

PERSPECTIVES

IS A “NEW MIDDLE EAST” POSSIBLE?

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Is a “New Middle East” possible?

Martin Indyk*

The following is an edited version of a speech delivered by Ambassador Martin Indyk on 23 August 2006 at the Sydney Conservatorium of Music as a part of the Lowy Institute’s Distinguished Speaker Series.

The question I have been asked to answer tonight is whether a “New Middle East” is possible? The question itself was occasioned by US Secretary of State Condoleezza Rice’s statement at the beginning of this latest Israeli-Lebanese war in which she said that what we were witnessing was the “birth pangs of a New Middle East”. The sounds of derisive laughter could be heard around the world, for what people were witnessing on their television screens looked to them awfully like the Old Middle East in which Hezbollah terrorists with their rockets and the Israeli Air Force with its F16s were facing off in another round of bloody, terrible violence. Indeed, the New Middle East looked so much like the Old Middle East that at the end of this round the President of Syria could stand up and declare that indeed a New Middle East was being born. However, he argued that what was “new” about it was the fact that the Arabs demonstrated that force rather than peace negotiations was the way to deal with Israel. Obviously the answer to whether a New Middle East is possible therefore depends on your definition. Bashar al-Assad and Condoleezza Rice can’t both be right.

In fact, the first person to introduce the concept of a New Middle East was not the Secretary of State nor the President of Syria but rather the then Foreign Minister of Israel, Shimon Peres. Some of you may recall the Oslo Accords that were signed on the White House lawn on September 13th, 1993, when Yassar Arafat and Yitzhak Rabin shook hands and swore to end the Israeli-Palestinian Conflict. After that event, Peres published a book called *The New Middle East*. He wrote that the Israeli-Palestinian Peace Agreements that had been signed then should usher in a new era in this troubled region in which comprehensive peace agreements could be negotiated with all of Israel’s neighbours, the borders of hostility could be torn down, a new age of comity between Israel and its Arab neighbours would prevail, and as a consequence a new economically integrated Middle East could emerge. In Peres’ vision, roads would connect Egypt to the Gulf Arab states across Israel and Jordan, a canal would

bring water from the Red Sea to rejuvenate the Dead Sea, launching economic projects along its way, desalination plants would solve the water problems of the Middle East, desertification projects would turn arid lands into forests, there would be computers in every classroom, Gaza would become the Singapore of the Middle East and, this was a particularly appreciated one in the Arab world, Israel would become a member of the Arab League!

President Clinton bought into much of this vision and invested eight years of his Presidency in trying to use peacemaking as the vehicle of transformation in the Middle East. For a while there it actually looked possible. Three agreements were struck between Israel and the Palestinians, providing for Yassar Arafat to establish his rule first in Gaza and Jericho and then in much of the West Bank. An Israeli-Jordanian Peace Treaty was signed in 1994. Israeli-Syrian negotiations were conducted for seven years, in which four Israeli Prime Ministers offered full withdrawal from the Golan Heights in exchange for peace and normalisation with Syria. And, in fulfilment of much of Shimon Peres' vision, the business leaders of the Middle East, some 3,000 of them, met first in Casablanca, then in Amman, Doha and Cairo, to try to do business together. Israeli and Arab businessmen could be heard there discussing the very projects that Shimon Peres had conjured up. For one bright moment it looked actually as if a New Middle East could really emerge. But the dream of peace came crashing down in 2000.

First of all, President Clinton delivered a detailed offer of peace with full withdrawal from the Golan, from Ehud Barak, the Prime Minister of Israel, to Hafez al-Assad, the President of Syria, in Geneva in April of 2000. Unfortunately, President al-Assad said "no" because of a 50 metre strip along the northeast section of the Sea of Galilee. Then, at Camp David, in July 2000, Yassar Arafat said no to an Israeli offer of withdrawal from the West Bank and Gaza and Arab east Jerusalem. Then again at the end of the Clinton Administration in December of 2000, Arafat said no to an improved offer in which President Clinton and Prime Minister Barak offered him 95 to 97 per cent of the West Bank, with territorial compensation for the rest, and all of Gaza. The Palestinians would have had an independent state that would have east Jerusalem as its capital with sovereignty for the Palestinians over the Haram al-Sharif, also known as the Temple Mount. Arafat said "no" to that too and instead the Intifada that had broken out raged for five years. Horrendous violence and terrorism was the result, with some 5,000 Palestinians and 1,000 Israelis killed. Instead of peace leading to a New Middle East, the region was dragged back into its old ways.

