



NATO DEFENSE COLLEGE FOUNDATION

GULF STRATEGIC TRENDS

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Executive Summary

The Gulf States are confronted by the external risk of Iran and by the internal threat to their own existing stability brought by the new political call for political participation expressed by their youth and minorities, mainly Shi'a. Whereas the response to the first is more or less coherent from all States, and it is a mix of bilateral negotiation and regional confrontation, the response to the latter varies from one country to another.

In Oman the Emir has chosen to appease the popular movements, but not so in Kuwait (where the ruling family is somewhat divided between a softer approach and a hard attitude), in Saudi Arabia and particularly in Bahrein, where the second anniversary of the Saudi-led intervention passed amid renewed and strong protests. This might restore momentum to this protest movement in the next few months.

As a matter of fact the protest is socially motivated but is also more and more developing along ethnic lines. The trend of increasingly sectarian politics is present throughout the Gulf and reaches out also the Levant, with Iraq and Syria being egregious examples.

Nevertheless in Iraq the fault line between Shi'a and Sunni is not about wealth but about political representation. The Sunni minority acts as if it were a majority while the mainly Shi'ite government somewhat still feels the enduring effects of political exclusion and persecution under Saddam Hussein. This creates a tension whereby the Shi'a component appears more interested more in squaring accounts with the Sunni elite than in running a country united.

In Iraq the coming month will probably see mounting troubles and a wider use of car bombs if the "de-baathification" issue is not adequately considered.

Situation Report

Saudi Arabia

The 9th of March two prominent Saudi human rights activists and founders of the Saudi Civil and Political Rights Associations (ACPRA), Mr. Qahtani and Mr Hamad, received 10 years in jail. ACPRA is calling for a constitutional monarchy and elections.

If this demand was to be successfully coupled with the similar one for social and gender equality by a strong and still clandestine women movement and with claims for civil liberties by a youth wave (whose signs are strong in the social networks since 2011) the instability level could rise dangerously. In terms of perceptions this would be for the Saudi royal family tantamount to an existential threat.

Sporadic but recurring incidents on the Saudi-Yemeni border highlight the difficult but crucial relation between the two countries, whose conditions are pivotal for stability in the

Arabian Peninsula. The last spate of attacks consisted in shoot-outs between well-armed smugglers and Saudi patrols, leaving five Saudi border guards dead.

Indeed border problems are the most visible sign of all known and unknown imbalances between these two strategically central states of the Arabian Peninsula, which are strictly and forcibly intertwined: Saudi Arabia needs manpower (which Yemen has), and Yemen needs investments (which Saudi Arabia can provide).

It is a mutually necessary but tortuous relationship, complicated the imbalance between the (so far) relative political and security stability of the Saudi Kingdom and the instability created in the Yemeni Republic and sometimes exported across the border by four internal conflicts, coupled by Al-Qa'ida's presence.

One of the last developments in the struggle of the Saudi Arabian kingdom to deal with this spill over has been the building of a giant border fence to seal off the area. The first part of the fence has already been built on the coast, slowing down - but not stopping – the tide of illegal immigrants and the smuggling of arms and other kind of merchandise.

Iraq

In the first polling since the withdrawal of US troops in December 2011, even though sectarian violence is on the rise and peaked again in the last months since the worst period of 2007-2008, the electoral process developed without major incidents.

Turnout was low, at about 50%, and the two largely Sunni provinces bordering Syria were prevented from voting and had elections postponed with the motivation of a deteriorating security situation. Nevertheless elections were not disrupted, and among their main trends emerged:

- the relative success of Prime Minister Nouri Al-Maliki in defending his strong showing in the previous 2009 local elections, winning the relative majority in every district in Baghdad e in the whole South;
- the comeback of ISCI (Islamic Supreme Council of Iraq), recovering from the low performance of four years ago, with successes especially outside the shrine cities in the provinces of Basra and Wasit;
- the standstill of the Shi'ite Sadrist movement, led by Moqtada al Sadr;
- and generally the higher political fragmentation of the Mid-Euphrates area, where local lists performed much better - especially in Najaf, where a local list arrived first – than in the South.

