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The democratic uprisings and consequent turmoil in the Arab world during the last 18 months have had significant impact on the geostrategic situation in the Middle East as well as on the policies of major regional and global powers. As the upheavals continue to unfold, especially in strategically important countries such as Syria and Bahrain, they will continue to have a major impact on intraregional politics as well as great-power interests.

THE SYRIAN IMBROGLIO

Syria has for many decades been the bellwether of Arab politics, especially in times of intense ideological competition. This is the consequence of its strategic location between the two traditional centers of Arab power, Egypt and Iraq, and the perception that it is the heartland of Arab nationalism. In much of the twentieth century, Syria was seen as the ultimate prize for contending trends and powers; whichever ideological or political trend emerged victorious there came to dominate, more often than not, the Arab political scene. This was true in the 1950s and 1960s during the time of intense competition, indeed a cold war, between “revolutionary” military regimes espousing the cause of Arab nationalism and conservative monarchies determined to hold on to their power and privilege.1 And as Curtis Ryan points out with reference to the current situation, “Once again, regional politics shows many signs of an Arab cold war and, once again, that broader conflict is manifesting itself in a struggle for Syria.”2

However, this time around, non-Arab Iran is a leading protagonist in the new cold war in the Arab world, with Saudi Arabia as the rival pole of power. Turkey’s involvement in Syria has further complicated the picture, with Ankara and Riyadh lined up on the side of the opposition and Iran on the side of the regime. Iran’s role in the current regional cold war has introduced sectarian (Shia versus Sunni) as well ethnic (Persian versus Arab) divisions into the competition for pre-eminence in the region. Tehran is a firm supporter of the Assad regime, Iran’s primary Arab ally and an essential conduit for Iranian military and financial support to the Lebanese Hezbollah. It is also perceived by the Iranian regime as a part of the “resistance” front against Israel, one of Iran’s two primary

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regional antagonists — the other being Saudi Arabia.

Saudi Arabia, on the other hand, supports the Sunni-dominated opposition to the Assad regime largely because of the latter’s connection with Iran. There are reports not only of financial support to the Syrian opposition by the Saudi and Qatari governments, but also of weapons transfers from Gulf Cooperation Council (GCC) countries to the Free Syrian Army and other armed elements that have been fighting the regime’s soldiers as well as launching attacks against government targets.\(^3\) Such external support has helped turn a movement for democracy against an authoritarian regime into a full-fledged civil war.

These reports seem to be borne out by the increasing lethality of opposition attacks on regime targets, above all on the nerve center of the security apparatus. On July 18, 2012, an attack on headquarters killed several top regime stalwarts including the defense minister and the brother-in-law of President Bashar al-Assad. Several respected analysts have predicted that this event marks the beginning of the end of the regime.\(^4\) Current trends in the fighting in Syria demonstrate two things: First, that the involvement of regional powers such as Saudi Arabia and Turkey on behalf of the opposition and Iran on the side of the regime has turned the conflict in Syria from a domestic to a regional affair; and second, that while the supporters of the Assad regime, both regional and extra-regional, suffer from constraints imposed upon them by international opinion, supporters of the opposition suffer from no such constraint, as the rebels’ cause is increasingly perceived as just by the international community.

What happens in and to Syria could have not merely regional but also global ramifications, thanks to the regime’s links with Russia and, secondarily, with China — in addition to the support extended to the opposition by the United States and its European allies. Russia and China have so far resisted Western calls to put pressure on Assad to resign. They have also vetoed three UN Security Council resolutions seeking to impose sanctions on Syria, the latest on July 19, 2012.\(^5\) During a recent visit by Russian President Vladimir Putin to China, Chinese Foreign Ministry spokesman Liu Weimin told reporters that China and Russia both “oppose external intervention in the Syrian situation and oppose regime change by force.”\(^6\) In the words of one analyst, “Russia’s leaders have said repeatedly that their goal is to guard against instability, not to support Mr. Assad. They have signaled that Russia would accept a change of leadership in Syria, but only if devised by Syrians and not imposed from outside, an unlikely prospect in a country riven by violence.”\(^7\) This seems to signal that, while Moscow is not committed to the indefinite preservation of the Assad regime, it is averse to a Libyan-style Western intervention that would damage Russia’s standing and role in Syria, its only ally in the Arab Mediter-
ranean. The fact that Russia’s sole military base outside the countries that formed the former Soviet Union is located in Tartus, Syria, should not be underestimated, especially since its psychological value to Moscow is greater than its strategic worth.

While the Russian connection with Syria functions as a constraint on the Western powers’ proclivity to directly intervene in Syria, the Assad regime’s close relationship with Iran acts as an incentive for the United States to seek the regime’s removal, especially in the context of the standoff between Iran and the P5+1 (the five permanent members of the UN security council plus Germany) on the nuclear issue. Syria is Iran’s trump card in the Arab world; it acts as a conduit to Hezbollah, augmenting Tehran’s potential for retaliation against Israeli and American targets for attacks on Iranian nuclear facilities, should such attacks take place.

Working against this logic is the fact that Western intervention to depose the Assad regime is likely to leave the United States and its allies stuck in a quagmire, since they do not seem to have a plan for post-Assad Syria. It may thus turn out to be a re-run of the Iraq war, which has left the U.S. image in the Middle East in tatters. Such an intervention without the clear endorsement of the Security Council — highly unlikely because of Russian and Chinese opposition — can also embroil the Western powers and regional allies like Turkey in serious conflicts with Iran and Russia. This is the primary reason that the United States, while cranking up its anti-Assad rhetoric and covertly supporting the armed opposition, has refrained from calling for direct Libya-style military intervention to remove the Syrian regime.

However, events like the Houla massacre on May 25, 2012, may force Western military intervention due to the pressure of public opinion, despite the fact that neither the United States nor its European allies have much appetite for such a venture. It is in order to prevent this contingency that sober voices, including that of former U.S. Secretary of State Henry Kissinger, have been advising Western leaders not to get militarily involved in the Syrian situation. Some analysts have even gone to the extent of arguing that the West should allow Russia to take the lead in finding a solution, especially since military intervention could easily lead to anarchy without achieving the goal of removing the Assad regime. The lack of unity among the opposition forces adds to the fear of anarchy in Syria once the Assad regime is toppled. According to one analyst, “Political chaos and continuing violence after Assad seems almost guaranteed. A wide gulf has opened between the exiled political opposition and the commanders of the rebels on the ground; there are tensions between the Muslim Brotherhood and other groupings; and regional militias are establishing themselves as provincial powers.” External forces, both regional and extra-regional, are likely to be sucked more deeply into the Syrian morass if this scenario unfolds over the next few months.

THE CASE OF BAHRAIN

Bahrain, like Syria, is strategically very significant both globally and regionally. It is the home of the U.S. Fifth Fleet, which is responsible for American naval forces in the Persian Gulf, Red Sea, Arabian Sea and the East African coast as far south as Kenya. The military significance of the Fifth Fleet has been greatly enhanced because of the confrontation between the United States and Iran. The Fifth Fleet’s armada will be in charge of carrying out any decision by
crack down sharply on the pro-democracy protestors, turning the confrontation into a zero-sum game.\textsuperscript{12}

Recent reports suggest that the Saudi and Bahraini governments are working toward some sort of union that would allow the Saudis to control Bahrain’s defense and foreign policies in return for ensuring the security of the Al-Khalifa regime. The majority of Bahrain’s population is opposed to this move but has no say in the matter. It is the fear on the part of other GCC members that the Saudis will use the same model to erode their independence that has been holding up the Saudi-Bahraini merger.\textsuperscript{13}

The Saudi interest in supporting the armed movement against the pro-Iranian Syrian regime is in part dictated by the need to keep Tehran pre-occupied with the Syrian situation. This prevents it from adopting a more active stance in the Persian Gulf, in general, and Bahrain, in particular. It coincides with the American strategy of constraining Iran from expanding its influence in the energy-rich Persian Gulf region.\textsuperscript{14}

Syria also shows up the contradictions in Iranian policies toward the Arab Spring—supporting democracy in Bahrain while opposing it in Syria—thus weakening its credibility in the Arab world.

**The Arab Spring and Israel**

The geostrategic fallout from the upheavals in the Arab world are not restricted to the fact that they have accentuated and accelerated the cold war between Iran and Saudi Arabia. Neither is their impact limited to the negative consequences they may have for the U.S.-Russian relationship. Israel, the \textit{bête noire} of both the secular nationalists and the Islamists in the Middle East, has been watching this drama unfold in its neighborhood with great consternation.

This is particularly true of the transformations taking place in Egypt, the first Arab country to sign a peace treaty with Israel, and whose president had been a reliable ally of the Jewish state for over 30 years. The Hosni Mubarak regime had, among other things, collaborated with Israel to keep Hamas hemmed in, above all by closing the Rafah crossing and preventing aid from reaching the Hamas-controlled Gaza Strip. Not much has changed so far in the relationship between the Egyptian authorities and Gaza despite the symbolic opening of the Rafah crossing; it remains open only sporadically, with what passes through it strictly controlled by Egypt. But this could change in the near future as a democratic dispensation takes hold in Egypt.

Consequently, with the transfer of power from military to civilian authorities in Egypt imminent, and with the Muslim Brotherhood likely to control both the Parliament and the presidency, Israel is apprehensive. The entire dynamic between Egypt and Hamas, on the one hand, and Egypt and Israel, on the other, is likely to undergo radical change. According to Israeli analyst Yoram Meital, “The changes in Israeli-Egyptian ties will be wide and deep. Egypt is about to make a number of revisions to its security and foreign policies that many in Israel, particularly our decision makers, view with trepidation.”

One should note, however, that the antipathy toward Israel in Egypt transcends the Islamist-non-Islamist divide. According to a recent poll by the Pew Research Center, released in May 2012, 61 percent of Egyptians are in favor of annulling the peace treaty with Israel. Another poll, conducted by Shibley Telhami of the University of Maryland in May 2012, showed that 97 percent of Egyptians consider Israel a major threat to their country. These figures demonstrate that any democratically elected government in Egypt is likely to adopt a more hard-line posture toward Israel than that of the preceding regime. This would be especially true if the current Israeli policy of occupation and colonization of Palestinian lands continues, and if the Egyptian Sinai remains de-militarized according to the terms of the Camp David agreement. Most Egyptians see the latter provision as a significant derogation of Egyptian sovereignty.

The replacement of the Assad regime by an opposition government in Damascus is likely to be, at best, a mixed blessing for Israel. Its gain from the fall of a Syrian regime allied with its regional adversary Iran may quickly vanish if it is replaced by a government with Islamist tendencies that reflects the popular sympathy for the Palestinian cause. Such a government is also expected to make the return of the Golan Heights to Syria a major part of its foreign-policy agenda. The Assad regime, despite its occasional anti-Israeli rhetoric, ensured that its border with Israel remained quiet, an arrangement that suited Israel admirably. However, if a democratic government came to power in Damascus, Israel’s border with Syria, like its border with Egypt, might once again become a point of

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military and political tension, especially in the context of Israel’s continuing occupation of the Golan.\textsuperscript{19} Israel is therefore ambivalent about, if not opposed to, regime change in Syria, thus putting it somewhat at odds with at least the declared position of the Obama administration, which has called unequivocally for the removal of Assad from power.\textsuperscript{20}

Israeli apprehension of Arab uprisings against authoritarian rulers is summed up by a leading strategic analyst: “Jerusalem realizes that the demonstrating crowds in the Arab streets are not likely to be effective agents of democratization and that the popular sentiment in the Arab world is largely anti-Western and of course anti-Israel.” He concludes, “As Israel’s strategic environment becomes more hostile, the expansion of the IDF and the updating of its war-fighting scenarios is a necessity.”\textsuperscript{21} Israeli reactions based on such partly false assumptions are likely to exacerbate regional tensions as the Arab upheavals continue to unfold. Given America’s close relationship with Israel, the latter’s negative feelings “also have the potential to complicate the U.S.-Israel relationship further and make it harder for the United States to benefit from the Arab Spring.”\textsuperscript{22}

\textbf{REGIONAL INFLUENTIALS}

Despite major uncertainties accompanying the current uprisings, one thing is clear: Most of the energies of Arab governments, whether authoritarian or democratic, will be concentrated in tackling domestic issues for the next few years, if not decades. This would leave them with little inclination to pursue pro-active foreign policies — except for tiny Qatar, flush with gas wealth and ready to use its high international profile to enhance the legitimacy of its regime among its tiny native population.

\textbf{Saudi Arabia}

The only major Arab country likely to engage in active diplomacy is Saudi Arabia. Its enormous oil wealth gives it the means, and it feels threatened by a nexus of external and internal forces demanding an active foreign policy to curb the growth of Iranian influence in the region. Saudi Arabia, with its vast reserves of oil, a respectable demographic base, and a huge inventory of sophisticated armaments bought from the West, principally the United States, is located at the center of the Arab Gulf system and is the predominant power in the GCC. Its geostrategic competition with Iran and self-proclaimed role as the protector of Sunni interests against Iran and its Shia co-religionists in Iraq and the Levant have increased its value as an American ally and made it the central pillar of U.S. policy in the Persian Gulf. However, Saudi Arabia is perhaps a colossus with feet of clay. Bolstering its capabilities, principally by the transfer of high-tech weapons from the United States, is unlikely to change the balance of power between Riyadh and Tehran. The Saudi state is vulnerable; it is led by octogenarians, lacks genuine political institutions, and has to rely simply on cash to influence events. Consequently, Saudi Arabia’s inherent weakness and the built-in contradictions in its foreign policy are likely to limit its regional appeal and considerably hobble its diplomacy.\textsuperscript{23}

\textbf{Egypt}

Egypt, the traditional leader of the Arab world, will remain introverted for a long time to come, given its domestic political uncertainty and a decaying economy. This is likely to detract tremendously from its capacity to influence regional affairs. Despite more political openness and a pub-
far is that the Arab world, in general, and major Arab powers, in particular, with the possible exception of Saudi Arabia, will not be in a position to greatly affect regional outcomes for the next couple of decades. This leaves the three non-Arab powers — Israel, Turkey and Iran — as major regional players. They bring different strengths and weaknesses to the table.

Israel

Israel’s major strength is its military capacity, conventional and nuclear, underwritten by the United States. So far, it has been a strategic objective of the United States to ensure Israeli conventional military dominance and nuclear exceptionalism in the Middle East. This has encouraged Israel to engage in policies of continued occupation and colonization of Palestinian territories. It has also allowed Israel to destroy with impunity Iraqi and Syrian nuclear facilities and seriously threaten Iran over its nuclear-enrichment program, with the aim of dragging Washington into a shooting war with Tehran.25

However, despite its military power, the vast majority of the region’s population considers Israel as in the Middle East but not of the Middle East, due to its settler-colonial origins. This perception is augmented by the Jewish state’s demonstrated capacity to draw upon America’s unquestioning support for its policies, including those perceived in the region as expansionist and aggressive, based upon the Israel lobby’s enormous domestic clout in the United States.26 Israel, therefore, suffers from a huge legitimacy deficit and is considered an extension of Western power in the Middle East.

As stated above, the fall of pro-Western authoritarian regimes such as that of Mubarak and the rising tide of democracy...
in the Arab world have further eroded Israel’s capacity to influence the course of events in much of the Middle East. Popularly elected governments sensitive to public opinion while adhering to treaties are likely to be more hostile toward Israel as compared to their autocratic predecessors. This conclusion is augmented by the fact that, as Robert Malley points out, “[T]he question of Palestine still resonates more deeply than any other [in Arab countries], and it’s going to be very hard for any aspiring political leader in these countries to try to gain political capital by normalization or by advocating peace with Israel.”\textsuperscript{27} Israel’s political position in the region is likely to weaken further, especially as the United States begins to disengage from the Middle East in the wake of disastrous interventions in Iraq and Afghanistan. In this context, Israel’s military prowess is of limited value. The reality is that most people in the Middle East treat Israel as a “pariah” state with no legitimate role in regional politics.

