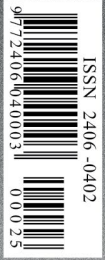


WINTER 2024 / ISSUE NO.25

\$ 12.00 | € 8.50 | 1000 RSD

HORIZONS

JOURNAL OF INTERNATIONAL RELATIONS
AND SUSTAINABLE DEVELOPMENT



THE AGE OF MINILATERALISM



*Navigating a
Fragmented World*



ADEBAJO • ANTIĆ • BYNG • CAO • CHILDS • CHIRAGOV • HAMIDI
KORTUNOV • MEGRE • QIANG • RIBEIRO • RÜHLE • WEI • ZHIYENBAYEV

THE MIDDLE EAST STANDS AT A FORK BETWEEN TWO FUTURES

Ibrahim Hamidi

THE terrible war on Gaza marks a pivotal juncture for the Middle East. The region is at a crossroads between a path leading to escalation, chaos, and regional war and a road that leads to lasting peace, stability, and prosperity.

For decades, the Middle East has been home to some of the world's most brutal and disruptive conflicts. Saddam Hussein's territorial invasion of Kuwait in 1990, civil wars in Syria, Libya, Yemen after the 'Arab Spring' in 2011 and Lebanon in 1976, and international terrorist groups like Al-Qaeda and the Islamic State (IS) all provoked large-scale military responses. The region has rarely known peace.

However, the region is also one in which many countries actively seek to engage with the world with an array of

investments and rapid economic development. Saudi Arabia, the UAE, and other member states of the Gulf Cooperation Council (GCC) have modernized and reformed their economies with long-term visions of promoting their national prosperity, with open-mindedness in their approach to traditional regional rivals such as Israel and Iran.

It would be easy to read the developments that have occurred in the region since October 7th, 2023, as necessarily driving the region back towards recrimination and confrontation. But the wider strategic picture has not changed for the Middle East's most important economic players—Saudi Arabia in particular.

The strategic motivations driving them to pursue economic and cultural

Ibrahim Hamidi is a journalist and expert commentator on Middle Eastern politics, currently serving as Editor-in-Chief of Al Majalla magazine. He previously served as head of the Lebanese Broadcasting Corporation office in Damascus and the Damascus bureau of daily newspaper Al-Hayat. You may follow him on X @ibrahimhamidi.



Palestinians look for survivors following an Israeli airstrike in the Gaza Strip on October 31st, 2023

Photo: Guiver Image

reform agendas still hold, despite the explosion in violence that we have seen in Israel and Gaza. The recent pause was an encouraging example of how the conflict could end. It will be a long and winding road, but such pauses create the time and space to reach agreement and allow for the continued development of a region seeking stability and prosperity.

TWO MIDDLE EASTS

A continuing conflict will take a huge humanitarian toll not just in Gaza, but across the region. Civil wars in Lebanon, Syria, and Libya have already caused incalculable

suffering, while territorial wars in Iran, Iraq, and Kuwait created great upheaval in the global order. International terrorist organizations like Al-Qaeda and IS marked a new era where non-state actors and paramilitary groups were as much of a threat as traditional states, leading to Western invasions in Afghanistan, Iraq, and Syria.

Even now, militias roam unimpeded, seeking to dismantle states and inflame the pre-existing conflicts. At the easternmost edge of the Mediterranean, the conflict over the territory in Israel and Palestine rumbles on.

Some 1,200 Israelis were killed when Hamas infiltrated settlements and clashed with the Israeli military before managing to kidnap Israelis and take them back into Gaza to hold as hostages. On its part, Israel has killed over 25,000 Palestinians and destroyed hospitals, schools, and bakeries in Gaza, while settlers in the West Bank shoot Palestinians dead and evict them from their homes.

At the same time, the Middle East is on an alternative path. Other states, predominantly in the Gulf, have forward-looking visions of the future built on pursuing regional stability, driving economic prosperity, modernization, and investment.

