

Written Evidence submitted by Tony Blair Institute for Global Change (MENA0028)

TONY BLAIR INSTITUTE FOR GLOBAL CHANGE

1. The following submission represents the views of experts in the Geopolitics Team of the Tony Blair Institute for Global Change (TBI). It brings together the insight of internal experts on the Middle East, wider geopolitics, international security, cyber policy and global political leadership on foreign affairs. It also draws on long-standing engagement with external experts, policymakers and other stakeholders.

EXECUTIVE SUMMARY

2. As the UK sets out a new global role, the Middle East should be a top priority. An economic growth region with a young and dynamic population, the UK has deep roots from which to conceive a substantive Middle East engagement strategy based on its strengths. As well as accelerating opportunities, the UK should recognise that it has a continuing role to play in addressing structural and geopolitical challenges in the region.

Leveraging Britain's Strengths to Address the Region's Challenges

3. The UK needs a credible, substantive and consistent focus on the Middle East grounded in its strengths. With greater favorability in the region than is often recognized, the UK should leverage its strengths to invest in the region. The UK should centre its engagements around key UK strengths and exports when it comes to education; the cultural and social, such as via the British Council and the British Broadcasting Corporation; innovation and skills; and rule of law.
4. As one of the region's most affected by climate change, the UK should work with Middle East partners to develop and diffuse new technologies, support a sustainable economy inclusive of women and encourage research partnerships in green growth sectors.
5. The UK should work to address key grievances driving instability, especially the frustrations of youth. The UK should invest in programming for young leaders, including facilitating study in and visits to Britain which could take the form of a Commonwealth or Marshall Scholars-type programme dedicated to Middle East youth.

A Focused UK approach to the Middle East

6. The UK should take an institutional approach to deepening engagement with the region, with a view to strengthening institutions which can outlast political change.

7. In more prosperous and stable partner countries, the UK should work to accelerate trade agreement negotiations and open its markets and research institutions in support of economic diversification agendas and the green transition in the Middle East.
8. In more fragile contexts, the UK engagement should go beyond maintaining support for counterterrorism and/or engagement, the natural resource sectors, and standard education with a renewed focus on forward-thinking education, skills development and innovative sectors.

A Joined-Up Approach to Iran

9. The UK and Western allies need an updated and coordinated policy on Iran's nuclear ambitions, inclusive of other countries in the Middle East, with an eye to establishing long-term trust toward and resolving wider regional concerns.
10. The UK should work with its allies to find ways to alleviate economic burdens on ordinary Iranians and invest in Iran's vibrant and entrepreneurial population.

Managing PMCs & Combatting Terrorism

11. The UK should work with allies to consider the structure and implementation of existing international frameworks for managing PMCs, such as the international Convention against the Recruitment, Use, Financing and Training of Mercenaries of 1989.
12. The UK and its allies should work to alleviate deprivation in fragile contexts, such as in Syria, where economic grievances offer fertile ground for terrorist groups such as ISIS. It should find ways to spare average Syrians the hardships of sanctions targeting regimes such as Syria's.

Enhancing Engagement in a Competitive Region

13. To contest Russian and Chinese soft power narratives, the UK should cooperate with the US, France, Germany and other partners to reassert the West's commitment to the region and expand its cultural programming.
14. The UK, US and EU should consider a new platform for engagement with Turkey, including a new economic framework for increasing investment in Turkey.

15. The UK should support regionally led initiatives for conflict resolution and to enhance cooperation and dialogue between like-minded states, whilst pushing for continued inclusivity in current pacts and dialogue between and within states with varied outlooks and challenges.

RESPONSE TO INQUIRY

What are the key challenges facing the countries of the Middle East and North Africa in the medium and long term and what implications do these have for UK foreign policy?

16. Climate change is an immediate challenge for the Middle East. Temperatures are well above the global average, with some predicting that the region will warm by 4 degrees by 2050. Coupled with a rising population, particularly youth people climate change is inducing a large-scale movement of people to cities. As a 'force-multiplier' climate change is exacerbating existing grievances and is driving protests and wider societal disenfranchisement. These trends are also influencing migration abroad, including to Europe.¹
17. Many countries in the Middle East suffer from chronic and institutionalised corruption, in both government and non-government sectors. In countries where corruption is sanctioned like Iraq, Lebanon, Syria, Libya and others, elites have shifted focus away from formal government roles.² Many sectors lack decision-making transparency, and a reliance on connections and nepotism (wasta) remains high. In Iran, the Islamic Revolutionary Guard Corps (IRGC) and other para-state entities have used predatory sanctions-busting strategies to ensure their economic survival, while crowding out the private sector. Corruption is often cited as a key concern for Middle East publics and without meaningful reforms, the region is likely to see more protests and unrest.³
18. Political instability across the region is motivated by limited economic opportunities, corruption, sectarianism, increasing authoritarianism and climate change. The Middle

