Gulf Research Centre Cambridge

Knowledge for All

17th Gulf Research Meeting

Cambridge, 20-22 July 2027

Workshop No. 2

Geoeconomics and the Gulf's New Economic Model: Sovereign Capital, Investment Policy, and Strategic Industries

1. Directors

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2. Abstract

The Gulf is being reshaped by powerful and overlapping forces. Recent Middle East conflicts and rising geopolitical tensions have heightened regional instability. The global energy transition and intensifying great-power competition are adding new pressures, while ambitious national visions are redrawing the region's economic map. In this context, GCC states are mobilizing their economic resources as instruments of international influence and domestic transformation. Through state-led strategies to accelerate diversification and reduce hydrocarbon reliance, they are deploying energy revenues, sovereign capital, investment policy, and state-controlled enterprises. These

instruments serve two purposes at once: projecting economic power abroad and reshaping the relationship between state and market. Together, they are redefining the Gulf's place in the global economy and generating new patterns of cooperation, competition, and strategic engagement across different sectors.

The workshop welcomes original research on the geoeconomics of GCC economic transformation across four broad areas. The first concerns energy and geoeconomic influence, including hydrocarbon revenues, energy partnerships, and the global energy transition. The second addresses sovereign capital and financial statecraft, encompassing sovereign wealth funds, state-owned enterprises, and international investment. The third covers trade, investment, and strategic industries, spanning foreign direct investment, industrial policy, technology transfer, and global value chains. The fourth focuses on changing GCC economic models, including diversification, productivity growth, private-sector development, employment policy, and fiscal reform.

Contributions may be quantitative, qualitative, comparative, conceptual, or policy-oriented, drawing on economics, finance, international political economy, business, and public policy. Papers may focus on single countries, the region as a whole, or GCC relations

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3. Context

The Gulf is being reshaped by powerful and overlapping forces. Recent Middle East conflicts and escalating regional tensions have sharply elevated geopolitical risk, adding to longer-running pressures from the global energy transition, intensifying great-power competition, and ambitious national visions (Caldara and Iacoviello, 2022; Krane, 2019). In this context, the six GCC states are no longer passive recipients of global economic forces. They are mobilizing an unprecedented concentration of state-controlled resources, with over four trillion US dollars in sovereign wealth alone. This represents roughly forty percent of global SWF assets and more than half of worldwide SWF deployments in 2024 (Roll, 2026). This dual movement, in which outward economic statecraft and domestic

transformation reinforce one another, sits at the heart of the emerging debate on geoeconomics (Blackwill and Harris, 2016; Clayton, Maggiori and Schreger, 2025).

Existing research has advanced our understanding of specific dimensions of this shift. Political economists have documented the historical dynamics of the Gulf rentier state and the evolving role of Gulf state-owned enterprises (Hertog, 2010a, 2010b; Kamrava, 2012; Coates Ulrichsen, 2011). Economists have examined the persistent difficulty of translating hydrocarbon revenues into productive diversification (Callen et al., 2014; Cherif, Hasanov and Zhu, 2016) and the environmental and structural pressures accompanying the energy transition (Sim, 2021; Charfeddine and Kahia, 2019). A newer literature interprets Gulf SWFs as instruments of foreign policy and financial statecraft (Braunstein, 2019; Roll, 2026), building on frameworks that examine how states leverage their positions in global economic networks (Farrell and Newman, 2019).

Yet important gaps persist. Scholarship remains fragmented across disciplines, with economists, political economists, energy analysts, and finance researchers often working in parallel rather than in dialogue. Analyses of Gulf economic statecraft tend to focus either on outward projection or on domestic reform, rarely tracing the connections between them. Comparative work on GCC economic relations with major external partners — the United States, China, the European Union, India, and Africa — remains limited despite the changing geography of Gulf trade and investment flows. Moreover, the accelerating pace of geopolitical and technological change is outstripping the empirical evidence base.

This workshop seeks to bridge these gaps through interdisciplinary dialogue on the geoeconomics of GCC economic transformation across four interrelated areas: energy and geoeconomic influence; sovereign capital and financial statecraft; trade, investment, and strategic industries; and changing GCC economic models. By convening scholars from complementary disciplines around a shared analytical frame, the workshop aims to generate publication-quality research connecting international economic engagement to

domestic transformation. Contributions may be quantitative, qualitative, comparative, conceptual, or policyoriented, and may examine individual GCC countries, the GCC as a whole, or GCC relations with major external partners.