The GCC countries, particularly Saudi Arabia, the UAE, and Qatar, have implemented economic policies aimed at diversifying and modernizing their economies, attracting inward investment, and expanding their business interests worldwide.

Qatar successfully bade to host the 2022 football World Cup, a first for a region that has typically been behind Europe, South America, and Asia in its recognition at the highest levels of the sport. The UAE has made strategic

investments abroad, signing a significant partnership with the UK and investing in ports across Africa.

Perhaps most ambitiously of all, Saudi Arabia in 2016 launched its Vision 2030 program, promising economic development and diversification, investment and prosperity, and cultural and social modernization. In 2018, Crown Prince Mohammed bin Salman predicted: “the coming renaissance in the next 30 years will be in the Middle East.”

The program has seen radical changes in the country, with a sidelining of the Islamic conservative clerical establishment opening the way for social and cultural changes such as the legalization of women driving and the embrace of entertainment such as cinema and music. At the same time, the country is investing in sports and culture and has opened itself up to tourism, issuing visas, and embarking on ambitious campaigns showcasing its potential as a location for travel and leisure.

Massive building and development projects have put spades in the ground in creating brand-new cities such as

It would be easy to read the developments that have occurred in the region since October 7th, 2023, as necessarily driving the region back towards retribution and confrontation. But the wider strategic picture has not changed for the Middle East's most important economic players.

Some 1,200 Israelis were killed when Hamas infiltrated settlements and clashed with the Israeli military... On its part, Israel has killed over 25,000 Palestinians and destroyed hospitals, schools, and bakeries in Gaza.

The recognition that peace and stability in the region are crucial for the Middle East to reach its potential has led many states to seek to improve relations with Israel. The UAE, Bahrain, and Morocco made significant progress through the American-brokered Abraham Accords. This agreement normalized relations with Israel in return for American diplomatic concessions such as recognition of Morocco's claim over Western Sahara, as well as paving the way for greater economic ties and developments between signatories.

U.S.-SAUDI NEGOTIATIONS AND ISRAEL

Saudi Arabia also recognizes the importance of international agreements and regional cooperation in creating an environment that is most suitable for advancing its strategic political and diplomatic goals. A key tenet of this

NEOM, with radical architectural and civic designs promising convenience, renewable energy, and a new way of urban living.

Saudi Arabia is positioning itself as a leader in the region's economic growth, hosting the Future Investment Initiative each autumn, gathering the world's biggest financiers, investors, and businesses in Riyadh to make deals, and expanding regional economic growth. Saudi Arabia has just won its bid to host the World Expo in 2030 to showcase technological and climate change developments.

This economic activity is coupled with diplomatic steps forward to create a more stable Middle East, meeting states' national security interests and seeking to create a regional political environment that is most conducive to inward investment and lasting prosperity.

Saudi Arabia has resolved diplomatic disputes with Qatar and Turkey, resumed ties with Iran and has sought a resolution to the ongoing war in Yemen. Meanwhile, it has developed ties with powers outside the Middle East such as China and Russia, with Beijing sponsoring this year's rapprochement with

Iran. Seeking a role of greater regional leadership, Saudi Arabia has hosted many summits in the last two years, including convening a meeting between Arab leaders and China's President Xi Jinping in 2022, and holding talks this year in Jeddah in an attempt to move towards peaceful solutions to the wars in Ukraine and Sudan.

diplomatic activity has been its negotiations toward a general agreement with the United States.

The Biden administration, upon arrival in the White House, pursued a colder approach in its relations with Saudi Arabia than the Trump administration that preceded it. Military assistance for Riyadh's campaign in Yemen dried up, and intelligence cooperation diminished. However, after the Russian invasion of Ukraine and disruption in global energy markets, the United States sought to reassess its relationship with Saudi Arabia, leading President Biden to visit Riyadh in July 2022.

