

**GCC: STRENGTHENING REGIONAL COOPERATION
AND ECONOMIC GROWTH**

Shakhribonu Nematova¹

¹ Master student of Tashkent State University of Oriental Studies

E-mail: shahribonunematova02@gmail.com

**MAQOLA
MALUMOTI**

ANNOTATSIYA:

MAQOLA TARIXI:

Received: 09.01.2025

Revised: 10.01.2025

Accepted: 11.01.2025

KALIT SO'ZLAR:

GCC, Gulf region, regional cooperation, economic growth, trade integration, sustainable development, global economy, transformation programs, economic diversification, Vision 2030.

This article examines the role of the Gulf Cooperation Council in enhancing regional cooperation and promoting economic growth in member states. It discusses mechanisms for achieving economic cooperation, trade integration and general development goals within the framework of the GCC. It will analyze how such cooperative initiatives contribute to sustainable economic growth, improve regional stability, and overall global economic trends.

INTRODUCTION. Today, as a result of the growing trends in globalization, on the one hand, and the events taking place in the world, on the other, radically changing the geopolitical structure and direction of development of the world, the field of interstate relations, mutual Policy and diplomacy acquires a fundamentally different meaning. The transformational macro processes taking place in the regional subsystems of modern international relations have a profound impact on the content, place and role of the world in political, economic and other spheres, as well as on the geopolitical structure of the regions. Obviously, the foreign policy of the states, regionalism and regionalization will become more extensive and develop more intensively, as more or less from the current trends of World Development. Of great importance is the Arab-Muslim subregion – the Cooperation Council for the Arab States of the Gulf of 1981 within the Gulf-an inter-state

multifunctional regional organization formed to achieve integration in the economic, political and military spheres. The Cooperation Council works to expand political, economic and cultural cooperation between member states. The council aims to achieve economic integration in the region, strengthen security and stability, and resolve conflicts peacefully. The Gulf region is a region of great strategic importance because it has enormous natural resources and is a major global economic center. To date, with the efforts of the Cooperation Council, Economic Cooperation between the Gulf States is strengthening, sources of income are diversifying, infrastructure and local industry are developing. GCC is working to establish strong ties between its members and achieve economic integration and sustainable development in the region. Thanks to these joint efforts, the Cooperation Council for the Arab States of the Gulf remains one of the most prominent regional institutions in the Middle East and continues its role in expanding cooperation, achieving the common interests of the Gulf arab states.

METHODS

This article used methods of quantitative, statistical and comparative analysis to study regional cooperation and economic growth.

RESULTS AND DISCUSSION

The Cooperation Council for the Arab States of the Gulf (GCC) is a regional organization comprising six arab states: Bahrain, Qatar, Kuwait, United Arab Emirates (UAE), Oman and Saudi Arabia. American political scientists J.Nye, L.Bennett, K.Deitch, R.Lawrence accordance with the concept of regionalization of international relations developed by Lawrence (Bennett, 1991), regional organizations are considered as a product of the process of regionalization of international relations arising in certain geopolitical regions, where states begin to understand the totality of their interests and the need to strengthen relations in order to achieve common goals. This also applies to the Cooperation Council, whose members were at a height in the Gulf region in the early 1980s, having problems with solving economic problems and strengthening national security. According to L.Bennett’s definition, a regional organization is “part of a world united by a number of common goals based on geographical, social, cultural, economic and political ties, with a formal structure embodied in formal intergovernmental agreements” (Bennett, 1991). All members of GCC are located within the Gulf region. They are historically closely related to each other, their social structure is also the same, determined by the totality of economic activities based on nomadic livestock and maritime-related crafts in the pre-oil era: fishing, shipbuilding, Pearl hunting. Eventually they all became oil-producing countries, which led to the expansion and

