

Sustainable Impact: Geo Pool Insure against Geo- Political Risk

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Abstract

The Middle East is currently navigating a period of profound geopolitical flux and instability, with 2024 emerging as a year of significant regional transformation. Ongoing conflicts in Syria, Gaza, and Lebanon, exacerbated by the dramatic collapse of the Assad regime in late 2024, continue to reshape the political and humanitarian landscape. Recent escalations, such as Israel's "Operation Rising Lion" targeting Iranian nuclear facilities in June 2025, underscore the persistent risk of broader regional conflict. This volatility poses a direct threat to the stability of the Gulf Cooperation Council (GCC) states, given their critical energy infrastructure, vital shipping lanes, and the presence of U.S. military bases, all of which risk being drawn into any wider conflagration. In response, GCC states have pragmatically pursued de-escalation and rapprochement, including with Iran, and are increasingly adopting a non-aligned stance in global geopolitics to safeguard their economic survival and regional security. Amidst this geopolitical backdrop, the GCC countries host a substantial, yet often under-recognized, population of individuals displaced from war-torn nations. These populations, primarily originating from Syria, Yemen, Iraq, Afghanistan, and Sudan, have largely entered GCC states under labor migration frameworks, such as the Kafala system, rather than through formal refugee status. Data indicates that Saudi Arabia alone hosted approximately 745,580 Syrians in 2017, while the UAE had 50,463, Kuwait 142,000, and Qatar 12,320. Yemeni emigrants in 2019 included 750,919 in Saudi Arabia, 202,574 in the UAE, 68,962 in Kuwait, and 35,574 in Qatar. The UAE hosts around 300,000 Afghans, and Saudi Arabia 132,282. Saudi Arabia is also a top destination for Sudanese emigrants. These displaced individuals, while contributing significantly to GCC economies, face profound vulnerabilities, including limited social protection, precarious legal status, and inadequate access to essential services. A critical gap exists in comprehensive life insurance and social protection for these vulnerable groups. Despite their vital economic contributions, migrant workers, including those displaced, often lack robust social safety nets, particularly coverage beyond work-related injuries. The Kafala system exacerbates this precarity by tying legal residency to employers, severely limiting workers' mobility and their practical access to services and legal recourse. Existing life insurance schemes for expatriates are frequently limited, expensive, or not tailored to the transient and vulnerable nature of many displaced populations. For instance, natural death, a common cause of mortality among blue-collar workers, is often not covered by mandatory employer insurance.

Keywords: Geo Pool Insure, Geo- Political Risk, Geopolitical Crucible, Stability

Introduction

Establishing a GCC-wide life insurance pool for displaced populations is therefore not merely a humanitarian gesture but a strategic imperative. Such a mechanism would provide essential financial security for the dependents of displaced workers, mitigating severe financial crises upon the death or

disability of the primary earner. From a humanitarian standpoint, it addresses a critical protection gap, aligning with international calls for universal social protection and human rights. Strategically, this pool would enhance social cohesion within the host societies, reduce the burden on informal support networks, and contribute to the long-term stability and sustainability of the GCC's labor-dependent economies. It would also demonstrate the GCC's commitment to responsible governance and its evolving role as a regional leader in addressing complex humanitarian and migration challenges.

The Geopolitical Crucible -Analysis of Current and Projected Conflicts and Their Destabilizing Effects

The Middle East continues to be defined by a momentous and unpredictable geopolitical landscape, with 2024 having been one of the most consequential years in the modern history of the region. The dramatic collapse of the Assad regime in Syria in late 2024 profoundly altered the regional dynamic, and 2025 is anticipated to further reshape the future of the Middle East. The ongoing conflicts in Syria, Gaza, and Lebanon contribute significantly to this persistent instability.

This has a direct impact on the displaced people moving into the UAE and other neighbouring countries. The pervasive geopolitical insecurity and instability across the Arab world are projected to result in another year of subdued economic outcomes for the broader region in 2025, particularly impacting fragile countries and active conflict zones. This dynamic is expected to accelerate the economic divergence between the more confident, dynamic, and outward-oriented Gulf economies and the largely stagnant, inward-focused, and vulnerable Levant and Maghreb regions.

