional integration that became a global trend during the second half of the twentieth century, the Gulf Cooperation Council (GCC) was established in 1981. The member states' shared historical, linguistic, religious, and ethnic characteristics, together with favorable economic prospects, created a unique set of conditions conducive to closer cooperation. Similar to the European Union, one of the GCC's principal objectives was the establishment of a highly integrated form of regional cooperation. In the decades following the signing of its founding charter, however, the Council faced both external and internal divisions, which significantly hindered the deepening of integration. The process of regional integration in the Gulf and the challenges accompanying it can be examined from several perspectives. One widely applicable and effective approach is chronological analysis, which follows the sequence of events over time. Another analytical framework focuses on decision-making processes, examining how individual decisions have shaped the dynamics of cooperation within the organization. This study centers on the key developments that have been most influential in shaping the evolution of Gulf integration, grouping these events according to different analytical criteria. Furthermore, the analysis adopts a comparative qualitative case study approach, highlighting the similarities and differences between Gulf regional cooperation and the European Union, which serves as the primary reference model.
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1.Integration of the Arabian Peninsula

The Gulf Cooperation Council (hereinafter GCC, Gulf, or Council) was established in 1981, two years after the Iranian Islamic Revolution. Its immediate precursor was the dialogue initiated in Jeddah in 1975 among the leaders of eight countries. In addition to the six countries that later formed the group, Iraq and Iran were among the participants. A year later, the dialogue continued in Muscat, with a focus on defense, security, and foreign policy. Subsequently, the 1979 Iranian Islamic Revolution, followed by the war with Iraq, led to the withdrawal of those two countries, thereby making military cooperation more urgent for the remaining six to avoid conflict. At the meeting held in Kuwait in 1981, the primary objectives were economic integration alongside the strengthening of collective security and military ties (Abdulla, 1999). The rushed pace resulted in the failure to establish the most critical institutional foundations during the negotiations, which later shaped the Gulf's overall functioning (Legrenzi, 2011). Deepened integration was hindered not only by the young nation-state status but also by territorial disputes predating independence and significant disparities in relative weight. The Gulf set ambitious goals aimed at achieving a level of integration comparable to that of the European Union (Alsowaidi, 2007). This justifies approaching the study's analysis of the Gulf's development through comparison with European integration.
At the moment of signing the founding charter in May 1981, the organization became the second subregional initiative in the Middle East (Worrall, 2021). By then, the broader-inclusion Arab League already existed, but the objectives differed; the young states of the Arabian Peninsula envisioned much closer cooperation. The signatories were Bahrain, the United Arab Emirates

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(hereinafter Emirates), Qatar, Kuwait, Oman, and Saudi Arabia. The countries aimed for strengthened and integrated relations based on Islam and historical identities. They expressed coordination in service of Arab nation goals. While emphasizing unity, each country insisted on preserving its own political role. The main decision-making body, the Secretariat, was not granted supranational powers; instead, the Supreme Council and the Ministerial Council became the primary responsible assemblies. Members could exercise veto rights against policies deemed unsuitable for them. They expressed the necessity of progressing toward unity and creating common rules (Gulf Cooperation Council, 1981).

Table 1: Chronological Milestones in the Development of the GCC

Year	Event	Significance
1975	Jeddah talks	Cooperation precursor
1976	Muscat talks	Security focus
1979	Iranian Revolution	Threat perception
1981	GCC founded	Formal integration
1981	Founding charter	Sovereignty preserved

Source: Author's own work.

