



MIDDLE EAST
PEACE AND SECURITY
FORUM



HARVARD Kennedy School
BELFER CENTER
MIDDLE EAST INITIATIVE

WORKSHOP REPORT
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Reshaping the Middle East: New Alliances, Rivalries & Economic Partnership in a Shifting Global Order



The Middle East Peace and Security Forum and the Middle East Initiative at the Belfer Center, Harvard Kennedy School convened a workshop titled *Reshaping the Middle East: New Alliances, Rivalries & Economic Partnership in a Shifting Global Order* on the sidelines of the Middle East Peace and Security Forum 2024.

This report synthesizes the key findings and policy recommendations that emerged from experts' insightful interventions at the workshop, focusing on the implications of new alliances, rivalries, and economic partnerships. The discussion examined the escalating tensions between Iran, non-state actors and Israel, and the impact of this on neighboring states; the foreign policy trajectory of the United States during Donald Trump's second term, particularly in terms of regional stability and normalization efforts; the role of major powers such as the U.S., China, and Russia in the region; and the future of regional economic integration.

ABOUT MIDDLE EAST PEACE & SECURITY FORUM

The Middle East Peace and Security Forum (MEPS Forum) brings together decision-makers, scholars, leaders of industry and the expert community to address the most pressing challenges to regional and international security. MEPS Forum provides a platform for generating valuable insights, cutting edge analysis and forward-looking recommendations for the most complex policy dilemmas facing decision-makers. As an institute based at the American University of Kurdistan, MEPS Forum draws on its proximity to some of the most devastating conflicts in the Middle East to bridge divides and deliver lasting solutions to conflict and instability through rigorous research, analysis and scholarship that draws on our global network of decision-makers and experts.

ABOUT THE MIDDLE EAST INITIATIVE, BELFER CENTER, HARVARD UNIVERSITY

Established in 1998, the Middle East Initiative (MEI) is Harvard University's principal forum for policy-relevant research and teaching on the contemporary Middle East and North Africa. Chaired by Tarek Masoud, Ford Foundation Professor of Democracy and Governance, MEI convenes policymakers, scholars, and intellectuals from the region and beyond to expand our understanding of this complex part of the world and to contribute to the search for solutions to its most pressing policy challenges. Through the integration of scholarly research, policy analysis, executive and graduate education, and community engagement, MEI aims to advance public policy and build capacity in the Middle East to enhance the lives of all the region's peoples.



THE WORKSHOP

On the sidelines of the Middle East Peace and Security (MEPS) Forum in Dohuk, the Middle East Initiative (MEI) of the Belfer Center at Harvard Kennedy School convened regional and international experts to assess ongoing challenges in the Middle East. In the context of over a year of the war on Gaza and its regional spillover, the workshop centered on the theme of Reshaping The Middle East: New Alliances, Rivalries & Economic Partnership In A Shifting Global Order.

The discussion examined the escalating tensions between Iran, non-state actors and Israel, and the impact of this on neighboring states; the foreign policy trajectory of the United States during Donald Trump's second term, particularly in terms of regional stability and normalization efforts; the role of major powers such as the U.S., China, and Russia in the region; and the future of regional economic integration. Participants analyzed the complex interplay of geopolitical dynamics, energy markets, internal political instability, and great power competition, aiming to identify potential pathways toward regional stability and cooperation, even amid—or as potential offramps to—persistent conflicts.

This memo synthesizes the key findings and policy recommendations that emerged from experts' insightful interventions at the workshop, focusing on the implications of new alliances, rivalries, and economic partnerships.

KEY TAKEAWAYS

Persistent Regional Conflicts: The Israel-Palestine conflict and Iran-Israel tensions are long-standing fault lines that continue to fuel broader regional instability and drive a wave of (re-)radicalization among regional populations. The workshop highlighted how these conflicts create a volatile environment with the potential for further escalation.

Stalled Normalization amid Regional Escalation: Hamas' attack on Israel on October 7, 2023 stalled previously ongoing diplomatic normalization efforts in the region (with Saudi Arabia as the 'main prize')—although no Abraham Accord signatory has

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pulled out of the agreement. Israel's war on Gaza and military campaign in Lebanon contributed to regional tensions and have drawn severe criticism from regional governments and publics.