4. Workshop Focus/Objectives

This workshop will focus on the geoeconomics of GCC economic transformation, examining how the six Gulf states are deploying energy revenues, sovereign capital, investment policy, and state-controlled enterprises as instruments of international influence and domestic transformation. It will situate the accelerating outward projection of Gulf economic power within theoretical frameworks drawn from international political economy, energy economics, financial statecraft, and industrial-policy scholarship. Particular attention will be given how international economic engagement interacts with domestic transformation, reshape state–market relations at home, and redefines the Gulf's position in the global economy.

The workshop has four interrelated objectives: (1) to identify and analyze the instruments through which GCC states are converting hydrocarbon wealth and sovereign capital into international economic influence, including cross-border investment, industrial partnerships, and strategic acquisitions; (2) to examine how these outward-facing strategies interact with domestic economic transformation, particularly diversification, private-sector development, productivity growth, and fiscal reform; (3) to assess the sectoral and geographic patterns of Gulf economic engagement with major external partners — the United States, China, the European Union, India, and Africa — and the extent to which these patterns reflect deliberate geoeconomic strategy or opportunistic responses to global shifts; and (4) to evaluate the implications of Gulf economic statecraft for regional and global economic governance, including its interaction with great-power competition, energy transitions, and evolving rules on foreign investment.

By pursuing these objectives, the workshop brings together perspectives from economics, finance, international political economy, business, and public policy. It will contribute to the literature on the Gulf by moving beyond the tendency to study outward economic projection and domestic diversification in isolation, treating them instead as two

dimensions of a single geoeconomic transformation. It will also engage the wider theoretical debate on geoeconomics, testing whether frameworks developed with reference to the United States, China, and the European Union hold when applied to GCC states, which combine concentrated sovereign capital, relatively small citizen populations, and hydrocarbon-dependent fiscal systems.

A major objective is to assess whether GCC states are constructing a distinctive model of economic statecraft — one in which SWF, state-controlled enterprises, and industrial policy operate in a coordinated manner to project influence abroad while accelerating domestic transformation — or whether these patterns instead represent distinct national responses to common pressures. The scale of what is being examined is notable. GCC SWF now manage roughly five trillion US dollars in combined assets, and the region's largest funds are among the world's most active investors in AI infrastructure, private credit, and strategic industries. Yet scholarship has struggled to keep pace with the empirical shifts.
The workshop will examine these questions through cases including sovereign investment in critical technologies, energy partnerships with Asian economies, industrial policy competition and coordination among GCC states, and the recalibration of Gulf economic relations with the West. In doing so, it will assess the extent to which GCC economic statecraft is generating durable international influence supporting domestic economic transformation, or creating new forms of economic exposure and vulnerability.

5. Paper Focus, Topics, Format and Referencing Style

Papers submitted to this workshop should examine how GCC states deploy energy revenues, sovereign capital, and economic-policy instruments to pursue strategic objectives, and how these activities shape domestic transformation. The workshop will focus on four interconnected areas:

Energy Revenues and Geoeconomic Influence: This area examines how oil and LNG agreements, long-term supply contracts, and downstream investments influence GCC access to global markets and strategic partnerships. It also considers how hydrocarbon

revenues are allocated across foreign assets, domestic investment and new economic sectors, and how price volatility affects these choices. Contributions may further explore how renewable energy, hydrogen, and carbon-management industries could alter GCC comparative advantage, fiscal revenues, and international economic influence.

Sovereign Capital and Financial Statecraft: This area focuses on how sovereign wealth funds balance commercial returns with economic resilience, foreign-policy objectives, and domestic development priorities. It also covers the international activities of development funds, state-owned enterprises, and national champions in securing markets, technology and strategic partnerships. Papers may examine how capital markets, sukuk, payment systems, and currency arrangements.

Trade Investment and Strategic Industries: This area examines whether foreign investment generates technology transfer, supplier development, skilled employment, and productivity gains within GCC economies. It also considers whether outward investment, foreign acquisitions, and international joint ventures create useful knowledge and commercial linkages with domestic firms. Contributions may evaluate the selection, financing, and governance of strategic industries, including their comparative advantage, fiscal costs, and ability to compete.

The Changing GCC Economic Model: This area considers how public investment, state-owned enterprises, national champions, and private firms are redefining relations between the state and the market. Papers may assess the effects of geoeconomic strategies on productivity, non-hydrocarbon exports, private investment, employment, and fiscal sustainability. Contributions may also explain differences among GCC countries and examine how institutional capacity, policy design, and regional coordination.