Ten years after the intervention of 2003, the new political system has certainly guaranteed a certain degree of normalcy which as a consequence has allowed a rise of oil income and the end of a long international isolation, firstly among its fellow Arab countries. On the other hand, the same political system is still in transition and therefore shows many

weaknesses, mainly in a tense and unresolved relationship between parliament and premier. More and more ministers in the Iraqi Cabinet are acting ministers that do not enjoy parliamentary approval, while more recently Maliki critics such as secularist Iraqiyya, Kurds, and Sadrists have temporarily withdrawn ministers from cabinet meetings without resigning from the post, prompting appointment of more acting ministers by Maliki and turf wars over ministerial policies.

The 23rd of April over 50 people were killed and 110 wounded when security forces stormed a Sunni sit-in in the town of Hawija, in Kirkuk governorate. Two Sunni ministers quit in the wake of the initial violence, bringing the number of Sunni cabinet members who have resigned since March 1 to four. In the meantime Iraq's media commission has suspended the licenses of 10 satellite channels, including Al-Jazeera, accusing them of "promoting violence", in a move seen as a crackdown on dissent by the Shi'ite-dominated government on a growing Sunni uprising.

Successively several car bombs (29/4/2013) killed at least 23 people in Shi'ite areas, in an apparent retaliation for the Hawija massacre. The same day Iraq decided to close a border crossing with Jordan in the Sunni area of Anbar for two days, the second time this year.

Therefore a strong contribution to the end of the political transition and the birth of a fully-fledged political system would be the solving of the de-baathification issue and the revision of the mistake made with the first law of 12/1/2008 (Justice and Accountability Act). A badly needed step not only internally but also externally, because it would help shielding Iraq from the current sectarian trends going up in the regional scenario, therefore helping to stem the infection coming from Syria, where the civil war is raging and creating an arc of instability linking Lebanon, Syria, and Iraq.

Kuwait

On April 15 a Kuwaiti court sentenced a prominent opposition politician to five years in prison for insulting the country's Emir. This move is the latest in a series of similar measures in a country once renowned for its relative civil liberties. In an effort to counterbalance this trend with more social and economic relaxation, the government in March pushed through parliament a bill to grant citizenship to up to 4000 "foreigners", the so called "Bidun" (without, in Arabic), who originate from those whose ancestors failed to apply for nationality or lacked necessary documentation in 1961 when Kuwait was declared independence, or are children of Kuwaiti mothers and stateless or foreign fathers.

On 27 February for the first time since the 1990 invasion arrived in Kuwait an Iraqi delegation on board an Iraqi Airbus 320.

Oman

In an effort to stem unrest ignited by the so called Arab Spring but actually originated from an outdated political system and growing political demand of inclusion from younger generations, the Sultan of Oman has pardoned on 22 March all dissidents who were jailed for insulting him or taking part in street protests. In recent months the government tried to ease protests by announcing plans to limit the number of foreign workers and increase the minimum wage for citizens in order to raise their employment. Oman also pledged to create tens of thousands of public sector jobs.

EAU

On 18 April a cell of Al-Qa'ida allegedly plotting against the Emirates has been arrested, the last of a series of crossborder and logistical activities in the UAE by the more and more active Al-Qa'ida in The Arabian Peninsula (AQAP).

Notwithstanding the traditional links with the United Kingdom and its western-oriented foreign policy - confirmed in the recent visit by UK Prime Minister David Cameron in the Emirates on the 1st of May - the UAE is more and more looking towards the East. To symbolize this ten years –old trend is the first visit of a Japanese Prime Minister in the UAE since 2001. Annual UAE exports to Japan now exceed US\$22 billion (Dh80.8bn), mainly due to crude oil and natural gas, while Japanese exports to the UAE exceed \$6.9bn, mostly in electronics, vehicles and machinery. Last year, in a further boost to Japanese-UAE relations, flights between Abu Dhabi and Dubai to Tokyo's Narita airport doubled to 14 a week, and an Abu Dhabi-Haneda route was opened.

