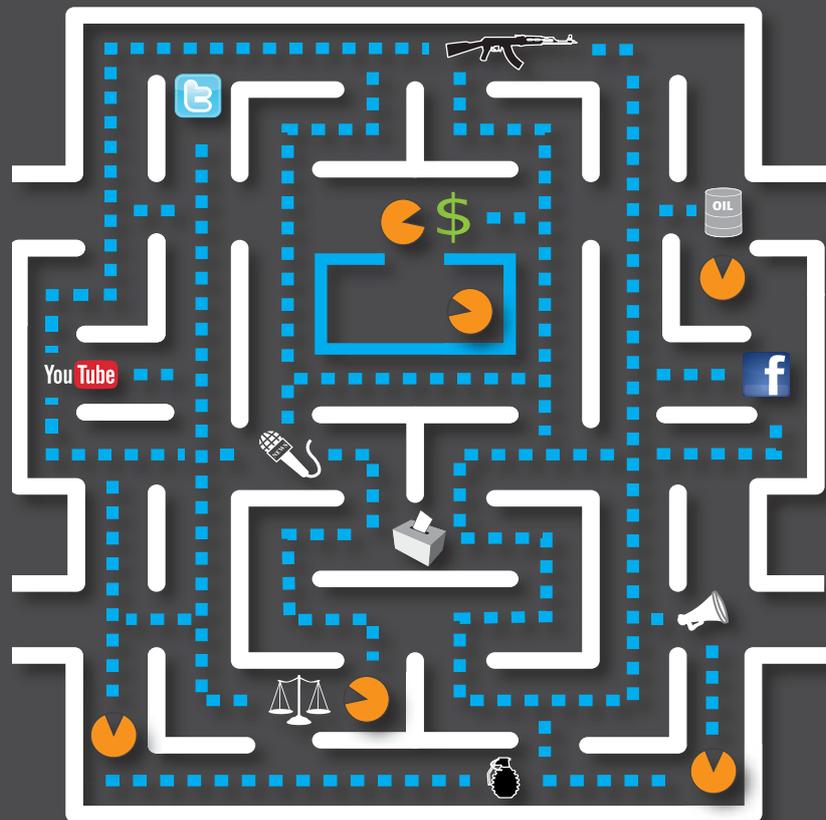


Geopolitics and Democracy in the Middle East

Kristina Kausch (Ed.)



FRIDE
A EUROPEAN
THINK TANK FOR GLOBAL ACTION

**Geopolitics and Democracy
in the Middle East**

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Abbreviations

AKP	Justice and Development Party (Turkey)
AQIM	Al-Qaeda in the Islamic Maghreb
AUMF	Authorisations for Use of Military Force
BMWi	Federal Ministry for Economic Affairs and Energy (Germany)
CASCF	China-Arab States Cooperation Forum
CCP	Chinese Communist Party
DAC	Development Assistance Committee
DFID	Department for International Development (United Kingdom)
DTI	Department of Trade and Industry (United Kingdom)
ECFR	European Council on Foreign Relations
EEAS	European External Action Service
EMP	Euro-Mediterranean Partnership
ENP	European Neighbourhood Policy
EU	European Union
EUBAM	EU Border Assistance Mission to Libya
FCO	Foreign and Commonwealth Office (United Kingdom)
FDI	Foreign Direct Investment
FDP	Free Democratic Party (Germany)
GCC	Gulf Cooperation Council
IEA	International Energy Agency
IMF	International Monetary Fund
INSS	Institute for National Security Studies (Israel)
IRGC	Islamic Revolutionary Guard Corps
IRGC-QF	Islamic Revolutionary Guard Corps Quds Force
LNG	Liquefied Natural Gas
MENA	Middle East and North Africa
MEP	Member of the European Parliament
NATO	North Atlantic Treaty Organisation

ODA	Official Development Assistance
OECD	Organisation for Economic Cooperation and Development
OPEC	Organisation of the Petroleum Exporting Countries
PCBS	Palestinian Central Bureau of Statistics
PIJ	Palestinian Islamic Jihad
PKK	Kurdistan Workers Party (Turkey)
PLO	Palestinian Liberation Organisation
SAMA	Saudi Arabian Monetary Agency
SIPRI	Stockholm International Peace Research Institute
SPRING	Support to Partnership, Reform and Inclusive Growth
UAE	United Arab Emirates
UK	United Kingdom
UN	United Nations
UNCTAD	United Nations Conference on Trade and Development
UNIPEC	China International United Petroleum and Chemicals Company
UNSC	United Nations Security Council
US	United States

Introduction

Kristina Kausch

The Middle East and North Africa (MENA) is undergoing a profound geopolitical reconfiguration. In four years, the region has transitioned from the great hopes for democratisation emanating from the 2011 wave of popular revolutions towards a spiral of fragmentation, insecurity and fragility. Violent conflict rages in Syria, Iraq, Libya and Yemen, and Lebanon teeters on the brink of renewed hostilities. With the exception of Tunisia – where democratic transition has advanced – and countries engulfed in internecine conflict, authoritarian rule in the region has been preserved or restored.

Regional fragmentation in the MENA and multipolar power dynamics have led to a revival of geopolitical thinking in international politics and academia. Often narrowly associated with zero-sum behaviour and geographical expansionism, the traditional definitions of geopolitics as focusing on the interplay between geography and power in shaping international relations have expanded to include the broader use of statecraft and state assets (such as geographic, economic, military, demographic, environmental and cultural factors) to gain influence in international affairs.¹

In the Middle East, the ongoing geopolitical reshuffle has borne new cooperation, but it has also generated power competitions between regional and global powers, states and non-state actors. A complex web of shifting relationships has emerged in which overlapping, some-

times contradictory dynamics prevail. Some of the geopolitical trends currently shaping the future Middle East include: the realignment of influential actors; state fragility; the proliferation of violent non-state actors; the forceful resurgence of the Iranian-Saudi rivalry; and the political impact of shifting global energy trade patterns.

Western policies that sought to strengthen democratic values abroad during the 1990s and early 2000s were based on the implicit assumption of a lasting Western hegemony that would allow the projection of norms abroad. Unlike in Eastern Europe, however, in the Middle East democratisation often seemed to clash with, rather than serve, Western geopolitical interests. Today, competition for power and influence in the Arab world increasingly supersedes calls for democratisation. Those states that vow to support democratic development face a number of seemingly irreconcilable dilemmas as they attempt to further their geopolitical interests at the same time. This volume seeks to explore some of these dilemmas by assessing how states' pursuit of geopolitical interests in the Middle East affects the prospects for democracy in the region.

Research assessing the impact of external actors on a country's internal dynamics of democratisation has typically focused on policies explicitly designed to support democracy. However, it has neglected the effect of the full portfolio of external players' actions on democratisation.² Without any claim to comprehensiveness, the case studies in this book aim to help fill this lacuna by drawing up geopolitical profiles of thirteen key governmental actors present in the MENA, including the main interests that drive their policies, and the assets, strategies and alliances each of them relies upon to further these interests. In a second step, the authors seek to highlight some notable instances in which the pursuit of these geopolitical interests affects, directly or indirectly, the prospects for democratisation across the region.

In their respective chapters in this collection, the contributing experts show how geopolitical trends influence the prospects for democracy in the region in many ways, five of which stand out.

Crisis management versus democratisation

Perhaps the most obvious linkage between geopolitics and democracy is how Western democracy promotion aspirations have largely succumbed to the turmoil and insecurity that shapes the ongoing reshuffle of geopolitical order in the Middle East.

Following vocal commitments to the transformation agenda in the aftermath of the 2011 uprisings, the United States (US), the European Union (EU), and individual European governments have re-focused on retaining their influence in MENA affairs and managing multiple security crises. US President Obama's restoration of military assistance to Egypt in spite of democratic setbacks was emblematic of the West's re-embrace of strategically important authoritarian allies. In an environment perceived as 'Arab-spring-turned-sour', dominated by damage control, democratisation is increasingly viewed as a second-order priority, and sometimes as an outright security threat.

Revisionists and status quo powers

Some players in the MENA have sought to take advantage of the ongoing power shifts to raise their political profile by pursuing larger regional agendas. Iran has been the most successful at tipping the regional balance of power in its favour. Other revisionist powers, such as Turkey and Qatar, have been less successful in their expansive regional agenda, and have been forced to tone down their ambitions.

Other players, however, are primarily concerned with the potential impact of regional reconfigurations on their domestic politics. The foreign policies of these status quo powers – such as Saudi Arabia or Egypt – are primarily driven by a sense of vulnerability, and focus on ensuring regime survival at home, and continuity in the region's larger geopolitical setup.³ While a democracy, Israel is another status quo power in that it

is not primarily concerned with the democratic nature of neighbouring regimes but in preserving a known, manageable environment over an unpredictable and possibly antagonistic one. Some status quo powers' military interventions abroad, such as Egypt's in Libya and Saudi Arabia's in Yemen, aim at neutralising what are perceived as direct threats to these regimes' domestic stability. Perhaps ironically, authoritarian status quo regimes have been successful at leveraging regional disorder to perpetuate political stasis at home and abroad.

The perils of power vacuums

Following the Arab spring, power vacuums across the region and a proliferation of non- or under-governed territories and porous borders have created inroads for both militant extremist groups (in particular Salafi jihadists such as Daesh/Islamic State, al-Qaeda, Ansar al-Sharia or Jabhat al-Nusra) and powerful regional and external powers (such as Iran or Russia) to further their interests and strengthen their influence, by acquiring new territory, resources or alliances. The result has been an empowerment of non-democratic, often violent forces across the region, to the detriment of peaceful reform-oriented actors.

As a result of power vacuums, the spread of proxy warfare (the indirect confrontation of external powers via the backing of local factions in a third country conflict) has been a particularly worrisome trend. Examples include Iran's support of militants in Syria, Lebanon, Iraq and Yemen; Egypt's/the United Arab Emirates' and Qatar's support to opposing factions in Libya; and multiple powers backing different actors in Syria.

In a context of geopolitical re-alignment, new opportunities have also opened up for different powers to outmanoeuvre competitors by taking advantage of their deteriorating relationships with key allies. In particular, the weakening of relations between the US and some of its key allies (Saudi Arabia, Israel, Egypt, Turkey) has been widely exploited by other actors

(Russia, China), to make advances towards these states which, in turn, have used the competition dynamics to pressure the US (Egypt).

Tactical support for elections

Vocal and material support for elections has varied heavily according to states' affinity with the various political contenders. For most MENA powers, the Arab spring posed both a threat to domestic stability and an opportunity to get their allies into power. Many of them tactically opposed or supported democratic elections wherever change would favour them. Iran's systematic attempts to empower allies across the Middle East, or Qatar's selective support to Islamist parties in the aftermath of the Arab spring, are examples of evoking democratic norms in selected contexts abroad while disregarding them at home.

This kind of selective advocacy for electoral processes is not limited to autocracies or regional powers. The EU's failure to acknowledge Hamas' electoral victory in Palestine, or the US refusal to call the ouster of a democratically-elected president in Egypt a coup, also show how the principled defence of democratic elections is at times sub-ordinated to a preference for a specific electoral outcome.

Opportunistic coalitions

The changing nature of MENA security threats requires greater collaboration among a variety of coalitions of states. Given the West's growing need to appease regional players on a rapidly expanding number of transnational security dossiers, ensuring partners' collaboration on regional dossiers often comes at the price of turning a blind eye to these partners' domestic affairs. This becomes clear in the firm domestic authoritarian grip of key regional power regimes such as Algeria, Egypt, Saudi Arabia, or Iran. The need to tackle shared challenges has increased momentum

for multinational and regional cooperation, but has undermined external support to democratic reformers at the national level. In many respects, support to local democracy has become a ‘collateral damage’ to regional realignments, multilateral initiatives and *ad hoc* coalitions.

Perhaps the most consequential example is the prospective US rapprochement with Iran that may follow the (pending at the time of writing) nuclear deal. The Obama administration sees a nuclear deal with Iran as a strategic investment in Middle Eastern security that currently supersedes all other goals, and conditions US policy towards practically every other actor in the region. Some US officials, however, argue that reducing geopolitical tensions with Iran would concomitantly help the long-term prospects for democracy across the region.

As becomes evident in the ongoing multinational efforts to fight Daesh or in the Saudi-led airstrikes in Yemen, however, ignoring a regime’s nature for the sake of regional security cooperation is unlikely to contribute to lasting stability in the Middle East – as long as allies fundamentally differ in their assessment, preferred strategies, and end goals with regard to the crises at hand.

This book explores these and other trends affecting the linkages between geopolitics and democracy in the Middle East. A wide range of actors (state and non-state) will contribute to shaping the future political order of the region, including prospects for security, development and political change. While not aspiring to exhaustively address all of them, this book focuses on some of the currently most influential states (plus the EU) active in the MENA region. Senior experts from FRIDE and a range of other institutions provide insights on six key regional powers (Egypt, Iran, Israel, Qatar, Saudi Arabia and Turkey) and seven influential external actors (China, the European Union, France, Germany, Russia, the United Kingdom, and the United States). The book concludes with some policy suggestions on how to deal with the tensions between democracy and geopolitics presented in the chapters.

(Endnotes)

- ¹ N. Al-Rodhan, *Neo-statecraft and meta-geopolitics. Reconciliation of power, interests and justice in the 21st century*, Reihe: Geneva Centre for Security Policy, 2009, p.p. 33-49.
- ² A notable exception is M. McFaul and K. Stoner (eds), *Transitions to Democracy: A Comparative Perspective*, Baltimore: Johns Hopkins University Press, 2013.
- ³ For a global notion of revisionist and status quo powers, see W. R. Mead, 'The Return of Geopolitics', *Foreign Affairs*, May/June, 2014.

GEOPOLITICS AND DEMOCRACY IN THE MIDDLE EAST

PART I: REGIONAL ACTORS

1. Egypt: inside-out

Kristina Kausch¹

Egypt's military regime has been among the main benefactors of disorder and insecurity spreading across the Middle East. Following the one-year-ruling interlude of the Muslim Brotherhood's Mohamed Morsi, President Abdelfattah al-Sisi has firmly returned Egypt to its alignment with Israeli and United States (US) security interests in the Middle East. At the same time, Cairo's growing reliance on Gulf financial patronage has reduced American leverage over Egypt. Cairo's successful efforts to reinstate its positioning as a regional bulwark against terrorism is embraced by Egypt's allies, and it boosts the country's regional profile and shields Sisi's human rights clampdown at home. In this sense, Egypt's foreign policy is currently largely driven by concerns for domestic stability.²

Egypt has few material resources to advance its interests across the region, but it does have substantial political assets. These include its central position in the heart of the Arab world linking North Africa and the Levant, its control of the Suez Canal as a key energy transit route for oil shipped from the Persian Gulf to Europe and the US, and the weight bestowed upon Cairo due to its size, population, cultural influence and historical leadership role in the region. Successive Egyptian leaders since 2011 have vowed to restore Cairo's lost regional standing. Egypt's greatest geopolitical asset, however, is its position as the unavoidable

middle man in many of the Middle East's conflicts. The brand value of Egypt's mediator role, and with it, the country's geopolitical capital, has only been reinforced by the turmoil since 2011. In particular the surge of Daesh (also called the Islamic State) and the escalation of the civil wars in Syria and Libya have strengthened Egypt's position as a counter-model to, and bulwark against, regional turmoil.

Egypt's actions in the Middle East and North Africa (MENA) broadly seek to create a regional environment favourable to maintaining the political status quo at home. Under this umbrella, Egypt's interests in the region evolve around three major themes: 1) ensuring financial, military and energy security; 2) bolstering Cairo's regional weight and relations with key powers; and 3) containing political and security spill-over from neighbouring countries.

Allies, old and new

Ensuring financial stability has been a daunting challenge for Cairo, as the country's economy has been teetering on the brink of collapse since 2011.³ Aid, loans and investment from the Gulf countries, especially Saudi Arabia, the United Arab Emirates (UAE) and Kuwait, have prevented the economy's collapse. Furthermore, the sources of foreign aid – and the leverage arising from it for donors – have changed significantly. Prior to the 2011 uprisings, the US had been the primary bilateral donor of economic and military aid to Egypt. During the tenure of President Mohamed Morsi (2012-13), Qatar and Turkey emerged as major sponsors. Following Morsi's ouster in July 2013, however, combined pledges from Saudi Arabia, Kuwait and the UAE were worth ten times that of the US. Today, the Gulf States, in particular Saudi Arabia, have effectively replaced the US as Egypt's main patron.

Between July 2013 and December 2014, according to Egyptian Minister of Investment Ashraf Salman, the total financial assistance provided by

Gulf countries amounted to some US\$23 billion.⁴ At a much-publicised investment summit in Sharm-el-Sheikh in March 2015, Gulf countries pledged an additional US\$12.5 billion (combined) in aid to boost the Egyptian economy.⁵ These figures contrast sharply with Washington's pledges of less than US\$2 billion and its – from Cairo's point of view – wavering commitment to Egyptian security.⁶ Although Cairo insists that Gulf aid comes with no strings attached, Egypt's fervent support of Saudi interests has been marked.

Gulf money has helped to ease the pressure on the Egyptian government by enabling it to continue subsidising the energy and food sectors. Egypt is the largest non-OPEC (Organisation of the Petroleum Exporting Countries) oil producer and the second-largest dry natural gas producer in Africa, but it is also the continent's largest oil and gas consumer. Rising domestic demand turned Egypt into a net energy importer in 2010, and the government has been struggling to satisfy demand for cheap energy amid falling production. Fuel subsidies (which amounted to US\$26 billion, or roughly 6 per cent of state expenditure in 2012) have further boosted energy demand and contributed to a high budget deficit. Frequent electricity blackouts caused by rises in demand, shortages in gas supply, old infrastructure and insufficient electricity generation and transmission capacity have become a major nuisance for the Egyptian public.⁷

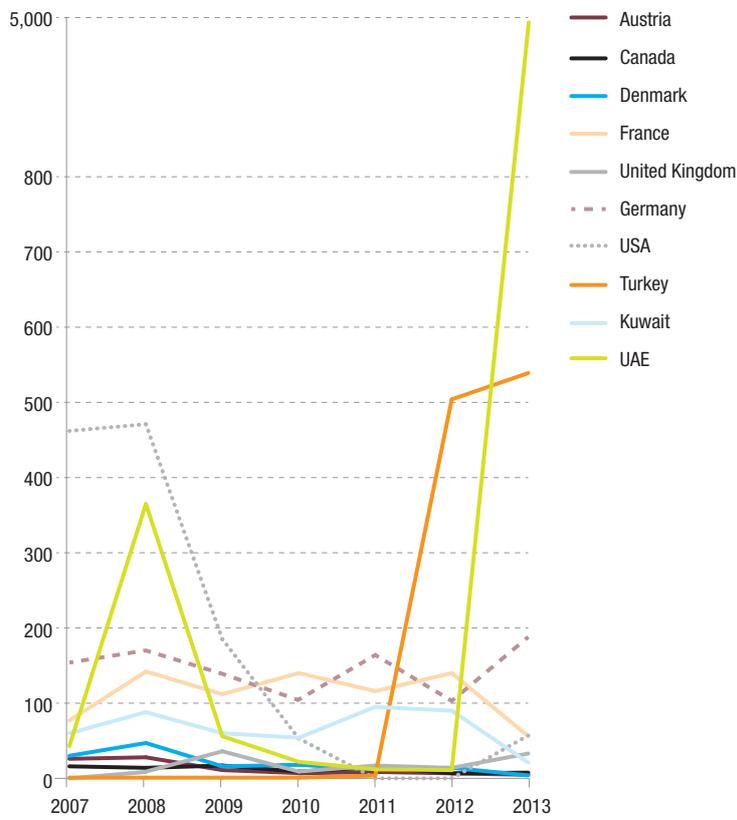
Relations with the United States had been strained due to US opposition to Morsi's ouster by the Egyptian army in July 2013, and subsequent delays in arms deliveries and the suspension of much military aid – roughly US\$1.6 billion annually, which had been providing the backbone of Egypt's military apparatus in recent decades (Egypt is the second-largest recipient of US military aid after Israel). The harsh crackdown that followed Morsi's ouster led Washington to suspend the delivery of some aid-funded military equipment on democracy and human rights grounds in October 2013.⁸ In 2014, the US State Department still withheld the package, on the grounds of being unable 'to certify that Egypt is taking steps to support a democratic transition'.⁹

Figure 1. **Bilateral ODA disbursements to Egypt (in US\$ millions)***

Source: OECD.¹⁰

*Main DAC donors and selected non-DAC members.

No bilateral ODA data available for Saudi Arabia or Qatar.

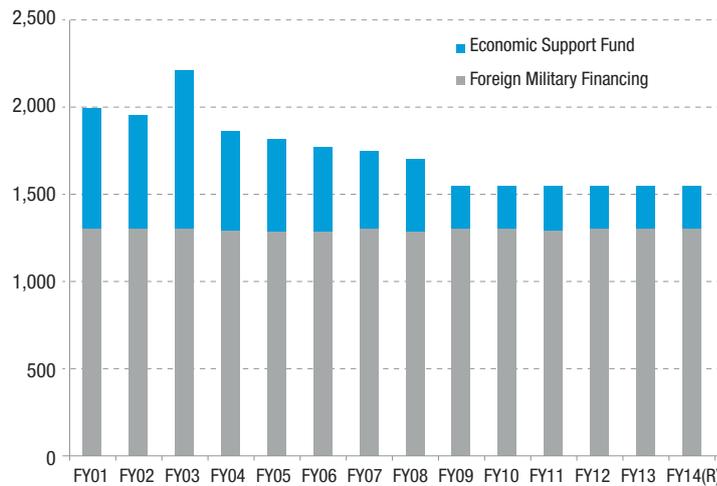


However, arguing the need to empower Egypt in the fight against Daesh, in March 2015 the US government resumed military aid, including weapons deliveries. US officials were quick to point out that transfer procedures had been adapted to increase US oversight on the way the funds were spent, and to tie aid more closely with cooperation on spe-

cific security dossiers.¹¹ In spite of these nuances, the move reflects how the prioritisation of security in US Middle East policy works in Sisi’s favour. It also reflects Washington’s realisation that the suspension of aid flows, which would have brought Cairo to its knees a decade ago, now merely created opportunities for other regional players to fill the void left by Washington. From a broader regional perspective, Egypt is the latest example in a series of moves by the US to mend ties with Sunni regimes that oppose a nuclear deal with Iran.¹²

Figure 2. **US economic and military assistance to Egypt, 2001-2014**
(in US\$ millions)

Source: Congressional Research Service, Center for Global Development.¹³



Although clearly uncomfortable with the ethical implications of the return to military rule in post-Mubarak Egypt, Europeans have been quick to come to terms with the re-establishment of the status quo ante with Egypt, as larger regional concerns have soared to the top of their agenda. Today, Europe has lost most of its leverage over Egypt: Cairo does not depend on comparatively small EU aid (the EU recently

raised its ceiling for financial aid to Egypt from €450 to €600 million, compared to new pledges worth US\$23 billion from Gulf donors in the 18 months following the 2013 coup) and is not interested in the comprehensive free trade deal offered by the EU that would require Egypt to adopt the EU's internal market's rulebook.

Containing a conflagration of jihadism and state failure across the Mediterranean's Southern littoral is Europe's most pressing interest, and in European capitals few alternatives to a temporary prioritisation of regional security are currently being contemplated. A controversial June 2015 visit by Sisi to Berlin, which was criticised for legitimising Sisi in Europe, underlined this thinking.¹⁴ However, despite its dwindling political influence, the EU remains Egypt's main trade partner, accounting for over a quarter of Egypt's total imports and exports in 2013, followed by China (10 per cent of total exchanges), the US (7 per cent), India and Turkey (5 per cent), and Saudi Arabia (4 per cent).¹⁵

Like the Gulf states, Moscow has successfully seized the opportunity of divergences between Washington and Cairo to develop closer ties with Egypt. When the Obama administration suspended arms transfers to Egypt on democracy and human rights grounds, Russian President Vladimir Putin quickly signalled Moscow's readiness to sell arms to Cairo. At an August 2014 meeting in Sochi, Sisi and Putin discussed arms deals and political alignment on regional crises including Syria, where their non-interventionist pro-regime stances converge.

So far, Cairo has mostly sought to use Moscow to put pressure on Washington to restore arms deliveries, with apparent success.¹⁶ However, at a February 2015 meeting in Cairo – at which Putin gave Sisi a Kalashnikov rifle as a gift – the two leaders announced the creation of a free trade zone between Egypt and the Russia-led Eurasian Economic Union, a Russian industrial zone near the Suez Canal, and Russian aid for the construction of a nuclear power plant. They also discussed a possible US\$3.5 billion arms deal.¹⁷

On the prospects of a nuclear accord with Iran – which is fiercely opposed by Egyptian allies Saudi Arabia and Israel – Egypt has maintained a low public profile, cautiously expressing hopes that such a deal would help pacify the Middle East. Egypt and Iran have not maintained diplomatic relations since 1980, and although some observers have suggested that a nuclear agreement with Iran could lead to a rapprochement between Tehran and Cairo, at the time of writing no such change is in sight.¹⁸

Avoiding contagion

Following the restoration of military rule in mid-2013, Cairo has conducted an uncompromising anti-Brotherhood policy (most recently culminating in a mass death sentence for over 100 presumed Brotherhood sympathisers, including former President Morsi). Free-riding on the momentum of cooperation among major players to counter violent extremism across the region, Cairo has gone to great lengths to portray Islamists from Daesh to the Brotherhood as a monolithic block under the common label of ‘terrorism’ – the eradication of which Cairo has sought to put at the centre of any regional collective security efforts.

Egypt’s security concerns in the region are legitimate and real. The country borders a collapsing Libya to the west, a volatile Sudan to the south, and an often-tense Israel and Gaza to the east, and containing spill-over from an increasingly turbulent neighbourhood is a pressing concern. But alongside confronting challenges to Egypt’s security, such as Hamas in Gaza and jihadist militias and trans-border crime from Libya, Cairo has also been skilful in shaping and at times exaggerating these dangers to legitimise its hawkish anti-Islamist policies at home and abroad.

The challenge for any Egyptian leadership on Israel/Palestine has been to balance Cairo’s strategic alliance with Israel with domestic public opinion favourable to Palestine. Under Sadat in the 1970s, Egypt forged its image as a regional moderate and mediator between Arabs and Is-

raelis. Since the 1978 Camp David Peace Accords, however, Egypt has strategically traded this mediator role for US security patronage, and has used it to uphold its position as a key regional player. In its role as an intermediary, Cairo has been motivated by its interests of containing Hamas in Gaza, stopping cross-border trafficking of arms and militants, and protecting its influence in Palestine against other foreign powers.

After the ouster of pro-Hamas Morsi, the Sisi government was quick to restore long-standing Egyptian-Israeli security cooperation to secure their shared border and weaken Hamas. Cairo's position towards Hamas has reached unprecedented levels of hostility, matching Sisi's regional campaign against the Brotherhood, which he sees as a threat to domestic stability. In November 2014, Sisi even declared his readiness to deploy Egyptian troops in Gaza to reassure Israel. Sisi's hostility towards Hamas has diminished both Cairo's leverage over the latter and Egypt's relative influence in the peace process.

As Libya's failing state, porous borders, arms proliferation, and growing extremism present an ever stronger security risk for Egypt, Cairo's tough handling of border security and militancy in Gaza is set to be replicated in Libya.¹⁹ In line with Egypt's domestic and regional intent to weaken Islamism, Cairo has joined those Gulf allies that share this desire in trying to tip the domestic balance in Libya in favour of the Tobruk-based government and against the Tripoli-based Islamist coalition 'Libya Dawn'. Egypt supported UAE airstrikes on Libya by ceding bases, and opposed Turkey, Qatar and Sudan's reported support for the Islamist coalition. Egypt's stronger engagement in Libyan domestic politics (which contradicts its regional discourse on sovereignty and non-intervention) alongside its Gulf allies has turned the Libyan conflict into yet another proxy battlefield for larger regional power competitions. Cairo's actions in Libya suggest that it is keen to undermine United Nations' (UN) efforts to reach an inclusive national unity solution, which would contradict Sisi's domestic narrative that the only way to deal with Islamists is exclusion.²⁰ The beheading of

21 Egyptian Copts in the Libyan coastal town of Sirte on February 12th, 2015 has forcefully entrenched this dynamic, leading Sisi to launch retaliatory airstrikes on Daesh facilities in Libya four days later – its first publicly admitted direct military involvement in Libya.²¹ When the US and the United Kingdom blocked Egypt's request for military intervention in Libya at the UN Security Council in early 2015, Cairo used this negative decision domestically to portray Western powers as supportive of Islamists.

In Syria, Morsi had supported the Syrian opposition and cut ties with Bashar al-Assad. After the 2013 coup, the Egyptian military regime was quick to change course and looked more favourably on Assad and rejecting regime change, especially as many Egyptians have joined the fight in Syria. In spite of broad sympathy for the Syrian uprising among the Egyptian public, Cairo has mostly steered clear of open direct involvement, although Cairo's low-profile dialogue efforts with pro-Assad groups have triggered tensions with Saudi Arabia. Syria is high-risk territory for Egypt as tangible Egyptian support to either faction in Syria risks angering either its financial patron Saudi Arabia (which opposes the Assad regime) or its nascent partner Russia (which supports Assad).

Joining the US-led international coalition against Daesh has served Egyptian interests on many levels by pleasing its main allies and patrons. More importantly, however, with Daesh now among the top security concerns of nearly all influential regional players, Cairo has the perfect underpinning for its regional anti-Islamist security discourse. The brutality of Daesh in Iraq and Syria has been portrayed by Sisi as a warning of an imaginary Egypt under Islamist rule had the military not intervened. Cairo has been keen to present Daesh as part of the broader Islamist spectrum that includes the Egyptian Muslim Brotherhood. Although links between Daesh and the Muslim Brotherhood are tenuous, pledges of solidarity to Daesh by the militant Islamist extremist group Ansar Bayt el-Maqdis on the Sinai peninsula have helped back up Sisi's narrative.

The Saudi-led airstrikes against the Houthis in Yemen have provided an opportunity for Sisi to demonstrate Egypt's allegiance to its new patron Saudi Arabia, even though Cairo's material support to the operation has been below Riyadh's expectations. The March 2015 Arab League declaration envisaging the establishment of a combined Arab defence force – a long-standing initiative given new impetus by the crisis in Yemen – also serves this purpose, and has helped strengthen momentum for Egypt's regional anti-militancy narrative.²²

Security threats spinning out of control in and around Egypt's borders could jeopardise domestic stability. But a persistent low level of insecurity, both domestically and across the region, is in Sisi's interest, as it serves both as justification for domestic crackdowns and ensures the financial and political backing of influential regional and international powers.

Conclusion

Following the now-distant 2011 uprisings and the one-year Brotherhood interlude, Egypt under Sisi has slipped back into both authoritarian military rule and the role of regional stabilising mediator, two rationales that are intimately linked.²³

The central rationale of the Sisi government's foreign policy is to ensure domestic stability and regime survival. This goal is translated into foreign policy via an anti-Islamist, anti regime-change positioning that seeks to maintain the regional status quo and increase Egypt's influence in the region, while focusing on those dossiers in which Egypt has direct stakes and leverage.²⁴ Sisi's domestic approach of confrontation and repressive crackdown on opponents of all political leanings contrasts somewhat with more nuanced behaviour abroad, partly due to the need to avoid alienating important allies. While an anti-militancy stance has informed Cairo's international strategy, Sisi has had to accommodate the need to build alliances with different regional actors with competing agendas

(such as Russia and Saudi Arabia in Syria). This tightrope walk has led Egypt to stay largely clear of those international crises that do not immediately threaten its domestic stability.

Egypt's role as a status quo power does not bode well for democratisation in either Egypt or elsewhere in the region. Sisi's successful positioning of Egypt as a bulwark against extremism in the midst of turmoil seamlessly matches the reprioritisation of security in US and EU Middle East policies, to the detriment of their erstwhile concerns with Egyptian domestic democratic standards. The rise of Daesh provides Cairo with a blank cheque for domestic repression, thereby probably cementing Sisi's power for many years to come. Furthermore, Sisi's strengthening ties with Saudi Arabia, the UAE and Russia have further reduced Western leverage over the country, and deprived Washington of its exclusive line to Cairo.

Although currently successful, Egypt's domestically driven foreign policy may soon backfire as mounting tensions with key allies over Cairo's regional actions could erode Egypt's image as a reliable ally and stabiliser. Egypt's sabotaging of the UN-led peace process in Libya has strained relations with the West, as have Cairo's lack of material participation in the US-led coalition against Daesh and Sisi's harsh domestic crackdown. Egypt's unveiled hostility towards Hamas has been undercutting its brand as mediator in the peace process. And Cairo's quiet manoeuvres over the future of Bashar al-Assad, its prolonged crackdown on the Muslim Brotherhood, and its limited military engagement in Yemen have created tensions with Saudi Arabia that Egypt cannot afford.

