Middle Eastern Perspectives 2: Regional Cooperation and Development

By Koby Huberman

Israeli author Kobe Huberman wrote an article simultaneously published with my previous article under the same title. Huberman's article was published on our Middle Eastern initiative's website, MENA2050. Both articles discuss two key aspects: the transformation of the Middle East's political landscape from 2002 to 2022 and the need to reshape perspectives into a three-dimensional framework to address challenges bravely. This includes reframing the peace process in the Middle East from a perspective of regional cooperation and solidarity, for the benefit of all people in the region.

While acknowledging the security challenges faced by the region, it is essential not to overemphasize them at the expense of supporting developmental initiatives that contribute to stability. Several examples demonstrate this point, such as the electricity-for-water initiatives involving the United Arab Emirates, Jordan, and Israel. The establishment of the Saudi sovereign wealth fund's direct investment initiative in Iraq with its various sectors, as well as the regional multi-party cooperation in electricity transmission to Lebanon and the connection of Iraq to the Gulf electrical grid, highlight the potential for regional collaboration and its positive impact on development.



The challenges posed by climate change will have a greater impact on the region than any previous wars if we neglect the development of a comprehensive concept of regional cooperation. The Abraham Accords, for example, have led to a cultural and human openness across various media platforms, and we must build on the resulting culture by implementing direct and indirect mechanisms. Additionally, the liberation of regional capital flows for direct investment through sovereign wealth funds, creating partnerships, and developing financing mechanisms can unlock the potential of the Gulf private sector, which surpasses $4 trillion in wealth. We have witnessed the positive outcomes of this sector's direct involvement in rescuing the international banking sector, particularly in Europe and the United States, after the financial crisis of 2008.

The possibilities for regional development are limitless, especially considering the strategic investments made in Gulf infrastructure. These investments have facilitated the establishment of rail networks, created promising logistics sectors, improved electricity connectivity, and supported advancements in healthcare, health insurance, vocational and technical education, economic diversification beyond oil, and knowledge-based sectors. These developments have deepened social stability, empowered Gulf citizens, and fostered regional security and growth.

Returning to the broader foundations of regional stability, the water-for-electricity initiative involving the UAE, Jordan, and Israel represents an unprecedented model of regional cooperation. This model can be expanded to develop several sectors in Jordan, including agriculture (drawing on Israel's expertise in reclaiming and cultivating the Negev Desert), mining (phosphates), and service sectors. It is conceivable that regional and strategic partners could contribute to and support such projects, or the United States could grant Jordan the status of a free trade

partner. These measures would enhance the required flow of capital for the development of these sectors, particularly considering Jordan's high educational and professional competencies.

Similarly, the successful Saudi model in Iraq (direct investment through its sovereign fund) has the potential to transform Iraq into a promising market and a strategic contributor to regional food security and a gateway to East and Central Asia. The development of all sectors in Iraq would benefit the entire region.

The success of such models requires genuine partnerships, starting with serious financial and administrative reforms and good governance. In order to stimulate further avenues for regional cooperation, the targeted countries for Gulf investments must implement robust governance mechanisms.

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