Qatar

Qatar has recently invested heavily both within and outside of the Arab world. The emirate recently bought \$3 billion in government bonds from Egypt. Owing 900 million tons of oil and 25.5 trillion cubic meters of natural gas, Qatar can easily afford to relieve its ally, and is also planning to help solve Egypt's gas crisis. Qatar it is likewise aggressive in its investments. In addition to its Qatar Investment Authority fund – worth upwards of \$100 billion – it has recently set up a smaller one, the Doha Global Investment, worth \$12 billion. Nicolas Sarkozy has been offered to run the newly created fund.

This decisive shift towards heavy investments abroad is to counterbalance the fading shine of its soft power as big projects like Al-Jazira run in increasing difficulties and political obstacles by other Arab countries not willing to be influenced by a tiny Emirate looking for global projection and influence.

Bahrein

Bahrein's decision to indefinitely postpone the visit by UN special rapporteur on torture is a clear sign of the difficulties in finding an answer to the growing political discontent by the Shiite majority of the Emirate, run by the sunni family of the Al-Khalifa. So far violence has left at least 50 people dead, and it erupted again when street protests raged marking the second anniversary of the intervention by a Saudi-led force in the Gulf state. Repression has led the government to even ban the importation of plastic face mask (in the ban correctly called "face masks" in Arabic, but defined in the English version "revolution masks").

The Al-Khalifa ruling family is at the moment both marked by power and weakness. On the one hand it is threatened by the most popular movement of the Arab Spring, on the other – also thanks to the support given by the Usa and Saudi Arabia – has succeeded so far in turning down all request of political representation put forward by the largely Shiite popular movement. The recently started "new dialogue" it is still unclear whether represents a real break from this policy or only its continuation under a different guise.

Regional Trends

The Gulf region is marked by two main underlying trends, strictly interdependent each other, one within each Gulf state and one coming from outside.

The first is the increasingly instable and more and more unpopular 40 year-long pact between rulers and people: "we have the absolute power and you have a public sector which assures you a comfortable life". This pact came under strain with the coming of younger generations which did not "sign it" and therefore felt excluded – a feeling exalted by the social networks, wildly popular in the Gulf – and then exploded with the crumbling of the Cold War regional order, of which the Arab Spring was only a symptom. Helped to put this pact at risk the great urgency in the last decade among Gulf Cooperation Council governments to integrate its citizens further in the private sector, to have public finance more in order. With the Arab spring this trend was reversed, and GCC countries turned back to its traditional and in the long term dangerous attitude of relying on a monster public sector for social stability.

The second is of external nature, and it is the complex and difficult relationship with Iran, "the other shore" of the Gulf. This relationship has grown more and more awkward since the 2003 US-led intervention in Iraq has brought the once only Shiite power on the defensive to find strategic room in neighbouring Shiite-led Iraq, with a continuous corridor from Teheran until Damascus and Beirut, where the Shi'a Hizballah is a partner in the national government. The shadow cast by Teheran has created an intense feeling of existential anxiety for the smaller Gulf states, including Kuwait – which already suffered a traumatic invasion from a neighbouring country – Bahrein, UAE, Qatar and Oman.

To protect against threats along their border or within their territory – in most Gulf states exist a strong Shiite minority, which in Bahrein is even a majority – they have traditionally sought balanced relations with their more powerful neighbours while cultivating extra –

regional allies. Hence the rising expenditure on defence hardware, but also the contradictory at times more and more eastward torsion of the Gulf politics towards Asia looking for new and more reliable global power's protection from Iran firstly with China, seen also as a broker, and then with India. From the Indian subcontinent and from the Philippines comes as a matter of fact most of its foreign and deeply necessary less qualified manpower. A push towards this strategic change is the fact that the West seems in hegemony crisis, increasingly seen as a decline more than a passing difficulty in the global balance of power.

Today the uncertainties surrounding the implication of regional interdependence have left Teheran both weakened and more assertive, a particularly dangerous combination in any given situation but more and more so seen the growing divisions within the ruling Iranian elite. An elite which exports its division in the surrounding area and therefore does not help to clear out the destabilizing vision of the authoritarian state as the only answer to the rights activists who as a consequence are pushed towards Islam along sectarian lines as the only choice.