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Competitive Multipolarity in the Middle East

by Kristina Kausch

New-Med Research Network Paper

ABSTRACT

The Middle Eastern and North African region is in flux, while attempts to identify a new dominant structural logic have been limited so far. For the time being, the new "order" appears to consist of the absence of any one clear-cut organising principle and in overlapping, dynamic, often contradictory geopolitical developments. Among many other features, the geopolitical equation in the Middle East is being altered by a number of larger structural shifts regarding the position and relative weight of specific actors. Notable instances include the relative loss of influence of the United States and Europe; the game-changing regional roles of Russia and China, respectively; the resurgence of the IranianSaudi rivalry; the emergence of a number of regional "swing states"; and the increasing role of non-state actors in shaping regional developments. The complexity of this outlook makes policy choices by regional and external actors ever more difficult.

Middle East | *North Africa* | *Multipolarity* | *European Union* | *United States* | *Russia* | *China* | *Saudi Arabia* | *Iran*

keywords

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Introduction

Much recent analysis has pointed out that the Middle East and North Africa (MENA) is at a geopolitical crossroads. Ongoing shifts mark the end of several decades of relative political stasis. Attempts to identify a new dominant structural logic have included characterisations of the region's future to be marked by Islamist rule,[1] sectarian divides,[2] or a new Middle Eastern "Cold War".[3] While highlighting important developments, however, attempts to encompass the region's dynamics in a single comprehensive framework have proven limited. The region is in flux, and the balance of power and the relationships that condition it are not clear-cut.[4] For the time being, the new "order" appears to consist in the absence of any one clear-cut organising principle. Instead, a set of overlapping, dynamic, often contradictory developments prevails.[5]

The complexity of this outlook complicates policy choices. Security challenges in the Middle East have grown larger, more numerous and more complex. At the same time, the ability of governments – both in and outside the region – to tackle these challenges has decreased. Against this background, Europe – and Western

[1] Hussein Agha and Robert Malley, "This Is Not a Revolution", in *The New York Review of Books*, 8 November 2012, http://www.nybooks.com/articles/archives/2012/nov/08/not-revolution.

[2] Geneive Abdo, "The New Sectarianism: The Arab Uprisings and the Rebirth of the Shi'a-Sunni Divide", in *Center for Middle East Policy Analysis Papers*, No. 29 (April 2013), http://brook.gs/1qRiT6T; Bassel F. Salloukh, "Sect Supreme", in Foreign Affairs Snapshots, 14 July 2014, http://fam.ag/1mPWTa0.

[3] Curtis Ryan, "The New Arab Cold War and the Struggle for Syria", in *Middle East Report*, Vol. 42, No. 262 (Spring 2012), p. 28-31, http://www.merip.org/mer/mer262/new-arab-cold-war-struggle-syria; F. Gregory Gause III, "Beyond Sectarianism: The New Middle East Cold War", in Brookings Doha Center Analysis Papers, No. 11 (July 2014), http://brook.gs/1rZAS7t.

[4] Hussein Agha and Robert Malley, "This Is Not a Revolution", cit.

[5] See also Richard Youngs, "Living with the Middle East's Old-New Security Paradigm", in *FRIDE Policy Briefs*, No. 152 (March 2013), http://www.fride.org/publication/1112/.

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political actors more broadly – must let go of a number of assumptions on which their current policy frameworks are based. What are the features that distinguish emerging dynamics from those of the past decades? And what do the geopolitical shifts mean for Western policies in the region?

Among many other features, the geopolitical equation in the Middle East is being altered by a number of larger structural shifts regarding the position and relative weight of specific actors. Notable instances include the relative loss of influence of the United States and Europe; the game-changing regional roles of Russia and China, respectively; the resurgence of the Iranian-Saudi rivalry; the emergence of a number of regional "swing states"; and the increasing role of non-state actors in shaping regional developments.

1. Fugacious hegemony

Following the end of the Cold War, many hoped Western hegemony would lead the way towards a post-modern future in which democracy and multilateralism would prevail. Francis Fukuyama's theory of the "end of history"[6] was by many interpreted as announcing the cessation of zero-sum geopolitical rivalries.[7] Western policies that aspired to strengthening liberal values across borders during the 1990s and early 2000s, including key implementing concepts such as aid conditionality, were based on the implicit assumption of a lasting Western hegemony that would allow leverage-based projection of norms abroad.

