

Regional Change in the Middle East

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Introduction

The Middle East has witnessed major changes in the last 30 years; the most dramatic ones took place since September 11, 2001 and consequently the US invasion of Iraq in 2003. It is interesting to observe that while Arab intellectuals as well as politicians used to advocate the "Arab World" to indicate the 22 members of the League of Arab States, they now accept the concept "Middle East" to encompass both Arab and non-Arab states such as Israel, Iran and Turkey. These states used to be called peripheral and/ or adversary neighbours.

The shift from the Arab region to the Middle East sub-system was the result of external initiatives especially from the United States. Two major factors added to the success of external initiatives, on one hand, the disaster of September 11, 2001 and on the other, the deformation of the Arab region between rich and poor countries, radical and conservative/ moderate countries and the over occupation of each member in its own internal affairs. One might add that since Israel signed peace treaties with two Arab states; Egypt and Jordan and peace accords with the Palestinian Authority, there is a cleavage among the Arab states regarding what is the future role of Israel.

The Arab World and the Middle East: Importance and Vulnerability

The Arab world and the Middle East play an important role in the world of today for a number of advantages on the top of which is the sources of energy. The Middle East and its leading oil producer, Saudi Arabia,

play a pivotal role in world supply of oil and gas. The region has 62% of world proved oil reserves; it is expected to last to nearly 80 years, and 40% of world proved gas reserves, make the region unique and ensure that it will remain the most important factor in the contemporary energy market. However, the Middle East is one of the most politically unstable regions in the world and its oil and gas infrastructure is particularly vulnerable to disruption.

The Middle East has a largest military expenditure burden in the world with 6% of the GDP average. The Middle East is a big market for military weapons and equipments. Its military expenditure increased in 2006 by 2.8%, which amounts to US\$ 72.5 billion with Saudi Arabia and United Arab Emirates on the top of weapons importers and the United States on the top of weapons exporters to the region. Military expenditures and military budgets are characterized by lack of transparency and accountability. No legislative power in the Arab world, may be except in Kuwait, has any authority or courage to check on the military budget or military expenditure due to "National Security" considerations.

Transfer of Major Conventional Weapons by Supplier to Iraq, Iran, Israel and
the Countries of the GCC

1997- 2006 in US\$ million*

Recipient	Supplier					
	USA	Russia	China	EU	Other	Total
Iraq	63	68	0	131	135	397
Iran	0	3437	840	10	237	4524
Israel	5503	0	0	1121	0	6624
Syria	0	512	0	0	92	604
GCC Countries	9972	404	89	10576	496	21537
Saudi Arabia	5253	0	0	3274	108	8635
UAE	3220	310	0	5519	314	9363
Other GCC	1499	94	89	1783	74	3539

* SIPRI, 2007

All development reports indicate that there are at least three main deficits in the Middle East and more so in the Arab world; freedom, knowledge and women empowerment. In this regard, statistics reveal how much the Arab world is behind other regions and what impact this might have on its stability and the stability of other regions. 40% of adult Arabs (65 million) are illiterate, two thirds of whom are women. Women occupy just 3.5% of parliamentary seats, a figure lower than any region in the world. Internet access does not exceed 1.6% of the population. Absolute and extreme poverty is on the rise in many Arab states in spite of the unprecedented increase in oil wealth in others.

In a world of media revolution and easy access to international news and development and in light of lack of knowledge and openness of political systems, Arab population are able to perceive how much the world is changing politically and economically and

the degree of stagnation in their own societies. This would definitely provide a fertile environment for advocates of extremism and fundamentalism.

Between 1958- 1977, Egypt played centripetal role in the Arab region where it took many initiatives in the direction of changing it into a more unified region; the Egyptian-Syrian unity, the Iraqi-Egyptian-Syrian unity negotiations, the Egyptian military support of the revolution in Yemen in 1962 provide some examples of the role of the central regional power (Chart 1 *at the end of the article*).