**PIVOTAL POWERS**

A constellation of several factors has paved the way for the emergence of Turkey and Iran as the pivotal powers in the Middle East. These factors include the incapacity of major Arab powers to influence the course of regional events as well as what increasingly appears to be the end of “America’s moment” in the Middle East, following its disastrous military interventions in Iraq and Afghanistan and its failure to stand up to the Netanyahu government on the issue of Jewish colonization of Palestinian lands.\textsuperscript{28} Furthermore, both Turkey and Iran possess a combination of varying degrees of hard and soft power that equip them to affect regional events to a greater extent than their neighbors.\textsuperscript{29} Conversely, both Iran and Turkey have developed major stakes in the outcome of the democratic uprisings in the Arab world that have come to affect their strategic and economic interests; they even threaten to embroil them in bilateral confrontation, as is the case with Syria.

**Turkey**

Initially, both Turkey and Iran welcomed the democratic uprisings against authoritarian Arab rulers, but for different reasons. For Turkey, the Arab Spring meant the reaffirmation of its own success in democratic consolidation, especially the curtailment of the military’s power in the political sphere. Several Arab movements for democracy openly declared that Turkey provided the model they would like to emulate, raising its stature further in the eyes of Arab publics.\textsuperscript{30} Prime Minister Erdogan was treated like a rock star when he visited Egypt, Libya and Tunisia soon after the overthrow of authoritarian rule, and Turkish leaders were not averse to their country being seen as the role model for emerging Arab democracies.\textsuperscript{31}

For different reasons, Iran welcomed the overthrow of pro-Western Arab dictators in Egypt and Tunisia, celebrating the revo-
lations that overthrew pro-Western dictators as extensions of its own Islamic revolution. Moreover, in the words of one analyst,

[Supreme Leader] Khamenei’s view has always been that the more democracy there is in the Middle East...the better it is for Iran. He’s seen over the last decade or so that, when democratic elections have taken place, in Lebanon they empowered Hezbollah, in Palestine they empowered Hamas, in Iraq they empowered Shiite Islamists. So...when the uprisings began in the Arab world, Khamenei felt fairly confident that this was going to be in line with Iran’s interest, not America’s.32

Paradoxically, as the democratic contagion spread, the attendant upheavals and civil conflicts put several of the gains made by Turkey and Iran over the past decade in jeopardy. These included Turkey’s “zero problems with neighbors” policy as well as Iran’s increasing popularity with the Arab street on issues ranging from Palestine to its defiance of Western powers over the nuclear issue. They also strained relations between Ankara and Tehran. This was the result of two factors: (a) the unpredictable nature of the Arab uprisings and the unanticipated outcomes of such upheavals and (b) the intrusion of geostrategic interests that complicated the cost-benefit analysis in both Ankara and Tehran.

Libya and Bahrain tested Ankara. After an initial period of hesitation, Turkey’s commitment to democracy triumphed in the case of Libya. It remained dormant in the case of Bahrain, however, for reasons related to potentially lucrative economic dealings with the GCC states, in general, and Saudi Arabia, in particular. Syria posed a similar problem for Iran, with geostrategic considerations trumping moral consider-

ations. Syria also posed a major challenge for Turkey, which had invested a great deal economically and politically in improving relations with the Assad regime. Furthermore, Syria threatened to unravel the recently burgeoning relations between Turkey and Iran. As stated earlier, Tehran and Ankara ended up on opposite sides of the Syrian divide. Iran emerged as the major regional supporter of the Assad regime, and Turkey as the opposition’s prime center of anti-regime operations, as well as the spearhead of the international strategy aimed at changing the political dispensation in Syria.

Three factors seem to have affected Turkey’s decision regarding Syria. First, Ankara could not be seen to be ambivalent once the Assad regime started brutally suppressing the opposition and killing civilians. Turkey was flooded with refugees and the Justice and Development Party (AKP) government’s own legitimacy rested on its democratic credentials. Second, Ankara calculated that the Assad regime was bound to fall sooner or later and did not want to alienate the future rulers of Syria, given Turkey’s geostrategic and economic interests in a country it had tried so hard recently to cultivate. Third, Turkey found the Syrian uprising a convenient medium through which to signal the United States that it was on the same side as the Western powers on issues related to the Arab Spring and that stories of Ankara cozying up to Tehran at the expense of its relations with the West were highly inflated. The convergence of Turkish and Western interests on Syria was particularly useful for Ankara: its relations with Israel had deteriorated, negatively affecting its ties with the United States.33

Iran

Iran had had its own compulsions regarding Syria, not least its dependence
on the Assad regime to act as the major conduit for Iranian financial and military assistance to the Lebanese Hezbollah. Furthermore, the Syrian regime had been Iran’s primary Arab ally since the revolution, Standing firm even when almost all other Arab powers lined up in support of Iraq during the war of 1980-88. While the overthrow of Saddam Hussein opened up major opportunities for Iran to gain influence in Iraq, continuing uncertainties in that country, including prospects of renewed sectarian conflict and the unstable nature of the Shia-dominated governments in Baghdad, make Syria a strategic asset for Iran that it cannot readily sacrifice. According to one analyst,

The close bilateral relationship [between Iran and Syria] reflects a strategic reality in which Assad’s Syria is Iran’s springboard into the Arab Middle East, its partner in the ongoing ideological and physical confrontation with Israel and the US, and its buffer against the pro-western Sunni monarchies of the Gulf. For Assad, Iran is a source of protection, security and funds.34

Also, any form of foreign intervention, especially of the Western-Arab League variety that toppled the Libyan regime, is anathema to Iran; it might set a precedent that could one day be used against the Iranian regime. Moreover, while Tehran was not particularly committed to the Qadhafi regime, especially after the latter joined the Western camp in 2003, it is heavily invested in the Assad regime militarily, diplomatically and economically. The fact that Saudi Arabia and its GCC partners, especially Qatar, are taking the lead in demanding Assad’s removal makes the Iranians even more suspicious of the real reasons behind the demand for regime change. Such calls have also placed the Syrian issue squarely at the center of the cold war between Iran and Saudi Arabia over primacy in the Persian Gulf.

The Syrian issue also created major tensions between Turkey and Iran as the two powers rose to leadership positions on opposite sides of the political divide. The Iran-Turkey rapprochement is based on economic considerations: Iran is the second-largest supplier of natural gas to Turkey and provides Turkey with 40 percent of its oil. Turkey is a major exporter to Iran of manufactured goods. It is also based on political considerations, including a mutual interest in keeping the Middle East free from foreign intervention, ensuring regional stability, preventing the emergence of an independent Kurdish state, and curbing Israel’s predatory behavior. All this has been seriously jeopardized by differences over the Assad regime.

The Turkish decision to station a NATO anti-missile defense facility in Malatya in southeastern Turkey has added to these tensions; the Iranians perceive the facility, with some justification, to be aimed against Iran. Turkish Prime Minister Erdogan tried to assure Iranian leaders during his visit to Tehran in March 2012 that, not only will the data collected by the NATO radar facility not be shared with Israel: “If NATO does not comply with Turkey’s conditions, we can ask them to dismantle the system.”35

Turkey has also been a consistent supporter of Iran’s right to enrich uranium for peaceful purposes. Erdogan reiterated it most recently during his visit to Tehran in March 2012, stating categorically, “No one has the right to impose anything on anyone with regards to nuclear energy, provided that it is for peaceful purposes.”36 He went
further, stating that the West should be fair and treat everyone equally on the issue of nuclear energy, repeating his criticism of Western silence on Israeli possession of nuclear weapons: “This should be accounted for as well. Otherwise we have to question why they are not acting with honesty and fairness.”

Nonetheless, the logic of good neighborliness and restraint on issues that had helped Turkey-Iran relations blossom in recent years has been severely tested by the Syrian uprising and Assad’s refusal to cede power. It has also come under strain on the issue of Iran’s support to the Shia-dominated government in Iraq headed by Nuri al-Maliki, which has increasingly alienated the Sunni and Kurdish minorities and brought the country once again to the verge of civil war. It is significant that the Kurdish Regional Government in northern Iraq, once treated with deep suspicion by Ankara, has consistently sought Turkey’s support in its ongoing political and economic battles with the Iraqi central government.

Despite the differences outlined above, the two countries share a common interest in avoiding the disintegration of Iraq; among other things, it could lead to the creation of an independent Kurdish state, anathema to both. Also, an Iraq divided on sectarian and ethnic lines could easily become the source of region-wide instability, threatening to Balkanize the Middle East, a prospect that neither Ankara nor Tehran would welcome. In the final analysis, therefore, it is unlikely that differences between the two countries over Syria will bring Iran and Turkey into direct confrontation with each other or seriously imperil their long-term relations. Turkish Foreign Minister Davutoglu, during a visit to Iran with Prime Minister Erdogan in March 2012, reiterated that differences over Syria would not be allowed to undermine relations between Iran and Turkey: “There is common ground between Turkey and Iran. We will not let a regional balance based on Turkish-Iranian rivalry to emerge. There could be those who want a new cold war, but both Turkey and Iran know history well enough to not let this happen.”

It would be wrong to interpret the current disagreement between Turkey and Iran over Syria as an extension of the Ottoman-Safavid rivalry or as a struggle for primacy in the Fertile Crescent. Both Iran and Turkey realize that they need each other economically as well as to keep foreign intervention in the Middle East to a minimum. Moreover, they realize that their spheres of interest are largely distinct, with Iran primarily concerned with the Persian Gulf and Turkey with the eastern Mediterranean. It is only in Syria and Iraq, where their interests overlap, that they could potentially collide; but even here, both sides have tried to minimize friction. While Syria is important to Iran, it is less so than is Iraq. Iran may in the final analysis come to terms with a post-Assad regime in Damascus, as long as such a regime is not unduly anti-Iranian and as long as Turkey concedes Iran primacy in Iraq outside of Iraqi Kurdistan. As one analyst concludes, “[A]lthough divergent interests in the Syrian conflict pull Turkey and Iran in opposite directions, their mutual interest in maintaining cordial relations will likely prevent the Syrian issue from precipitating a major split…[S]o far, Turkey and Iran’s opposing interests in Syria have only led to heated rhetoric, [which] indicates that Ankara and Tehran value their cooperative rivalry even as the ongoing turmoil in Syria polarizes their interests.”
CONCLUSION

The uprisings in the Arab world have laid bare the conflicts as well as the convergences of interest between the United States and Russia, on the one hand, and among the major regional players, on the other. At the same time, they have demonstrated that the major Arab powers, with the exception of Saudi Arabia, are unlikely to play any significant geopolitical role in the Middle East for the next couple of decades.

The geostrategic future of the Middle East is likely to be determined in the short and medium terms by the interactions of Turkey, Iran and Saudi Arabia, with the United States and Russia playing significant supportive roles. Syria, Iraq and Bahrain are the likely venues where the regional rivalries will be played out, with regimes and their opponents acting as both autonomous players and proxies for the regional powers. The latter, in turn, are likely to be sucked into the conflicts accompanying the Arab uprisings.

An interlocking set of conflictual and cooperative interactions at the domestic, regional and global levels will continue to characterize what started as the Arab Spring. It is likely to stretch out over several seasons, if not years. Events constituting the Arab Spring were initially unleashed by domestic responses to inequities, injustices and oppression within individual Arab countries. However, their impact cannot be understood and their outcomes cannot be predicted in isolation from the larger regional picture and the policies and actions of major regional players as well as those of external powers such as the United States and Russia. This is what provides the Arab Spring with geostrategic significance and makes the phenomenon so fascinating from the perspective of scholars and students of international relations.

1 This is well documented in two major works originally published in the 1960s: Patrick Seale, The Struggle for Syria (Yale University Press, 1987), and Malcolm Kerr, The Arab Cold War, 3rd ed. (Oxford University Press, 1971).


“Death in Damascus.”


http://www.pewglobal.org/2012/05/08/chapter-5-views-of-the-united-states-and-israel/.


29 For details of this argument, see Mohammed Ayoob, “Beyond the Democratic Wave: A Turko-Persian Future?” Middle East Policy 18, no. 2 (Summer 2011): 110-119.
37 “Erdogan, in Iran, Says NATO Radar Could Be Dismantled If Needed,” Today’s Zaman.
40 “Erdogan, in Iran, Says NATO Radar Could Be Dismantled If Needed,” Today’s Zaman.
The Arab Revolution of 2011 takes its place in the quite small number of revolutionary episodes in world history that have had major regional or continental dimensions, and involved revolution by contagion between a number of states sharing some historical-cultural-geographic identity: 1789, 1848, 1917, 1989 of course, and the great decolonisation revolutions, first in Latin America between 1811 and 1821, and then in Africa and south-east Asia after World War II.

This paper has three parts, which are progressively more difficult. First a number of political regime types are identified that exist in the world and have some possible relevance for discussing the possible destinations of the Arab Revolution. Second a number of dynamic models of political change are noted from political history, especially those seen in the wake of revolutionary regime overthrow. Finally we take our chances in assessing which of these models seem most plausible for different groups of 17 Arab states, from Morocco to Yemen, categorised first of all between the petro-states versus non-petro-states, and the monarchies versus the non-monarchies or republics.

States of Political Nature

This can be short – just enough to remind ourselves that there are several well-known political regime species to choose from in speculating about the possible destinations of the Arab Revolution. This is all the more necessary if one heeds the observation of one scholar who has studied revolutions across the centuries, ‘revolutions have such amazingly varied outcomes’.2

One reference, but hardly the only one, is the mature liberal democracy of Western Europe and the West. But this sometimes has its problems, as Churchill remarked: ‘democracy is the worst of all possible systems, except for the alternatives’, of which there are many.

There are a number of hybrid categories. There is the dysfunctional democracy, for which Ukraine after the Orange Revolution of 2005 provided an example,
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which was democratic but suffered chronic institutional confusion to the point of making effective governance impossible. There is the deeply corrupted democracy, or *kleptocracy*, with many cases in Eastern and South Eastern Europe of ‘state capture’. This morphs into the *semi-authoritarian state*, of which Russia is a current example. This may also be deeply corrupt, but distinguishes itself from the dysfunctional democracy by virtue of its ‘strong state’ capacity which can override democratic checks and balances.

A rather different hybrid type is the *enlightenment model*, which harks back to the idea promoted by European philosophers of the 18th century such as Voltaire. He advocated respect for civil liberties and a rule of law, but without democratic institutions, hence the ‘enlightened despot’ brand which attracts various Arab petro-monarchies. Another hybrid type, of special relevance to the Arab Spring, is the democracy with religious inspiration, now topical with the ‘moderate Islamist democratic party’ model projected by the AK leadership of Turkey. They in turn makes comparisons with the Christian Democrat parties in much of Europe, which actually have morphed into secular parties, and whether this will happen to the moderate Islamist parties is an issue.

Next we have several species of authoritarianism. There are *military regimes* of several graduations, from the outright junta of generals as in Burma (about to loosen up at last?) and earlier in much of Latin America. More subtle is the *military as reserve power*, able to intervene with coup d’état as and when they feel the civilian leadership is failing in their duties (Turkey in the last decades of the 20th century). Then there are the *ideological or theocratic dictatorships*, of which the world has seen several sub-species, be they fascists (Germany, Spain), or communists (Russia, China), or Islamic theocrats (Iran). Also there are other less ideological but personal *civilian dictators*, although these have often been often former military officers, who establish a power structure that may disconnect in some degree from the military (Bouteflika, Sukarno, Suharto, Khadaffi, Mubarak).

Finally there is the *failed state*, where there is a generalisation of violence, criminality, insecurity, and absence of public services and governance. This has been surfacing in recent times, for example in D.R. Congo and, closest to home for the Arab world, in Somalia. Some would say ‘re-surfacing again’, since much of the pre-modern world was like that.
Models of Regime Change Dynamics

A shortlist of eight dynamic models is identified for what may follow a popular uprising that overthrows the incumbent regime.3

**The ‘great revolution’ model.** Scholars of the world’s ‘great revolutions’, and of the political dynamics that follow in their wake, have sobering messages. The seminal work of Crane Brinton, published in 1938,4 identified one recurrent model or syndrome with a sequence of stages:

- First there are rising mass protests against an unjust regime;
- the governing power uses force to try and suppress the uprising,
- but this fails and the demands of the masses become more radical,
- and the regime is then overthrown,
- followed by a short honeymoon period, when moderate factions trying to get reform,
- but they have insufficient unity and strength to control the situation,
- and so then a militant group with radical ideology takes over,
- leading into a reign of terror,
- which exhausts itself after a while,
- but yielding to some new authoritarianism which lasts for years or decades.

