



# Many New Alliances

The Middle East and North Africa in  
the Global “Systemic Rivalry”

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There is consensus in the West that the outcome of the war in Ukraine will decide whether authoritarian states such as Russia and China can be countered in their thirst for power so as to defend the rules-based order. Based on this interpretation, the war is seen as part of a global systemic conflict between democracy and autocracy in which the West expects support from the countries of the so-called Global South as well. The reality is quite different, however: the “Global South” is going its own way. This applies to the states of the Middle East and North Africa, too. While they condemn the Russian attack almost without exception, they have a different perspective on what has been called *Zeitenwende* in Germany – and are becoming increasingly estranged from the West.

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### ***Realpolitik* instead of Systemic Conflict**

Throughout the Middle East and North Africa, Russia is seen as the aggressor in the war in Ukraine, and the Russian attack is considered to be in violation of international law. Voting behaviour in the United Nations General Assembly on the resolutions condemning the Russian invasion clearly indicates the unequivocal stance of the countries in the region. While several countries were still hesitant in the first vote on 2 March 2022, abstaining (Iraq) or not voting (Morocco) due to their own security concerns, they went on to vote against Russia one year later. Syria remains an exception. The country has been in Russia’s clutches since 2015 and has no choice but to follow the dictates from Moscow. Algeria is currently the only country in the region that still abstains on the UN resolutions, thereby remaining true to its traditional positioning as a “non-aligned state”.

Nonetheless, this majority anti-Russian vote does not necessarily mean that the countries of the Middle East and North Africa identify with the Western interpretation of the war in Ukraine. In Arab societies in particular, the Russian view of the situation, based on the narrative of the threat to its own security posed by NATO enlargement, certainly finds resonance.

Moreover, despite the global implications in terms of food and energy security, the war in Ukraine is perceived as a regional European issue that the West should take care of itself. From the point of view of these countries, the war is therefore an expression of a rekindled rivalry for power in Europe. Most countries in the region have other concerns: they are pre-occupied with pressing problems that are largely of a home-grown nature. The greatest current challenges facing Tunisia, Egypt and Lebanon do not primarily derive from the Russian attack on Ukraine but from far-reaching structural challenges such as the devastating consequences of the pandemic, state mismanagement and the debt crisis.

These countries are even less prepared to follow the narrative of systemic conflict. In this region, which has always been a stage for geopolitical power games and power shifts, the dynamics of global politics are certainly registered, but from the point of view of *realpolitik*. The relative withdrawal of the United States from the region and the growing presence of China alone are unmistakable indicators of this geopolitical realignment. Yet terms such as systemic rivalry or conflict do not appear in the debate here. Instead, current developments are understood and explained as a “great power competition”

between the West and China or Russia in a security and geopolitical context. According to this view, different powers compete for regional or global influence: the specific underlying notions of political order advocated by these rival powers are irrelevant. The main issue for the Arab countries therefore concerns the consequences of declining US power in view of the security and protection of “small states” and “middle powers” – in other words all the states in the Middle East and North Africa. The question is thus how best to survive the increasing confrontation between the great powers while preserving one’s own national interests and not getting caught up between the fronts.

### **What is happening in the region is the emergence of “development autocracies”.**

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In this respect, what is perceived in the West as systemic rivalry is regarded in the Middle East as a conventional geopolitical struggle for power. According to them, this is not about democracy versus autocracy. The countries of the region are aligning themselves with tangible interests of their own: they do not share the normatively charged approach to the issue. It is an attitude that is fuelled by these countries’ experiences of the West’s moral aspirations in the region. Examples that are cited again and again include the West’s handling of the US invasion of Iraq in violation of international law, the Palestinian question and Israel policy, and Afghanistan. There is a widespread perception in the Arab world that the West only insists on respect for international law and a rules-based order when this has a bearing on the West itself or its interests. These positions can certainly not go unchallenged, but at the same time they must be taken seriously.