Indeed, the integration of Eastern European former Soviet states into NATO and the EU was an impressive testimony to these assumptions. Unlike in Eastern Europe, however, in the Middle East democratisation seemed to conflict with, rather than to serve, larger Western geopolitical interests. The United States and its junior partner Europe stood with their allies Saudi Arabia, Egypt, Turkey and Israel, respectively, in maintaining the political status quo and containing Iran. Authoritarian governments bore control domestically and cooperated on Western interests. An inter-governmental order of US-fed political stasis prevailed, to which visions of Arab democracy were subordinated. This was not substantially changed by the 2011 Arab uprisings, which led to a temporary rise in funds and rhetoric, but did not qualitatively change the grand lines of Western policy in the region. The uprisings initially weakened authoritarian regimes, but eventually left most transition states in turmoil while reassuring authoritarian strongholds.

The US-fed political stasis in the Middle East, however, only lasted as long as the balance of power which it sustained. The 2000s and early 2010s witnessed an erosion of US and EU relative influence in the MENA region as they increasingly competed

[6] Francis Fukuyama, *The End of History and the Last Man*, New York, Free Press, 1992.

[7] Walter Russell Mead, "The Return of Geopolitics", in *Foreign Affairs*, Vol. 93, No. 3 (May/June 2014), p. 106-116.

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with larger money, stronger ideologies, and clashing interests from in- and outside the region. Solvent authoritarian regimes from the Gulf adopted more assertive regional policies to bolster their influence and ensure regime survival, often outmanoeuvring Western leverage. Powerful outside actors including Russia and China increased their presence in the region, positioning themselves as alternative partners and patrons, often acting as spoilers to key Western interests. The global financial crisis from 2008 onwards made European policy-makers look inward, led to a re-nationalisation of foreign policy, and stalled the evolution of a common foreign and security policy for the following years. While the United States' shale revolution is expected to make the US independent from Middle Eastern energy supply in the coming decade, it is not likely to significantly alter Washington's security engagement in the Middle East given the region's significance for global prices and supply and global trade, as well as its role as the main energy supplier for China, on whose markets US exports depend.

While the US remains the dominant power in the region, its hegemonic interlude in the Middle East is fading as regional and external actors increasingly challenge US leadership. Most notable in this regard is how China's and Russia's global contestation of US dominance is played out in the Middle East.

2. The BRIC equation

Within just a few years, shifting global energy trade patterns have seen Asian economic strongholds emerge as major Gulf clients and the US – the world's largest energy consumer and traditionally highly dependent on Saudi oil – preparing to become a supplier. As the US projects becoming a net energy exporter by 2020, creating uncertainty for Gulf suppliers, the Gulf Cooperation Council (GCC) States have been tightening their economic linkages with China, India and Russia, shifting their orientation eastwards.

Both Russia and China have acted as spoilers for key Western interests in the Middle East, in particular through their unwavering support of Bashar al-Assad in Syria. Both have challenged the regional dominance of the US by offering pragmatic alliances that constitute alternatives to formerly unrivalled Western patronage. As permanent UN Security Council members, China and Russia are automatically involved in Middle Eastern crisis management as the number of conflicts that need collective action rises. While many of Russia's and China's interests in the MENA converge in a way that differs from Western interests, on other issues where their objectives match those of the West, such as the Iranian nuclear dossier, Russia and China have proven important partners to lend their clout and influence to the search for multilateral solutions.

In many ways, US omissions, such as its stumbling on Egypt and Iran, have created openings for China and Russia to step in. The Gulf states, which in recent years have come to see the US as an unreliable ally, seek to use their closer ties with

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China, either to balance the US or as a pressure factor towards Washington.[8] The relative cooling of the relationship between the United States and Saudi Arabia has created inroads for Russia that would have been inconceivable under the stable US-Saudi marriage a decade ago. Riyadh's closer ties to Moscow have put pressure on Damascus and Tehran. Moreover, Russia and Saudi Arabia, the two biggest oil producers/exporters in the world, share concerns on how US shale production is going to affect energy prices, and are reportedly exploring ways to keep prices at a level acceptable to both.[9]

Both Russia and China are major arms suppliers to the Middle East's lucrative market and can potentially tilt the region's fragile security balance by supplying weapons. As Saudi Arabia, the United Arab Emirates and other MENA countries are keen on diversifying their defence supplies, Moscow and China are waiting in the wings. China's rapidly developing military technology has boosted its arms sales to Algeria, Morocco and Turkey, in direct competition with European, Russian and US alternatives. Moscow has been the long-term main weapons supplier to Libya and Algeria: in 2009-13, Russia was the world's second biggest weapons exporter after the US, and Algeria alone received 11 per cent of Russia's total weapons exports, and the rest of the Middle East another 10 per cent.[10]