By the way, Hezbollah had a big role to play in that process of disintegration and destruction of the edifice of peace that had been painstakingly built up in the previous eight years. After

the failure of the effort to make an Israeli-Syrian peace deal in April of 2000, Ehud Barak decided to pull the Israeli Army out of Lebanon unilaterally. Hezbollah claimed that it had achieved a great victory and wasted no time pointing out to the Palestinians that force rather than negotiations was the only way to deal with Israel. That had a powerful impact on the debate that was raging at the time within Fatah, the Palestinian ruling party, which decided to launch the Intifada rather than work with the offer of peace that Clinton and Barak put on the table at Camp David.

Then on September 11, 2001, the Old Middle East came calling in a very vicious way. Those disaffected extremists who had failed in their efforts at overthrow and assassination in the Arab world decided to attack the United States at its most symbolic points. They targetted the agent of peaceful transformation that had become so threatening to the order that those Islamic extremists sought to achieve. Their order was one in which the Middle East reverted to its violent tribal fundamentalist roots. It was to be an order in which an Islamic caliphate would be established throughout the Middle East, in which there would be no Israel, let alone an Israel existing at peace with its Arab neighbours.

As a consequence, a new American President, George W. Bush, chose another way. He too identified a basic sickness at the heart of the Arab order, but instead of treating it through diplomacy and peacemaking, he chose a different engine for transformation – war-making, regime change and the ideology of democratisation. Bush believed that would provide a more effective vehicle for creating a new order than the failed efforts to achieve peace. George Bush's New Middle East was to be one in which freedom reigned, where democratically elected governments would replace the authoritarian and dictatorial leaders of the Old Middle East who had failed to meet the basic needs of their people. These new democratic governments would now be accountable to their people and therefore would have to meet their needs. Peace, Bush argued, would follow from democratisation, since democracies did not make war on each other.

For one bright moment it too looked possible. Brutal and ruthless regimes in Afghanistan and Iraq were toppled and replaced by democratically elected governments. We all remember the purple thumbs. Yassar Arafat died and was replaced by a democratically elected Palestinian president – Mahmoud Abbas – who committed himself to democracy and peace and an end to Palestinian terrorism. Syria was forced out of Lebanon by a million Lebanese who came out into the streets to demand the liberation of their country; and that was followed by democratic elections in Lebanon. Hosni Mubarak, the pharaoh of Egypt, for the first time in 3,000 years opened Egypt's political space to opposition candidates and allowed them to run against him

in the presidential elections there. Of course, he locked one of them up afterwards but that is something I will get back to in a moment. Young kings in Jordan and Morocco embarked on ambitious programs of economic and political reform. The Kuwaiti parliament voted to enfranchise women. Even Saudi Arabia's Crown Prince Abdullah, who subsequently became King, announced municipal elections in a country that had never had elections before.

However, this dream too is now coming crashing down. Bush's war-making engine ran out of gas in Iraq, where sectarian violence is now leading to civil war. And as the enterprise bogged down there, it had a negative impact on the process of transformation everywhere else in the region. In Iraq, Lebanon and the Palestinian Authority, elections were indeed held, but we witnessed the phenomenon of anti-democratic forces taking power. Those forces came into power with their militias or terrorist cadres intact, thereby violating a fundamental principle of democracy – that there should be a monopoly on the means of force in the hands of the democratically elected government. The consequences of political parties with militias moving into government in Iraq is there for all to see with the police in some places, interior ministry forces in others, and militias of the ruling parties elsewhere, reaping havoc through escalating sectarian warfare.