Brinton worked out this model sequence after comparative review of several ‘great revolutions’, with the French and Russian revolutions most plausibly fitting into this mould, with his analysis also drawing on the English and American revolutions of the 17th and 18th centuries respectively. One could add the Chinese revolution, starting in 1911 but maturing only after an interval of war into the Great Proletarian Cultural Revolution of 1966 to 1976. Most recently the Iranian Islamic revolution of 1978 also broadly fits the model. Scholars of revolutions (such as Goldstone, op.cit.) contest the general validity of this model, and indeed world history has demonstrated a plethora of models, of which we offer some now below. However the track record of the ‘great revolution’ model is sufficiently impressive with the French, Russian, Chinese and Iranian revolutions that it can hardly be dismissed.

**Instant democracy.** This is the polar opposite of the great revolution model. In the best of cases there would still have to be time after the regime is overthrown to prepare constituent assemblies, adopt new democratic constitutions, and for political parties to get organised for the first post-revolutionary elections. His-

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tory does not offer many examples of instant and sustained transition. The major case has been that of Central Europe following the collapse of communism in 1989-1991. But here there were exceptional explanatory factors: earlier experiences of democratic practice, emphatic European identities, exit from the Soviet occupation, and application for EU membership with its powerful incentives and conditionalities. For the Arab world these factors are clearly not present. One may wonder whether the case of India is more relevant, since it has sustained democratic practice since independence in 1947. Yet here there was the extraordinary leadership of Mahatma Gandhi, who somehow synthesised the peaceful philosophies of Hinduism and Buddhism with the culture of the rule of law from the English bar; in addition Indian political leaders and the British imperial power had been preparing the political structure of the independent Indian state already from early in the 20th century. And Gandhi’s extraordinary powers of inspiration by example survived his assassination in 1948.

*Instant democracy imposed through war by external power.* This model has had two spectacular successes (Germany, Japan) and two spectacular failures (Iraq, Afghanistan) within living memory. But the relevance of the first two cases for the Arab Spring is remote, since the democratic regimes were imposed on advanced societies with prior history of democratic institutions. The second pair are the ongoing stories of Iraq and Afghanistan. While a modicum of democratic process has been established in both cases, the costs in terms of ensuing sectarian conflict and human lives has been huge. Whether Libya can do better becomes the next test case.

*Gradual democratic constitutionalisation of the monarchy.* This model has been observed in half a dozen European states, but in several cases the evolutionary process took many centuries (starting from 1215 in the case of England’s Magna Carta, and many centuries ago for Sweden and Poland), with several others developing only in the 19th and 20th centuries. The kingdoms of Morocco and Jordan identify with a model of evolutionary constitutionalisation, and we discuss these cases and the Gulf petro-monarchies further below.

*Zig-zag model.* Following on from the French Revolution of 1789, the 1848 revolutions in Europe are notably relevant for the Arab Spring because of the contagion factor: France, Belgium, Germany, Italy, Austria-Hungary, Poland, Romania and Switzerland were all drawn into what became known as the ‘Spring of Nations’, or ‘Springtime of the Peoples’. The resonance with the Arab Spring goes deeper than these words. There was no coordination or cooperation among the revolutionaries of different countries in Europe in 1848, but there were common themes in their motivations: discontent with political leaderships,
demands for more participation and democracy, demands for better conditions of the working classes and the upsurge of nationalism. But within a year of 1848 reactionary forces had won out and the revolutions themselves collapsed. The reactionary forces were based in the royalty, the aristocracy, the army and the peasants. The uprisings were led by shaky ad-hoc coalitions of reformers, the middle classes and workers, but these could not hold together for long. In the course of the 1848 revolution tens of thousands of people were killed and many more forced into exile. It took another half-century of political zig-zags in France in particular before democratic norms became solidly entrenched, after a bewildering of zig-zag of political regimes changes, from democratic republicanism to empire to republican dictatorship and back to monarchy, before the emergence of relatively normal democratic governance.

**Banana republic model.** This is a dynamic version of the military regime. When the civilian governance becomes too chaotic, or corrupt, or catastrophic for the economy, the army moves in to throw out the bad leadership, and then maybe establishes a junta for direct military rule for a while, or alternatively installs their preferred civilian leader. In Latin America, the so-called ‘banana republic’ brand predominated from the time of independence at the beginning of the 19th century for almost two centuries, with military coups typically intervening to throw out oligarchal land-owning dictators, or with alternation between military and civilian authoritarian regimes. Only in the last decade or two did recognisable democracy become the predominant regime type in Latin America, notably in Chile, Brazil and Argentina. Thailand holds the world record for the frequency of military coups, numbering over 30 since the military reduced the powers of the monarchy in 1932.

**Relapse back to authoritarianism or semi-authoritarianism.** After short and unsuccessful periods of attempted democracy, the relapse has been seen recently in both Russia and Ukraine, after the relative failure of the Yeltsin period in the 1990s and Yushchenko-Timoshenko period in the 2000s respectively. If Putin now resumes the Russian presidency for two more terms it could take the clock forward to 2024, and with his reign having begun in 2000 this would make a 24-year period for his domination of the Russian political scene. In some earlier experiences in South-East Asia, post-revolutionary (post-independence after World War II) attempts at installing democracy fell prey to very long dictatorships. In Indonesia President Sukarno began as leader of a liberal parliamentary regime but gradually over 20 years turned his reign into a personality cult dictatorship, which was overthrown by coup d’état led by General Suharto, who in turn became President for another 30 years. Independence in the Philippines in 1946 saw the introduction of constitutional democracy, but in 1965 the correctly elected Ferdinand Marcos turned his record into that of a notoriously
corrupt and constitutionally illegitimate 20 year presidency. Both the Indonesian and Philippine cases thus saw around half a century of authoritarianism before recognisable democracy emerged in the last decade. However in Russia now the scent of the Arab Spring seems to be spreading, with mushrooming street protests following the rigged December 2011 parliamentary election; the prospect of a 24 year reign for Putin seems to have suddenly evaporated.

The dynamics of the failed state model are characterised by enduring conflict and civil war, ethnic or religious divides, generalised insecurity, and collapse of basic public services and infrastructures. The most relevant and nearby example is Somalia. Analysts of the failed state point to a tipping point syndrome, where the generalisation of insecurity and fear pushes society into armed militias and criminal gangs, be they tribal, ethnic, or sectarian, which descend into a vicious circle of violent and destructive conflict with no resolution. Civil war is usually at the start of the process, with violent plunder and lawlessness then becoming the only way for competing groups to struggle for survival.

And What Next for the Arab Spring?

First there are some criteria for making some preliminary groupings among the seventeen Arab states from Morocco to Yemen, namely the petro states versus the non-petro states, and the monarchies versus the non-monarchies (republics). This introduces some pervasive, although hardly exclusive determinants of political responses to the Arab Spring. The petro-states have monetary means to satisfy basic social needs the easy way, to the point of drugging the people with manna. The petro-monarchies can combine this with their spiritual and/or tribal legitimacy. The regimes of non-petro states that are also non-monarchies are the most exposed to societal pressures, whereas the non-petro-monarchies can try to use their authority to head off popular pressures with just a gradual process of constitutionalisation of their rule. But this first sorting into four primary categories will need finer qualifications in order to attach each of the Arab states to one or other of the eight dynamic models identified in the preceding section.

Further explanatory variables are needed for explaining reactions to the Arab Spring, and for the chances of democratic practice emerging in particular. Three such criteria are:

(a) the peacefulness or violence of uprisings of the people,
(b) the presence or absence of deep societal cleavages, be they sectarian between Sunni and Shia muslims, or between the secular versus the religious, or between ethnic and territorial divides, and
(c) the cultural, economic and institutional preparedness for moving towards functioning democracy.

Positive readings on all three accounts maximise the chances of democracy taking root, whereas negative readings enhance the chances of regime instability, leading on to one or other of the several other non-democratic scenarios set out above, be it return to authoritarianism, or in the worst cases civil war and state failure.

Petro monarchies. The petro-monarchies have all in the course of 2011 been responding to the Arab Spring by trying to keep the people happy more with money rather than political freedoms. They have been doing this on a grand scale in the six petro-monarchies of the Gulf Cooperation Council, which together occupy all top six positions in the value of petro-revenues per capita (Annex Table 1). Public sector salaries, welfare benefits and subsidies for basic necessities such as food have been ramped up, by margins of one-third to 100%. The extreme petro-wealth has also over the last few decades seen the Gulf states build up massive dependence on imported foreign labour mainly from Asia, such that in some cases they occupy more than half of the work force, with even higher percentages of private sector employment. The corollary of this is that the employment of nationals of the Gulf states is mostly in the public sector (80% in Saudi Arabia), which further dampens latent demands for liberalising meas-

<table>
<thead>
<tr>
<th>Monarchies</th>
<th>Petro-states</th>
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<tbody>
<tr>
<td>Saudi Arabia</td>
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<td>Bahrain</td>
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<td>Kuwait</td>
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<td>Oman</td>
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<td>Qatar</td>
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<td>United Arab Emirates</td>
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<tr>
<td>Non-monarchies (republics)</td>
<td>Non-petro-states</td>
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<td>Libya</td>
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<td>Algeria</td>
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<td>Palestinian Territories</td>
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<td>Syria</td>
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<td>Yemen</td>
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ures, since the immigrant working classes have no citizenship rights and no say in any political questions.

It seems that this strategy of increasing the dosage of public manna to the citizens is broadly working for the time being. Token acts of political liberalisation have also been made, such as voting rights for women in Saudi Arabia for municipal elections. If the strategy seems to be working for the time being, it is by the same token storing up trouble for the future by creating conditions of economic unsustainability. The increases in public sector salaries and welfare benefits further reduces the chances of the economy developing competitive employment in the private sector. This problem may be especially acute in Saudi Arabia by comparison with the smaller Gulf states, which are trying seriously to develop tourist, financial and transport service sectors, but even there much of this employment is taken by foreign nationals. Maybe these states have a further 10, 20 or 30 years to live well off petro revenues, but when the time for detox comes it may be very painful, with unpredictable political consequences.

The six top petro-states are also monarchies, benefitting from legitimacy that comes from either traditional tribal authority, or spiritual status, or both. The King of Saudi Arabia is customarily referred to as ‘The Custodian of the Two Holy Mosques King Abdullah’. The extended family of the monarch is said to run to around 7,000 very wealthy persons, with 200 direct descendants of former King Ibn Saud.

These sources of legitimacy are dampening factors with respect to latent demands for political democratisation. The leaderships of the petro-republics, do not have these advantages, and two of them have already been killed (Saddam Hussein and Khadaffi), while the Algerian leadership has only sustained its position after a long and terrible civil war. Still the monarchs should not forget the fate of Charles I and Louis XVI.

Bahrain and Oman are the two relatively least wealthy petro-monarchies, and both have seen serious unrest. In Bahrain the sectarian divide between the minority Sunni leadership and majority Shia populace, combined with manifest privileges for the minority in employment, led to the Pearl Roundabout uprising which was suppressed only with the aid of the Saudi military in March 2011. However the royal family was split between a conservative king and more reformist crown prince, which at least led King Hamad bin Isa Al Khalifa to appoint on 29 June 2011 an independent commission of enquiry into the bloodshed at the Pearl Roundabout. This impressive report, delivered in November 2011 could lead into a path of political reform towards constitutionalisation of the monarchy. Bahrain’s supreme judicial council is now set upon reviewing
judgements against protestors handed down earlier by the military courts. In Oman uprisings on a lesser scale led the Sultan in March 2011 to decree that the consultative Council would be granted some legislative and regulatory powers, with a new Council formed after elections in October, thus also seeking to move slightly towards constitutionalisation of the monarchy.

In the richest per capita Gulf state, Qatar, there are no such constitutional developments. However there is an energetic King who promotes something along the lines of the enlightenment model, with relatively open civil liberties, huge investments in education and research (Qatar Foundation), and an openness to the international media (hosting Al Jazeera, BBC World Debates etc). Qatar has sustained an activist position in relation to the Arab Spring, even supporting the NATO campaign operationally with some fighter jets, and presiding the Arab League work over the sanctioning Syria.

There are two break points at which one may draw the line between the major petro-states, lesser petro-states, and non-petro states for the purpose of the present analysis (see Table 1). The top petro states have revenues per capita of over $6,000, sufficient to make an important impact on living standards as long as there is a modicum of redistribution or trickle down. This sees only Libya joining company with the six petro-monarchies. The second but much lower break point can be at $1,000 of petro revenues per capita, which brings in Algeria and Iraq, with big petro resources but also large populations. After that the others have relatively small petro-resources (Yemen, Syria, Egypt), or none of any significance (Morocco, Jordan, Lebanon, Palestinian Territories).

**Non-petro monarchies.** In both Jordan and Morocco the kings enjoy considerable traditional allegiances, including spiritual standing (both claim descent from the Prophet). These two kingdoms have no easy way to meet the aspirations of the people by distributing manna, and are therefore constrained to answer pressures for increased political participation directly. But because of their perceived political legitimacy they have a model to pursue, that of gradual evolutionary constitutionalisation of their regimes, with the participation of moderate Islamist parties. With already some degree of civil liberties, this is in line with the enlightenment model, combined with traces of the Turkish model for inclusion of democratic Islamic parties. Morocco has revised its constitution in order to transfer some powers to the parliament, and notably the power of the parliamentary majority to appoint the prime minister. This allowed the moderate Islamist party PJD to follow up their success in the November 2011 parliamentary elections by appointing as prime minister their leader, Abdilah Benkirane. In Jordan the king has initiated a new party law, some electoral reform and dialogue with the Islamists of the Muslim Brotherhood family. These two
states may still risk being too minimalist in their response to the Arab Spring, but they have a margin of political manoeuvre that could allow them to move faster if necessary.

**Petro republics.** Algeria’s military achieved its counter-revolutionary coup in 1991, suppressing the Islamists’ electoral victory, and sustained its position through a long and brutal civil war. The repressive regime remains strongly entrenched, even if President Bouteflika has pushed back the role of the military. Might Algeria now follow any of the alternative models of its neighbours – Morocco’s gradual constitutional reform, through to the varying revolutionary regime change models of Tunisia, Egypt of Libya? For the time being the answer seems to be no, mainly because the legacy of brutal civil war discourages uprisings.

Iraq experienced its externally imposed regime change in 2003 with the invasion by the US and allies, and subsequent execution of Saddam Hussein. It has become a case study in the discredited proposition of democracy-imposed-by-war. While there has been a notable level of participation in elections, devastating inter-sectarian violence has continued, which combined with the virtual autonomy of the Kurds, seems to amount to a stalemate between opposing parties in a semi-failed state condition. There is manifest concern that the final withdrawal of US troops at the end of 2011 may lead to intensification of the continuing daily violence, and thence renewed political instability.

Libya is a much harder proposition still, with poor ratings on all three criteria listed above, and some of its leading rebels reputed to have had Al Qaida connections. With Khaddafii finished, there will no doubt be serious efforts at installing a democratic regime with substantial international support. But this will be a huge challenge, and the historical examples of post-revolutionary radicalisation or of relapse into authoritarianism should not be forgotten.

**Non-petro republics.** These states are among the most exposed to social and political pressures, lacking both petro wealth and leadership legitimised by tradition. They come in three pairs: two are already the most democratic of Arab states or entities (Lebanon, Palestinian Territories), two are endeavouring to make democracies of their recent revolutionary uprisings (Tunisia, Egypt), while two are still in states of unresolved conflict (Syria, Yemen).