A major question mark is how long the Gulf States will be willing and able to provide Sisi with the means to buy time in the face of the Egyptian public. Egypt is more dependent on foreign aid than ever before, and its main Gulf donor, Saudi Arabia, runs a personalised, largely arbitrary foreign policy. Against this background, a long-term continuation of the Cairo-Riyadh alliance that is currently Sisi's lifeline

is all but certain. If, however, Egypt does become a long-term structural client of the Gulf States, their political leverage over Cairo is likely to be increasingly felt. Egypt's military backing of Saudi airstrikes in Yemen provided but the latest example of how Gulf influence over Cairo (and by extension, North Africa) may grow, especially if the prospects of a broader US-Iranian détente following a nuclear deal heighten geopolitical tensions in the region.

(Endnotes)

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2. Iran: leveraging chaos¹

*Karim Sadjadpour and
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No country in the Middle East has Iran's combination of geographic size, strategic location, large and educated population, ancient history, and vast natural resources. Regardless of who rules Tehran, these attributes will always fuel aspirations of regional primacy. During the reign of the United States (US)-allied Shah, Mohammed Reza Pahlavi,² Iran's external ambitions were cloaked in nationalism and prioritised developing Iranian power and influence within the international system. Since the 1979 revolution and the advent of the Islamic Republic, Iran's foreign policy has been cloaked in an anti-Imperialist, Islamist revolutionary ideology that has expanded the country's regional influence by challenging the international system – but has subjected its population to economic hardship, insecurity, and global isolation.

Foremost among these policies has been the Islamic Republic's staunch opposition to the US and its interests and allies in the Middle East. Since radical students seized the US embassy in the 1979 hostage crisis, Iran and the US have been engaged in an often cold, and occasionally hot, political and asymmetrical conflict from the Levant to the Persian Gulf. While the promise of a nuclear deal has raised hopes for US-Iran reconciliation, Iranian Supreme Leader Ayatollah Khamenei has consistently made clear his profound mistrust toward Washington³ and his opposition to political normalisation.

Along with opposition to the US, the active rejection of Israel's existence has been one of the Islamic Republic's chief ideological principles. Many of Iran's revolutionary leaders – such as the father of the 1979 revolution, Ayatollah Khomeini – became politicised after the loss of Palestinian/Muslim lands to the newly founded State of Israel in 1948. Today, they continue to see Zionism and Western imperialism as two sides of the same coin. To counter Israel, Iran has generously funded and armed groups like the Lebanese Shiite militia Hezbollah ('Party of God'), which it helped create after the 1982 Israeli invasion of Lebanon. Tehran has also provided extensive financial and military support to Palestinian Sunni militant groups such as Hamas and Palestinian Islamic Jihad (PIJ).⁴

Iran's revolutionary ideology is not only a source of internal legitimacy for the Islamic Republic, but also a means for Shiite, Persian Iran to transcend ethnic and sectarian divides and try to lead the predominantly Sunni Arab Middle East. In 2011, for example, Iran sought to co-opt the Arab spring by branding it an 'Islamic awakening'⁵ against Western-supported Arab autocrats, inspired by the 1979 Islamic revolution. This narrative was quickly punctured, however, when the Bashar al-Assad regime in Syria and the government of Nouri al-Maliki in Iraq – both close Iranian allies – crushed their predominantly Sunni Arab dissenters. Iran's complicity in these slaughters has undermined its popularity and leadership in the Sunni Arab world and deteriorated its relationship with its key Arab rival, Saudi Arabia.⁶ Consequently, Tehran – once admired by Arab publics as a bulwark of freedom and justice against Western imperialism and Israel – is increasingly perceived as an enemy of Arab self-determination.⁷

How Tehran wields influence

More than any other state in the Middle East, Iran has been effective at filling regional power vacuums. The four Arab countries in which Tehran currently wields most influence – Syria, Iraq, Lebanon, and

Yemen – are engulfed in civil strife and are ruled by weak, embattled central governments. In each of these contexts and elsewhere in the region, Tehran spreads its influence by 1) creating and cultivating non-state actors and militant groups; 2) exploiting the fears and grievances of religious minorities, namely Shiite Arabs; 3) fanning anger against America and Israel; and 4) influencing popular elections in order to ensure the victory of its allies. In contrast to Western governments who view elections as a means to strengthen civil society, government institutions and liberal values, Tehran – both at home and in the region – has used elections to undermine all three.

Nowhere are these dynamics more evident than in Lebanon, where Iran's long time Shiite proxy Hezbollah plays an outsized role in Lebanese politics and society while continuing to be the country's most active military power. Over the last three decades, Iran has used Hezbollah as both a threat and deterrent against the US and Israel, but more recently, Hezbollah has fought to ensure the survival of the Alawite-ruled Assad regime in Syria. The increased vulnerability of Assad and Hezbollah has made them more reliant on Tehran for financial support and protection, giving Iran unprecedented influence (and burdens) in the Levant.

Indeed, since the start of the Syrian unrest Tehran has stood by Assad despite numerous atrocities – including the repeated use of chemical weapons – highlighting a statement by Iran's Islamic Revolutionary Guard Corps Quds Force (IRGC-QF) Commander, Qassem Soleimani, who reportedly said: 'We're not like the Americans. We don't abandon our friends'.⁸ Tehran routinely evokes themes of democracy and self-determination⁹ to defend the legitimacy of the Assad regime and justify its activities in Syria, but for the Islamic Republic the Syria conflict is foremost the fight to save Hezbollah. Former President Ali-Akbar Hashemi Rafsanjani alluded to this in 2013, proclaiming: 'We must possess Syria. If the chain from Lebanon to [Iran] is cut, bad things will happen'.¹⁰

US attempts to weaken Iran's regional influence have often backfired. Though the 2003 US-led war against Saddam Hussein intended to spread Iraq's nascent democracy to Tehran, the subsequent power vacuum that was created instead helped spread Iranian theocracy to Baghdad. Iranian-backed Iraqi Shiite politicians prevailed – thanks in part to the involvement of Iranian Revolutionary Guard Commander Qassem Soleimani¹¹ – over their more liberal counterparts in popular elections, and Iranian-backed Shiite militias repelled America's military presence in Iraq, making Tehran the single most important external force in Iraq. The resulting anger and radicalisation of Iraq's Sunni community and the rise of Daesh (also known as Islamic State) has only increased the Iraqi Shiite ruling elite's dependency on Iran.

Given that Shiites constitute a small percentage of the largely Sunni Middle East, the region's growing sectarian tension is inimical to Iranian interests. Yet this has not stopped Tehran from seizing opportunities to exploit Arab Shiite grievances in order to undermine its regional nemesis Saudi Arabia. In Yemen, Tehran has attempted to co-opt an indigenous Zaydi Shiite movement called Ansar-Allah (popularly known as the Houthis)¹² with financial and military aid. In September 2014, Ansar-Allah took the Yemeni capital Sana'a,¹³ and has recently been fighting back a coalition of ten countries led by Saudi Arabia. While Yemen was already often referred to as a failed state, the ceaseless violence has only worsened the country's humanitarian crisis.

In the majority Shiite island of Bahrain, which is ruled by the US-aligned al-Khalifa monarchy, Iran also attempted to co-opt large-scale protests in 2011 spurred by the Arab spring. Bahrain has long been the subject of Iranian irredentist rhetoric,¹⁴ and Iranian elites openly tout their disdain of the Sunni al-Khalifa dynasty.¹⁵ Despite Tehran's attestations of not meddling in the island's civil unrest,¹⁶ Bahraini security forces have intercepted Iranian arms shipments allegedly destined for the island's anti-government forces.¹⁷ Home to the 5th Fleet of the US Navy, a change of regime in Bahrain would suit both Tehran's strategic and sectarian interests.

Tehran's foremost criterion in strategic allies, however, is not sectarian affiliation but ideological affinity. Hamas and PIJ, both Sunni, have been generously supported by Iran in their fight against Israel. In its efforts to counter the US, Tehran has shown a willingness to offer discreet tactical support for ideological adversaries such as the Sunni Taliban in Afghanistan, or to allow al-Qaeda finance networks and personnel in Iranian territory.¹⁸ On a global scale, Tehran has forged alliances with a motley crew of non-Shiite, non-Muslim actors – including North Korea and Venezuela – who are united only by their common adversaries.

Tehran's financial and military support for regional militant and radical groups has disadvantaged Arab civil society actors who eschew violence and favour liberal democracy. Arab governments who have sought to challenge Iranian interests by financing and arming rival militant groups have only further pushed back civil society in the Middle East.

Clear intentions, unclear contributions

Given the covert character of Iranian support for local proxies as well as the lack of transparency of the Iranian system, it is impossible to assess the precise nature and scope of Tehran's regional exploits. What is clear, however, is the fact that Iran's political-ideological army, the Islamic Revolutionary Guard Corps (IRGC) and its elite Quds Force unit are responsible for devising and implementing Iran's regional policies, not diplomats in the Iranian foreign ministry.

While Iranian budget data is notoriously nebulous, the IRGC's share of the country's official defence budget appears to have increased to almost 62 per cent (see Figure 2),¹⁹ although its unofficial resources greatly exceed its parliamentary appropriation. The IRGC and its veterans have also come to play a sizable role in Iran's economy, controlling large conglomerates that dominate Iran's energy and infrastructure projects. One such conglomerate, Khatam al-Anbia, reportedly controls over 800 compa-

nies²⁰ and employs more than 25,000 people.²¹ The IRGC also earns tens of billions of dollars by operating dozens of small ports (jetties)²² throughout Iran that are not subject to tariffs. Furthermore, some Iranian international airports (also controlled by the IRGC) reportedly contain sections outside the realm of customs. According to some estimates, the IRGC earns US\$12 billion a year just from contraband activities.²³

Figure 1. **Select Iranian defense spending (in IRR millions)**

Source: *Mashregh News*.²⁴

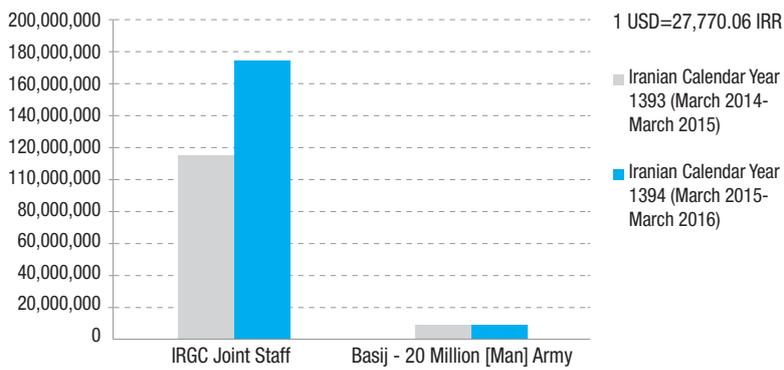
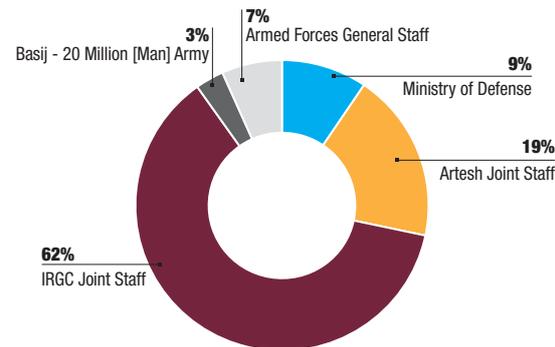


Figure 2. **Proposed public Iranian defense spending for 1394 (March 2015-March 2016)**

Source: *Mashregh News*.²⁵



More broadly, Iran can afford to underwrite its support to allies and proxies in the Middle East chiefly by way of its petroleum revenues. Despite enduring onerous economic sanctions, Iran still exports over 1 million barrels of oil per day²⁶ to six countries (China, Japan, South Korea, Taiwan, India, and Turkey),²⁷ which have received waivers from the US. According to International Monetary Fund (IMF) assessments, Iranian oil and gas earnings for the 2013-14 fiscal year amounted to roughly US\$56 billion.²⁸ While dropping from the previous year's reported figure of US\$63 billion, non-oil exports have also been increasing. Furthermore, should a comprehensive nuclear deal be inked this summer, Iran may receive up to US\$50 billion of its roughly US\$100-140 billion in frozen oil-revenues upfront.²⁹

While Tehran's financial assistance has been indispensable to the Assad regime's survival, the precise figures are widely contested. Amidst reports of lines of credit in the low billions to the Syrian government,³⁰ United Nations Special Envoy for Syria Staffan de Mistura allegedly stated that the Islamic Republic was providing Syria with up to US\$35 billion annually.³¹ And while exact figures about Iranian financial support to Hezbollah are also elusive, appraisals of Iranian aid have ranged between US\$200³² to US\$500 million dollars annually. Together, Iran and Hezbollah have helped create a Syrian paramilitary group called Jaish al-Sha'abi, reportedly 50,000-strong in support of Assad.³³

Furthermore, Iran's commitment to a Shiite dominated government in Baghdad has meant increased IRGC activities in that country. Iran's closest allies remain the Iraqi central government and numerous Shiite militias. To date, Iran has provided the central government with Su-25 fighter jets³⁴ and a US\$195 million arms deal.³⁵ Iraq's Shiite militias have benefited from Iranian arms,³⁶ but most importantly, the battlefield experience of Iran's IRGC-QF chief, Qassem Soleimani, who has been pictured with numerous groups in Iraq.³⁷ Soleimani's visibility in supporting both the Iraqi military and Shiite militias in the front lines against Daesh has also boosted their morale.

The Iran-Saudi rivalry³⁸

In the eyes of the Islamic Republic's leadership, its chief adversaries in the Middle East are Israel and Saudi Arabia, both of which they disparage as pawns of the US. While revolutionary ideology drives Iran's antipathy toward Israel more than national interests (prior to the 1979 revolution Iran and Israel had substantial economic and security cooperation), the Saudi-Iran rivalry is sectarian (Sunni vs. Shiite), ethnic (Arab vs. Persian), ideological (US-allied vs. US opposed), and geopolitical. Both Tehran and Riyadh see themselves as the natural leaders of not only the Middle East, but also the broader Muslim world.

At the moment the two countries are on opposing ends of several bloody conflicts, including Syria, Iraq, Yemen, Lebanon, Bahrain, and the Palestinian Authority. It is a vicious cycle: regional conflicts exacerbate the animosity and mistrust between Iran and Saudi Arabia, which in turn exacerbates the regional conflicts. The festering conflicts in Syria and Iraq have provided fertile ground for radical Sunni militants such as Daesh, which combines remnants of al-Qaeda and Saddam Hussein's Baathist military. Though Daesh is a threat to both Tehran and Riyadh, it is unlikely that the two sides will manage to directly collaborate against it given their divergent diagnosis of the problem; Iran attributes Daesh's rise to Saudi financial and ideological support, while Saudi Arabia attributes it to the repression of Sunni Arabs in Syria and Iraq.

The Saudi ruling family is in a difficult position in that the spread of Daesh and its radical ideology pose a grave danger to Riyadh; yet, appearing to join forces with Shiite Iran against their Sunni brethren would have domestic repercussions. At present, neither the Iranian government nor its Syrian client has an incentive to see its total elimination. Daesh's savage behaviour – including mass rapes, pillages, and immolations – makes Assad, Hezbollah, and Iran appear progressive in comparison. In essence, the Iranian government is willing to fight

Daesh but does not want it totally eradicated yet, while Saudi Arabia would like Daesh eradicated but does not want to fight it.

While the Sunni Arab world has been perennially plagued by internal discord, mutual concerns about Iran have seemingly begun to unite them, as evidenced by the coalition in ‘Operation Decisive Storm’ arrayed against the Iranian-backed group Ansar-Allah in Yemen. Led by Saudi Arabia, Decisive Storm has featured jets from the United Arab Emirates (UAE), Qatar, Jordan, Kuwait, Bahrain, Morocco, and Sudan.³⁹ Even Turkey, a key Iranian trading partner, issued its support for the action.⁴⁰ Just days before an impending trip to Tehran, Turkey’s President Erdogan warned that ‘Iran is trying to dominate the region’.⁴¹

Iran’s outlook: national interests versus revolutionary ideology⁴²

While the Islamic Republic of Iran’s regional prowess may be a source of national pride for some Iranians, it has produced few tangible benefits for the vast majority of the people. Apart from Syria and Iraq, Iran has no allies in the Middle East. Despite the hundreds of billions of dollars that Tehran has poured in the region since 1979, Arab foreign investment in Iran has been negligible. And given the Iranian government’s violent crackdown on peaceful ‘Green Movement’ demonstrators in 2009 and its support for an Assad regime that has displaced nearly half⁴³ of Syria’s 20 million people, Arab polities and Islamist groups that once admired the Islamic Republic now accuse it of spreading sectarianism and/or trying to revive the Persian Empire.

Just as painful economic sanctions forced the Iranian government to contemplate a nuclear compromise, staggering financial, human, and reputational costs will eventually force the leaders of the Islamic Republic to reassess their regional policies. Yet there is little evidence to suggest such a reassessment is currently taking place. On the contrary, the public pronouncements of Iranian officials portray a clear sense of

regional ascendancy. In 2014, a member of Iran's parliament reportedly proclaimed that, 'Three Arab capitals (Beirut, Damascus, and Baghdad) have already fallen into Iran's hands and belong to the Iranian Islamic Revolution'.⁴⁴ More recently, Iran's IRGC-QF Commander Qassem Soleimani boasted: 'We are witnessing the export of the Islamic revolution throughout the region'.⁴⁵

Some hope that a nuclear deal – if finalised – could strengthen pragmatic forces in Tehran who favour prioritising national and economic interests before revolutionary ideology, which could augur a more diplomatic Iranian approach toward regional conflicts. At the same time, sceptics fear a deal would not only fail to moderate Iran's regional policies, but would also provide Tehran with a significant financial boost to buttress Assad, Hezbollah, Iraqi Shiite militias, and other radical groups hostile to human rights, civil society, and Western interests.

While Iran's domestic politics are famously unpredictable, there is little evidence to suggest that 75-year-old Supreme Leader Ayatollah Khamenei is prepared to abandon or meaningfully alter the Islamic Republic's long-standing revolutionary principles, namely opposition to US influence and Israel's existence. Throughout the last three decades, these pillars of Iran's foreign policy have shown few signs of change, despite the election of 'moderate' presidents or tremendous financial strain due to sanctions and/or low oil prices.

This is despite the fact that since 1979, the United States and Iran have faced common adversaries in the former Soviet Union, Saddam Hussein, the Taliban, al-Qaeda, and now Daesh. While the overlap in US and Iranian interests may at times allow for tactical cooperation, as long as Khamenei remains supreme leader Iran is likely to maintain strategic hostility toward the United States. Indeed, one of the historic fault lines between Iran's so-called 'principalists' – those who believe in fealty to the principles of the 1979 revolution – and its pragmatists is the fact that the latter have been willing to work with the United States against Sunni

radical groups (such as the Taliban), while the former have been willing to work with Sunni radical groups against the United States.

Though Khamenei's hostility is cloaked in ideology, it remains driven by self-preservation. As the powerful Ayatollah Ahmad Jannati once noted, 'If pro-American tendencies come to power in Iran, we have to say goodbye to everything. After all, anti-Americanism is among the main features of our Islamic state'.⁴⁶ In July 2014, Khamenei indicated he strongly agreed with an American commentator⁴⁷ whom he paraphrased as saying, 'Reconciliation between Iran and America is possible, but it is not possible between the Islamic Republic and America'.⁴⁸

Conclusion⁴⁹

Tehran's efforts to preserve and expand its influence in the MENA has undermined democracy and human rights across the region in several ways. Its support for militant groups like Hezbollah has weakened non-violent, democratic political actors. Its manipulation of elections in Iraq exacerbated that country's sectarian strife and served to weaken its institutions, particularly the Iraqi military. Its complicity in the crushing of initially peaceful protests in Syria has fuelled radicalisation and a humanitarian and refugee crisis of monumental proportions. All the while Tehran has sought to shield and legitimise its authoritarian and illiberal allies with the rhetoric of democracy and self-determination.

The paradox of Iran is that of a society that aspires to be like South Korea – proud, prosperous and globally integrated – hindered by a hard-line revolutionary elite whose ideological rigidity and militarism more closely resembles isolated North Korea. During Iran's 2013 presidential campaign, Hassan Rouhani marketed himself as the man who could reconcile the ideological prerogatives of the Islamic Republic with the economic interests of the Iranian nation. Despite these elevated expectations, however, Iran today remains a country of enormous but unful-

filled potential. And unless and until Tehran starts to privilege its national interests before revolutionary ideology, both the Iranian people and those in its regional crosshairs will continue to suffer the consequences.

(Endnotes)

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3. Israel: seeking stability¹

Benedetta Berti

In its approach to the Middle East and North Africa (MENA) region, Israel's strategy confirms the country's strong desire to seek stability. Since the beginning of the regional transformations resulting from the 2011 'Arab awakening', Israel has implemented a mostly risk-averse, minimalist and pro-status quo policy. Fearing instability, and overwhelmingly doubting the regional potential for democratisation, Israel has focused on short-term security risks and gains, in line with the country's traditionally realist security and foreign policy.

Splendid isolation?

Geography and politics are deeply intertwined in Israel, and the country's strategic culture is profoundly shaped by geopolitics. Located in the heart of the Eastern Mediterranean, Israel perceives itself as a small, unique and regionally isolated country surrounded by potential enemies (most Arab countries do not formally recognise the existence of the state of Israel).² It views its own geo-strategic environment as hostile, unpredictable, volatile, and replete with dangers. As a result

of this acute perception of vulnerability, as well as its history, Israel has developed a 'siege mentality' alongside a sense of being under constant threat.³ Even though both of these perceptions have somewhat weakened in the past two decades, the mutually reinforcing notions of geopolitical vulnerability and regional isolation are crucial to understanding the country's starkly realist foreign and security policy – which in turn is based on self-reliance, hard-power and placing the attainment of security above all alternative ends.

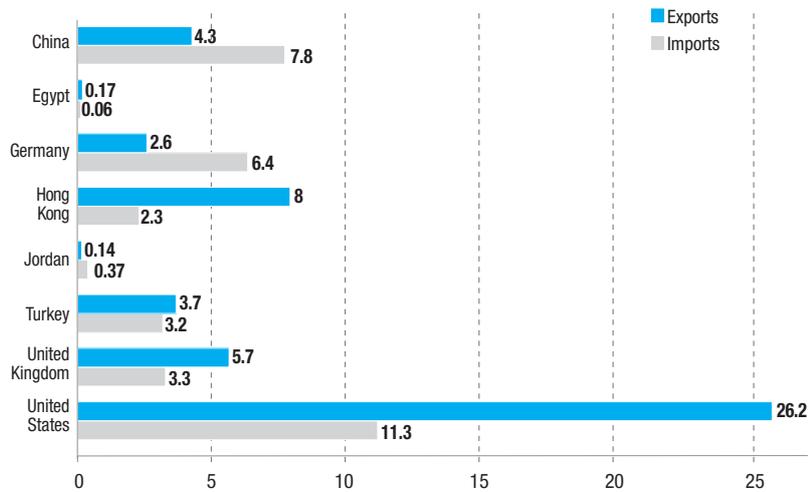
Accordingly, Israel has traditionally focused on 'hard' security threats, relying on unilateral, pro-active and pre-emptive coercive measures in the name of self-defence.⁴ In addition, Israel often assumes a conservative and cautious attitude toward shifts in its immediate security and political environment. The country has invested greatly in the strength of its military, which has emerged as a central institution in the Israeli state and society, with extensive influence over foreign and domestic policies, ranging from the state budget to the peace process with the Palestinians.⁵ Israel is well-placed to defend itself in the region through hard-power, but at the same time, it has scarce diplomatic and political influence or 'soft power' in its own neighbourhood.

Historical political isolation within the Middle East has translated into relatively limited political and economic links with other states in the region, compensated by strong commercial, economic and political relations with the United States (US) and Europe. Figure 1 highlights the extremely limited nature of Israel's commercial ties with the MENA region (the top two regional export markets, Jordan and Egypt, compared with some of Israel's principal trade partners).

The Palestinian Authority (PA) is an exceptional case, given its heavy economic and political ties to Israel. The PA is the main regional export market for Israel, importing over 70 per cent of its goods from Israel and exporting roughly 87 per cent of its goods to the Israeli market.⁶

Figure 1. **Israel's main trade partners, 2013 (% of total goods imports/ exports)**

Source: Israel Central Bureau of Statistics; Palestinian Central Bureau of Statistics.⁷

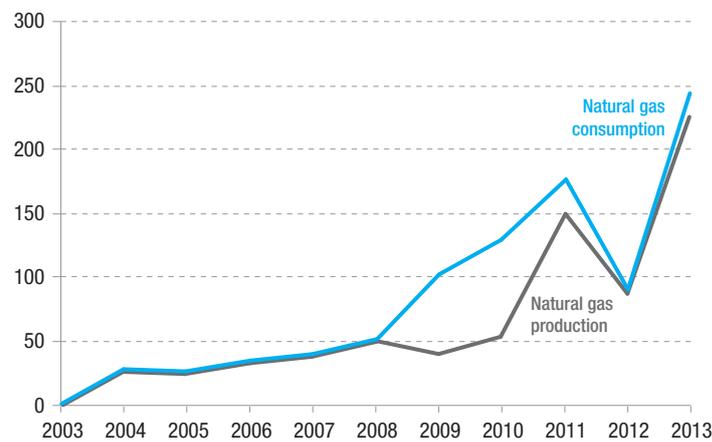


Israel's energy dependence on the region is fairly limited. The Israeli energy ministry says that the country imports roughly 40 per cent of its crude oil from Azerbaijan via the Baku-Tbilisi-Ceyhan pipeline (the ministry does not provide a detailed breakdown on where the other 60 per cent comes from),⁸ which, beyond pipeline security, creates other types of political dependencies – such as Turkey's willingness to allow oil shipments to Israel (relations between Ankara and Tel Aviv have been rocky in recent years). In the past, Israel also imported large quantities of natural gas from Egypt. More recently, however, thanks to the discovery and development of gas fields on its shores, Israel's local supply has grown rapidly (see Figure 2), with the country well on the way to self-sufficiency. Indeed, natural gas is likely to become Israel's main source of energy. The Natural Gas Authority in the Ministry of National Infrastructure, Energy and Water Resources estimates that by 2030 natural gas will be used to generate 80 per cent of electricity, with an additional 10 per cent

coming from renewable sources.⁹ Moreover, as Israel steps up its efforts to become an exporter of natural gas, economic ties with energy-hungry neighbours – Jordan and Egypt – are likely to develop further.

Figure 2. **Israel dry natural gas production/consumption (billion cubic feet)**

Source: US Energy Information Administration.¹⁰



It is important to stress the high value of Israel's strategic partnership with the US in economic, political and military terms. In recent years, Israel has received roughly US\$3 billion a year in foreign military financing.¹¹ These funds, designed to preserve Israel's 'qualitative military edge', have also contributed to the development of a robust defense industry that has recently assumed a leading role in global arms exports.¹² For example, the Stockholm International Peace Research Institute ranks Israel as the tenth-largest arms exporter worldwide.¹³ In addition, bilateral American-Israeli military cooperation is extremely important for national security. For example, the Iron Dome missile defence system was partly built with American funding.¹⁴

Seeking stability in a rapidly changing region

Stability in its immediate neighbourhood has long constituted a key interest for Israel. This interest is grounded in Israel's concern for the security of its borders, as well as its fragile regional status, especially in the context of the Israeli-Palestinian conflict. There is also a strong economic rationale for stability: the Israeli economy, dependent on foreign exports and foreign direct investments, can be quickly and negatively affected by deteriorations in its immediate security environment.

In this vein, days after massive popular demonstrations succeeded in forcing President Ben Ali to resign in Tunisia in 2011, Israeli Prime Minister Benjamin Netanyahu underlined that: 'there is a great island of instability in the geographic expanse in which we live. We hope that stability will be restored'.¹⁵ In the following weeks and months, the prime minister – in line with the mainstream assessment in security and foreign policy circles – repeatedly emphasised the notion that the ongoing 'Arab spring' (a term itself not adopted within the Israeli government, which preferred to use the more neutral term 'upheaval') would bring additional instability to the MENA region. The core messages from Netanyahu were that Israel is 'in a volatile region' and all it can 'rely on is our own strength, our unity and our resolve to protect ourselves'.¹⁶

Calls for stability need to be understood not so much as a sign of support for the established systems of government throughout the region, but as a reflection of the country's concern that any shifts in power could worsen Israel's delicate regional position by empowering more antagonistic actors. In other words, Israel – acting under a 'worst case scenario' assumption – has adopted a generally risk-adverse attitude with respect to regional regime change. The exceptions have been the relatively distant and strategically marginal Libya and, to a lesser extent, Syria under Bashar al-Assad. On Syria, the pre-existing enmity with Iran softened Israeli stability concerns

considering the potential strategic gains that could be derived from the downfall of the Tehran-backed Syrian regime.¹⁷

Israel has mainly focused on the country's immediate neighbourhood, and on preserving its long-standing peace treaties and *ad hoc* cooperation with Jordan and Egypt – both long-held pillars of Israel's approach to regional security. This in turn explains Israel's anxious attitude towards the 2011 'January 25th' Egyptian revolution, which led the government to hope that former President Mubarak would prevail.¹⁸ Later, Israel's worries further increased with the political rise of the Islamist Muslim Brotherhood, despite a general sense of relief about the strong political role played by the Egyptian Armed Forces during the transitional period. Israeli decision-makers considered Egypt's Armed Forces to be reliable actors that shared Israel's determination to keep the cold peace between the two countries, and to preserve the robust bilateral security cooperation. Accordingly, the summer 2013 ousting of Muslim Brotherhood President Morsi, and the attainment of the presidency by Abdelfattah al-Sisi, former chief of Egypt's Armed Forces, were (privately) welcomed in Israeli political and security circles.

Israel has also worried about the increasingly volatile environment throughout the broader region, in particular the trend of weakening central governments, alongside the growth of non-state challengers such as Daesh (also known as Islamic State) and Salafi-jihadist groups operating in the Sinai or the Syrian Golan. The existence of 'ungoverned' or 'semi-governed' areas in close proximity to its borders, such as the Sinai and Syria, raises concerns about the potential for radical groups and other non-state entities to engage in criminal or terrorist cross-border operations against Israel. For example, the August 2011 cross-border terrorist attacks planned and executed from the Egyptian Sinai by a Palestinian group; or the August 2012 attack against an Egyptian security outpost in the Sinai, followed by an attempt to cross the border into Israel on stolen Egyptian military vehicles.¹⁹

More friends of Israel?

In tandem with stability and security considerations, Israel's regional outlook has focused on managing the country's political isolation, seeking under-the-radar, *ad hoc* regional partnerships. There have been concerted efforts to uphold the peace treaties with Jordan and Egypt and to further cement relationships with both countries. In this context, the multiplication of security threats – including the rise of Daesh – faced by Jordan and Egypt has offered Israel an opportunity to preserve *ad hoc* cooperation with both neighbours.

More broadly, Israel's interest in stability, and its opposition to political Islam (in particular the Muslim Brotherhood-brand of Islamism) and stronger Iranian influence throughout the region, has – to some extent – produced a shared assessment of security concerns with Gulf countries like Saudi Arabia. Yet despite some shared interests, Israel's relationship with other Middle Eastern countries – beyond the already noted exceptions of Egypt, Jordan and the Palestinian Authority – have not amounted to deeper economic or political ties.

The rise of Daesh only partially alters Israel's strategic calculations. On the one hand, Israel is far from pleased by the emergence of this group and its potential to further destabilise the region, and supports the ongoing international campaign against it. On the other hand, there is a tendency to consider Daesh not as a primary but a secondary security threat. In February 2015, Minister of Defense Moshe Ya'alon explained this posture by underlining how he considers Daesh a threat that 'will pass', whereas what still worried him was the increasingly prominent role and stature of Iran across the region.²⁰ The positioning of Iran (including Iranian forces) in Syria and Iraq – and the ongoing process of political rapprochement with the US, which has been recently pushed forward by progress on the nuclear negotiations front – greatly worries Israeli security and foreign policy officials.

Outside of the Middle East, Israel's strategic alliance with the US and close economic ties to both the US and the European Union (EU) are at the centre of the country's foreign relations. US-Israeli relations have recently become tenser due to a combination of personality and political factors, and some policy differences on important topics (notably on Iran and its nuclear programme). Many Israelis would perceive any additional strains on US-Israeli relations as a substantial threat for Israel, since the country has no real alternative to its strategic partnership with the US. In this vein, numerous Israeli political leaders have criticised Prime Minister Netanyahu for his frayed relationship with US President Obama. For example, opposition leaders Isaac Herzog and Tzipi Livni both objected to Netanyahu's controversial March 2015 trip to the US Congress, which was not coordinated with the White House, with Herzog stating: 'Netanyahu is playing politics at the expense of diplomacy'.²¹

While political and diplomatic relations between the EU and Israel have stuttered because of the lack of progress on the Israeli-Palestinian front, economic ties as well as cultural and scientific cooperation remain strong. The EU is Israel's first trade partner (in 2013 accounting for 27 per cent of Israeli goods exports, and 34 per cent of goods imports), and in 2012 EU foreign direct investment in Israel amounted to about US\$1.1 billion, behind the US\$1.8 billion coming from the US.²²

Turkey also remains an indispensable economic partner for Israel, despite the freeze in the two countries' political relations, which have not fully recovered from the 2010 *Navi Marmara* episode (eight Turkish citizens were killed when Israeli Armed Forces boarded a Turkish ship carrying humanitarian aid to Gaza). For example, Turkish Foreign Minister Mevlut Cavusoglu recently refused to share a panel with Israeli officials at the 2015 Munich Security Conference.²³

Although Israel cannot 'pivot' away from the US, it has been investing in improving political and commercial ties with a number of other countries. Following the Arab spring, some Israeli analysts predicted

that Israel's new strategy to manage its regional isolation would be an 'alliance of the periphery' (stretching from the Eastern Mediterranean to the Caspian Sea), with countries such as Azerbaijan, Cyprus, Greece and other Balkan states.²⁴ Although commercial and diplomatic relationships have grown, the geopolitical value of these partnerships should not be overstated.

