

Challenging the State from above, Empowering It from within

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The Middle East and North Africa (MENA) is a heterogeneous region characterized by multiple stresses. The existence of inter-state as well as intra-state conflicts and multiple political and societal fault lines has traditionally opened the door to external interference, sometimes leading to outright external intervention by a host of external actors. This trend has been facilitated by and has led to the weakening and erosion of states in the region in performing their tasks. Maintaining order and security, providing for at least a modicum of political and economic governance, and fulfilling key basic needs of the population are the functions traditionally associated with states. However, a cursory look at the state of the region points to the fact that MENA is experiencing a crisis of statehood and governance.

The focus of this article is on how the MENA region's configuration as an increasingly 'penetrated' and globalized system of states affects the EU's policy-making. The presence, interests and actions of external players, such as the United States, Russia and China, will be briefly scrutinized in terms of their cooperation patterns – beyond their geopolitical outreach – with the states and/or societies in the region. In parallel, an assessment of the new European Union's (EU) focus on fostering 'resilience' in MENA will be undertaken. What emerges from the evidence presented in this contribution is

that although there are powerful forces pulling MENA states apart from above, there are a number of players making efforts to strengthen their foundations and to endow them with the ability to reform and withstand crises. The sum of all these trends is an increasingly globalized MENA state system, but at the same time one that is built around the importance of the domestic and local dimensions.

A 'Penetrated System': the MENA Region, Globalization and the Role of External Actors

Dominant forces of the prevailing global order – usually Western and European states – have traditionally been accused of penetrating the MENA system and thus shaping the destiny of regional politics and embedding the region in the dynamics of the global balance of power. In this respect the MENA regional system is often described as the object of high and unparalleled intervention and control by actors from outside the region. Since Ottoman times, extra-regional powers have aimed at protecting their vital interests in the region by actively participating in local and regional politics. This narrative was especially emphasized during the Cold War, a period characterized by the involvement of superpowers in MENA, unveiling the region's 'strategic importance'.¹ Regional actors aligned themselves with the United States or the USSR, transferring the bipolar order to regional politics, although not necessarily directly 'controlling' the politics of regional states. The MENA region became strongly embedded in the dynamics of global politics, forging alliances around the two superpowers.

¹ ROBERSON, B.A. "The Impact of the International System on the Middle East," In: Raymond HINNEBUSCH and Anoushiravan EHTESHAMI. (eds.) *The Foreign Policy of Middle East States*. London: Lynne Rienner, 2002, p. 57.

These circumstances strengthened the view of MENA as a 'penetrated system.' The existing scholarship has tended to describe the relationship between the global and regional actors by framing it as a patron-client dynamic, i.e., as a relationship between weak states and great powers. The 'penetrated system' concept transcends the Cold War era and has been used as a way to understand how extra-regional actors have played a critical role in shaping the socio-political reality of the MENA region through their direct presence (colonialism/imperialism) or (in)direct influence.² From the perspective of the MENA states, however, debates have focused more on the level of autonomy this regional sub-system and its actors have vis-à-vis external forces. In this respect, globalization, deepening interdependencies and changes in the global distribution of power point to the fact that the MENA states have been able to shape international politics and the global order more than what was once thought. Mutual interdependence enabled MENA countries to toy with Western powers and play them out to guarantee their collaboration in advancing individual state agendas. This is clear when it comes to the emerging regional would-be hegemon such as Iran, Qatar and Saudi Arabia and their projection onto the MENA chessboard. These players have increasingly adopted autonomous foreign policy stances vis-à-vis the dwindling commitments and interests of the United States in the region, the once global super power. The spillover of regional conflicts from Syria and Yemen after 2011 has prompted a greater involvement by these regional players, which at the same time has raised the stakes in the conflicts. Security perceptions and the need to secure key strategic interests have led Riyadh, Tehran and Doha to effectively manipulate the agendas of global players – particularly Russia and the United States – to their own benefit.³ All in all, the regional system is the path for gaining further autonomy from the interests of global powers or to draw global agendas closer to the domestic and local levels.⁴