Submission requirements: Prospective authors should submit a CV and a 500–750-word proposal abstract by 6 January 2027. Selected authors must upload their full papers to the GRM website by 31 May 2027. Full papers must be written in clear academic English and

be 6,500–10,000 words, including tables, graphs, footnotes, and references. Include a 250–300-word paper abstract and relevant keywords.

Referencing style: Use Chicago Author–Date, with the author's surname and publication year in the text, page numbers where appropriate, and a full bibliography at the end.

Format: Submit the manuscript in Microsoft Word on A4 pages with 2.5 cm margins on all sides, 1.5-line spacing, and justified text. Use Times New Roman in 12-point for the main text, 11-point for citations, and 10-point for footnotes. Centre page numbers at the bottom. Tables and graphs may appear in the text or be grouped at the end, with their intended placement indicated in the manuscript.

6. Publication Plans

The co-directors plan to produce a coordinated set of publications from the workshop, anchored by a special issue in a peer-reviewed journal and complemented by additional outlets for papers that fall outside the special issue's thematic or methodological scope. The publication strategy is designed to translate workshop contributions into high-visibility scholarly output while ensuring that every paper accepted into the workshop has a clear route to publication.

Primary route: Special Issue in a peer-reviewed journal. Given the workshop's four-pillar structure — energy and geoeconomic influence, sovereign capital and financial statecraft, trade and strategic industries, and changing GCC economic models — the special issue is well positioned for journals at the intersection of finance, energy economics, international political economy, and Gulf studies. The final selection will be made once paper acceptance decisions are finalized, taking into account thematic fit, methodological composition of the accepted papers, and each outlet's reach among academic and policy audiences.

7. References

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8. Workshop Directors

Dr. Norah Almubarak is an Associate Professor of Finance and Investment at King Faisal University, Saudi Arabia, and Executive Advisor at the Al-Ahsa Development Authority, where she works on investment, feasibility, and regional development initiatives. She is also a Visiting Research Fellow at the University of Bath School of Management in the United Kingdom. Her research focuses on investment, entrepreneurial finance, and sustainable finance, with particular interest in economic transformation in Saudi Arabia and the wider Gulf. Dr Almubarak has published in international journals including International Journal of Finance & Economics, Finance Research Letters, Technological Forecasting & Social Change, Emerging Markets Finance and Trade, and International Journal of Entrepreneurial Behavior & Research. International and national institutions have supported her research, including the British Academy (UK), the French Embassy in Saudi Arabia, the Saudi Central Bank, the College of Excellence, and King Faisal University. She holds a PhD in Finance and an MRes in Management from the University of Bath, and an MSc in Finance from Imperial College Business School. Her academic and advisory experience spans finance, investment, entrepreneurship, and regional economic development, with a particular interest in Saudi Arabia's and the GCC's evolving investment and economic landscape.

Dr. Charfeddine Lanouar is a Full Professor of Economics at the College of Business and Economics, Qatar University, with a strong record of economic and policy-relevant scholarship, graduate-level teaching, and stakeholder engagement. His research spans applied

econometrics, energy economics, international macroeconomics, international finance, fintech, entrepreneurship, financial modeling, and forecasting, with a growing focus on policy-relevant questions at the intersection of economic transformation, innovation, and governance. He has published more than 65 articles in internationally respected peer-reviewed journals. Several of his papers have received best paper awards at international conferences and/or have become highly downloaded and cited since publication. During the last 10 years, Dr. Charfeddine has secured substantial internal and external research funding as Lead Principal Investigator (LPI) and Principal Investigator (PI), with total awards exceeding USD 5 million. In professional service, he serves as an editor for Cogent Economics & Finance and the Review of European Studies, has received recognition for outstanding reviewing in well-ranked journals, and has delivered training programs for research centers in Qatar in macroeconomic modeling and forecasting. More recently, he has strengthened the translation of research into national and institutional impact through sustained policy engagement: he chaired the Scientific Committees of ESI 2024 and ESI 2025, leading multi-day conferences with keynote addresses, panels, and more than 75 sessions, and he organized and contributed to approximately 15 policy- and practice-oriented events, including public forums, workshops, and business dialogues. His activities include organizing the Business Policy Forum on FinTech and entrepreneurship, moderating high-level discussions, delivering Ministry of Finance workshops in 2025 on GCC trade integration and cluster diversification as well as in public–private partnerships (PPPs), and speaking on Governance of Innovation and Future Foresight (September 2025).