Israel has also solidified its relations with both China and India. Since taking up diplomatic relations with India in 1992, bilateral trade has grown from US\$200 million to over US\$4.4 billion, a free trade agreement is being negotiated and a US\$1.5 billion defence equipment deal, including sophisticated airborne warning and control systems, is in the making (adding to the general trend of growing Israeli arms sales to India).²⁵ Chinese-Israeli commercial ties have also grown exponentially, with exports to China representing over 4.3 per cent of Israeli exported goods, alongside growing Chinese investments in Israeli companies, predominantly in IT, advanced medical equipment, and agricultural technology (Chinese foreign direct investment in Israel grew from US\$2 billion to US\$60 billion between 2000 and 2010).²⁶

Defence first, democracy (maybe) later

Since 2011, Israel has invested in sheltering itself militarily from the winds of regional change in three ways. First, beefing up the country's border defences. The rapid completion and upgrade of the massive border fence between Israel and Egypt is a powerful example of this trend.²⁷ In addition to strengthening the 'Israeli fortress', the overall post-2011 strategy has focused on keeping a low profile and shying away from openly taking sides in regional upheavals, mindful of Israel's scarce to non-existent direct political influence in the region. In its public diplomacy, Israel has appeared eager to exclude itself from regional turmoil as well as to draw a separation between the Israeli-Palestinian conflict and regional developments.²⁸

Second, Israel's government has continued to invest in military preparedness and in boosting its deterrence against its main non-state challengers: the Palestinian Hamas and the Lebanon-based Hezbollah. Deterrence has also been complemented with some pre-emptive military activity. For example, since the beginning of the Syrian civil war, Israel has reportedly targeted transfers of advanced weapons to Hezbollah and, more recently, it has intervened against the Lebanese-Shiite group's attempts to increase its presence in the Syrian Golan Heights. In Israel's view, however, these operations are not aimed at triggering an escalation but rather at preserving the status quo following the 2006 Israel-Hezbollah conflict, and to prevent Hezbollah from improving its military position as a result of the ongoing Syrian war.²⁹

Third, Israel's risk-averse regional 'wait-and-see' approach is especially visible in its policy on the conflict with the Palestinians. In essence, the Israeli government has focussed on managing the conflict with the Palestinians rather than solving it. For instance, the summer 2014 conflict with Hamas was more geared at restoring Israel's deterrence capacity against that group than substantially altering the strategic balance. Similarly, Israel's defensive reactions to the ongoing international campaign for the recognition of Palestinian statehood suggest a pro-status quo attitude rather than any desire to renegotiate with the Palestinian Authority.

Observing regional transformations through the lens of its immediate national security interests has resulted in Israel taking an unenthusiastic and sceptical view of the Middle East's democratic potential. That said, Israeli official reactions to the 2011 Arab popular uprisings reiterated the country's normative commitment to democracy, and its support for democratic development in the region.³⁰ In parallel to this rhetoric, however, the domestic Israeli discourse on the Arab awakening adopted a much more pessimistic tone, with top decision-makers openly discussing the 'Islamist or Iranian winter'.³¹

Israeli officials often list structural problems and domestic cleavages within different Arab states that may prove insurmountable for democratic

transitions. At the same time, some analysts have also expressed concerns that the cost of long-term democratisation may be undesirable short-term instability. Here the assessment on whether the cost would be worth it has varied. For example, given a generally tense relationship with the ‘Arab street’, some have wondered whether democratisation could also lead to increased tensions between Israel and its neighbours (hence the aforementioned Israeli relief at Sisi’s attainment of power in Egypt).

These debates about the feasibility and short-term costs of democratisation, however, did not meaningfully inform Israel’s policies. Constrained by its limited political influence in the region, Israel has refrained from assisting democracy or state-building processes, and has shied away from direct and open involvement in the domestic affairs of its neighbours. For example, Israel played no role in the ousting of Morsi and the rise of Sisi in Egypt. In other words, Israel has excluded itself from the Arab transitions, but has consistently rooted for the stability of its neighbouring allies, irrespective of their democratic record. Regrettably, this stability-first approach has also applied to the Israeli-Palestinian conflict. This not only hinders the development of Palestinian democracy, it also prevents any prospect of Israel substantially deepening its economic and political ties (and concomitant security) with – at least – its immediate Middle Eastern neighbours.

Conclusion

The electoral campaign for the March 2015 Israeli parliamentary elections was largely fought over economic and hard-security issues. Still, some Israeli politicians debated the merits and flaws of the post-2011 MENA policies. Opposition leaders specifically questioned the lack of urgency in dealing with the Israeli-Palestinian conflict, and the absence of a pro-active diplomatic strategy towards the region.³² However, with the electoral results reconfirming Netanyahu as Prime Minister, and with the new government coalition heavily hinging on the PM’s right-wing

political allies, it is unlikely there will be any serious re-evaluation of the pro-status quo and pro-stability assumptions that have guided Israeli foreign policy so far. In this sense, continuity, rather than change, will define the overall strategy of the next government of Israel towards the Middle East and North Africa in the immediate future.

(Endnotes)

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4. Qatar: the opportunist

Ana Echagüe

Qatar saw the 2011 Arab uprisings as an opportunity to consolidate its position as a Western ally, gain regional prominence and present itself as supportive of the ‘people’ in the face of oppression. In the years following the uprisings, Doha leveraged its network of relations to place itself in a favourable position in anticipation of a regional future dominated by political Islam. Its actions were determined by pragmatic attempts to increase its influence, regionally and internationally. Towards this end, and in an effort to come out from Saudi Arabia’s overbearing shadow, it deployed all its resources and diplomatic power. More recently, however, as its Islamist bets failed, Doha has reverted to a lower profile, seemingly ceding ground to Saudi Arabia’s newfound regional leadership role.

Qatar’s geopolitical profile is defined by its large hydrocarbon reserves, which have allowed it to play an outsized foreign policy role, disproportionate to its size. Its geopolitical significance and the authoritarian nature of its regime, militate against democratic advances in the region, despite its opportunistic siding with some of the revolutionaries. The impact of its policies on democratic governance has been negative both domestically, where it has pre-empted any changes, and regionally, where it has closed ranks with its fellow authoritarian states and meddled in the politics of transition states.

Energy and security

Qatar's gas reserves, the world's third-largest, have defined its domestic profile and its external actions. Domestic politics follow a socio-political pattern typical of rentier states. Significant gas rents have helped concentrate power in the hands of the ruling al-Thani family, who have struck a socio-political bargain with their citizens whereby material benefits are traded for political rights. Qatar's foreign policy is also made possible by the financial strength it derives from its gas revenues, which allows it to make large investments, fund mediation efforts, distribute foreign aid and mobilise national resources to back policy directives.

Although Qatar relies on the United States (US) for its security it has used its energy ties and, more recently, procurement policies (in April 2015 it agreed to buy 24 Rafale fighter jets from France in a deal worth more than US\$6 billion) to diversify away from complete reliance on the US.¹ It hosts two important American bases.² And in 2014, Doha signed weapons contracts worth US\$11 billion with the US.³

The former emir, Sheikh Hamad bin Khalifa al-Thani, used energy policy to build new strategic relationships, enhance Doha's autonomy and provide Qatar with a diversified security framework. Qatar's Liquefied Natural Gas (LNG) exports have made it a key energy provider for its clients, especially since LNG exports are based on long-term contracts.⁴ The United Kingdom (UK) has become a major client in recent years. In 2011, Qatar's LNG exports covered 52 per cent of gas consumption in the UK, up from only 11 per cent in 2009.⁵ It also sells large amounts of gas to China, Japan and India, which ensures they have a stake in Qatar's stability, if only to preserve their energy supplies.⁶

Figure 1. **Natural gas production, 2013 (billion cubic feet)**

Source: US Energy Information Administration.⁷

*2012 data

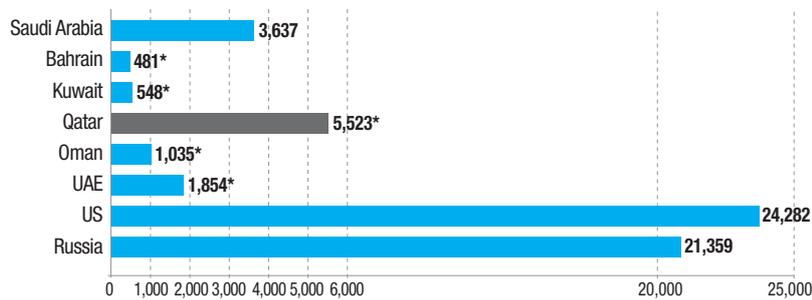
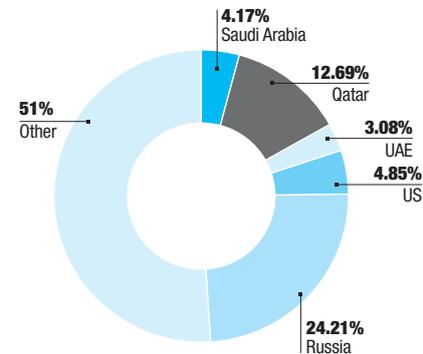


Figure 2. **Proved reserves, 2014 (% of world total)**

Source: US Energy Information Administration.⁸



Changing economic patterns and increasing energy demand from Asia have accelerated Qatar’s eastern orientation.⁹ In 2009, Doha signed a 25-year agreement with China that made it Beijing’s largest supplier of LNG.¹⁰ The expansion of LNG facilities in Australia and the shale revolution in the United States led Qatar to divert supplies intended for the US to Asian markets in 2011. It also concluded long-term bilateral LNG deals with South Korea, Taiwan, and Japan in 2011 and 2012.

Figure 3. **Top 10 countries with proved natural gas reserves, 2014**

Source: US Energy Information Administration.¹¹

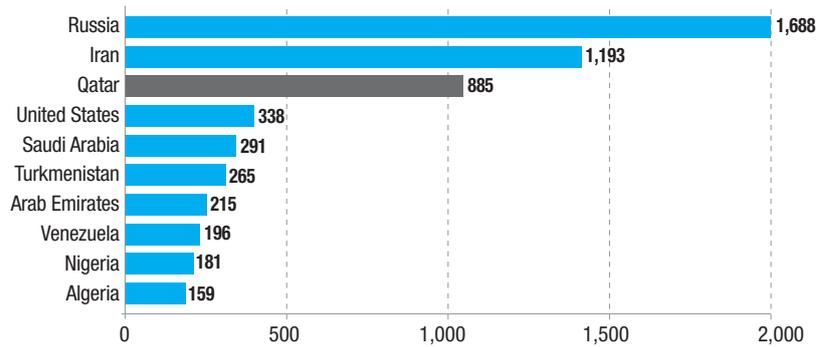
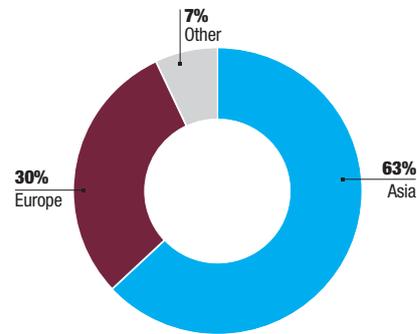


Figure 4. **Qatar LNG exports by destination, 2012**

Source: US Energy Information Administration, Cedigaz.¹²



Challenges to Qatar’s LNG dominance from Australia (Australian production is predicted to surpass Qatar’s by 2018) and potential downward pressure on gas prices derived from the shale revolution in the US could have an impact on Qatar’s future revenues.¹³

Determined but ineffective?

Qatar's foreign policy has been qualified as hyperactive but ineffective.¹⁴ A core group of decision-makers, with significant resources at their disposal, direct policy unhindered by the constraints that accrue in more participatory political systems.¹⁵ But for all the decisive action, the follow-up is lacking. Qatar and its population are too small for its external action to be effective. The limited foreign policy infrastructure allows for quick decision-making but hinders implementation, and highlights the lack of adequate professional capacity to follow through.¹⁶ Qatar's actions in Syria, for example, have been qualified as *ad hoc* donations of arms and money, which lack effective strategising or accountability.¹⁷

As a small state in an unstable region, Qatar has sought to protect itself by expanding its influence as a regional player and increasing its international profile by making itself useful to more influential states.¹⁸ Since the mid-1990s, Qatar has mediated in numerous conflicts (Darfur, Ethiopia-Eritrea, Lebanon, Somalia, Israel-Palestine, Yemen, Western Sahara, Afghanistan, and Indonesia); acted as interlocutor between different Islamist groups and the West; and balanced its relations with antagonistic sets of actors (Iran and the US, and Israel and Hamas).

Doha has also used its financial clout to project its influence within the region and gain Western allies.¹⁹ Since the 1990s, Qatar has increased foreign aid, often directed towards conflict zones such as Lebanon, Gaza or Mali. Doha's approach to diplomatic mediation and foreign policy-making was predicated on heavy Qatari investment in targeted countries. Notable examples were the US\$7.5 billion in loans and grants extended to the Muslim Brotherhood-led government in Egypt following its election in June 2012. Such an approach led to accusations that Qatar has attempted to buy influence in transition states through its combination of diplomacy and investment.²⁰

The other arm of Qatari foreign policy was, until recently, *Al Jazeera*, a powerful mechanism for soft power projection. When it was launched in 1996, it transformed the Arab media landscape, becoming the main opinion maker in the Middle East. Despite regime claims that *Al Jazeera* is editorially independent, its reporting has generally followed the foreign policy agenda of Qatar and its focus has never been directed domestically.²¹ It was key in galvanising opinion during the uprisings in Syria, Libya, and Egypt. Since then, *Al Jazeera* has suffered a backlash derived from its perceived bias in favour of the Muslim Brotherhood.

Qatar places its bets

Qatar's 2011 intervention in Libya signified a qualitative change in its foreign policy, moving away from a focus on diplomatic mediation towards an interventionist policy. After more than a decade of building a reputation for neutrality, Qatar decided to take sides. While its role as a 'neutral' mediator had been useful when the Middle East was dominated by apparently durable authoritarian regimes, the Arab uprisings saw Qatar adapt its policies in an attempt to stay ahead of the game. Although Doha was initially hesitant to support the uprisings in Egypt and Syria, as soon as it realised that they might be successful in toppling the regimes it changed track. It was careful, however, to restrict its activism to outside of the Arabian Peninsula so as to ring fence its immediate neighbourhood from changes in the rest of the region.

Qatar went further than most Arab countries in backing international military intervention in Libya and aligning itself with the revolutionaries. Doha contributed fighter jets and special forces, as well as financing (over US\$400 million).²² It was the first country to recognise the National Transitional Council as the legitimate representative of the Libyan people, and organised the first meeting of the International Contact Group on Libya. Eventually Qatar's policies became controversial as they were seen to be supportive of the Muslim Brotherhood. Although

less visibly, Doha continues providing support to the Dawn faction (Tripoli-headquartered, with a large number of fighters from Misrata) in the ongoing civil war.²³

Qatar was also the first Arab country to withdraw its ambassador from Damascus, in July 2011. By 2013, Doha had spent more than US\$3 billion supporting the rebels, far exceeding the contribution made by any other government.²⁴ As holder of the rotating presidency of the Arab League, it played an instrumental role in building up support for Arab pressure, as it had done in Libya. The League suspended Syria's membership in November 2011 and lobbying by Qatar led to the handing over of Syria's seat to the opposition. By September 2012, claims had surfaced that Qatar and Saudi Arabia were funding competing factions and creating separate military alliances. While Qatar reportedly developed close links with the Muslim Brotherhood of Syria, the Saudis supported secular factions and Salafi groups. This led to accusations that they were undermining the creation a unified rebel force. Facing increasing hostility from Saudi Arabia and Western actors who resented its support for radical groups, Qatar eventually yielded to Saudi Arabia the role as the main Arab power guiding the Syrian opposition abroad and funding and arming rebel groups inside Syria.

Qatar also supported the protest movement in Egypt and lent financial support to the Muslim Brotherhood government. In January 2013, then Qatari Prime Minister Hamad Bin Jassim al-Thani announced economic support for Egypt bringing Qatari assistance to the country to US\$1 billion in grants and US\$4 billion in Central Bank deposits.²⁵ Besides the US\$5 billion of pre-existing aid, Qatar provided US\$3 billion more through the acquisition of bonds and a favourable gas-provision deal to help with power shortages in the summer.²⁶

Relations with Egypt soured after the military coup of 3 July 2013. In retaliation for what it deemed as interference in its affairs, Egypt closed

the Cairo offices of *Al Jazeera* and detained most of its journalists. It also returned US\$2 billion that Qatar had deposited with its Central Bank.²⁷ In December 2014, after a meeting between Egypt's President al-Sisi and a Qatari envoy, brokered by Saudi Arabia, Qatar, in a conciliatory gesture, closed its affiliate of *Al Jazeera* dedicated to covering Egypt. But in February 2015, animosity flared up again at the Arab League after Qatar expressed reservations about Egyptian air strikes in Libya. Cairo in turn accused Doha of supporting terrorism, leading to Doha's recall of its ambassador that same month. The ambassador was reinstated at the end of March on the heels of the Saudi led intervention in Yemen.

Qatar bet on Islamists playing an important role in regional politics. Its support for Islamist groups in Egypt, Tunisia, Libya, and Syria was pragmatic rather than ideological. Doha expected its support eventually to translate into political influence and sought to position itself as interlocutor between the West and the new Arab governments.²⁸ But it underestimated the depth of antagonism that its alignment with the Muslim Brotherhood would cause.²⁹ On 5 March 2014, Saudi Arabia, the United Arab Emirates (UAE) and Bahrain withdrew their ambassadors from Qatar to protest Doha's alignment with the Muslim Brotherhood and its hosting of opposition figures from various Arab countries.³⁰ From the Saudi, Bahraini and Emirati point of view, the danger of Doha's policies derived not simply from its support for the Muslim Brotherhood in Egypt, but also from the translation of this support into the Gulf milieu.³¹

Qatar, while highlighting its independence, was keen to contain the discord and avoid escalation. Foreign Minister Khalid bin Mohamed Al Attiyah stated that 'The independence of Qatar's foreign policy is simply non-negotiable' and that Qatar did not share the 'axis mentality' prevailing in the Middle East.³² After eight months, extensive mediation and some conciliatory gestures from Doha (in September 2014, seven leaders of Egypt's Muslim Brotherhood who had taken refuge in Doha left), the other Gulf ambassadors returned to Qatar. Since then

Qatar has assumed a decidedly lower profile and toed the line of its fellow Gulf States, standing behind regional initiatives such as the intervention in Yemen or the proposed joint military command. This does not imply, however, that they have given up on a long-term strategy of leveraging their Muslim Brotherhood contacts: witness, for example, recent Qatari support for Hamas towards the reconstruction of Gaza.

When Emir Tamim bin Hamad bin Khalifa al-Thani took over from his father in June 2013, there was a lot of speculation about potential policy changes, in particular how he would likely focus on domestic issues and tone down Qatar's hyper-active foreign policy. While the new emir has ceded ground to Saudi Arabia in Syria, and has adopted a conciliatory tone in the face of hostility from its Gulf neighbours, he has not so far backed down on any major policy positions. The departure of seven Brotherhood members seems to reflect Doha's pragmatism rather than signal a change in policy (other leading Islamists remain in Doha).³³ Support for the Brotherhood is a legacy policy from the former emir, which would be difficult to reverse after so many years of hosting Brotherhood expatriates. Despite setbacks in Egypt, it is unlikely that the Doha regime will sever ties with a movement that might gain prominence again in the future.

Qatar's policies illustrate the tight balancing act that the Emirate must manage in order to weigh its competing interests. Although it is pitted against Iran in Syria, Qatar's longstanding position has been to not alienate Tehran, with which it shares its largest gas field. Thus, while it funds Syrian opposition groups, it is also seeking to revive contacts with Hezbollah and maintain cordial relations with Tehran.³⁴ In December 2013, Iranian Foreign Minister Mohammad Javad visited Qatar and Qatari Foreign Minister Khalid bin Mohammad Al-Attiah has since stated that 'Iran can play a vital role' in Syria.³⁵

A similar balancing act is conducted between the US and Iran. Qatar tries to strike a balance that antagonises neither side. So, for example,

while it houses US bases and depends on US security guarantees, it has also reached out to Iran on numerous occasions, for example inviting former President Ahmadinejad to the Gulf Cooperation Council (GCC) summit in Doha in 2007.³⁶ In line with Saudi Arabia, Qatar expressed cautious support for the nuclear agreement reached in April 2015 in hopes that a final deal will achieve ‘regional security and stability’.

Qatar’s policy of leveraging its contacts to intervene in transition states has had a negative effect on most transition processes. Although support for Islamists has been based on expediency as opposed to ideology, it has had negative implications for Qatar’s image and in many instances has created cleavages and antagonism on the ground that have hampered the transitions and facilitated the return of authoritarian forces.

Hindering democracy

Despite Qatar’s best efforts to present itself as supporter of the revolutions and defender of the people’s aspirations, the impact of Qatari policies on democratic governance in the region has been generally negative.

Domestically, it has preempted any potential calls for reform through economic handouts. In September 2011, Qatar announced salary increases of 60 per cent and 120 per cent for public sector workers and Qatari Armed Forces officers, respectively. In the Gulf neighbourhood, Qatar has contributed to buffering against the spread of the revolutions. Within the Gulf, concern over protests in Bahrain and Oman led the rest of the GCC states to commit to a US\$20 billion economic package to help the two countries. Qatar sent a small number of troops to Bahrain, and the prime minister at the time called for a stop to the street protests, despite this call’s apparent contradiction of Qatar’s support of uprisings in Libya, Tunisia, Egypt, and Syria.

In Libya, Yemen, Syria and Egypt, despite siding with the revolutionaries, the underlying logic of Qatari behaviour has been to influence the direction of the transitions in favour of the factions it supported and shift the balance of power in the region, not to further democratic aspirations. In Syria, the fight against Assad has meant that Qatar has supported radical Islamists that stand opposed to any democratic form of governance. Likewise, economic aid to transition states has had a distorting effect, favouring certain factions over others and discouraging cooperation and consensus building.³⁷

Conclusion

Qatar has embraced a bolder foreign policy since 2011. It has attempted to use political and economic levers to shape the contours of a shifting neighbourhood, and has been willing to antagonise its neighbours in the process. Four years on, however, Qatar's policies and image have taken a beating and the country is likely to revert to its traditional brokerage role. Its Islamist bets have not worked out, it has sparred with its neighbours, there has been a backlash against it in the transition states, and its main public diplomacy channel has been discredited.

This does not mean, however, that Qatar has given up on its Islamist contacts. Doha quietly labours on, as seen in the round of diplomacy launched in an attempt to achieve a ceasefire in Gaza during the conflict between Hamas and Israel in the summer of 2014 and most recently in the talks it hosted between the Taliban and the Afghan government in May 2015.

Given its geopolitical profile and authoritarian nature, Qatar was never going to be a cheerleader for democracy, but in supporting certain factions over others, it has in fact further aggravated regional tensions and helped sound the death knell for what started out as promising popular movements.

(Endnotes)

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5. Saudi Arabia: emboldened yet vulnerable

Ana Echagüe

Saudi Arabia's geopolitical weight, based on its large hydrocarbon reserves and its key geographical position between West and East, has been bolstered over the last decade, as global economic power shifted eastward and a surge in oil prices led to substantial increases in revenues. More recently, however, economic uncertainty derived from changes in energy geopolitics driven by the shale revolution and reverberations of the financial crisis has deflated the economic effervescence of the early 2000s.

Politically, regional dynamics have been upturned by the uncertainty derived from the Arab uprisings and the potential nuclear agreement with Iran. Changes in the balance of power unleashed by the 2003 Iraq invasion have been reinforced, as Iran and Saudi Arabia compete for the dominant geopolitical role in a region characterised by weak states engulfed in civil conflicts. Shifting alliances, sectarianism, and the growing prominence of non-state actors are all contributing to an increasingly violent and unstable regional map.

Against this background, Saudi Arabia's foreign policy has been emboldened, as it proactively attempts to shape events. Riyadh saw the Arab uprisings as a challenge to regional stability but also as an opportunity to tip the scales against Iran. This led to a shift from its traditionally cautious and conciliatory foreign and regional policy towards a sharper affirmation of its interests.

Oil politics

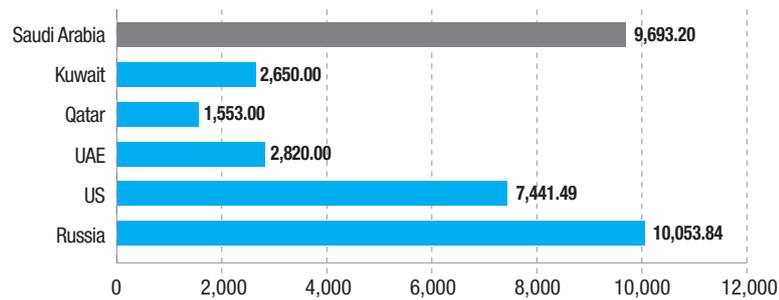
The rentier nature of the Saudi state, whereby the authoritarian ruling family distributes the oil-derived rents to the population in exchange for the forfeiture of any political rights, has allowed the rulers to link the welfare of the population to their continued stranglehold on power. Regime survival is the defining characteristic of Saudi policies. The regime has consolidated its power through large government apparatuses that exert control and facilitate patronage.¹

Saudi Arabia's external relations are defined by an energy-for-security bargain. Riyadh ensures stable global energy markets through its energy production policies and, in exchange, the United States (US) extends security guarantees against regional threats.² Saudi Arabia has almost one-fifth of the world's proven oil reserves, is the largest exporter of crude oil, and maintains the world's largest crude oil production capacity.³ The country also maintains more than half of the world's spare capacity, and acts as a swing producer whenever supply crises erupt. Changing economic patterns and increasing energy demand from Asia have accelerated the eastern orientation of the kingdom. In 2009, Saudi Arabia's oil exports to China exceeded exports to the US for the first time.

Despite efforts at diversification, the Saudi economy remains dependent on hydrocarbon revenues. This makes it vulnerable to fluctuations in the world economy and in energy prices. The downward pressure on oil and gas prices presents a risk to its fiscal sustainability in the long term and diminishes its geopolitical leverage.⁴ In response to the sharp drop in oil prices since July 2014, Saudi Arabia has been determined to resist pressure to cut oil production to prop up the prices and has focused instead on defending its market share and driving the least efficient producers from the market.⁵

Figure 1. **Crude oil production, 2013 (thousand barrels/day)**

Source: US Energy Information Administration.⁶



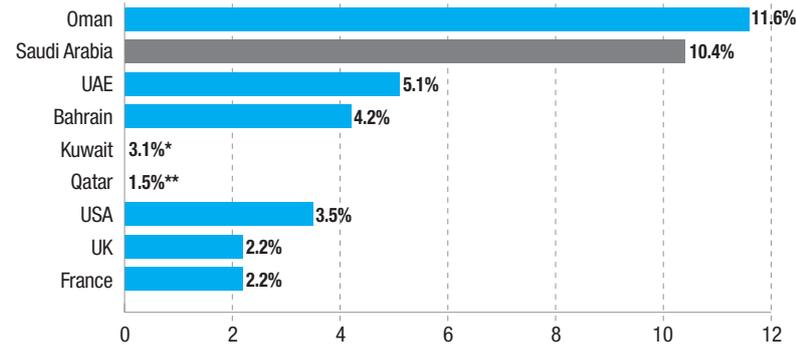
Although it is among the biggest arms buyers in the world (in terms of expenditures relative to GDP), the Saudi monarchy is heavily dependent on external security guarantees.⁷ Its weapons purchases, along with covering actual defence needs, are also a means of cementing the commitment of outside powers to its security.⁸

Figure 2. **Arms expenditure, 2014 (% of GDP)**

Source: SIPRI.⁹

*Last data available 2013.

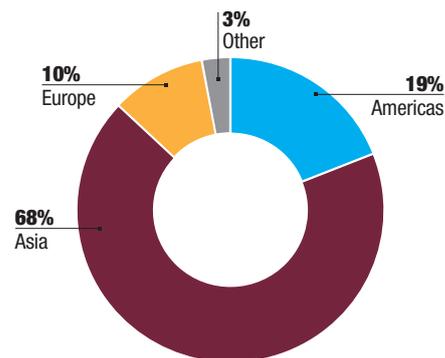
**Last data available 2010.



The US trains and equips Saudi defence forces, and in 2010 President Obama approved a US\$60 billion-plus arms sale to Riyadh.¹⁰ Recently, concern over US commitment to Gulf security has spurred discussions in Saudi Arabia about diversifying its security arrangements. However, there are no real contenders to replace the US role, given Europe's limited will and capacity for engagement in the region and China and Russia's lack of appetite for a regional security role.¹¹ The announced US 'pivot' to Asia, Washington's delay in taking military action in Syria and its nuclear negotiations with Iran, have all raised alarms in Riyadh.

Figure 3. **Saudi crude oil exports by destination, 2013**

Source: US. Energy Information Administration, APEX¹²



Assertiveness driven by vulnerability

Saudi Arabia has traditionally conducted a consensual, cautious foreign policy that avoided open confrontation and favoured accommodation. The uncertainty and polarisation derived from the 2011 Arab uprisings brought Saudi Arabia out of its comfort zone. The tone and substance of Saudi external policy have changed substantially, becoming much more assertive. While numerous Saudi commentators argue that the change is derived from growing self-confidence, the more likely explanation is that the newfound forcefulness is driven by a sense of vulnerability.¹³

The groundwork for Saudi Arabia's sense of insecurity was laid prior to the 2011 uprisings, starting with the US invasion of Iraq and the consequent upending of the regional balance of power. Over the last decade, Saudi's lack of influence in the Levant was palpable and offered a stark contrast to Iran's manoeuvrings in Iraq, its alliance with Syria, and its support for Hamas and Hezbollah. In response to what it saw as Iranian attempts to achieve regional hegemony, Saudi Arabia attempted to bolster alliances with friendly states, Jordan and Egypt most notably, in an effort to craft a 'Sunni axis' to counter the perceived 'Shia arc'.¹⁴ By 2011 Riyadh was literally surrounded by instability, with uprisings in Bahrain to the east, Yemen to the south, Syria to the west and ongoing instability in Iraq to the north contributing to Saudi fears of spill-over, particularly taking into account the sectarian dimension and the restive Shia minority population in its Eastern Province. Since then Saudi Arabia's traditional soft power tools of diplomacy, use of certain media outlets, financial incentives, and religious credentials have been overshadowed by the actual use of force in Bahrain, Syria and Yemen.

Saudi Arabia has attempted to bolster its regional leadership, but efforts to achieve greater unity and institutionalisation of the Gulf Cooperation Council (GCC) have failed. King Abdullah's 2011 proposal for greater political integration into a Gulf Union faltered and, despite Washington's support, greater integration of Gulf military capabilities has not been achieved.¹⁵ Consensus among the Gulf States about Iran and the uprisings has been elusive. Divergent policies have led to Qatari Emirati animosity over Libya, Egypt and the Muslim Brotherhood and Qatari-Saudi rivalry in Syria. Most recently, however, under King Salman, Saudi Arabia has stepped up its game and achieved significant backing in its quest to place the kingdom at the centre of Sunni regional efforts to counter both the threat of Daesh (also known as Islamic State) and Iran. It was able to forge a coalition that included the GCC states (save Oman), Jordan, Morocco, Egypt and Sudan backing its intervention in Yemen,

although it failed to persuade Pakistan to join. Also, at the last Arab League summit held on March 29th, it agreed, together with other member states, to the formation of a joint military force to deal with regional security threats, although questions remain on the attainability of such an Arab army.

The accession of King Salman bin Abdulaziz al-Saud to the throne after King Abdullah's death in January 2015 has been outwardly smooth despite the significant changes that have taken place in just four months. King Salman appointed Interior Minister Mohammed bin Nayef as crown prince (removing Prince Muqrin from the post, against King Abdullah's express wishes), thus weathering the thorny subject of transition to the second generation, and his son Mohammed bin Salman as defence minister and deputy crown prince. The most significant move seems to be the centralisation of power in the hands of these two ministers, each of which will also chair one of two newly formed councils that will direct policy: the Council of Economic and Development Affairs and the Council for Political and Security Affairs.¹⁶ There is some speculation as to whether it is the new 'cadre of youthful, dynamic royals and technocrats'¹⁷ that is behind Saudi Arabia's new found militarism and whether such policies will ultimately be successful or prove to be the kingdom's undoing.