The Egyptian initiative in 1978 to reach a peace treaty with Israel in 1979 and subsequently a peace treaty between Jordan and Israel and also accords between Israel and the Palestinians in 1993 created a situation which the Arab region could not tolerate. This led to almost the disintegration of the Arab region; GCC, Union of North African

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states (The Maghreb Union) and The Arab Union which included Iraq, Jordan, Egypt and Yemen were established. Only GCC survived and is still a viable sub-region within the context of the league of Arab States.

Egypt also led other members of the League of Arab States against Israel for the sake of the liberation of Palestine. Even after the military defeat by the Israelis in 1967, Egypt led the Arabs through Arab Summits to rebuild their military power and confront Israel in 1973 war (Chart 2).

Another shocking event to the Arab sub-region and other Arab sub-regional groups was the Iraqi invasion of Kuwait in 1990 and the threat it presented to all potential regional players. There is no doubt that the alliance between the USA and most of the Arab states to liberate Kuwait created a logical justification for the USA military presence in the region especially in the oil rich Arab Gulf states.

However, the drastic attacks on the USA in September 11, 2001 by 19 young Arabs, mainly Saudis, pushed for expanding the Arab region to include additional states such as Turkey and Iran while Israel has become since 1979 acceptable player. In fact, the Middle East as a sub-system was forcefully introduced in Casablanca Economic Summit Conference in 1994 by Shimon Peres, now the President of Israel. However, it did not work out due to lack of enthusiasm by the Arab members of the sub-system.

The idea behind expanding the system is two fold; on one hand, to absorb the Arabs and their region into a wider and vague sub-system. This process would negatively affect the identity of the members of the sub-system; Arabs vs. non-Arabs. On the other hand, the USA would like to mobilize Arabs and non-Arabs, side by side, in its war against terrorists.

Accordingly, the USA in 2003 invaded Iraq, toppled Saddam Hussein regime and started the process of cleaning up Iraq from extremists. That invasion not only divided the Iraqis on the lines of race, religion and sects, but it also divided the Middle East

countries between moderates and extremists.

International Initiatives for Broader/ Greater/ New Middle East

In his May 9, 2003 speech at the University of South Carolina, President Georges Bush, affirmed US commitment to promote and support reform in the region through the Middle East Initiative. It is comprised of two elements; the Middle East Partnership Initiative (MEPI) and the proposed Middle East Free Trade Area (MEFTA). The first element deals with economic reform, educational reform as well as political/ civil society reform.

The USA launched both military wars as well as war of ideas. It wants to win "The Hearts and Minds" of Middle Easterners and Muslims in other part of the world. It utilizes, in the region, both transformational diplomacy as well as public diplomacy through which it could propagate American values, counter adversary propaganda and increase interactions with political and societal leaders. It also aims at isolating extremist groups and marginalizing their role among the public.

In addition, the USA attempted to promote democracy in a region characterized by both authoritarianism and totalitarianism. The USA and many others believe that extremism and fundamentalism are natural outcome of political oppression and marginalization. Opening political system and processes to participation by different groups is essential to counter terrorism and empower forces of moderation in the region.

In his remarks at the 20th Anniversary of the National Endowment of Democracy in November 6, 2003 President Bush announced that the USA would pursue a "forward strategy of freedom" to promote democracy throughout the Middle East.

The President advocated for the first time Greater Middle East and Middle East Partnership Initiative (MEPI) aimed at supporting political reform efforts and economic development especially for women and youth. Within this framework the Middle

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East Reform Forum was launched and its first meeting took place in Rabat, Morocco in December 2004. The second meeting took place in Qatar in 2005. It is a partnership among countries of Broader Middle East and North Africa (BMENA) region, G8 industrialized countries and others. It focused on Democracy Assistance Dialogue, Literacy, International Finance, Entrepreneurship, Micro Finance and Investment. Thus, the BMENA was launched at G8 meeting in Sea Island, Georgia, USA in June 2004. The goal is to support reform efforts in the region in political, economic and socio-cultural domains. It is important to notice that this initiative emphasized, due to the earlier negative reaction by Arab regimes toward external calls for political reform that reform should start from within.