The increasing frequency and intensity of regional conflicts directly translate into heightened economic vulnerability for the GCC. The Gulf states' economies are deeply reliant on stable oil and gas exports, unimpeded global trade flows, and sustained investor confidence. Disruptions to these fundamental economic pillars, such as supply chain shocks affecting major transshipment hubs like Jebel Ali, pose a significant threat to their ambitious economic and infrastructure projects. This is not merely about fluctuations in oil prices; it concerns the fundamental stability of the trade routes and the sustained confidence of international investors, which are essential for the GCC's ongoing diversification efforts. A prolonged period of instability could deter foreign investment and hinder economic growth, potentially exacerbating existing social challenges within the region.

The Human Tide: Displacement into the GCC

Overview of Major Conflict-Affected Populations: Syrians, Yemenis, Iraqis, Afghans, and Sudanese

Global forced displacement reached an unprecedented 123.2 million people by the end of 2024, with a slight decrease to 122.1 million by April 2025. This figure represents a near doubling of displacement over the last decade. The primary origin countries for refugees and displaced persons include Syria (6.0 million refugees), Afghanistan (5.8 million refugees), and Sudan, which saw 14.3 million people displaced by the end of 2024, including 2.1 million who fled to neighbouring countries.

While a significant portion of these displaced populations remains in countries immediately bordering their homelands, such as Turkey, Lebanon, Jordan, and Egypt, the GCC states also host a substantial number of individuals who have fled conflict. These populations, though often not officially recognized as "refugees" under international conventions, constitute a significant demographic presence within the Gulf.

Context of GCC's Unique Approach to Migration and De Facto Refugee Reception

The GCC states, with the notable exception of Qatar, do not possess a domestic system for granting asylum or providing refugees with specific rights under international conventions. Qatar did pass a refugee and asylum law (Law No. 11) in 2018, with a definition of refugee closely resembling the 1951 Convention. However, this law has faced criticism for restrictions, and in 2020, only one asylum request was granted out of 24 applications. Crucially, the GCC states are not signatories to the 1951 Refugee Convention or its 1967 Protocol.

Instead, the Gulf states have a long-standing tradition of receiving "de facto refugees" through ad hoc arrangements, primarily within their established Kafala immigration system.⁷ Under this system, individuals fleeing conflict are often indistinguishable from labour migrants in terms of their legal and residency status. Official statistics specifically on refugees are rarely publicized by these governments. For example, the United Arab Emirates has continued to offer de facto havens for people from Syria, Libya, and Yemen, allowing them to work, study, and access a minimum set of public services among the resident migrant communities.

Demographic Shifts: Foreign Nationals as a Significant Majority in GCC Populations

Foreign nationals constitute an overwhelming majority of the total population in the GCC region, making up approximately 52% overall. This proportion can be significantly higher in individual states, reaching 88% in Qatar and 70.1% in Kuwait based on mid-2020/2021 data. In the United Arab Emirates, expatriates account for a massive 88.5% of the total population, representing 10.04 million out of 11.35 million residents as of June 2025.

The GCC economies have relied on large numbers of foreign labourers since the 1950s, a trend that intensified during the oil boom of the 1960s-1980s. These foreign workers have become the primary, dominant labor force across most sectors of the economy and government bureaucracy, supporting rapid growth in the non-oil sector and contributing to price stability. The overwhelming demographic majority of foreign nationals in the GCC, coupled with the quasi-absence of naturalization, reveals a fundamental structural dependence on temporary foreign labor. Migrants are recorded as "non-national, temporary expatriate workers (wafidin)" with "little social and no political membership". This creates inherent social and economic stratification, where a significant portion of the population contributes economically but lacks full social or political integration. This societal structure, while economically efficient for the host states, makes it politically and socially challenging to extend comprehensive social welfare benefits, including life insurance, to the non-citizen majority. The "demographic imbalance" is not merely a statistical observation but a reflection of a deeply ingrained societal structure that impacts policy choices regarding social protection and inclusion.