Countering Iran

Regional dynamics have come to be defined by competition between Saudi Arabia and Iran for the dominant geopolitical role in the region, as played out in third states through military, financial, and ideological support.¹⁸ Saudi actions in Egypt, Syria and Yemen can be seen within the context of countering Iranian influence. In the process, Saudi policies have exacerbated sectarian tensions both domestically and regionally through the instrumentalisation of a sectarian logic to counter dissent in the domestic arena and rally the population against the Iranian bogeyman in the region.

Instability in Egypt clearly rattled Saudi Arabia. Egypt's important role as a bulwark against Iranian influence in Syria and Iraq saw Saudi Arabia lend support to the post-uprising regime despite its opposition to the toppling of Mubarak. However, unease over the Muslim Brotherhood's rule allegedly led Saudi Arabia to support the military coup against Morsi. After the coup, Saudi Arabia, the United Arab Emirates (UAE), and Kuwait quickly pledged US\$12 billion in support of the new Egyptian president, Abdelfattah al-Sisi.¹⁹ Under King Salman financial assistance for Egypt continues, with a pledge of US\$4 billion in aid at the investor conference held in March 2015.²⁰ In return, Egypt has joined the Saudi-led coalition intervening in Yemen.

For Riyadh, the conflict in Syria is about gaining influence over a key state in the region in order to re-establish a more favourable regional balance of power.²¹ After some initial hesitation, Saudi Arabia became the most vocal advocate of arming the Syrian opposition and ousting Assad. It pushed for sanctions against the Syrian regime and by the end of February 2012 was arming certain rebel factions under the broad umbrella of what was then known as the Free Syrian Army.²² Eventually, Saudi Arabia prevailed over Qatar to impose itself as the main outside force supporting the Syrian National Coalition. Saudi Arabia has been critical of US policy towards Syria, feeling marginalised by the US-Russian agreement to destroy Syria's chemical weapons, and exasperated by the slow pace of the US training of rebels. While participating in the US crafted coalition against Daesh with airstrikes on Syria, Saudi Arabia has been vocal about the need to target the Assad regime as well. Recently, closer coordination between Saudi Arabia, Qatar and Turkey, and their increased support for the rebels (despite US qualms), has been credited for opposition advances.

In Yemen, concerns over security and stability led Saudi Arabia to spearhead a GCC initiative to ease out its former ally President Ali Abdullah Saleh in a transition that produced minimum change in the balance of power. But since the Houthi advance and takeover of Sana'a, Riyadh has

increasingly framed the conflict as yet another front in its contest with Iran, accusing Tehran of providing support for the Houthis. On March 26th, 2015, as Houthi forces closed in on Aden and President Abd Rabbu Mansour Hadi appealed to the GCC for help, the kingdom launched a military campaign backed by a coalition of eight Sunni regimes. Despite the announced halt in military action and change of track towards a political process under 'Operation Restoration Hope' announced on April 21st, the military campaign has continued unabated save for a five-day 'humanitarian pause' in May 12th–17th.²³ Riyadh hosted a three-day conference starting on May 17th of anti-Houthi Yemeni groups, as part of its effort to create a unified resistance.²⁴

The Saudis have been more circumspect in Iraq and Lebanon. In Iraq they welcomed the new government under Haidar al-Abadi (which also had the support of Iran) and announced plans to reopen the embassy, closed since 1990. However, in March 2015 during Kerry's visit to Riyadh, then Foreign Minister al Faisal warned about Iran's growing role in Iraq and accused it of taking over its neighbour. In Lebanon, there have been some indications of Saudi attempts to reconcile rival Lebanese forces. At the end of 2013, Saudi Arabia announced a military aid package of US\$3 billion (nearly twice Lebanon's US\$1.7 billion annual defence budget) earmarked to buy French arms, and in August 2014, it agreed to give Lebanon US\$1 billion in military aid to help in the fight against Daesh.²⁵

The Saudi Arabian leadership oscillates between feelings of entrapment and abandonment in its relations with the US. When the US was more belligerent toward Iran, the Saudis worried that they would be the victims of a US attack on Iran. Now that Washington and Tehran seem close to reaching a nuclear agreement, the Saudis worry that their interests will be neglected and Iran's regional position will be further bolstered by the lifting of sanctions.²⁶ In an effort to assuage the Saudis and the rest of its Gulf allies, the White House convened a GCC Summit on May 14th, 2015 at Camp David where it assured them that the deal

with Iran refers strictly to the nuclear issue and that Washington shares their concern over Iran's activities in Syria, Yemen, Lebanon and Iraq. Obama reaffirmed the US commitment to their security, short of the formal defence pact sought by some, offered new military cooperation — including towards the development of a region-wide ballistic missile defence capability — and promised to expedite arms transfers.

Relations between Saudi Arabia and Iran have not always been so confrontational. In the 2000s, they maintained more normal diplomatic relations despite continuing to compete for influence in the region. The potential for improved relations, given Iranian President Rouhani's overtures, however, is compromised by political vacuums in Lebanon, Syria, Iraq and Yemen that invite regional intervention from the two rivals.²⁷ Any detente will depend on a cost-benefit analysis that tilts the balance towards more cooperative, moderate regional policies.

Countering revolution

Containing threats to the political status quo has been a major driver of Saudi policy both at home and abroad. Domestically, Saudi Arabia has pre-empted any potential calls for reform through economic handouts and increasingly repressive measures. King Abdullah pledged US\$130 billion towards job creation, salary increases, and development projects. Upon acceding to the throne, King Salman announced bonuses for the population totalling US\$30 billion and, after the last cabinet reshuffle in April, a one-month salary bonus for all military and security personnel. These measures together with the budget for 2015 signal that the regime intends to maintain domestic spending, despite the decrease in oil revenues.²⁸

The 2011 uprisings were of special concern to Saudi Arabia because of the narrow link between internal and external Saudi dynamics. Saudi Arabia was quick to step in to support the military government in Egypt, which was preferable to rule by the Muslim Brotherhood. The

Saudi regime is extremely fearful of awakening political sentiments through transnational ideological platforms such as political Islam. This is also why the Saudi government's domestic response has been so blunt. There is a diverse Islamist field within the country with the potential for mobilisation towards demands for a greater political voice and more government accountability. Regime concerns were realised with the issuance of two petitions in early 2011 calling for more political rights and the release of prisoners arrested on terrorism charges.²⁹ The human rights situation in Saudi Arabia has deteriorated, with dozens of cases of activists sentenced to long prison terms. A terrorism law that took effect in February 2014 has been used to clamp down on any dissent, taking advantage of its broad definition of terrorism. The Muslim Brotherhood has been included in a list of terrorist organisations banned within the kingdom. Repression has been especially acute in the country's Eastern Province, home to a large part of Saudi Arabia's Shia population.

In the Gulf neighbourhood, Saudi Arabia has focused on countering the spread of the revolutions. Aside from contributing to the US\$20 billion GCC economic package in support of the Bahraini and Omani regimes, Saudi Arabia took the lead with respect to more forceful action in Bahrain in 2011 and in Yemen in 2015. Saudi Arabia's calls for greater unity among the six GCC states were intended as a closing of ranks, not only to counter Iran but also to discourage any pressure for reform derived from the Arab uprisings. The withdrawal of Saudi, Emirati and Bahraini ambassadors from Qatar in March 2014 responded to this logic. The rift was linked to Qatar's position on the Arab uprisings, including Doha-based *Al Jazeera's* coverage, its support for the new governments and its hosting of Arab opposition figures.³⁰ The breach with Qatar has since been resolved, with the announced return of the ambassadors to Doha on November 16th, 2014. It is likely that the Gulf States decided that it is not in their interest to further fracture the region at a time when they should be collaborating to try to contain the spiralling insecurity.

Conclusion

Saudi Arabia is demonstrating increased dynamism and boldness in the use of its military and financial assets towards the defence of its interests. In an effort to exercise maximum damage control, the Saudis have prioritised strengthening regional alliances in order to confront the perilous security situation in the region. The impact of its policies on democratic governance has clearly been negative, in as much as it has pre-empted or suppressed any changes domestically, closed ranks in terms of security with the rest of the Gulf States to avoid the spread of revolution in their neighbourhood, and played politics in transition states.

The balance of power between the West and the Gulf has shifted toward the latter, accelerated by the growing threat of terrorism and the collapse of security in the region.³¹ The Gulf regimes have been confirmed as the region's political survivors, at least for now.³² Support for greater political accountability across the Gulf is unlikely, as security priorities prevail. But increased violence and sectarianism and the presence of non-state actors will make a return to stability, as provided by authoritarian regimes, all the more difficult.

(Endnotes)

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6. Turkey: illusions versus reality¹

Soli Özel and Behlül Özkan

When the Justice and Development Party (AKP) came to power in Turkey in 2002, it was able to build upon an emerging regional role to create a new, multifaceted Turkish foreign policy brand. Having positioned itself as a regional mediator during the first decade of the 2000s, by the time of the 2011 Arab uprisings, Turkey had shifted its role towards a more intrusive style in dealing with its Middle Eastern neighbours. Four years later, Turkey's once so promising regional standing lies in ruins. Ankara has lost its gamble on Islamists holding power in transitioning neighbours, has discredited its discourse on the need for democratisation across the region as a thinly veiled hegemonic ambition and has squandered most of its regional geopolitical capital.

The genesis of Turkey's current geopolitical paradigm

The end of the Cold War freed Turkey from a dependent relationship on its Western allies and reinvigorated Ankara's urge to be a 'lone wolf' exploring, during the Presidency of Turgut Özal, what Malik Mufti from Tufts University has called an 'imperial paradigm' for its foreign policy.² Economically driven, and carefully calibrating Turkey's existing alliance relations and the opportunities offered by the post-Cold War environment around Turkey, Özal's policies tried to free Turkey of its heretofore timidity in foreign affairs.

When İsmail Cem – Turkish foreign minister from 1997 to 2002 – took office, he announced that his goal was to make Turkey a state with global influence. By the end of 1999, the alignment with Israel since 1996 had beefed up Turkey’s intelligence and military capabilities, and when Turkey demanded the ouster of PKK (the Turkish Kurdistan Workers Party) leader Abdullah Öcalan and threatened Syria with war, Damascus was forced to let him go. Turkey’s rapprochement with Greece was well on track. Ankara also started to take serious steps towards European Union (EU) membership, and in 1999 the EU declared Turkey a candidate for accession. Ankara was now in a position to make overtures to Damascus since Öcalan was in jail and the war with the Kurds was effectively over. Cem was actively working to mediate in the Israeli-Palestinian conflict. Relations with Iran were also rehabilitated as economic interests brought the two neighbours closer together. In short, Turkey seemed to enter the new millennium with a much more active and constructive regional foreign policy.

The 2001 terrorist attacks in the United States (US) made the ‘Turkish experience’ (a secular, democratic, economically globally integrated country with a Muslim population that was a member of the North Atlantic Treaty Organisation and sought membership in the EU) exceedingly attractive as a partner and ally. The aftermath of the 2003 Iraq war, which Turkey, now under AKP leadership, did not support, created an unexpectedly propitious environment. Against the jihadist dystopia of al-Qaeda, the Turkish alternative presented a viable synthesis of religious conservatism and democratic liberalisation. At the same time, because of the failures of the Iraq war and its destabilising impact in the region, the US needed Turkey’s weight as a balancing force. Finally, important domestic business constituencies of the AKP, in search of new markets, favoured closer economic and social relations with the Middle East. The AKP’s ‘zero problems with neighbours’ principle along with the concept of ‘strategic depth’ responded to these requests.

The Middle East as Turkey's hinterland?

The first decade of the 2000s was a golden age of Turkish 'soft power' in the Middle East, (further boosted by the immense popularity of Turkish soap operas throughout the region). During this period, Turkey's foreign policy motto of 'zero problems with neighbours' seemed a viable strategy. Turkey marketed itself as an impartial 'mediating actor' in the region's conflicts, such as Israel-Palestine, Israel-Syria, Lebanon, and Iraq.

Enjoying growing influence in its new neighbourhood, Ankara pursued cordial relations with a broad range of players in the Middle East and North Africa (MENA). These included close ties with Syria and Iran despite tensions with Washington over such policies. While seeking good relations with Tehran, the AKP all the same tried to balance Iran's expanding influence in the region following Washington's misadventure in Iraq. Until Israel's 2008-9 Operation *Cast Lead* in Gaza, relations with Jerusalem were also close, and Turkey helped set up indirect talks between Israel and Syria.

Pragmatism informed Turkish foreign policy choices, even if a preference for ideologically kindred spirits also motivated some policy-makers. Prime Minister Erdoğan's furious response to the 2008-9 war in Gaza and the May 2010 attack on a Turkish aid ship, *Mavi Marmara*, in which 10 Turks were killed by Israeli soldiers, led to a dramatic cooling of diplomatic relations. The immense popularity of Erdoğan's anti-Israeli stance among Arab publics inspired the AKP to cash in on this popularity and build further domestic political capital with the broader Turkish public.

During its first term, the AKP focused on building close ties to the EU and promoting economic integration with Middle Eastern nations. This resulted in a trade boom in the years after 2002. Turkey's trade with the Middle East, which stood at US\$5 billion dollars in 2002, had multiplied eightfold by 2011, reaching US\$43.5 billion (see Figure 1). During the same period, the Middle East's share of Turkish exports increased from

7.2 per cent to 18.9 per cent. Turkey's reciprocal no-visa agreements with Middle Eastern countries from Syria to Libya, which started in 2009 with Syria and gradually expanded, fuelled a rapid rise in the number of Middle Eastern tourists visiting Turkey, from 957,000 in 2002 to 3.57 million in 2010 (see Figure 2).

Figure 1. **Turkey's trade with the Middle and Near East (in US\$ billions)**

Source: The Turkish Statistical Institute.³

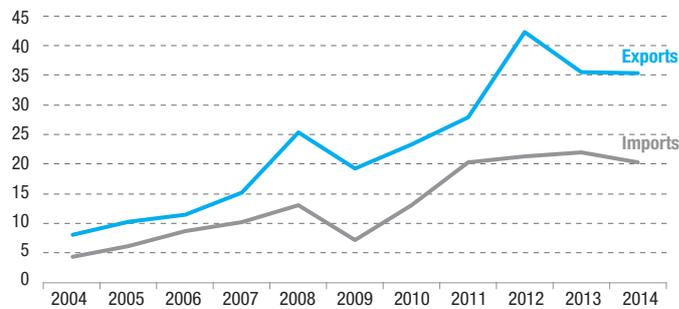


Figure 2. **Number of people entering Turkey from Middle Eastern countries as tourists (in millions)**

Source: Orçun Selçuk.⁴

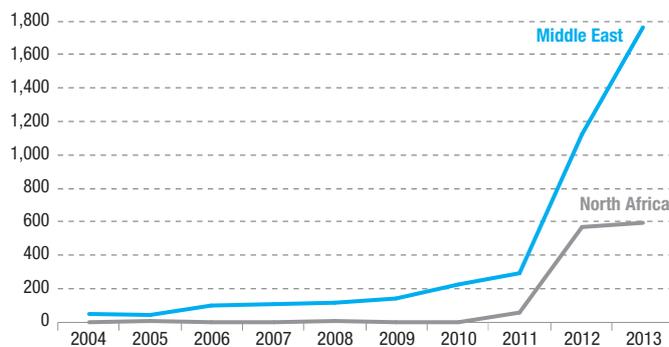


The appointment of foreign policy advisor Ahmet Davutoğlu as foreign minister in 2009 was a turning point for Turkey's Middle Eastern policy. By the time of the 2011 Arab uprisings, Turkey was no longer describing

itself as a ‘mediating actor’, but as an ‘order instituting actor’. This signified a shift from the careful approach of treating the region as a ‘zone of interest’ to seeing and treating it as a ‘zone of influence’. The latter implied a more intrusive style in dealing with neighbouring states. Davutoğlu’s foreign policy goals for Turkey, laid out in detail in his 2001 book *Strategic Depth*, formed the backbone of Turkey’s Middle East policy for the following decade. For instance, Davutoğlu told the Turkish Parliament in December 2011: ‘We are trying to implement this “strategic depth” in order to make Turkey a global actor [...] this is the essence of the foreign policy which we are attempting to put into practice every day’.⁵ Unlike traditional Turkish statecraft, Davutoğlu’s vision was imperious, depicting Turkey as the successor of the Ottoman Empire which ruled over the Balkans, Caucasus, and Middle East for five centuries. Accordingly, Davutoğlu defined these territories as Turkey’s ‘hinterland’.

Figure 3. **Turkish Official Development Assistance (ODA) to the Middle East and North Africa (in US\$ millions)**

Source: OECD.⁶



According to *Strategic Depth*, the collapse of the Ottoman Empire in 1918 and the emergence of ‘artificial’ Arab nation-states were the main causes of the political and economic disintegration of the Islamic world. However, Davutoğlu saw these triggers merely as having opened a century-long ‘parenthesis’ in the Middle Eastern order,

which was now coming to a close. The Middle East, he held, was bound to witness democratic revolutions like those of post-Cold War Eastern Europe. Dictatorships like Egypt, Syria, and Libya, and monarchical regimes like Saudi Arabia, Jordan, and the Gulf states, that lacked popular support, would be unsustainable. Although the AKP's policy in practice was largely pragmatic in its dealings with Middle Eastern regimes and accepted the regional political status quo, Davutoğlu's vision was inherently revisionist. For a country like Turkey that had been a status quo power since its inception, that position was revolutionary and potentially disruptive.

The mirage of opportunity of the Arab uprisings

Davutoğlu's strategic view was that Turkey should enhance its prestige with the peoples of the region by establishing close economic ties with Middle Eastern autocracies. But once the winds of change had begun to blow, Turkey should back ascendant Islamist parties, which enjoyed widespread support across the Middle East. Davutoğlu held that it was impossible for Turkey, a non-Arab country, to hold sway in a Middle East beholden to Arab nationalism. Accordingly, prior to the Arab uprisings, Turkey supported Islamist parties and regimes wherever they operated. Ankara forged ties with the Islamist regime of al-Bashir in Sudan. It provided critical support to Muslim Brotherhood-affiliated parties such as the Iraqi Islamic Party and Hamas in Palestine. Wherever such parties were in a precarious position, on the other hand, Turkey bided its time, establishing friendly relations with dictators like Assad in Syria, Mubarak in Egypt, and Gaddafi in Libya.

Davutoğlu saw the overthrow of Ben Ali in Tunisia and Mubarak in Egypt in 2011 as the start of the long-awaited transformation of the Middle East. Once the initial hesitation vis-à-vis these transformative events subsided, Turkey started to behave as a revisionist, 'order-

instituting actor' that would bring about the ascendancy of political Islam throughout the region. Yet the seeming moment of triumph that the Arab revolts were meant to be turned into the demise of the carefully calibrated Turkish image and record instead. As the AKP proved unable to suppress its regional hegemonic aspirations, the ambitious foreign policy it had forged began to unravel. Indeed, hubris had led it astray. The 'Turkish model' that nearly all major international players evoked at the beginning of 2011 turned out to be a mirage. International hopes invested in Turkey for guiding the emerging regimes on the path of moderation, inclusiveness and openness were bitterly betrayed.

Ankara's wise policies of earlier years such as remaining above sectarianism, not intervening in domestic affairs of neighbours, calibrating the language of foreign policy with care and having regard for others' interests were precipitously dropped. Nowhere was this deterioration of patience more visible than in Syria. After futile attempts to convince Bashar al Assad to liberalise, Turkey took an unbendingly bellicose line against the Ba'athi regime. Not only did it criticise the regime's violence, it chose to become the midwife of the opposition in order to facilitate the rise of the Syrian Muslim Brotherhood as a relevant political actor. Ankara, along with Qatar and Saudi Arabia, supported the Free Syrian Army, favouring the Muslim Brotherhood component and thus became party to its neighbour's civil war. Acting in concert with oppressive regimes like Saudi Arabia and Qatar, though, seriously undermined Ankara's own claim to be the agent of democratisation in Syria.

In its haste to oust the Syrian regime, the government chose to turn a blind eye to the activities of radical, dangerous Jihadist elements that crossed the border unimpeded. These militants typically moved into Syria via the Turkish-Syrian border, a route popularly known as the 'Jihadi Highway'. As the war dragged on much longer than Ankara anticipated, Turkey fell into the trap of sectarianism, and became identified with the Sunni camp. Due to its lack of military, economic, and political reach, the Turkish government could only watch as radical

Islamist groups took over and controlled large parts of Syria. Turkey's inability to respond to Syria's provocations militarily and its failure to persuade its allies to intervene exposed the great gap between Ankara's ambitions and its capacities.

Not about democracy: Turkey's lost Islamist gamble

After 2011, Turkey viewed Islamist parties in Tunisia, Syria, Yemen, Egypt and Libya as its natural allies. It appealed to Saudi Arabia, the US, and the EU for support, arguing that the ascendancy of these parties was a democratic imperative. However, Saudi Arabia, Turkey's ostensible partner in Syria, viewed the Muslim Brotherhood – which came to power through elections – as an existential threat. At the same time, Turkey's overt or covert ties to radical Islamist groups in Syria gave rise to serious misgivings in the West. These failures, combined with the government's reluctance to normalise relations with Israel, despite an apology by Israeli Prime Minister Netanyahu for the *Mavi Marmara* incident that President Obama personally brokered, soured relations with Washington as well.

The desire to see kindred spirits (i.e. Islamist parties) in power undid Turkey's policy towards Egypt, and throughout the region. Having been exclusively concentrated on helping out the Muslim Brotherhood government, Ankara's Egypt policy fell apart when that government was ousted in the 2013 military coup. Prime Minister Erdoğan's response to the coup went beyond simple criticism. The Turkish discourse of sanctifying the will of the people turned into a diatribe against all parties that either kept quiet or actively backed the Sisi regime. For example, Erdoğan said in July 2013 that 'those who cannot call a coup a coup are supporters of the coup'. No country was spared the abusive language used by Erdoğan and his colleagues with the result being that Turkey found itself cut off from Egyptian affairs, and isolated in the international community.

Yet, it was obvious that Ankara misread the correlation of regional forces at a crossroads moment, including within Turkey itself. Just prior to the Egyptian coup, the Turkish government responded with fury and intense violence to the domestic protests triggered by urbanisation plans for Istanbul's Taksim Gezi Park in June 2013. The prime minister presented this genuine demonstration of frustration and discontent as part of a wider conspiracy, and gave unconditional support to the police that overused pepper gas, killing 8 individuals and blinding 11. As Ankara's own governance practices undermined the rule of law, Turkey's democratic credentials were devalued internationally. Under such circumstances, Turkey's defence of various Brotherhood outfits in the name of majoritarian electoral legitimacy was stripped of credibility.

But not only did Turkey lose the high ground in terms of the democratic image that had been among its major geopolitical assets internationally. Ankara's choices in Syria and its inability to adjust to changing conditions on the ground also led to an erosion of its geopolitical advantages. By the end of the fourth year of the Syria conflict, Turkey had lost much of its prestige throughout the region as well as among its global allies. Its permissive policies towards Jihadist groups were widely criticised, including by the Vice President of the United States.

Today, Turkey's once so promising regional standing lies in ruins. Ankara's main political partners in the region are non-state actors such as Hamas and the Egyptian Muslim Brotherhood. Ankara has no ambassadors in Israel, Egypt or Syria. In the Eastern Mediterranean, two triangular alignments, one between Greece, Israel and Cyprus and the other between Israel, Egypt and Cyprus, threaten Turkey's core interests. Under immense pressure, Ankara's main remaining ally, Qatar, has been forced to get in line with other Gulf countries (especially Saudi Arabia). Even in its most promising strategic investment, its close relations with the Kurdistan Regional Government in Iraq, Turkey's choices have led it to lose ground to Iran and Ankara's nemesis, the PKK.

The *coup de grace* against Turkey's Middle Eastern policy came in the predominantly Kurdish town of Kobane in Syria, where forces of Daesh (the self-proclaimed Islamic State) besieged the city. The sudden expansion of Daesh in June 2014 and its takeover of Mosul in Iraq changed the strategic balances in Syria and Iraq. Effectively, the border between the two countries in the predominantly Sunni parts of each country disappeared. Despite warnings, the Turkish government chose not to evacuate its Consulate in Mosul before it was taken over by Daesh. As a result, Daesh took 49 Turkish hostages.

Ultimately the fighters of Kobane were aided by US air strikes, and US pressure finally led Turkey to allow Kurdish Peshmerge forces from Iraq to cross its territory and go fight alongside the defenders of the city, forcing Daesh to withdraw. In addition, Turkey's Kurdish citizens had relatives in Kobane and wanted to fight there but were prevented from crossing the border, so Ankara's policy towards Kobane also harmed Turkey's domestic Kurdish reconciliation process. In sum, Turkey's failure to respond effectively to the Kobane siege sealed the demise of its ambitions to be a regional power with the capacity to shape the new structure of the Middle East's tragically collapsed order.

Conclusion

The AKP government's Middle Eastern policies in the wake of the 2011 Arab revolts clashed with much of Turkey's time-tested traditional geopolitical inclinations. Davutoğlu's preferences, supported by Erdoğan, did away with Ankara's erstwhile pragmatism and let ideological considerations guide policy instead. The behaviour that ensued in recent years as a result of this imprudent delusion cost Turkey the one realistic window of opportunity to become a key regional power. Turkey's thinly veiled geopolitical expansionism has discredited its superficial democracy discourse, which was undone by both Turkey's domestic record and its tacit support to anti-democratic forces across

the region, including acting as a midwife of Sunni Jihadist radicalisation in Syria and Iraq. Picking up the pieces, the realist tradition of Turkish foreign policy is likely to make a comeback: whatever its governmental rhetoric in the coming years, Turkey will seek to reposition itself along more traditional lines, by the side of its American ally and mending ties with the key regional powers.

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GEOPOLITICS AND DEMOCRACY IN THE MIDDLE EAST

PART II: EXTERNAL ACTORS

7. China: the limits of neutrality¹

*Kerry Brown*²

As of the end of 2014, China is the second-largest trading partner of the Arab world. In 2013, China surpassed the United States (US) as the Persian Gulf's main oil client. From 2003 to 2013, China's crude imports from the Middle East and North Africa (MENA) grew by 12 per cent annually, and China-Arab trade by 25 per cent. China's energy needs have guided much of its Middle East strategy. Although in recent years China's relations with the region have economically broadened, its larger strategic intentions, and in particular the prospects of stronger political and security engagement, remain uncertain.

Unlike the US or the European Union (EU), China does not have a specific Middle East policy. Its approach sits within generic foreign policy parameters, respect for sovereignty of others and non-interference in their domestic affairs, and support for a more multi-polar world order as an alternative to Western hegemony. The Chinese State Council, China's highest executive body, has issued White Papers on many foreign policy subjects, but not on relationships with the Middle East.

The complexity of the Middle East region is mapped in the modes of engagement between China and its partners there. A China-Arab States Cooperation Forum (CASCF) was founded in 2004. China's relations with

the League of Arab States and the Gulf Cooperation Council (GCC) are currently low profile. A strategic dialogue with the GCC to structure the relationship was only established in 2010, long after similar dialogues were launched with the EU and the US. Until then, China had not talked of a 'strategic partnership' with any country or grouping of countries in the Middle East, although Beijing has recently started to show a desire to potentially develop these types of higher-profile relationships. Its dominant discourse has been in terms of economic cooperation, especially on energy. And while China has increasingly expended time and effort on some of the major MENA countries, it has not, as Russia did over Syria at the United Nations (UN) in 2012, unilaterally taken policy positions on regional issues that might lead to tensions with others, including Western countries.

What marks Chinese Middle East relations are the ways in which they are intimately linked to its domestic energy policy. While emerging links between jihadist terrorist campaigns in the Xinjiang region and groups in the Middle East are starting to worry Beijing much more than before, its policy in the region is driven mainly by the imperative to preserve access to energy resources.

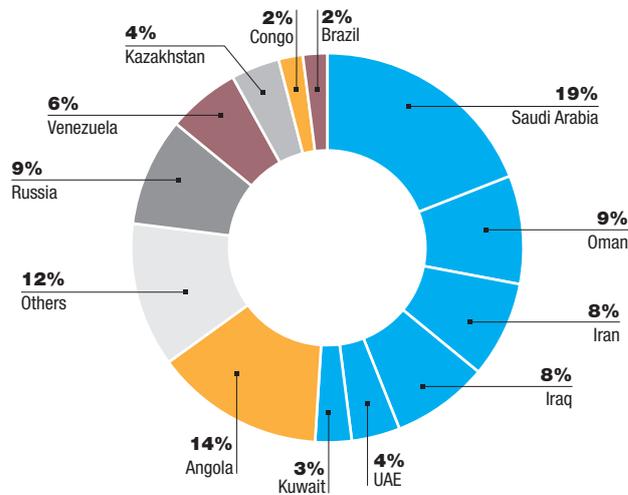
China has traditionally defined its diplomatic interests in concentric circles, where the US is its top priority; the EU and China's regional neighbours such as India, Japan and Russia are included in its second tier concerns; and a number of other circles extend out, from the wider Asia Pacific to Latin America and Africa. In this ordering, geopolitical importance to China is determined in terms of investment, economic relations and natural resource supplies. In this picture, the Middle East is unique for China – of moderate priority compared to many other regions with the exception of the primacy placed on its oil supplies. The preservation of access to these means that China is a cautious player in Middle Eastern political and security affairs, a caution reinforced by the complexity of domestic politics within the region. Its default position is to aim for neutrality. Its MENA policy struggles to reconcile defending key geo-economic interests with a preference to remain hands-off politically.

Oil, trade and investment

Of the 20 per cent of Chinese energy needs that come from oil, over half of this is sourced in the Middle East.³ China’s total imports from the Middle East (primarily composed of crude oil and gas) grew from US\$3.8 billion in 1999 to US\$160 billion in 2012.⁴ China’s oil trade with Saudi Arabia alone has risen 10-fold since 2003. According to figures from the Organisation for Economic Cooperation and Development (OECD), Saudi Arabia has replaced the US as China’s single most important trading partner. Projections from the International Energy Agency in 2012 suggested that Middle Eastern oil exports to China could more than double by 2035.⁵

Figure 1. **China’s crude oil imports by source, 2013**

Source: US Energy Information Administration.⁶



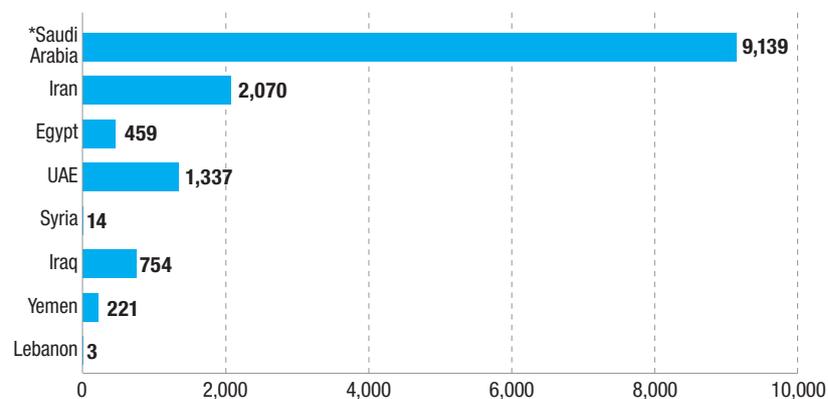
Chinese exports and foreign direct investment into the region have also soared over the past decade. Between 1999 and 2012, Chinese exports to the MENA grew from US\$6.47 billion to US\$121 billion. In 2012, China’s most important export destinations in the region were the United Arab Emirates (UAE) (US\$30 billion), Saudi Arabia (US\$18 billion), Iran

(US\$11 billion), and Egypt (US\$8 billion). Primary export goods included light industrial products, textiles, clothing, machinery, and automobiles.⁷ Investments in the Middle East have also grown, with Saudi Arabia, Iran, Egypt, the UAE and Iraq figuring amongst its top commitments, up to 2012. Middle Eastern investments into China are negligible by comparison, with only Turkey, Israel and Kuwait making any meaningful commitments, none amounting to more than US\$189 million stock (Israel). The vast majority of Chinese investment is in energy projects, with some diversification recently into tourist and transport infrastructure, particularly in Egypt where an agreement was signed in 2012 to build a high-speed train link between Cairo and Alexandria. China's most important economic actors in the region are the state energy companies – Sinopec, Petrochina and the Chinese Offshore Overseas Oil Corporation.⁸

Figure 2. **Chinese foreign direct investment stock in the MENA region, 2012 (in US\$ millions)**

Source: OECD.⁹

* Data for Saudi Arabia corresponds to 2010.



