Rocky Harbors
TAKING STOCK OF THE MIDDLE EAST IN 2015

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Trying to nail down how the world’s major powers—the United States, China, Russia, and Europe—see and set strategy for the Middle East these days has never been more challenging. Power relationships globally are in flux. The Middle East is in turmoil. And the powers themselves are struggling through difficult transitions. The metaphors commonly used to describe today’s international web of crises—three-dimensional chess, Rubik’s cube—fall short of capturing the sheer complexity of it all, especially when it comes to the Middle East. A more apt metaphor might be the sensation of walking into the middle of a barroom brawl: it’s hard to be sure who started it, who is allied with whom, exactly what is at issue, who just changed sides, who is fighting, who is just observing, where your leverage is, and how to break it up.

THE STRATEGIC CONTEXT

The contemporary context of the Middle East determines a great deal. Major powers have to formulate their Middle East strategies today in a different strategic context from either the Cold War or what came after.\(^1\) During the Cold War, direct great power competition in the region was not as intense or head-on as in Europe or East Asia. The former was the center of NATO-Warsaw Pact confrontation, and the latter the arena for war, either directly or by proxy, in countries such as Korea and Vietnam. But Russia, China, the

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United States, and many European nations nonetheless saw the Middle East in the zero-sum terms so characteristic of the era. This dynamic played out in relations with Egypt and Libya under Gamal Abdel Nasser and Muammar el-Qaddafi, in weapons sales, and in the Arab-Israeli conflicts.

Then the Cold War ended with the fall of the Berlin Wall and the collapse of the Soviet Union between 1989 and 1991. The international system entered a period during which the major powers’ approaches to the Middle East became more fluid, either by necessity or choice.

During the early post-Cold War years, Russia and China were mindful of the Middle East but thoroughly absorbed with internal transformations. Russia moved from a command economy to private enterprise. China was digesting Deng Xiaoping’s market economic reforms and purging sympathizers of the 1989 Tiananmen Square protests. Without the overlay of U.S.-Soviet rivalry, Europe focused on rebuilding traditional relationships in the Middle East, deepening integration within the European Union, and laying the groundwork for bringing in former Soviet satellite countries as new members.

Meanwhile, the United States gained as free a hand as it will ever have in international affairs as the only surviving and prosperous superpower. It was absorbed in consolidating its post-Cold War position in Europe (the uniting of Germany within NATO, for example), building a new relationship with Russia, and dealing with problems in the Balkans. As for the Middle East, the United States’ main concerns were terrorism, the flow of oil, the Israeli-Palestinian dispute, and two wars in Iraq.2

With the Cold War over, Middle Eastern competition among the great powers was separated for the first time in decades from a global struggle.

The next stage of great power relations kicked in with the global financial crisis of 2008, which weakened confidence in the United States. At the same time, Russia became more assertive, as evidenced by its occupation of parts of Georgia. And the perception grew that China was “rising” in a way bound to challenge U.S. international dominance.

2. John McLaughlin, “Navigating Threats in the Dark,” Global Brief, October 14, 2014, http://globalbrief.ca/blog/2013/11/11/navigating-threats-in-the-strategic-dark/. This interview was intended to sketch out some of the challenges likely to face the United States in an era when it is likely to be less dominant.
So if there is a moment when we can say the United States’ “Superpower Moment” began to pass, it is probably 2008. This also is the moment when major powers maneuvering in the Middle East and elsewhere were thrust into a world akin to the age of balance-of-power politics, which dominated diplomacy in earlier times. In that context, the United States is still the world’s most powerful nation in the sense that few problems can be managed without it. Yet there are few problems the United States can manage alone or lead the response to without challenge.³

As the major powers were adjusting to these new dynamics, the Middle East was rocked by three phenomena that changed the character of the region and the terms on which outsiders must engage it. First, the Iraq war polarized the countries of the region and roiled relations among the major outside powers. Second, Islamic extremism sunk deeper roots and sparked divisions among outside powers about how to respond to it. And third, the region experienced the so-called Arab Spring, which upset not only the domestic norms of many countries but also changed many of the personalities and institutions that served for years as conduits to the outside powers.