In Lebanon, after the people demanded the withdrawal of 15,000 Syrian troops, the requirement of UN Security Council Resolution 1559 for the disarmament of Hezbollah was then ignored by the United States and France, the patrons of the democratic revolution in Lebanon. Hezbollah then used the elections to move into the government where it now has two ministers. From this position of power it has exercised a veto over any attempt to disarm its cadres or to strengthen the power of the Lebanese Army and the authority of the Lebanese State. In fact, Hezbollah was able, through the democratic process, to preserve its status as a state-within-a-state with calamitous consequences as we have just seen.

Then it happened again in elections for the Palestinian legislature, despite the fact that the agreements that created the Palestinian Authority stated specifically that no party could run if it had not disarmed. Nevertheless, Hamas was allowed to contest this election, and as we know, Hamas won the elections with its militia and terrorist cadre intact and essentially took control of the security apparatus of the Palestinian Authority.

The price of oil, of course, went through the roof as a result of the instability that all of this generated, giving authoritarian leaders across the Arab world unexpected windfalls in revenue and therefore more breathing space to resist calls for democratisation. As a consequence of those high oil prices, President Bush backed off on pushing Saudi Arabia to liberalise its

political system. Then, as I mentioned, President Mubarak locked up his opposition and called off municipal elections. Because the U.S. depends on Egypt both for maintaining its peace with Israel and for providing it with strategically important access through the Suez Canal and through Cairo West Air Base, President Bush did little about that too. King Abdullah of Jordan sacked his reformist Deputy Prime Minister and put all the ambitious changes that he had promised on hold.

Iran, which had been seeking a dialogue with the United States after Saddam Hussein had been toppled and the Taliban had been removed from Afghanistan, and which had been negotiating with the European troika over controls on its nuclear program, called all of that off and decided instead to go for nuclear weapons. Then a new president was elected there who declared his intention of wiping Israel off the map.

On top of all of this, the United States' credibility as an agent for change plummeted as a result particularly of what happened in Iraq, making the whole democratisation project look suspect to much of the Arab world.

All of that happened before the latest Israeli-Hezbollah war in Lebanon. That war can be seen in the context of the battle between the Old Middle East and the New Middle East as a kind of proxy war. Iran and Syria were supporting Hezbollah in its attempt to ensure that their ways, the old ways of violence and terror, became dominant in the region. The United States was supporting Israel and the Lebanese government in an attempt to find a way to overcome that challenge.

Who won? The jury is, I think, still out. Certainly Hezbollah stood up to Israel, appeared to give as good as it got, and as a consequence can credibly claim another victory for its way, i.e. that force rather than negotiations is the way to deal with Israel. According to their argument, force produced Israel's unilateral withdrawal from Lebanon in 2000, and Hamas' use of force generated Israel's unilateral withdrawal from Gaza last year. Israel's attempt to protect itself by unilaterally withdrawing behind high fences appears to have been thwarted by Hezbollah's rockets and Hamas' tunnels.

On the other hand, Hezbollah seems now to be on the defensive. It appears that it needs time to catch its breath and to replenish its stores of rockets and missiles, and is therefore adhering to the ceasefire and focussing instead on reconstruction. This appears to be because of their concern that the Lebanese people will look at the immense destruction and ask what was actually achieved in this "heroic" battle? The UN Security Council has again called for

Hezbollah's disarmament, and for the first time since 1976 the Lebanese Army has moved south into what had been Hezbollah-land. To be sure, Hezbollah still has its cadres and its position of influence there, but it's not so simple anymore for it to operate when the Lebanese Army, and hopefully an international force, will be there patrolling as well.

More important than what's happening in southern Lebanon, is that something appears to be stirring among the Sunni Arab leadership in the Middle East. They seem now to feel the need to counter Hezbollah's argument that force is the way of the future in the Middle East. Let me give you just a few examples of this phenomenon over the last few days. You may have missed them but in my experience it is important to pay attention to the things which sound a little unusual in the Middle East when they occur.

The first was when the Defence Minister of Lebanon operating within a weak government, with a weak army, with a less than robust international force to back it up, stands up and says, "We will treat anybody who fires a rocket into Israel as a traitor because that would give Israel an excuse to repeat what it has done. We will act decisively against them". Well, we will see how decisive he can be. But the fact that the Lebanese Defense Minister is now prepared to stand up and say the kind of thing that Hezbollah did is a betrayal of the national interest of Lebanon is an unusual statement.