In the years leading up to the October 7th, 2023 attacks, it was understood that the United States and Saudi Arabia were undergoing negotiations around a possible defense treaty or formal alliance between the two states.

Washington sought to maintain Saudi Arabia as a reliable energy and diplomatic partner in the region in return for Saudi demands revolved around three main issues, all essential to pursuing the modernization and economic development drive that has been the focus of the Crown Prince.

Firstly, Saudi Arabia sought NATO-style security guarantees from the United States similar to those with other American allies such as South Korea and New Zealand. The Kingdom had believed that the presence of American military bases would safeguard its civilians and infrastructure, but attacks

from groups such as the Houthi rebels in recent years proved the need for more substantial formal guarantees.

Secondly, Riyadh is also seeking to develop a civilian nuclear program to help transition from dependency on oil

and gas. Motivated by national security concerns, Saudi Arabia wants to follow in the footsteps of other American allies and retain the right to produce enriched uranium in collaboration with the United States.

The final key part of the deal is the U.S.-Saudi cooperation in playing a more proactive role in working for a peaceful solution to the Israel-Palestine crisis. Saudi Arabia seeks a political solution to the question of Palestinian statehood and conflict with Israel, a two-state solution that forms the basis of general international consensus. To maintain such a resolution, Washington would expect Saudi Arabia to pursue normalization with

The recognition that peace and stability in the region are crucial for the Middle East to reach its potential has led many states to seek to improve relations with Israel.

Normalizing relations with Israel is a key to unlocking the other nuclear and security guarantees from the United States that will help Saudi Arabia to further improve its standing within the Middle East.

IRAN'S ROLE

Iran has been a source of much of the instability and conflict that the Middle East has seen in the decades since 1979 when Ayatollah Ruhollah Khomeini led a fundamentalist Shiite Islamist revolution. Tehran's foreign policy outlook has since been motivated

the other nuclear and security guarantees from the United States that will help Saudi Arabia to further improve its standing within the Middle East. A diplomatic thawing with Israel would make it stronger and better equipped compared to its primary rival, Iran.

by its ideological geopolitical opposition to the United States and Israel.

Through its 'axis of resistance' and under the direction of the Islamic Revolutionary Guard Corps (IRGC), Iran controls a network of groups, militias, political parties, and governments, all of whom are unified by their aversion to the United States and Israel. The IRGC, an armed loyalist group with its elite Quds Force wing, directs, trains, and funds actors driving instability across the region.

In Lebanon, Hezbollah is simultaneously the most influential political party in the country and the world's

Israel in exchange for its support in such an agreement.

Though all areas of a potential U.S.-Saudi deal are difficult, it is the latter that is the most complex. Saudi Arabia has supported the Palestinian cause since Israel's creation displaced 750,000 Palestinians from their land in 1948, and whilst it made many plans for peace between the Arab states and Israel, it has held a pro-Palestinian stance in international negotiations and summits ever since.

Saudi Arabia is also aware that its regional power status is unique in the Middle East. Its membership in the G20 and economic influence put it in a significant position on the world stage. And its role in safeguarding the two most holy sites in Islam provides it with a religious and geopolitical authority in the Muslim world which complements its potential function as a facilitator of other Arab countries' normalization with Israel.

To Saudi Arabia, therefore, a deal that includes normalization with Israel must recognize these attributes and enhance Riyadh's regional standing rather than serve to diminish it. Normalizing relations with Israel is a key to unlocking

best-armed non-state actor. It is responsible for the death of hundreds of American citizens, among others, as well as the assassination of former Lebanese Prime Minister, according to the United States. The paramilitary group is funded and trained by Iran and is widely understood to be acting for Iranian interests in the Levant.

Many American bases in Iraq and Syria are legacies of the international coalition against IS that saw the United States, the UK, and others from Arab countries, including Saudi Arabia, come together in a military campaign against the terrorist group. However, American facilities and convoys in Syria and Iraq have often been attacked by the Iran-backed Popular Mobilization Front (PMF) militias.

