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Middle East's Reconstruction: The New Gulf Struggle Has Begun

Syria, Yemen and, to a lesser extent, Iraq and Libya are in desperate need for reconstruction: regional and international powers have started to plan post-conflict efforts while, in some cases, wars have not ended yet. Reconstruction is likely to become the next field of geopolitical struggle in the Middle East, with Gulf players at the forefront.

The presence of an array of proxy actors with rising economic roles, lucrative war economy networks and transnational patronage ties risk to politicize further the material reconstruction, triggering also counter-reactions at a foreign-policy level. The rebuilding race of governments and possibly states could even alter, in the long-term, consolidated balances of power.

For this reason, Syria is still pivotal for the regional hegemony: will Iran be able to reconstruct the country? Or the Gulf monarchies will successfully acquire unexpected leverage in Assad's regime because of the reconstruction?

On January 2018, the Iranian Revolutionary Guards Corps (IRGC) announced its intention to lead Syria's rebuilding, thus overtaking private and state-owned companies. Iranian projects for power grids, infrastructures and an oil refinery in Syria have already started. But Tehran can't support wide-scale reconstruction given the deteriorating national economic conditions and new US sanctions just entered into force.

Russia cannot afford go alone for this task and is focussing on selective energy projects, while the United States have neither a strategy nor the will to seriously commit themselves into the region's re-building.

Saudi Arabia promised 100 million dollars for stabilisation programmes in Eastern Syria: however, oil prices and, most of all, the outcome of Saudi economic reforms will decide Riyadh's engagement level in the Syrian reconstruction.

The current informal rapprochement among Saudi Arabia, the UAE and the Syrian government [*Al Masdar News*, "UAE to reopen its embassy in Syria: reports", November 7, 2018; Eugenio Dacrema, "Siria: Assad guarda al Golfo?", *ISPI Commentary*, November 13, 2018], is likely triggered by the "reconstruction factor", not only by shared anti-Muslim Brotherhood sentiment: Assad needs funds to rebuild the country he mainly contributed to destroy, and therefore the Gulf monarchies can find a window of opportunity to re-enter Syria's political space and relations, especially in the Eastern regions to the detriment of Iran.

In the framework of the BRI (Belt and Road Initiative) and the Arab Policy Paper, China pursues a holistic vision supporting the countries of the whole region through small, ad hoc investments. At the recent China-Arab States Cooperation Forum in Beijing (10th of July 2018), China promised 23 billion dollars in loans for projects and employment in the Arab world, to be divided between the twenty-two Arab League's members. More than 30 private Indian companies joined the Damascus International Trade Fair held the past 6-15th of September, setting up the biggest wing at the fair with a delegation headed by the Indian Foreign Affairs ministry [*The Syrian Observer*, "Emerging Interests for India in Syria", September 5, 2018].

Yemen's infrastructures and factories have been massively damaged by the Saudi-Emirati led military intervention. At the same time, Riyadh and Abu Dhabi present themselves as the main players of Yemen's future reconstruction. Will Iran defy Riyadh helping the Huthis to rebuild their Northern highlands? And Saudi Arabia and the UAE, will they agree on spheres of influence for the reconstruction of Yemen, especially in the Eastern regions (saved by the conflict but the less developed part of the country) and in the Red Sea port city of Hodeida?

Beyond the Saudi-Iranian rivalry (in Syria, Iraq and Yemen), the rebuilding of Iraq and Libya could become a matter of further competition between the Saudi-Emirati diarchy and the Turkish-Qatari axis. On February 2018, at the Fundraising Conference for Iraq organized by Kuwait, Doha and Ankara promised, respectively, 1 billion and 5 billion dollars for the Iraqi reconstruction (Riyadh and Abu Dhabi pledged 1,5 billion and 500 million dollars). Iraq's president Barham Salih has just announced the launch of a reconstruction agency, focussing on projects as the deep water port and rail networks. On the 9th of

November, a delegation of the Libya's National Accord government was hosted in Ankara: talks included reconstruction.

The Gulf powers' race for Middle Eastern reconstruction has clearly begun: Syria is the epicentre, again. But it is not clear whether Saudis and Iranians, as well as Qataris and Turkish, have the financial means to support their power ambitions. Anyway, security balances in the Middle East are likely to be affected by the competition for countries' rebuilding.

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