Regarding the global distribution of power and its impact on the MENA region, the US dominance in the region based on the protection of its interests (first and foremost Israel's security and a permanent military presence in the Gulf) ended during the first decade of the 21st century, leaving space for what has been defined as 'the rise of the rest.' More concretely, a new centre of global power has swiftly emerged in Asia in terms of demography, economy, trade, technology and ideas with its increased projection onto the MENA region itself. These developments have meant that the end of America's period of unipolarity, rather than prompt a multipolar structure, paved the way for a system with a power vacuum, as no single unit is willing or able to exercise leadership. The loss of gravity in the international system and the lack of effective global governance schemes force major external powers, such as China, the United States, the EU or Russia, to compete for influence in the MENA region, although without the possibility of shaping its socio-economic and political reality entirely. This means that in the framework of post-bipolar-world globalization, states in MENA act both under the pressure of and in response to the influence exerted by external players, attempting to 'govern globalization' and shaping 'the global structure of interdependencies' in prioritized policy areas.⁵ This point leads us to the investigation of the current role of external players in MENA as cooperation partners and their impact on the states in the region.

Russia

Russia's cooperation in the MENA region has consisted mainly in bilateral agreements between institutional bodies, but also in deals between private companies, and priority areas such as security, military and trade. Trade relations with the region as a whole reached \$42 billion in 2017, with a 32% growth in trade, especially with Turkey, Egypt, Algeria and the United Arab Emirates (UAE).⁶ Egypt has been the

² HUDSON, Michael C. "American Hegemony and the Changing Terrain of Middle East International Politics," In: BASSEL F. Salloukh and Rex BRYNEN (eds.) *Persistent Permeability? Regionalism, Localism, and Globalization in the Middle East*. Aldershot/Burlington: Ashgate, 2004, pp. 163-179.

³ BIANCO, Cinzia. "Gulf Security After 2011: A Threat Analysis," *Middle East Policy*, 25:2, 2018, pp. 27-41 and LUND, Aron. "With Friends like These: Russia's Limited Leverage in Syria," *Diwan*, 24 July 2015, <http://carnegie-mec.org/diwan/60844>

⁴ HINNEBUSCH, Raymond. *The International Politics of the Middle East*. Manchester: Manchester University Press, 2003.

⁵ ULRICHSEN, Kristian Coates. "Small States with a Big Role: Qatar and the United Arab Emirates in the Wake of the Arab Spring," In: *HH Sheikh Nasser Al-Mohammad Al-Sabah Publication Series*, 3 October 2012, <http://dro.dur.ac.uk/10011>.

⁶ RAHMAN, Fareed. "Russia plans to create health care, food industrial clusters in UAE," *Gulf News*, 2 April 2018, <http://gulfnews.com/business/economy/russia-plans-to-create-health-care-food-industrial-clusters-in-uae-1.2198712>.

object of a systematic engagement by Russia through economic, energy and military cooperation. Its trade volume with Russia reached \$5.5 billion in 2017.⁷ During the first months of 2018, the Egyptian government approved the agreement for the creation of the Russian Industrial Zone in East Port Said on the Suez Canal Economic Axis, where investments are projected to reach around \$7 billion and 35,000 new jobs are to be created in a wide array of industries.⁸ Recently, Egyptian and Russian ministries have signed a \$21-billion deal for the construction of a nuclear power plant, which represents both a decisive step for Egypt towards alternative energy resources and a significant response to its domestic energy demand growth.⁹ Cooperation on trade and energy has been accompanied by a steady increase in opportunities in the military sector.

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Lebanon has recently moved its eyes towards Russia, especially for stronger economic cooperation. Initial steps have been taken through mutual investments with Russia in 2017 after the signing of a co-

operation agreement with a Russian trade company in the framework of the Lebanese business delegation's visit to Russia in April 2017.¹⁰ Russian cooperation in Tunisia has traditionally focused on counter-terrorism, nuclear energy – with the signing of a Memorandum of Understanding (MoU) on nuclear cooperation in 2016 – and tourism. In the tourist sector, a 10% increase in the number of Russian tourists in Tunisia between 2016–2017 led to positive economic results for Tunisia as well as to closer relations with the Kremlin.¹¹ As far as Algeria is concerned, Russian cooperation is mainly military. In 2014, Algeria signed a \$1-billion arms deal with Russia, which made it the top buyer of Russian arms in the region.¹² In addition to this, in 2016, Algeria and Russia began sharing intelligence on terrorist groups' movements and announced a strengthening of their military cooperation.¹³ There is currently renewed cooperation in the energy sector, but due to the restrictive foreign investment laws in Algeria, it is difficult for Russia to get better energy deals. Finally, Morocco-Russia cooperation was stepped up in 2017 through the signing of 11 agreements in the agricultural, military and energy sectors.¹⁴

China

Chinese cooperation with the MENA countries has seen a significant increase in recent years, first and foremost in the energy sector, thanks to China's high energy demand. Secondly, with the implementation of its *One Belt One Road* (OBOR) initiative, China has endowed the New Silk Road Fund with \$40 billion and the Asian Infrastructure Investment Bank (AIIB) with \$100 billion to be invested in part-

⁷ EL-FIQI, Mona. "New industrial zones: Russia invests in Egypt," *Ahram Online*, 16 March 2018, <http://english.ahram.org.eg/NewsContent/3/12/292926/Business/Economy/Russia-invests-in-Egypt.aspx>.