The Council's developmental history has been examined from various perspectives, with both internal and external conflicts receiving significant attention. Turbulent regional events have recurrently posed challenges to the organization. Fault lines continually fluctuate, often with multiple influences acting simultaneously and reinforcing each other. This very dynamic provides the study's relevance, as deepening integration continually faces new or resurgent challenges. I present the obstructing factors grouped by category, highlighting the most important milestones in terms of integration progress. Since the initial goal-setting in the Gulf envisioned creating an organization similar to the European Union (hereinafter EU), comparing the two integrations sheds light on developmental shortcomings. This study examines the development of integration within the GCC through a comparative qualitative case study approach. It adopts a chronological perspective, highlighting the major turning points in the integration process while taking into account the most significant political, economic, and institutional factors that have directly or indirectly contributed to or hindered the deepening of regional integration. The European Union serves as the principal reference framework for the comparative analysis. In Bela Balassa's neoclassical framework, economic integrations were categorized into six stages in 1961: preferential trade area, free trade area, customs union, common market, economic union, and complete integration. The model is non-linear, allowing stages to be skipped, though this potentially poses risks to stability (Balassa, 1961). This model remains applicable in the 21st century, serving as a reference point when analyzing the unity of an international integration.

2.External Threats

It is expedient to commence the review of the Gulf's history by examining external factors. At the moment of the organization's establishment, the Iran-Iraq War was already underway, posing a grave security risk to the region, particularly during the tanker war phase beginning in 1984. Attacks on commercial vessels extended to regional countries supporting Iraq. Due to assaults on Kuwaiti and Saudi oil tankers, the United States intervened (Richer, 2024). Following the conflict's conclusion in 1988, the region remained calm for two years. In 1990, Saddam Hussein invaded Kuwait, and in early 1991, an international coalition led by the United States repelled the aggressor's Iraqi forces.

After the 2001 U.S. terrorist attacks, security pressures intensified in the Middle East, with American forces launching operations in both Afghanistan and Iraq. This exerted profound effects on the region's security approach. In the shadow of protracted wars, extremist ideologies gained strength and proliferated following the 2011 Arab Spring. At that time, fears of regime change spread across the region, leading to a significant increase in defense spending amid the uncertainty (Dokos, 2019). Heightened threat perceptions fostered mutual distrust, which shaped the dynamics of foreign policy determination. In this context, cooperative coalitions were transient and interest-based (Soler i Lechna, 2017).

Table 2: Key External Pressures Affecting GCC Integration.

Period/Event	Key points	Significance
1980–1988	Iran–Iraq War; tanker war	Regional security shock
1990–1991	Kuwait invasion; U.S.-led coalition	Gulf vulnerability exposed
2001	9/11 attacks; U.S. wars in Afghanistan and Iraq	Heightened security pressure
2011	Arab Spring	Regime-change fears; defense spending
2010s	China's Belt and Road Initiative	Economic diversification; external balancing
2020	Abraham Accords	Uneven GCC responses
2023	Gaza war; Saudi-Iran rapprochement	Persistent rivalry; renewed polarization
2020s	Saudi-UAE tensions	Intra-GCC power competition

Source: Author's own work.

Beyond overt conflict situations, the pursuit of independent economic and foreign policy interests is equally telling. Individual countries, relying on their sovereignty, seek to bolster their external relations. An illustrative example is the deepening of economic ties with China. China's comprehensive geopolitical initiative in the 2010s (Belt and Road Initiative) encompasses this region, albeit unevenly (Kocsis et al., 2017). The great power pursued a modus vivendi with each regional state based on mutual benefits (Kovács, 2023). The GCC states exhibited no unity in the Abraham Accords; Bahrain and the Emirates established diplomatic-economic relations with Israel, while the remaining states adopted a cautious approach (Guzansky & Marshall, 2020). The initiative aimed to bolster regional stability through tension reduction and signaled that, within the Gulf, Iran is deemed the primary security threat over Israel. Following the signing of the agreements, further expansion—such as with Saudi Arabia—remained on the agenda. The topic receded from public discourse after the outbreak of the Gaza war in 2023, as Islamic societies firmly condemned the airstrikes on Palestinian territories. The previously marginalized Palestinian issue resurfaced, widening foreign policy fault lines among Gulf countries. That year, Saudi Arabia and Iran agreed to restore diplomatic relations, yielding modest results beyond the gesture. The two powers remain rivals, rendering the region a theater of mutual distrust and an arms race (Kovács, 2023). These processes have influenced the Council's operations, undermining its efficacy. A new chapter in power rivalry is marked by escalating geopolitical tensions between Saudi Arabia and the Emirates (Kabandula & Donelli, 2024).