Inadequate Economic Integration: Weak economic integration and resilience-building in the Middle East have failed to adequately address the deep and persistent issues that the region faces. Finding sustainable pathways towards greater integration remains critical to sustainably addressing regional instability, driving growth, and in turn to creating employment.

Iraq's Geopolitical Position: Iraq is at high risk of being drawn unwillingly into regional conflicts and faces a crucial decision regarding alignment/relations with Iran or pursuing regional integration. The country's internal dynamics and external pressures make it a key bellwether for regional stability.

China's Influence: China's increasing economic and political influence in the Middle East is a key trend. Beijing is becoming a major player in the region, challenging the U.S.-led order by brokering deals such as the Saudi-Iran rapprochement in 2023. It also

remains a major customer of hydrocarbons and an increasingly important partner in the tech space.

Russia's Split Focus: While Russia is shifting its attention towards other regions, especially amid the years-long war in Ukraine, it maintains its interest in the Middle East and is working to build an alternative international system through BRICS(+) and other fora.

U.S. Foreign Policy Under a Second Trump Administration: The potential implications of a second Trump administration are a significant point of uncertainty. Donald Trump's approach to counterterrorism, economic integration, Israel-Palestinian (both Gaza and West Bank), Iran's nuclear program and regional ambitions, among other issues, are likely to have a major impact on the region.

GCC Focus on Bilateral Relations and Economic Development: The GCC member states are increasingly prioritizing their own domestic economic development agendas and bilateral relations. However, the GCC remains vulnerable to the effects of regional conflicts and its own internal divisions and competition, which undermines possibilities for mutually beneficial integration and makes it an important focus of discussions about regional stability.

Non-State Actors: The increasing salience of non-state actors in the Middle East—including Hamas, Hezbollah, and the Houthis, among others—is a major factor contributing to the instability of the region.

Iran at a Crossroads: Iran's "forward defense" has been severely undermined by the degradation of Hezbollah and Hamas over the past year. With a nuclear program at the threshold of weaponization, there is potential for the United States to be drawn into direct conflict with Iran, especially without the resolution of other regional conflicts. Moreover, states and international actors must address the strategy of reliance on proxy and asymmetrical warfare by Iran

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and other state actors.

Internal Pressures on Gulf States: Public opinion is exerting increasing pressure on Gulf states as regional conflicts persist, leading to a departure from political neutrality. The internal dynamics and relations between state and people are becoming a real threat to current systems in the Gulf, especially as they navigate relations with the United States, other Western powers, and normalization trajectories with Israel.

ENGAGEMENT & DE-ESCALATION IN A VOLATILE MIDDLE EAST

The Middle East's geopolitical landscape remains fraught with complexity, particularly in the aftermath of the events on October 7, 2023, Israel's subsequent military campaign in Gaza and its devastating humanitarian implications, and the regional aftershocks of these escalations.

A great wave of radicalization is likely to result from the current cycle of regional conflict. While some countries, namely in the Gulf, are seeking to pivot to their domestic economic agendas, pre-existing resilience-building efforts have proved inadequate and the root causes of conflicts must still be addressed in order to make the "National Vision" pivot viable. Contributing to regional volatility, Iran continues to employ proxy groups in Lebanon and Gaza as strategic instruments to exert influence and deter direct attacks through a "forward defense"

despite significant erosion of the capacity of these actors in the so-called “Axis of Resistance” over the past 15 months. The decapitation of the erstwhile leadership structure of Hamas and Hezbollah, including the assassination of Ismael Haniyeh on Iranian soil, have thrown into question Tehran’s reliance on this strategy and its reliability as a key patron of these groups. It has also contributed, one participant noted, to Tehran increasingly turning to Iraqi groups to pick up the slack in its “forward defense” line.

The inability of regional states to cope with this continued Iranian “forward defense” and its infringement on the sovereignty of states, particularly Iraq, is particularly concerning. One speaker speculated that proxies and regional dynamics could drag Iraq into a broader regional conflagration despite the government’s best efforts. While non-state armed groups in Iraq had, as of November 2024, avoided significant and direct retaliation from Israel, participants noted that this restraint may diminish—especially with potential shifts in U.S. policies post-election. Should Tel Aviv become emboldened by a hawkish political climate in Washington, and retaliate against proxies in Iraq, it will likely be difficult for the country to avoid involvement in the conflict. Some questioned the Iraqi government’s capacity to prevent these proxies from entangling the nation in broader conflicts, casting doubt on its ability to maintain sovereignty and stability.