⁸ *Ibidem*.

⁹ MARKEY, Patrick and TSVETKOVA, Maria. "Putin, Egypt's Sisi discuss restart of flights, sign nuclear deal," *Reuters*, 11 December 2017, www.reuters.com/article/us-egypt-russia/putin-egypts-sisi-discuss-restart-of-flights-sign-nuclear-deal-idUSKBN1E51BR.

¹⁰ Zawya Reuters, *Lebanon seeks boost in trade cooperation with Russia*, 21 April 2017, www.zawya.com/mena/en/story/Lebanon_seeks_boost_in_trade_cooperation_with_Russia-DS21042017_dsart-402700/

¹¹ FEUER, Sarah and BORSHCHEVSKAYA, Anna, *Russia Makes Inroads in North Africa*. The Washington Institute, 2 November 2017, www.washingtoninstitute.org/policy-analysis/view/russia-makes-inroads-in-north-africa; Tass, Russian News Agency. *Tunisia seeks strategic partnership with Russia*, 27 February 2018, <http://tass.com/society/991822>.

¹² BORSHCHEVSKAYA, Anna, "From Moscow to Marrakech: Russia is turning its eyes to Africa," *The Hill*, 21 September 2017, <http://thehill.com/opinion/international/351684-from-moscow-to-marrakech-russia-is-turning-to-africa>.

¹³ FEUER, Sarah and BORSHCHEVSKAYA, Anna, *Cit*.

¹⁴ EL MASAITI, Amira, "With 11 Agreements in One Day, Russia-Morocco Cooperation Is Blooming," *Morocco World News*, 11 October 2017, www.morocroworldnews.com/2017/10/230823/11-agreements-one-day-russia-morocco-cooperation-blooming/

ner countries.¹⁵ The importance of the OBOR initiative is noticeable in various bilateral agreements and deals that have increased trade opportunities and have led to cooperation in infrastructure projects with MENA countries. The recent MoU signed with Morocco, after the China-Morocco Economic Forum in Rabat in November 2017, with the aim of enhancing bilateral trade and investments, is a case in point. Another example is the contract signed in 2015 by a Chinese company for the building of the new multi-purpose terminal in the Alexandria Port (Egypt) and the fact that the China Railway Construction Corporation was participating in 2017 in the construction of a railway in Egypt.¹⁶ To complete the picture of China's cooperation vis-à-vis North Africa, in 2017 Tunisia signed three agreements with China with the aim of boosting bilateral trade cooperation. These agreements include plans for the construction of a \$65-billion shopping centre in Tunisia. Moreover, during the same year, Chinese tourists in the North African country reached 10,000, which is a good sign for the Tunisian economy.¹⁷ Another recently expanding sector of cooperation between China and Tunisia is technology. Tunisia will host the first overseas centre for China's BeiDou Navigation Satellite System, a pilot programme between China and the Tunisia-based Arab Information and Communication Technology Organization (AICTO), with the aim of promoting the global application of BeiDou.¹⁸ Algeria and Egypt represent cases in which Chinese cooperation has not always contributed to spurring socio-economic improvements despite high expectations and the fact that the agreements reached have certainly strengthened diplomatic and trade relations between China and North Africa. For example, the initial hopes that the major investments

made by Beijing in the Algerian economy would translate into a boost in job creation for the local population were frustrated by the fact that around 40,000 Chinese workers are currently present in the country.¹⁹ Similarly, Chinese investments in Egypt have increased by about 75% since 2016. This is the case, for example, of the investments made in the Suez Canal Economic Zone, which exceeded \$1 billion in 2017, with the prospect of creating 3,000 jobs in Egypt.²⁰ No clear indication exists, however, that this figure has materialized.