deepening of their cooperation. Their affiliation with the Arab-Muslim world has become another important component of the development of integration trends with their civilizational and cultural identities. Another factor contributing to the structure of the organization, which includes the Gulf's oil-producing states, was the energy crisis of 1973-1974. It increased their importance in the world economy: developed countries, oil and gas consumers began to depend on them. In addition, the Gulf states became the owners of huge financial resources invested in banks, financial institutions and businesses. Another reason for the creation of GCC was concerns about the increased influence of Iran in the region. In 1979, the Islamic Revolution took place in Iran, and the leadership of the Gulf countries took refuge from the intensification of its influence. The creation of the council took place against the background of the Iran-Iraq War, which began in 1980. The conflict took place near the territory of Kuwait, which did not cause concern to the authorities of this country. This situation was also the cause. It was Kuwait that came out with the initiative to create GCC. In addition, the Gulf states were concerned about the possibility of Iran winning. The decision to form the Cooperation Council was made at a meeting of six state foreign ministers in Riyadh in February 1981. The declaration on the establishment of the council states: "the specificity of ties connecting all GCC States is defined: common religion, similarity of regimes, unity of inheritance, ways of political formation, social and demographic structure, closeness in the field of the foundations of culture and civilization, as well as the desire of these states to deepen and develop ties" is the basis for their unification (Е.С.Мелкумян, 2019).

In accordance with the Charter of the organization, the main goals of the GCC are:

- achieve coordination, integration and interconnection between member states and their unity in all areas;
- deepening and strengthening the existing interaction, and cooperation between their peoples in various fields;
- development of uniform regulatory documents in various fields, including: financial and economic issues, trade, customs issues, communication; education and culture; social sphere and health; information and tourism; legislative and administrative issues;
- issues such as accelerating the pace of scientific and technical progress in industry, mining, agriculture, managing the economy, creating research centers, joint projects in the field of water and animal resources, promoting cooperation at the private sector level for the benefit of their people (The basic objectives of the Cooperation Council, 2024).

The Cooperation Council for the Arab States of the Gulf represents a systematic process of coordinating and continuing collective action to achieve the goals set out in the Charter. This process is highly effective in all areas due to the political will and common sense of the leaders of the member states of the GCC and the interaction of the citizens of the GCC from the very beginning of this process. Over the years, the council has managed to create its organizational infrastructure and develop the necessary structures and bodies to achieve its goals. From the beginning, GCC adopted his approach and methodology, which is one of the elements of his success and strength. Such an approach is based on step-by-step progress and progress, while supporting the main goals, seeking to avoid past mistakes and develop confidence in the region. The achievements and issues addressed by GCC during this period reflect the broadness of its process in various political, economic, social, cultural and security areas, as well as the good steps towards the implementation of the tasks set out in the UN. The council has become a strong measure that exists at the local, regional and international levels. In recent years, GCC has reached an important and progressive stage of integration and Unification, characterized by the transition from a free trade area to a customs union and the subsequent launch of the council general market. Of particular note is the continued efforts to establish a currency union and introduce a single currency with the approval of the monetary union agreement and charter in December 2008 (General, 2009).

The Cooperation Council for the Arab States of the Gulf has sought for more than 42 years to establish strong fraternal relations between member states through numerous regular, extraordinary and consultative summits under the leadership of the heads of council states. The Gulf has made many advances in supporting its joint actions politically, economically, defensively, security and socially (The Cooperation Council... an extended process of integration, interconnection, and joint Gulf action , 2023).

The Cooperation Council for the Arab States of the Gulf States have the potential to become a new engine of global economic growth. They have resources, aspirations and need to solve the long-term problems of the transition to the post-oil period. Creating the ground for this transition requires much more than an imaginary imagination. GCC States will have to imagine the concepts of diversification of the economy and apply a new and pragmatic way of transforming them into practical realities. As a result, the GCC states rely on Advanced International experience and integrate national plans to diversify the economy with centralized project management offices (PMO) to achieve realistic results. This can significantly change the economic landscape of the region and improve the lives of millions