Table 1: *Estimated Displaced Populations from Key Conflict Zones in GCC Countries (Selected Data Points, 2017-2023)*

Country of Origin	GCC Host Country	Estimated Population	Year of Data
Syria	Saudi Arabia	745,580	2017
	UAE	50,463	2017
	Kuwait	142,000	2017
	Bahrain	5,614	2017
	Qatar	12,320	2017
Yemen	Saudi Arabia	750,919	2019
	UAE	202,574	2019
	Kuwait	68,962	2019
	Qatar	35,574	2019
Iraq	Gulf States (Saudi Arabia)	~800,000	2020

Afghanistan	UAE	300,000	2023
	Saudi Arabia	132,282	2022
	Qatar	3,500-4,000	2012
Sudan	Saudi Arabia	>1,050,000 (est.)	2020

The table 1 provides a quantifiable demonstration of the significant presence of displaced individuals from war-torn countries within the GCC. For policymakers, this consolidated view moves beyond anecdotal evidence to present the sheer scale of the displaced population, making the argument for a life insurance pool more concrete and impactful. It highlights that these are not marginal numbers but substantial communities whose well-being is directly linked to the stability and social fabric of the host nations.

A Precarious Existence: Vulnerabilities and Protection Gaps

This entire exercise was done with data of IDP (Checked against the years vs the wars and conflicts and this clearly indicates that the GCC can create a model of financial stability for the Displaced Population). The data at a glance below – shows a peak in the number of events and how UAE is still the safest due to which the displaced people of neighbouring countries find UAE as a safe haven. With a money pool (GEO pool) – care can be rendered with the well-invested option by the Governments.