Then the Prime Minister of Lebanon, Fouad Siniora, takes the Western press on a tour of the rubble of Southern Beirut. Standing in that rubble he accuses Israel of war crimes but then declares, "There is an opportunity here for Israel and if it seizes this opportunity we can achieve real peace". That was surprising. It's certainly at odds with Hezbollah's message of unending conflict with Israel. But it should not have been surprising to anybody who had paid attention to the fact that, from the beginning of this conflict, Prime Minister Siniora has been saying that one of the keys to the solution is a return to the Israel-Lebanon Armistice Agreement of 1949. It was an obscure reference but a very clear signal to Israel for those who wanted to take note. He was pointing to the last time that Israel and Lebanon had an agreement and declaring, albeit indirectly, that his government was prepared to go back to dealing with Israel directly. That agreement established an Israel-Lebanon Joint Armistice Commission in which Israeli officers and Lebanese officers met together to keep the peace and to police their common border. That was an unusual statement in the context of the conflict that had just occurred.

Then we had the Emir of Qatar. Now he is a man who represents a very small country, there are about 200,000 Qatari citizens and they enjoy about 20 billion dollars of oil and gas

revenues a year. But Qatar is at the moment representing the Arab world on the UN Security Council. So the Emir turns up in Beirut at the end of this war and he says “Hezbollah achieved a great victory, it was a great victory for the Arab world, this was the first time that Israel had been defeated. But now we need to use this victory to achieve peace with Israel”. That’s not what Hezbollah and Iran have in mind at all.

Similarly, Egypt, Saudi Arabia and Jordan have had a falling out now with Syria. Already, at the beginning of this latest conflict, they were openly critical of Hezbollah’s recklessness. At the Arab League meeting last weekend the Syrians were not welcome. These three Sunni leaders, Mubarak and the two Abdullahs, are now preparing to relaunch the Arab League Peace Initiative which was introduced by King Abdullah of Saudi Arabia some three years ago. It offers Israel peace with all Arab countries, normalisation of relations and an end to the Arab-Israeli conflict. As then Crown Prince Abdullah said when he was asked about it, “This would mean that an Israeli flag would fly in every capital of the Arab world”. Again, this is not what Hezbollah, Syria and Iran have in mind when they talk about dealing with Israel by force.

Meanwhile in Gaza, while the war has been raging in Lebanon and northern Israel, Fatah and Hamas have been negotiating the terms of a national unity government. That’s because the internal, more pragmatic, Hamas leadership is not prepared to have Iran and Syria dictate the course of events in Palestine via the Hamas external leadership which is based in Damascus. Yesterday, Mahmoud Abbas and Ismail Haniyeh – the Fatah and Hamas leaders in Gaza – decided that they would send forces to Northern Gaza to prevent rocket fire from there on Israel.

What exactly is happening here? I think what we are seeing is a real concern on the part of the Sunni Arab leaders that Iran is seeking to establish what they refer to as a “Shiite Axis” that is spreading from Iran through Iraq, where there is a Shiite government in control there, to Syria where there is an allied Allawite minority government in control, to Lebanon where Hezbollah is operating. This concern on the part of Sunni leaders has been manifest for at least the last six months, long before this latest flare-up in Lebanon. They have warned publicly about it. But what this latest conflict did was underscore the appeal of Hizballah’s message to their own publics. In effect, Iran and Hezbollah are going over their heads and telling their people that they have a better way to confront Israel and the U.S., a way that will restore their dignity and regain territory. This is deeply threatening to the Sunni Arab leaders because it threatens to drag them back into war with Israel, which could precipitate the downfalls of their regimes. Faced with this challenge they now seem to be emerging with an

opposing approach which argues that peace, particularly Israeli-Palestinian peace, is the way forward for the Arab world rather than the resort to threats and use of force that this so-called Shiite Axis is promoting. The interesting thing about this trend is that it begins to establish a community of interest between Israel and the Sunni Arab leaders as they each confront the challenge of an Iran that clearly seeks to dominate their region.