The relationship between Baghdad and Erbil has seen improvement under the current administration, particularly when compared to previous governments, although significant issues remain. Discussions have been initiated to resume oil exports, which had been halted for over 20 months, incurring an estimated loss of \$20 billion. Nevertheless, there is a palpable risk that Iraq could be unwillingly drawn into regional conflict, especially if Israel takes a more confrontational tack. Historical precedents indicate that regional upheavals have had significant ripple effects on Kurdistan, as observed during the wars in Syria and

and Ukraine.

Prospects for U.S. Foreign Policy in the Region

The discussion then turned to the looming shift in U.S. foreign policy under a second Trump administration. One participant noted that expectations for the coming four years include intensified counterterrorism efforts, with a focus on deterring violent jihadist recruitment. In recent years, Gulf states have done what the U.S. asked in terms of assuming greater responsibility for their security, but also at times have acted in ways that diverge from U.S. interests. For instance, their reluctance -Bahrain aside- to contribute naval assets and conducting military exercises with Iran have raised significant concerns in Washington. It seems that the exploration of partnerships with Iran and China serves as a strategic lever to influence U.S. policy and increase negotiation leverage.

Under Trump, there is also potential for a renewed deal with Iran that could aim to limit nuclear proliferation/weaponization and curb the development of proxy forces through credible deterrence. Tehran seems to be signaling receptiveness to negotiate a new agreement that would go beyond the limited focus of the Joint Comprehensive Plan of Action (JCPOA) to include discussions of regional files. However, the discourse within Iran has also shifted in recent months, with some calling for nuclear weaponization as a deterrent in the face of a weakened “forward defense.”

From Trump’s side, every option is on the table. While he has expressed a strong opposition to “forever wars” and the commitment of more U.S. troops to the region, his approach can be characterized as “speak loudly and carry a big stick, but don’t use it.” In other words, he seeks “peace through strength” to establish credible deterrence, defined as the ability to convince adversaries that one has both the capacity and the will to act. With a renewed mandate from the American people and the support of a “trifecta”—meaning the Republican Party

controls the presidency, the House of Representatives, and the Senate—as of January 2025, Trump has political room to maneuver and enact his vision. He also does not face the political risk or constraints that would come with seeking re-election at the end of this term, which may enable him to make surprising policy decisions.

Regarding the U.S. stance on the Israeli-Palestinian conflict and the war in Gaza, Washington can only do so much when the Israeli population remains opposed to a two-state solution, although the U.S. supports this in principle. Trump's new administration will likely seek to reassert the U.S. as the power wielder in the U.S.-Israel relationship, in contrast to the Biden administration's

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subservience to Benjamin Netanyahu's government. While the U.S. remains committed to a two-state solution in principle, the lack of a viable Palestinian peace partner complicates this objective—as Washington and Israel view Hamas' involvement as a non-starter.

Regional leaders, particularly in the GCC, will likely find Trump enthusiastic and receptive about economic integration initiatives—and should prioritize economic proposals in their talking points with the new administration. Possible synergies, but also areas of competition, exist in terms of the push for global and regional connectivity mega-projects—such as the India-Middle East-Europe Economic Corridor (IMEC) and the Development Road project. Regional

actors should capitalize on Trump's expected transactionalism to pursue mutually beneficial economic projects, and to advocate for connectivity projects to better integrate the region in a more inclusive way, ensuring that, for instance, the Kurdistan region and other major actors such as Egypt are not bypassed by new initiatives.

Regional Dispute Resolution and Legal Frameworks

Another expert emphasized that the evolving nature of dispute resolution in the Middle East includes an increasing reliance on formal legal mechanisms. The blockade of Qatar imposed by neighboring rivals led to numerous legal cases, prompting Gulf countries to recognize the utility of international legal instruments, including those related to trade, intellectual property infringements, and other issues. Key examples include the CERD case against the United Arab Emirates and the ICAO case in Canada, which was eventually ruled in Qatar's favor. Arbitration even extended to a postal union treaty from 1874 due to the blockade.

While the Gulf crisis was formally resolved through the Al-Ula Declaration, underlying tensions and drivers of competition/conflict remain and have continued to play out to varying degrees in other regions and conflict theaters. However, a glimmer of hope is offered by the growing recognition by Gulf states that they can mitigate their disputes and pursue their interests through international legal mechanisms rather than more confrontational means.