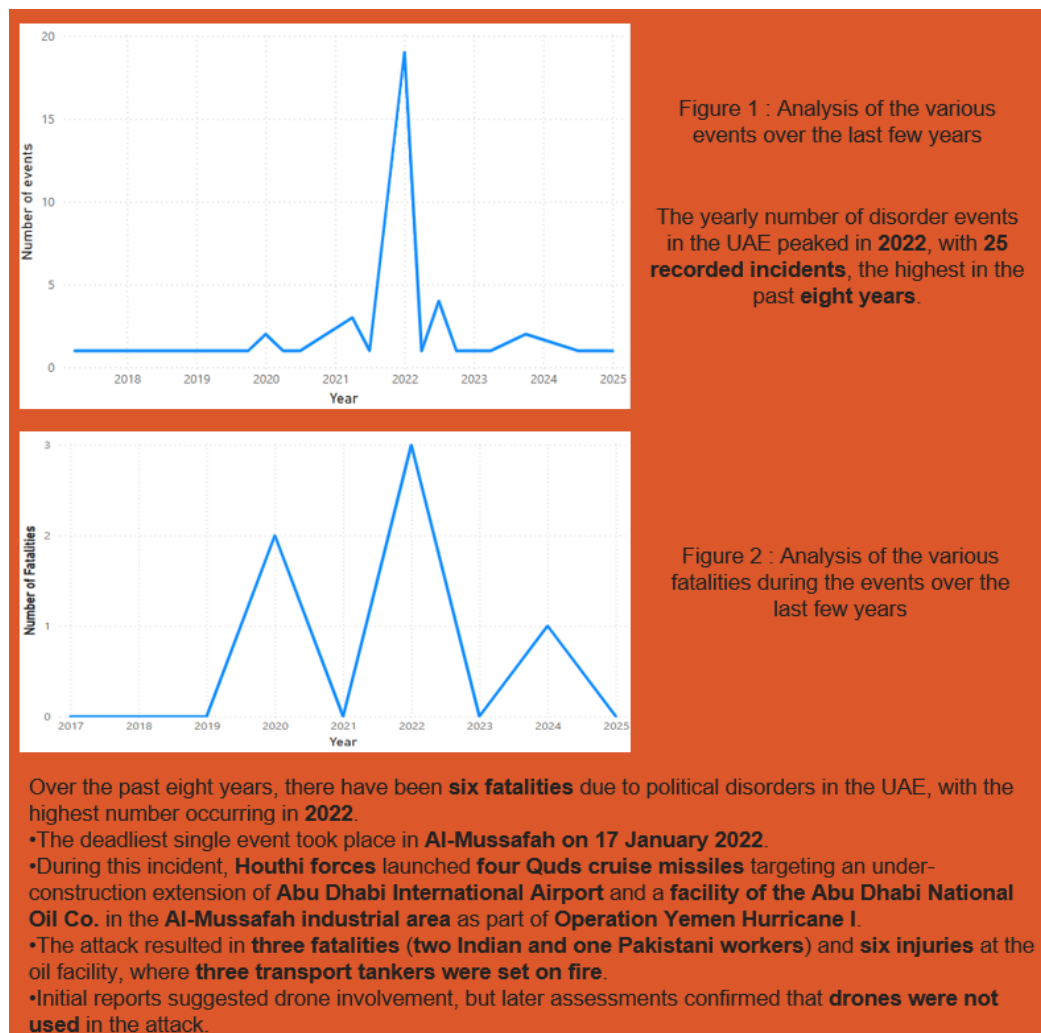


Figure 1: Analysis of various events over the last few years

Figure 2: Analysis of various fatalities during the events over the last few years

Furthermore, when we analysis and zoom into more details and analyse the refugees entering the UAE, the data is as below. Please do note that this analysis is done on a defined small subset for specific years taken to run our simulations.