of people regionally and globally. Saudi Arabia’s “Vision 2030”, Oman’s “Vision 2040”, Dubai’s “Economic agenda D33” and UAE’s “Vision 2031” show GCC’s desire to act boldly towards diversifying the economy. Once these plans are implemented, GCC is expected to turn its economies into an efficient, knowledge-based welfare engine. It is a large-share work that requires changing the paradigm in the way the states of the organization Approach project management. Not only should they create an ecosystem that invests in public sector potential and human capital, they should also reveal complexity and focus on long-term, extremely high-risk projects. The Global energy sector is experiencing seismic shifts. In 2022, global investments in the renewable energy sector exceeded \$ 1.3 trillion (World Energy Transitions Outlook 2023), demonstrating the emerging energy priorities in the world. Developed and developing countries are making tremendous progress in abandoning fossil fuels. With the Paris Agreement serving as a leading document, states are rethinking their energy strategies and pursuing a carbon-free future. In this redefined world order, the once bottomless demand for oil is showing signs of decline. For GCC, this transition provides a two-sided step. On the one hand, this creates problems with their main source of income: oil. On the other hand, it offers strategic geopolitical location and opportunities to use its financial reserves to transform them into new economic destinations. This was further exacerbated by geopolitical complications, which underscored the need for GCC states to diversify and build more sustainable economic structures. A significant part of the population in GCC is under 30 years old he will offer a dynamic workforce ready to develop tomorrow’s economy, demanding the creation of various jobs (Youth at the Centre of Government Action, 2022). Taking this into account, the GCC States began to implement promising transformation programs. Saudi Arabia’s “Vision 2030” and UAE’s “Vision 2031” emphasize various areas such as tourism, entertainment, sports and advanced technology. Saudi Arabia’s desire to turn the Red Sea coast into a luxury tourist destination and UAE’s desire to become a hub for tech startups are examples of this change (Hodgetts, 2024). The beginning of the Fourth Industrial Revolution, characterized by technologies such as AI, robotics and nanotechnology, offers many possibilities. It offers a new paradigm for production with modern and digitized production facilities using interconnected devices, machines and systems to ensure unprecedented productivity and efficiency. With its financial influence and ambitions, GCC has a unique position not only to participate in this revolution, but also to manage its segments. Investing in research, developing partnerships with global technology giants and developing local startups can lead GCC to the Center for technological innovation. In the near future, oil will

continue to play a dominant role in the economic structure of GCC. However, at a time when global energy dynamics is experiencing a tectonic shift, the once undisputed domination of oil is subject to tests. OPEC's monthly oil market report shows the volatility of demand, and with major economies promising to be carbon-gas neutral in the coming decades, demand for oil is ready for moderation. For GCC countries, this requires finding alternatives, as well as the need to optimize and modernize the existing agricultural sector to ensure their competitiveness in a changing world.

In addition, the growing role of the private sector cannot be ignored. While historically GCC's path to economic development has been dominated by state-led mega projects, the region is undergoing significant changes. The private sector is stepping into the center of attention with its unique agility and ability to innovate. Governments are understanding that for holistic economic growth, it is important to create a favorable environment for private entrepreneurship, from small and medium-sized enterprises to multinational corporations. In the period from light regulation to investment incentives, measures are being taken to activate the private sector (Unlocking Diversification In the GCC States , 2024). This shift is critical to diversifying the economy and developing a culture of innovation, competition and sustainability.

Conclusion

As it developed as seen above, GCC's influence on changing the balance of power in the Middle East grew stronger, actively participating in decisions on major regional problems. His influence increased and he acted as an independent participant in the system of regional relations. Moreover, in the following years, the member states of this organization had a great political and economic swing and became leading participants in the arab geopolitical space. This was due to their rapid socio-economic changes, high levels of economic development compared to other arab countries due to having significant energy resources, as well as political stability based on the high levels of legitimacy of the ruling regimes. As the world community strives for green initiatives and sustainable practices, GCC's strategic focus on clean energy, digital economy and innovative technologies becomes even greater. After a global success activity that emphasizes property protection, market competitiveness and promising policies, GCC can set a path for diversified and sustainable economic growth. While each of these states has a grandiose plan to reshape their economies, they also face serious challenges. One of the most serious problems is ensuring the effective implementation of plans, which requires careful coordination and investment. In a rapidly developing global landscape characterized by complex supply chain dynamics and stable

geopolitical changes, GCC stands at a decisive point. Adopting a new approach, highlighted by special areas of attention adapted to some important sectors of the region, can protect GCC from specific vulnerabilities and lay the foundation for solid economic growth. In conclusion, adopting the strategies of different peoples and adapting them to solve their specific strengths and problems will provide a road map for the GCC countries. However, this roadmap is dependent on the ability of the Gulf arab states to strictly assess, implement and continuously improve centralized strategies, and requires harmony with advanced global experiences and regional aspirations.

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