¹ Iraq's summer heatwaves are getting worse and 25% of its freshwater could be lost in the next decade. The Middle East is home to 12 of the world's 17 most "water stressed countries" according to the World Resources Institute. By 2050, it could witness a 50% reduction in water availability per capita. Saudi Arabia could see an 88% increase in agricultural droughts by the same year. The cost of water in Jordan has increased by 30% over the past decade. The World Bank estimates that climate-related water scarcity will cost Middle East nations between 6% and 14% of their GDP by 2050. For Lebanon,, climate change could lead to a 14% decline in Lebanon's GDP by 2040

² Cabinet ministers, who are now by design independent and technocratic are weaker, while other institutional mechanisms for corruption have emerged, such as civil servants or advisors who infiltrate government ministries and agencies without any transparency or accountability.

³ The case of Lebanon has clearly illustrated that appeasing elites does not deliver stability, and countries such as Iraq and Libya could potentially face a similar fate if efforts are not made to address corruption.

East is characterised by economically prosperous and largely politically stable states, primarily the Arabian Gulf states and Israel.⁴ Less economically prosperous and politically fragile states such as Syria, Yemen and Lebanon have suffered from conflict and political instability for years. People in countries like Tunisia and Egypt have few economic opportunities and political instability is possible. Countries such as Iraq, with the right institutional support and leadership, can become examples for the rest of the region. Prosperous states are rightly prioritising regional diplomacy and economic reforms as critical approaches to ensure stability in the region. Recent diplomatic rapprochements between Israel and its Arab neighbours, Turkey and the Gulf states, Iran and Saudi Arabia have been welcomed by observers. However, increased diplomatic engagement is unlikely to be enough to forestall possible social unrest and political instability given the frustrations which spurred the 2011 Arab Uprisings remain.⁵ Furthermore, the relative calm in Libya, Syria, Yemen, Tunisia, Egypt and Iraq is fragile. Civil society leadership in many fragile states are silently anxious and desirous of a new political model for government/governance with little prospect of this emerging.⁶

Recommendations

19. The UK's approach to the Middle East should be grounded in its strengths and it should continue to build credibility as a trusted diplomatic actor. Tony Blair Institute polling in 2022 found that 67 percent of people polled in Saudi Arabia, Iraq, Egypt, Lebanon and Tunisia view the UK favourably. The UK is viewed as having particular strengths in many sectors and should accelerate its engagement based on these strengths.⁷ With the UK having returned to the Horizon Europe programme, it should work with Europe to underpin an ambitious platform for UK-Europe-Middle East research and innovation collaboration.

⁴ These states constitute 14% of the region's population but 60% of its GDP, 73% of goods exports, and 75% of inward FDI.

⁵ Diplomatic outreach has many benefits, but it has also temporarily frozen rather than resolved long-standing defining issues in the region such as countering Iran's nuclear program, which is fundamental to regional stability and the Israeli-Palestinian conflict.

⁶ Since the Arab uprisings of 2011 across the region, protests have increased rather than decreased around the region. Countries such as Lebanon, Algeria, Iraq and Israel, and the occupied Palestinian territories experiencing their largest protest movements to date over the last decade, led by their progressive and majority youth populations. Across the region, both progressive and regressive forces are vying for influence amid an ever-growing list of short-term grievances that must be addressed. Regressive forces operating in Iraq and Lebanon for example, are not limited to the dominant Iran-linked Shia Islamist ruling parties. An urgent need for change has allowed populist figures to play central roles in government-formation processes in recent years in countries such as Iraq, Lebanon, Tunisia, Israel and many more. They have positioned themselves as viable opposition to the status quo. Their electoral advances highlight the pull of populism in the Middle East. Many of these populist figures understand the escalating divides in their countries, not least those between majority young progressive modernisers and their respective governments.

⁷ Engagement should emphasize strength sectors such as: Education, the NHS and health services, transport and infrastructure, human rights and law, military training and counterintelligence support, the management of historical sites, archives and cultural output, as well as technology and innovation.