In order to provide a more coherent framework for engagement, Chinese President Xi Jinping has talked of a 'New Silk Road' from 2014, revising this into the phrase 'One Belt, One Road' in early 2015.¹⁰ This concept attempts to promote a zone of economic interest for

China that reaches throughout Central Asia and into the Middle East, encompassing energy and broader trade and investment issues. At the moment, however, the idea is just that – a concept with little substantial policy content.

The dilemmas of non-interference

Historically, China has used its mantra of ‘non-interference in the affairs of other countries’ to maintain good relations with almost all Middle East countries. For example, in the context of the Israeli-Palestinian conflict, it was a strong ally of the Palestinian Liberation Organisation (PLO) under Arafat in the 1980s while still enjoying good relations with Israel (which has been one of Beijing’s main arms suppliers in recent decades).

The 2011 Arab uprisings provided China with the most difficult test to its largely non-committal stance. It banned discussion of the revolutions via the internet domestically, and clamped down on political activists who attempted to draw parallels between China and the situation in Egypt and Libya. Some Chinese officials deflected this by saying that the Arab protests were against inefficient governance, a charge that could not be levelled at China. The removal of Mubarak in Egypt, the collapse of Gaddafi’s regime in Libya and the uprisings in Syria, however, were deeply unsettling to Beijing. In acclimatising to the new situation, it often found itself wrong-footed. It embraced the Morsi regime in Egypt in 2012, and hosted Morsi’s first foreign visit to Beijing that year. But his removal in the summer of 2013 was followed by a period of rebuilding bridges and trying to figure out how to work with a new leadership that seemed much closer to the US.

On Libya, Beijing abstained from the 2011 United Nations Security Council (UNSC) vote sanctioning military intervention. But following the North Atlantic Treaty Organisation-led (NATO) air campaign and

Gaddafi's removal from power, Beijing felt it had been misled into implicitly supporting regime change, believing that the UNSC resolution only allowed military intervention for humanitarian purposes. It also had to ship out over 36,000 citizens from the country, its largest ever repatriation. Since then, China has tried to rebuild relations with Tripoli, mainly in an effort to recover some of its pre-war construction and infrastructure contracts, which were worth some US\$20 billion before the 2011 conflict.

Since the hype surrounding the 2011 evacuation operation, Chinese media have largely remained silent about developments in Libyan politics. There have been few documented ministerial meetings between the two countries. In January 2015, Deputy Foreign Minister Hassan Al-Saghir met with his counterpart in Beijing. According to the Ministry of Foreign Affairs news portal, this was the first high-level meeting for over a year. However, it is clear that the Chinese government is concerned about the potential impact of instability in the country. Amid recent tensions, the Chinese government issued a call to its citizens to evacuate Libya in April 2015. The Libya experience framed China's subsequent response to Syria, where it stood with Russia, despite immense pressure from the US and the United Kingdom (UK), and voted against any military involvement. In view of the ongoing instability in Libya, and to a lesser degree in Egypt, Beijing now probably feels vindicated in believing that the US and its allies were naïve in thinking that political reform along the lines originally envisaged was really going to offer quick and sustainable solutions.

Perhaps the sharpest challenge to its framework of 'neutral' engagement has come through the rise of Daesh (also called the Islamic State). Reiterating its position on non-intervention and responding cautiously to the US-led coalition combating Daesh, this is compromised by increasing evidence of its own citizens' involvement in the conflict.¹¹ In September 2014, Chinese state media reported claims of Chinese militants receiving training from Daesh in Iraq and Syria.¹² Daesh leader Baghdadi called for Chinese Muslims to pledge allegiance to the group.¹³

In February 2015, three Chinese Daesh militants were executed by the group for attempted desertion, and on April 7th Turkish authorities detained two Chinese members of Daesh at the Turkish-Syrian border. The Chinese government has drawn a direct link between jihadist militancy and its own security concerns in the western Xinjiang region, where terrorist activity has increased over the last decade. Despite this, so far China's contributions to the international efforts to fight Daesh have remained limited. In September 2014, Beijing pledged 60 million RMB (approximately \$US9.7 million) in humanitarian aid to Iraq, an insignificant amount when compared to the \$US186 million in humanitarian aid offered by the US in the 2014 fiscal year.¹⁴

Since 2011, the horrendous conflict in Syria and the subsequent strengthening of jihadist Islamist extremism have shown the strengths and weaknesses of the Chinese position. On the one hand, Beijing feels it has been proven right in its scepticism about the effectiveness of sweeping away former regimes and replacing them with new, often- weaker ones. On the other hand, the moral bankruptcy of simply standing back and watching Syria's self-destruction has shown that the world's second-biggest economy has little geopolitical imagination when it comes to trying to solve problems in a region with which it has increasing economic links. The most that China has offered is US\$3.3 million humanitarian assistance as of early 2014.

A political role for China?

The combination of China's increasing economic and geopolitical weight, along with its continuing need for imported oil from the MENA region, poses challenges to its preferred low profile position, where its political commitments are only focused on defending what it believes are its core interests. An example of the sort of deeper political and diplomatic role China might play can be seen in the Iran nuclear negotiations. In April 2015, China's Foreign Minister Wang Yi announced a 'four-point pro-

posal' for the Iranian nuclear negotiations, which included upholding and supporting political leadership for all the negotiating parties and ensuring they both met each other half way rather than undermining them.¹⁵

Behind this benign and pragmatic framework, however, were harder Chinese national interests at work, most notably the gains that might come China's way with the lifting of Western sanctions. A week after the framework agreement with Iran was announced, an Iranian delegation led by Oil Minister Bijan Namdar Zangeneh travelled to Beijing to discuss prospective oil trade with China International United Petroleum and Chemicals Company (Unipec), Sinopec, and Zhuhai Zhenrong. Iran has also become a founding member of the Chinese-initiated Asia Infrastructure Investment Bank, which is part of the 'One Belt One Road' initiative and exists to support major infrastructure investments across the region.

In view of these mounting signs of deeper Chinese involvement, the idea of maintaining a simple economic focus without having a strategy to deal with harder security issues is unsustainable. Already with Iran, China has intimated at something more substantial. In May 2014, Chinese Defence Minister Chang Wanquan said he wanted to 'deepen defence relations'. According to the Xinhua news agency, Chang told Iranian Defence Minister Hossein Dehqan that the development of bilateral relations has 'remained positive and steady, featuring frequent high-level exchanges and deepened political mutual trust'. While few details of what the content of a defence relationship might look like have been provided by Beijing or Tehran, even voicing the concept was a bolder move than China had hitherto made.

And yet, Beijing gives very mixed signals on its desire for greater political engagement in the MENA region. In April 2015, Gong Xiaosheng, China's new special envoy to the Middle East, suggested that the 'One Belt One Road' policy mentioned above could help create peace in the Middle East by interlocking different countries into a trading relationship with each other and China, supported by

low tariffs and bilateral and multilateral trade accords where they gain more from stability and peace than through conflict.¹⁶

At the same time, recent examples of Chinese involvement in more political areas are not promising. In January 2014, Iran and China reached an agreement to cooperate on internet censorship. Iran's minister for communications and internet technology said that Iran welcomes 'the activities of the strong Chinese internet companies to implement and enforce the National Information Network in Iran,' and hoped 'Chinese companies would strengthen their presence in Iran'.¹⁷ Iran has also been consciously partnering with China on human rights issues, because of China's refraining from criticising its policies. In light of the UN Human Rights Council's 2014 Periodic Review of Iran's human rights record, China simply 'called upon the international community to examine human rights in the country objectively'.¹⁸

In line with its non-interventionist mantra and its pragmatic pursuit of economic interests in the Middle East, China's policies in the region aim to maintain 'stability' in the sense of favouring the political status quo over revolutionary upheaval. The Chinese Communist Party (CCP) has repeatedly stated that each country has unique circumstances to take into consideration. Therefore, China's impact on the prospects for democracy in the region has been mostly indirect, albeit significant, as its non-interventionist policies – including as a veto power in the UNSC and as the region's number one oil client – have tended to favour incumbent authoritarian rulers, such as Bashar al-Assad in Syria or the Saudi monarchy. Conversely, China's neutrality and policies of non-interference in internal affairs has made China an attractive partner to many authoritarian governments. However, given the Middle East's history of shifting loyalties, a recent piece published by *Foreign Policy* argues that 'China cannot continue pursuing a risk-averse foreign policy and simultaneously emerge as a leader in the rough-and-tumble arena of Middle East politics. For Xi, it will be an either-or decision'.¹⁹

Conclusion

China's growing dependence on Middle Eastern energy is likely to gradually undo its narrow geo-economic focus on the region. Beijing's growing economic stakes in the Gulf will necessarily go hand in hand with an increasing need to take the securing of these stakes into its own hands. China has been sending mixed signals in this regard. Beijing struggles to come to terms with its fundamental Middle Eastern dilemma: how to actively secure one of its key geopolitical interests (oil supply) without damaging another (the principle of non-intervention on which its broader foreign policy relies).

For the West, a stronger political role for China in the Middle East could be both boon and bane. Keen on involving China more closely on multilateral solutions to pressing Middle Eastern crises, the EU and the US might be underestimating the spoiler role an enhanced Chinese political and security engagement in the region may imply. China's siding with Russia on Syria gave a glimpse of what a stronger political involvement from Beijing could mean for regional dynamics. Many of the Middle Eastern crises have global reach and can only be tackled jointly by all the main players active in the region, including China. But whether and how Beijing wishes to play a stronger and more cooperative political role in the Middle East remains unclear.

(Endnotes)

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8. The European Union: inclusion as geopolitics¹

Richard Youngs

The European Union's (EU) policies in the Middle East have been implicitly, not overtly, geopolitical. The conventional view is that the EU cannot do and resolutely recoils from geopolitics. This is overstated. EU policies do not fit the mould of classical geopolitics, but they do reflect a distinctive way of thinking about strategic interests. In 2011, the Arab spring's flush of enthusiasm appeared to give these approaches a persuasive resonance. Today, however, the Middle East's geopolitical contours more mercilessly expose their shortcomings. The EU consequently finds itself at a crossroads in its Middle Eastern policy. Some suggest that the EU should now move from an implicit to an explicit focus on geopolitical interests.

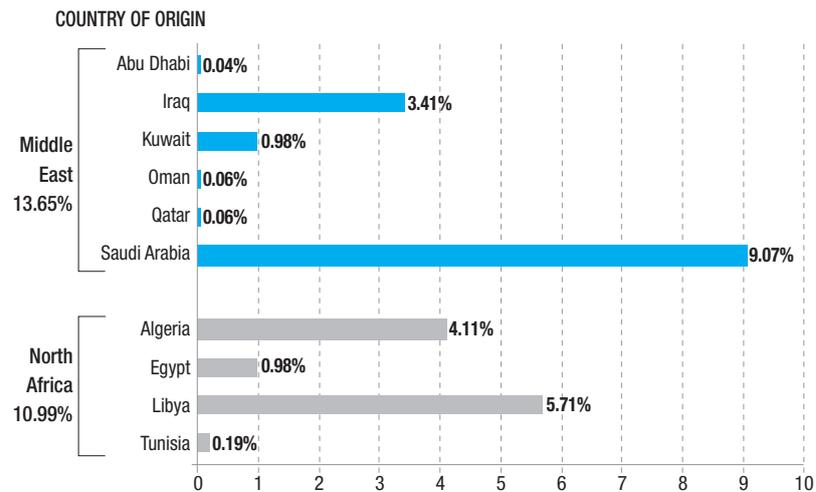
However, the EU should not attempt to become a standard geopolitical actor. It is not set up to be one. The EU-level of overall European policies can contribute to addressing the Middle East's emerging geopolitics in more subtle ways. In particular, the EU's relationship with its member state policies will be of vital importance in defining a more effective European strategic approach towards the Middle East and North Africa (MENA).

A geopolitical crossroads

The European Union – understood here in its narrowest sense as the EU institutions – is not the same kind of actor as other powers. This makes its relationship with geopolitics difficult to define. The EU has competences that are relevant to geopolitical interests. But it does not have the ability to act geopolitically in complete separation from member state governments – and it is the latter that have direct democratic responsibility to their citizens for providing security.

Figure 1. **MENA shares of EU crude oil imports, 2013**

Source: European Commission.²



The overall EU geopolitical interest in the MENA region is well known, not least since the proximity of the region exposes the EU to Middle Eastern instability. Many documents, such as the 2003 European Security Strategy, have reiterated the EU's interest in stable and well-governed states in the Middle East, regional security cooperation and non-proliferation of nuclear weapons. In addition, the presence of

migrant communities in Europe means that MENA challenges resonate in more intense ways than in some other external actors, like the United States (US). For example, counter-terrorism and counter-radicalisation are both domestic and foreign policy priorities. The EU also depends on the region for a significant share of its energy needs (shown in Figures 1 and 2). The figures show that EU commercial ties with the region are growing, albeit well below their potential (Figures 3 and 4). Moreover, the EU spends nearly a fifth of its external aid in the southern Mediterranean (Figure 5). All this makes the MENA region hugely important for the EU.

Figure 2. **MENA shares of EU natural gas imports, 2013**

Source: Eurostat.³

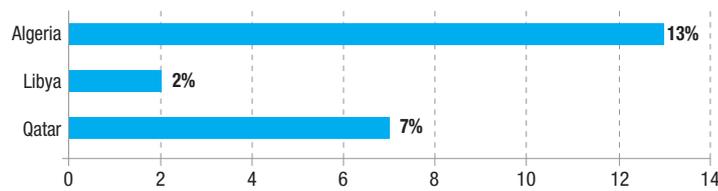
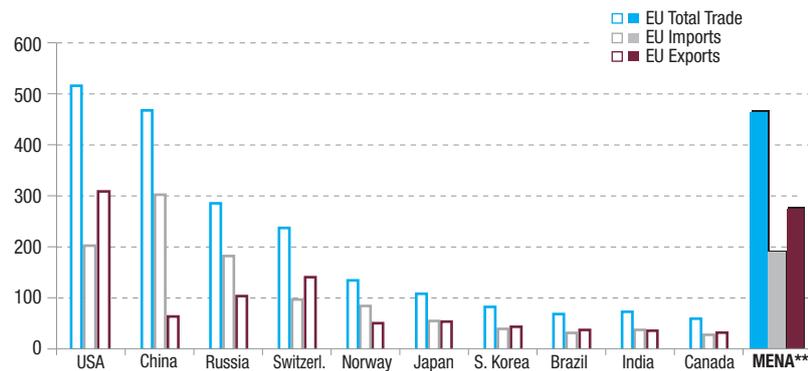


Figure 3. **EU trade with main partners, 2014 (in € millions)***

Source: European Commission.⁴

* Excluding intra-EU trade.

** MENA figures include Turkey



The EU has policy instruments that exist in addition to those deployed by member states. In certain circumstances, these serve to leverage the combined weight and influence of the Union’s member states. At the same time, the EU institutions – primarily the European External Action Service (EEAS) and different Directorate Generals in the European Commission – have an approach to Middle Eastern challenges that is different from many member state policies. This approach is ‘inclusion as geopolitics’.

Figure 4. **EU exports to MENA (including Turkey)**

Source: European Commission⁵

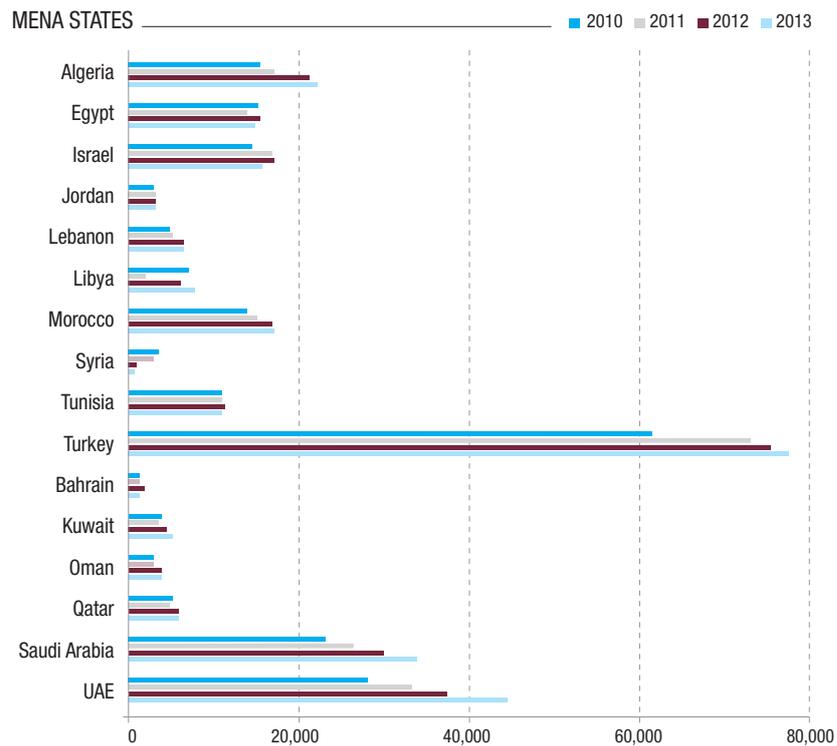
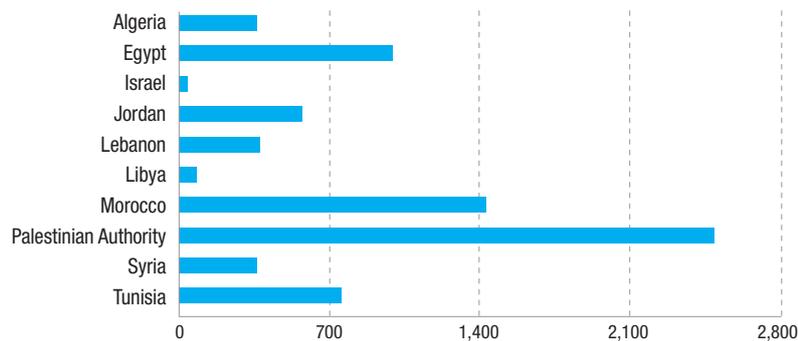


Figure 5. **EU aid to southern neighbourhood states, 2007-2013**
(in € millions)

Source: Europeaid.⁶



Many analysts have unpacked how the EU sets itself up as a kind of benign, post-modern empire, which exerts influence over neighbouring states by incorporating them into its own governance system. This is geopolitics on the basis of voluntary inclusion rather than imposed coercion, of shared power and partnership rather than subjugation and hard-power tutelage. It is an approach that draws much from EU policies in Eastern and Central Europe in the 1990s – applying a similar logic to a very different regional context.⁷

The EU's potential to exert influence in the Middle East appeared to rise in the wake of the 2011 Arab spring, which inspired widespread hopes for democratic reform throughout the MENA region. The aim of supporting incipient political change seemed to play to EU strengths, and the Union upgraded its reform instruments. The EU offered some MENA states fuller economic integration into its vast single market; an additional €1 billion of financial resources to accompany economic, political and social modernisation; and more generous access to labour markets. All these offers to the Middle Eastern participants in the EU's European Neighbourhood Policy (ENP – the Union's main policy

framework for relations with its immediate neighbours to its south and east) were conditioned on a willingness to implement economic and political reform.

In addition, in contrast to some national governments, EU officials engaged directly with Islamists – not least because they saw the latter as future power-holders, in particular the Muslim Brotherhood in Egypt – and mediated between hostile political camps. These were all dimensions of policy where EU instruments provided an added value over and above member states' national foreign policies. And in 2011 these instruments seemed to be pulling in the same direction as – and amplifying – member states' geo-strategic intentions.⁸

There are a number of examples of the (sometimes modest) positive impact of the EU's approach. The EU has been a factor in pushing some improvements to economic governance standards in countries like Morocco, such as competition law and transparency requirements. It has helped solidify certain state structures in Jordan and the Palestinian Authority, especially planning ministries. It has helped bring about some convergence in energy regulations north and south of the Mediterranean, a geopolitical contribution to what have been relatively untroubled energy security relations. The EU has also encouraged mutually hostile actors into more dialogue than would otherwise have been the case – for example in Yemen, Tunisia and Egypt.

The MENA region's slide into more visceral conflict and uncertainty is not the EU's fault. But neither the EU nor the US has been able to reverse this trend. The EU's policy instruments of inclusion have not sufficed to prevent states descending into brutal violent conflict and exporting instability across borders, and there are many examples of the limited impact of the EU's approach.

For instance, ENP trade and aid instruments were used as the main means of engaging with Syria's Assad regime. After Colonel Gaddafi's

ousting in 2011, the EU deployed many initiatives on the ground in Libya, and offered the new government inclusion into the Euro-Mediterranean Partnership (EMP) and ENP frameworks with conditions based on incentives (these incentives were labelled by the then EU foreign policy chief as the ‘three Ms’ – money, markets and mobility). An EU neighbourhood action plan was offered to Algeria, and a free trade accord to Egypt, and the Union poured over €50 million into shoring up Yemen’s fragile, mediated transition. In all these cases, regimes have either rebuffed EU cooperation or they have accepted the EU’s money and then have pushed back against its associated norms of positivism, cooperative security.

Today, it is clear that the EU’s indirect, geopolitics-as-inclusion of the last decade failed to deal with some key emerging dangers. While it spurred dialogue on formal commitments to reform, it did not dissect or target the vested interests that have then scuppered economic and political modernisation. While it rightly pursued diplomatic engagement with ‘difficult’ regimes and some opposition groups, it did not have the means to cash in any leverage when events took ugly or problematic turns – especially in Syria, Egypt and Lebanon. And the EU engaged in little action that aimed to forestall the competitive power politics that now dominates within the Middle East.

Adjusting to a new era?

EU decision-makers face a geopolitical crossroads in the Middle East. It is self-evident that the MENA region has entered a turbulent and unstable period. The focus has shifted from hopes for political reform to conflict management. Sectarian divisions, radical identities and power rivalries have all become more significant drivers of change in the region.⁹

There is broad consensus within EU institutions that this new reality warrants fundamental changes to EU strategy in the region. As the EEAS and

the European Commission carry out a year-long review of the ENP this year, EU diplomats say the aim must be to make policy in the neighbourhood more like 'normal' foreign policy. The EU must think and talk more explicitly in terms of protecting tangible interests. EU policy can no longer be based on the assumption that neighbouring states will smoothly align themselves with (and into) an EU sphere of governance. Speaking at the March 4th launch of an ideas paper on the EU's strategy towards its neighbourhood, the EU foreign policy chief, Federica Mogherini, said that the Union 'needs to move from an approach very much based on the evaluation of progress to a more political approach'.

As security problems bring national governments' diplomacy centre-stage, the role of EU instruments is less clear. The classic geopolitical concepts of 'balancing' and 'band-wagoning', 'containment' and 'securitisation' have quickly moved into the foreground of Brussels debates – the kind of concepts long alien to EU institutions. The focus is on traditional forms of security alliances more than milieu-shaping regional frameworks like the Euro-Mediterranean Partnership.

So, what role can the EU play in this new context? It would certainly be naïve for the EU to continue as if nothing new were afoot in the MENA region. But as they review their policy instruments, EU officials should take care not to shift too far in their conception of geopolitical imperatives or be too tempted by the siren call of purely *realpolitik* diplomacy.¹⁰

The EU certainly needs a strategy that is more geopolitically sensitive to changes in the Middle East, and policies that are not quite so instinctively led by technocratic matters related to the EU's own *aquis* (rules and standards). But care is needed: today's wall-to-wall advocacy of a more 'geopolitical approach' could easily open the door to policies that harm rather than advance European interests.

The common line of reasoning now is that the EU must accept regimes as they are rather than trying to remake them in its own image – due

to both its strategic interests and its diminished influence. However, a policy less oriented towards expanding the sphere of 'euro-governance' should not mean turning away from the underlying drivers of instability.

Far from being blind to geopolitical realism, the EU has already shifted towards securitising its cooperation. To illustrate: in the case of Jordan, the EU has diluted conditions for access to its funding, lowered the priority of supporting political and economic reforms, and redirected funds towards stabilising the country's borders and dealing with its influx of Syrian and Iraqi refugees. This shift in priorities is entirely understandable; yet, reform imperatives should not be unduly neglected.

The adoption of a more geopolitical policy should not serve as a (in reality, domestically-driven) pretext for arguing that opening European markets or offering freer movement to Arab workers is no longer necessary. Nor should it become shorthand for a policy of keeping the region at a distance instead of working to deepen inclusive cooperation. And it should not point the EU towards using its funds to prop up regimes guilty of atrocious rights abuses. This is a risk now with the military regime in Egypt, as the EU moves towards agreeing a new aid programme. Moves in the direction of exclusionary containment are unlikely to preserve the EU's long-term strategic interests.

Another argument now frequently made is that the EU should drop its ambitions for building regional cooperation (both within the Middle East and between the EU and MENA region). These ambitions certainly need reframing. Many Middle Eastern regimes are today less interested in regional cooperation than they were a decade ago. But the EU would be ill-advised to give up entirely on encouraging regional cooperation. Again, it would not make for good geopolitics to swap these efforts for a focus only on individual, favoured allies. With many medium-sized powers competing for influence, and no clear hegemon in the region, efforts to build regional norms and rules are more, not less, necessary. The threat from Daesh (also called the Islamic State) is already pushing Iran,

Sunni regimes and even Israel to explore (or at least consider) possible coordination.¹¹

One positive effect of the crisis in Iraq and Syria is that most European policy-makers do now realise the need for a broader Middle East strategy – that also involves adjacent regions such as the Sahel. It is woeful that this still does not exist, fully four years after the initial Arab revolts began to shift alliances across the region. The EU needs to adapt to the region, rather than seeking to adapt the region to its own prisms.

With or against member states?

A crucial question for European strategy in the MENA region is the complex relationship between collective EU strategy and member states' national foreign policies. Are EU instruments a layer of policy that dovetails with and gives added weight to national governments' strategies in the Middle East? Or do they function as an attempted corrective of the latter, left to function with some autonomy but in practice seriously countermanded by member states' very different approach to geopolitics?

The answer is: a bit of both. In their responses to the Arab spring, EU and member states' policies have evolved sometimes in harmony and sometimes in tension with each other. For example, there has been harmony on supporting consensual and inclusive types of reform, but tension on geopolitical engagement in the Gulf. European foreign policy in the Middle East has been neither 're-nationalised' nor 'Europeanised'; rather, national diplomacy and EU initiatives have developed simultaneously and in parallel.

Part of the European response to the Arab spring was attempting to make real the long-held aim of a cooperative Euro-Mediterranean security community. A number of EU-Mediterranean fora that were relatively dormant, or at least lacklustre, in the years preceding 2011 were (at least for a while) injected with a new lease of life. To some extent, these worked

to leverage the combined weight of member states' presence in the Middle East, and acted as a geopolitical multiplier to national diplomacy and policy instruments.

But another part of the response was member state activism aimed at controlling the geopolitical impact of political change. In some parts of the Middle East, the Arab spring encouraged European governments to give greater priority to bilateral, national foreign policy action. The most notable example of this was in the Gulf – where the three bigger member states (France, Germany and the UK) were concerned that revolts could put their security interests at risk (alongside competing for commercial contracts).

A lack of coherence between national and EU policies is not new (and does not only apply to the MENA region). But in the emerging Middle Eastern geopolitical (dis)order, it is even more acutely necessary to coordinate. This is not about boosting EU instruments to the detriment of national foreign policy efforts. Rather, the premium is on more effective harnessing of the two levels to mutual advantage.

The geopolitical interest and role of the EU must be to coordinate member states more effectively. In a sense, a lot of what it means for the EU to be 'geopolitical' lies precisely in the management of this linkage. Active member states insist that their new security engagement – bases in the Gulf, arms sales, training the Jordanian or Algerian security forces – opens the way for engagement on more structural security reforms. The EU should orientate its initiatives to play this security sector reform role – and demonstrate that member states are not disingenuous when they make such claims.

In addition, many member states are worried about the domestic fall-out of returning violent jihadists, and agree on the need for counter-radicalisation programmes. Here EU programmes could complement national domestic efforts and security relations with MENA govern-

ments, by focusing more on the softer, social elements of counter-radicalisation work within the Middle East. As national governments engage more assiduously on security issues, the EU institutions will need to find niche areas to glue overarching European strategies together into a seamless whole.

The EU level will not constitute a single foreign policy in the Middle East; rather, it will need to fill the gaps left by member states' more geopolitical engagements in the region. In this way, it can help achieve a sensible balance between short-term interests and long-term values.

Conclusion

Endless documents, articles and speeches now call on the EU to be more strategic, more geopolitical and more 'realist' in its policies towards the MENA region. But the question remains of what it actually means for the EU to be more realist, geopolitical and strategic. Simply calling for such a shift merely displaces the debate to what these concepts mean for how policies are deployed. Much of what is advocated under a realist label may not turn out to be very stable in its results.

The EU is beginning to sharpen its strategic thinking on the MENA region. This welcome development should not divert the EU from trying to tackle the most deep-rooted causes of today's geopolitical conundrums. Taking geopolitics seriously means thinking about what strategies are necessary to oxygenate EU efforts to foster structural reforms – it should not mean suffocating such approaches. The times indeed warrant a more hard-headed approach to security. But a wholesale switch from geopolitics-as-inclusion to geopolitics-as-exclusion is not the answer.

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9. France: the active pragmatist¹

Barab Mikail

France has traditionally been a pragmatic geopolitical player in the Middle East and North Africa (MENA). In spite of some changes in nuance, neither regional shifts brought about by the Arab spring nor François Hollande's presidency have changed the essentials of the so-called *politique arabe de la France*: retain friendly and stable relations with all MENA governments (except Syria currently) in pursuit of France's three main interests: regional stability, energy security and arms exports.

In recent years, France has prioritised key bilateral alliances over efforts to strengthen multilateral schemes, including via the European Union (EU). While his predecessor Nicolas Sarkozy hid this reality behind a multi-lateral approach (the Union for the Mediterranean), Hollande displays his emphasis on a few regional allies more openly. Under Hollande, France has also further consolidated the geo-economic aspects of its MENA policy on commercial interests.

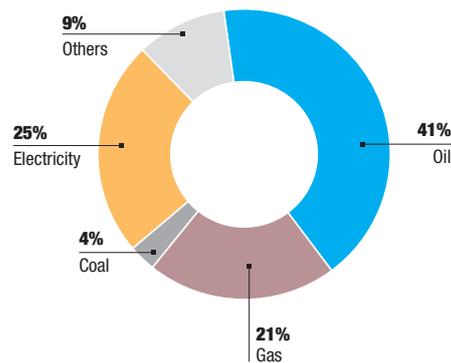
Energy and arms sales

France's total trade each year with the Arab world is now worth €57 billion.² In the area of energy, in spite of efforts to diversify, in general the French economy remains heavily dependent on oil which accounts for 41 per cent of its energy consumption, and gas covers one-fifth.³

Figure 1. **France's energy mix, 2013**

Source: Commissariat général au développement durable.⁴

*Percentages of energy consumption by fuel type.



In 2013, France imported 37.6 per cent of its crude oil from the MENA, its first oil supplier. The main oil suppliers to France within the region were Saudi Arabia (18.1 per cent), Libya (8.5 per cent), Algeria (6.1 per cent) and Iraq (2.2 per cent). Between 2012 and 2013, France's oil supply from the Middle East has seen a shift away from Libya, to the benefit of more stable suppliers such as Saudi Arabia and Algeria.

In the area of natural gas, France's dependency on the MENA region is less important, 14 per cent in total. In 2013, 10.8 per cent of France's imports came from Algeria, 3.2 per cent from Qatar and 0.2 per cent from Egypt.

Figure 2. **France's top 10 oil providers, 2013 (millions of tons)**

Source: Commissariat général au développement durable.⁵

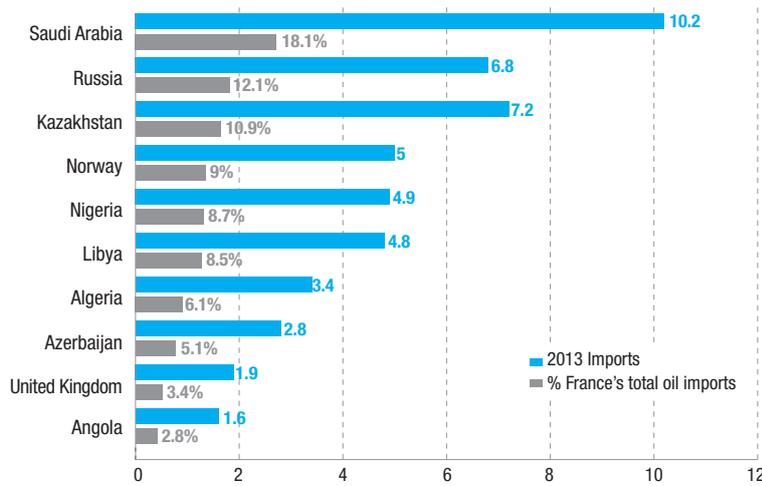
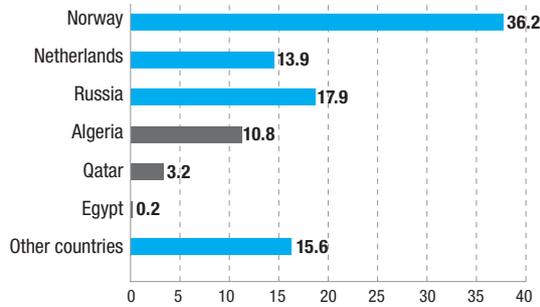


Figure 3. **France's main gas providers, 2013 (% of total imports)**

Source: Commissariat général au développement durable.⁶



France is aware of the need to diversify its energy mix and reduce dependency on volatile import regions such as the Middle East.⁷ However, although it has recently decreased the Middle East's share of its energy imports, dependency on Arab and particularly Gulf providers still makes France vulnerable to the region's highly volatile security out-

look.⁸ Disruptions of energy flows due to tensions with Iran or the fragile situations in Iraq and Libya explain Hollande's desire to strengthen relations with Saudi Arabia – the world's biggest crude producer that currently remains more stable than most other MENA countries.