In sum, the necessity of building resilience in a region fraught with deep-seated fault lines and dangerous cycles of conflict and escalation is paramount. Policymakers must adopt proactive and robust strategies to navigate the unpredictable landscape of Middle Eastern geopolitics, ensuring stability and prosperity in the face of ongoing challenges. Opportunities exist under a renewed, transactional Trump administration for states to push for economic projects, more inclusive connectivity, and proactive approaches to managing and addressing regional conflicts.

GREAT POWER COMPETITION & POST-ELECTION U.S. ENGAGEMENT IN THE MIDDLE EAST

Prospects for Energy Markets

The session highlighted the likelihood of oil prices remaining relatively low in the medium-term, particularly under the second Trump administration, and explored the implications of evolving energy market regulations. A significant focus was placed on the EU's upcoming methane import rules, set to take effect in 2025 and continue through 2030, which require methane emissions to be measured at the source. This poses challenges, as most companies are not prepared to meet these regulations. Japan and Korea have aligned themselves with Europe on this issue, but there is uncertainty regarding China's role—whether it will step up as a climate leader in place of the U.S.—and how India might respond to shifting market dynamics.

Broadly, it seems that import markets will shift towards expecting much cleaner oil and gas. There is the risk that the market will bifurcate into two categories: “clean” oil and gas, which will command premium prices, and “dirty” oil and gas, which may serve specific markets, as well as fallback options for countries facing sanctions or governance challenges. This raises a significant question on the role of large consumers in China and India and their role; Iran has become adept at obfuscating the trade of its oil, for instance.

This bifurcation could lead to disparities in economic health across Middle Eastern countries, with Gulf nations producing minimal methane emissions and positioned to thrive, while countries like Iran and Iraq account for a significant portion of global methane emissions and are among the worst countries in terms of gas flaring, face hurdles. It was noted that while gas is harder to trade covertly due to advanced tracking, oil can be blended to obscure its origins. These developments may widen

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the gap in trade integration and economic performance among countries, as cleaner energy becomes a priority for global import markets.

Geopolitical Dynamics and Great Power Competition

The discussion also underscored the complex interplay of global powers in the Middle East. In Iraq, for instance, the United States has military interests, but China, and to a lesser extent Russia, also has significant economic interests. One participant argued that, since 2003, Iraq has in theory been much more aligned with the West, but in practice this is diminishing and there are other players involved. In the speaker's view, Iraq's major challenge is internal political instability, as the Iranian regime is increasingly influential in Iraqi politics, while the country simultaneously faces major issues associated with post-conflict recovery (e.g. ISIS), economic development, balancing powers, and navigating relations between global powers.

Meanwhile, more broadly, Russia's interests in the Middle East appear to be waning. Unlike the USSR's systematic approach to building political and cultural alliances, modern Russia adopts a more opportunistic strategy, utilizing military and educational tools to sustain relationships. However, sanctions have made economic cooperation with Middle Eastern countries increasingly difficult. BRICS was identified as an emerging alternative to traditional international institutions, providing

a platform for countries seeking to sidestep Western dominance.

U.S.-China competition is another key trend with major knock-on effects for the region. While the U.S. remains the Middle East's top security provider, Washington's attention is split between various theaters, with the war in Ukraine continuing and the Indo-Pacific remaining a concerning flashpoint in the face of China's growing influence. Competition with China has motivated U.S. policies, including export controls on critical technologies that also impact Gulf states (AI chips, for instance), efforts to build partnerships, and attempts to minimize direct military involvement while remaining strategically engaged.

However, one expert stressed that the U.S. will likely remain the top regional security provider under Trump, and that the military will be more forward-looking in the Red Sea over the next four years. Washington is frustrated at the level of Chinese inaction in the Red Sea and Beijing's failure to effectively pressure Iran to reign in the Houthis. While the U.S. is trying to minimize its military involvement, the realities of global competition constrain its ability to do so in the foreseeable future.

Participants attributed China's growing involvement in the Middle East to its economic capacity, energy needs, and ambition to redefine the global order. Trade between China and the region has expanded significantly, supported by projects under the Belt and Road Initiative (BRI) and investments in 5G technology. Moreover, China's ability to act as a neutral mediator and powerful (economic) guarantor has bolstered its reputation, as seen in its facilitation of the Saudi-Iran rapprochement in March of 2023 and its efforts to engage Palestinian factions. Nevertheless, China remains reluctant to assume an expanded security role or engage beyond its traditional economic approach, although increasing its power projection abilities in the Red Sea through its Djibouti base.