20. The UK has a role to play in supporting the Middle East to mitigate climate change and support sustainable growth. The UK should continue to work with Middle East states to develop and diffuse new technologies addressing water and food insecurity; support the transition to renewable energy sectors and encourage research partnerships with renewable energy companies and research facilities. The UK should work with Middle East governments to increase access for climate finance, especially for women. The UK can provide effective support when it comes to the management of the Euphrates and Tigris rivers to mitigate further instability.
21. The UK should prioritize the legitimate grievances of MENA citizens, rather than helping entrench elites to help maintain 'stability'. To support young people in the Middle East and mitigate the potential for political instability, the UK should invest in programming for young leaders. Greater support for study in the UK or shorter-term experiential visits to Britain could take the form of a Commonwealth or Marshall Scholars programme dedicated to Middle East youth.

What are the main countries in which the UK should focus its efforts within the region?

22. Many in the West have an outdated perception of the Middle East.⁸ Today, the region is majority young, largely progressive, and overwhelmingly globalised and 2022 TBI regional polling reveals widespread support for modernization reforms in countries such as Saudi Arabia; an overwhelming majority reject politicised religious movements and favour pragmatic governments focused on job creation, reform of religious institutions and better public services.
23. There is a regional divide between economically prosperous and politically stable countries and fragile states.⁹ Last year, Britain began negotiations for a free trade deal with the GCC. Its members together constitute the UK's seventh largest export market and demand for British goods and services is expected to soar to almost £1tn by 2035. There is significant regional investment in the UK, including the UAE pledging £10 billion of investments in strategic sectors like renewables and Bahrain recently committing £1 billion. UK-Turkey trade is also critical, with trade hitting nearly £24bn last year as the two countries undertake negotiations for a new free trade deal.
24. In less economically prosperous countries such as Syria, and in North Africa as well as wealthier but politically complex countries like Iraq, the UK should help with efforts that offer stability, as historically these areas when destabilised pose significant issues for the rest of the region and beyond. Partly as a result of high-level political disagreements and unaddressed structural challenges in Iraq, since 2017 there has been a steady rise in

⁸ 2022 polling commissioned by the Tony Blair Institute found a majority of people in the UK tend to view the Middle East as backward looking, will always be in conflict and where progress is doubtful.

⁹ Cross-border trade between the Middle East and the UK increased in 2022, with the largest UK-listed PLC revenue contribution coming from the region, up 15 percent, and revenues increasingly coming from non-oil sectors.

Iraqi and in particular Iraqi Kurdish irregular migration to the UK. The top nationalities for irregular migration to the UK include Iran and Iraq, many of whom are Kurdish, as well as Syria and Afghanistan.

25. In Syria, the Assad regime has retaken control of the majority of the country and Arab states are normalising their relations with Syria. The latter effort can be understood in the context of drug proliferation, especially the CAPTAGON trade, and not an indication of overarching support for the regime. Sanctions regimes need to be more targeted in order to ensure better results. Leaders such as Bashar al-Assad are more likely to respond to more selective sanctions instruments that harm pivotal constituencies in their ruling coalition, including managers of state enterprises, the military, and other allied groups.¹⁰

Recommendations

26. Due to recent domestic political dynamics, the UK is seen to be less focused on the Middle East. The UK needs a credible, substantive and consistent focus on the Middle East grounded in its strengths. The UK should uphold its commitment to maintain a strong naval presence in the region, as well as build on its security relationships to increase avenues for trade. In light of ambitious reform agendas, the UK should strengthen its relationships with the Gulf States, making sure to include smaller but long-standing allies and important strategic partners such as Bahrain, Kuwait, and Oman, through accelerating trade agreement negotiations and opening its markets and research institutions in support of economic diversification agendas and the green transition.
27. Stability in the Middle East should continue to be a focus for the UK and must go beyond counterterrorism and security and include enhanced institutional economic engagement to address the deep-rooted grievances that offer a fertile ground for terrorism. Economic engagement should expand beyond fossil fuels and the oil economy and focus on education, skills, the creation of opportunities and a strong private sector.
28. In Iraq, the UK can help address high-level political disagreements through encouraging Iraqi parties to strengthen their internal relations, this is especially the case both within the KRI and with respect to the KRI-Baghdad relationship. Iraq's readiness to mediate regional and international conflicts should be recognised and can grow if stability is guaranteed, as evidenced by the normalisation process between Iran and Saudi Arabia.