All these initiatives and others from the USA side aimed at creating more liberal thinking, more transparent political processes and good governance. If these reforms take place, they argue, extremism and fundamentalism will be marginalized or hopefully minimized and isolated.

As for the Europeans who came up with a number of initiatives which go back to 1995, one might argue that they were keener to establish more constructive partnership with Middle East countries. In most of their initiatives they, contrary to the USA, expressed concern about the Middle East conflict meaning the Arab-Israeli and the Israeli-Palestinian conflict. They also expressed the need for just, comprehensive and lasting peace as an imperative step for regional stability. Europeans, again contrary to the USA, are more sensitive to the politics in the Middle East. They do not come up with terms such as Greater/ Broader/ New Middle East announced by Condoleezza Rice in Beirut in 2006. At the Euro-Mediterranean Conference (27- 28/ 11/ 1995) Europeans established Euro-Med Partnership through what is called Barcelona Declaration or Barcelona Process. This process established a Multilateral Framework of relations based on the spirit of partnership. Barcelona process has developed into comprehensive and encompassing regional partnership, common institutions

and networks like Anna Lindh Foundation for Dialogue between Cultures, the Euro-Med Parliamentary Assembly, the FEMISE (Network for Economic Research Institutes) and the Euro-MESCO (Network of Political Science Institutes) constitute significant assets of partnership of 37 partner countries with more than 700 million citizens.

We should also add that Barcelona process produced European Neighbourhood Policy (ENP) in May 2004. Central element of ENP has become Bilateral Action Plans agreed upon between the EU and each partner. In 2005, the EU agreed with Israel, Jordan, Moldova, Morocco, the Palestinian Authority, Tunisia, Ukraine, in 2006 with Armenia, Azerbaijan, Georgia and in 2007 with Egypt, Lebanon are underway. Barcelona Process also created European Neighbourhood and Partnership Institutes (ENPI) which cover both Southern Mediterranean and Middle East.

These initiatives aimed at creating environment in Middle East susceptible to peace and stability. The Europeans, as mentioned earlier, are more alert to the needs of the region, including those of the Palestinians, than the USA. For example, the EU established the EU Border Assistance Mission for the Rafah Crossing Point (EUBAM Rafah) in November 2005 and EU POL Cops in January 2006 (The EU Police Mission for the Palestinian Territories).

It is important to add that the European through Mediterranean Dialogue (MD) and Istanbul Cooperation Initiative (ICI) would emphasize cooperation with broader Middle East countries in the security arena. MD, initiated in 1994, includes in addition to EU, seven Middle Eastern countries; Egypt, Israel, Mauritania, Morocco, Tunisia, Jordan and Algeria. ICI aims at promoting practical cooperation with countries in broader Middle East beginning with members of the GCC. It is open to all interested countries in the region who subscribe to its aims and content including combating terrorism and the proliferation of weapons of mass destruction.

If the USA Broader Middle East and North Africa is a vague concept as there is no

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geographical neither more substantial common characteristics which create cohesiveness, recent changes in the region lead to its disintegration and instability. In the past, when the UK wanted to make the "Arab World" elusive, it created the concept Near East which included non-Arab countries such as Turkey and Iran. International organizations such as International Monetary Fund (IMF) and the World Bank use the concept Middle East and North Africa (MENA) to exclude some Arab countries such as Somalia, Sudan and Djibouti and include non-Arab states such as Iran, Pakistan and Afghanistan.

There is no doubt that the invasion of Iraq in 2003 is a turning point in the history of the Middle East. On one hand, ethnic, racial, sectoral and religious divisions have become prominent and dominant. In addition, the future of the state in the region has become at stake not only Iraq, Sudan and Lebanon but also other states especially in the Gulf. Added to this and based on it is the potential Shiite threat in the region which presents a kind of radicalism that the Sunni community could not tolerate, but more seriously is unable to confront. Have these efforts been efficient and sufficient for creating reform or stability in the Middle East?