On the other hand, the lack of a value dimension in the understanding of the new world order is hardly surprising, given that, in terms of domestic policy, the focus of the entire region

is no longer on systemic rivalry in the sense of democracy versus autocracy. The political transformation processes have long come to a standstill – even in Tunisia, once a country that was a beacon of hope. The notion of stability has proved stronger than the desire for change. Economic regression and social dislocation in countries such as Tunisia, Egypt and Algeria have given rise to an autocratic or anti-pluralist momentum among citizens and elites because it promises stability, efficiency and modernisation. What is happening in the region is the emergence of “development autocracies”: countries are developing their own models while looking at how things work in other parts of the world. It is not necessarily China or Russia that are considered to be state models, but rather local hegemonies such as the Arab Gulf states that position themselves as middle powers, representing a new system of a functioning welfare state that promises prosperity and progress. One good example of this is Morocco. The kingdom has launched a new development strategy with a detailed plan for reform in the areas of health, education, digitalisation and energy transition. Foreign relations are aligned with these goals and priorities, among other things.

### **Partnership Based on Interests Rather than Values**


The current geopolitical and geo-economic patterns of behaviour in the Middle East and North Africa suggest a fundamental discomfort with the idea of having to choose sides after the Russian attack on Ukraine. Even countries in the Gulf and the Maghreb that are close allies of the West have rebuffed calls to join Western action against Russia. None of the countries in the region is participating in the economic sanctions. Instead, they are all eager to maintain their relations with Russia and with Asian powers such as China and India, just as they are to maintain their relations with Europe and the United States. This in no way means a convergence with Russian or Chinese positions, however: the idea of a new Cold War or a new global polarisation goes against the economic and security interests of most countries in the region.

The Gulf monarchies – led by Qatar, Saudi Arabia and the United Arab Emirates (UAE) – are global energy superpowers. Qatar is one of the world’s largest producers and exporters of natural gas. Doha is currently working on expanding

production capacity by around 60 per cent, which will make the country the world’s largest exporter of liquefied natural gas (LNG) by 2027, if not before.<sup>1</sup> The world’s ten largest oil producers include Saudi Arabia, the UAE and Kuwait.<sup>2</sup>



A key energy supplier: Algeria is Africa’s largest gas exporter and the seventh largest in the world. 83 per cent of Algerian gas exports go to Europe, mainly to Spain and Italy. Photo: © Billal Bensalem, NurPhoto, picture alliance.



Revenues have enabled these states to invest massively in infrastructure, education and health, which has led to rapid economic development and a significant improvement in the quality of life in these countries. The region's most important customers are not the West, however, but China and India. As the energy transition progresses, European demand for fossil fuels will decline roughly in line with the increase in demand in China and India. In view of this, close relations with Asia are vital to the survival of the Gulf states.

The situation is different for Algeria, which is dependent on the European market. Algerian gas reserves amount to almost 2.3 trillion cubic metres: the country is Africa's largest gas exporter and the seventh largest in the world.<sup>3</sup> 83 per cent of Algeria's gas exports go to Europe, mainly Spain and Italy, with which long-term contracts are in place.<sup>4</sup> The Italian energy company ENI and the Algerian state-owned company Sonatrach have now concluded an agreement to increase gas exports. As such, Italy presents itself to Algeria as a new sales market and to the EU as an intermediary in the supply of gas to Central Europe. This new cooperation is not intended to remain a stopgap solution but rather to diversify Italy's and Europe's supply of natural gas in the long term.

### **Tunisia is now pursuing a more nationalist foreign policy.**

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Meanwhile, resource-poor countries such as Tunisia, Lebanon, Jordan and Egypt are confronted with existential crises. These are partly home-grown structural economic challenges, including high levels of unemployment, insufficient diversification of the economy, a high burden of public debt and unstable currencies. They are among the countries with the highest inflation rates worldwide, struggling with social tensions and unable to manage their debt problems without International Monetary Fund (IMF) programmes. In this respect, they are dependent

on economic and development cooperation with the Western-dominated international donor organisations.