¹⁰ Comprehensive trade sanctions are not always effective and may prove counterproductive as they buttress the state through eroding the private sector, harm the middle class and redistribute income to a small but influential section of the elite. Sanctions against a ruling regime such as the one in Syria should be more sophisticated in targeting the ruling coalition and its allies.

- In Syria, the UK needs to go beyond the hard-edge of sanctions and aspire to alleviate economic burdens on ordinary citizens and build sanctions regimes which alleviate the burden on ordinary Syrians and rather target individuals linked to regime. In unstable contexts more broadly the UK should capitalise on its relations with other Arab League members, primarily in the GCC the UK should work to cooperate on aid and humanitarian assistance, coupled with a long-term plan for the future of Syria.

How can the UK work with its allies to curb Iran's nuclear programme and deter Iran from supporting terrorist groups and other hostile actions in the region?

29. Iran's suspected nuclear weaponization is becoming more pressing. If its nuclear programme proceeds unchecked, it is likely kick off a nuclear arms race in the region. Iran will not benefit from possessing nuclear arms. However, it uses the threat of having such arms as a significant bargaining chip in negotiations with the West, and to provide support to its proxies in the region.
30. Both the first Joint Comprehensive Plan of Action (JCPOA) and 'maximum pressure' campaigns have failed to curtail Iran's malign behaviour. Mistrust of the West is significant in shaping the official Iranian attitude towards the outside world and any negotiations process. Any meaningful foreign policy approach to Iran, out of which actionable items can be produced and acted upon, require the inclusion and involvement of other countries in the region, particularly those with diplomatic relations with the Islamic Republic.
31. The proliferation of Iranian- backed non-state actors, especially through the Islamic Revolutionary Guards Corps (IRGC) has concerned most governments in the region. Countries in the region can play an important role in helping the US balance against Iran and IRGC-related activity. The new KSA-Iran deal may suggest that some countries are attempting diplomatic engagement to curtail Iran's regional activity, and tackle issues of long-term mistrust. These efforts will require time and commitment from Western partners to support a more coordinated approach.
32. Part of the IRGC's current mandate is to support militant groups across the Middle East, such as Hezbollah in Lebanon and Iraq's Asaib Ahl al-Haq. The IRGC also provides financial resources which can be used in social welfare schemes in these countries. The IRGC appeals to its proxies by ensuring it can provide security, including through the threat of nuclear weapon acquisition. Any new framework with Iran should address both its nuclear ambitions as well as its support for proxy groups.
33. The Iranian regime's domestic violations of human rights must not be disregarded or given secondary importance in engagement with Iran. Protests which began in 2022

have shed light on women's and minority rights, as well as corruption and economic challenges. However, the clerical regime maintains low levels of support among segments of the population, including the poor, lower middle class, rural and those with a conservative outlook. Broadly, TBI commissioned polling suggests support for the regime is around 10%, with anti-regime sentiment almost equal across demographics.

Recommendations

34. Western governments need to form a coherent policy on how to address Iran's nuclear programme and activity in the region that is inclusive of a variety of regional concerns in the Middle East. The role of the UK and EU is important, especially countries in the European Union, such as France, which can play a neutral broker role.
35. Efforts by the US and Europe to address concerns over the Iranian nuclear programme should be contextualized within the broader regional security dynamics. If the ultimate objective is to ensure a secure and stable Middle East, regional allies will need to be reassured that Iran's other destabilizing activities will not go unaddressed as part of any process of engagement.
36. Many Iranians have economic and social grievances, but not a political ideology to replace the current ruling one. An internal process of evolution/reform has to be encouraged. An investment in a vibrant Iranian society free from harsh punishment and sanctions can help reform the regime, even overhaul it completely if it fails to sufficiently reform itself.

To what extent are terrorism and malign Private Military Companies affecting stability in the region?