France was the third-largest external investor in the Middle East during the period 2003-12, accounting for 6.2 per cent of total foreign direct investment (FDI) to the region.⁹ During this period, France invested a total of US\$58 billion: US\$24.6 billion in resources and oil manufacturing; US\$8 billion in non-oil manufacturing; US\$12.6 billion in commercial services; and US\$13 billion in non-tradables. The largest investments were made in Saudi Arabia (US\$16 billion), Morocco (US\$10 billion), Qatar (US\$7 billion), Algeria (US\$6 billion) and the United Arab Emirates (UAE - US\$5 billion). France also has three companies that rate amongst the top 50 multinational corporations that operate in the MENA: Total (No. 5), GDF Suez (No. 19) and Accor (No. 37).¹⁰ Defence companies, such as MBDA¹¹ and Thales,¹² also contribute significantly to France's trade with the region.

Despite considerable variations on specific years, France is one of the biggest arms exporters to the Middle East. Between 2005 and 2010, for example, it came third after the United States (US) and Russia, and ahead of the United Kingdom, China and Germany.¹³ According to French defence ministry figures, in 2013¹⁴ some 48 per cent of France's defence export orders went to MENA countries, with Saudi Arabia counting for 27.5 per cent of the total orders (€1.9 billion out of €6.9 billion), followed by Morocco (€584.9 million), the UAE (€335 million), Qatar (€124.9 million), Oman (€104.1 million) and Algeria (€96.6 million). During the period 2003-12, France's main defence clients in the MENA were Saudi Arabia (No. 1), the UAE (France's second MENA client and fourth overall after India and Brazil), Morocco (No. 9), Oman (No. 15) and Qatar (No. 20). Nuclear agreements – with no official amounts released publicly – have also been signed with each of Algeria, Egypt, Jordan, Libya, Morocco, Saudi Arabia, Tunisia and the UAE.

Military footprint and the fight against jihadism

In 2009, French President Nicolas Sarkozy inaugurated a military base (called ‘Peace Camp’) in the UAE. While it reflects France’s commitment to helping defend Arab Gulf countries against any Iranian attack or against any attempt from Tehran to disrupt commercial traffic in the Persian Gulf,¹⁵ the means were at first limited (6 Rafale aircrafts and 750 soldiers as of September 2014, costing nearly €75 million each year according to a report published by the French Senate in 2011).¹⁶ The base – intended as a symbol of France’s commitment to the security of the region – is now used for France’s participation in the US-led anti-Daesh (also called the Islamic State) coalition in Iraq. As of March 2015, 5,800 French troops were participating in ‘Opération Chammal’ via various command centers in the MENA region (including in the UAE, Qatar, Bahrain, Kuwait, Iraq and Jordan).¹⁷

France’s military footprint in the region has grown significantly over the past few years. Long before the Charlie Hebdo attacks in January 2015, France had put the fight against terrorism at the centre of its national security strategy.¹⁸ In April 2015, François Hollande announced additional military spending of close to €4 billion for the period 2016-19 for the purpose of internal and external security operations.¹⁹ France’s 2013 military intervention in Mali (‘Operation Serval’) to hamper rampant Islamist fighters (including the National Movement for the Liberation of Azawad, Ansar al-Din, and al-Qaeda in the Islamic Maghreb) at Bamako’s request, is one of the most forceful examples of France’s anti-jihadist focus.

France’s strong focus on counter-terrorism has not been applied evenly across the MENA, leading to contradictory results. In Syria, France has strongly supported anti-Assad fighters of the Free Syrian Army,²⁰ which has included not only ‘secular’ rebels, but also Islamists and jihadist fighters.²¹ France also succeeded in 2013 in convincing other EU member states to lift an arms embargo to supply ‘moderate’ rebel groups.²² Meanwhile, however, the opposition has further fragmented, creating the conditions for the rise of extremist groups (Jabhat al-

Nusra, Jaysh al-Islam) and the emergence of Daesh. The growing challenge of Daesh in Iraq and Syria worries France, which has joined the international coalition bombing their positions in Iraq.

In 2011, France played a key role in the operation that led to the fall of Gaddafi. However, Paris has not been able to establish itself as a privileged partner with Libya. It did not anticipate accurately the consequences of the fall of Gaddafi in terms of further instability and state failure. France's approach to the country has since been mainly focused on security issues such as participating in the currently Tunisia-based EU Border Assistance Mission (EUBAM) to Libya and very limited training of local forces – only 122 Libyan military officers and 75 paramilitaries had been trained as of December 2013.²³ French companies and official representatives had to leave Libya because of the violence, and France privately worries that it may have to consider another military intervention in the country. In a veiled reference to these concerns, French Defence Minister Jean-Yves Le Drian has said that 'acting' in Libya is needed with the help of the international community.²⁴ In addition, France is contributing to the current EU naval operations in the Mediterranean, which were initiated to help cope with the humanitarian crisis arising from migrants crossing over from Libya.

France also fears jihadist attacks on its own soil. For example, the French anti-terrorist 'Operation Barkhane' across the Sahel has been deployed partly because of growing concerns about the deteriorating situation in Libya. Furthermore, France seems intent on a rapprochement with Algeria because of their common terrorism concerns.²⁵

Closer to Saudi Arabia, estranged from Russia and Iran

Because of shifting regional dynamics, Hollande has changed some aspects of France's engagement with Arab partners. In the Gulf, France clearly prioritises Saudi Arabia and the UAE while de-emphasising ties to Qatar – which has had difficult relations with the Saudis. It is true

that France and Qatar recently signed a €6.3 billion agreement that includes the sale of 24 Dassault Aviation built fighter jets.²⁶ In general, however, the president has wished to distance himself from his predecessor's policies, which favoured Qatar. Plus, France and Saudi Arabia share common points of view on two important files: their will to topple the Syrian regime and their opposition to any step that would strengthen Iran's regional influence. This rapprochement may have helped motivate a Saudi-funded \$2.2 billion French-Lebanese arms deal signed in November 2014²⁷ to beef up the Lebanese army's capabilities to combat terrorism. Likewise, in February 2015, France and Egypt signed a €5.2 billion arms deal²⁸ that was rendered possible thanks to the influx of cash from the Gulf States into the Egyptian economy.²⁹

In the Maghreb, Hollande's strategic choice of improving relations with Algeria, while not received with enthusiasm in Rabat which remains cold with its neighbour, has not led to a deterioration of French-Moroccan relations. France is keen on maintaining stability in Algeria, especially because of the possible impact of instability spreading from neighbouring Libya and Mali. Paris believes that Algiers is an important partner due to its contribution to the fight against terrorism in the Maghreb and the Sahel.³⁰

France sees an incompatibility between its interests and those of Russia and Iran. France maintained good relations with Russia before the 2014 events in Ukraine, but opposed Russian support to the Syrian regime. Furthermore, as the second-biggest arms supplier to the region,³¹ Moscow is one of France's greatest arms export competitors. For example, Algeria buys 91 per cent of its arms from Russia and only 3 per cent from France.³² Egypt completed a US\$2 billion Saudi and Emirati-funded arms deal with Russia in February 2014,³³ and Iraq a US\$4.3 billion deal in 2013.³⁴ Moscow also sells weapons to Iran, Libya, Saudi Arabia and Syria. In relation to Iran, France is uncomfortable with Tehran's support to Bashar al-Assad in Syria, and with the influence it has in Iraq. Furthermore, it thinks that Tehran's defence capacities make it already able to threaten both EU and NATO

countries and the MENA region through its development of longer-range ballistic missiles. France has worried that Iran's access to military nuclear capacities would encourage regional nuclear proliferation, and this is why it has preferred to remain cautious vis-à-vis the April 2015 US-Iranian nuclear framework agreement.³⁵

France is broadly in line with the American approach to regional security challenges. But Paris has sought to push even harder than the US on some regional issues, such as support to anti-Assad fighters in Syria, and negotiations on the Iranian nuclear file. The retention of Laurent Fabius as foreign minister, who has a reputation for being an Atlanticist, following the French government reshuffle in summer 2014, is also an indication of France's desire for more coordination with the US, including via NATO.³⁶

Uneven support to reform

Between 2007 and 2011, France's bilateral Official Development Assistance (ODA) to the Middle East fell from US\$1 billion (13 per cent of France's total bilateral aid budget) to US\$210 million (2.31 per cent of the total). By contrast, France's aid to North Africa increased from US\$1.066 billion (13.78 per cent of the total) to US\$1.3 billion (13.25 per cent) over the same period.³⁷ In September 2011, France announced it would allocate €2.7 billion over the period 2011-13 to support Egypt, Jordan, Morocco and Tunisia.³⁸ In May 2011, under the French presidency, the G8 responded to the Arab spring by launching the Deauville partnership, aimed at backing democratic transitions in the Middle East in four key priority areas: stabilisation, job creation, improving economic governance, and cross-border integration.³⁹ A MENA Transition Fund has been set up in this context to complement other bilateral and multilateral initiatives in support of governance and economic reforms. With a view to coming years, a significant decrease of France's aid contributions to the MENA region can be anticipated. According to the

French law of finance for 2015, France's public development aid will shrink by 2.5 per cent in 2015, and it will be reduced by up to 10 per cent over the next three years.⁴⁰

Despite having provided a considerable amount of development aid to the region, France's commitment to reform in the Middle East and North Africa is very uneven. In official rhetoric, France puts democracy and human rights at the centre of its activity in the Middle East. But in practice, France only publicly mentions human rights violations in the case of countries where this serves, or does not harm, specific French interests (Syria). It remains particularly uncritical in countries where strong economic interests prevail (Morocco, Algeria, Gulf countries). France's selling of weapons to authoritarian regimes in the MENA region is indirectly impacting democratic governance and human rights-related prospects. France's main arms import clients (Algeria, Egypt, Morocco, Oman, Saudi Arabia, and the United Arab Emirates) are the object of regular criticisms by human rights groups.

France's participation in the operation that led to the fall of Gaddafi in Libya in 2011 has been followed by limited involvement in supporting democratic governance and defending human rights. Paris is focusing instead on defending its commercial interests while trying to avoid any further spill-over for the Libyan violence. As the director of Human Rights Watch in France, Jean-Marie Fardeau, put it, Paris now favours a confident 'business first' attitude in the name of 'economic recovery',⁴¹ though this does not mean that France is ignoring other geopolitical and strategic calculations.

Conclusion

The emergence of Daesh and its territorial gains in Iraq and Syria have raised concerns about the stability of the region. But this will not necessarily have a deep impact on France's MENA strategy. True, in mid-August 2014, France decided to provide 'sophisticated' weapons to

Kurdish Peshmergas to help them fight Daesh, and it then joined the US-led air campaign against Daesh in Iraq. But these decisions fall under its long-held commitment to promote anti-terrorism policies and to uphold stability in the region. France's interests in the MENA will most likely be persevered with, including energy supplies, investments and arms deals. Therefore, France will prioritise its current alliances. Relations with the US and Saudi Arabia will remain strong, while engagement with Algeria is likely to grow, though France will cautiously consider Morocco's sensitivities to this. France's attempts to limit Iran's influence in the MENA region will continue, especially since they are part of the price for keeping good relations with Saudi Arabia.

In the coming years, France's regional role is unlikely to contribute to significant improvements in human rights and governance in the MENA. Although Paris does not anticipate the fall of more regimes, it will keep focusing on anti-terrorism strategies to prevent the risks of spill-over of terrorist violence throughout the MENA and the Sahel. François Hollande is sticking to a pragmatic approach towards the MENA region driven by security and economic interests. But there is a distinct risk that this will (once again) come at the price of neglecting the fundamental and controversial issues at the roots of regional destabilisation, such as widespread human rights violations and flawed socio-economic governance.

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10. Germany: enabling or evading?¹

Kristina Kausch

Berlin's traditional reluctance to engage in military action abroad has marked it as a security free-rider as far as its European and transatlantic allies are concerned. Since reunification, Germany's foreign policy has focused largely on securing commercial interests to support the country's export-oriented economy, with the result that Germany has been coined a 'geo-economic' international actor. More recently, however, a number of events have intensified debates on the maturity of German foreign policy. During the Eurozone crisis, Germans came to realise that their European Union (EU) partners actively wanted the country to assume a leadership role. The speech by President Joachim Gauck at the Munich Security Conference in January 2014 both expressed and framed a new narrative for German foreign policy.² More recently, as the unravelling of the Middle Eastern status quo advances at great speed, it is time for a more purposeful role for the EU's strongest member in dealing with developments in the Middle East and North Africa (MENA).

The deep-seated rejection of military deployments abroad by the German electorate has made successive governments in Berlin reluctant to increase Germany's role as an international security actor – beyond technical and humanitarian missions. Since the *Bundeswehr's* (Germany's Armed Forces) first troop deployments abroad in Kosovo (1999) and Afghanistan

(since 2001), the 2003 United States- (US) led intervention in Iraq pushed German public opinion firmly back towards anti-militarism. Chancellor Angela Merkel has stressed that rather than being a front row military power, Germany should focus on ‘enabling’ friendly governments to contribute to the peaceful resolution of conflicts (a posture for which *Der Spiegel* in 2012 controversially coined the term ‘Merkel Doctrine’).³ Critics have qualified this position as a populist tactic to play to German export interests and avoid direct military action abroad.

Looking eastward rather than southward, Germany’s engagement and profile in the MENA region has been limited. In addition to its commercial interests and desire to contain migration, broader regional security concerns are the main driver of Germany’s partnerships and approach in the region.

Berlin’s economic stakes

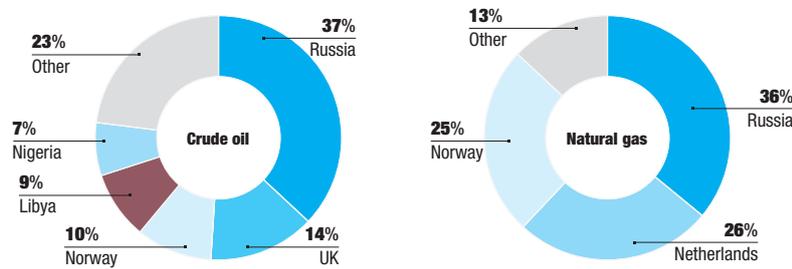
The impact of developments in the Middle East on global commodity prices is a concern for Germany, which imports 97 per cent of its oil and 86 per cent of its gas.⁴ Unlike many other EU member states, however, Germany does not source much energy from the Middle East (see Figure 1), apart from some oil from Libya and Algeria, but practically no gas. Until the fall of the Gaddafi regime, Libya was Germany’s main oil supplier in the Arab world. The deteriorating security situation in Libya, however, will likely require Germany to seek other suppliers.

In light of periodical crises with Russia and, most recently, the 2014 crisis over Ukraine, the need to reduce Germany’s dependency on Russian gas imports has been exposed. Without alternative pipelines in place, however, options to substitute Russian gas with that from the Middle East are limited. Germany has no liquefied natural gas (LNG) import terminals to receive LNG from the Persian Gulf. To reduce dependency on Russia, Germany aims to buy more in Europe (for example, from Norway). Over the long run, Germany’s *Energiewende*

(energy transition) policy aims to reduce fossil fuel use and cover half of its electricity consumption with renewables by 2030.

Figure 1. **Main energy suppliers to Germany, 2012 (% of total imports)**

Source: International Energy Agency, Country Profile Germany.



The volume of German trade with Arab states has more than doubled since 2002, reaching €50 billion in 2013. Berlin maintains the closest commercial ties with the countries of the Gulf Cooperation Council (GCC): in 2012, German exports to Saudi Arabia (mainly hydro-chemical products and petrochemicals) and Saudi exports to Germany increased over 71 per cent and 28 per cent, respectively.⁵ German foreign direct investment (FDI) in Arab countries, by contrast, remains limited. German FDI stock in North Africa, after having tripled in a decade (from US\$1.07 billion in 2001 to US\$3.5 billion in 2011), dropped by half following the 2011 uprisings to US\$1.7 billion in 2012. Over the same decade, German FDI stock in West Asia (largely equalling the Middle East and Turkey) increased eightfold (from US\$1.8 billion in 2001 to US\$14.6 billion in 2011). The most important destination for German FDI among Arab countries are the United Arab Emirates (UAE), Egypt, Libya and Saudi Arabia, although none of these gets close to Turkey, which alone holds more German FDI stock than all Arab countries taken together.⁶

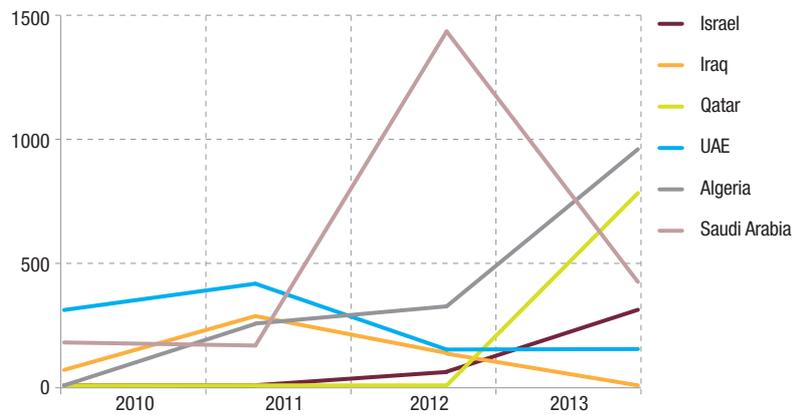
Germany’s most politically-significant export to the MENA is weaponry and military equipment. The political relevance of German arms sales

stems less from their (comparatively moderate) volumes than from the nature and timing of exports to unambiguously repressive regimes. Germany is the third-biggest arms seller worldwide, accounting for 7 per cent of global exports, according to the Stockholm International Peace Research Institute (SIPRI).⁷ The Merkel government loosened restrictions on arms exports at the height of the economic crisis. Dwindling European defence budgets and fiercer competition in the arms market with Russian and Chinese competitors have led German commercial exports to non-allies (so-called third states) to increase massively from €180 million in 2009 to €843 million in 2011, accounting for 62 per cent of German arms exports in 2013.⁸ Periodical public outcries about German arms sales to authoritarian Gulf monarchies in recent years have intensified debates over the need for tighter regulation of German arms exports.

In 2009-13, SIPRI reports that 17 per cent of German arms exports went to the Middle East. After decades of intensive bilateral security cooperation, Israel remains Germany's top long-term arms client in the region (in 2009-13 it received 8 per cent of total German arms exports). In recent years, however, export licenses have skyrocketed to the Gulf monarchies of the UAE, Saudi Arabia and Qatar, as well as Algeria. In 2012, Germany cleared new arms sales worth €1.2 billion to Saudi Arabia alone (see Figure 2), ranking Riyadh Germany's top global arms client that year.⁹ Sales of controversial small firearms increased by 50 per cent in the period 2009-13, and many of these went to Saudi Arabia and other MENA countries. German-made tank pieces and crowd control equipment such as tear gas were cleared for delivery to regimes known for domestic repression. In 2013, Germany cleared the sale of 62 Leopard tanks to Qatar, marking the first time the German government allowed the sale of tanks to an Arab state. German arms exports to the region reflect both a political rationale (strengthening the position of regional partners) and an economic one (the Gulf defence market being one of the most lucrative in the world). Demands to strengthen arms export restrictions along ethical criteria have been met with strong opposition from the German arms industry, and with impatience from potential Gulf clients.

Figure 2. **New export licences for ‘weapons of war’, main MENA destinations (in € millions)**

Source: Bundesministerium für Wirtschaft und Energie (BMWi).¹⁰



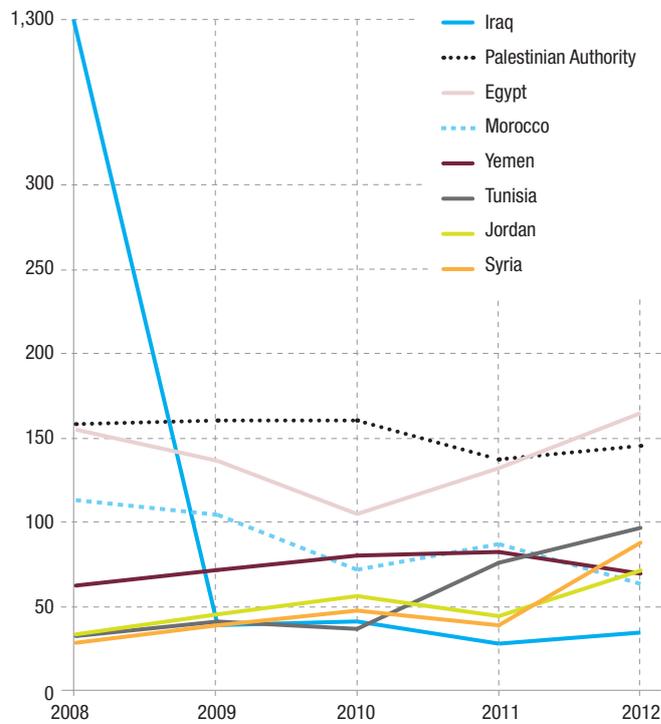
With the exception of Germany’s military assistance to Israel (which is considered to be a contribution to Israeli self-defense), German direct arms delivery to strengthen one side of an ongoing conflict is a novelty. The August 2014 decision to deliver arms to Kurdish fighters to counter Daesh (also called the Islamic State) in Iraq was adopted by the government and cleared by the *Bundestag* against the will of the German public, 63 per cent of whom opposed this move (according to an August 2014 Forsa poll).¹¹

In the area of development cooperation, the MENA region ranks low among Germany’s geographic priorities. The region’s share of Germany’s total bilateral net Official Development Assistance (ODA) fell from 34 per cent in 2007 to 9 per cent in 2012.¹² Over this period, the bulk of ODA to MENA countries went to Iraq, Egypt, and the West Bank and Gaza.¹³ In the past few years, Germany has reduced its aid levels to Iraq, and to a lesser degree to Morocco, while enhancing allocations to Tunisia, Jordan and Syria in the wake of the 2011 uprisings. In 2013 Germany also increased aid to Egypt, becoming Cairo’s

second-largest bilateral Organisation for Economic Cooperation and Development (OECD) donor, behind the United States.¹⁴

Figure 3. **German bi- and multilateral net ODA, main MENA recipients (in € millions)**

Source: German Federal Ministry for Economic Cooperation and Development.¹⁵



In spite of Germany's moderate aid levels, the country ranks high as a bilateral aid donor in many MENA countries. For example, Germany is Iran's largest bilateral aid donor, whose contribution – although small in absolute terms – exceeds the next biggest donors by threefold. Although Germany's position as an aid donor bestows it some leverage

in those countries that depend heavily on aid, Germany's position as a commercial powerhouse and most influential country in the EU is likely to outweigh any aid-related influence.

Security concerns

Beyond its economic interests in the Middle East, Germany seeks to maintain stability, but has little aspiration – or assets – to pro-actively shape the larger course of the region. Several policy choices regarding the Middle East have significantly influenced the wider debate on German foreign policy. Germany's abstention in the United Nations Security Council (UNSC) vote on the establishment of a no-fly zone over Libya in March 2011 marginalised Berlin from its allies, and was seen by many as a low point for German foreign policy since the end of the Cold War. This experience prompted Germany to adopt a somewhat more vocal stance on Syria. Furthermore, as mentioned above, the 2014 decision to arm Kurds fighting Daesh was the first time that post-war Germany delivered weapons to back a specific side in an ongoing armed struggle.

Germany's abstention on Libya was perceived among GCC partners as a missed opportunity to deepen its political ties with the region, especially given Germany's leadership role within the EU. Some Gulf analysts have argued that the GCC countries see the EU and its member states as potential security providers for the Gulf. They would like to see Germany taking the lead in building EU security capacities to counteract the security threats in the Levant.¹⁶

Berlin's main security concerns in the MENA region include: Israeli security and prospects for a two-state solution for Israel and Palestine; Iran's nuclear proliferation and the implications of an Iranian-Saudi stand-off; and containing the spread of transnational jihadism and conflicts in and from an increasingly uncontrollable Levant.

Historic responsibility

For the past five decades, Israel has been Germany's closest bilateral ally in the region, and for Israel, Germany is its closest ally after the US. The two countries have shared a long-term security partnership since the 1960s. In 2008 Angela Merkel, who is very popular in Israel, was the first foreign head of government to be invited to address the *Knesset* (the legislative branch of the Israeli government). In her speech she underlined Germany's 'special historical responsibility for Israel's security' as being part of Germany's *raison d'être*.¹⁷ Decisions on German arms exports to the MENA region are routinely discussed with the Israeli government. Germany is Israel's second-biggest arms supplier, after the US. Some arms purchases, such as submarines, have been subsidised by the German government by up to one-third of the price. Israel is the only country in the world whose arms purchases from Germany are directly subsidised by the German government.

Its special relationship with Israel notwithstanding, Berlin maintains good and stable relations with the Palestinian leadership in Ramallah. Germany is the fourth-biggest bilateral donor to the Palestine Liberation Organisation (PLO), but maintains no official relations with Hamas. Although Berlin welcomed the formation of a Palestinian unity government, it insists on the Quartet conditions prior to ending the isolation of Hamas. Although German diplomats admit that a two-state solution may be increasingly unlikely, Germany works with the PLO to build its capacities to that effect. Germany was the main force within the EU to push for US State Secretary John Kerry's initiative to revive the peace process in 2013-14. It also supported the EU's recently tougher line on Israeli settlements.

At the same time, however, Germany remains very reluctant to criticise Israel publicly. During the 2014 Gaza war, German statements did not address the high Palestinian death toll and Berlin abstained from a United Nations (UN) Human Rights Council vote on a statement

condemning Israeli actions in Gaza. By abstaining from the November 2012 UN General Assembly vote that indirectly recognised Palestinian independence, Germany aimed to avoid alienating Israel while at the same time not discouraging Palestinian ambitions for statehood. Germany's special relationship with Israel both enables and limits its options to influence the peace process. Most Arab governments today accept that Berlin's positions and actions on the Israeli-Palestinian dossier will never overstep certain boundaries (for example, nobody expects the German parliament to vote on Palestinian independence, as happened in a number of EU countries during 2014).

From a regional perspective, Germany's arms sales to Saudi Arabia serve Israel's interests. At a time when the Saudi-Iranian competition for regional dominance develops into the most marked feature of regional order, Israel looks favourably on deepening military ties between Germany and the GCC states. This underscores Israel's tacit alliance with Riyadh in its shared interest in countering Iranian influence.¹⁸

Ending Iran's isolation

Among EU member states, Germany has had the best relations with post-1979 Iran. It is Iran's second-biggest trade partner and most important aid donor. Among the Iranian public, Germany has a very positive image. That said, since the beginning of Merkel's tenure in 2005, Berlin has aligned itself with US and Israeli tougher stances and calls for economic sanctions, while also strengthening Saudi Arabia's position through arms sales. Germany is a member of the P5+1 nuclear talks with Iran. Foreign Minister Steinmeier has been pushing for a comprehensive deal to be concluded quickly, in an effort to re-integrate Iran into the international community and avert nuclear proliferation. The German government has long been arguing that a deal with Iran would remove a major roadblock to solving other regional security challenges. Awaiting the end of the sanctions regime under a possible

long-term nuclear deal following the framework agreement reached in April 2015, German businesses are primed to maximise their commercial advantage.

Syria, Iraq and transnational jihadism

Mindful of the criticism its hesitation over Libya engendered, on Syria the German government has been struggling to reconcile a policy of restraint with the need to remain in sync with its North Atlantic Treaty Organisation (NATO) allies. Berlin recognised the Syrian National Coalition as the legitimate representative of the Syrian people early on. In December 2011, Merkel pushed for a UNSC resolution against Assad and sided with the opposition. More broadly, however, Germany's Syria policy has been hesitant. Merkel made it clear that Germany would not be part of a military intervention in Syria but would seek to agree a common position within the EU. Four years after the 2011 Arab uprisings, German diplomats admit that hopes for an imminent end to the Syrian civil war have evaporated. In the meantime, Germany carries on assisting the Syrian people with a half-hearted and low-key approach.¹⁹ With political options scarce and military action ruled out, German policy in Syria has been focusing on humanitarian aid and diplomatic efforts – which are, as one German diplomat told this author, 'a drop in the ocean'.²⁰

Germany has, however, dedicated a special effort to the refugee dossier, having given refuge to over 70,000 Syrians until October 2014, including many key opposition figures. The Syrian opposition has an office in Berlin. Upon taking office under the Grand Coalition, Steinmeier and Defence Minister von der Leyen also pushed through a *Bundeswehr* participation in destroying Syria's stockpile of chemical weapons (which Merkel had suppressed in her previous governing coalition to appease the then coalition partner, the liberal FDP).²¹ In October 2014, Berlin hosted an international conference on the Syrian refugee crisis intended

to help neighbouring countries cope and reduce the prospects of regional security spill-over. The German security services have also been working to monitor and contain the flow of foreign fighters between Germany, Iraq and Syria – an effort likely to gain further impetus following the January 2015 *Charlie Hebdo* attacks in Paris.

In Iraq, Germany enjoys a generally positive image owing to its opposition to the 2003 invasion. Nevertheless, Germany's role and ambition in Iraq is marginal. One diplomat admitted to this author that in Iraq Germany was 'dropping aid over the mountains but (had) otherwise no clue what to do'.²² The above mentioned August 2014 decision to deliver arms to Kurdish Peshmerga was a highly controversial precedent. Taken against the background of the Daesh siege on Iraqi Yezidis, the move was justified by Merkel primarily on humanitarian grounds. Although the government had initially ruled out troop deployment, by December the cabinet had approved the sending of 100 German troops to train Kurdish fighters. The exact objectives and strategy underlying these decisions, however, remain unclear. As dynamics in the fight against Daesh increasingly point towards a long-term engagement of the coalition, Germany is likely to become more entangled in the dynamics of the conflict.

Conclusion

Germany's influence in the Middle East is limited. Nevertheless, Berlin's role in shaping positions within the EU, its close alliance with Israel, its good relations with Iran and its growing partnership with the GCC States mean that it is far from being a toothless geopolitical actor in the MENA. Germany's reluctance to even consider deploying military power has marginalised it as a player in most of the Middle East's major hotspots. Acting largely as a reluctant bystander, German deliberations on the MENA have tactily prioritised reactive firefighting on security matters and the conservation of the political status quo.

The combination of rhetorical moral ambition, primacy of commercial interests and military passivity positions Germany's approach to the MENA as a prime example of the West's prioritisation of superficial stability in the Middle East. The German government's red carpet for Egyptian President al-Sisi in Berlin in June 2015 in the midst of a notorious human rights clampdown – despite the President of the *Bundestag* Norbert Lammer's refusal to receive Sisi on human rights grounds – is emblematic of this approach. In Palestine, Germany's reluctance to put pressure on Israel has favoured the status quo in Gaza. In Syria, Germany has been as inconclusive as its international allies in advocating non-intervention without advancing better options. Germany's role in the Iran negotiations has been positive and constant. If and when Iran comes back in from the cold, however, Germany is likely to prioritise commercial relations and Tehran's collaboration on regional issues over domestic reforms.

Germany's priority is avoiding conflict, but with the EU's neighbourhood in turmoil, both its focus on the stability of authoritarian regimes and its security free-riding appear increasingly unsustainable. Recent decisions by Berlin suggest that German foreign policy may be slowly starting to shift towards a more active role in dealing with security crises in Europe's neighbourhood. Whether such a new German activeness will contribute to bringing lasting stability to the MENA region is doubtful.