In my experience in the Middle East, over 30 years, I have rarely been able to predict anything accurately. I say that with all due humility. But I would also point out that it's rare to find anybody else who has ever predicted what was going to happen there accurately. The place is just too complex. There are too many cross currents and hidden currents. What I have learned to do instead is look at the broad trend lines and to listen for those kind of unusual developments. When Saddam announced he was ready to go to the "ends of the Earth," even to the Knesset in Jerusalem, to make peace, nobody really understood what the hell he was doing. But in retrospect we can see that that Sunni Arab leader felt that his hold on power was threatened unless he found a way to change Egypt's circumstances. Similarly, Yassar Arafat, in desperate straits after the First Gulf War when he sided with Saddam Hussein, was ready to sign the Oslo Accords at that moment in order to ensure his survival and the survival of the Palestinian National Movement. King Hussein of Jordan, also having sided with Saddam Hussein and finding himself ostracized and his relationship with the United States in deep trouble, chose to come out of the closet and make peace with Israel as a way of shoring up his regime. And, as I noted before, Crown Prince Abdullah in Saudi Arabia came forward with this Arab League initiative offer of peace when he felt that the Palestinian Intifada was also roiling his public and threatening his regime. So maybe the Israel-Hezbollah conflict is just helping to create similar circumstances in which these Sunni leaders feel now that their regimes are threatened unless they find the way to promote an alternative approach.

So what's the answer to the question? Is a New Middle East possible? Well it's not going to be the New Middle East of Clinton's and Shimon Peres' vision of a comprehensive peace. And it's not going to be Bush's vision of a democratic Middle East. But it might just be something in between and its foundations could well emerge from this conflict. First of all, an Israeli-Palestinian agreement, not a fully fledged peace agreement, but an interim agreement in which the Israeli desire to withdraw from the West Bank, a desire manifested in the mandate given to the current Israeli government in the last elections, could be matched up with a Palestinian interest in an interim arrangement. That interest is now shared by the Hamas political leadership in Gaza, because they don't want to recognise Israel but they are prepared for what they call a *Hudna*, or long-term ceasefire. Part of their negotiations now

with Abu Mazen, the President of the Palestinian Authority, is precisely to reach terms under which he would negotiate such an interim agreement with Israel. So that might emerge as one foundation for this New Middle East.

A second foundation could be a return to the Israel-Lebanon Armistice Agreement of 1949 and a resolution in the process of outstanding territorial disputes such as the Shaba'a farms issue. I believe Israel will be prepared to yield this small piece of occupied territory to the Lebanese government so that it can turn around to Hezbollah and say "We liberated Shaba'a farms through negotiations, and you have no justification anymore for retaining your arms." This too would be an interim agreement.

Egypt, Saudi Arabia and Jordan would need to step in as the Arab backstops to bolster the weak capabilities of Abu Mazen and Fouad Siniora and give them critical Arab support as they enter these kinds of interim arrangements with Israel. These are two Sunni leaders who say the right things about peace with Israel but who lack the capacity to fulfil them. The international force in Lebanon could help Siniora police an armistice agreement, and a similar international intervention in the West Bank could help Abu Mazen control the territory from which Israel would withdraw.

On top of that in Iraq the United States would need to shift to a policy aimed at containing the imploding situation there and mount a concerted international effort to gain control of Iran's nuclear program. If that fails, as it probably will, then the United States will need to extend a nuclear umbrella to what in effect would be a tacit alliance or a virtual alliance that would emerge between Israel and these Sunni Arab leaders and states as they sought to confront the nuclear threat from Iran. In that way, the United States could help both Israel and the Sunni Arab States deal with the threat that Iran, Syria and Hezbollah pose to all of them.

In other words, what I am suggesting to you is that emerging out of this current conflict is a common interest in which Israel and its Sunni Arab neighbours, (Egypt, Jordan, Saudi Arabia, the Palestinians and Lebanon), seek to promote their own version of a New Middle East. It would be far less ambitious than any of the visions that have been presented in the last 20 years but it might just work for the interim and, in the process, lay the foundations for a more ambitious edifice in the future.

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