It is against this complex strategic backdrop and history that the major powers must now formulate their policies toward the Middle East. It is not surprising therefore that those policies are marked by contradictions, frequent swerves, and internal tensions.

RUSSIA

In the Putin era, Russia must fit the Middle East into a strategy with three principal goals:

- To consolidate a Russian sphere of influence in the “near abroad”—neighboring countries such as Ukraine that were part of the Soviet Union
- To tighten domestic political and economic control
- To restore Russian influence in critical regions such as the Middle East, where Moscow wants to fight terrorist threats, has important economic and political interests, and sees itself in competition with the United States and its partners⁴

Not all of Moscow’s interests and pursuits in the Middle East are destined to be at odds with Washington’s. Russia shares with the United States a keen sense of the threats that can come from Islamic extremists. Throughout his career, Putin

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has presented himself as an opponent of Islamic extremism, mostly when it helped foment independence movements in the partly Muslim Russian Caucasus such as the Chechen Republic. During the two Chechen wars in 1994 and 1999, jihadi fighters migrated to Russia from the Middle East and South Asia, especially via the Pankisi Gorge in Georgia. With Middle Eastern donors fueling nascent Islamic movements in Tatarstan and Central Asia, Russia will monitor Islamic movements in the Middle East and seek ways to combat them.

In some of its regional relations, competing goals force Russia to walk a fine line. Nothing highlights the delicacy, difficulty, and complexity of Russian diplomacy more than its relations with Iran. Since the Iranian Revolution in 1979, Moscow has been wary of Iranian influence on its southern periphery, especially in nominally Muslim Central Asian states such as Azerbaijan, Tajikistan, and Turkmenistan. Yet Russia helped Iran realize some aspects of its nuclear program such as construction of the nuclear reactor at Bushehr. At the same time, Moscow has stopped short of endorsing Iran’s acquisition of nuclear weapons and joined the West in endorsing sanctions against Tehran. But Russia always pushed for a less stringent package than the United States wanted.

Russia also has sought to move beyond the Soviet-era dependence on ideological ties and weapons sales by developing a web of commercial relations with states in the region. For example, although NATO member Turkey has been a Russian strategic rival historically, it has become Russia’s largest trading partner in the region. Trade increased from about $4 billion annually in the 1990s to around $30 billion over the last decade. More than 60 percent of Ankara’s natural gas imports come from Russia. Turkey is followed by Iran and Egypt in the volume of Russian trade.

When it comes to weapons sales, Russia has customers ranging from Syria to Egypt, Iran, and Libya. Its largest client in the region is Algeria, which purchases more than 90 percent of its weaponry from Russia (11 percent of Russia’s total arms exports). Algeria is the most autocratic of the region’s regimes and has yet to experience the turbulence its immediate neighbors did during the Arab Spring.

Russia’s broader geopolitical motives in the Middle East center on its determination to be a player on the main regional issues that engage the rest of the world. In pursuit of that goal, it has worked to broaden its web of cooperative relations to include states such as Israel and formerly hostile nations such as Saudi Arabia. Meanwhile, Moscow’s financial and weapons support and its historical ties to Syria give it crucial leverage in any resolution of the Syrian conflict. Similarly, it holds strong cards in the current P5+1

The West cannot reach an agreement with Tehran absent Moscow’s acquiescence.

In sum, Russia recognizes the importance of all the changes underway in the Middle East and is building on traditional alliance relationships to assure its leverage in any resolution of regional issues.

CHINA

For a long time, the formula many relied on to understand Chinese policy toward the Middle East was: energy security = economic development = political stability. China’s policy toward the region was all about oil and commerce, with little engagement in regional politics. Energy—55 percent of China’s comes from the Middle East—fueled for years the double-digit economic growth of China’s export-driven economy. That provided jobs and rising prosperity for millions coming onto the job market every year. This in turn bought political calm in a system that otherwise might have had trouble continuing to justify stern, one-party rule.