Since the 2003 Iraq war, China has stepped up its presence in the Gulf, and its growing energy needs have guided much of its Middle East strategy. China has surpassed the US as the Gulf's main oil client, and together East Asian clients in 2013 accounted for 57 per cent of Gulf energy exports. Over the past decade, however, China's narrow focus on energy has evolved into a much broader commercial relationship.[11] From 2003 to 2013, China's crude imports from Arab states grew by 12 per cent every year, and China-Arab trade grew by over 25 per cent annually. As of 2014, China is the second-largest trading partner of the Arab world, and the first trading partner of nine Arab states.[12]

Partly in response to the announced US pivot to Asia, China proclaimed a re-orientation westwards, with a focus on the Middle East. The main component of the "march west" strategic framework is the building of a "silk road economic belt," which Chinese President Xi Jinping promoted heavily among his Arab counterparts at a recent Sino-Arab ministerial meeting. While the main goal of this strategy is to secure access to Middle Eastern resources, as China's stakes in the Middle East

[8] Jon B. Alterman, *China in the Middle East*, Testimony before the U.S.-China Economic Review Commission, Washington, 6 June 2013, http://csis.org/node/44385.

[9] Chas Freeman, *Rethinking Relationships: USA, KSA, Egypt, Syria, Russia: A Conversation with Chas Freeman*, Saudi-US Relations Information Service, 29 August 2013, http://susris.com/?p=25843.

[10] Ibidem.

[11] Ted C. Liu, "China's Economic Engagement in the Middle East and North Africa", in *FRIDE Policy Briefs*, No. 173 (January 2014), http://www.fride.org/publication/1173/.

[12] Wang Yi, "Upgrading China-Arab Relations", in *China Daily*, 3 June 2014.

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grow, so must its preoccupation with actively securing these interests.[13]

Some powers in the region would like to see China step into the US' shoes not only economically but also politically, by providing security guarantees and taking the lead in mediating regional crises, but China is reluctant to take up such a role. China has been vocal in supporting the establishment of a sovereign Palestinian state within the 1967 borders and would, as an influential but comparatively neutral party, be well-placed to join the Quartet in a broadened multilateral peace initiative.[14] But there is little incentive for China to take on a greater role in Middle Eastern politics and security given that the US shares China's interest in regional stability and is set to continue to provide the necessary guarantees. At the same time, China's low political involvement in the region's numerous crises has preserved Beijing's clean slate which is a major asset in maintaining good relations with all regional powers. As long as others make their hands dirty by managing regional security affairs, China can afford to retain a low political profile and keep the neutral image that serves its main objective of smooth commercial relations with MENA countries.[15]

For many years, Russia had a low profile and influence in the Middle East, but the aftermath of the 2011 Arab uprisings has seen Moscow's fortunes in the region improve. As hydrocarbon revenues are Moscow's major source of income, keeping the price of oil high is a great concern. The Kremlin is also intent on fending off Gulf competitors seeking access to the EU's energy market, the second largest in the world, on which Russia's largely pipeline-led exports heavily depend. Less important than energy but still significant, the MENA's lucrative defence markets are a major source of income for the Kremlin, especially given the Russian states' monopoly on arms sales.

Russia's challenge to EU and US influence has been palpable across the region. In the Gulf, major US allies looked increasingly to Moscow and Beijing to diversify their security arrangements in response to what they saw as US wavering reliability. After decades of buying arms from the US and Europe, Gulf clients were attracted by Russia's pragmatic approach that contrasted with Western political reform discourse. Although the Gulf monarchies disapproved of Russia's support to Syria, it nevertheless proved Russia to be an unwavering ally in contrast to the West's volatile responses to shifts in the region.[16] Russia's challenge to US influence can also be observed in Egypt. Under Nasser, Russia was Cairo's main defence partner until it was replaced by the US in 1971. Since the violent turmoil around the 2013 military coup in Egypt, Washington and several European arms suppliers

[13] Minghao Zhao, "China's Arab March", in *Project Syndicate*, 18 June 2014, http://po.st/UmBhGs.

[14] Vitaly Naumkin, "Putin Brings China into Middle East Strategy", in *Al-Monitor*, 9 June 2014, http://almon.co/23sx.

