

The United States and the Arab Gulf states  
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The Arab Gulf States Institute in Washington

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It is a pleasure to welcome you to the first major event hosted by the Arab Gulf States Institute in Washington. We are here to discuss today's oil markets, one of the many issues that demonstrate why the Middle East remains a region of fundamental importance to the United States.

Despite the much ballyhooed "pivot" to Asia, the United States' commitment to the Middle East remains strong. Indeed it is essential that our nation remains engaged in the area's key political, economic and security issues and that such engagement remains unabated.

As the Middle East continues to be reshaped by the region's seismic changes, underway since 2010, the importance of America's relations with our Arab Gulf friends has become clearer than ever.

The Arab Gulf states have weathered the turmoil of the last four years and have emerged stronger and more influential for the experience. Having maintained domestic stability, endowed with significant resources, and led by rulers who have a clear sense of their interests, Arab Gulf nations have become key arbiters in the affairs of the Middle East.

For the United States, this is very good news, indeed. The leaders of the Arab Gulf states — for the present at least — find it in their essential interests to be closely aligned with the United States. It behooves us, therefore, to understand what the Gulf is, what its leadership thinks, and how the area's societies are evolving.

Make no mistake, no relationship — no matter how important it seems to be — is destined to endure unless the parties to it understand each other and accommodate their respective needs. This institute provides a forum for building the sort of understanding, which we in Washington and our friends in the Arab Gulf states require.

The importance of our relationship with the Arab Gulf states has been underscored by President Obama's invitation to GCC leaders to attend a summit at Camp David on May 14.

While the invitation arose in the context of the ongoing nuclear negotiations with Iran, the timing is important because the meeting will convene at a moment when Arab Gulf states are demonstrating a new determination to defend their interests, with all that implies for their relationship with the United States. President Obama and the region's leaders have the responsibility of assessing common threats and agreeing on a way forward that will advance the interests we share.

Principal among these challenges is the need to find political solutions to the multiple conflicts that are threatening the stability of the Middle East and the sovereignty and territorial integrity of Iraq, Syria, Yemen and Libya.

In this context, the United States and Arab Gulf states will have to work closely together to find a *modus vivendi* with Iran. To my way of thinking, there are few greater challenges or higher priorities on America's crowded diplomatic agenda than the need to address the divide between Iran and its Arab Gulf neighbors. Tension across the Gulf and the proxy conflicts they generate fuel conflicts

throughout the region. The possibility of violence on the very waters of the Gulf is a threat to the entire world.

Differences between Iran and the Sunni states of the region must be addressed. Both sides of the Gulf need new security architecture and achieving it is in the direct interests of the United States.

There are three reasons the U.S. in concert with its partners in the p5+1 need to reach a nuclear agreement with Iran:

1. To avert another devastating war in the Middle East.
2. To ensure nuclear weapons and capabilities do not proliferate.
3. To set a stage where the states of the Gulf achieve a new balance of power, reduce the tensions that plague them and create mechanisms to maintain peace.

Hegemony by any state is not possible and is inimical to the interests of the United States. To the contrary, the United States' commitment to balance, peace and stability in the Gulf must be rock solid.

The U.S. and our Gulf friends have an additional responsibility—Egypt. We need to agree on approaches that will ensure the success of the economic programs and political stability of the region's largest state, while at the same time encouraging a new national consensus and assisting in the fight against terror.

Washington and Gulf states already are cooperating against the so-called Islamic state within the international coalition formed to eliminate the threat this terrorist group poses to our collective security. Beyond the military campaign, the crucial effort to delegitimize the ideology that lures young men and women from around the world into the ranks of violent extremist groups needs to be strengthened and sustained. The Gulf states have a critically important role to play and many have stepped up to the plate with creative initiatives.

Let us pause for a moment and reflect. The areas of our shared common interests with the Arab Gulf states are many. We must set our sights on:

- Preserving and expanding financial and commercial ties, and financial flows and transactions;
- Ensuring the free flow of petroleum and natural gas, and managing the markets for these crucial commodities in a mutually beneficial manner;
- Continuing to grow the economies of the Arab Gulf states, which are collectively the world's 11th largest economy, and make sure they remain an export market for American products;
- Building on and expanding existing defense and intelligence ties, including defense sales and technology transfer;
- Maintaining the closest possible dialogue and cooperation to defeat the multiple threats of terror our respective societies face;
- Promoting deeper social, cultural and educational ties; ties which can bind the U.S. with the Arab Gulf for generations to come;
- Partnering to address wide-ranging global concerns including climate change, economic sustainability, resource management, public health — the trans-national threats that respect no boundaries.

The breadth and depth of America's commitment to the Gulf region and its security is a product of our shared interests and is demonstrated in many ways.

- Our intense, multilayered security dialogue, which in our case begins with the president.
- The U.S. maintains over a dozen military bases, 35,000 military personnel, and its most advanced weapons systems in and around the Gulf.
- Weapon sales to our Gulf allies constitute some of the largest and most sophisticated defense contracts in the world. The Gulf receives high levels of defense technology and its commitment to this form of tangible defense cooperation reinforces our security ties.

Let there be no doubt about it; the Arab Gulf's security is vital to us.

To sum up, reviewing the record leaves no doubt as to the indispensable nature of U.S.-Gulf ties. These are long-standing ties based on wide-ranging and well-established shared interests even as they address new challenges.

I argue the launch of this organization, the Arab Gulf states Institute in Washington, is important and timely. The U.S. needs an institute to promote dialogue, cooperation and mutual understanding between the United States and our Gulf allies. Through the programs it conducts, the analytical studies it publishes, the exchange programs it manages, this institute can strengthen the foundations upon which our relationships are based. That is the mission of this institution and it enjoys the full commitment of the board.

Established last year and launching its operation this month, the institute's goal is to become nothing less than Washington's primary source of credible and expert analysis about the Arab Gulf states and the complex issues that impact the region and U.S. interests.

The institute is already contributing to the policy dialogue through a number of papers, blog posts and media appearances by its distinguished group of non-resident fellows and resident senior scholars. Recent papers on the national dialogue in Bahrain, the regional implications of the nuclear framework agreement with Iran, and Turkey-GCC relations, along with media appearances on CNN and the BBC, among others, have put the institute on a path to be Washington's key resource, informing decision makers shaping U.S. policy regarding this critical geo-strategic region.

The institute has already responded to the demand for Gulf expertise, hosting a conference call on the situation in Yemen. That call is part of the GulfConnect series that is meant to provide context to breaking news from the Gulf.

The institute's programming will provide a platform for GCC leaders to connect with the Washington policy community and strengthen ties between the Arab Gulf states and the United States.

Internships and fellowships sponsored by the institute will seek to empower the next generation of Gulf leaders and increase the pool of U.S. regional expertise.

The institute's focus on the society and culture of the Gulf states is unique. A series of events will focus on women in the Gulf, filling that significant gap in the policy conversation. An upcoming conversation with Haifaa al Mansour, the Saudi director of the critically acclaimed film *Wadjda*, is one to look forward to.

The institute's goal is to become the place where these conversations between the Gulf and the U.S. can take place. Today's discussions are a starting point, and I look forward to seeing each of you back here on many future occasions to continue the dialogue we have just begun.

Thank you.