Lebanon and the Palestinian Territories are already ranked in international surveys as the most democratic of the 17 Arab states (Table 2). Yet these are still flawed democracies because of their deep sectarian divides, with the radical Islamist Hezbollah now dominating the confessionally organised Lebanese pol-
AN ARAB SPRINGBOARD FOR EU FOREIGN POLICY?

itics, and with Hamas ruling Gaza in political competition with the Fatah-led West Bank. Civil war is part of their recent experiences and their continuing fears in both cases, so much so in the case of Lebanon that the resumption of full-scale civil war is kept at bay. The physical separation of Gaza and the West Bank may allow the Palestinians’ bitter political competition to go on unresolved. Yet the Arab Spring may help improve the quality of democratic governance in both cases. In the Palestinian territories both Fatah and Hamas may feel the need to be more sensitive to the demands of the people. Lebanese democracy may win back a little more normality as and when the Syrian regime falls.

Tunisia and Egypt have led the revolution so far. Yet their paths now diverge. Tunisia registers the most positive readings under most of the criteria presented above: a non-petro state, a relatively well developed and diversified economy and middle class. It advances constitutionally, with free and fair correct elections in October producing a constituent assembly, which however has just scrapped the time limit for its own life. The main winner, the Ennahda moderate Islamist party, openly refers to the Turkish AK party model as one it wishes to emulate. The secular-Islamist divide is evident, yet seems to be managed with moderation on both sides.

One might hope that Egypt could follow the same path, but there are greater hazards in this case, with deeper societal cleavages and the real possibility that the military may try to slide from its current transitional role into that of a permanent regime controller. Egypt seems a candidate for either of the two Turkish models, the democratic Islamic regime or the military or both together. While the Muslim Brotherhood emerged from the November 2011 elections as the largest party, the most remarkable electoral success was that of the Salafist party winning 25% of the votes, which warns that radicalisation of the revolution is not inconceivable in a scenario of continuing deep economic distress. This is four-way political struggle, between moderate and radical Islamists, the secular liberals and the military, with minimal trust between all. Even the great revolution model is conceivable. The Tahrir Square revolutionaries mobilised again at the end of 2011 to protest against the military, initially the defender of the people, now its enemy.

Syria, still in a state of virtual civil war after almost a year, sees the gradual transformation of the conflict into sectarian and ethnic conflict, but with the military still largely supporting Assad. But Syria is also a unique case in being at the crux of an ominous set of regional inter-state tensions, with Iran’s entrenched position as supporter of the regime at risk, Saudi Arabia increasingly openly opposing Iran, as well as the tense Syria-Lebanon relationship, and the Israeli-Palestinian/Arab confrontation. This amounts to a huge potential for
regional conflagration, in which only rational reflection on who if anyone could gain from war seems to be, or should be the restraint. For Syria’s own regime all options seem to be open: a military coup to replace Assad, open civil war, descent into a semi-failing state like Iraq, and with the prospect of a democratic revolutionary regime change only seeming to be a distant prospect. The Arab League deployed an observer mission at the end of 2011, but this was immediately being criticised for ineffectiveness.

Yemen for its part is already in a near failed-state condition, with fighting continuing between rival tribal militias and military splinter groups even after the agreement of President Saleh to stand down in February 2012. The depressing lessons of history are that when societies have fallen into the failed state condition it is all so difficult to reverse, and the life expectancy of such non-regimes can be very long, as the cases of Congo and Somalia show. Violent Islamic radicalisation would be a conceivable alternative scenario for Yemen.

Overall, the Arab states with the most ominous assembly of pre-conditions for possible state failure, sharing some combination of tribal/ethnic/sectarian divisions, and of conflict which already have (or could) become civil wars, are Bahrain, Iraq, Libya, Syria and Yemen. Whether these conflicts lead on to resolution with a victor, or in some cases separatism, or stalemate, or state failure remains the open question.

Conclusion

The Arab world is no longer the exception among all major world regions in having no democracy at all. But the sober message for the Arab Spring is that spontaneous revolutionary movements may have their moment of glory at the barricades, yet are vulnerable either to reversal by reactionary forces including the army and former leadership structures, or to violent radicalisation, or to dysfunctional democracy of various types. The EU’s official call for ‘deep democracy’ in its neighbourhood has only a remote chance.

While the 17 Arab states from Morocco to Yemen have all been affected by the Arab Spring, or Revolution of 2011, the regime trajectories that they are now following, or likely to see, are hugely divergent. These are not random differences, but are susceptible to some systematic groupings, first between the petro states versus the non-petro states, and the largely overlapping categories of the monarchies versus the non-monarchies.
With the exception of Libya, the top petro-states (and all except Libya are petro-monarchies) have avoided revolution so far. They seem set to continue along paths that range between the status quo with tactical measures of slight liberalisation and expanded welfare measures in the petro states. For their part, the non-petro monarchies attempt very gradual movements towards their democratic constitutionalisation. All these monarchical regimes seem to aim at some kind of Arab version of the old European enlightened despot, which can carry on for a long time, but the petro-monarchies are storing up trouble for later on by buying off popular discontent with manna.

Of the non-monarchies, seven have seen or are in the course of experiencing revolutionary regime change, including one counter-revolution some time ago (Algeria 20 years back). The score so far by the end of 2011 is three outright regime changes (Tunisia, Egypt, Libya), with two more in the offing (Syria, Yemen). The range of scenarios here for their post-revolutionary dynamics encompasses the widest spectrum of possibilities, with Tunisia appearing to be best positioned to become seriously democratic, while Yemen may be heading towards the failed state. In between, one can speculate whether Egypt might gravitate towards either of the two Turkish models on display (the old military model, or the new democratic Islamist one). For Libya and Syria all options are open, but the structural conditions favourable for a democratic outcome are hardly present, and the syndrome of post-revolutionary radicalisation cannot be excluded.

The most striking feature of the electoral results from the Arab Spring, in Morocco, Tunisia and Egypt, has been the uniform success of moderate Islamist parties, with the Turkish AK party model having achieved a breakthrough as a reference in Arab world politics.

A general point concerns time horizons. History may be accelerating. But still the overwhelming message of history is that our subject matter – the passage of post-revolutionary regime developments from the initial libertarian euphoria to soundly functioning democracy – has long time horizons of decades or centuries. Modern technologies of the internet and mobile phones have greatly facilitated the mobilisation of the ‘street’ as protest movement. The ‘street’ has lost its fear, and so can be expected to come out again in force when power is abused. But this does not assure soundly functioning democracy. There could be a lot of the zig-zag model ahead, with recurrent uprisings and regime changes.
Table 1: Oil & Gas Exports per capita (data 2009)

<table>
<thead>
<tr>
<th>Country</th>
<th>Total Population (million)</th>
<th>Value of Oil &amp; Gas Exports (million $)</th>
<th>Value of Oil &amp; Gas Exports per capita ($)</th>
</tr>
</thead>
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<tr>
<td>Qatar</td>
<td>1,639</td>
<td>63 890</td>
<td>38 981</td>
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<td>United Arab Emirates</td>
<td>4,908</td>
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<td>Kuwait</td>
<td>3,536</td>
<td>46 557</td>
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<tr>
<td>Bahrain</td>
<td>1,039</td>
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<td>8 580</td>
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<td>Oman</td>
<td>2,883</td>
<td>21 718</td>
<td>7 533</td>
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<td>Saudi Arabia</td>
<td>25,519</td>
<td>163 282</td>
<td>6 398</td>
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<tr>
<td>Libya</td>
<td>6,428</td>
<td>38 756</td>
<td>6 029</td>
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<td>Algeria</td>
<td>35,600</td>
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<td>Iraq</td>
<td>31,234</td>
<td>38 243</td>
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<td>Yemen</td>
<td>23,687</td>
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<td>Tunisia</td>
<td>10,435</td>
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<td>5,980</td>
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<td><strong>Total</strong>: 289,412</td>
<td><strong>Total</strong>: 536 296</td>
<td><strong>Average</strong>: 1 834</td>
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<tr>
<td>Norway</td>
<td>4,483</td>
<td>69 226</td>
<td>15 442</td>
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<tr>
<td>Venezuela</td>
<td>28,611</td>
<td>54 201</td>
<td>1 894</td>
</tr>
<tr>
<td>Iran</td>
<td>74,100</td>
<td>61 888</td>
<td>835</td>
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</tbody>
</table>


Note: The value of gas export for Qatar is an approximation since the exact gas prices were not available.
Table 2: Democracy Index 2010

<table>
<thead>
<tr>
<th>Country</th>
<th>Rank</th>
<th>Overall score</th>
<th>I Electoral process and pluralism</th>
<th>II Functioning of government</th>
<th>III Political participation</th>
<th>IV Political Culture</th>
<th>V Civil liberties</th>
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Source: Economist Intelligence Unit
THE ARAB SPRING AND THE ARAB-ISRAELI CONFLICT: A VICIOUS CIRCLE OF MUTUALLY REINFORCING NEGATIVE REPERCUSSIONS

Muriel Asseburg

Protests, revolts and the fall of decades-old leaderships have brought about political openings and the chance, at least in some Arab states, to embark on paths that could lead to more open, more just and more participatory political and economic systems. Yet, their repercussions with regard to peace in the Middle East, i.e. the implications for a settlement of the Arab-Israeli conflict, have been less positive. Indeed, the situation in the Eastern Mediterranean has become increasingly volatile and Israel has become ever more isolated in the region since the beginning of 2011. Although the Arab Spring has been one important factor in this, other developments, such as the frictions over recently discovered natural gas in the Levantine basin and a more assertive Turkish foreign policy, have added to it. As a result, not only does violent escalation loom large, the prospects of a two-state-approach to settle the Israeli-Palestinian conflict are dim. Protracted conflict will, in turn, have repercussions for transformation in Arab countries, above all in those neighbouring Israel – even more so should the struggle once more turn violent. It will also negatively affect European credibility and interests in the Arab world.

Already, Europeans and the US have missed the opportunity of the Palestinian UN initiative to realise the Palestinians’ right to self-determination, define the contours of a two-state settlement and create a more balanced starting point for negotiations. Now, in face of the urgency of a two-state settlement and against the backdrop of the US administration’s paralysis due to the US election campaign, Europe needs to act. The E3 (France, Germany and the United Kingdom) should take the initiative to move the Quartet process – re-launched in September 2011 – forward. In this, a mediation effort is needed that evens out, rather than exacerbates the asymmetric relationship between the two parties. Europeans should draw up the parameters of a conflict settlement (as already presented in February 2011 in the Security Council) and a binding time table, establish an oversight mechanism, get Quartet backing for it – and spell out the consequences of the (probable) failure of a negotiated solution.
Israel Loses its Partners in the Region

Due to the Arab Spring, Israel has lost further partners in the region and thus finds itself increasingly isolated. As a result of the 2008/2009 Gaza War Israel’s strategic alliance with Turkey had already come under strain. This has been exacerbated by the May 2010 flotilla affair and the row over the September 2011 publication of the United Nations Palmer Commission report on the same affair. Rather than leading to reconciliation, Israel still refused to apologise for the deaths of nine Turkish activists. Turkey expelled the Israeli ambassador, cancelled military cooperation agreements with Israel and announced its intention to increase its military presence in the eastern Mediterranean. This rather drastic reaction has to be read not only against the backdrop of Turkey’s political and economic interests in the Arab world but also in view of fierce competition over exclusive economic zones in the eastern Mediterranean as well as the Cyprus question. As a result, Israel has not just lost its only strategic partner in the region, but also an alliance with an increasingly influential regional player. Indeed, while Turkish-Israeli relations have become rather hostile, at least with regards to the rhetoric, and in the process have produced stronger Israel-Greece-Cyprus and Turkish-Arab cooperation, considerable room for repairing relations remains. As a matter of fact, Turkey has taken on responsibility for Israel’s security by installing the central radar of NATO’s missile defense on its territory, which is intended, above all, to protect Israel from Iranian missiles.

With the end of the Mubarak era in February 2011, Israel lost one of its most important and reliable Arab partners. Since the formation of a transitional government in Cairo, relations have deteriorated. Deliveries of Egyptian gas to Israel, which had covered some 40% of domestic demand, have been disrupted time and again due to attacks on the Sinai pipeline. Egyptian political figures announced that they intended to renegotiate cooperation agreements – particularly with regards to Qualifying Industrial Zones (QIZ) and gas deliveries. Moreover, the military junta ruling the country bowed to public pressure and distanced itself from previous Israeli-Egyptian cooperation on the blockade of the Gaza Strip. Egypt’s May 2011 decision to open the Rafah Crossing signalled a new policy here – in the end, however, Egypt loosened the blockade only slightly rather than removing it effectively.

Even the weakening of the Asad regime by the Syrian revolt has proved problematic for Israel. True, both countries have formally been at war with each other, Syria under Bashar al-Asad has deepened its alliance with Iran as well as positioning itself as the leader of the “camp of resistance” against what is seen as Israeli and American designs for the region, and it has supported militant movements such as Hamas and Hezbollah. Yet, Syria has proved reliable when...
it comes to securing its border with Israel – which it has kept quiet for some 40 years (since the 1973 war). Indeed, over the last few years, Syria even cooperated with Israel, insofar as it allowed exports into Syria from the occupied Golan Heights. While the fall of the Asad regime could open the way for a more open, participatory and inclusive political system as well as for a détente in Israeli-Syrian and Israeli-Lebanese relations, this is by no means guaranteed. After all, it is rather unlikely that a new Syrian leadership would be any less robust in its demands for the return of territory occupied by Israel. In addition, in late November 2011, a gradual and peaceful transfer of power seems to be rather unrealistic. Rather, confrontations between regime, defectors and protesters are more and more developing into an armed power struggle and bear the imminent danger of large-scale civil war and atrocities between ethnic and religious communities. Already today, Syria’s neighbours are affected by the violence in the form of refugees and cross-border violence. In the case of escalation of communal violence, which also risks bringing further regional meddling and proxy fighting, massive destabilising effects are to be expected – not only for Israel but also for other neighbours, in particular Lebanon.

Popular Influence Increases and Decreases Arab Regimes’ Room for Manoeuvre

The Arab Spring has affected next to all Arab regimes forcing them to seek renewed legitimacy. Against this background, the scope of action enjoyed by Arab leaders has been considerably diminished. True, Arab protests and uprisings have first and foremost brought to the fore domestic political and socio-economic grievances and demands. Burning Israeli and US flags has been at most a side-show. Arabs turned out to be unwilling any longer to accept repression at home in the name of resistance or steadfastness against Israel. Yet there has been no warm peace between Israel and any of its neighbours, and thus a normalisation of relations between Arab societies and Israel has not taken place. Indeed, the very notion of this kind of rapprochement is overwhelmingly rejected by the Arabs as long as the Israeli occupation of Arab territories persists. This is why a growing popular influence on regional relations is a particular problem for Israel. After all, more representative Arab governments will have to legitimise their actions to public opinion rather than bending to external actors such as the US or simply pandering to the ruling elite’s interests. In addition, those regimes that are not prepared to allow greater popular participation in decision-making will still (or maybe even more strongly) avoid taking deeply unpopular decisions.
For that reason, no Arab government is going to push for any peace initiative towards Israel’s right-wing government in the months to come. Also, none of them will have an interest in positioning themselves on Israel’s side or being perceived as doing so, e.g. by stepping in to prevent demonstrations and marches on Israel’s borders should they occur. Rather, clashes between Palestinians and Israeli border guards might serve as a welcome diversion from domestic tensions for some neighbouring regimes – as was already the case on the eve of the Nakba anniversary on 5 June 2011 on the Syrian-Israeli border. Another source of tension stems from the very fragile security situation in the Sinai which has not only entailed repeated attacks on the gas pipeline but also serious cross-border attacks on civilians and military personnel in Israel leading to the killing of Egyptian border guards in August and again in November 2011. A crisis erupted when the Israeli embassy in Cairo was stormed and besieged by a mob in reaction to the August incident and its staff had to be evacuated – amidst escalating rhetoric on both sides. Further attacks from the Sinai bear the danger of violent escalation as well as of a further deterioration of Israeli-Egyptian relations and a dangerous dilution of Camp David arrangements. This remains true even if bilateral relations relaxed temporarily in the context of the October 2011 Egyptian mediation of the Israel-Hamas prisoner exchange.