United States

The United States is hardly a newcomer to MENA and it has cultivated important relations with most of the countries in the region through various kinds of cooperation, such as defence, security, counterterrorism, trade, energy and development. Focusing on the last few years, the US Administration has experienced a backtracking in terms of its involvement in MENA with the election of President Donald Trump. Despite the initial protectionist stance, the US Administration has maintained an active role, especially in defence and military issues, in relation to most MENA countries. Nevertheless, some important exceptions have emerged with the cuts made in aid programmes. The case of Egypt is the most important one, in view of the \$100 million in military assistance withheld by the United States because of the lack of improvements in human rights and democracy.²¹ Nevertheless, multiple cooperation agreements in the fields of investment, education, health, agriculture and water worth \$12 million were signed in 2017 to raise incomes and job opportunities for farmers, with a special focus on the development of

¹⁵ DUSEK, Mirek and KAIROUZ, Maroun. *Is China pivoting towards the Middle East?*. World Economic Forum, 4 April 2017, www.weforum.org/agenda/2017/04/is-china-pivoting-towards-the-middle-east/.

¹⁶ BREUER, Julia. *Two Belts, One Road? The role of Africa in China's Belt & Road initiative*. Stiftung Asienhaus, Blickwechsel, July 2017, www.asienhaus.de/uploads/tx_news/Blickwechsel_OBOR-Afrika_01.pdf.

¹⁷ SOULI, Sarah. "Tunisia hopes boost in Chinese investment can ease economic woes," *Al-Monitor*, 19 March 2018, www.al-monitor.com/pulse/originals/2018/03/boost-china-investment-tunisia-europe-trade.html.

¹⁸ COZZENS, Tracy. "BeiDou inaugurates first overseas center in Tunisia," *Gps World*, 11 April 2018, <http://gpsworld.com/beidou-inaugurates-first-overseas-center-in-tunisia/>.

¹⁹ SOULI Sarah, *cit.*

²⁰ *Egypt Today*. "Egypt-China business cooperation gets stronger during 2017," 19 December 2017, www.egypttoday.com/Article/3/37511/Egypt-China-business-cooperation-gets-stronger-during-2017.

²¹ GAQUETTE, Nicole. "US, citing human rights, cuts some Egypt aid," *CNN*, 23 August 2017, <https://edition.cnn.com/2017/08/22/politics/us-egypt-aid-denied-democracy/index.html>.

Upper Egypt.²² This exemplifies one of the key aspects that differentiates US cooperation in MENA from that of Russia and China, namely the strong focus on development and the key role played by the US Agency for International Development (USAID) in a wide range of activities related to water, education, the economy, governance and environmental issues. In February 2018, a MoU was reached between Jordan and the United States in the framework of which Washington will provide \$1.275 billion per year in bilateral foreign assistance to Jordan over a five-year period to stimulate the country's economy, as envisaged in the Economic Stimulation Plan of 2018-2022.²³

Spurred by globalization and the will to prevent the mutual spillover of challenges to and from MENA, Russia, China and the United States are active on the regional chessboard with their cooperation initiatives targeting states first and foremost in the developmental, economic, social and cultural domains

The paragraphs above have shown that a host of players have stepped up their cooperation with MENA countries. Spurred by globalization and the will to prevent the mutual spillover of challenges to and from MENA, Russia, China and the United States are active on the regional chessboard with their cooperation initiatives targeting states first and foremost in the developmental, economic, social and cultural domains. These actions respond to the ultimate need to protect their own interests in the trade, energy and security sectors with little or no

consideration for the extent to which these initiatives empower the MENA states or, on the contrary, undermine them. In addition to these traditional sectors of cooperation, new areas such as technology, tourism and cultural exchanges are emerging with new possibilities for strengthening cooperation. Quite superficially, these forms of development cooperation are no different from what the EU and its Member States have been promoting in the region in the framework of the European Neighbourhood Policy's (ENP) revised partnership priorities for each country and bilateral relations. However, on closer inspection, it emerges that the EU has recently come to realize that these cooperation projects need to be implemented in a coordinated, holistic way, ensuring that they lead to fostering the resilience of states and societies.