The formula is still at the heart of China’s approach to the region, but Beijing now has concerns about all three elements of it. Like all things touching the Middle East these days, it’s not quite that simple any more.6

Energy security remains an abiding concern for Beijing. But both the turmoil in the Middle East and worry about the U.S. role in the region have heightened that concern. Beijing frets that it may not be able to rely on Washington to provide security in the Middle East as a kind of “public good” for the rest of the world. The latter concern stems from U.S. defense budget cuts and the now widely anticipated U.S. move to energy self-sufficiency in the next couple of decades. While there are still many uncertainties, rising U.S. energy production, largely from extraction of shale gas and oil, combined with declining demand, appears likely to diminish U.S. reliance on supplies from the Middle East and elsewhere.

Beijing probably takes some comfort from knowing that Washington’s close European and Asian allies—particularly Japan and Korea—rely heavily on Middle Eastern supplies. American fidelity to alliance relationships will keep the United States reliably on the job in the Persian Gulf and elsewhere. Still, Beijing cannot rely exclusively on the U.S. Navy and fears that in the event of rising tensions with Washington, the United States could block the Malacca Straits, through which pass about 80 percent of China’s energy imports. Disputes could arise over a number of issues, from Taiwan to East China Sea disputes with U.S. ally Japan.

Such concerns are behind China’s aggressive push for naval modernization in recent years and its expansion into port facilities—the so-called “String of Pearls”—from the Chinese mainland along Indian Ocean ports and into the Middle East. These are largely commercial arrangements for port access and refueling. All of this comes under the heading of what Chinese naval commanders refer to as a shift from coastal defense to “far sea defense.” Accompanying the shift has been an increased emphasis on showing the flag in the area of Suez and the Mediterranean—an outreach prompted by concern about energy security. To supplement the maritime presence, China is building a rail and pipeline network linking part of the Middle East to China via Central Asia.7

Strains appearing in the Chinese economic model make ensuring energy supplies a top priority for the Chinese leadership. Rising prosperity has pushed up wages, which makes Chinese exports less competitive. Growth has dipped into the 7 percent range and the country remains burdened by large state enterprises that soak up 35 percent of economic activity. So new Chinese leader Xi Jinping has embarked on an aggressive campaign to stamp out corruption and move economic decisionmaking into a more commercial versus political mode. Given all the uncertainties he is dealing with, one thing Xi Jinping cannot risk is access to energy.

This sense of urgency has not yet moved Beijing to strive for major player status in the Middle East’s many disputes. But China is not standing apart to the degree it has in the past. It contributes to peacekeeping forces in Lebanon. It makes naval port calls in the Gulf. And it is striving for closer relations with a series of regional powers ranging from Turkey to Egypt.

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Meanwhile, it must worry about the extremism it sees in the Middle East encouraging the restive population of Xinjiang Province in Western China, whose ethnic Uyghurs, a Turkic people, have shown up amid Islamic fighters in locales such as Afghanistan. The Uyghurs are ethnic cousins of Turkey’s Uyghurs, making improved relations with Turkey, which has sometimes criticized Chinese policy toward Xinjiang, all the more important in Beijing’s calculus.

A core principle of Chinese foreign policy is to oppose regime change, at least when managed by Western powers, fearing that they have the same goal for China. So the Arab Spring and its aftermath in various countries was unsettling for Beijing. It not only disrupted carefully cultivated commercial relations with regimes undergoing change; it has also drawn Beijing more into the region’s politics. Beijing's anti-regime change policy meant it was frustrated when its abstention on the United Nations resolution endorsing intervention in Libya led to coalition action that went beyond humanitarian relief to regime change. Beijing will veto similar resolutions on Syria.

Beijing’s fear of regime change is exacerbated by China’s historic sense of “encirclement.” Washington’s “rebalance” toward Asia and its renewed activism in the Middle East serve to heighten Beijing’s concerns. All of this points to a more activist Chinese posture in the Middle East in the future, centering not just on commercial relations but increasingly on political and military ties.

**EUROPE AND THE UNITED STATES**

Europe and the United States have been more deeply involved in the Middle East than other major powers. The United States has been drawn to the region because of its perceived global responsibilities, commitment to Israel’s security, and energy needs. Europe is pulled in by many factors, some shared with the United States, some unique—simple proximity, colonial history, energy dependence, and two world wars fought partly on Middle Eastern battlefields.8

By any standard, these are unique times in European and U.S. engagement with the region. On the one hand, the interests of Europe and the United States in the Middle East largely converge. And they have a generally shared conception of the direction in which they would like to see the region evolve politically and economically—toward democratic norms, more equalitarian societies, and open market economies. In this regard, they differ sharply from China, firmly committed to one-party rule, and Russia, which is trending in that direction.