Israel Misses the Chance to Refashion its Relations with the Neighbours

The insecurity brought about by protests and upheavals in the region, the anti-Israel rhetoric of Turkey’s Prime Minister, the strengthened influence of Hezbollah in Lebanon, the Iranian nuclear programme, as well as the perceived rise of Iranian influence in the region have reinforced the bunker mentality of Israel’s right-wing government. The coalition under Prime Minister Benjamin Netanyahu has felt confirmed in its attitude that the time was by no means ripe for peace overtures or “concessions,” even though parts of the Israeli Left, of the opposition of the Centre (Kadima) and of the security establishment urged the government to exert stronger efforts to reach a peace agreement with the Palestinians and to positively approach the changing environment. Instead, the government has concentrated on building up its military advantage over its Arab neighbours and Iran, on a diplomatic campaign to prevent recognition of Palestine and its admission as a full member to the United Nations and on shifting the debate towards the Iranian threat.

In the summer of 2011, the Israeli government was challenged domestically by a countrywide protest movement. The protesters demanded social justice,
affordable living space and fair costs of living – with Israel being the OECD country with income gaps second only to the US. Even though young Israelis were inspired by the Arab Spring, as their placards showed, only few of them demanded their political leadership to work for a rapprochement with Israel’s Arab neighbours. Also, very few of them made the link between Israel’s low expenditure for education and social welfare on the one hand and the cost of occupation and military strength on the other. In the end, the Israeli government did not exert serious efforts to make use of the changing regional environment to build new and better relations with the newly forming societies and systems.

Palestinian Power-Sharing Agreement and the Palestinian UN initiative

The Arab Spring brought renewed impetus to efforts to overcome internal Palestinian division. In early May 2011, Hamas and Fatah, together with smaller Palestinian factions, signed a power-sharing agreement, after years of earlier talks and different mediators had failed to overcome the differences between the main competitors. The deal reflected the realisation of the leaderships in Ramallah and Gaza City (or rather in Damascus) that the people of the West Bank and the Gaza Strip were no longer willing to accept their competing governments’ intransigence or the consolidation of two increasingly authoritarian systems. Unlike in other Arab states, Palestinian protests in mid-March 2011 focused not on the demand to overthrow the regime(s) but on overcoming internal divisions. This demand has also been consistently expressed in opinion polls as one of the Palestinian priorities for years. Other factors linked to the Arab Spring also had an effect on both movements’ considerations. After all, both saw their regional supporters weakened or overturned: the Mubarak regime, the main supporter of Fatah, had already been displaced; the Syrian regime, Hamas’s principal sponsor, was wobbling, which necessitated a reorientation of the Hamas leadership. In addition, an – at least temporarily – more independent, more self-confident and more constructive Egyptian foreign policy, which did not favour one Palestinian movement over the other let alone putting US-American or Israeli concerns first, allowed for the agreement to be sealed. Still, due to the contradictory interests of Fatah and Hamas, implementation of the agreement did not see progress until late 2011.

Another factor that had opened the way for the power-sharing agreement to be concluded was the lack of progress in the peace process. No bilateral Israeli-Palestinian negotiations had taken place since September 2010, when a temporary and partial settlement moratorium ran out. US President Barack Obama’s
speeches on the Arab Spring and the Middle East delivered in May 2011 at the State Department and at the AIPAC (American-Israel Public Affairs Committee) Conference were overwhelmingly welcomed in Israel as confirmation of the US commitment to Israel and the strength of the Israeli-American friendship, as was Benjamin Netanyahu’s speech before both Houses of Congress. For their part, the Palestinians welcomed Obama’s insistence on a two-state settlement based on the 1967 borders with agreed land swaps. Yet, the Palestinian leadership also interpreted the speeches as clear indications that they should not expect active, consistent or balanced US mediation and that negotiations with the Netanyahu government would lead nowhere. The Palestinian leadership therefore focused its political efforts not on a renewal of negotiations but on mobilising international support for full membership in the United Nations, thereby trying to improve its international standing and internationalising the resolution of the conflict. In this approach, the Palestinians were able to rely on widespread international empathy as well as recognition of its efforts in state- and institution-building from international organisations. At the same time, it was clear from early on that full membership was a way off, as the US had announced its intention to use its veto in the Security Council. In the end, while Palestine was welcomed by a large majority as a full member into UNESCO in early November 2011, it did not even muster the nine votes necessary in the Security Council to pursue full UN membership.

**Prospects and Conclusions for EU Policies**

The prospects for conflict settlement are anything but good. To the contrary: the mutual reinforcement of negative tendencies and the increased insecurity in the region make a constructive approach to conflict resolution increasingly unlikely. Following the failure to turn the Palestinian UN initiative into a constructive step towards Palestinian self-determination, an end to Israeli occupation and a peace agreement, there is a risk of heightened tensions and of a third intifada – which might well have larger regional implications than the last Palestinian uprisings. This danger is heightened even further due to the weakening of the Palestinian Authority as a consequence of Israeli and US reactions to the Palestinian move at the UN: the severe US reduction of financial support for the PA, the Israeli withholding of tax and customs transfers to the PA, as well as a renewed settlement drive. An option discussed ever more frequently among Palestinians is to dissolve the Palestinian Authority, hand all responsibility for the Palestinian territories back to the occupying power and concentrate the struggle on achieving equal rights within the State of Israel rather than independence from it. Such an approach, should it be pursued even against the strong interests of Palestinian elites, would clearly mark the definitive end of the Oslo process.
But it would most likely not see success – as Israel has no incentive to annex those territories on which the better part of the Palestinian population live and make them citizens – and it would certainly not help to solve the conflict.

The persistence of conflict, but even more its violent escalation, will be accompanied by all those elements that make the consolidation of more open and participatory political systems in Israel’s neighbourhood less likely: oversized armies and an allocation of resources that favours military and defence over human development, a dissent-intolerant atmosphere, an unfavourable investment climate, a strengthening of radical forces and non-state armed groups and the further weakening of states as well as the Palestinian Authority. It will also negatively impact on Europe’s relations with states and peoples in the region as long as Europeans do not follow up there stances with concrete and credible engagement at conflict settlement.

Already, European attempts to dissuade the Palestinians from presenting their initiative for full UN membership to the Security Council as well as (some) European countries’ voting on the Palestinian UNESCO membership bid and their stance in the Security Council in November 2011 were in stark contrast to the enthusiastic European support for other Arab peoples’ quest for freedom and self-determination. They were also out of sync with the agreed European approach towards the Arab-Israeli conflict: Europeans have held that the conflict should be settled through a two-state arrangement for its Israeli-Palestinian dimension, complemented by peace agreements between Israel and its Arab neighbors (Syria and Lebanon) on the principle of land for peace as well as peaceful, neighbourly relations between Israel and the wider Arab and Muslim world – as spelt out in the Arab Peace Initiative. It is with this intention that, since the beginning of the Oslo Process in 1993, the EU and its member states have supported the building of a Palestinian state with considerable financial and technical assistance. Accordingly, in March 1999, towards the end of the interim period agreed in Oslo, the EU announced that it would consider recognising a Palestinian state “in due course”, an intention reiterated in the EU Council Conclusions of December 2009 and 2010. In spring 2011 the UN, the International Monetary Fund and the World Bank all confirmed that Palestine had fulfilled the preconditions for statehood – to the extent possible under continuing occupation. At the end of July the United Nations Special Coordinator for the Middle East Peace Process, Robert Serry, told the Security Council that the Palestinian Authority was “ready to assume the responsibilities of statehood at any point in the near future”. However, the Europeans – in alliance with the US and Israel – tried to block the Palestinian initiative rather than using the opportunity to turn it into a constructive step towards conflict settlement.
this, they have also signalled to the Palestinians that all peaceful and legal possibilities to achieve Palestinian rights under international law are blocked.

Today, the situation must be described as paradoxical: the contours of an Israeli-Palestinian settlement are well known, and have been sketched out in the December 2000 Clinton Parameters, the results of the January 2001 Taba Summit and the unofficial Geneva Accord of autumn 2003. Also, a two-state solution has become the internationally accepted paradigm for the settlement of the Israeli-Palestinian conflict, and has been supported by majorities in both populations. Still, the prospects for its realization are fast disappearing. The increasing fragmentation of the West Bank and the isolation of East Jerusalem neighbourhoods from their surroundings due to continued (or rather, reinforced) construction of settlements, settler roads, checkpoints and the separation barrier as well as the political and territorial separation of the West Bank and the Gaza Strip make a two-state solution increasingly unlikely. At the same time, there is no alternative that would satisfy the national aspirations of both people and would be acceptable to neighboring states such as Jordan and Egypt.

The plan presented by the Middle East Quartet (USA, EU, Russia and the UN) in September 2011 to resume Israeli-Palestinian negotiations puts the onus to lead on the Europeans. The USA will be in the midst of a (pre-)election campaign for the time to come and the US administration thus even less in a position to act as the “honest broker” that is needed to conclude negotiations by the end of 2012. While only a comprehensive regional settlement will be sustainable, for now mediation should, obviously, focus on the Israeli-Palestinian track. Here, active and consistent mediation is required – mediation that evens out, rather than exacerbates the asymmetric relationship between the two parties. In addition, rather than renegotiating basic principles of a settlement, Europeans should insist on the parameters that they presented in February 2011 in the Security Council: a territorial arrangement on the basis of the 1967 borders with an agreed exchange of territory; security arrangements that meet the needs of both sides; a just and agreed solution for the refugees; Jerusalem as the capital of both states. They should also draw up a binding time table, establish an oversight mechanism and spell out the consequences of the (probable) failure of a negotiated solution. Unless the E3 agree on a common approach on these issues and take the initiative, there is little hope, though, to move forward and resolve the conflict. Violent escalation is looming – and with it the demise of the two-state solution.
CONTRIBUTORS

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The Islamic Republic of Iran: Facts and Fiction

Jahangir Amuzegar

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Over the last three decades, Iran has been a prominent feature of the world press and global media. Not a week has passed since November 4, 1979 — when 52 American diplomats were taken hostage in Tehran — without the clerical government being captured in the international spotlight. The near-daily news about the hostage situation, the Iran-Iraq War, and Washington’s Iran-Contra fiasco were followed by reports of alleged terrorist bombings in Lebanon, Saudi Arabia, Argentina and Africa, along with dispatches about assassinations of political dissidents and critics at home and abroad. Later on, attention was focused on political mischief in Iraq and Afghanistan involving U.S. and NATO forces, as well as increasing political repression and human-rights violations at home. Then, reports about clandestine uranium enrichment and nuclear development programs, subsequent UN Security Council sanctions, and other multilateral or unilateral penalties became headline news. And, lately, extensive reports about an alleged terrorist plan to assassinate the Saudi ambassador in Washington, the storming of the British embassy in Tehran by a shadowy group presumably angered by the Cameron government’s sanctions on Iran, the downed U.S. Sentinel stealth drone in northeastern Iran, and Tehran’s threat to close the straits of Hormuz in case of total embargo on Iran’s oil exports have supplied the ravenous international media with continuous, and at times sensational, material.

Despite this nearly ceaseless publicity, however, some fundamental characteristics of the Islamic regime have escaped proper scrutiny and are shrouded in myth. The regime’s true political nature, the country’s constitutional structure, the power and position of its top leaders, the political challenges it poses to the region and the world,
the reasons for its long-term viability in the face of stiff global sanctions, and its ideological influence on the region’s political movements remain largely misunderstood and misinterpreted. This brief review attempts to dispel seven of these myths.

(1) The Islamic Republic is one of the Middle East’s vibrant democracies, since it holds regular elections for its office holders.

This is not only an exaggeration; it is essentially misleading. The Islamic government has, since its inception in 1979, held regular periodic elections for its major elective offices — the presidency, the Majlis (national assembly), the Assembly of Experts and municipal councils. Supreme Leader Ali Khamenei has called these elections “one of the Islamic regime’s main pillars, a symbol of political maturity, and a national pride.” But none of these elections can claim to have been a manifestation of real participatory democracy, for several reasons. To begin with, none has been deemed totally free and fair, and every one has been tarnished by reports of fraud and irregularities. Some, like President Ahmadinejad’s reelection in 2009, have been widely contested and were followed by massive street demonstrations and popular protests.

Furthermore, none of these elections can pass the test of true popular representation: the people’s free choice. By law, candidates for any elective office in Iran must be individually screened and approved before election campaigns by a special 12-member Council of Guardians, a cornerstone of the Islamic Republic. A quintessential qualification for candidacy, among others, is a “demonstrable loyalty” (eltezam-e amali) to the concept of rule by an Islamic jurist (velayat-e faqih). The Council can, and frequently does, reject candidates’ eligibility on this and other vague grounds. Thus, in a Soviet-like procedure, only loyal candidates (khodi) are eligible to run, and all others (geir khodi) are excluded. In some elections (March 2012, for example), members and affiliates of several political parties, along with 2,700 out of nearly 5,000 registered candidates were not allowed to participate. Majlis candidates (except the incumbents) must also possess a master’s degree from a domestic or foreign university. Deputies have no immunity from prosecution and can be hauled before the courts. And, according to a law recently passed, duly elected deputies can be expelled from the assembly during their terms of office if found disloyal to the concept of velayat.

In addition, democracy is not just a political structure: it has its cultural, social and economic dimensions. A true democracy, in addition to having free and fair elections, requires (a) respect for certain universal values (such as basic civil rights); (b) certain institutions (a free press, active political parties, non-governmental organizations, trade unions, professional associations and similar civil entities); and (c) the rule of law and an independent judiciary as the ultimate guarantors of democratic rule.

The Iranian record on the first prerequisite is clearly dismal. As shown by the ninth consecutive annual censure resolution by the UN General Assembly since 2003 and periodic reports by the United States and other Western countries, Human Rights Watch and Amnesty International, basic human rights are routinely and flagrantly violated by the Islamic Republic. Individual daily lives are strictly regimented; personal freedoms (choice of food, clothing, entertainment and recreation)
are all controlled. Dissenting journalists, student activists and defendants’ lawyers are arrested on trumped-up charges. False confessions are extracted under torture and presented to Stalinist-type courts to obtain long prison sentences. Members of non-Shia faiths and other minorities are routinely mistreated. Iran’s economic-freedom rank in the 2012 report by Freedom House is 171 out of 179 countries. In political freedom and respect for human rights, it scores seventh, the lowest position in a seven-category scale.

The second prerequisite of a functioning democracy, the vitality of civil society, is also lacking in Iran. The press is censored. The Islamic Republic’s rank in press freedom, according to the 2012 report by the Reporters Sans Frontières, is 175 out of 179 listed. The New York-based Committee to Protect Journalists describes Iran as the jailers of the highest numbers of press reporters in the world, with 42 behind bars in December 2011. Radio and television are state monopolies. Connections through Internet, Facebook, Twitter and other social media are frequently jammed. Political parties are tightly regulated. Trade unions are banned. Lay professional associations are stigmatized. Nongovernmental organizations (NGOs) are selectively allowed to operate.

Third, a competent and independent judiciary, as the ultimate safeguard of democracy, is conspicuous by its absence and is described by its previous chief as “a total ruin.” Manned by a group of incompetent and often corrupt political hacks with little or no background in law, the regular and “revolutionary” Islamic courts are charged with the implementation of a seventh-century-type penal code. These courts regularly mete out barbaric penalties (stoning to death, blinding, amputations and public flogging) and the world’s highest per capita number of executions. The latest annual report of the World Justice Project, measuring respect for the law and citizens rights, places Iran at the very bottom of the 100 countries observed.

(2) Iran’s “Islamic democracy” could be a suitable model for newly triumphal Islamic parties in such countries as Tunisia, Morocco and Egypt.

This is both erroneous and wrongheaded. The Islamic Republic’s apologists at home and abroad, feeling self-conscious about the incongruity between their “democratic” system and a typical Western variety, have propagated the fiction that their “Islamic model” is an ideal form of government because it is headed by an eminent theologian — a man of God selected by his peers, who themselves are elected by popular vote.