3. Internal Disputes

The 20th century dramatically transformed the Arabian Peninsula, elevating it from the periphery of great powers to the center of global oil production. Nomadic tribes settled, and nation-state frameworks necessitated the delineation of borders. The discovery of oil fields enhanced the significance of these borders, as each government sought maximum control over the peninsula to secure prospective oil reserves. By the time of the GCC's establishment, these disputes had largely been resolved, though border conflicts persisted to some extent. Lingering distrust from prior disagreements persisted, alongside an emphasis on sovereignty. By the 21st century, control over disputed territories resulted in minor border skirmishes, primarily addressed through diplomatic channels. Post-formation, tensions arose between Qatar and Saudi Arabia, Qatar and Bahrain, as well as Saudi Arabia and the Emirates (Okruhlik & Conge, 1999). Internal diplomatic disputes have accompanied the organization's existence throughout, with causes ranging from energy issues to security concerns.

In the early period, Qatar proposed a significant integration initiative in 1989 by outlining a gas pipeline plan among the Gulf countries. The initiative quickly failed, as Bahrain – strained by the dispute over the Hawar Islands – rejected the plan. Subsequently, Saudi Arabia also declined, citing its own production capacity, and denied permission for a pipeline to Kuwait. Between Qatar and the Emirates, the Dolphin pipeline became operational from 2008 (Dargin, 2008). Riyadh raised objections, arguing that permission should have been sought from its territory for the investment. Another energy project, the 2006 proposal for nuclear energy development within the framework of integration, also failed. Instead of a joint project, the Emirates announced its own development in 2008. The Barakah Nuclear Power Plant, after multiple delays, commenced operations in 2024 rather than the promised 2018 (Larsen et al., 2024). Saudi Arabia similarly announced its own project, with the other four member states contemplating independent implementations.

In 1995, the Qatari delegation protested against the Secretary-General by walking out of the GCC annual summit's closing session. The timing aligned with a bloodless coup in Doha that year, and the new emir adopted a markedly technocratic approach. The country envisioned an independent foreign policy to bolster its own capabilities. This shift was unfavorable to Saudi Arabia, escalating diplomatic tensions. In 1996, an unsuccessful coup attempt occurred in Qatar, with suspicions pointing to the influence of the neighboring kingdom (Kinninmont, 2019).

In 2014, three GCC governments deemed Qatar a threat to regional security, initiating a diplomatic dispute; Bahrain, Saudi Arabia, and the Emirates withdrew their ambassadors. Doha maintained its representation and sought dialogue. By the end of the year, at the GCC summit, agreement was reached to restore diplomatic relations (Hassan, 2015). The calm proved temporary: on June 5, 2017, several Arab countries abruptly severed ties, imposing an air, land, and sea blockade against Qatar. Bahrain, the Emirates, and Saudi Arabia from the Council joined, citing primarily Qatar's financing of terrorism, media messaging, relations with Iran, and the Turkish military base. Kuwait and Oman refrained from the isolation, instead acting as mediators. During the conflict, the GCC's institutional framework proved absent for mediating disputes among members. It failed to serve as a platform or assume a position-shaping role to influence events. Despite the blockade, the customary annual summit proceeded in December 2017 amid heated disputes (Ulrichsen, 2018). The tense diplomatic state and blockade persisted for approximately three and a half years. The situation concluded at the GCC's Saudi-hosted summit in Al-Ula in 2021, where parties signed an agreement to resolve diplomatic differences (Kabalan, 2021).

Table 3: Key Internal Disputes and Fragmentation within the GCC.

Period/Event	Key points	Significance
20th century	Border formation; oil discovery	Territorial disputes intensified
1989	Qatar gas pipeline proposal	First major failed integration project
1995	Qatar walkout at GCC summit	Diplomatic tension with Saudi Arabia

1996	Unsuccessful coup attempt in Qatar	Escalation of intra-GCC distrust
2006-2024	Nuclear energy initiatives	Parallel national projects; weak collective integration
2008	Dolphin pipeline begins operation	Selective bilateral energy cooperation
2014	Qatar diplomatic crisis	Ambassador withdrawal; temporary normalization
2017	Qatar blockade	Severe GCC fragmentation
2021	Al-Ula agreement	Blockade ends; partial reconciliation
2020s	Saudi-UAE rivalry	Hegemonic competition within GCC

Source: Author's own work.