Iran supports the Houthi paramilitary rebels engaged in the civil war in Yemen and who have launched numerous attacks on Saudi Arabia, as well as attacking civilian and commercial shipping targets in the Red Sea, precipitating engagement from American warships.

And, of course, Iran has been a primary sponsor of Hamas for decades, providing weapons and funding for its ongoing campaign against Israeli citizens and forces. Although the October 7th attacks were a surprise to Tehran, the Quds Force led hundreds of Hamas fighters in training exercises just weeks before the attacks.

Despite this surprise, Iran is seeking to use the ongoing conflict and wider disruption to improve its position as a power within the region and to leverage a stronger negotiating position with the United States around issues such as nuclear proliferation and sanctions relief.

The reaction of Iran's other proxies to the attack has been notable. PMF and other militias have ramped up their attacks on American military bases in Iraq and Syria in the months since Hamas's escalation to the conflict yet have made sure to stay within the pre-existing 'rules of engagement,' avoiding causing excessive human or material damage.

Houthi forces have also increased their attacks, disrupting global shipping through the Red Sea and missile attacks on Israeli targets, and Hezbollah has stepped up strikes on Northern Israel.

However, Tehran has stopped short of ordering its network into a full-scale war. It is cognizant of American warships moving to the Mediterranean and the Gulf and is thus keeping Hezbollah's forces in reserve—should another opportunity arise for them to be deployed at a more strategically suitable stage.

The violence in Gaza and Israel and the fears of regional escalation underscore Iran's capacity to stoke wider disruption across the region. Saudi Arabia, with its

energy dominance as well as alternate regional influence and potential to act as a mediator following the re-opening of diplomatic relations with Iran in 2023, has thus become an increasingly important ally to the United States. It is in American and Israeli interests to keep channels of communication open between Saudi Arabia and the United States—both Washington and Tel Aviv can benefit from Saudi Arabia's tempering influence in the current conflict.

RESPONSE TO THE WAR

For decades, Saudi Arabia has supported a two-state solution, envisioning an independent Palestinian state existing alongside a sovereign Israel. This was at the heart of the Saudi-led Arab Peace Initiative agreed in Beirut in 2002 amidst the violence of the Second Intifada.

This called for an end to the conflict and Arab states' normalization with Israel in return for Israeli withdrawal from territories including Gaza and the West Bank, a just solution for Palestinian refugees and the establishment of a Palestinian state. The initiative has been re-adopted at several Arab League summits since its initial agreement, while the principle that Saudi Arabia will move toward normalization of relations with Israel in return for a political solution to the Palestine question still holds.

This principle has not changed following the recent escalation in the conflict. Instead, Saudi Arabia has stepped up its efforts to assert its role as an international leader and work for stability and peace in the conflict. It convened a summit of leaders from across the Arab and Muslim world in November 2023, coordinating a joint response to the crisis.

The violence in Gaza and Israel and the fears of regional escalation underscore Iran's capacity to stoke wider disruption across the region.

The agreement called for an end to hostilities between Israel and Hamas and a political solution premised on the territorial contiguity of a future Palestinian state.

However, the pragmatism of Arab states was a notable feature of the summit, displaying an understanding that there would be a need to continue to work with Israel.

Key states, including the UAE, Bahrain, and Morocco, rejected proposals to disrupt oil supplies and freeze diplomatic and economic contact with Israel. They also rejected calls from Iran to arm Palestinians and Syrian President Bashar al-Assad that no country in the Middle East should engage with Israel.

Alongside these efforts to show diplomatic leadership, Saudi Arabia and other Gulf countries have pressed on with pursuing a route towards economic development. Though the war has taken much of the world's attention, the Gulf states

are still following their prior trajectory, seeking economic development, peace, and prosperity.