Experts highlighted China's vested interest in the region's stability due to its status as the largest energy importer. The country's strategic goals include reducing reliance on the U.S.-led global order by promoting BRICS as an alternative to institutions like the World Bank and developing mechanisms like BRICS Pay to de-dollarize trade. While China focuses on economic and technological leadership, its actions—such as fostering Sunni-Shia reconciliation and expanding renewable energy investments—are reshaping the region's geopolitical landscape. Despite these advancements, China prioritizes its interests in Taiwan and the Indo-Pacific, indicating limited appetite for direct competition with the U.S. in the Middle East.

AVOIDING THE NEXT CONFLAGRATION

The discussion then turned to the war on Gaza and how future conflict can be mitigated or prevented. One participant argued that, perhaps counterintuitively, Israel is more secure now than ever before in the state's history, and that Israeli Prime Minister Benjamin Netanyahu is relatively secure domestically than previously. As this speaker put it, "Israel has a free hand, the question is does that make it more or less likely to escalate?" Another speaker responded that Israel seems eager to escalate; Netanyahu may be seeking to target Iran's nuclear program and further degrade its forward defense capabilities.

As mentioned in a previous session, Trump is more likely than Biden to reassert the U.S. as the dominant actor in the U.S.-Israel relationship and pressure Netanyahu to avoid dragging the U.S. into a regional conflict. There was some push-back on this point from other participants, who raised the possibility that Trump might still support an Israeli attack on Iran's nuclear facilities, especially given the hawkishness of certain advisors in his circle. Even if he is cautious about military engagements that could directly implicate the U.S. in conflict, Trump will probably underwrite Israeli operations in Gaza and the West Bank based on his track record.

Another participant responded that Netanyahu and his right-wing government are not the only issue driving Israel's military campaigns in Lebanon and Gaza. Israeli society at large perceives Hamas as an existential threat, and Israel's assault on Gaza and Lebanon are likely to continue due to this threat perception and insecurity in the absence of international pressure, specifically from the United States.

Another speaker highlighted that public opinion regarding the war on Gaza has been exerting increasing pressure on Gulf states; leaders' statements are being pushed away from political neutrality.

There was a relative consensus that Iran seeks to avoid full-scale war with the U.S. and Israel. If Iran weaponizes its nuclear program, it would drastically alter the regional power dynamics and potentially incentivize other countries to develop nuclear weapons as well. One participant noted that Iran is trying to send a message that it is ready to negotiate, but that it is also ready for confrontation if necessary.

THE GCC AS A CENTER OF GRAVITY

The region faces structural vulnerabilities that drive its instability, as several central governments do not have a monopoly on violence in their territories, facing significant challenges to their sovereignty from armed non-state actors. As part of this trend, Iran's relative power has increased, but Israel has recently rolled that back considerably and exposed the fragility of the "Axis of Resistance" and Iranian defenses (e.g. weak air to surface missile program). Moreover, the war on Gaza is likely to lead to a new wave of radicalization in the region, galvanizing support for groups like Hamas and the Muslim Brotherhood and the emergence of new movements and groups.

The GCC states have a vital role to play in this context, and the future of the regional order largely depends on how these states' navigate the coming years and their

relations with external powers, as well as Iran and other regional players. While normalization has been stalled since October 7, 2023, no signatory of the Abraham Accords has withdrawn from the agreement. Under Trump, we could see a renewed push for normalization, although Gulf states and others face significant pressures and constraints from public opinion, which has shifted over the past 15 months to be more critical of normalization. Arab Barometer survey data indicate that support for normalization has dropped to 13% or less in Iraq, Lebanon, Morocco, Jordan, Mauritania, and Tunisia in 2023-2024.

The GCC states remain a major partner for the US and China in the Middle East and beyond, be it in terms of energy supplies (indirectly for the U.S.), sovereign wealth fund investments, tech partnerships, and increasingly as a mediator and convenor (particularly Saudi Arabia, UAE, and Qatar). The GCC states face a great challenge in their quest to balance investments abroad, and drive development at home, while maintaining a 'fair' oil price, and also push regional reconstruction and cooperation in the region.