(Endnotes)

- ¹ An earlier version of this chapter was published as a FRIDE policy brief under the title 'Enabling or evading? Germany in the Middle East', in January 2015.
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- ³ 'Die Merkel Doktrin', *Der Spiegel* 49/2012, 3 December 2012, available at: <http://www.spiegel.de/spiegel/print/d-89932536.html>

- ⁴ International Energy Agency, 'IEA Emergency Measures 2014', 'Country Profile Germany', available at: https://www.iea.org/media/freepublications/security/EnergySupplySecurity2014_Germany.pdf
- ⁵ G. Cafiero and D. Wagner, 'Germany's Arms Sales and the Middle East', *The Huffington Post*, 23 August 2013.
- ⁶ United Nations Conference on Trade and Development (UNCTAD), *World Investment Report 2014*, Geneva: UNCTAD, June 2014, available at: http://unctad.org/en/PublicationsLibrary/wir2014_en.pdf
- ⁷ S. T. Wezeman and P. D. Wezeman, *Trends in International Arms Transfers, 2013*, Stockholm: Stockholm International Peace Research Institute, March 2014, available at: http://books.sipri.org/product_info?c_product_id=475
- ⁸ Federal Ministry for Economic Affairs and Energy (BMWi), *Rüstungsexportbericht 2012*, available at: https://www.dfg-vk.de/dateien/Ruestungsexportbericht_2012.pdf
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- ¹¹ 'Deutsche sprechen sich gegen Waffenlieferungen an Kurden aus', *Stern*, 20 August 2014.
- ¹² OECD/DAC, Aid statistics, available at: <http://www.oecd.org/dac/stats>
- ¹³ Ibid.
- ¹⁴ German net ODA disbursements to Egypt increased from US\$103 million in 2012 to US\$178 million in 2013. See OECD, Aid flows, available at: http://www.aidflows.org/index.html?id=EG&m=be_1_1_4&mif=false&wbg=false
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- ¹⁶ A. Sager, 'Time for a more activist Middle East Policy', *Review2014*, 11 July 2014, available at: <http://www.review2014.de/en/external-view/show/article/time-for-a-more-activist-middle-east-policy.html>
- ¹⁷ See Angela Merkel, Speech by Federal Chancellor Angela Merkel to the Knesset in Jerusalem, 18 March 2008, available at: https://www.knesset.gov.il/description/eng/doc/speech_merkel_2008_eng.pdf
- ¹⁸ Cafiero and Wagner 2013, op. cit.
- ¹⁹ See also 'Germany's "cowardly position" on Syria', *Der Spiegel*, 9 September 2013, available at: <http://www.spiegel.de/international/europe/german-press-berlin-foreign-policy-in-syria-em-barrassing-a-921238.html>
- ²⁰ Interview with a German diplomat, Berlin, August 2014.
- ²¹ Rinke 2014, op. cit.
- ²² Interview with a German diplomat, Berlin, August 2014.

11. Russia: conflicting aims, limited means¹

Mark N. Katz

In Ukraine in particular and Europe more generally, Russian President Vladimir Putin has been pursuing an activist foreign policy agenda to which Europe and the United States (US) are having difficulty responding. For example, Brussels and Washington have been unsuccessful in persuading or coercing Moscow to withdraw from eastern Ukraine, much less Crimea. Putin's success (so far) in Europe, though, has not been matched by success in the Middle East and North Africa (MENA). Like the US and Europe, Russia often finds itself thwarted in its efforts to protect, much less advance, its interests in the MENA. This is due to four factors: 1) Russian interests in the region are often in conflict with one another; 2) the MENA environment has become more difficult for Russia (among others) since the outbreak of the Arab spring; 3) the means available to Moscow for pursuing its interests in the MENA are limited; and 4) the actions of other actors in the region – even those allied to Moscow – often serve to hinder rather than advance the achievement of Russian aims.

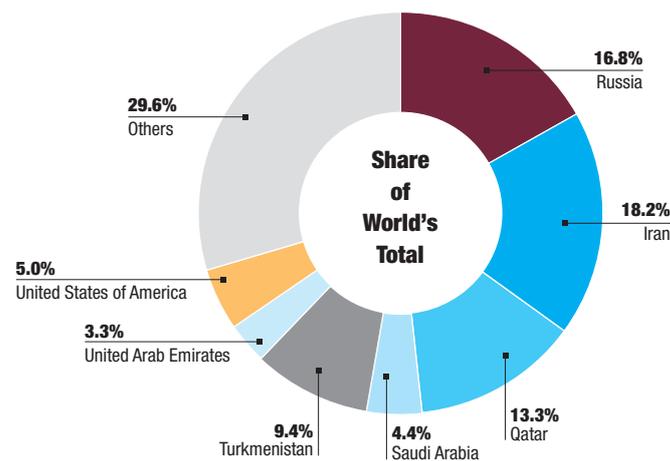
Conflicting interests

Moscow has several geopolitical interests in the MENA. One of these is, as in other regions (most notably Europe), to prevent what it sees as American and European efforts to deprive Russia of its allies. In turn,

Moscow seeks to take advantage of MENA governments' unhappiness with American and European policy in the region. Competition with the West, though, is not Moscow's only geopolitical interest in the MENA. Another is to prevent the rise of radical Sunni forces which Moscow fears will, if they grow strong enough, not only engulf the MENA and reduce Russian influence, but also spread into the Muslim regions of Russia.

A third Russian geopolitical interest in the MENA derives from Moscow's strong dependence on revenues from oil and gas exports – not only to fund the government's budget but also to pay off key interest groups on whom Putin's rule depends and to support the Russian economy more generally. Since the Middle East is a key supplier of petroleum resources to the rest of the world, Moscow has a strong interest in seeking to prevent or reverse developments there that result in lower worldwide petroleum prices or European countries switching their reliance on Russia to MENA countries for gas supplies.

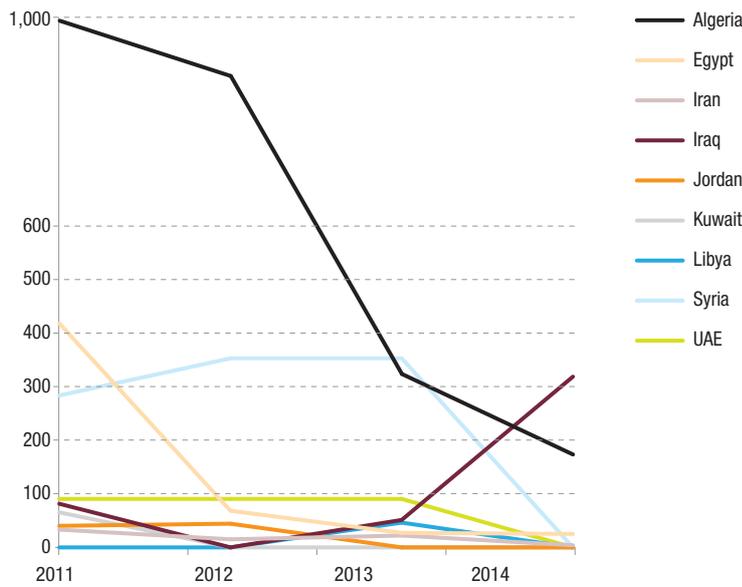
Figure 1. **Proved natural gas reserves for selected countries (end of 2013)**
Source: BP²



A fourth Russian geopolitical interest in the MENA relates to Moscow’s efforts to expand its exports of arms, nuclear reactors, and other goods produced by enterprises closely linked to the Kremlin, and exports to wealthy MENA countries help bolster these industries. But what makes this an important geopolitical (and not just commercial) interest for Russia is that these industries support key elites and interest groups that back Putin.

Figure 2. **Russian arms exports to MENA (in US\$ millions at constant 1990 prices)**

Source: SIPRI²



These four Russian geopolitical interests in the MENA, it must be noted, are not always mutually compatible. Specifically, the goal of limiting the further expansion of Western influence in the region can be at odds with the aim of preventing the spread of radical Sunni forces. America and Europe, after all, share this latter goal with Russia, and a strong Western presence in the MENA can serve this aim – provided that the US and Europe

focus on this goal. Similarly, while Moscow seeks to sell arms, nuclear reactors and other products to the petroleum-rich MENA countries, Russia is often in competition with these same countries to export oil and gas to Western and other countries.

The impact of the Arab spring

Before the outbreak of the Arab spring in 2011, Putin sought to protect and advance Russia's geopolitical interests in the region by pursuing good relations with all governments and certain key political movements in the MENA. Putin not only rebuilt Russian relations with longstanding friends (including the Saddam Hussein regime in Iraq, the Assad regime in Syria, the Gaddafi regime in Libya, the military regime in Algeria, and the Islamic regime in Iran), he also sought to improve relations with America's friends there (including Turkey, Saudi Arabia and the other Gulf Cooperation Council states, Egypt, Jordan, Morocco, and even the post-Saddam government in Baghdad, as well as the Kurdish Regional Government).

Especially noteworthy were Putin's efforts to improve relations with Saudi Arabia, with which Moscow had tense relations not only during the Cold War when Riyadh was aiding the Afghan Mujahedeen, but also in the 1990s when Moscow believed the Saudis were assisting Chechen rebels. Putin also sought improved relations with Israel – a government with which Moscow had long been at odds. Russia – which, along with the US, the European Union (EU) and the United Nations (UN), is a member of the Quartet seeking an Israeli-Palestinian peace – has also had good relations with both the Palestinian Fatah and rival Hamas and Hezbollah in Lebanon. Before the Arab spring, in short, Putin pursued good relations with all the major actors in the MENA (except al-Qaeda and its affiliates).⁴

The 2011 Arab uprisings resulted in important changes to Moscow's MENA strategy. Indifferent to the ouster of Tunisia's Ben Ali, Moscow was uncomfortable with Mubarak's downfall in Egypt but indicated its

willingness to work with the forces seeking change in both countries. When, however, popular uprisings turned against Russia's long-time allies in Libya and Syria – and especially when Western and Arab countries intervened militarily to overthrow the Gaddafi regime – Putin came to view the Arab spring in a more sinister light. Just as he did in response to the 'colour revolutions' in Georgia (2003) and Ukraine (2004), Putin regarded the Arab spring as an orchestrated effort to replace governments allied to Moscow with ones allied to the West instead.⁵

Many in Moscow saw Western (and their MENA allies') support for the Arab spring as the first step in a plan to stimulate the rise of similar forces in the Muslim regions – or all – of Russia. In February 2011, then President Medvedev suggested that 'foreign elements' were fomenting these uprisings, and that their ultimate intention was to bring political change to Russia.⁶ Then Prime Minister Putin warned that 'external interference' could lead to the rise of Islamists, and that their rise in North Africa could negatively affect other regions, including Russia's North Caucasus.⁷ In addition, the collapse of world petroleum prices in late 2014, as a result of increasing American shale production as well as Saudi refusal to reign in its oil production, was seen in Moscow as a deliberate Saudi-American effort to weaken Russia economically.⁸

Russian strategy for dealing with the MENA region since the outbreak of the Arab spring, especially since the downfall of Gaddafi, has involved several elements. First, blocking all Western/Arab-backed efforts against Syria's Assad regime at the UN Security Council (Putin has indicated that then-President Medvedev's decision to abstain on the 2011 UN Security Council resolution, calling for the imposition of a no-fly zone in Libya, was the lever which certain Western and Arab governments used to engineer Gaddafi's downfall).⁹ Second, providing arms to the Assad regime to prevent its downfall. Third, collaborating with MENA actors that oppose the downfall of the Assad regime or at least fear that what will replace it will be worse (Iran, the Shi'a-dominated government in Iraq, Egypt under Sisi, Algeria and Israel). Fourth, Russia has been cooperating with Ameri-

can and European anti-Weapons-of-Mass-Destruction efforts (especially regarding chemical weapons in Syria and Iran's nuclear programme) so that they perceive Russia as a partner in the MENA despite their differences over Ukraine. Finally, Moscow's MENA strategy has involved attempting to isolate Saudi Arabia and its Gulf Arab allies from the West, in particular by trying to raise Western fears that they actually support Sunni jihadist forces such as Daesh (also called the Islamic State).

Limited means

While Russia has important geopolitical interests in the MENA, it has limited resources with which to pursue them. And Putin is unwilling to use some resources; for example, he has been unwilling to deploy the Russian military in support of MENA allies (Saddam Hussein in 2003, Gaddafi in 2011, or Assad since 2011). Nor does this seem likely to change even after the sharp deterioration of relations between Russia and the West over Ukraine. Indeed, Putin's pursuit of forceful policies in Ukraine makes it less likely that he could engage Russian forces anywhere in the MENA simultaneously.

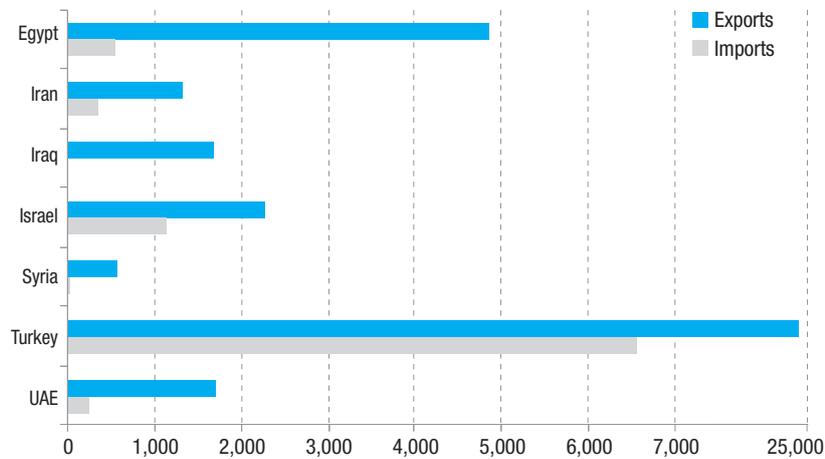
Like the Soviet Union, Putin's Russia can (and does) provide arms to its allies in the MENA. Unlike the Soviet Union – which essentially gave weapons away – Putin has insisted that clients actually pay for them.¹⁰ It does not seem that Russian arms sales to states that also receive Western arms give Moscow much clout in them, despite some contrary perceptions in the West. Indeed, it is not clear how much Moscow can influence even those governments (including Iran and even Syria) to which the West does not sell arms.

Similarly, Russian trade relations with most MENA states are not especially large and do not provide Moscow with much influence. Russia has a significant trade relationship with Turkey, but this has not served to narrow their differences over Syria or Armenia/Azerbaijan. The nature of Russian-Israeli trade may actually give Israel a degree of influence over

Moscow. Israel is one of the few sources of Western military technology for Moscow, and Putin does not want to jeopardise this.¹¹

Figure 3. **Russian trade with selected MENA states in 2014 (in US\$ millions)**

Source: International Trade Centre.¹²



There are, however, some resources Moscow can draw upon to advance its geopolitical interests in the MENA. Many states and actors in the region differ with the US and Europe, and with each other. Each of these differences potentially allows Moscow to side with dissatisfied parties. Just like in Soviet times, Moscow exploits MENA unhappiness with American support for Israel and portrays itself as a supporter of the Palestinians, and hence a more desirable partner for Arab states than the US.¹³ Although the post-Saddam government in Iraq was initially annoyed with Moscow for having previously supported Saddam, Washington-Baghdad differences over the pace of democratisation and other issues contributed to Baghdad granting oil concessions to Russian firms and buying Russian arms.¹⁴ Similarly, when the Obama administration cut back on US arms shipments to Egypt due to concerns about the Sisi government’s commitment to democratisation and human rights, Putin was quick to express Moscow’s willingness to sell (but not give) Russian arms to Cairo.¹⁵

There is a limit, though, to how effectively Moscow is either willing or able to exploit differences between MENA actors, and between them and the West. Although Moscow has loudly proclaimed its support for the Palestinian cause, Arabs and Iranians know that Russia has close ties to Israel and is not willing to really upset Tel Aviv.¹⁶ While Moscow is willing to develop Iraq's oil resources and provide it with arms for a price, Iraqis know that Moscow will not send Russian forces to protect Baghdad against Daesh.¹⁷ Similarly, while Moscow has expressed willingness to sell arms to Cairo, this has not yet happened because Egypt cannot pay for them and Saudi Arabia has not yet provided the necessary funds. Moscow also knows that Cairo is unwilling to rely primarily on Russia for weapon supplies, but uses Russian offers to convince Washington to resume arms supplies – which it now has done.¹⁸

Few real allies, many adversaries

To counter Western influence in the MENA, Moscow's main allies have been traditionally anti-American regimes: Iran, Syria and, in the past, Saddam's Iraq and Gaddafi's Libya. Otherwise, most MENA governments willing to cooperate with Moscow (including Turkey) also seek to maintain cooperation with the US and Europe. And if there is sufficient progress on the Iranian nuclear issue, cooperation between Iran and the West may increase.

With regard to preventing the rise of Sunni violent extremism, Moscow sees Saudi Arabia and Qatar as its principal adversaries (with the United Arab Emirates and Kuwait playing a supporting role). Moscow perceives Syria, Hezbollah, Algeria, Sisi's Egypt, Iran, and the Baghdad government in Iraq as allies in this endeavour, as are the US and Europe.

To maintain relatively high oil prices, all MENA petroleum producers should be Russia's allies. But the fact that Saudi Arabia appears to be 'flooding the market' with cheap oil tells Moscow that not only is Riyadh

not an ally, but that it is determined to harm Russia even at great expense.¹⁹ That said, there is no MENA government to which Moscow is unwilling to sell arms or other Russian goods. Unfortunately for Moscow, however, there are some wealthy MENA governments such as Saudi Arabia that could buy much from Russia, but have so far been unwilling to do so.

The problem for Moscow is that even when it is willing to compartmentalise its interests by cooperating with states in some areas even though it opposes them in others (i.e. Moscow still hopes to sell arms to Riyadh even though Russia and Saudi Arabia support opposing forces in Syria), not all MENA states are willing to do so. Saudi Arabia in particular seems to have linked whether or not it buys Russian arms to whether or not Moscow adjusts its Syria policy to Riyadh's liking.²⁰

Russia and democracy in the MENA

There is nothing in the way that Russia pursues its various geopolitical interests that promotes democracy or human rights in the MENA. Instead, Putin seeks to uphold what he considers a stable authoritarian order. Moscow, therefore, has opposed any Western support, vocal or practical, for democratisation efforts in the region.

There have been four strains of thought about the West and democratisation in the MENA among those supporting the Kremlin or tolerated by it. Those who want to preserve or rebuild Russian-Western cooperation believe that the West does not understand that only hostile Sunni Islamists will benefit from democratisation efforts in the MENA, not pro-Western liberals. Promoting democratisation in the region, then, can undercut reliable authoritarian rulers, but will not result in pro-Western democracies. Further, the rise of hostile Sunni Islamist forces will not only threaten Russian interests, but Western ones as well. Accordingly, just as Western support for the downfall of Gaddafi resulted in chaos (not democratisation) in Libya, the downfall of Assad in Syria would only lead to a far

worse outcome that would threaten Western as well as Russian interests. Moscow's support for Assad, therefore, so the argument runs, actually protects Western interests, even if the West does not understand this.²¹

A more cynical Russian view, which was prevalent in the early days of the Arab spring, is that Western support for MENA democratisation was designed not to result in democracy but to topple pro-Russian governments and replace them with pro-Western ones. Some Russians contrast Western and Gulf states support to anti-Assad forces in Syria, while supporting (or acquiescing to) the suppression of opponents of the pro-Western authoritarian government in Bahrain.²²

There are also those in Russia who argue that the Arab spring, like the 'colour revolutions' in Georgia and Ukraine, were an effort to promote the outbreak of similar opposition movements in the Muslim regions of Russia, or throughout Russia, with the aim of weakening or even toppling Putin.²³

And there is a truly conspiratorial Russian view that Saudi Arabia is not the conservative state that the West thinks it is, but a revolutionary regime promoting Sunni jihadism elsewhere to advance its own great power agenda. By supporting the downfall of Gaddafi – that has resulted in the rise of jihadist forces in Libya – as well as the Sunni jihadist opposition to Assad, and through interventions in Bahrain and Yemen against Shi'a opposition forces, Riyadh has revealed its true aims. Policy-makers in Washington and European capitals might be duped by this, according to this viewpoint, but some in Moscow are not. If Western policy-makers would finally realise that Saudi behaviour threatens Russia and the West alike, then both could cooperate against this common threat.²⁴

Conclusion

Putin perceives Russia as having several important geopolitical interests in the MENA: countering Western influence; containing Sunni jihadist forc-

es; reversing the drop in petroleum prices; and expanding Russian exports to the region. Successfully pursuing these Russian interests in the Middle East, though, is difficult since they often conflict, Russia has limited means, and different MENA actors – including Moscow-friendly regimes – sometimes thwart Russian ambitions. So long as Putin – or someone like him – is Russia's leader, it is doubtful that Moscow will see Russia's geopolitical interests in the MENA differently than it does now. Certainly, Putin or someone like him will never see the democratisation of the region to be a Russian interest, and will do nothing consciously to support it. Whether or not a more democratic Russia might have a more positive view of democratisation efforts in the MENA is questionable, given that Western democratic governments have long supported authoritarian regimes there, and hypothetical since a democratic Russian government seems highly unlikely to emerge anytime soon.

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12. The United Kingdom: an awkward embrace¹

Edward Burke

Britain played a dominant role in Middle Eastern affairs for much of the nineteenth century and the first half of the twentieth. The year 1956 marked the beginning of the end of the British Empire in the Middle East: weakened by the economic destruction of World War II, the United Kingdom (UK) – together with France and Israel – was forced to cede control of the Suez Canal. London gave up Aden Colony in 1967 and its Trucial States protectorates – Bahrain, Qatar, the United Arab Emirates (UAE) and Oman – in the 1970s. The United States (US) took Britain's place as the most influential Western power in the region. But British policy-makers now say that the trend of decline has been reversed – the UK's commercial footprint, especially in the Gulf, is growing. Britain has the strongest political, security and business relations of any European country with the Gulf. And London wants things to stay that way.

The UK's enduring interests

Britain's interests in the Middle East are security and commerce, with security concerns coming first. In the 2010 Strategic Defence and Security Review, the UK government stated that transnational Islamist

terrorism is the greatest threat to its national security. The UK is deeply concerned about the radicalising effect of Middle Eastern conflicts upon its own citizens, including returning members of Daesh (the so-called Islamic State) and other terrorist organisations.²

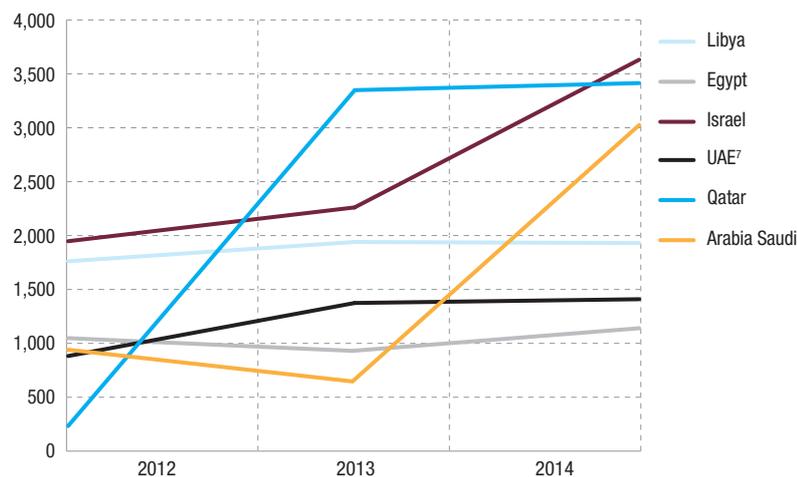
The Middle East region lags far behind markets in Europe, Asia – particularly China – and the United States in relative economic importance for the UK. But the substantial increase of UK exports to the UAE and the other members of the Gulf Cooperation Council (GCC) in recent years, growing imports of liquefied natural gas (LNG) from Qatar, and the huge investment in the UK from the Gulf States have underlined the potential to develop the commercial relationship between the United Kingdom and the Middle East and North Africa (MENA) region. UK trade with Arab countries increased by 11 per cent in 2013 compared with 2012.³

In 2013, UK exports of goods and commodities to the UAE exceeded US\$15 billion – a three-fold increase in less than five years and accounting for approximately 2 per cent of total exports for that year. Meanwhile, exports to Saudi Arabia increased by approximately a third during the 2008-13 period. Britain in turn attracts high levels of investment from the Gulf. The Dubai port operator – DP World – is investing in the construction of the first major UK port for 20 years. Gulf Sovereign Wealth Funds have made high-profile investments such as London's signature 'Shard' building. British trade with Israel has also grown by approximately a third in the last decade. Britain is anxious to protect and deepen this growing trade relationship as a central dimension of its political outlook towards the region. Meanwhile, the Suez Canal in Egypt remains the vital conduit for UK exports to emerging markets in Asia.⁴

The MENA also remains a key market for British manufactured military equipment – representing over two-thirds of new defence export contracts signed with UK companies in 2013. Although the figures fluctuate, according to the UK Department of Trade and

Industry (DTI), the UK’s share of the global defence export market in 2013 was 22 per cent or UK£9.8 billion). The DTI reported that defence contracts in the Middle East were worth almost US\$60 billion for the period 2004-13. It has also reported a marked increase in major orders from the Middle East since 2012, including from Oman and Saudi Arabia (Hawk training aircraft and Typhoon fighter jets).⁵

Figure 1. **UK total imports from selected MENA countries (in US\$ millions)**
Source: OECD.⁶



UK exports of military or police arms and other equipment sit uneasily with Britain’s human rights policy. Trade interests normally win out – in November 2013, the UK government resumed some arms and police equipment exports to Egypt less than three months after a deadly military crackdown on supporters of the country’s ousted former President Mohamed Morsi.⁸

The introduction of a new Arms Trade Treaty, ratified by the UK in 2013, could affect future exports to the region – the treaty obliges exporting countries to make a reasonable judgment on the likelihood

of the arms sold being used for human rights abuses. Each signatory – including the UK – is obliged to incorporate the treaty into its national laws.⁹ In August 2014, the UK threatened to suspend 12 arms export licenses to Israel if there was further evidence of large civilian casualties during Israeli military operations in Gaza.¹⁰

The UK's military role in Iraq from 2003 to 2009 was characterised by poor planning and wasteful spending. A chastened UK stripped down its Embassy in 2011, closed its Consulate-General in Basra, withdrew intelligence resources and turned its back on the country for the next three years. Now that the 'nightmare' of Daesh has been realised, the UK is scrambling to strengthen political and defence relations with Baghdad.¹¹

The UK has traditionally been one of Israel's strongest international supporters, but British attitudes towards Israel are changing. London recently backed European Union (EU) efforts to identify and label goods produced on Israeli settlements in the West Bank. Meanwhile, against Israel's wishes, in June 2014 the British government backed a 'unity accord' between Fatah and Hamas – a shift in UK policy and an implicit acknowledgment that Hamas is an integral part of any revived peace process.¹²

In August 2014, Prime Minister David Cameron used unusually strong language to condemn the recent building of settlements in the West Bank. Later that month he condemned the annexation of 1,000 acres near Bethlehem as 'utterly deplorable'.¹³ Cameron also supported the United Nations (UN) Secretary-General Ban-Ki Moon's description of the attack on a UN school in Rafah 'as a moral outrage and a criminal act'.¹⁴

Energy producer turned consumer

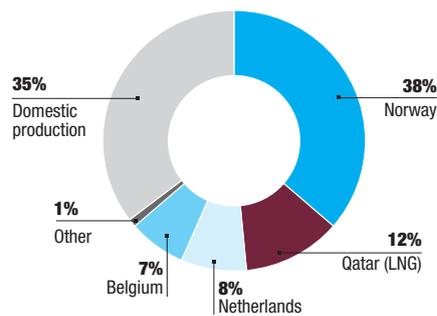
The UK is the largest producer of oil and the second-largest producer of gas in the EU. However, the UK became a net importer of hydrocarbons in 2004 because of dwindling supplies from the North Sea and a prolonged

(ongoing) debate over shale gas exploration. UK natural gas production has fallen more sharply than domestic oil supplies in recent years.

Domestic production met 61 per cent of demand for oil products in 2012, and imports constituted the remaining 39 per cent. According to the UK Department of Energy and Climate Change, oil imports are set to rise – net oil imports will likely constitute 20 per cent of primary energy supply by the mid-2020s and almost 25 per cent by 2030.¹⁵

Figure 2. **UK natural gas supply mix, 2013**

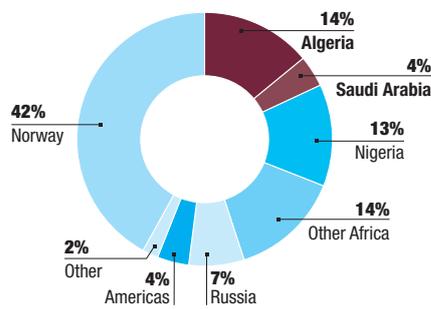
Source: US Energy Information Administration and UK Department of Energy and Climate Change.¹⁶



*Note: Domestic consumption=total UK production-exports

Figure 3. **UK crude oil imports by origin, 2013**

Source: US Energy Information Administration and UK Department of Energy and Climate Change.



The UK has invested heavily in its capacity to import and store liquefied natural gas, which in turn has seen a significant increase in gas imports from the Gulf. The UK is now the largest market for LNG in the EU, surpassing Spain in 2011 (reflected in the exponential rise of Qatari imports in Figure 1 between 2008 and 2013). However, Norway will continue to be by far the most important source of UK imports for the foreseeable future, both for oil and gas – Norwegian exports to Britain are set to increase in 2014 following the essential maintenance of pipelines between the two countries.

The UK - an agent of change in the Middle East?

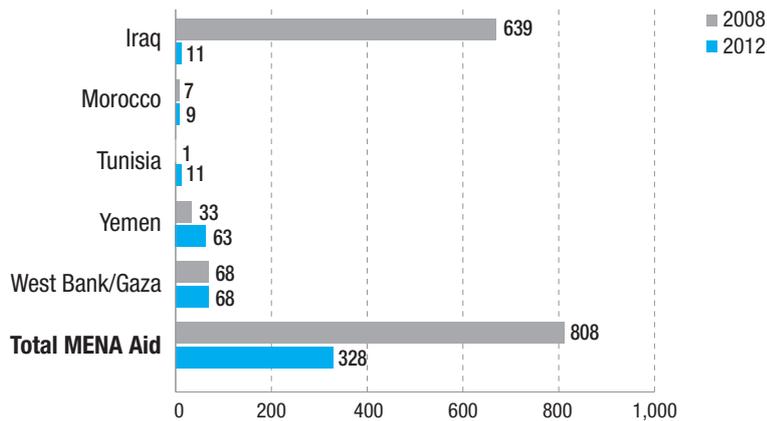
The UK initially saw the 2011 Arab popular uprisings as a major geopolitical opportunity – a unique moment to remake its relations with the Arab world and to tackle the root causes of extremism in the region. Prime Minister Cameron compared the 2011 ‘Arab spring’ with the fall of Communist regimes in Central and Eastern Europe in 1989.¹⁷ In March 2011, following street protests and an escalating civil war in Libya, Cameron overturned a decade-long rapprochement between London and the regime in Tripoli, launching a campaign of air attacks against forces loyal to Colonel Muammar Gaddafi. An ebullient Cameron later claimed that the UK and France, with the tentative backing of the United States, ‘saved the city of Benghazi’ and averted a massacre in Libya.¹⁸ Cameron and his allies won the war but were unable or unwilling to dictate its aftermath. Four years later, following the closure of the British Embassy in Tripoli due to security concerns, the prime minister was criticised by the bi-partisan House of Commons Foreign Affairs Committee for waging a military campaign without a political plan.¹⁹ Efforts to train 2,000 Libyan military personnel were scrapped because of discipline problems among the Libyan soldiers brought to Britain.²⁰ In April 2014, Prime Minister Cameron appointed Jonathan Powell, a former senior official under Tony Blair’s premiership, as his special envoy to the UN-brokered

talks on the political transition in Libya – a belated bid to arrest Libya’s descent into chaos.²¹

Historically, the UK has not spent much of its overall development assistance in the Middle East, with the exception of the Palestinian Authority and Yemen. However, Iraq became the regional focus of UK development efforts from 2003 to 2009 when British troops were deployed there, with a vertical drop of aid volumes to the country after their withdrawal.²² In the initial aftermath of the 2011 popular uprisings, the UK Foreign and Commonwealth Office (FCO) and the Department for International Development (DFID) established the Arab Partnership Economic Facility (economic development – UK£70 million) and the Arab Partnership Participation Fund (political reform – UK£40 million) – a major increase for UK support for democracy promotion in the region.²³ As shown in Figure 4, the UK also increased its (already very limited) aid to North Africa.

Figure 4. **UK disbursed overseas development assistance – Selected countries and total (in US\$ millions)**

Source: OECD DAC QWIDS.²⁴



Since 2011, the UK has emerged as a strong backer of the EU's European Neighbourhood Policy (ENP) in the Southern Mediterranean – seeing it as a means of advancing UK interests in countries where London does not have strong influence. In 2011 the UK began to push for a more conditional approach to development assistance under the ENP. British diplomats have argued that, although constant relations must be maintained with reform laggards such as Egypt and Algeria, special EU funds – such as those under the Support to Partnership, Reform and Inclusive Growth (SPRING) mechanism – should only be paid to genuine reformers.