Intra-organizational disputes gained a new chapter in the 2020s, as power struggles between Saudi Arabia and the Emirates intensified. The two largest economies have long been geopolitical rivals. According to Ulrichsen (2018), their relationship fundamentally determines the integration's future due to their sheer weight. Together, they account for nearly 76 percent of the Council's population (Saudi Arabia 57.3 percent, Emirates 18.3 percent) (De Bel-Air, 2025) and 77.5 percent of its economy (AGBI, 2025). This preponderance within the six-member Council results in perpetual rivalry for hegemony. For smaller states, this translates into sovereignty disputes. Conflicts among members undoubtedly hinder the organization's smooth functioning. Rivalry has impacted integration success, prioritizing individual interests over collective ones. Al-Hamadi (2020) argues that to counter internal Gulf oppression, smaller states seek external political-security ties that reinforce their sovereignty.

4. Stuttering Integration

The Council's primary economic integration goal at its establishment was achieving a monetary union. The development history of monetary unity and a common currency provides a diagnostic snapshot of issues surrounding the Council's cohesion. Upon independence, Gulf countries introduced independent national currencies, pegging their exchange rates to stable international currencies – de facto the U.S. dollar – in the 1970s. Within the GCC, discussions on introducing a common currency began in 2003, targeting 2010 as the deadline. At that time, the organization met basic criteria, including size, proximity, trade structure, and inflation performance (Berengaut & Elborgh-Woytek, 2006). Internal disputes stalled the process: Oman objected to the public debt limit, while the Emirates contested Saudi dominance in the proposed regional central bank, preferring Abu Dhabi as its headquarters. The former withdrew in 2006, the latter in 2009. In 2003, all countries except Kuwait formally pegged their currencies to the U.S. dollar. Five convergence criteria were established, though not as accession conditions. Parties met most by 2008. Institutional building and harmonization continually slipped (Khan, 2010). The Gulf Monetary Council (GMCO) was established in Riyadh in 2010, a year late, tasked with coordinating economic policies, harmonizing financial regulations—yet only modest progress occurred. In 2011, Arab Spring discontent waves sparked regional demonstrations; to mitigate impacts, countries adopted divergent strategies. The absence of collective steps highlighted divisions, prompting Saudi Arabia to propose deeper union, to be discussed at the Kuwaiti Gulf summit. Oman's leadership signaled non-participation, effectively torpedoing the initiative (Arab News, 2013). In 2014, Kuwaiti Finance Minister Anas al-Saleh urged reviving the monetary union and sought to persuade withdrawn Oman and the Emirates to rejoin (Khan, 2014). Pinto (2018) identifies resistance to oil price shocks as the key rationale for deeper integration. From June 2014, oil prices plummeted from $115, posing severe fiscal challenges for oil-export-dependent states. Estimates indicate cumulative deficits exceeding hundreds of billions of dollars in budgets, current accounts, reserves, and sovereign funds across regional countries by 2018. Market conditions forced Bahrain and Oman to seek financial aid to defend their pegs; Saudi Arabia and Qatar faced difficulties too (Husain, 2015). Arguments for monetary union include stronger fiscal oversight, institutional frameworks, and intra-regional trade. These are less critical in economic models reliant on European and Asian exports, where intra-Gulf trade remains marginal (Kateb, 2024). By early 2026, introducing the common currency khaleeji has failed, and the Gulf no longer prioritizes it, signaling the goal's collapse. A minor advance: parties agreed to a unified visa system's pilot phase from 2026, dubbed a "Schengen-style visa," allowing foreign visitors access to all six states without separate paperwork per country.