In view of this, “non-alignment” or “multi-alignment” is the new mantra in the region. All of the countries are striving to diversify their foreign, security and economic policy relations. They want to keep their options open, so to speak, especially as they are aware that the global order is changing and they have to adapt to the new realities of a multi-polar world which involves multiple actors. The Arab countries are therefore adopting a more independent and much more self-confident foreign policy to pursue their own interests. They are trying to reduce dependencies and realign or expand their network of partnerships. All countries without exception have signed partnership agreements with China under its Belt and Road Initiative (BRI). For most of the countries in the region, Beijing is now the largest trading partner and investor. The countries in the region are investing in Sub-Saharan Africa and opening their markets to others. Nonetheless, the close economic and development partnership with the EU remains equally important.

Morocco, for example, has raised its geopolitical profile in Africa in recent years, entering into alliances with countries in other parts of the world to pursue its foreign policy agenda, especially with Israel and some of the Gulf states, and also cooperating closely with Europe, as well as with China in connection with the BRI. Tunisia is another interesting example. The country is not only a traditional partner to Europe but also heavily dependent on European support. With increasing euroscepticism, however, the country is now pursuing a more nationalist foreign policy while at the same time trying to avoid being caught between its large neighbours Morocco and Algeria. Algeria is the only exception in North Africa in terms of diversification. Algerian foreign policy is heavily influenced by the Western Sahara issue and relations with the West have deteriorated significantly since the United States decided to recognise Morocco's sovereignty over Western Sahara.

This low point, coupled with the recent rift with France over its colonial past and the simultaneous break with Spain over its new approach to the Western Sahara issue, has led Algiers into unprecedented political isolation from the Western world. This in turn has resulted in Algeria strengthening its political relations with the revisionist powers while reducing its ties with the West.

### **The West may continue to become less attractive and lose more of its influence and room for manoeuvre.**

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Unlike in the Middle East, there is a geopolitical power vacuum in the Maghreb. For the United States, the Maghreb has never been of primary interest. Since the war in Ukraine, Europe's attention has almost completely moved away from the region. Europe currently seems to have neither a vision nor a strategy for its immediate neighbourhood in the south. As a traditional power in the Maghreb, France is struggling to maintain its influence and privileges. China is the only power with an overarching strategy that includes the Maghreb, but even for China the region is not at the centre of its Belt and Road Initiative. Russia benefits from Algeria's isolation, but has little to offer to the countries of the region. The power vacuum is instead being filled by middle powers such as Turkey and the Gulf states, in particular Saudi Arabia and the UAE. They are courting the countries of the region with offers of cooperation and using their financial resources to secure political influence. While Europe is withdrawing from North Africa, regional powers have thus discovered the region as a sphere in which to pursue their economic and political interests.

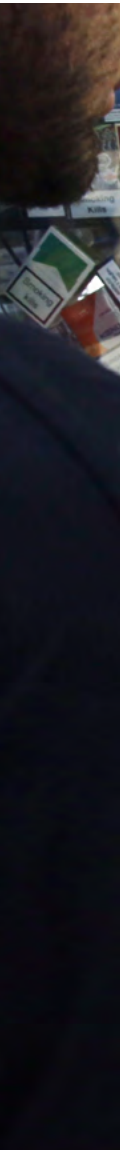
#### **New Alliances Rather than Old Loyalties**

The geopolitical power hierarchy in the Middle East and North Africa has been in a state of flux for some time – a situation in which the West

has already become less attractive and has lost some of its influence and room for manoeuvre, and it may continue to do so. The withdrawal of the United States from the region is not a new phenomenon, but it has accelerated as a result of the war in Ukraine, further exacerbating the marginalisation of the West and Western institutions. Increasingly, the elites in the Middle East doubt the West's will and capacity to influence the course of conflicts such as those in Syria or Libya, to counteract economic decline in the region or to put a stop to powerful actors such as Russia or Iran with its nuclear ambitions and destabilising activities in the region. They are distancing themselves from traditional power structures and seeking independent solutions to their own challenges.