There are two flaws in this bizarre claim. First, whether or not God’s government on earth is superior to man’s rule, the term “Islamic democracy” is self-contradictory and oxymoronic. Democracy, as its Greek origin signifies, is rule by the
people. Religion can never be a vehicle for democracy. There is no religion based on democratic rule. Islam, like all other religions, is based on faith; democracy is based on a social contract. Democracy is composed of citizens regardless of their faith; Islam is composed of believers regardless of their citizenship. Islamic sharia is the reflection God’s rule on earth as prescribed by the Quran. The first and second clauses of Iran’s 1979 constitution describe the regime as the manifestation of God’s rule on earth. The state is headed by a vali-e faqih, who leads the country on behalf of the occult (hidden), Twelfth Imam. His orders (hokm-e hokumati), based on his understanding of Quranic principles, must be obeyed by every citizen, even if opposed by the majority. The people’s wishes and votes would be respected only so long as they remain within the sharia’s mandates and the vali’s edicts. God’s incontestable rules can never be remanded by the people’s fickle votes, even by a 99 percent majority. A prominent theoretician of the regime claims that the Iranian system should be called the government of “Islamic Justice,” a term he claims Ayatollah Khomeini preferred over “Islamic Republic,” which he grudgingly accepted only as a matter of expediency.

Second, whether or not the ruler’s access to power through popular vote is superior to other selective techniques, the matter does not apply in the case of Iran. True enough, the 86-member Assembly of Experts (all male clerics), which selects the vali (supreme leader, or rahbar) is elected periodically by direct popular vote. But this selection is currently a matter of debate. A recent interpretation by one of the rahbar’s own favorite theologians claims that Iran’s supreme leader is in fact “designated” and “selected” by God himself and only “discovered” by the Islamic theologians of the Experts Assembly.

In any event, none of the assembly members is actually a free agent; by law they all must first be screened and approved by the 12-member Council of Guardians. The Council itself, however, consists of six theologians appointed by the supreme leader, and six lay jurists selected by the Majlis from a list of nominees submitted by the judiciary chief. The chief justice is himself appointed by the supreme leader and is naturally expected to select nominees loyal to the rahbar. The Majlis deputies, who are supposed to select the council’s lay members from among the judiciary chief’s nominees, are themselves all screened and approved by the Council of Guardians and loyal to the rahbar. Thus, in a near-magical manner, the supreme leader appoints himself to the post!

As a further manifestation of this incestuous political process, some members of the Council of Guardians also serve in the Assembly of Experts. Nearly all members of the assembly are Friday prayer imams appointed by the rahbar, or they are the latter’s representatives in various public organizations. Another example of the assembly election farce is that, in some precincts, there is only one candidate, no contestant and an outcome that is known beforehand. There is no time limit for the rahbar’s tenure. Members of the Assembly of Experts are supposed to supervise his performance and remove him from office in case of incapacity or poor performance. But they usually meet twice a year and routinely issue endorsing proclamations. It is highly doubtful whether the recently triumphant Muslim people of North Africa would crave such a template.
Within the political hierarchy, he is the titular head of state and commander-in-chief of the armed forces. But Iran does not have one-man rule. And his powers are not unlimited; they are specifically defined by the Islamic Republic’s constitution. He is equal to other citizens before the law and can be removed from office in cases of incapacitation or loss of essential qualifications. A clear testimony to his limited power is provided by a speech he delivered in mid-October 2011: “Leaders of Iran’s executive branch, the Majlis, and the judiciary, in the fulfillment of their duties, may take certain decisions which the rahbar may not like. But the rahbar has neither the right nor the power to interfere with those decisions unless the matter involves derailing the Islamic revolution.”

As a protector and promoter of the Islamic revolution, he uses all his wits and wisdom in a delicate balancing act by keeping various power centers in tow. Having appointed a veterinarian with no military background as the chairman of the joint chiefs of staff, he maintains a watchful eye on the armed forces. By frequently changing commanders of the regular armed services (without cutting their salaries or perks), he clearly tries to ward off possible challenges from the military. By allowing the Islamic Revolutionary Guard Corps (pasdaran) to obtain an increasing chunk of lucrative development projects in no-bid contracts, he is seeking their total loyalty. And, by recruiting thousands of teen-age villagers and unemployed vigilantes into an informal militia (the baseej), he manages to keep street demonstrators subdued.

The most formidable latent challenge to his authority, however, comes from the financially independent grand ayatollahs in Qom, who enjoy vast amounts of public
respected and supported. They are a potent force that he has been trying to win over, time and time again, by his frequent trips to the city.

As a person, Khamenei is a cautious and calculating man, a master of balancing acts who protects his power and prestige by avoiding involvement in controversial issues and factional politics by appointing special commissions to resolve disputes. In reality, he presides over several political satrapies manned by various oligarchs. In this power-sharing, semi-sanctioned anarchy, tolerated conflicts abound: statutes duly enacted by the Majlis are ignored by the executive branch; decrees passed by the Council of Ministers are found unlawful by the Majlis; the Supreme Audit Court finds gross violations of budgetary appropriations. Yet no one seems to mind. And the show goes on under the rahbar’s watchful eyes.

Unlike Machiavelli’s ideal prince, Khamenei is neither widely respected nor truly feared. He is routinely obeyed by all because he has convinced other oligarchs that, in any shake-up, they would all come out losers.

(4) President Mahmood Ahmadinejad is a religious fanatic who truly believes in the imminent return of the twelfth Shia imam (mahdi), while posing as the main obstacle to a Tehran-Washington détente.

Ahmadinejad has a reputation for delivering crowd-pleasing and combative speeches full of bravado, falsehood and occasional vulgarity. His personal and managerial qualifications for the office may be questioned. But he is neither delusional nor crazy — as many in the West believe. He is a shrewd, street-wise and seasoned politician whose words and gestures, even those deliberately false or misleading, are carefully chosen to achieve specific objectives. He is a self-adulating and authoritarian leader, a demagogue masquerading as a populist, but he is not naïve. He may be the devout Muslim he pretends to be, but he is far from a clergy worshipper. In fact, his “liberal” position on certain hot-button issues — overlooking violations of the Islamic dress code, allowing women to attend sports events, kissing the hands of his old female school teacher, giving interviews to foreign female reporters without full head cover, expressing pride in Iran’s pre-Islamic history, and rejecting gender segregation in the Iranian universities — attest to his departures from clerical orthodoxy.

For these reasons, it is widely suspected that his entire twelfth-imam scenario is nothing but a clever ruse. It is believed that his expectation of the imam’s imminent return, hints about having direct access to him, and claims of benefiting from his daily guidance on government affairs are all masterfully designed to clip the clergy’s wings, if not implicitly question the sanctity of the valayat-e-faqih itself. For, in a situation where the country’s daily public policies are specifically directed and supervised by the occult imam himself, there would hardly be need for a proxy, be it a vali or a rahbar.

In the matter of hostility toward Washington, too, Ahmadinejad’s role is largely

[Ahmadinejad’s] verbal assaults on Washington and Tel Aviv are nothing more than a parroting of Ayatollah Khomeini’s numerous 1980s sermons; they are not his own constructs.
Ahmadinejad’s political enemies in order to nullify his pro-American démarche.

The deadlock in Tehran-Washington relations goes far beyond personal grudges or preferences. The enmity towards the United States has been the cornerstone of the Islamic regime’s identity, legitimacy and staying power from day one. It has been based on Ayatollah Khomeini’s xenophobic posture and opposition to Mohammad Reza Shah, whom he accused of promoting American and Israeli interests. Ayatollah Khamenei’s well-guarded leftist tendency, his unwavering championship of the Palestinian cause (sporting a kaffieh in public appearances) and hostility toward the Jewish state (objection to the two-state solution) follow the same line. The rahbar’s need for a bogeyman to be blamed for Iran’s various setbacks as well as his own numerous failings may also have found hostility to Washington a perfect ploy.

In addition to this deep-rooted individual hostility, a major force behind continued enmity toward Washington emanates from the ultra-conservative clerical establishment, which sees the resumption of relations as the end of its hegemonic clout. Normal relations with Washington are seen by the obscurantist mullahs as the prelude to the so-called “Western cultural onslaught” — increasing political and social liberalization, rejection of outmoded Islamic moral codes, a welcome adoption of Western democratic institutions and replacement of voodoo by modern science.

Normalization of relations with the United States is resisted by yet another powerful interest group in both the bazaar and the modern economy. Formed during the last 33 years of American absence, the group includes merchants, industrialists, service contractors and others who shifted their trade and business from the United
States to China, Russia, East Asia, Latin America and Africa. They are likely to lose to new American rivals. Prominent among potential losers would be the Islamic Revolutionary Guard Corps, which currently enjoys a virtual monopoly in bidding for lucrative projects, and other Guard units widely suspected of being engaged in the increased smuggling of American products.

(5) Global economic sanctions have been to no avail since they have failed to change the regime’s behavior or stop its nuclear program.

There is no dispute that, during the long period under sanctions, Iran has not only refused to stop its uranium enrichment program as demanded, but defiantly proceeded to develop more advanced centrifuge capabilities. Furthermore, Tehran has accelerated enrichment of its uranium stockpile to 20 percent and has continued research on nuclear-warhead design. Yet all available evidence shows that increasing economic sanctions, cyber war, a terror campaign and a sabotage program (e.g., the suspicious killing of Iranian scientists, explosions in atomic and ballistic rocket centers, fires in oil and gas pipelines) have not only slowed down Iran’s nuclear program, but extracted a heavy toll from the Iranian economy.

Long suffering from certain basic structural problems (gross mismanagement and ineffective leadership), Iran’s economy has been further damaged by punitive international measures. Annual economic growth has been slowed and is currently hovering around 2.5-3.0 percent. Official inflation is over 20 percent, and the unemployment rate is in the mid-teens. Private estimates are much higher in both cases. Capital, labor and total-factor productivity are dismally small, in some cases negative. The climate for investment and business is poor, and there is rampant corruption at all levels of the government and in state enterprises, largely intensified by sanctions.

Thus, there is no doubt that the choreographed, multifaceted sanctions — by the United Nations, the U.S. Congress, the European Union and other countries — including freezing the assets and banning the travel of hundreds of Iranian individuals and businesses linked to Iran’s nuclear program — have had devastating effects. By all evidence, the Islamic Republic today is economically weaker and more chaotic, diplomatically more isolated and altogether more vulnerable than before. After having categorically denied year after year that sanctions were having any effect on the Iranian economy, President Ahmadinejad has recently admitted that sanctions had virtually paralyzed the country’s banking system, and called them economic warfare.

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a shift from higher-quality Western goods to cheaper Chinese substitutes; difficulties in opening letters of credit and transfers of funds in almost all major international banks; virtual stoppage of Western direct investments and technology transfers; the near-impossibility of issuing foreign-exchange bonds in financial markets; and highly disturbing gyrations in the domestic gold and foreign-exchange markets.

The absence of change in the regime’s behavior should be thus attributed to three countervailing factors. First, Iran’s pursuit of advanced nuclear technologies, as well as its development of various nuclear capabilities, has now become a matter of national sovereignty, scientific achievement and patriotic honor the denial of which is universally considered close to treason — even by the opposition. Second, a number of Islamic, non-aligned, left-leaning and anti-American countries, along with such veto-empowered governments as Russia and China, have refused to abide by tougher Washington and European sanctions and thus eased the burden. Cooperating banks and amenable oil refineries in friendly countries also helped fill some of the void. Third, large receipts from oil, gas and other exports during the last six years have enabled the regime to finance its annual budget, triple non-oil exports, double imports, and carry out a costly subsidy-reform program, thus lightening the sanctions’ effects.

“Crippling” sanctions involving Iran’s central bank and oil exports have recently been imposed on Iran by the United States and the European Union, avowedly in the hope of building public discontent and compelling the regime to change its nuclear policy. But, as long as the same political and economic realities prevail, little or no palpable change in the government’s behavior should be expected. With an estimated $135 billion from oil and non-oil exports in 2011-12, a chest reserve of $120 billion in cash and 907 tons of gold (as reported by the Tehran Chamber of Commerce), Iran has more than enough resources to meet its payment obligations for more than a year. The government has a relatively small and serviceable foreign debt. And Iran can expect a continued positive trade balance as long as crude-oil prices remain above $80 per barrel. Smuggling in and out of the country may also continue to play a significant role in easing the burden. Nevertheless, dark and stormy days for the economy are ahead. Some moderately positive reports about the Iranian economy from the International Monetary Fund and the World Bank in recent months, while clearly attesting to the economy’s resilience, also confirm an eighteenth-century sage’s dictum that “nations have untold capacity for ruin.”

(6) The only way to stop Iran from acquiring the nuclear bomb is to bomb it.

This is a deceptive, futile and dangerous idea backed by some powerful political groups of ultraconservatives in the United States and Israel. The hawks’ arguments for a preventive strike are fairly simple, if not very convincing. First, the Islamic Republic is determined to acquire nuclear weapons because (a) all its major neighbors (Russia, Israel, Pakistan and, by proxy, the United States) are already nuclear powers; (b) no country possessing an atomic bomb has ever been attacked; (c) the Tehran government cannot financially afford to match its adversaries in conventional weapons; (d) Tehran has publicly announced its uranium-enrichment capabilities to be up to 20 percent, thus becoming a “virtual” nuclear state; and
and dangerous nuclear fallout. Invading planes could be shot down and their crews taken prisoner. Iran could close the Strait of Hormuz, sending oil prices sky high and damaging the global economy. American and allied ships and installations in the Persian Gulf could be attacked. In short, there could be no “clean and calibrated” air strikes, but a violent and messy affair with untold consequences. New insurgencies in Iraq and Afghanistan could be instigated. An American or Israeli attack on Iranian sites is also bound to trigger a catastrophic regional war involving the Lebanese Hezbollah, Palestinian Hamas, Syria, Saudi Arabia and other Gulf Cooperation Council members.

On top of all these, even the successful bombing of Iran’s nuclear facilities with bunker-busting shells might temporarily cripple the nuclear program, but it will not stop it. In fact, it may unify the opposition behind the government and encourage the Tehran regime to redouble its nuclear efforts. Installations may be destroyed, but knowledge cannot be wiped out of scientists’ minds.

Third, and most significant, the Iranian clergy’s alleged character traits are grossly misunderstood. The concept of the “hereafter-fixated mullahs” is a complete fiction. A cursory look at the ruling clergy’s mode of living in Iran — multiple wives, spacious living quarters, luxury cars, foreign bank accounts, sumptuous wedding and anniversary parties for their offspring — attests to their love for life and fear of death. Shiite clerics in Iran may reject certain aspects of Western culture, but they are hardly suicidal.

In many experts’ views, a deterrence policy is probably the most cost-effective way to deal with the situation.
leaders did not push for the theocracy’s downfall. They wanted, in fact, to go back to Ayatollah Khomeini’s “golden era,” his “true teachings” and a strict observance of Iran’s Islamic constitution.

The much later demonstrations in Iran during 2010 — which involved faint chants against the rahbar and scattered stifled demands for Khamenei’s ouster — have themselves, ironically, been influenced by the Arab Spring, rather than the reverse. The new anti-rahbar cries started after Ben Ali’s ouster in Tunisia and Mubarak’s in Egypt.

Avoidable Pitfalls

The distorted picture that these myths present goes beyond mere abstractions. The myth of a popularly elected government in Iran and the fiction of an “Islamic democracy” propagated by the regime’s mouthpieces around the world have enabled the Islamic Republic, one of the world’s most notorious misogynist regimes, to gain a seat at the UN Commission on the Status of Women, the principal world body dedicated exclusively to gender equality.

