Less obvious than their economic strength, is the behind the scenes diplomatic role that the Gulf states play in various issues both in and outside the immediate region and in Islamic institutions. For example, the granting of exile to former Pakistani Prime Minister Nawaz Shariff by Saudi Arabia in December, 2000 was a major factor in domestic Pakistani politics. The Saudis have also provided a mediating role in Libya's desire to improve relations with the West. On the institutional side, the Saudis control the chair and agendas of the Organization of Islamic Conference and the Gulf Cooperation Council. As the largest contributor to the Islamic Development Bank, it heavily influences the lending policies of that organization. As well, being home of the two most Holy Sites in Islam, millions of Moslems from around the world have visited Saudi Arabia to conduct the haj pilgrimage.

## Long-term Democratic Development - Canada's Role:

Despite the immense material progress made in the region during the last few decades, by Western standards, it is clear that the region continues to suffer from a "democracy deficit." However, there have been important moves towards broader participation and more democratic structures in some of the Gulf States. In this respect Kuwait, with its national parliament, which has real policy-making power, and moves by the Government to provide women with the right to vote, are major steps in the institutional and societal evolution of the region. However, democratic reforms will likely remain evolutionary rather than revolutionary. This raises a number of essential policy questions for the West in general and Canadian policy in specific. Among these questions are: to what extent is "stability" the over-arching western interest in this region? How does Canada best work, in a very conservative and traditional social context, with progressive individuals and organizations to promote democratic reforms? How do we promote human rights, especially the rights of women, in the current societal context?