[15] Shannon Tiezzi, "Why China Won't Lead in the Middle East", in *The Diplomat*, 28 July 2014, http://thediplomat.com/?p=35716.

[16] Frank Gardner, "Russia in the Middle East: Return of the Bear", in *BBC News*, 14 November 2013, http://www.bbc.com/news/world-middle-east-24944325.

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have suspended the scheduled delivery of combat aircraft, helicopters and tanks, while Moscow delivered 14 helicopters and continued its weapons sales to Egypt unaltered.[17]

Russia has been the main supplier of weapons to the Assad regime, its only remaining long-term ally. Thirteen per cent of Moscow's 2008-12 defence sales to the region went to Syria.[18] Russia also played a major role in preventing a US airstrike on Syria and blocked other forms of intervention via the UN. Russia's naval military base in the Syrian Mediterranean port of Tartus is its only remaining naval base outside the former Soviet Union.

On a larger strategic level, the revisionist aspirations that Russia has displayed in Ukraine are mirrored in its role in the Middle East. Russia wants to consolidate its regional profile by showing MENA governments that, unlike the US, it is a reliable ally and patron. Russia's concern for Assad or for who rules Syria is secondary to its main aim to position itself as a competitor and alternative partner to the US.[19] While Russia has been an important partner in the P5+1 talks with Iran and took the initiative for the multilateral effort to destroy Syrian chemical weapons, its role in these instances should not be taken as a renunciation of realist zero-sum behaviour, but should be understood as tactical moves in the larger competition with Washington. Spill-overs from the Ukraine crisis – in March, Deputy Foreign Minister Sergei Ryabkov threatened to withdraw Russian support to the Iranian nuclear talks if the West imposed sanctions over the annexation of Crimea – have crushed hopes of a dawning Russian mediating role in the Middle East.[20]

The challenges to Western policies that derive from the increased BRIC involvement in the Middle East are a dress rehearsal for the larger global challenge to US dominance. Nevertheless, geopolitical competition from China (and to a lesser degree, Russia) is unlikely to fully outmanoeuvre Washington. Rather than replacing the US as the dominant external power, revisionist powers China and Russia are turning "the uncontested status quo in a contested one."[21]

[17] Siemon T. Wezeman and Pieter D. Wezeman, "Trends in International Arms Transfers 2013", in *SIPRI Fact Sheets*, March 2014, http://books.sipri.org/product_info?c_product_id=475.

[18] Paul Holtom et al., "Trends in International Arms Transfers 2012", in *SIPRI Fact Sheets*, March 2013, http://books.sipri.org/product_info?c_product_id=455.

[19] Chas Freeman, Rethinking Relationships..., cit.

[20] Michael Doran, "It's Not Just Ukraine", in *Mosaic Magazine*, 26 March 2014, http://mosaicmagazine.com/?p=1908.

[21] Walter Russell Mead, "The Return of Geopolitics", cit.

3. The Saudi-Iranian rift

No relationship in the Middle East is as consequential to Western security interests as the one between regional heavyweights Iran and Saudi Arabia, whose positions are at odds over almost every single dossier in the region.[22] Consequentially, the resurging rivalry between Saudi Arabia and Iran, which compete for regional influence using the playbook of sectarian identity politics, has received much attention. The major proxy battlefield of this rivalry is Syria, where lasting influence over Iraq and Lebanon, and hence a larger geopolitical dominance in the Levant, is at stake.[23]

Iran has been the main benefactor of recent geopolitical shifts in the Middle East. The 2003 US invasion of Iraq and its premature troop withdrawal by 2011 removed a major rival and allowed Tehran to implant its influence across the border. Iran's regional standing was further bolstered by the weakening of Sunni regimes in the wake of the 2011 popular uprisings, and the subsequent split between Sunni rulers over their position towards the Muslim Brotherhood and its offshoots.[24] Iran's support to the Syrian regime helped tilt the balance back into Assad's favour, with the West as an idle bystander. The interim agreement in the nuclear P5+1 talks with Iran, if channelled into a larger agreement by late 2014, would further bolster Iran's regional position, and may remove a major roadblock to Middle Eastern security while at the same time hardening the fronts between Riyadh and Tehran and putting a heavy burden on the long-standing US-Saudi alliance. The Iranian leadership lambasts Saudi Arabia's long-term support to Salafi jihadism across the region and resents its close alliance with the Unites States.[25]

While Iran has been able to extend its regional influence in recent years, Saudi Arabia's efforts to the same end have been less successful. Since the 2003 US invasion of Iraq, Riyadh has continuously lost ground to Tehran, whether in Iraq, Syria, Lebanon or Palestine. Although skyrocketing oil prices – from 25 dollars per barrel in 2000 to over 100 dollars in 2011 – bolstered the Gulf monarchies' economic and political expansionism during that decade, the aftermath of the 2011 popular uprisings dampened their aspirations, both economically and politically. The transformation of the GCC states' main oil client, the United States, into a competitor and the impact of this switch on global energy prices, as well as the (actual and potential) restoration of export capacities in Iran, Iraq and Libya, raise significant concerns in Riyadh and accelerate its orientation towards Asia.