A hallmark of phased integration progress is the unified railway, whose plan was approved at the Gulf's 2003 summit. Project challenges are evident in transport ministers' 2009 and 2023 calls for acceleration. Interim financing and diplomatic hurdles impeded advancement (Noureddine, 2024). Members re-approved the budget and timeline, targeting network completion by 2030. Its first segment between the Emirates and Oman launched in 2024, with joint country enterprises participating (Royal Decree No. 41/2023). The full 2,117 km network interconnects all members, estimated at $15 billion (Qatar News Agency, 2023). A key feature: states retain sovereign decision-making over lines on their territory, sometimes via binational solutions. The GCC Railway Company handles coordination, standards enforcement, and unified technical specifications. Progress serves national interests in infrastructure upgrades while cross-border lines deepen integration (Noureddine, 2024).

In 2016, the GCC resolved to uniformly introduce value-added tax (VAT) across member states, setting a 5 percent minimum – though countries may apply higher rates. The Emirates, Saudi Arabia, Bahrain, and Oman implemented from 2018; Bahrain and Saudi Arabia exceeded the minimum (raising to 10 and 15 percent in phases). Despite the decision, as of early 2026, Qatar has not introduced VAT though planning it, and Kuwait shows no prospects (GCC Accounting, 2025). No strict deadline was set, so non-implementation incurs no sanctions. Divergences create trade price inequalities. Gulf leadership bodies exert ongoing pressure via recommendations, exemplars, and economic diversification needs.

From January 1, 2003, parties introduced the common external tariff at 5 percent, achieving full harmonization only in 2015. Significant advances occurred in regulatory domains; the Gulf Standardization Organization is deemed the body's most effective unit. Industrial and economic coordination encompasses free labor and capital mobility. The common market emerged in 2008 but qualifies as a modest success due to segmentation limiting intra-trade. The Economic and Development Affairs Committee formed in 2016 to advance regional economic-financial stability and develop common frameworks.

At the Gulf's December 2025 session, numerous unity-supporting decisions were made. In 2026, the inaugural "Made in the Gulf" conference will showcase local industrial achievements. A Civil Aviation Authority will be established, alongside railway linkage details. Citizens gain property ownership facilitations (Gulf Cooperation Council, 2025).

Table 4: Integration Performance across Core GCC Policy Areas.

Period/Event	Key points	Significance
2003	Common currency talks; common external tariff	Deep economic integration agenda
2008	Common market launched	Partial success
2010	Gulf Monetary Council established	Institutional coordination
2014	Oil price collapse; monetary union revival failed	Fiscal pressure, setback
2016	VAT coordination; Economic Committee	Economic harmonization
2024	Railway first segment opens	Infrastructure integration
2026	Common currency collapses; U.S.–Iran war	Security shock; selective integration

Source: Author's own work.

The war that broke out in February 2026 between the United States and Israel on one side and Iran on the other may bring about fundamental changes to the achievements of Gulf cooperation and integration attained thus far. The military conflict has affected all member states of the Gulf Cooperation Council (GCC), both through direct attacks and through severe economic and political consequences. Although the conflict had not yet concluded at the time of writing, its likely implications can already be identified.

- The disruption of the regional security balance may increase the importance of defence investments and security cooperation. The GCC member states may become more inclined to pursue deeper integration with one another, thereby further strengthening institutionalized interconnectedness.
- From an economic perspective, greater emphasis may be placed on accelerating the achievement of diversification objectives. A potential closure of the Strait of Hormuz would affect one of the region's most vulnerable strategic chokepoints, prompting governments to reduce this dependency through economic restructuring and the development of alternative transportation and trade routes. This, in turn, could systematically strengthen regional cooperation and integration, particularly in the fields of logistics, infrastructure, and transport connectivity.
- Politically, the emergence of a common threat may foster temporary cohesion among the Gulf states. However, differing conceptions of regional roles and strategic priorities mean that their interests do not necessarily coincide. Consequently, individual states may adopt different approaches to peace processes and crisis management. These divergent national priorities may therefore also constitute constraints on deeper regional integration.

Overall, it can be concluded that, following the U.S.–Iran war, the Gulf states may be compelled to strengthen cooperation in certain areas, while the persistence of fundamental political fault lines is likely. As a result, the conflict is more likely to promote selective and partial deepening of regional integration than comprehensive integration.