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8. Kristin Archick and Derek E. Mix, “The United States and Europe: Responding to Change in the Middle East and North Africa,” Congressional Research Service, June 12, 2013, http://fas.org/sgp/crs/row/R43105.pdf. This is a very good overview with the emphasis on Europe’s economic engagement with a Middle East in transition.
Yet, despite this common outlook by the United States and Europe and the great power they could potentially wield together, they have seldom had less leverage in the region. This stems from a variety of factors.

First, with so many of the countries in transition, many of the personalities and institutions with which links had been formed are gone. And while both the United States and Europe have been highly influential in the democratic evolutions in Eastern Europe, neither encounters in the Middle East anything approaching the strong desire for alliance and societal imitation that the East Europeans had. Middle Eastern countries in transition are interested mainly in economic and military assistance. This comes at a time when both the United States and Europe are struggling fitfully through slow economic recoveries and are unable to provide what these nations want.

Second, engaging the region now is made more difficult by its very unsettled nature—the sense that politics has yet to crystallize into any predictable pattern that offers a reliable planning horizon for outsiders. Egypt is a case in point. It is common among Middle East watchers to say: as Egypt goes, so goes the Middle East. And yet Egypt has since 2011 been through two major and largely unpredictable transitions—first from Hosni Mubarak’s autocratic style to short-lived divisive rule under the Muslim Brotherhood’s Mohammed Morsi, then returning to strong central control under the regime of Abdel Fattah al-Sisi. Although Sisi seems firmly in charge, it is hard to be confident that even this regime will endure, given the societal and economic problems he is struggling with and the public’s recognition that “the street” has power to turn out rulers.

Third, the level of violence in the Middle East, unprecedented in its pervasiveness in modern times, impedes coherent and consistent policy. This stems from the war in Syria and more recently from the expansion of its most powerful Islamic extremist group, the Islamic State, into Iraq. As this is written, the Islamic State group (ISG) controls a swath of territory stretching from Aleppo in Syria to the outskirts of Baghdad, territory on which it has proclaimed a “caliphate.” The United States and Europe agree that the ISG must be rolled back and defeated and that this could take years.

The perceived dangers that come from the war in Syria and Iraq and what amounts
to the erasing of the border between the two have pushed aside all but the most essential forms of non-conflict-related engagement. For Europe, the ISG has to be a riveting concern, largely because the EU estimates there are approximately 3,000 Europeans among the roughly 20,000 foreigners who have merged into the ISG’s fighters, which rough estimates now put in the range of 30,000 or more. This means that European leaders, more than at any time in the past, must prepare for the possibility of Islamic extremists holding European passports filtering back into their countries. Washington, already troubled by reports of more than 100 Americans among the fighters, shares this concern. Making matters worse for Washington, European passport holders have visa-free passage into the United States.  

Finally, while U.S. influence in the Middle East is hard to confidently measure and while Washington has struggled with difficult choices, it appears to have lost much of its clout. Most commonly cited causes are inconsistent responses to political changes, especially in Egypt; backing away from “red lines” promising military action if Syria used chemical weapons; and Saudi and Israeli displeasure over U.S.-led negotiations with Iran intended to render its nuclear program incapable of producing weapons.

Yet the United States burnished its credentials recently by organizing a coalition of disparate regional players and United States allies from elsewhere to fight the ISG. If this remains effective, it will go far to reestablish U.S. leadership in the region. This is of course a huge if, given the uncertainties when forces engage on the battlefield, particularly this unique one.

In sum, there are only a few points of convergence among great power policies toward the Middle East at this tumultuous time. They all want to see terrorism defeated and none of them is comfortable with Iran developing nuclear weapons. But the way to achieve these goals is in dispute, especially between the Western powers and the others. Both China and Russia will balk at any arrangements that involve separatism or require regime change.

The Middle East is now the world’s principal laboratory for practicing the new balance-of-power politics likely to characterize the coming decades. It is the arena where the first rounds of a new “Great Game” are playing out. The game has begun, whether the great powers are ready or not.

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