[22] For a more detailed account see Frederic Wehrey and Karim Sadjadpour, "Elusive Equilibrium: America, Iran, and Saudi Arabia in a Changing Middle East", in *Carnegie Articles*, 22 May 2014, http://carnegieendowment.org/publications/?fa=55641.

[23] Hassan Hassan, "Syria: The View from the Gulf States", in *ECFR Commentaries*, 13 June 2013, http://www.ecfr.eu/content/6707.

[24] Walter Russell Mead, "The Return of Geopolitics", cit.

[25] Frederic Wehrey and Karim Sadjadpour, "Elusive Equilibrium", cit.

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Like other authoritarian strongholds, Saudi Arabia was pushed into the defensive by the social empowerment of Arab populations and increased demands for political participation generated by the 2011 uprisings. The US-Saudi rapprochement and the regional challenges that derived from the 2011 uprisings led the traditionally consensus-oriented Riyadh to adopt a much more assertive foreign policy style.[26] In the face of the instability potential of the looming monarchical succession, Saudi Arabia's ruling al-Saud family has been fearing the impact and appeal political Islam could have at home, and going to great lengths to reduce Islamist influence across the region. Domestically, the Gulf monarchies fear that the religious establishments that helped to uphold their rule may be overtaken by the more appealing brand of political Islam that came to power through electoral politics across the region; and regionally, by the nascent rival front formed by Turkey and Qatar sympathetic to this trend.[27] At the same time, Riyadh attempts to raise its domestic legitimacy and undercut domestic revolutionary dynamics by displaying the empowered foreign policy independent from the West that is among political Islam's most appealing household brands.[28] In its desire to protect its domestic power base by eliminating potential external spoilers, regime survival becomes Saudi Arabia's dominant foreign policy driver.

Shifting geopolitical dynamics are calling into question Saudi Arabia's traditional security arrangements, and the stability of the US-Saudi alliance at large. Riyadh's long-term partnership with the United States has been built on the provision of US security guarantees in the Gulf in exchange for Saudi Arabia's ensuring the flow of oil at manageable prices. The relative US rapprochement with Iran, the announcement of America's "pivot to Asia", the dropping of long-term ally Hosni Mubarak, and US reluctance to intervene in Syria have all contributed to erode Riyadh's faith in the US as a stable, reliable ally. While US military presence in the Gulf is a thorn in Iran's flesh, for Riyadh it is a lifeline to balance Tehran. While energy export diversification has already taken place – in 2013 China surpassed the US as the Gulf's main oil client – a diversification of Gulf security arrangements is trickier because of the lack of a real alternative, given that Europe lacks the capacity and Russia and China the willingness to step into the US's shoes.[29] Saudi Arabia fears that the US may switch sides and support Iranian hegemony in a "grand bargain" around the nuclear deal. Question marks over the US commitment to Riyadh have led the latter to criticise and even unprecedentedly undercut US policy objectives by undermining US leverage over the Egyptian military leadership through financial patronage. As with other alliances in the region, the Saudi-US relationship is likely to become more ad hoc and targeted in the future, maintaining the US's military

[26] Ibidem.

[27] Bassel F. Salloukh, "The Arab Uprisings and the Geopolitics of the Middle East", in *The International Spectator*, Vol. 48, No. 2 (June 2013), p. 32-46, http://www.iai.it/pdf/articles/salloukh.pdf.

[28] Henner Fürtig, Annette Ranko, "Durch die Arabische Welt ein Riss", in *Internationale Politik*, Jg. 69, H. 2 (März/April 2014), p. 8-14, https://zeitschrift-ip.dgap.org/de/node/24983.

[29] Ana Echagüe, "Emboldened Yet Vulnerable: The Changing Foreign Policies of Qatar and Saudi Arabia", in *FRIDE Working Papers*, No. 123 (July 2014), http://www.fride.org/publication/1206/.