5. The Role Model: European Union

It is worthwhile to briefly address the European Union, regarded as one of the Gulf's successful precursors. A cornerstone of the EU and its predecessors' success lies in the evolving integration objectives, to which member states remained open and adaptive. In the 1950s, continental security was the primary concern, thus initially focusing on peace, stability, and reducing regional rivalries. Subsequently, establishing the single market—with free movement of goods, labor, services, and capital, alongside tariff-free trade—shifted priorities toward expansion and economic development. The EU advanced to economic union, lacking the final stage of complete integration. Elements of political union exist and function, rendering unity partial in this domain. The conflict-reduction approach increasingly tilted toward prosperity, accompanied by deepening integration. During this era, internal divisions and interest conflicts emerged as primary threats (Wæver, 1998). The organization's perspective shifted with the 2022 outbreak of the Ukraine war, re-elevating security concerns, with Russia as the principal threat. Wendt cited the EU as a prime example of collective identity formation, wherein individual states interpret the group as an extension of their own interests (Ruggie, 1993).

Numerous similarities and differences exist between the EU and the Council. Both were driven primarily by needs for security and stability at inception, envisioning deeper cooperation to mitigate intra-organizational rivalries. However, institutional frameworks, member states' openness to democracy, and interpretations of individual geopolitical interests exhibit marked divergences, accounting for disparities in integration depth. Both the EU and the Gulf confront external and internal tensions; alongside fears of fragmentation, external threats manifest differently. According to Rumelili (2004), a key to EU success resides in identity, emphasizing the downplaying of differences among member states. Another factor is the continuous review and, if necessary, revision of established systems (Kandrács, 2017). Equally vital is the integration's pursuit of reducing divergence and fostering cohesion (Szabó et al., 2025). This theme remains pertinent in the Arabian Peninsula's monarchies, where young nation-states labor to forge their identities. The Persian Gulf's unity challenges are underscored by the fact that, over more than 45 years since inception—despite opportunities—no expansion has occurred. Despite higher integration ambitions, a partial customs union was achieved, falling short of both original goals and EU-level integration.

Table 5: Comparative Overview of GCC and EU Integration.

Criteria	**EU**	**GCC**
Date of establishment	1957 (1951*)	1981
Number of Member States	27	6
Type of integration	Supranational, multi-level integration	Intergovernmental, state-to-state cooperation
Decision-making mechanism	Multiple network of institutions, including common institutions and involvement of Member States	Coordination among Member States, strong consensus-seeking approach
Key common policies	Single market and trade policy, environment and agriculture, economic, social and territorial cohesion, foreign and security policy (in certain areas)	More limited common policies; mainly economic coordination, regulatory harmonisation, customs and market integration
Level of intra-regional trade	Member State exports largely internal market-based: for most Member States between 50–80%	Mainly external markets: except for Bahrain, the level of intra-regional trade remains below 10%

Monetary union	Euro area, with 20 Member States	Was an objective, no common currency
Central bank	European Central Bank (ECB), the monetary authority of the euro area	Planned, not realised
Population (millions)	450.4	61.5
GDP	~€18 trillion	~€2.24 trillion
GDP per capita	~€40,000/capita, significant differences between Member States	~€36,500/capita, smaller dispersion among Member States
Area / Territory	4,101,000 km²	2,572,975.5 km²
*=Establishment of the European Coal and Steel Community, which is considered the direct predecessor of the Union		

Source: Author's own work.

Deeply integrated groups demand robust institutions, conflicting with the autocratic governance prevalent in monarchies. Leadership typically allocates key domains – interior affairs, defense and security, finance, and foreign policy – among ruling family members. This structure limits scope for international power-sharing and oversight, owing to fears of disrupting personalized arrangements. Hurrell (1995) posited that strong institutions offer no guarantee of an effectively functioning organization – a proposition partially applicable to the Gulf. A paradox arises: actors share cultural and historical foundations, with economic development and prospects ideally suited for deep integration. Despite this ideal foundation, autonomous considerations receive greater attention, enjoying higher priority.