State and Societal Resilience and the Role of the EU: Fostering the Capacity to Reform from within

Similarly to other players, the EU approaches MENA both as a priority for action and as a source of deep apprehension, as a result of the sheer amount of challenges emanating from the region. In response to this and to the perceived failure of previous cooperation frameworks and the EU's loss of leverage, the issuing of the EU Global Strategy (EUGS) in June 2016 has represented an important step in the efforts to refashion the EU's global role and vision. Its contents are a clear reflection of the times, the product of deep changes occurring at the international level as well as within the EU and its Member States.²⁴ The EU's 'soft power' instruments – most notably the legacy of EU enlargement and normative appeal, its values-based system, financial capabilities, emphasis on the rule of law and embrace of multilateralism – continue to represent the fundamental drivers for the EU's global role. The values of democracy, the rule of law and human rights are still present in the EUGS, yet the modalities for attaining these

²² Egyptian Street. *Investment Minister Signs 8 Economic Cooperation Agreements with USAID*, 28 September 2017, <https://egyptianstreets.com/2017/09/28/investment-minister-signs-8-economic-cooperation-agreements-with-usaid/>.

²³ SHARP, Jeremy. "Jordan: Background and U.S. Relations," *Congressional Research Service*, 16 February 2018, p.9, <https://fas.org/sgp/crs/mideast/RL33546.pdf>.

²⁴ TOCCI, Nathalie. *Framing the EU Global Strategy. A Stronger Europe in a Fragile World*. Palgrave Macmillan, Palgrave Studies in European Union Politics, 2017.

objectives have softened, in itself an acknowledgement of the changing times and the EU's declining influence.²⁵ Rather, the EUGS introduces the concept of 'resilience,' noting that "a resilient society featuring democracy, trust in institutions, and sustainable development lies at the heart of a resilient state."²⁶ In this respect, resilience is identified as an important intermediary step to enhance good governance and the rule of law, necessary conditions to allow for the ultimate attainment of participatory democracy.

Seeking to break free from what has been described as the EU's 'silo mentality' to allow for a more holistic and comprehensive pooling of EU resources and leverage from different sectors and fields is a necessary step to ensure increased synergies between various strands of EU policy

To advance such goals, the EUGS calls on EU policies to adopt targeted actions at both the state and societal levels, on the basis of the assumption that no state resilience can exist without societal resilience. Top priorities of the EU's new resilience agenda in MENA are the fight against corruption,

education, private sector development and energy transitions.

In seeking to foster resilience in MENA, the EU ultimately aims to support states and societies with the long-term goal of embarking on a locally-driven process of socio-economic and political reform towards greater forms of participatory representation based on the rule of law and a more equitable distribution of power and opportunities. It is in this context that resilience is defined by the EU as the "capacity of societies, communities and individuals to manage opportunities and risks in a peaceful and stable manner, and to build, maintain or restore livelihoods in the face of major pressures."²⁷ In that regard, there is no lack of ambition in the EUGS. Yet, perhaps the most important and potentially groundbreaking contribution contained in the Strategy is its effort to combat the excessive compartmentalization of EU policy and approaches. Seeking to break free from what has been described as the EU's 'silo mentality' to allow for a more holistic and comprehensive pooling of EU resources and leverage from different sectors and fields is a necessary step to ensure increased synergies between various strands of EU policy. Ultimately, such an effort reflects the understanding that effective responses to most contemporary challenges stemming from MENA can only result from a more integrated and united EU, as well as from the assessment of contemporary developments in the distribution of global power, which calls for a recalibration of the EU's foreign and security policy.

²⁵ See, for instance, "[t]he EU will foster the resilience of its democracies, and live up to the values that have inspired its creation and development. These include respect for and promotion of human rights, fundamental freedoms and the rule of law. They encompass justice, solidarity, equality, non-discrimination, pluralism, and respect for diversity. Living up consistently to our values internally will determine our external credibility and influence." See *Shared Vision, Common Action: A Stronger Europe A Global Strategy for the European Union's Foreign And Security Policy*, p. 15, http://eeas.europa.eu/archives/docs/top_stories/pdf/eugs_review_web.pdf.

²⁶ *Ibidem*, p. 23.

²⁷ Alternative definitions of resilience include the following: "the capacity of a state – in the face of significant pressures – to build, maintain or restore its core functions, and basic social and political cohesion, in a manner that ensures respect for democracy, rule of law, human and fundamental rights and fosters inclusive long-term security and progress." See European Commission – High Representative of the Union for Foreign Affairs and Security Policy, *A Strategic Approach to Resilience in the EU's external action, Joint Communication to the European Parliament and the Council*, Brussels, 7 June 2017 JOIN(2017) 21 final, p. 3, https://eeas.europa.eu/sites/eeas/files/join_2017_21_f1_communication_from_commission_to_inst_en_v7_p1_916039.pdf.