



Gulf Research Centre Cambridge
Knowledge for All

The 2011 Gulf Research Meeting

July 6 – 9, 2011
University of Cambridge

Workshop 4

WTO and Globalization: GCC Impact

Workshop Directors

Prof. Tim Niblock
Professor
Exeter University

Prof. Mohamed Ramady
Professor
King Fahd University of Petroleum &
Minerals

Abstract

The impact of WTO accession on the economies of the Gulf States has been very substantial, and the effects of it in the future are likely to be even greater. Not only have the structures of, and effective operation and management of, the domestic economies been critically affected, but also the balance between the different economies, the way in which they all relate to the rest of the world, and the potential for development. It is already clear that there are major winners and losers in this process, in terms both of economic sectors and of countries, but there has to date been no serious study or survey of the overall pattern. This workshop, and the publication which should stem from it, is intended to fill this gap: presenting a well researched and coherent analysis of the different factors which have shaped the varying impacts, the manner in which the GCC states relationship with the wider global economy is changing, and the implications which this has for the GCC's economic development and for the populations of the area. Emphasis will be placed on the presentation of analyses based on sound data.

Workshop Description and Rationale

Saudi Arabia acceded to the WTO on somewhat stringent developing country conditions in 2005 after many years of on-off negotiations. The rest of the GCC had joined the WTO on relatively faster and more liberal terms before that. The workshop examines the economic, political and regulatory consequences of WTO accession on the GCC countries in general, set within the context of wider globalization trends affecting these countries. The contrast between the impact on Saudi Arabia as against

that on the smaller GCC states will be given particular attention. Some key issues, such as whether WTO accession and globalization has indeed fostered and speeded up domestic economic and political reforms (especially in the regulatory and legal sectors) are examined or whether WTO accession was merely a pretext to carry out such long needed reforms in some GCC countries. Different economic sectoral impacts of WTO accession will be examined, especially for Saudi Arabia, with its larger industrial and manufacturing base, and the likely effects on key industries and economic sectors once full WTO accession rules are in force, so as to assess likely winners and losers from WTO accession and the consequences on national economies. Will export orientated economic cluster champions emerge post WTO accession, or will foreign companies eventually dominate? How will this hinder or support localization programs and the need to generate more jobs for a young and growing population? The workshop discusses the role and likely impact of free trade area agreements with third countries on the processes whereby the GCC adapts to globalization, under the WTO framework. The ongoing GCC-EU trade agreement discussions and the reasons for the delay in concluding an agreement to date will be examined within this context, as also will the ongoing discussions for a GCC-China FTA. Attention will, in addition, be given to the impact of the US Free Trade Agreements with various GCC countries which have caused some friction within the GCC. Whether the latter agreements are in conflict with existing GCC trade agreements and WTO commitments will be examined. The impact of other, broader, aspects of globalization will also be taken into account, especially the impact of the ICT revolution and Internet access in the Gulf on traditional societies, as well as labor and capital mobility, and whether the GCC is ready for a full opening up to outside competitive pressures, especially in the hitherto protected financial and service industries sectors.

Workshop Director Profiles

Professor Tim Niblock is Emeritus Professor of Middle Eastern Politics at the University of Exeter, and Chair of the Management Board of the University's Institute of Arab and Islamic Studies. He also serves as Vice-President of the British Society for Middle Eastern Studies, and Vice-President of the European Association for Middle Eastern Studies. He began his academic career at the University of Khartoum in Sudan (1969-77), where he served as Associate Professor on secondment from the University of Reading. He has since worked at the Universities of Exeter and Durham. Between 1978 and 1993, he was at Exeter, establishing the Middle East Politics Programme there. In 1993 he was appointed Director of the Centre for Middle Eastern and Islamic Studies at the Durham. In 1999 he returned to the University of Exeter and served as Director of the Institute of Arab and Islamic Studies there from 1999 to 2005. He has written widely on the Politics, Political Economy and International Relations of the Arab world. Among his books are: *The Political Economy of Saudi Arabia* (2007), *Saudi Arabia: Power, Legitimacy and Survival* (2006), *Pariah States and Sanctions in the Middle East: Iraq, Libya and Sudan* (2001), *Muslim Communities in the New Europe* (edited, with Gerd Nonneman and Bogdan Szajkowski, 1997), *Economic and Political Liberalisation in the Middle East* (edited, with Emma Murphy, 1993), *Class and Power in Sudan* (1987), *Iraq: the Contemporary State* (edited, 1982), *State, Society and Economy in Saudi Arabia*

(edited, 1981), and *Social and Economic Development in the Arab Gulf* (edited, 1980).

Professor Mohamed Ramady is Professor in the Faculty of Finance and Economics, King Fahd University of Petroleum and Minerals. He obtained both his BA and his PhD at the University of Leicester, and a Masters Degree in Economic Development at the University of Glasgow. He is a Fellow of the Chartered Institute of Bankers (UK) and a Council Member of the British Society for Middle Eastern Studies (BRISMES). In his current post he specialises on regional economics and the Saudi economy, as well as on money and banking, globalisation, privatisation and the World Trade Organisation. Among his publications are *The Saudi Arabian Economy: Policies, Achievements and Challenges* (Springer, New York, 2010), and a large number of articles in leading economics journals, including the *Petroleum Accounting and Financial Management Journal*, the *Journal of Energy and Development*, the *World Journal of Business Management*, the *International Journal of Economics and Business Research*, and the *Middle East Journal of Economics and Finance*. Dr. Ramady has over 25 years of senior level positions in banking, finance and investment. He was a Vice President with Citibank where he was posted in Europe and the Middle East and was seconded to the Saudi American Bank, as Assistant General Manager. He also served with Chase Manhattan and was Vice President with First City Texas Bancorp and Head of Economics, Investment and Planning with Qatar National Bank. He has experience in Islamic Finance, having served as Senior Advisor to the Chairman of Qatar International Islamic Bank.