On the other hand, the most serious outcome of the USA invasion of Iraq is the promotion of a viable and strong Iranian regional role not only as a nuclear power but also as a traditional military power with the support of Shiite community in Iraq, Lebanon, Syria, Kuwait, Saudi Arabia, Bahrain, the UAE and other countries (Chart 3).

Even Egypt as a stabilizing force in the area has lost its regional role in favor of Iran and may be for a more active role for Saudi Arabia which hosts very conservative Islamic beliefs. Some argue that because the process of political liberalization was slowed, in 3-4 years, if not sooner Egypt's political security and stability will be at risk.

Third, the inability of the USA and EU to pressure Israel for a just, comprehensive and lasting peace with the Palestinians, the unwillingness of the Israelis to reach a com-

promise with the Palestinians and the Palestinian weakness add to the forces of radicalism and extremism in the region which would affect the political landscape in the future.

There is no doubt that the military failure of the USA in Iraq, the inability to solve the Palestinian-Israeli conflict, the USA and EU retreat from pushing for political reform and democratization in the Middle East especially in the Arab World would lead to instability and strengthen the forces of violence and disintegration on the top of which are the Shiites in Iraq. The potential Shiite threat to the established Sunni Monarchies of the GCC states, as an example, has been one reason for GCC governments' maintaining high levels of military expenditures since 1980s. The establishment of Shiite dominated government in Iraq and the growing influence of Iranian supported groups there and in Lebanon has revived this argument. In order to counter Iran's influence in the region, Saudi Arabia has changed its defense doctrine since 2005. It is the biggest spender on military with 40% of the region's total military expenditures in 2006. It aims at increasing its troops by 25%.

The emergence of Iran as a potential nuclear power has alerted USA, EU and the Arab states. The USA has put strong pressure on foreign companies not to sell military equipment to Iran. However, Iran imports were dwarfed by acquisitions by the GCC members and Israel and this disparity is unlikely to change in the near future. Saudi Arabia, the UAE and Israel have major ongoing or new arms acquisition programs while Iran and Syria have almost none.

Challenges to the Middle East Subsystem

It might be interesting to examine whether countries of the Middle East have common characteristics which might hold them together to form a solid subsystem. If we take population size as a major element in states national power, there are only three states with dense population; Turkey, Egypt and Iran respectively (50 million population and

above). States with population size of 20 million and above are only five. There are additional five states with population size 5 million and above. Seven states have a million and above while two states have population less than 2 million.

However, looking at GDP per capita, there are some characteristics in the sub-system as follows:

Middle East Countries					
Charateristics Countries	Population	Area in Km ²	GDP in US\$ millions	GDP/ Capi- ta in US\$	Military Ex- penditure as % of GDP
Egypt	80.335.000	1,001.450	334,400.000	4,200	3.4
Turkey	71.158.647	780,580	640,400.000	9,100	5.3
Iran	65.377.000¹	1,648.000	599,200.000	8,700	2.5
Sudan	39.379.358	2,505.810	97,190.000	2,400	3
Morocco	33.757.175	446,550	152,500.000	4,600	5
Saudi Ara- bia	27.601.038	2,149.690	371,500.000	13,800	10
Iraq¹	27.499.000	437,072	87,900.000	1,900	8.6
Yemen	22.230.531	527,970	20,460.000	1,000	6.6
Syria	11.319.747	185,180	78,260.000	4,100	5.9
Tunisia	10.276.158	163,610	91,070.000	8,900	1.4
Somalia	9.118.773	637,657	5,259.000	600	0.9
Jordan	6.053.000	92,300	30,03.000	5,100	8.6
Libya	6.036.000	1,759.540	72,340.000	12,300	3.9
Djibouti	4.960.374	32,000	1,878.000	1,000	3.8
UAE	4.442.011	83,600	129,500.000	49,700	3.1
Israel	4.426.000	20,770	170,300.000	26,800	7.3
Lebanon	3.925.000	10,400	22,860.000	5,900	3.1
Mauritania	3.270.065	1,030.700	8,124.000	2,600	5.5
Oman	3.204.897	212,460	44,530.000	14,400	11.4
Kuwait¹	2.505.000	17,820	55,960.000	23,600	5.3
Qatar	000.907.229	11,437	26,370.000	29,800	10
Bahrain	000.708.573	665,000	17,900.000	25,600	4.5