CONCLUSION

Middle Eastern countries stand at a pivotal juncture, influenced by evolving global power structures, conflicts rooted in entrenched regional rivalries, and shifting economic priorities. The workshop's discussions highlighted that while regional conflicts persist, they are being reshaped by external factors—from U.S. policy shifts to China's expanding influence and the Gulf states' pursuit of economic diversification plans under their respective national visions and development agendas.

Meanwhile, Iran's reliance on proxy forces under the banner of the "forward defense" strategy and the so-called "Axis of Resistance," faces new challenges. renewed wave of radicalization if a sustainable political process is not prioritized.

Israel's military actions are redefining regional dynamics and long-term may lead to a renewed wave of radicalization if a sustainable political process is not prioritized. In this volatile environment, regional actors must seize opportunities for pragmatic cooperation to prevent escalation and mitigate future crises.

Economic integration emerged as a central, yet unrealized, pillar of stability, with significant barriers still hindering meaningful regional collaboration. The potential for a renewed U.S. push for expanded diplomatic and economic normalization with Israel under Trump's second term presents both risks and opportunities for Arab states.

While China has expanded its influence through economic investments and strategic mediation initiatives, such as brokering the Saudi-Iran rapprochement and incorporating more states into the BRICS bloc, the United States remains the region's key security guarantor — a role for which Beijing has not yet indicated it wishes to compete.

Leveraging economic interdependence, energy market shifts, and legal frameworks is crucial to promote resilience in a region too often defined by conflict and zero-sum rivalries. Ultimately, the Middle East's trajectory will be determined by how states navigate the twin challenges of conflict management and economic transformation.

The GCC states remain the center of gravity in the region when it comes to problem-solving and driving change. Regional leaders must act decisively to reduce vulnerabilities—whether by countering the spillover of conflicts, reinforcing economic ties, or adapting to shifting global power structures. The coming years will demand bold diplomacy, strategic foresight, and pragmatic decision-making to ensure that the region's future is not dictated solely by external actors but shaped by its own vision for stability and prosperity.

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POLICY RECOMMENDATIONS

- Enhance air defense systems to protect the Kurdistan region and other areas from external threats, particularly missile attacks. U.S. and Western allies should ensure both foreign personnel and local communities are safeguarded. The U.S. and UK have a moral and strategic responsibility toward the Kurdistan Region, given the role of Western intervention in shaping its current status.
 - Saudi Arabia should reassess its foreign policy through a realpolitik lens, balancing alliances without constantly justifying its actions to external powers. GCC countries can form a coordinated mechanism for joint investments, particularly in Egypt, to achieve economies of scale and increase efficiency. The GCC should continue to modernize its education system to include artificial intelligence and emerging technologies to prepare for the future. Oman should capitalize on its neutral stance by taking a greater role in regional conflict mediation.
 - Middle Eastern producers should prioritize methane reduction, as it is a low-cost, high-impact measure with immediate climate benefits. The U.S. should exempt renewables and climate technology from its sanctions policies, enabling countries like Venezuela and Iran to transition toward clean energy. Reducing dependence on hydrocarbons in states like Iraq, Libya, and Iran can lead to instability.
 - Regional leaders will likely find Trump enthusiastic and receptive about economic integration initiatives—and should prioritize economic proposals in their talking points with the new administration.
 - U.S. decision-makers should engage more deeply with regional perspectives rather than imposing one-size-fits-all policies.
 - The GCC should pursue a free trade agreement with China, leveraging its economic weight to negotiate better trade terms across the Indo-Pacific.
- Instead of creating an independent dispute resolution system, GCC countries should leverage and work within existing rules-based international institutions, such as the WTO, to facilitate dispute resolution and pursue their interests. While economic diversification is a priority, it was stressed that political liberalization in the Gulf must be considered to prevent future instability when existing social contracts weaken.
- A proposal was made for a new financing mechanism involving the GCC, Iraq, Yemen, and Iran (non-sanctioned sectors) to address the viability gap in infrastructure projects such as renewable energy, desalination, and agriculture. This would involve blended financing, with Gulf SWFs and insurers providing guarantees to reduce risk.
 - Focus on short-term stability and building islands of prosperity instead of aiming for an unrealistic regional settlement.
 - Work toward a viable and sustainable solution to the Palestinian-Israeli conflict, potentially a 1.5-state solution, to lower the temperature regarding a broader regional conflict. Maintain open communication channels with a wide spectrum of state and non-state actors to move towards conflict mitigation.

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