

Snapshot of the Middle East in Turmoil
By John Hofer, RPCV Morocco 1969-70

Given the situation in the Middle East, I thought it important to offer WCPCA members a brief review of events along with my assessment of what's at stake. I gleaned my information from the Western press, informed blogs, and selected Arabic language sites, which I look at every day. If anyone is interested in following developments outside the standard frame of the Western media, please contact me, and I'll forward the web addresses of good English language sites to you.

After a brief, general discussion, this piece will focus on the most strategically significant countries, including Saudi Arabia, Iran, Iraq, and Egypt. At the end I'll treat other countries in few sentences. As you will see from my summaries, the world oil supply is the elephant in the middle of the room. As a result, I expect the US will do whatever it can to minimize the impact of the "Arab Spring," maintaining the status quo and prioritizing security over democracy. However, US policymakers seem to be somewhat at a loss on how to deal with this situation, unprecedented for its breadth and extensive grassroots support. Arabs, having gotten a whiff of freedom, are likely to push hard for governments that are more accountable to their needs and aspirations. Hopefully this situation will evolve to the point where representative, legitimate Arab governments gain ascendancy and get welcomed as full partners into the international community as well as into the global economy.

The Middle East and the Arab world have tremendous strategic significance for the industrialized world, which perceives of the region primarily as a supplier of oil and other energy products. The Middle East also matters to the United States as a result of its interest in the security of Israel. Finally, the region's adherence to Islam, while a source of concern and consternation, is most often used to demonize the people of the region, justifying huge military budgets and interventions, massive aid to Israel, and enormous sales of military goods and services to oil producing regimes.

Common problems affecting the Arab world include a) a population explosion with lots of youth needing jobs, b) rising food prices, c) stagnant, corrupt dictatorships that put a premium on their own well being and security at the expense of the dignity of their own people. The repressive nature of these regimes increased noticeably with Bush's war on terror. In addition, American allies have been encouraged to be "moderate," which translated into toleration and cooperation with Israel despite people's widespread disgust at its treatment of Palestinians. As a result, American allied regimes tend to have less legitimacy with their people than that enjoyed by countries that are less friendly with the United States and Israel.

Saudi Arabia

The stakes: Saudi Arabia is traditional the world's top oil producer, though production seems to have peaked. More important, Saudi Arabia has traditionally maintained excess production capacity, which it uses to stabilize world oil prices, increasing production when demand surges and withholding it when demand drops. It has recently promised to increase production to compensate for production lost to unrest in other countries. T. Boone Pickens, a widely quoted oil magnate, doubts that they can pull it off.

Though Saudi Arabia has not figured prominently in any protests, it is America's closest ally and one of the most repressive regimes in the region. As a result, it is hard to get an accurate gauge of popular sentiment. Perhaps after reading some tea leaves, Saudi Arabia's King Abdullah decided to offer \$36 billion to his people (\$1800 per Saudi), mostly in the way of government programs to be accelerated. An early test of the King's ability to buy peace will take place on March 11, when a national "day of anger" is scheduled.

Even if this sclerotic, corrupt regime survives, its longevity will soon be tested when the ailing King finally dies, leaving behind a potential battle for succession. Already, cracks are being exposed in foreign

media outlets controlled by opposing factions of rich Saudis.

Iran

The stakes: Iran has the world's second largest oil reserves (after Saudi Arabia) as well as the world's second largest stores of natural gas (after Russia.) Due to decades of sanctions, Iranian oil production has never been fully developed, creating the lure of an oil and gas bonanza in an energy short world. After decades of going it alone, Iran recently signed deals with China and Japan to develop some of its vast resources. Though Iran spends only \$10 Billion per year on defense (the US spends that amount in 3 months in Afghanistan), the government now claims that it can control the Strait of Hormuz, through which 33% of the world's seaborne oil shipments flow.

The country suffered major unrest in the aftermath of the 2009 elections. Though widely covered as election fraud in the West, it is not clear that the election was actually stolen. The depth of serious opposition to the regime is unclear but seems to be concentrated primarily among the middle class and the Rafsanjani faction of the ruling elite.

My bet is that the Iranian regime will not suffer significant, sustained unrest. (I'm planning a trip in May.) As an indication of the government's skill in managing the country, it successfully dropped food and gasoline subsidies last year and allowed prices to rise dramatically to market levels. Normally this would trigger massive protests. Instead, there was calm, because the government used the money saved by dropping subsidies to issue EBT cards to the poor, allowing them to continue to afford the increased cost of food and gasoline.

The Iranian opposition made a critical mistake last month, when they called for demonstrations at about the same time that Obama's asking, "why not democracy in Iran?" That coincidence raised questions in Iran about the opposition's motives and its independence from the West. Nonetheless I expect the US to keep championing the cause of freedom and democracy...for Iran.

Iraq

The stakes: Iraq has the world's third largest oil reserves as well as some of the largest pools of ridiculously cheap oil (\$1/barrel extraction cost). However production has been stagnant. Eight years after the US invasion, Iraq is producing what Saddam Hussein did 10 years ago. Problems include an aging oil infrastructure, ongoing security problems, and an unwillingness to give international oil companies unbridled access to the bonanza.

Events in Iraq have been poorly covered by the Western media. Last week there were protests in all major cities, despite calls by religious leaders not to demonstrate. Issues included unemployment, government corruption, and lack of basic services, such as electricity and water and sewage. In Baghdad, there was a large demonstration where Shi'a and Sunni prayed together, despite the government's blocking of bridges across the Tigris. To make matters worse, a major, northern oil export pipeline got blasted. And the major oil refinery was attacked and shut down.