- 1- States with GDP/capita \$10.000 and above; UAE, Israel, Bahrain, Kuwait, Saudi Arabia and Libya with \$49.700, \$26.800, \$25.600, \$ 23.600, \$13.800 and \$12.300 respectively. None of the top three states in population density belongs to this club. Their per capita income is less than \$10.000 (\$9.100, \$8.700 and \$4.200 respectively).
- 2- There are three states with GDP/capita \$1000 and less; Somalia, Djibouti and Yemen (\$600, \$1000, \$1000 respectively).

Thus, one might argue that similarities among Middle East States are eroding and the gap between them is deepening. This is reflected politically in major divergence in national interest of each state even among similar monarchies in the GCC.

This is how the new Middle East looks like:

First: Major internal wars on the religious, sectoral and racial basis which would add to the forces of disintegration and secession in a number of Arab states; Iraq, Sudan and Somalia among others.

Second: Emergence of non-state actors which are in control of the military and political will such as Hezbollah in Lebanon, the remnants of Al-Qa'ida in a number of Arab countries. Both presented major security threats to the USA military in Iraq and to the Israeli military establishment respectively. It seems that these groups, within the existing military situation and the inability to solve the Israeli-Palestinian conflict will grow stronger and gain more sympathy if not support in the region.

Third: There is no doubt that the USA invasion of Iraq helped to great extent, the emergence of a strong role for Iran in the region not only due to the Shiite factor but also is its potential nuclear power. That role would definitely take away the leverage of traditional regional powers such as Egypt and Saudi Arabia. Any solution to the Iraqi situation will add to the Iranian regional role.

Fourth: Political reform and democratization process is not only stagnant but weakened.

In addition, lack of transparency, anti-corruption measures as well as lack of good governance leads to two major and devastating results; on one hand, marginalization frustrates the politically active groups who applauded the idea of political reform. On the other hand, more committed religious groups emerge as the only source of solution. They present social and economic services such as education, health and social support which many states are incapable of delivering. Many states have become failed or failing states which are at a late stage of soft states. Muslim Brotherhood in Egypt and Hamas in Palestine present popular examples. It is dangerous to follow a policy of exclusion against these politically active and popular groups. Contrary to this policy, efforts should be exerted to get them into the political process in order to create opportunities for domestic consensus which is the basis for stability and tranquility.

Fifth: Though there were opportunities to strengthen civil society organizations and push for wider participation, political elite and activities especially in the Arab world and Iran are under siege. There are limited and isolated attempts for resistance and insistence to resist but regimes have the power and brutality to deter them.

Sixth: The tremendous increase in oil wealth creates a major cleavage between oil and non-oil producing countries. In fact, the oil wealth has been directed towards non-oil producing Arab countries as foreign direct investment. However, it concentrates on land and real state speculations which is economically damaging the middle class. If this class is marginalized politically and deprived economically, violence might be the only way open for them to express their dissatisfaction with and frustration from the existing political establishment.

Conclusion

The Middle East will continue play a major role in world politics due to oil and natural gas production and reserve on one hand, and the existence of Israel as a major actor in it. However the endemic socio-economic and political dilemmas, the unwillingness to

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solve internal and regional conflicts on the top of which is the Palestinian-Israel conflict, the marginalization process as well as the inability to maintain a wider middle class will lead the Middle East sub-system to disintegrate and its members to weaken.