The EU's principal decision-making bodies establish a legal order binding on member states. Key institutions include the Council, Parliament, Commission, and Court. Beyond heads of state/government and ministerial coordination levels exist elected legislative representation and executive organs. Complementary entities encompass a central bank, audit institution, and sectoral policy committees. In contrast, the Gulf has attained far lower institutionalization. Primary decision-making occurs via the Supreme Council, followed by the Ministerial Council and Secretariat. Additional committees oversee specific domains. Absent are a court, parliament, and central bank; decisions typically require unanimous voting. The latter implies veto rights for each member, rendering decisions feasible only with full consensus. In practice, this hampers decision-making and signals not a true union model but rather a coalition of sovereign states (Malkawi, 2019).

As the comparison presented in Table 5 demonstrates, the European Union has followed a longer and more highly institutionalized path of integration, particularly with regard to supranational decision-making. This comparison also highlights the most fundamental difference between the two integration processes. While the European Union has deepened internal integration through common legislation, regulatory implementation mechanisms, and legal harmonization, the GCC has remained predominantly characterized by the primacy of member state sovereignty. Consequently, the European Union can be regarded not only as a basis for comparison but also as a reference model. The success of the European integration project has largely been underpinned by a sustained willingness to reach political compromises, whereas such a commitment has been more limited and inconsistent among the Gulf monarchies. Therefore, the GCC should be understood not merely as a framework for regional cooperation but as a partially realized integration project that has achieved only limited success.

According to Balassa's stages of economic integration, there is a gap of several levels between the European Union and the Gulf. The EU has partially reached the highest stage of economic integration, while the next step would be political integration. Although efforts have been made in this direction, the substantial differences in views among the member states mean that such a development does not appear feasible at present.

6. Conclusions

In its current state, the Gulf cannot fulfill the role originally envisioned for it, with the most severe cause being the absence of consensus among member states. Parties recurrently view each other as rivals rather than allies, consistently resulting in collisions. The prominent role of independent interest assertion impedes relinquishing national autonomy for regional integration benefits. Political differences prove insurmountable barriers within the organization's life; the Gulf constitutes an exceedingly fragile integration, retarding its deepening. Minor advances exist, yet these are of lesser significance – governmentally autonomous decisions exerting negligible impact on deepening integration. A recurring element is individual countries' fear of any party's excessive empowerment, overriding support for economic integration. Trade and customs interests, diversification needs, and institutional strengthening represent common goals; however, political and security policy considerations supersede them. Countries perceive that deeper integration – such as monetary union – with its robust, shared institutional frameworks would curtail independent decision-making capacities. Earlier opinions outright proclaimed the integration's total failure, though this holds only partially. The positive and negative factors affecting the integration of the GCC are summarized in Table 6. According to Ulrichsen (2018), the organization's true weakness manifests during threats and disputes, as primary decision-making bodies assume marginalized roles.

Factor	Impact
Common threat perception	Positive
Economic diversification	Positive
Infrastructure projects	Positive
Sovereignty concerns	Negative
Member-state rivalry	Negative
Institutional weakness	Negative
U.S.–Iran war	Uncertain

Table 6: Key Factors Shaping GCC Integration. Source: Author's own work.

Unresolved interest conflicts among the six Gulf member states preclude deepening, rendering decision-making efficacy questionable. Within this rivalry, the Emirates and Saudi Arabia's weight is preeminent; unity with other countries remains elusive in certain integration aspects. Significant advances occurred in industrial regulations and minor symbolic matters. Nevertheless, the organization proves incapable of effectively intervening as a mediator during internal and external disputes, thus failing one of its fundamental tasks. Persistent tensions among members suggest that, in coming years, progress toward regional unity will remain confined to smaller, less critical issues. The organization's history permits the assumption that, absent genuine resolution of acute inter-member tensions, higher-degree integration remains unattainable. The future of regional cooperation remains uncertain in light of ongoing regional tensions, while the U.S.–Iran war may bring about significant changes in the trajectory and depth of regional integration.

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