In my opinion, the situation is serious when widows and orphans take to the streets, as they did last week. The question is—how will the government behave? Will Hillary issue calls for respecting the rights of protesters after 29 demonstrators were killed last weekend?

Egypt

The stakes: Though Egypt produces little oil and gas, a pipeline explosion in Sinai was enough to cut gas production, effecting shipments to Israel, Jordan and Lebanon. Also, the Suez Canal accounts for 5% of the world's seaborne petroleum shipments. US National Guard troops have been despatched to help protect it.

Egypt's importance also lies in its role as a cultural center of the Arab world. As such, what happens in Egypt often finds its way into the rest of the Arab world.

The events leading to Mubarak's ouster are commonly known, since they received widespread television coverage. Though Mubarak is gone, the regime still stands. Most cabinet level positions are held by the same people as before, raising questions about whether this is change you can believe in. As a result, large demonstrations, not widely covered, continue. US calls for democracy seem to be growing ever more faint.

At this point the regime is in survival mode. Policies once considered essential to the interests of the US and Israel have been allowed to lapse. As a result, two Iranian warships were allowed to pass through the Suez Canal for the first time in 30 years. And Egyptian support of the blockade of Gaza is in doubt, particularly since the people of Gaza provided food for Egyptian troops guarding the border, at a time when the Egyptian government was unable feed their own troops due to turmoil of the uprising.

Tunisia

Having little strategic significance beyond being the spark that lit the wave of revolts against Arab despots, Tunisia, like Egypt, got rid of its long term dictator, but not the regime. But they took a big step in that direction last week, when the dictator's long serving prime minister finally resigned. I expect that demonstrations will continue until Tunisians see the installation of a neutral, interim government, which sees the scheduling of credible elections as its most important task.

Yemen, which sits astride a major oil shipping corridor, has witnessed demonstrations for weeks. Now it appears that tribes are beginning to abandon the government. My guess is that the government will fall in the next couple months, and the country will begin to splinter.

Libya, a significant oil producer was the focus of the news last week. I expected that the government would have fallen by now. However, the "international community" announced that it was going to pursue charges of war crimes against the regime, giving them little incentive to do anything but go down fighting. Then what? Chaos?

Bahrain produces little oil but is located at the heart of the Persian Gulf. It is also home to the US 5th fleet. Protests have been ongoing. The government's major concession has been to stop killing protesters. If Al-Khalifa, the king, survives this unrest, the future is complicated by a potential battle over succession. The prime minister is reported to prefer the status quo, favoring monarchical rule and the Sunni minority. The Crown Prince is reported to favor replacing the monarchy with a constitutional monarchy, based on the British model and allowing the Shi'a majority to be represented in the government.

Algeria is a significant oil producer that has seen its share of protests, sparked by the overthrow of the government in neighboring Tunisia. In response, the government just lifted its state of emergency, imposed 19 years ago when the government rejected election results, sparking a civil war. That ended nine years ago. My guess is that people do not have the stomach for another bloody fight. I expect the regime to survive.

Morocco is a significant supplier of phosphate fertilizer, not oil. Protests materialized late despite economic conditions similar to those found in other Arab countries. The main difference is that King Mohammed VI also serves as the chief religious figure, the "leader of the faithful." This gives him extra stature. Also, he has exhibited a softer touch than his brutal father, Hassan II. Since he ascended to the throne in 1999, he has gradually introduced important reforms, though corruption is as rampant as ever. My guess is that the regime is not seriously threatened.

Jordan is important mostly for maintaining the quiet with Israel. Despite the presence of huge populations of Palestinians and Iraqis, bedouin tribes form the core of King Abdullah II's support. So when a couple bedouin got shot during food protests in January, it was a significant event. Demonstrations soon spread across the country in the wake of the Egyptian uprising. The King responded by dissolving the government, shuffling responsibilities, and beginning a charm offensive with personal visits around the country. Demonstrations continue.

Lebanon is a special, interesting case. It is a small country where great powers and neighbors love to meddle, each acting on behalf of their favorite religious sect. Because so many countries believe they have interests in Lebanon, developments there have the potential to spark a broad war across the Middle East.

The key flash point today is the case of the assassination of former Prime Minister Rafiq Hariri, six years ago. A Special Tribunal for Lebanon (STL) was appointed by the United Nations to investigate. The STL is expected to release its report any day. It is expected to finger Hezbollah, which has responded proactively by pointing out problems with the investigation. One was the presence of "false witnesses," people widely acknowledged to have provided false testimony. A second problem consists of video footage of Israeli aerial surveillance, that showed that Israel just happened to be monitoring Hariri's movements precisely at the moment he was blown up. The STL seems unfazed by these developments and has refused to respond to them in spite of the serious questions they raise about the integrity of the entire project.

Matters got even more complicated when the government fell recently. That happened when Prime Minister Saad Hariri, son of assassinated prime minister, was holding meetings in Washington, ostensibly trying to sell a compromise outcome to the STL report, brokered by Syria and Saudi Arabia. When it looked like Hariri was instead brokering a different deal with Washington, one of his major coalition partners pulled the plug on the government. The likely new government is much less sympathetic to the STL and to its findings. My bet is that Lebanon will shrug its shoulders when the report is released, and life will go on, though you never know. More certain is that the US government and the Western media will have a field day demonizing Hezbollah, citing the STL report as proof of its evil nature.