

Commentary

The Gulf's Bargaining Dilemma in the Next Phase of the War

Dr Khalid Al-Jufairi

A shift in the Gulf's narrative from crisis diplomacy to postwar bargaining is beginning to take shape.

The next phase of the Iran War is currently being negotiated through a US-Iran coercive bargain, in which military and economic pressures are exchanged for reciprocal concessions to suspend hostilities, rather than a comprehensive peace settlement which could establish durable security commitments and mechanisms to prevent renewed escalation.

Iran's September proposal combines an end to hostilities, lifting the United States' (US) blockade, sanctions relief, and releasing frozen assets with the reopening of the Strait of Hormuz, followed by renewed nuclear talks. Through shuttle diplomacy by mediating indirectly between Washington and Tehran, Qatar has sought to resolve disagreements over the sequencing of reciprocal concessions, following the collapse of the first and second phases of the ceasefire arrangement.

The collapse of those two phases fits the pattern identified by bargaining theory, wherein wars reveal states' political resolve and capabilities, but the achievement of a comprehensive settlement is obstructed by their lack of commitment and trust. The collapse of these two phases reflects the bargaining problems identified by Fearon (1995) and Powell (2006): although fighting can reveal information about states' capabilities and resolve, commitment problems can obstruct a negotiated settlement.

In fact, Qatar is currently mediating what is being referred to as Phase Three of the negotiations, in light of its diplomatic efforts to center them around the following sequence of proposals: reopening the Strait of Hormuz and lifting the US blockade followed by sanctions relief, in parallel to the US seeking nuclear concessions and inspections. Despite all these efforts, Iran continues to threaten Gulf countries as it prepares for renewed escalation.

Iran continues to use restricted passage through the Strait of Hormuz as coercive leverage, while the US seeks its full reopening without Iranian-imposed conditions on commercial navigation. For the Trump administration, restoring freedom of navigation would restrain Iran's ability to extract concessions through maritime disruption, although it would not necessarily signify Iranian acceptance of a revised regional balance of power. President Trump's rejection of the seven-day Iranian offer reinforces exerted military pressure and economic coercion.

However, any bargain that pauses hostilities yet involves either US or Iranian coercion leaves the Gulf Cooperation Council (GCC) states exposed to basing and infrastructure risks. To that effect, GCC states need to not only shape mediation efforts, including the sequencing of proposals, but also to engage in constituting what the plausible postwar order is, which I argue is neither restored US primacy nor alternative

tilts that could house Iranian security alliances. GCC states require a US-enabled, Gulf-conditioned, and multilateral security architecture because no single layer is sufficient on its own. American capabilities remain indispensable for high-end deterrence, intelligence, missile defense, maritime surveillance, and rapid force projection, but a US-centric architecture risks reproducing the very dependency and exposure the current war has revealed.

In order for the Gulf security architecture to be multilateral, GCC states have to retain strategic political authority over basing, access, and escalation thresholds. President Trump's meeting with Gulf and Middle East leaders last month is indicative of how the US views these states as a functional stakeholder coalition in determining whether the next crisis is simply deferred or made institutionally less likely to recur. The postwar order is unlikely to be either Iranian primacy or a restored and uncontested *Pax Americana*; GCC states have become assertive small and middle powers with diversification strategies and foreign policies that avoid dependence on any single power. In other words, GCC states are no longer sole recipients of external power protection, but they are becoming more assertive in exercising their agency over the rules governing deterrence, military access, escalation threshold, and regional order.

This Gulf agency is being tested with the latest phase of mediation. Oman is shaping the littoral arrangement around the Strait of Hormuz, while Qatar is brokering the bargaining sequence. Saudi Arabia brings its leverage through its weight in energy markets and consequent ability to condition the political acceptability of a regional settlement, despite ongoing attacks by the Houthis. However, the Houthis' repeated strikes on Saudi infrastructure have worsened Saudi Arabia's vulnerability to the current war. The United Arab Emirates (UAE) has maritime, commercial, and logistical security interests directly affected by any future governance of Hormuz. The country has therefore exercised its agency to focus on preventing US-Iran competition over Gulf geography, resources, and future development. Unlike the UAE, Kuwait and Bahrain are Gulf multipliers, likely to amplify Saudi Arabia's approaches. As this new phase of mediation unfolds, Gulf agency remains constrained. Diplomatic engagement alone does not confer authority over the rules governing a postwar regional order.

Notwithstanding, the upcoming US midterm elections introduce a further layer of uncertainty over the durability of any negotiated settlement. Shifts in congressional control could constrain the Trump administration's capacity to sustain sanctions on Iran and other measures in the coming two years, especially if the bargain relies on executive discretion rather than institutionalized guarantees. As Washington continues to engage with regional players in a consultative approach, GCC states remain vulnerable to the exclusion of effective security guarantees in any final arrangement with Iran. This means that GCC states will have to bear the consequences of the

terms, implementation, and continuity of US-Iran commitments that will remain largely beyond their control.

About the Author



Dr Khalid Al-Jufairi is a scholar of international politics whose academic inquiry ranges from foreign policy and national strategy to the rising global multipolarity and public policy. His latest book, *The Centrality of Middle Class: Sociopolitical Resilience and Economic Stability*, offers critical insights into the nexus of society's challenges and statehood. Dr Al-Jufairi teaches across leading universities in Qatar and abroad, including Georgetown University.

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