Today, however, British hopes for the region are being scaled down. There is a broad feeling that relations with important strategic actors such as Egypt cannot be jeopardised over concerns about democracy and human rights.²⁵ The rise of terrorist movements such as al-Qaeda in the Islamic Maghreb (AQIM) and Daesh have drawn the UK closer not only to old allies such as Jordan and Bahrain, but also to new partners like Algeria with whom the UK recently signed a security partnership.²⁶

The signing of an international framework agreement on Iran's nuclear programme, and the prospect of significantly reduced trade sanctions, has fueled speculation that Iran will soon become an important UK trade partner, as it was before the 1979 Islamic revolution.²⁷ In September 2014, Prime Minister David Cameron met with President Hassan Rouhani – the first such meeting between the two countries' leaders in more than three decades – where they discussed operations against Daesh in Iraq and future trade relations in the event of an agreement over Iran's nuclear programme.²⁸ The UK supports a nuclear agreement that allows Iran to enrich a limited amount of uranium under international supervision – in early 2015, Foreign Secretary Philip Hammond repeatedly warned the US Republican Party, the congressional opposition to President Obama, not to seek an unrealistic agreement, such as the complete dismantling of Iran's nuclear programme. Meanwhile, London has announced its intention

to re-open an Embassy in Tehran – its previous mission closed in 2011 after it was over-run by a mob during anti-Western protests.²⁹

In August 2013, Prime Minister David Cameron lost a vote in the British parliament that would have authorised the bombing of the Syrian military and its allies in direct response to the use of chemical weapons by the regime of Bashar al-Assad in rebel-held areas. Earlier, the British and French governments had found themselves in a highly acrimonious debate with other EU member states in Brussels over whether to lift an EU embargo on sending arms to opposition groups in Syria. In May 2013 some EU sanctions were lifted. But the subsequent advances of Islamist extremists in Syria and Iraq in 2014 changed the debate; London's plans to substantially increase its military assistance to opposition forces in Syria were quietly shelved amid concerns that weapons could fall into the hands of Islamic extremists. On 26 September 2014, Cameron secured the British parliament's consent to begin a bombing campaign against Daesh forces in Iraq.³⁰

As the UK began its military campaign against Daesh, London – together with Paris and Washington – successfully petitioned Saudi Arabia, the UAE and Bahrain to join the air campaign. However, Cameron, unlike the US, ruled out attacks against the same group in Syria. Hesitant to work with or provide any advantage to the Assad regime, but equally conscious of the hundreds of British citizens fighting with Daesh and other extremist groups, the UK has simply run out of good options in Syria.

The exceptional Gulf

Britain's enthusiasm for 'Arab spring' regime change did not extend to the Gulf. For example, in 2011 British leaders praised the UAE for taking part in the North Atlantic Treaty Organisation's (NATO) aerial assault to help liberate Libya from Gaddafi's forces. But the

UK government subsequently ignored a 2012 crackdown against civil society activists in the UAE. Some Members of the European Parliament (MEPs) from Prime Minister Cameron's own Conservative Party went so far as to vote against a resolution condemning the arrest and arbitrary detention of UAE civil society activists.³¹

The 2010 'Gulf Initiative' was a signal of intent by the new Conservative-led government of David Cameron to re-build strong political ties with the six GCC states. Since 2010 the UK has signed commercial and defence agreements with each of the GCC member states. A number of Royal Navy ships and submarines and Royal Air Force aircraft are normally based in the region and there are high levels of counter-terrorism and military cooperation, including joint exercises between the UK Armed Forces with some Gulf militaries – most frequently with Saudi Arabia and Oman.

Despite such high levels of security cooperation, senior UK government officials recognise that the Gulf is part of the problem as well as part of the solution, especially when it comes to the funding of terrorist groups in Iraq, Syria, Lebanon, Pakistan and elsewhere by the security services and private citizens from Gulf countries.³²

The UK is susceptible to considerable diplomatic pressure from the Gulf countries. In 2014 David Cameron ordered an investigation into the alleged role of the Muslim Brotherhood in fomenting violent extremism in the UK and around the world.³³ The inquiry was largely seen as a sop to Riyadh. The UK continues to develop working relations with the Muslim Brotherhood elsewhere, including in Tunisia and Yemen, where Brotherhood members have served as government ministers.³⁴ The UK also offered unquestioning, 'firm political support' to the Saudi-led bombing campaign against Houthi rebels in Yemen at the end of March 2015.³⁵

On balance, the UK government believes that maintaining generally friendly relations with Saudi Arabia and other Gulf countries is better

than a confrontational approach that would yield little in the way of human rights, harm UK security and commercial ties and indirectly strengthen regime hardliners and extremists.

Conclusion

The UK's priorities in the Middle East are unlikely to change over the next decade. Attempts at regime change by full-scale military intervention or by assisting local insurgents to overthrow regimes are seen to have failed, most critically in the case of Iraq and Libya, and have led to a rise in extremist movements. London has reverted to a much more cautious approach towards regime change in the region.

Two major recent shifts in British policy towards the area have been with non-Arab states, namely Iran and Israel. Engagement with Iran is set to increase following the re-establishment of full diplomatic relations between the two countries, but much rests on the successful resolution of talks over Iran's nuclear programme. Conversely, UK relations with Israel have substantially deteriorated – and will likely continue to do so if Israel continues to build more settlements and cause more civilian casualties among the Palestinian population.

Britain is willing to risk some influence over matters of principle with strategically important countries in the Middle East; the UK has condemned the use of excessive force on the part of countries such as Bahrain and Egypt – even if it has then moved quickly to try to repair relations afterwards.³⁶ London is willing to gently chastise long-standing allies such as Jordan for stalling on reforms and even withdraw limited amounts of funds.³⁷ However, aside from occasional grumblings and limited reform initiatives, it is clear that the UK is not willing to sacrifice key interests in the region in order to take a strong stand on human rights issues. This is particularly true in the case of the most strategically important countries in the region such as Egypt, Saudi Arabia and the UAE.

The security and economic rationale of developing cooperation with these governments in the short term continues to be compelling. The importance of the Gulf has been reinforced since the Arab uprisings. The UK desperately wants to capitalise on its growing economic ties with the UAE and other GCC countries as part of the government's push to increase global trade. In that sense, British foreign policy towards the Arab countries has remained relatively constant despite the tumultuous events of recent years.

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13. The United States: redefining engagement?¹

Ana Echagüe

President Barack Obama started out his first term with the clear purpose of extricating the United States (US) from ten years of military involvement in the Middle East and putting an end to what he regarded as an overblown focus on the 'global war on terror'. Seven years into his presidency, terrorism concerns have once again drawn the US into warfare, after a brief hiatus of attempted 'new beginnings' and tepid support for the Arab uprisings. Attempts to pivot to Asia and focus more on geo-economic relations have lost momentum on the back of flawed assumptions that quiet diplomacy and a lighter footprint would be sufficient to manage US relations in the Middle East.

An increasingly complex regional scenario of widespread violent extremism, state fragility and power vacuums has strained alliances and earned the administration criticism for lacking a coherent strategy. Obama has responded to the increased disorder in the region by focusing on counter-terrorism and on reaching a nuclear agreement with Iran. Counter-terrorism efforts, initially restricted to targeted operations, including drone strikes, target lists, Special Forces and cyber-at-

tacks, have since the launch of the campaign against Daesh (also known as Islamic State) in August 2014 expanded to include airstrikes, ground troops (albeit in small numbers and in advisory roles) and the training of rebels.

The Obama administration has also expended considerable effort to engage Iran on the nuclear file, believing that strategic engagement would ultimately prove more effective than confrontation; and that an agreement on the nuclear issue could potentially facilitate negotiations on other files and in the long term open the way for some sort of equilibrium between Iran and Saudi Arabia. The US's overt focus on security and military issues has continued to detract from efforts to support democracy in the region. As the US aligns itself ever more closely with authoritarian regimes, any hopes of a re-orientation of US policy in response to the Arab uprisings have been abandoned.

Pragmatism and engagement

Obama, despite liberal inclinations, is a realist at heart. Although his speeches continue to be punctuated by appeals to the defence of liberal values, in policy terms there has been little follow through. Cognisant of the limits of American power, the president is wary of liberal interventionism and over time has narrowed the definition of US national interests.² Following a White House foreign policy review at the beginning of his second term, in a speech to the United Nations (UN) General Assembly on 24 September 2013, Obama defined US core interests in the Middle East and North Africa (MENA) as: confronting external aggression against allies and partners; ensuring the free flow of energy from the region to the world; dismantling terrorist networks that threaten Americans; and opposing the development or the use of weapons of mass destruction (priorities which have since been echoed in the National Security Strategy³ issued in February 2015).

On these core interests, Obama stated, the US would be prepared to act alone, if necessary. Meanwhile, the promotion of democracy and human rights would instead require cooperation with international and regional partners. In the same speech, only two specific objectives in the region were highlighted to occupy the last three years of Obama's presidency: the Iranian nuclear issue and the Israeli-Palestinian conflict.⁴ The peace process is deadlocked and US relations with Israel are at an all-time low, but negotiations with Iran could lead to a final agreement during summer 2015.

Policies towards Syria and Iraq are dominated by the White House's priority of dismantling terrorist networks. In Syria, US regional allies expected that Washington would agree to a repeat of the Libya intervention after the use of chemical weapons by the Assad regime, which Obama had himself defined as a 'red line'. However, it was not until the decapitation of two Americans at the hands of Daesh that the US decided to step in, with the clear caveat of fighting the Islamist extremists rather than the Syrian regime. In Iraq, the fight against Daesh has placed the US in the uncomfortable position of being on the same side as Iran and Shiite militias.

In order to advance US security objectives in the Middle East, Obama has carefully crafted multinational coalitions, using international fora to rally multilateral action and where possible securing UN backing. US-backed coalitions have intervened in Libya, Syria and Iraq. The US has also deferred diplomacy and negotiations to the UN in Syria and Libya.

Obama's one big potential breakthrough would be the successful conclusion of a nuclear deal with Iran that could open the way for greater coordination with Tehran on regional crises such as Iraq and Syria. Obama deserves credit for his efforts to engage Iran and for so far resisting Congress' attempts to undermine his efforts (including an unprecedented open letter by 47 Republican senators to the

leaders of Iran). Obama's aim to achieve the normalisation of relations with Iran and the country's reintegration into the international community is a marked departure from the policies pursued by most previous presidents. Obama would like to see 'an equilibrium developing between Sunni, or predominantly Sunni, Gulf states and Iran in which there's competition, perhaps suspicion, but not an active or proxy warfare'.⁵

While such a new balance of power is appealing, not least because it could allow the US to disengage somewhat from the region, it requires a difficult balancing act with the US's traditional Gulf allies and with Israel. This explains US support for Saudi Arabia's intervention in Yemen despite deep reservations and the convening of a summit with the states of the Gulf Cooperation Council (GCC) on 14 May at Camp David. Although Obama reassured the GCC states at the summit of the US's 'ironclad commitment' to their security, he was not prepared to formalise a mutual defence treaty as some had sought. The meeting also served to assuage the Gulf States regarding the nuclear deal with Iran and reiterate the US's readiness to help in the establishment of a regional missile defence system.

The US has historically been a close ally of the authoritarian Gulf States, owing to the imperative of energy security. The Gulf States provided stable energy markets while the US extended (informal) security guarantees to counter Iran. As US energy import needs diminish, some analysts expect this dynamic to change.⁶ While the US imported close to 30 per cent (25 per cent of net imports) of the energy it consumed in 2000, by 2013 that figure was closer to 25 per cent (13 per cent of net imports). Imports from the Middle East have not yet diminished drastically as the shale revolution has led to increased production of light sweet crude (as opposed to Saudi Arabia's mostly sour quality) that has replaced imports from West Africa (see Figures 1 and 2).

Figure 1. **MENA share of total US imports of crude oil and petroleum products (in %)**

Source: US Energy Information Administration.⁷

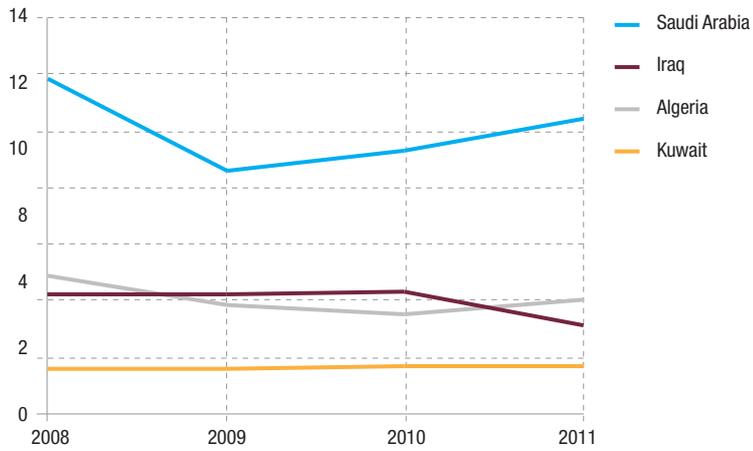


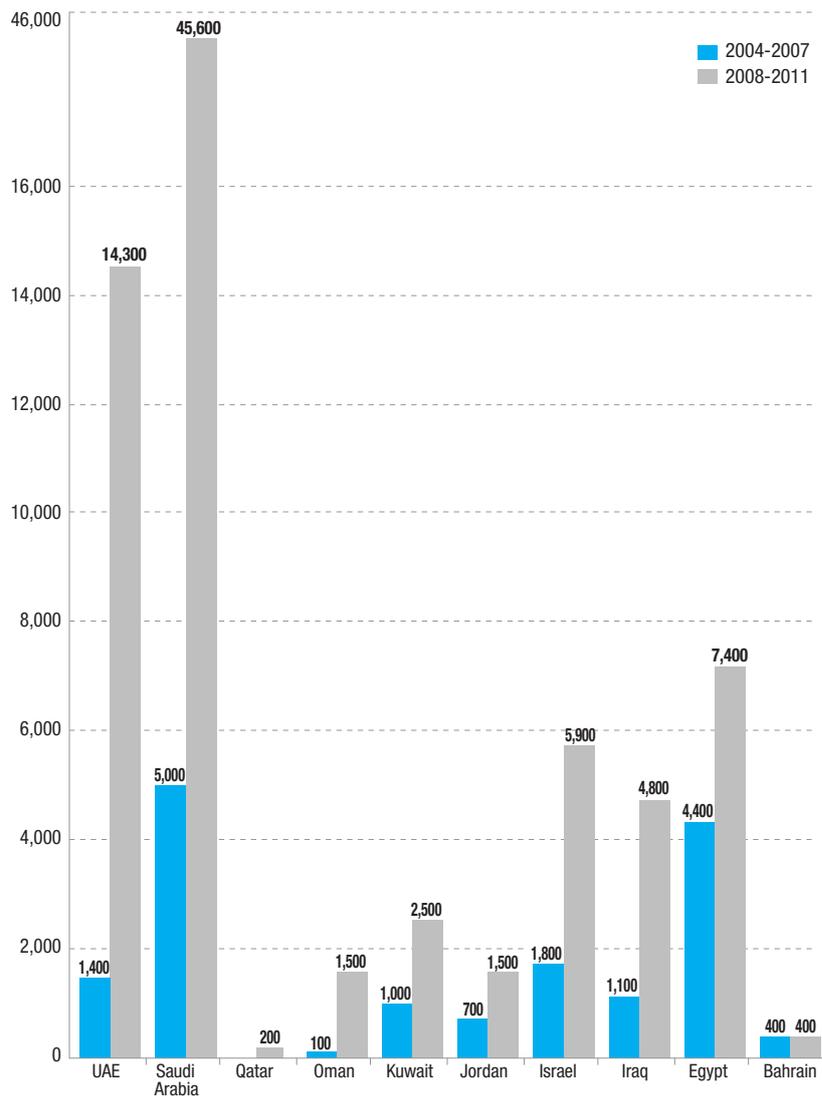
Figure 2. **US crude oil and petroleum product imports from Gulf countries (in million barrels)**

Source: US Energy Information Administration.⁸



Figure 3. **Arms transfer agreements from US (in US\$ millions)**

Source: Richard F. Grimmet and Paul K. Kerr.⁹



In any case, the US will have continuing interests in the Gulf, as any disruption of the global oil supply would have important economic implications. Gulf States also recycle hundreds of billions of dollars in oil revenues through Western economies by purchasing weapons and other assets, including US Treasury and corporate bonds, equities, and real estate. In 2014, the US signed an agreement for an US\$11 billion arms sale to Qatar and in 2010 President Obama approved a US\$60 billion arms sale to Saudi Arabia (see Figure 3).¹⁰ The Saudi Arabian Monetary Agency (SAMA) is known to invest a large percentage of its close to US\$700 billion in foreign reserve assets in the US, mainly in fixed income, equity, and some alternative investments. In addition, collaboration with the Gulf States is now as much about countering Daesh as it is about stable energy markets.

Refocusing on counter-terrorism

Two years after Obama stated that al-Qaeda was ‘on the path to defeat’¹¹ the US launched a military intervention against Daesh. The US has crafted a broad coalition to aid in the effort of rolling back the Daesh threat. For the sake of legitimacy, it was important for the administration to enlist the support of Arab states. However, several of the Arab countries included in the coalition have expressed misgivings about the US policy of targeting Daesh but not the Assad regime in Syria. Increasingly exasperated, some allies (Saudi Arabia, Turkey and Qatar) have allegedly decided to unilaterally increase their support for Syrian rebels.¹² Likewise, there is concern that the US is providing the air power that is enabling Iran and its proxies to gain ground in Iraq.

The revived jihadist threat has led to the development of unlikely collaborations that overlap the traditional US policy alliance with Israel (and related peace signatories Egypt and Jordan) on the one hand and the Arab Gulf States on the other. In the fight against Daesh, the US has even sought the cooperation, if not the coordination, of

Iran, as reflected in a letter President Obama sent Iran's supreme leader, Ayatollah Ali Khamenei, at the beginning of November 2014, highlighting their battle against a common enemy. Washington also indirectly relies on Iraqi Shiite militias (alongside other forces such as the Kurdish Peshmerga) in the fight against Daesh.

While Obama understandably feels the need to counter the immediate threat of what he has called the 'network of death', there are at least three risks with the current US approach to Daesh. First, there is a risk of mission creep in Iraq and Syria. Targeted drone strikes led to air strikes and shipments of weapons to indigenous forces and, despite repeated reassurances that there would be no 'boots on the ground', there are now more than 3,000 soldiers on the ground, albeit on non-combatant missions. Second, the danger of a mainly military approach is that it risks ignoring the motivations that lead groups to resort to terrorism and how military campaigns may play into extremist hands by causing sufficient collateral damage to strengthen their support.¹³ Third, there is a lack of clarity of the ultimate aim of US policy (and whether it is backed up with sufficient resources) – is the US trying to destroy or contain Daesh?¹⁴

While Obama vowed to make counter-terrorism operations more transparent and rein in executive power, he has so far failed on both counts, as reflected in the unrestrained use of drone attacks and the shaky legality of airstrikes in Iraq and Syria.¹⁵

In a policy guidance document in May 2013, Obama, responding to the backlash provoked by the collateral damage from drone attacks, set out new guidance on the use of drones. Strikes would only target terrorists posing 'a continuing and imminent threat to the American people', and be constrained by a 'near-certainty that no civilians will be killed or injured'.¹⁶ The extent to which these measures have been enforced is a subject of dispute.¹⁷ The new guidance also expected the CIA to turn over drone strikes and counter-terrorism operations to

the Pentagon in an effort to increase transparency and devolve the CIA to an intelligence-gathering role.¹⁸ But turf wars, congressional resistance, and the demands of host governments have delayed the handover despite Obama's reiterations to the effect in a speech in May 2014.¹⁹

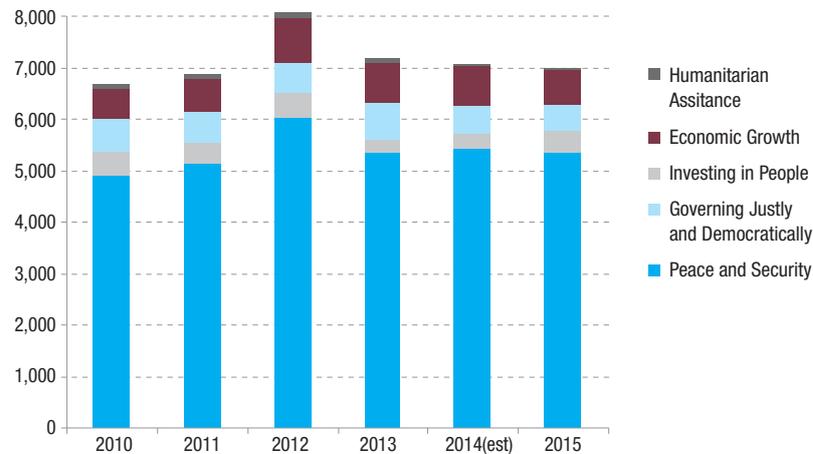
The White House has been relying on two congressional Authorisations for Use of Military Force (AUMF) passed in 2001 against al-Qa-eda and in 2002 against Saddam Hussein²⁰ to justify its actions in Iraq and Syria, despite previous statements that they should be repealed on the grounds that they were overly broad and obsolete.²¹ The administration had already relied on the 2001 AUMF to justify drone strikes in Yemen and Somalia. Only after congressional elections in 2014 did Obama state he would ask for new formal congressional authority to combat Daesh and in February 2015 the administration finally submitted a proposal for a new AUMF to Congress that would repeal the 2002 AUMF but not the 2001 AUMF. A lack of urgency on the part of the White House and disagreements between Republican and Democratic legislators has so far impeded any progress on its approval.

Democracy by the wayside

In the wake of the Arab uprisings, in May 2011 Obama pledged that it would be US policy to 'promote reform across the region, and to support transitions to democracy'. Nevertheless, pre-2011 policies remain in place and the US continues to support authoritarian regimes in the name of stability and cooperation on security issues. The only countries to receive a notable increase in bilateral aid were Yemen in 2015 and Tunisia in 2016.²² Of the total foreign assistance requested by the Obama administration for the MENA region for fiscal year 2016 of US\$7.3 billion, the percentage requested for peace and security purposes increased from 73 per cent in 2010 to 76 per cent, while that for democracy and governance fell from 8 per cent to 6 per cent.²³

Figure 4. **US development assistance to Near East region by objective, 2010-2015 (in US\$ millions)**

Source: POMED.²⁴



The Obama administration has always been ambivalent about democracy promotion, partly because it has doubts about what the US can accomplish on this front. Nevertheless, in his speeches Obama continues to make appeals to defend democracy and liberal values. In a speech at the 2014 Clinton Global Initiative, he stated that ‘America’s support for civil society is a matter of national security’ and that government agencies are now expected to ‘oppose attempts by foreign governments to dictate the nature of our assistance to civil society’; somewhat implausible statements considering the feeble US response to regime crackdowns on civil society, and dissenters in general, in Egypt and Bahrain.

The Obama administration’s policy towards Egypt has been particularly muddled and characterised by mixed signals. For example, the US voiced only mild concern as the Morsi government adopted increasingly authoritarian policies and when the military deposed Morsi the US refused to call the ouster a coup, since doing so could trigger a congressional halt in military aid.²⁵ Although part of the aid was suspended

in October 2013, the first time the US had suspended any of the annual US\$1.3 billion military package, Secretary of State John Kerry subsequently declared that the military's 'road map' of a return

to democracy was 'being carried out to the best of our perception'.²⁶ In December 2014, ten Apache helicopters that had hitherto been withheld were delivered allegedly in support of Egypt's counter-terrorism operations in the Sinai, and by March 2015 the remaining arms freeze was lifted. Unable to certify improvements in democracy, the administration used a national security waiver to lift restrictions on military aid. Egypt represents a clear example of a state where the US struggles with the tension between short-term security interests and the desire for democratic reform.

The Obama administration has also avoided public condemnation of human rights abuses on the part of the Bahraini regime, preferring a more quiet diplomacy that will not jeopardise its valuable security relationship with the kingdom (the US fifth fleet is stationed in Bahrain). Even the expulsion of a high-ranking State Department official failed to elicit condemnation. Although US\$53 million worth of security assistance items remain on hold, including crowd control weapons and other dual-use security items, in December 2013 a US\$580 million expansion of the US Navy's presence in Bahrain was announced.

It is not only aid to support democracy that is declining. The US is also overlooking the connection between anti-terrorism measures and domestic repression in its Arab partner countries. As part of its strategy against Daesh, Washington is encouraging its Arab allies to counteract terrorist financing and support emanating from their countries. But, as the Gulf Centre for Human Rights has highlighted, newly enacted terrorism laws in several Gulf States are leading to arbitrary arrests and imprisonment, reflecting the vague wording and broad scope of legislation which gives the regimes power to arrest and prosecute people for politically-motivated reasons.²⁷

Conclusion

Since 2011, crises on the ground have shaped the American agenda in the Middle East more than the other way around. In the face of a very difficult regional scenario, characterised by instability derived from the fall out of the 2011 uprisings and the spread of violent extremism, the Obama administration's response has been heavily focused on security and has brought about a return to the traditional support for authoritarian regimes in an effort to restore stability. However, this approach ignores the fact that repressive regimes tend to exacerbate the problem of regional terrorism that the US seeks to combat and foment the socio-political dissatisfaction that led to the uprisings in the first place. This short-termism on the security front contrasts with the opening of a possibility for a long-term accommodation with Iran.

Obama has fought hard to achieve a nuclear agreement with Iran. He changed the parameters of negotiations by injecting the US position with much needed flexibility. If he is able to withstand the pressure from factions opposed to the talks and clinch the nuclear negotiations, this would prove to be a game changer for the region. Concerted efforts might even be able to deliver the new equilibrium Obama would like to see between Iran and its Arab Gulf neighbours. Cooperation rather than confrontation on the various security issues plaguing the region could help temper the overall level of violence. However, while engaging with Iran and the Gulf States, Obama should heed his own observation that the greatest risks to these states stem from internal dissatisfaction.

(Endnotes)

¹ An earlier version of this chapter was published as a FRIDE Policy Brief under the title 'Back to square one: the United States in the Middle East' in January 2015.

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Conclusion: the perils of the pursuit of geopolitical interest

Lina Khatib

More than four years after the 2011 Arab uprisings, the geopolitical considerations of major countries inside and outside the region appear to remain largely within the familiar parameters of security, stability and economic interests, as opposed to those of democracy and reform. The strategies followed by some states as they pursue those security and economic goals have often remained constant, as in the cases of France, Germany, the United Kingdom (UK), and China, as the chapters in this book show. But other countries, like Turkey and Russia, have shifted some of their tactics following the uprisings with the aim of increasing their geopolitical influence, not only within the region but also, in the case of Russia, in the face of the West. However, the results of both long-standing strategies as well as new tactics have for the main part not been positive, because the focus on security and economic benefits at the expense of reform has contributed either to sustaining autocratic regimes or, ironically, to increasing instability across the Middle East. While this may be beneficial for some countries' interests in the short term, both autocracy and instability eventually result in the opposite outcome.

Scars from the past

Policies intended to serve a country's interest that end up resulting in the opposite outcome are sometimes the manifestation of geopolitical behaviour informed by past experiences. In such cases, past experiences, especially past mistakes, actually misinform present policies. This has been the case with the United States' (US) and the UK's approaches to the Syrian conflict. Both countries have been scarred by their military interventions in Iraq and Libya, and have used those cases to justify their lukewarm approach to the Syrian conflict, specifically to the matter of arming the Syrian opposition, as Echagüe and Burke argue in their chapters in this book. The caution applied by both countries is understandable. Yet, neither did it stem from a needed reflection on why those past military interventions failed in achieving genuine democratic transitions in those countries, nor was it based on adequate attention to the divergent circumstances in the three cases of Iraq, Libya and Syria. Policy-makers should not use the same approach in different countries in the Middle East without paying attention to their local specificities.

A key mistake was that the interventions in Iraq and Libya happened without a long-term plan for stabilising the countries following regime change. Transitions to democracy require a stable environment to exist before democratic processes can take off. But stability must not be at the cost of individual freedoms. In the cases of countries witnessing bloody transitions, policy-makers should seek to strengthen the security services, but also make them accountable so that those countries do not regress into cycles of oppression and rebellion.

Governance ignored

Another mistake in both cases is that the intervening foreign actors paid inadequate attention to the role of good governance in preventing social and political grievances. Foreign actors primarily viewed the new

governments in Iraq and Libya through the prism of their usefulness as allies, as opposed to the long-term implications of the governments' behaviour towards their citizens. Subsequently, external actors largely ignored their allies' democratic transgressions. While it may be in the West's geopolitical interests to support friendly regimes in the short term despite those regimes' regressive behaviour, policy-makers need to think about the long-term implications of the lack of good governance, because this absence plants the seed of future instability that emerges from citizen grievances.

And yet, as witnessed in the cases of Egypt and several monarchies in the Gulf and the Maghreb, countries as diverse as China, France, Germany, Russia and the US, as well as the European Union (EU), continue to support autocracies in order to serve their own economic interests such as trade and energy agreements – as echoed in the chapters in this book, including those by Kausch, Brown, Youngs, Mikail, and Katz. In this, democratic Western countries have ended up following the same approach as non-democratic countries, as they both seek to stabilise the authoritarian status quo in the Middle East for the sake of economic benefit. The US has gone as far as abandoning a focus on economic or political reform in favour of development assistance of a technical nature that does not require the countries being supported to improve their governance practices, systems or structures. This focus on technical development issues instead of systemic political reform allows the US to retain leverage without upsetting the status quo of countries being offered support, which is a case of 'low-cost' engagement.

Stability's backfiring effect

A key motivation behind sustaining the status quo is maintaining security interests, but this approach can backfire. In Egypt, Saudi Arabia and the United Arab Emirates (UAE) it facilitated the return of the pre-revolution status quo partly because they viewed it as a

guarantor of national security. But the Abdelfattah al-Sisi regime's harsh crackdown on the Muslim Brotherhood and other opposition groups and individuals contributed to the rise of jihadist activity in the country. Israel also supports Sisi on the basis that he is stabilising Egypt with his crackdown on jihadist activity in the Sinai, as shown in Berti's chapter.

A similar scenario applies in the case of Russia's support for the Bashar al-Assad regime in Syria. Russia's fear of Sunni jihadist groups that have emerged in Syria, which was one of the reasons it gave for its support for the regime, ended up causing it a bigger headache because of the involvement of Chechen brigades in the conflict on the side of Daesh (also known as Islamic State). Moscow's aim to sustain the status quo in Syria ironically contributed to creating wider instability. Other cases in the region, from the US turning a blind eye to human rights abuses in Bahrain to France's continuing its military support to autocratic regimes in North Africa and the Gulf, highlight short-sighted approaches to national security. Overlooking human rights in the pursuit of stability may work in the short term, but it plants the seeds of deep grievances that will eventually surface and threaten security in the long run.

The continued prioritisation of short-term security interests at the expense of structural political reform shows that the lessons from the Arab uprisings have not been learnt. The Arab uprisings themselves were the product of decades of oppression in the region. Therefore, even if autocracies appear to be stable, they harbour simmering instability beneath the surface that will eventually erupt. Policy-makers in the West and elsewhere must consider the long-term implications of their economic and security policies, because ignoring human rights and planting the seeds of grievances means that those policies are likely to eventually work against their geopolitical interests. On the contrary, good governance measures mitigate against the instability that often accompanies political change.

Sustaining instability

Regional and non-Western actors have also pursued some policies geared towards strengthening their influence that have served to sustain instability as opposed to stability, with equally devastating results. Qatar's and Saudi Arabia's support of jihadist groups in Syria and Libya was a way to cultivate local clients to increase their influence, but this has stoked regional tensions in the Gulf and served to aggravate the conflicts in the two countries. Turkey's turning a blind eye to jihadists crossing its border with Syria – because of the perceived benefit of those jihadists to its aim of toppling the Assad regime – jeopardised Ankara's relationship with the West and also exacerbated the Syrian conflict, as Özel and Özkan point out in their chapter.

Iran's strategy – as critiqued in Sadjadpour and Ben Taleblu's contribution – of weakening the states it is trying to influence, and supporting Shiite militias within them as a way of putting pressure on the central states (as has been the case in Lebanon, Iraq, Syria, and to a lesser degree Yemen), has increased sectarian tensions in those countries. Groups like Daesh have capitalised on those tensions to rally popular support, which has increased those groups' influence. What once may have been a useful enemy for Iran has now grown to become a serious threat on its borders. Even Egypt's benefitting from the war against Daesh, because it catalysed the resumption of military aid by the United States to the country in March 2015, is only a short-term gain, for Daesh has widened the scope of its activities in the region and Egypt will not be excluded.

In the pursuit of geopolitical interests, the key drivers for countries in the Middle East and outside revolve around increasing political influence and sustaining economic advantages. Unfortunately, the old policy frameworks focused on security and stability remain influential in the way countries choose to approach the Middle East. Without attention to the future implications of focusing on security without

democracy, the region is at risk of remaining in a state of perpetual conflict.

Instead, policy-makers seeking to stabilise the Middle East need to rethink their geopolitical strategies to make support for democracy part of both short- and long-term policies. This means not abandoning programmes for economic and political reform, and supporting civil society institutions that can hold state institutions accountable. It also means being sensitive to country variations in the design and implementation of foreign policies and to different countries' needs. In the cases of states undergoing violent transitions, stability should be a priority before democratic processes can be expected to proceed, but this should not be at the expense of human rights. Ultimately, although the balance between interests and values is tough to achieve, it is not impossible and should be the guiding light for policy-makers in the Middle East and outside.

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