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role but diminishing its political and economic significance for Saudi Arabia.[30]

While the array of divergences between Saudi Arabia and Iran is likely to perpetuate their regional competition, their impact on the region's future will depend on the degree to which the relationship will continue to be played out in proxy conflicts, or develop into a détente that, while falling short of friendship, could help de-escalate regional conflict.[31]

4. The "swing states" factor

A quieter but nevertheless potentially consequential dimension of the structural shifts in the nature of regional alliances is the emergence of a number of regional "swing states."[32] These states typically combine a certain economic and political clout with a self-confidently proclaimed independence in foreign policy that makes them potentially able to turn the tide on specific crises or dossiers. While on one end of the spectrum, the big players US, Saudi Arabia and Iran consolidate their regional patronage networks, and on the other, states that lack any meaningful assets continue to depend on this patronage financially, politically and/or militarily, the mid-ground is gaining strength. A layer of assertive mid-sized regional powers is emerging that, while falling short of any claim to regional dominance, has the means and determination to go its own way.

As newly influential regional players, Turkey and Qatar aspire to a greater regional role and prefer issue-based cooperation over fixed alignments. These states assertively follow their own agenda, often against the tide and preference of dominant regional and global powers. Next to Qatar and Turkey, Egypt, whose room to manoeuvre is limited by its economic dependence on the US and Saudi Arabia, is slowly but notably seeking to reduce dependency on external patrons and diversify its foreign alliances. While lacking the regional clout, profile and aspirations of Turkey, Qatar and Egypt, other, smaller powers across the region are also openly challenging the dominant powers on regional issues (for example, Oman's public opposition to Saudi Arabia regarding a GCC collective security scheme). The emergence of the swing state layer further enhances the complexity and unpredictability of MENA geopolitics. However, the relative diversification of the regional balance of power, and the will of the swing states to leave a regional mark as mediators, could potentially work in the West's favour.

[30] Ibidem.

[31] Frederic Wehrey and Karim Sadjadpour, "Elusive Equilibrium", cit.

[32] For a slightly different, global notion of this term, see Daniel M. Kliman and Richard Fontaine, *Global Swing States. Brazil, India, Indonesia, Turkey and the Future of International Order*, Washington, Center for a New American Security and German Marshall Fund of the United States, November 2012, http://shar.es/11P41v.

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The increasing engagement of both powerful external actors and assertive mid-size powers in a setting marked by Saudi-Iranian rivalry bolsters the outlook of a competitive multipolarity in the MENA region among a range of big and middle powers. Rather than forming cohesive blocs and entering long-term alignments, a range of regional and external players of different sizes and weights are likely to compete in shifting, overlapping alliances. Past strategic orientations can no longer be taken for granted. In a region marked by growing insecurity and competitive multipolarity, alliances are likely to take more passing, functional forms.[33]

5. Non-state actors and the fragility-patronage circle

The mutually reinforcing factors of state weakness, the empowerment of non-state actors, and the proliferation of proxy conflicts in which non-state actors fight out the geopolitical battles of larger regional actors, form a fragility-patronage circle that favours a downward spiral of violence in the MENA region. The possibility of a disintegration of the post-Ottoman state system in the Levant laid down in the 1916 Sykes-Picot Agreement has been subject to much recent analysis.[34] Although weak institutional governance has been a household disease in the Middle East and borders in the Levant have always been permeable, state fragility across the region has taken up a new dimension. Borders between Syria and Iraq are largely void. And also in North Africa, following the ouster of Gaddafi and the French airstrikes that drove jihadists out of Mali, central governments in Libya, Egypt, Algeria and Tunisia are increasingly losing control over parts of their territory. Permeable borders reinforce the transnational nature of threats such as the spread of arms, terrorism, trafficking and other transnational crime. In other words, governments face greater and more complex security challenges, while at the same time being less able to confront them.

The weakness of state institutions empowers non-state actors who seek to challenge the state in its monopoly of force and control over national territory. Of course, the empowerment of non-state spoilers, while reinforced by recent geopolitical shifts, is in large part a result of decades of political stagnation and bad governance. As a result, identity politics, as well as alternative, sub-national sources of legitimacy of widely differing nature and weight gain importance. Ethnic and religious affiliations of tribes and clans in Libya, Yemen and Iraq, ethnic groups such as the Kurds, and religious communities and sects including Sunni, Shi'a, Druze, Copts and Yezidis, increasingly turn into geopolitical factors. At the same time, paramilitary groups in Palestine, Lebanon, Iraq, Libya, Syria and Yemen, as well as trans-national jihadist formations, in very different ways and to varying degrees, increasingly shape domestic, trans-national and regional developments

[33] Chas Freeman, Rethinking Relationships..., cit.