The exaggerated notion about Ayatollah Khamenei’s absolute power and unique prestige has deflected attention from the fact that, since the end of the Iran-Iraq War, Iran has been steadily moving from a theocratic oligarchy towards a quasi military dictatorship in which the top brass, masquerading as devout Muslims, enjoy not only increasing political clout but also...
The myth about President Ahmadinejad being responsible for the Tehran-Washington rupture has camouflaged the real stumbling blocks. The reason Ayatollah Khamenei and other top political leaders have been reluctant to engage in a serious dialogue with Washington is not essentially a clash of personalities or hostility toward a grand bargain, but simply a matter of profound mistrust. In March 2010 Ayatollah Khamenei rejected President Obama’s “extended hand” (of friendship) by calling it a “steel hand inside a velvet glove.” Rightly or not, Iran’s political leaders are convinced that Washington’s ultimate objective regarding Iran is “regime change,” and that all the talk about nuclear weapons or human-rights abuses is sheer political subterfuge. A recent newspaper report, attributed to an unnamed Washington official, indicates that the sanctions are designed to create enough popular discontent to force a change. Thus, unless and until the Iranian leaders are disabused of this notion, there will be no gesture of reconciliation from the Iranian side. At the same time, given the current make-up of the U.S. Congress and the domination of U.S. politics by special-interest pressure groups, Tehran’s overt and unrelenting hostility towards the state of Israel, as well as its undisguised opposition to the two-state solution, will prevent Washington from considering any genuine détente with Tehran.

The illusion about the futility of sanctions has played into the hands of those who advocate “neutralizing” the Iranian nuclear threat rather than containing it. Ignoring the devastating effects of sanctions and coercive measures on ordinary Iranian citizens — consequences explicitly claimed to be unintended by the Obama administration — American and Israeli hardliners are emboldened to propose yet stiffer and more coercive measures.

The fiction concerning Iran’s nuclear ambitions has complicated Iran’s normal relations with its neighbors and the international community at large. It has led the hawks to get ahead of the facts and overplay the significance of the Islamic Republic’s drive for nuclear technology by falsely claiming that the latest IAEA report finds Tehran on the threshold of having a nuclear bomb. And the preposterous notion about the mullahs’ craving for martyrdom and defiance of mutual annihilation has likewise prompted the warmongers to push for early preventive strikes.

Finally, the false notion about the Arab Spring’s emanating from Iran’s Green Movement has enabled the Islamic Republic’s propaganda machine to portray the North African uprisings as a “great Islamic awakening,” a “struggle against the West,” and a “revival of Islamic rule.” In truth, none of these movements has showed any similarity to Iran’s 1979 revolution. There have been no “death to America” or “death to Israel” slogans, no burning of the American flag, and no demands for an Islamic government. In their general yearning for freedom, democracy and respect for human rights, there has been a clear rejection of an Iranian-type Islamic rule. Interestingly enough, in the UN General Assembly votes on Iran’s 2011 human-rights violations, Tunisia and Libya voted against the Islamic Republic, and Egypt abstained.

A clearer understanding of these myths may not end the West’s Iranian conundrum, but it might lead to less swashbuckling and more effective ways of dealing with it.
Civil War in Syria

External Actors and Interests as Drivers of Conflict
Muriel Asseburg and Heiko Wimmen

The armed conflict in Syria has accelerated in recent months. Both regime and rebels see themselves in a fight for survival that leaves no room for compromise. External supporters of both sides treat the conflict as a zero-sum game with far-reaching and, for some actors existential, consequences for their own strategic positions, and are therefore determined to prevent any outcome they would regard as disadvantageous. Their diplomatic, financial and in some cases military support fans the flames of conflict and strengthens the hand of hardliners on both sides. For the foreseeable future, there is good reason to expect that the conflict will be neither resolved politically nor won militarily. The priority for Europeans should be to stem the violence and support inclusive civilian structures; the latter could contribute to improving living conditions at the local level and counteracting radical and centrifugal tendencies.

During recent months armed clashes between regime and rebels in Syria have escalated to a point where the two sides now see themselves fighting for physical survival. Both parties believe they can prevail militarily, and therefore reject any compromise. In November and December 2012 the rebels made significant military gains. The regime has withdrawn from parts of its territory, and by late autumn 2012 various rebel groups controlled villages, small towns, rural areas and strategic junctions in the south-west, the south-east and along the Lebanese and Turkish borders. Certain Kurdish areas in northern and north-eastern Syria are controlled by various parties working together in the Supreme Kurdish Council, among which the Democratic Union Party (Partiya Yekitiya Demokrat, PYD), which emerged from the PKK in 2003, occupies a dominant position. The PYD is working systematically to establish local structures of self-administration and law and order, and for the moment rejects armed struggle against the Syrian regime. The PYD and the rebels of the Free Syrian Army (FSA) also control individual crossings along the Turkish border. (A regularly updated map showing armed clashes and control of cities and border posts can be found at www.polgeonow.com/search/label/syria.)

But the rebels have not yet succeeded in seizing complete and lasting control of larger swatches of territory or of any of the major cities. Damascus, Aleppo, Homs,
Hama and Deir al-Zor remain largely under the control of the regime. Nor are they able to protect the civilian population in the “liberated areas” against attacks by the regular army, and in particular the air force. Assad changed his tactics after the rebels launched offensives on Damascus and Aleppo in summer 2012. With the exception of the capital, the regime no longer attempts to recapture “liberated” quarters, instead causing large-scale destruction through heavy bombardment with artillery, rockets and warplanes.

The impact on the civilian population is massive. In early December 2012 the Syrian Observatory for Human Rights put the number of deaths since the beginning of the uprising at more than 42,000, with tens of thousands more imprisoned or missed. By that time nearly half a million refugees had been registered or were awaiting registration by the UN in the four neighbouring countries of Turkey, Lebanon, Jordan and Iraq. That means that the number of registered refugees has more than tripled since August 2012. The real figures are very likely a good deal higher. The UNHCR expects that more than 700,000 people will have fled Syria by the end of the year, in addition to internal refugees estimated to number between 1.2 and 2 million. According to press reports, about 600,000 buildings had been destroyed by September 2012, including many hospitals and other public institutions. Moreover, the regime has turned numerous hospitals and schools into prisons and torture centres. Industrial and agricultural production have almost completely collapsed as a result of sanctions and fighting.

In contested areas the state has largely stopped paying salaries and virtually ceased providing public services: medical treatment, schooling, public transport and waste collection. Some public functions have been taken over by local coordinating committees, revolutionary councils, charities and informal networks, with a remarkable degree of self-organisation at the local level. Civilians and armed forces work together to maintain public order, supply the population with food and medicines, and organise protests. Access to these regions is heavily restricted, even for humanitarian organisations. The Syrian Red Crescent does not supply areas controlled by the rebels, leaving food, heating fuel and medicines in short supply there.

At the same time there is a lack of interlocutors and clearly defined responsibilities on the rebel side. While they are organised in local military councils and increasingly also in regional brigades, until recently they had no central command structure to speak of. It remains to be seen whether the formation of a “Unified Supreme Military Council” composed mostly of field commanders with no formal military background and excluding some of the more prominent FSA leaders, announced in the Turkish city of Antalya in early December 2012, will lead to better coordination or to more fragmentation. Moreover, a significant proportion of the more radical Islamist brigades (such as Jabhat al-Nusra or Kata’ib Ahrar al-Sham) refuse to recognise the authority of the councils and instead conduct operations on their own account, sometimes directly defying explicit instructions from the FSA leadership.

Radicalisation and Confessionalisation

The escalation of violence has accelerated radicalisation among the rebels, and the proportion of fighters with Salafist or jihadi leanings has risen accordingly. And foreign jihadis are increasingly infiltrating into Syria. While these are more likely to number hundreds than thousands for the moment, the trend gives cause for concern as it goes hand in hand with a growing confessionalisation of the conflict spurred both by the regime and by the rebels’ external sponsors. The result is an increasingly entrenched perception of a Sunni uprising (supported by the Sunni Gulf monarchies and Turkey) against an Alawite regime, those considered its local support-
ers (Alawites and Christians) and its Shiite allies (Iran, Hezbollah, the Shiite-dominated Iraqi government). Alawites and Christians in particular have come under increasing pressure to take one side or the other and fled their homes in mixed areas fearing rising crime and acts of retribution and revenge – especially as residential areas are increasingly hit by bombings.

The Logic of War by Proxy
The warring parties in Syria have been receiving increasingly open support from external actors. Above and beyond the internal power struggle, the conflict has acquired the character of a proxy war in which international, regional and subnational conflicts are fought out. The actors here treat the conflict as a zero-sum game, where success for one is automatically a defeat for the other.

One bone of contention is the interpretation and enforcement of international norms, with the United States and other Western states backing the Syrian opposition while Russia and China support the Assad regime with trade and protection in the UN Security Council and, in the case of Russia, arms deliveries. Not least against the backdrop of their own attitude to pro-democracy movements and minorities, Moscow and Beijing resist the application of the principle of international responsibility to protect. In Russian-American relations there are also signs of rivalry over zones of influence echoing the patterns of the Cold War.

But it is above all the conflict over Iran’s regional role that stokes the civil war in Syria. From the perspective of the Gulf States, first and foremost Saudi Arabia and Qatar, the Syria crisis offers an opportunity to reverse Tehran’s considerable growth in influence since the 2003 Iraq War and strengthen their own positions. The Syrian civil war has already undermined the strategic alliance between Iran and Hamas, with the latter resisting Iranian pressure to rally behind Assad and instead moving its headquarters from Damascus to Qatar’s capital Doha. This represents a severe setback for Tehran’s regional leadership aspirations, in which “Palestine” and the “liberation of Jerusalem” are central rallying cries. At the same time, Iranian hopes of profiting from regime change in Egypt by forging a new alliance remain unfulfilled. Cairo had been one of Tehran’s most important regional adversaries since 1979. However, while the Iranian leadership pursued a rapid rapprochement after the fall of Hosni Mubarak in February 2011, its endeavours have so far brought little change, not least due to incompatible positions in the Syria question.

Israel has shown restraint, principally out of concern over spill-over effects: destabilisation of its border with Syria, the use of chemical weapons or Syria turning into a safe haven for al-Qaeda. But certain U.S. and Israeli strategists also see the Syrian civil war as an opportunity to decisively weaken Iran, hoping that defeat in the Levant could force Tehran to give ground on other issues such as its nuclear programme. They also expect that the Lebanese Hezbollah would be weakened by regime change in Syria, which serves as its most important transit route for arms supplies. Damascus also possesses strong influence over other Lebanese actors, which is a significant reason for Hezbollah’s disproportionate strength in the country’s power structures. If Assad falls, thus the calculation, the risks associated with an attack on Iran’s nuclear facilities would also diminish, especially in relation to possible Syrian or Hezbollah retribution against Israel. Regime change in Syria would thus enhance the credibility of military threats towards Tehran.

On the other side, Iran regards the power struggle in Damascus (like the international sanctions against the Islamic Republic) as an element of a U.S.- and Israeli-driven policy of isolation that ultimately seeks regime change in Tehran. The Iranian leadership sees itself at the forefront of a strategic/ideological conflict about
nothing less than liberating the region from U.S. and Israeli hegemony. Iran therefore supports the Syrian regime with military advisers, financial transfers and energy supplies, while the rebels receive political and logistical support from Western actors like France, the United States and Turkey, and financial and military aid from the Gulf States.

In Syria’s unstable neighbours Iraq and Lebanon, government and opposition support opposing sides in the Syrian conflict – rhetorically, financially and by sending combatants. While the Lebanese Hezbollah and the Iraqi government stand by the Syrian regime, Sunni politicians in Lebanon and Sunni tribes and jihadist groups in Iraq support the rebels. Here again the logic of confessional mobilisation is at work. The fighting has repeatedly spilled over into Iraq and Lebanon. In October 2012 Lebanon was shaken by days of armed clashes after the high-ranking Sunni intelligence officer Wissam al-Hassan was killed in a car bombing, with some Sunni groups even operating under the FSA flag. In mid-November fighting broke out between Sunni Salafist groups and Hezbollah in the southern Lebanese port city of Sidon. In early December, the death of a dozen youths from the northern hub of Tripoli, who were on their way to join the rebels inside Syria, reignited violence between Alawi and Sunni quarters. In Iraq too, the number of bombings has increased considerably in recent months.

As host to the opposition Syrian National Council and operating base of the FSA, Turkey became a party to the conflict at an early stage and today finds itself directly threatened by developments. First, it has repeatedly been directly affected by fighting along the border, with potential of escalation. In early October the Turkish parliament authorised military operations including the possibility of entering Syrian territory. While Turkish politicians have been talking about a no-fly zone or buffer zone for some time, the Turkish population overwhelmingly rejects any intervention. In early December, NATO approved the Turkish request to deploy Patriot anti-missile systems at the border. Second, the presence of mostly Sunni refugees and rebels in the border area causes problems with the local Arab Alawite population who feel threatened by the rebels, resentful towards the refugees, and in some cases sympathise with the Assad regime. Third, in light of the unresolved Kurdish question in Turkey, Ankara fears that another autonomous Kurdish region (alongside the one in northern Iraq) could arise immediately across the border and reinvigorate separatist tendencies in its own population, especially as PKK attacks within Turkey have significantly increased in recent months.

**War and Diplomacy**

External supporters of both regime and opposition thus see the conflict in Syria having far-reaching, in some cases even existential implications for their own strategic positions and long-term political objectives. They are therefore likely to continue expending considerable effort to prevent what they would regard as an undesirable outcome. Accordingly, the adversaries in Syria can for the foreseeable future count on a continuous (and in the case of the opposition: growing) flow of money and arms. Significant military successes for one side are likely to lead almost automatically to an intensification of support for the other. This makes it unlikely that the civil war will be decided militarily any time soon. Instead it must be feared that the extent and intensity of the fighting and the numbers of casualties and refugees will increase yet further, at least in the short term.

In recent months the violence has already noticeably worsened, deepening the rifts between the parties and diminishing yet further the chances of achieving a political solution by way of negotiations. The increasing involvement of external actors further reduces that prospect. To these actors, the initiation of a process that does not reliably lead their respective clientele
to power – or keep the other side out – is in itself a strategic defeat.

Consequently, prominent Western leaders like U.S. Secretary of State Hillary Clinton and French President François Hollande have declared that President Assad must relinquish power as a precondition for any political process. This stands in clear contradiction to the Geneva Communiqué of 30 June 2012, nominally also supported by Washington and Paris, which calls amongst other things for a cease-fire and the formation of a transitional government involving regime and opposition, to initiate a political transition. In mid-November France, Turkey and the states of the Gulf Cooperation Council explicitly recognised the National Coalition of Syrian Revolutionary and Opposition Forces (or: Syrian National Coalition), founded in Doha under massive external pressure, as the sole legitimate representative of the Syrian people, and the EU foreign ministers expressed their agreement with this line. On the other side Russia, China and Iran have proposed a “dialogue” involving the present rulers. Such initiatives are clearly designed to shore up the Assad regime’s legitimacy by co-opting individual opposition figures – in essence to preserve the regime’s monopoly of power. With no room for compromise between these opposing stances, diplomatic initiatives presently enjoy practically no prospect of success.

That applies for example to the efforts of the joint envoy of the UN and the Arab League, Lakhdar Brahimi, to revive the Geneva agreement. Similar initiatives by Russia serve above all to shift blame for the political impasse to the other camp.

Finally, the confrontational stance of the external actors strengthens the position of the hardliners within both camps. Although opposition figures seeking to start a political process in the country certainly do exist, for example around the National Coordination Committee for Democratic Change or the Building the Syrian State movement, they run up against obstacles on all sides. Not only are they confronted with repression by the regime, but also with the firm rejection of other opposition forces, such as the Syrian National Council, which feel their stance is backed by their external hosts and donors. This also diminishes the incentives for potentially compromise-willing regime loyalists to think about political alternatives. So change initiated from within the regime becomes even more unlikely. The polarisation of society and the violence of the clashes also reduce the likelihood of regime collapse or a coup attempt. Instead the ranks are closing and more moderate actors are driven abroad or sidelined.

No End of Conflict in Sight

There is currently no legal basis for a military intervention, and the UN Security Council is unlikely to pass a corresponding resolution. And anyway, the actors that would be capable of such a complex and highly risky military operation (first and foremost the United States) have to date shown no willingness to do so. Because the logic of war by proxy described above makes a military victory for one side just as unlikely as a negotiated solution, a continuation of the civil war must be expected.