It seems from the last 50 years of political dynamics that Middle East countries especially the Arab states are not taking political reform, as a way to reach consensus, seriously. Accordingly, there is a need for external powers to exert more pressure on its member states to resort to inclusive political process rather than exclusive one which would lead to alienation, frustration, co-optation, extremism and violence. Opportunities for autonomous and independent political reform are diminishing.

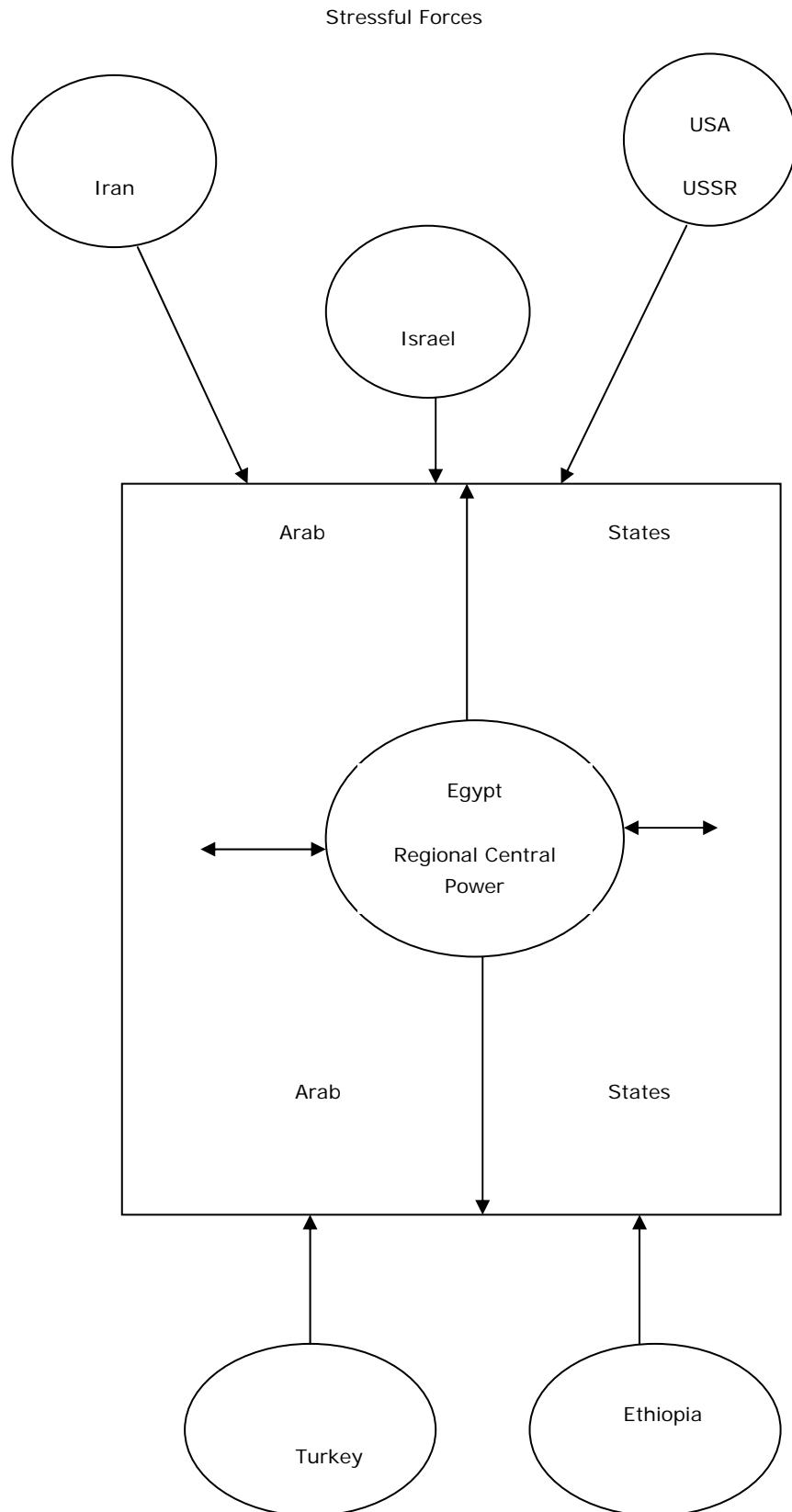
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Figure (1) - Egypt as a Centripetal Force