[34] See, for example, Steven Heydemann, "Syria's Uprising: Sectarianism, Regionalisation, and State Order in the Levant", in *FRIDE Working Papers*, No. 119 (May 2013), http://www.fride.org/publication/1127/.

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alongside the states that presume to govern them.

Regional rivalries in a fractured landscape increasingly turn the Middle East into a battlefield for larger geopolitical competition, leading to a proliferation of proxy conflicts. The enhanced fragility of central state institutions leads to the softening of borders, empowers non-state actors and facilitates the proliferation of trans-national security challenges. By avoiding direct military confrontation, regional players "promote the fortunes of their own clients in these weak state domestic struggles and thus build up regional influence."[35] The Syrian civil war, fuelled by Iran's long-term ally Hezbollah, is a proxy conflict of the regional rivalry between Saudi Arabia and Iran. In Iraq, Western powers are at odds with Saudi Arabia over support and arms transfers to opposing factions as the "Islamic State" (IS) expands its territorial control. As Libya sinks deeper into a full-fledged civil war, it turns increasingly into a proxy conflict as foreign powers get involved.[36]

The most emblematic expression of newly empowered non-state spoilers is the forceful resurge of Salafi jihadism, notably the rise of IS, which currently controls parts of the Iraqi and Syrian territory. For years, jihadist groups of different stripes, funded by state and private donors in Saudi Arabia and Qatar and tolerated by the US, were able to thrive, which eventually allowed former al-Qaeda affiliate IS to morph into the most powerful jihadist group seen so far, with a self-proclaimed caliphate that may well soon extend from the Iranian border to the Mediterranean.[37] There is a tangible danger that the success of IS will lead other jihadist formations in North Africa, Indonesia and other parts of the world to join it, extending IS's reach from regional to global. IS was able to expand its territorial grasp in large part because it filled a governance void, and will continue to spread its reach across the whole MENA region if government institutions in the Middle East continue to evade responsibility for their own failures.[38]

The described geopolitical shifts have a number of implications for governmental players wishing to have an impact in the region, and in particular for Europe.

6. Positioning Europe

So far, Western governments have responded to the shifting regional dynamics largely with a conservative clinging to veteran recipes. Following two years of rich rhetoric bewailing their own short-sightedness in supporting Arab authoritarian

[35] F. Gregory Gause III, "Beyond Sectarianism...", cit., p. 8.

[36] David D. Kirkpatrick and Eric Schmitt, "Arab Nations Strike in Libya, Surprising U.S.", in *The New York Times*, 25 August 2014, http://nyti.ms/1ANQ5yR.

[37] Patrick Cockburn, "How the War on Terror Created the World's Most Powerful Terror Group", in *The Nation*, 21 August 2014, http://www.thenation.com/node/181339.

[38] Peter Harling, "IS Back in Business", in *Le Monde diplomatique - English edition*, September 2014, http://mondediplo.com/2014/09/04islamicstate.

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rulers in the aftermath of the 2011 uprisings, EU and US repentance was quickly forgotten as the region sank into turmoil, civil war raged and military regimes were restored. By 2014, the Western stability paradigm had returned with a vengeance.

The altered geopolitical situation confronts the institutionally post-modern Europe with a degree of realist power competition in its immediate Eastern and Southern periphery which its member states alone lack the clout and the EU the institutional maturity to face.[39] Over the past years, the EU has been struggling to find a way to inject new life into its main policy framework to shape relations with its Eastern and Southern vicinity, the European Neighbourhood Policy (ENP). Launched in 2004, the policy perceived the European periphery as a kind of functional buffer zone whose political and economic stability would provide a protective layer around Europe. But as Western hegemony in the region began to give way to a multipolar power scheme with competing geopolitical agendas, the policy's efficiency eroded. The comprehensive strategic alignment offer brought forward by the EU was increasingly sidelined by powerful aspirants to regional patronage. The political and economic diversification in the MENA region made the label "European neighbourhood," understood as a group of presumed aspirants to strategic integration with the EU, increasingly inappropriate.[40] More recently, however, awareness has grown in Europe that a larger re-positioning is due.[41] With the 2014 crisis with Russia over Ukraine, the call for a more fundamental revamp of the EU's neighbourhood approach, and EU foreign and security policy more broadly, has arrived at mainstream.