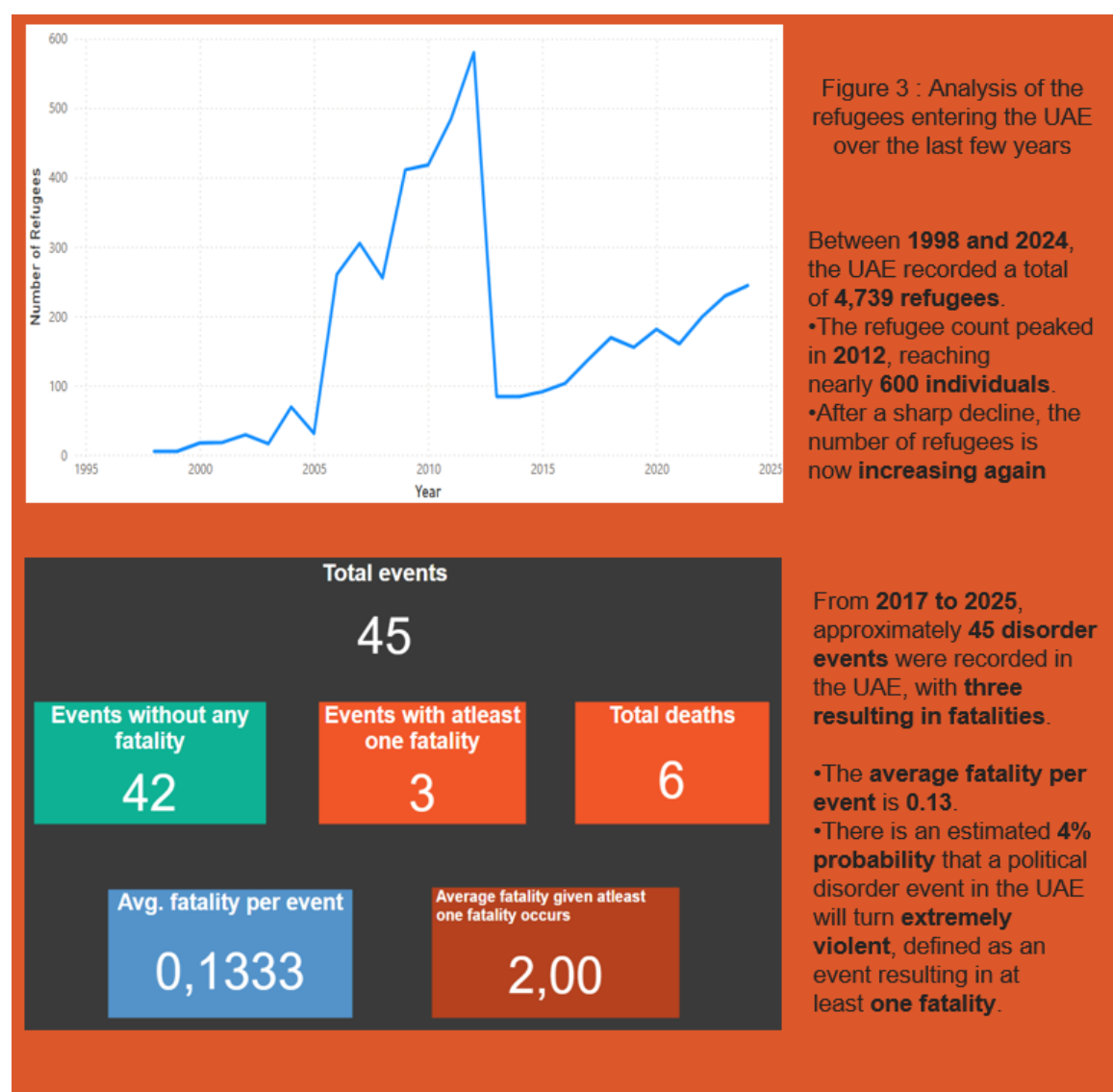


Figure 3: Analysis of refugees entering the UAE over the last four years

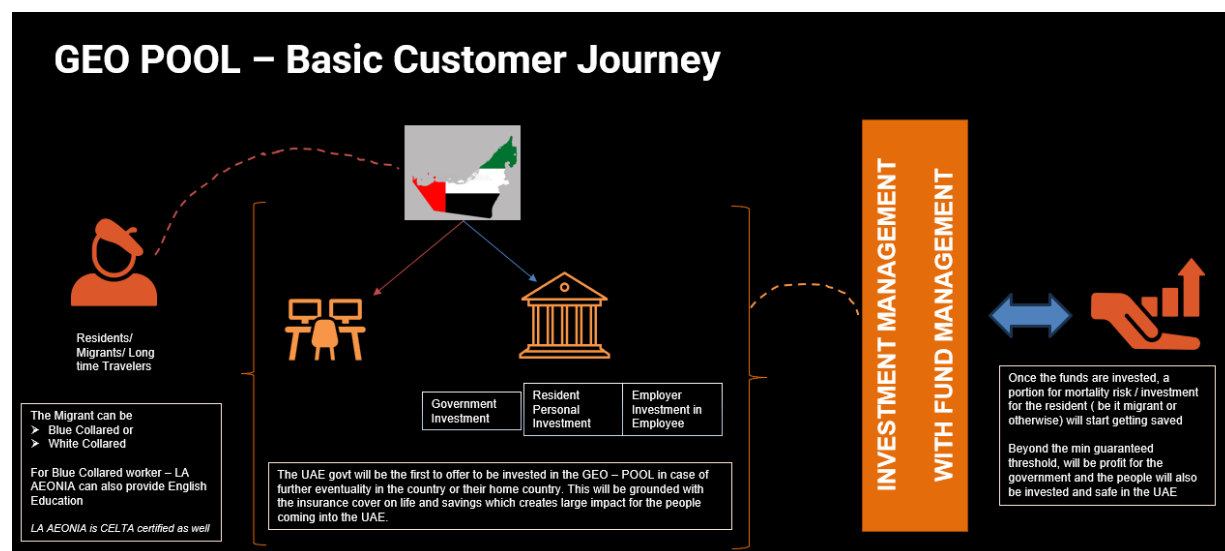
Conclusions

This will help the UAE or any part of GCC and also ensure that the displaced population finds a foot hold to live and prosper. By learning from successful international models of regional disaster risk pools and microinsurance initiatives, the GCC can adopt a collective, forward-looking approach to this complex challenge. Such a pooled mechanism offers the benefits of risk diversification, cost-effectiveness, and the potential to attract international investment and expertise, thereby strengthening the region's overall resilience.

Investing in the well-being of displaced populations through a dedicated life insurance pool transforms a potential vulnerability into an opportunity for shared prosperity and long-term regional stability. It reinforces the GCC's position as a responsible and resilient global actor, capable of proactively

managing the humanitarian and socio-economic consequences of regional instability while building a more inclusive and secure future for all its residents.

This model can be extended to every other region of political instability and has to become a way of living set by the Governments of these regions. The intention is to be the catalyst of change.



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