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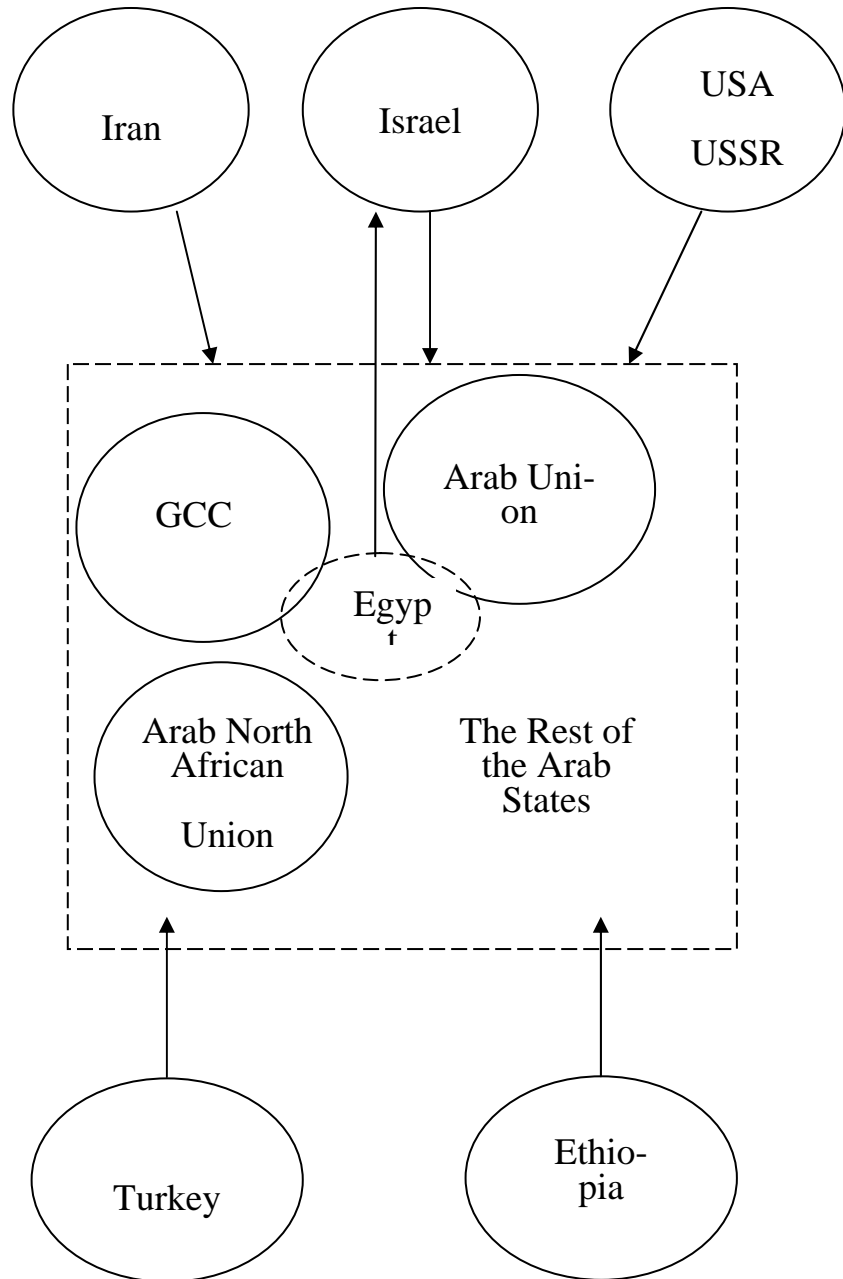


Chart 2: Egypt as Centrifugal Force

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A Divided and Collapsing Middle East