In the short term, resources flowing to the regime’s opponents are likely to remain fragmented, because their external sponsors are pursuing diverging interests. This hampers efforts to unite political opposition and rebels and establish central command structures and civilian oversight. At the same time, Iranian and Russian support notwithstanding, armed struggle and sanctions will further erode the regime’s resources, and the disintegration of state control and institutions is likely to accelerate even in regions the regime nominally holds. As one of the consequences, Damascus can be expected to successively lose control over the Shabiha paramilitaries fighting on its side, especially if it can no longer pay them. In that case the Shabiha are likely to seek substitute resources of their own through looting, kidnapping and
informal taxation, with an increasing risk of infighting.

Syria is thus heading for a period in which so-called warlords wield power and violence increases further as autonomous paramilitary units fight for influence and territorial control. With the ethnic/confessional dimension simultaneously gaining in importance, there must be concern that systematic killing or displacement of “enemy” population groups could occur, comparable with the “ethnic cleansing” of the Yugoslav civil wars.

**Conclusions and Recommendations**

No viable conflict resolution will be possible until the parties cease pursuing outright military victory and the interest of decisive regional and international actors in this (proxy) war has been exhausted. However, there is currently no realistic prospect of finding agreement on even just one of the major conflicts playing out in Syria: the struggle over regional leadership and influence, the Iranian nuclear programme, rivalry between the United States and Russia/China, the Kurdish question, etc. Instead it must be feared that an escalation of the Iranian nuclear conflict to military confrontation, for example, would intensify the civil war in Syria.

In this situation Europeans should seek above all to prevent any further escalation of violence, to improve living conditions at the local level, and to counteract radical and centrifugal tendencies. Additionally humanitarian aid must be urgently expanded.

**Involve all external actors:** As long as it remains in Iran’s interests to strengthen the hardliners in Damascus, efforts to seek a negotiated solution are doomed. But Iranian cooperation remains unlikely as long as the signs are pointing to escalation over the nuclear conflict, for example through the tightening of sanctions against Tehran. The EU-3 (Germany, France and the United Kingdom) should encourage the United States and Iran to reach an understanding in the nuclear question, for example through direct bilateral talks. At the same time European governments should lean on Iran and Israel to refrain from escalatory rhetoric and war preparations. They should also continue to seek constructive approaches that could change Russia’s position. One starting point could be to involve Moscow more closely in decisions about NATO’s missile defence system.

**Contain conflict and reduce violence:** All support for the rebels should be carefully assessed for its impact on escalation or de-escalation. This applies above all to supplying heavy weaponry. The establishment of “safe zones” has been demanded by many, but could actually escalate the violence rather than effectively protecting the Syrian population. Such a step would not only mean direct military involvement of external actors, but would also endanger the resident population if the zones became staging points and refuges for rebel forces.

Air power, for example Patriot missiles stationed in Turkey, will hardly suffice to properly secure safe zones. The rebels should also be discouraged as far as possible from conducting operations in populated areas as long as they are unable to effectively protect the civilian population. Turkey should be clearly warned against using the presence of forces close to the PKK as an excuse to intervene militarily in Syria’s Kurdish areas, not least because such an intervention would destabilise a region where the civilian population is still comparatively safe.

A comprehensive cease-fire remains unlikely without a political process supported by all the parties. Priority should therefore be given to mediation efforts working towards partial cease-fires and initiatives to reduce violence at the local level. Europeans should work to modify Brahimi’s mission in this direction.

**Immunise neighbouring states:** The Syrian civil war is already having a destabilising effect on Iraq and Lebanon. Europeans should work with the supporters of opposition and regime to avoid any steps that
would worsen that trend. It would, for example, be counterproductive to urge Iraq and Lebanon to take sides in the civil war, to allow their territory to be used for operating bases or arms transit, or to instrumentalise Syrian refugees in these countries as a pool for rebel recruitment, or to conceal the transfer of arms and combatants.

**Urge inclusiveness of political opposition:** Efforts to overcome divisions within the Syrian opposition should be supported. The founding of the Syrian National Coalition in mid-November in Doha was a step in the right direction.

For any future transitional government, having a composition that exactly reflects the political, confessional and ethnic forces in the country will be less important than communicating and cooperating with the emerging structures of local self-administration in territories “liberated” by rebels or abandoned by the regime. It is also important that a transitional government engage constructively with opposition groups operating in regime-controlled regions that have so far refused to join the Doha Coalition. The documents outlining a vision for Syria drawn up by opposition groups in July 2012 in Cairo could offer a basis for this. A transitional government should also ensure that Sunnis who – for whatever reason – do not identify with the uprising nonetheless see a future for themselves in the country.

**Unify the military opposition:** Clear responsibilities, central command structures and civilian oversight of rebel forces are essential to counteract fragmentation and warlordism. At the same time the rebels must be urged to observe international humanitarian law. Those states that supply logistical and military support to the rebels, some of which are close allies of Europeans, will be in the best position to exercise influence: Europeans should seek to influence them accordingly. It is important to ensure that non-state networks supporting the opposition, especially in the Gulf States, also sign up to the goals of such a joint strategy.

**Support local structures:** After the end of the civil war it will be essential to curtail the influence of military actors and mend the fractures torn through society. One important precondition for success in this endeavour is the strengthening of emerging structures of local self-organisation and the restriction of the FSA and other rebel groups to a strictly military role. Even in areas still controlled by the regime, opportunities, albeit often precarious, for political activity have opened up. Here too, the prospects for peaceful coexistence after the end of the regime will improve if alternative and integrative political structures can be established. Europeans should support such local structures to ease the living conditions of the population and create a basis for the post-Assad era. However, care must be taken not to worsen fragmentation by infecting local structures with donor rivalries. From this point of view close coordination is key, for example through a mechanism in the context of the Friends of Syria group.

**Humanitarian aid:** Especially in the regions controlled by the rebels and the PYD there is an urgent need to supply humanitarian aid to the resident population and internally displaced people: food, shelter, heating fuel, medical services, etc. While it will not be possible to avoid cooperating with armed rebels and local strongmen in the delivery of aid, the top priority must be to strengthen the responsibility and authority of emerging local structures of civilian self-administration and self-organisation.

Beyond that, assistance for Turkey, Lebanon, Jordan and Iraq, as the states accepting the largest numbers of Syrian refugees, should be stepped up, as should support for the UNHCR, whose work is already severely underfunded. Otherwise humanitarian crisis threatens, and an escalation of distributive conflicts in the host countries. European countries should also allow victims with complicated injuries to be treated in Europe regardless of ethnicity or religion.
Egyptian Foreign Policy under Mohamed Morsi

Domestic Considerations and Economic Constraints
Jannis Grimm and Stephan Roll

Since taking office, President Mohamed Morsi has clearly set himself apart from his predecessor Hosni Mubarak, as reflected in two trends: asserting a regional leadership role for Egypt and opening Cairo’s foreign policy to new potential partners. But although Morsi comes from the Islamist Muslim Brotherhood, his foreign policy is not one of fundamental ideological reorientation. Instead, he seeks to boost popular support through foreign policy activism and thus compensate for lack of success in economic and social policy. However, given the lack of possibilities to exert influence, Egypt is in little position to fill out a regional leadership role. And in view of the difficult economic situation neither the President nor the Muslim Brotherhood leadership backing him have any interest in alienating Egypt’s traditional partners.

Mubarak’s foreign policy was directed above all at preserving the status quo. Proactive foreign policy, a regional leadership role or engagement for the Palestinian cause were not on the agenda. Precisely Egypt’s geo-strategic restraint made it a guarantor of regional stability and a reliable ally for Washington. Morsi, by contrast, declared restoring Egypt’s historical predominance the foreign policy leitmotif of his presidency when he took office at the end of June 2012. His authoritative appearances at the Arab League, at the summit of the Non-Aligned Movement and before the General Assembly of the United Nations reflected a new national confidence and conveyed a clear message: The legitimate democratic leadership of the largest state in the region would not be willing to let anyone dictate its choice of foreign policy partners any longer.

Following this line, Morsi paid little heed to established relations during his first three months, whether in shaping the foreign policy agenda or in drawing up travel plans. His first trips were not to the United States or Europe, but to Ethiopia, Saudi Arabia, China and Iran. At the African Union summit in Addis Ababa Morsi underlined Africa’s outstanding importance for Cairo. In Riyadh he evoked the close ties between Egypt and Saudi Arabia, as the two largest Arab nations. It was there that Morsi also launched an “Islamic”
peace initiative to resolve the Syria conflict, involving Iran alongside Saudi Arabia, Turkey and Egypt. Another step closer to Iran was Morsi’s participation in the summit of the Non-Aligned Movement in Tehran. His visit marked a turning point, given that the two countries have been without full diplomatic relations since 1979, the year of Egypt’s recognition of Israel and Iran’s Islamic Revolution. At the same time Cairo intensified contacts to Hamas, which further amplified the impression of an “Islamisation” of Egyptian foreign policy. After distancing itself from Bashar al-Assad, its long-standing host in Syria, Hamas is even considering moving its Political Bureau to Cairo.

Who Sets the Foreign Policy Agenda?

Another reason why Morsi’s foreign policy assertiveness astonished many observers was that he had been regarded as utterly inexperienced in this field. Which makes the question who is currently setting Egypt’s foreign policy course all the more relevant.

Under Mubarak decisions were settled within the president’s immediate circle. After the popular Foreign Minister Amr Moussa left in 2001 to lead the Arab League, the foreign ministry was reduced to a side role. Instead the General Intelligence Service (GIS), which answers directly to the president, took charge of the central issues of foreign policy. GIS chief Omar Suleiman was considered Mubarak’s most important adviser, and was the number one Cairo contact for foreign governments.

After the military seized power at the beginning of 2011 the foreign ministry initially gained ground at the expense of the intelligence service. Nabil al-Arabi, a popular figure from the foreign policy establishment, was appointed foreign minister, initiating the rapprochement with Iran and a limited opening of the Gaza border. When al-Arabi left to become secretary-general of the Arab League in July 2011, however, the Foreign Ministry’s star waned again. His colourless successor, the career diplomat Mohamed Kamel Amr, is not attributed any foreign policy ambitions of his own, nor did any substantive impulses come from the military leadership. Although the Supreme Council of the Armed Forces appeared to be placing strict limits on the newly elected president’s foreign policies, the Council reshuffle of August 2012 seems to have given Morsi free rein here. However, it must still be assumed that the President keeps the interests of the armed forces firmly in mind, above all the army’s desire to retain annual US military aid of $1.3 billion.

Morsi secured diplomatic expertise by appointing Rifaa el-Tahtawi as head of the presidential office. El-Tahtawi is an experienced and respected career diplomat who formerly represented Egypt in Tehran and Tripoli and served briefly as deputy foreign minister. However, el-Tahtawi, who is rumoured to be close to the Muslim Brotherhood, by no means formulates the foreign policy agenda alone. Instead decisions are apparently made in close consultation with leading figures within the movement and its Freedom and Justice Party (FJP). This is clearly reflected in the appointment of Essam el-Haddad as Presidential Assistant for Foreign Relations and International Cooperation. El-Haddad, a member of the Brotherhood’s Guidance Office, has been seen as the group’s “foreign minister” due to his extensive network of contacts to Western actors. But above all al-Haddad is a close confidant of the Brotherhood’s deputy spiritual leader (murshid) and strategic mastermind Khairat el-Shater. El-Shater is regarded as the Brotherhood’s currently most powerful functionary and a political pragmatist. As a major business-owner he represents particularly the interests of the movement’s ascendant business wing, which also has another voice in the presidential office in the shape of businessman Hassan Malek. In July 2012 Malek was appointed spokesperson of a committee of business leaders set up by Morsi to mediate
between the presidential office and the private sector. He also led the high-ranking business delegation that accompanied Morsi to China on his first state visit.

A Complex Web of Interests
Despite the recognisable influence of the Muslim Brotherhood, the new Egyptian foreign policy is no “Islamist” project. In fact there is a rare consensus across Egypt’s various political camps concerning the country’s regional leadership role. And ending one-sided dependency on the West is also supported by most political actors. But above all, Morsi’s assertive foreign policy is extremely popular in the broader population. And that is in all probability the main motivation for his course. For although Morsi campaigned primarily on economic and domestic social policy, he has yet to record any noteworthy successes in those fields, and was unable to keep his promise that living conditions would improve tangibly within the first hundred days of his presidency. Instead the country faces severe short- and medium-term cuts as long-overdue economic and social reforms are implemented. With an eye to the 2013 parliamentary elections, Morsi is instrumentalising foreign policy to distract from unpopular decisions that could endanger the FJP’s electoral success.

This carefully orchestrated show of foreign policy reorientation is, however, at odds with Egypt’s limited possibilities. The country lacks the financial resources and military means for regional power projection. But above all, the new course at least partly contradicts the economic interests of the new leadership. Ultimately, in the short term, Morsi’s government needs to keep the country solvent. Since the political transformation began, its foreign exchange reserves have more than halved, to currently about $15.5 billion. The country faces the possibility of a currency devaluation leading to sharp price increases. To avoid that it needs massive foreign financial aid. In this context diversifying international partners certainly appears a sensible way to enhance its negotiating position. But especially in view of the dire budget situation it is not in Egypt’s interest to rebuff its traditional partners. The country is too dependent on financial assistance from the United States and the EU, and from international donor institutions dominated by the West.

Alongside the budget problem, Morsi and his advisers certainly weigh up foreign policy decisions in relation to the country’s long-term economic development. More than 50 percent of Egyptian exports go to the EU and the United States. And until 2011 more than two thirds of net foreign direct investment originated from those regions. The influential business wing of the Muslim Brotherhood is plainly keenly aware of this dimension. That at least is the implication of the numerous meetings with representatives of Western corporations already held by Egypt’s new leadership. Besides, functionaries such as Khairat el-Shater and Hassan Malek will be interested not only in the Brotherhood’s long-term electoral prospects, but also their own financial opportunities in cooperation with Western companies.

Successful Symbolic Politics
Given his limited means for dealing with colliding interests, Morsi’s foreign policy remains largely symbolic. In fact, little has changed since the Mubarak era. Warmer relations with Hamas have led neither to a comprehensive opening of the Gaza border nor to any detectable deterioration in Israeli-Egyptian security cooperation. Instead the Egyptian crack-down on criminal and terrorist structures in the Sinai is plainly closely coordinated with Israeli. In October Morsi also rejected the idea of a free-trade area with Gaza, announcing instead a further tightening of measures to stamp out cross-border smuggling of goods through underground tunnels. The loudly trumpeted regional leadership aspirations remain largely devoid of substance too:
Morsi’s Syria initiative has failed to produce results and he has conspicuously presented no further proposals beyond the suggestion of forming a Syria quartet.

Morsi politics of symbolism have paid off nonetheless. On the one hand, he has been able to ramp up his popularity ratings, with national approval hitting 78 percent in October. The domestic press attributes this above all to his foreign policy performance. On the other hand, foreign financial and economic aid for Egypt has been stepped up. Saudi Arabia alone promised financial support amounting to $4 billion, of which $1.7 billion has already been paid out in the form of central bank deposits and loans. Qatar has promised another $2 billion and announced plans to invest $3 billion in Egyptian industrial and tourism projects. In September Turkey announced a $2 billion aid package. These bilateral deals and a prospective $4.8 billion IMF loan could create the financial leeway required to press through urgent structural reforms.

However, criticism is also increasing. At home, nationalist and Salafist currents in particular call for Egypt to break completely free from dependency on the West and to terminate relations with Israel. And in Western capitals there is growing impatience with Morsi’s ambiguous twin-track course. Washington expressed sharp criticism of the Egyptian leadership’s slowness to condemn the violent attacks on the US embassy in Cairo and presses for a clearer pro-Western alignment in Egyptian foreign policy. This will make Morsi’s maneuvering between domestic popular legitimation and economic constraints an ever trickier balancing act.