37. The serious terrorist challenge currently lies in Iraq and Syria where ISIS has a strong sleeper cell presence — particularly in Syria's northeast and southeastern desert as well as Iraq's northwest. Although currently defeated, the caliphate remains present and led by the fifth 'caliph', Abu Hafs al-Hashimi al-Quraishi. ISIS has recently stepped up its hit-and-run operations, especially in Syria, witnessing a car bombing in the Sayyada Zeinab area in Damascus despite Iranian, Iraqi militias, and Syrian government security measures in the area. ISIS has opted, so far, not to establish a permanent presence. However, these operations could be aimed long-term at establishing a permanent presence in certain outlying, and difficult to reach/operate in areas.
38. ISIS continues to heavily invest in soft-power and narrative strategies. These narratives are grounded in religious and historical intricacies related to the terrorist movement's eschatological vision with which many extremist Muslim believers worldwide identify. The essence of this vision is the special religious merit— grounded in selected Islamic

narratives— in the emergence of the caliphate in this region (northeastern Syria and northwestern Iraq). Any success in holding territory by ISIS and reclaiming the caliphate as a public institutional entity would attract many to this region.

Recommendations

39. The Syrian Democratic Forces (SDF), operating within the Autonomous Administration of North and East Syria (AANES) is proving effective, with US military help, in preventing terrorist organizations from taking root in much of the northeast. The UK should continue to support these operations and oppose incoherent efforts by Iran, Turkey, Russia and the Syrian government to dismantle both the SDF and AANES in the name of Syrian sovereignty. These efforts if unresisted will likely translate into a quick revival for ISIS.
40. Efforts to tackle ISIS should include addressing the socio-economic deprivation most Syrians face and call for the reconsideration of non-targeted sanctions, such as the US's Caesar law of 2019. Similar approaches in Iraq in the 1990s led to increased poverty, anti-Western sentiments, and the incubation of violent Islamism.

How should the UK respond to the growing engagement of major powers like Russia, China, Turkey and India in the region?

41. China and Russia have significantly accelerated their involvement in the Middle East over the last decade. Russia's most enduring security presence has been in Syria, where it had deployed as many 63,000 troops, including through the Wagner Group. The bilateral relationship with Iran has significantly deepened following Russia's invasion of Ukraine, including through Iran's provision of combat drones (ADD). Russia's interests in the Gulf have also increased, with Russia's arms exports to the GCC rising from \$48 million in 2015 to \$331 million in 2020.
42. China's engagement in the Middle East has long been commercial, but its diplomatic engagement has become much more pronounced. China has Strategic or Comprehensive and innovation partnerships with virtually every country in the region. Its multilateral engagement is facilitated through regular forums, such as the Middle East Security Forum and the China-Arab States Cooperation Forum (CASCF). China has pledged more than \$23 billion in the form of loans, aid and investments for Jordan, Lebanon, Syria and Yemen. Nearly all countries are members of China's One Belt, One Road (BRI) initiative, receiving 28.5 per cent of the initiative's funding – more than any other region. It's diplomatic engagement and economic involvement resulted in Beijing brokering a landmark normalisation of relations between Saudi Arabia and Iran in Spring 2023.
43. Turkey is geographically pivotal to the region as it connects Europe with not only the Middle East region but with the entire wider Asian continent. Recent decisions,

including agreeing to Sweden's accession to NATO, suggest a willingness for greater alignment with the West whilst simultaneously expanding and strengthening non-Western alliances given what it sees as an evolving world order. Turkish domestic and foreign policy are intimately connected, particular in the context of the Kurdish issue. One motivation for Turkey's engagement with Russia is the unresolved Kurdish issue in Turkey, Syria, and Iraq. Resolving the Kurdish issue will strengthen Turkey's foreign policy and relations with global powers, as well as alleviate security compromising issues in neighbouring Iraq and Syria.

Recommendations

44. In addition to investing in the Middle East emerging innovative sectors and supporting diversification, the UK should cooperate with the US, France, Germany and other European and regional partners to reassert the West's commitment to the region and expand its cultural programming. The UK's approach should aim to posture itself as a balanced diplomatic actor, particularly in areas where it is already perceived favorably. This can be done in close coordination with and by matching European partners for example, France, which was the primary non-Western country present at the Baghdad Summit in August 2021. With a measure of independence and having retained its historic relations, France is supporting diversification through solar and wind energy interests and is leveraging its soft power, such as through the Louvre in the UAE and via UNESCO. It's soft power and hard power engagements often complement one another.
45. With regard to Turkey in particular, Western leaders should consider a new platform for engagement. This could include a new economic framework for increasing investment in Turkey on the part of the US, UK and Europe in a model similar to the US's Indo Pacific Economic Framework.
46. The UK should encourage Turkey to address its Kurdish issue via negotiations. The UK should work with France, Iraq and other regional partners to support this process.

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