For Western governments and multilateral actors, the outlook of competitive multipolarity in the Middle East and North Africa that includes, among many other features, the elements sketched above, has a number of fundamental implications.

First, the absence of a clear single organising principle means that no regional umbrella strategy will be fit to face the challenges of the region. A cluster order must be matched by a cluster policy. This applies to the EU's neighbourhood approach as well as to the US's inclination to try and fit its foreign policy approach into a single, snappy doctrine.[42] The enhanced competitiveness of the regional environment implies that broadly like-minded actors will need to go to much greater lengths to pool their assets and capacities to remain geopolitically competitive. This will have to involve the pooling of assets in all main dimensions of state power, including military capacity, development aid, energy and trade. The EU's top priority in this

[39] Joschka Fischer, "Europas Gespenster kehren zurück", in *Süddeutsche Zeitung*, 18 August 2014, http://sz.de/1.2091873.

[40] I have previously made this point in greater length and detail in "The End of the (Southern) Neighbourhood", in *PapersIEMed/EuroMeSCo*, No. 18 (April 2013), http://www.euromesco.net/index.php?option=com_content&view=article&id=1922.

[41] See for example Stefan Lehne, "Time to Reset the European Neighbourhood Policy", in *Carnegie Papers*, February 2014, http://carnegieendowment.org/publications/?fa=54420.

[42] Thomas Carothers in Thomas Carothers et al., "Is the World Falling Apart?", in *Carnegie Q&A*, 14 August 2014, http://carnegieendowment.org/publications/?fa=56392.

context must be to patch up, and eventually cure, its geopolitical Achilles heel – energy – by prioritising a collective diversification of supply and laying the groundwork for a Union-wide *Energiewende* ("energy transition") in the coming decades.

Second, while institutionalised multilateral cooperation is increasingly being hollowed out, *ad hoc* multilateralism is on the rise in the MENA region. Long-term comprehensive alignments will be the exception rather than the rule. In trying to tackle trans-national security threats and other shared challenges, switching and issue-based alliances will be the new normal. For European relations with the larger Southern Mediterranean, this means that cooperation frameworks need to de-emphasise the strategic alignment narrative inherent to comprehensive approximation and institutional memberships. At the same time, the EU should continue the process of approximation in North Africa wherever the holistic offer is fully embraced, with the aim of creating precedents in the Arab world that show the benefits of long-term alliances with the EU. In spite of the likely dominance of ad hoc multilateralism in the MENA region, Western actors should continue to aim at building more lasting, stable forms of cooperation over time as many of the region's problems require long-term multilateral approaches. Proxy conflicts and jihadist insurgencies cannot be solved by localised military action alone. Their causes and drivers must be addressed in political cooperation with the relevant regional actors, notably those who, directly or indirectly, fuel them.[43] In this context, ending the isolation of Iran must be a primary directive.

Third, the desire of emerging regional swing states to leave a mark in terms of regional influence could turn out positively for Western interests as a potential balancing and mediating factor to many of the polarised dossiers in the region. Consulting and involving these states on all regional matters, in spite of their second-row political weight, should become standard practice.

Fourth, governments and multilateral organisations must diversify their (so far largely inter-governmental) portfolio of interlocutors in the Middle East by engaging and involving non-state actors on a much broader basis. The rationale of this engagement must evolve from the current box-ticking exercise towards a systematic, strategic development of exchanges with all important regional players that are willing to engage.

Fifth, with the relative fading of Western – and particularly European – leverage over MENA allies, the margin for conditionality-based policies to promote structural reforms in MENA countries has considerably narrowed. Conditionality can still work in the very limited instances where Western leverage remains uncontested. The momentum for region-wide institutionalised forms of conditionality, however, is gone.

[43] See also Lina Khatib, "Defeating the Islamic State Requires a Saudi-Iranian Compromise", in *Carnegie Articles*, 3 September 2014, http://carnegieendowment.org/publications/?fa=56521.

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Sixth, pragmatic coalition-building with regional players must be flanked by support for deeper structural reform, which in the MENA region is less a matter of development allocations than of refraining from actively propping up authoritarian strongmen. However, the combined effect of the West's decreasing regional clout and its growing need to woo regional players on a rapidly expanding number of security dossiers, seems destined to recycle and entrench the very same superficial stability approach that lit the fires we now rush to extinguish. This outlook, if accurate, would draw a bleak future for the Middle East, marked by a downward spiral of state failure, insurgencies and violence.

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