The global COP28 summit hosted in Dubai went ahead as planned, for instance, despite fears of the Gaza conflict overshadowing the conference. Dealmaking and economic cooperation with the largest global businesses saw the UAE launch a \$30 billion investment fund with BlackRock, Brookfield, and TPG, focusing on backing climate projects across the world.

Saudi Arabia's Future Investment Initiative similarly continued at pace, with the event attracting investors and financiers such as Bridgewater, JP Morgan, and Citigroup, as well as major cultural and sporting institutions such as FIFA, all drawn by Saudi Arabia's potential and ambitious transformation plans. Similarly, in early December 2023, Saudi Arabia unveiled plans to transform Riyadh into one of the world's most sustainable cities through a \$92 billion investment plan ahead of the Expo 2030 event.

Another flagship example of Gulf states' drive for diplomatic and economic progress, the India-Middle East-Europe Economic Corridor, is continuing despite the conflict. The

planned trade route was agreed at the G20 in September 2023. It would link India, the Gulf, and Europe through a combination of rail and shipping networks, including rail links between UAE, Saudi Arabia, and Israel.

Despite the dramatic escalation in Gaza just weeks after the announcement of the

corridor, Saudi Arabia has reaffirmed its commitment to the principles behind the initiative. The parties' commitment to the continuation of a project set to bind these countries closer together in diplomatic and economic terms demonstrates their understanding that the future will require closer cooperation between them.

What happened on October 7th, 2023, was not the onset of a new war, but instead the continuation of a conflict that has been active for many years with cycles of more fighting and bloodshed followed by calm and relative stability.

THE WAY FORWARD

The recent deal to agree a ceasefire and release hostages—though short-lived—signals the likely future of the war in Israel and Gaza. What happened on October 7th, 2023, was not the onset of a new war, but instead the continuation of a conflict that has been active for many years with cycles of more fighting and bloodshed followed by calm and relative stability.

Over the coming months and years, we will see a similar progression to the

conflict. While Israel states that it wants to eradicate Hamas, this is an extremely complex military challenge within Gaza, and Israel has already shown it is willing to negotiate with Hamas if necessary. It has not embarked on a total war of destruction. International pressure over humanitarian losses in Gaza and domestic Israeli pressure to secure the release of hostages will lead to further ceasefire agreements and hostage releases.

Each pause will buy more space and time for international collaboration and diplomatic efforts to resolve the crisis. The overall strategic picture for other countries and allies in the region, such as the United States and Saudi Arabia, has not gone away.

The United States still desires the region to be at peace with Israel and to keep Iran in check. At the same time, Saudi Arabia wants to assert its regional leadership whilst continuing a trajectory toward cultural modernization and economic prosperity.

A potential U.S.-Saudi deal and the crucial elements regarding Israeli normalization and a Palestine peace process still make as much strategic sense for each party as it has over the

last few years. Saudi Arabia still desires America's security guarantees within an unstable region, the economic benefits of a civilian nuclear program, and the regional diplomatic benefits that would come with brokering a political solution in Palestine.

The normalization of relations with Israel inherent in any future peace process would not be seen solely in Riyadh as a cost to bear but as an opportunity to attract further international investment into Saudi Arabia and as an important way of opening up new and profitable trade routes, all while cementing Saudi Arabia's position within the Middle East's regional power balance.

The war in Gaza has naturally set back the peace process and opportunities for regional unity. It has delayed the prospect of any long-lasting agreements, reconciliation, and normalization. Yet, it has not prevented it.

The war in Gaza has naturally set back the peace process and opportunities for regional unity. It has delayed the prospect of any long-lasting agreements, reconciliation, and normalization. Yet, it has not prevented it. At this critical juncture for the Middle East, there is room for optimism that we will see peace triumph over humanitarian catastrophe, development and investment over state collapse, and regional cooperation over more conflict. The current moment presents an opportunity, and all parties should work to seize it. ●