In recent years, an active neighbourhood policy has emerged in the region in the form of dialogue and collaborative efforts between rival states. Examples of this current policy of détente include the rapprochement between Saudi Arabia and Iran, the normalisation of relations between some Arab countries and Israel, the de-escalation between Egypt and Turkey, efforts to reintegrate Syria with the Assad regime into the Arab world, and Iraq's diplomatic offensive to find a link with its Arab neighbours without triggering a rift with Iran. Both overlapping to some extent but also diverging, these efforts clearly document a new orientation in foreign and security policy outside the previous Western-dominated formats.

This trend is even more clearly reflected in the Saudi-Iranian agreement negotiated in Beijing in early 2023. Under Chinese mediation, Saudi Arabia and Iran agreed to resume diplomatic relations, which had been severed in 2016. What is more, individual agreements were reached that address each country's security interests and threat perceptions. The Saudi-Iranian rapprochement is a game changer in several ways. For the first time in the Middle East, a deal has been reached between regional rivals without the involvement of the West. The United States and Europe have failed with their Iran policy so far. It was not possible to renegotiate the nuclear





The news the day after: In March of this year, Iran and Saudi Arabia reached an agreement to resume diplomatic relations. The rapprochement between the arch rivals was achieved through China's mediation and could be a game changer in the region in more than one respect. Photo: © Abedin Taherkenareh, epa, picture alliance.

programme, nor could Iranian proxy activities be stopped, because the West had no leverage over Iran and was not able to offer security guarantees to the worried Gulf states. The easing of tensions between Saudi Arabia and Iran will potentially bring about a fundamental shift in the balance of power in the Middle East, because it also involves a de-escalation of the Shiite-Sunni antagonism that has prevailed in the region over the past decade. The agreement

also puts an end to the narrative that China wants nothing to do with the complex conflicts in the Middle East. China has strategic ambitions in the region and is evidently prepared to take on a more active role in shaping it. With regard to Iran's nuclear aspirations, too, China seems to be the only actor able to influence the mullahs' regime by offering incentives. China definitely does not want a nuclear-capable Iran as this could potentially provoke an Israeli

military strike and endanger the stable conditions in the Gulf, which are important to China.

Economically, China is already an important partner to the Gulf countries: with a bilateral trade volume of 161.4 billion US dollars, it replaced the EU as the largest trading partner in 2020, having invested almost 25 billion US dollars in the region over the past 15 years. Further billion-dollar investments were agreed on at China's first summit with the monarchies of the Gulf Cooperation Council in December 2022.<sup>5</sup> But economics is not the only concern here. At least rhetorically, China and the Gulf monarchies share the vision of a multi-polar world order in which priority is attached to preserving and expanding globalisation and connectivity. When Riyadh and Beijing explore the possibilities of conducting energy trade in currencies other than the US dollar, the positioning is clear. The UAE and China have already launched pilot projects to conduct energy trading directly in digital currencies. These developments should finally dispel any interpretation that relations between China and the Gulf states are exclusively about economic cooperation.

### **The dynamic developments in the immediate neighbourhood seem to have either passed Europe by or are not taken seriously.**

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While China is establishing itself as a new strategic partner in the Gulf, Western rapprochement offensives towards the Gulf monarchies in the wake of the energy crisis following the Russian attack on Ukraine have remained unsuccessful. Not only US President Joe Biden but also French President Emmanuel Macron, the then British Prime Minister Boris Johnson and German Chancellor Olaf Scholz have all paid demonstrative visits in an attempt to reboot relations with Saudi Arabia – mainly with a view to getting the oil monarchies on their side. But OPEC+ snubbed

the West by deciding to curb oil production entirely in its own economic interest and to raise oil prices. The media commented on this decision as a declaration of independence by Saudi Arabia. In fact, the decision shows that the times when US national interests determined actions in the Gulf monarchies are over.

Clearly, the Gulf states – focusing on their own interests – are looking to contribute to a new global political framework that is not shaped by the West. This intention is confirmed by Saudi Arabia's recent decision to become a “dialogue partner” to the Shanghai Cooperation Organisation (SCO), which includes the Central Asian states and Iran, as well as Russia, China, India and Pakistan. For the first time, Saudi Arabia is participating in a multilateral Eastern platform with countries that propagate a counter-model to the Western order.

### **Europe: Pragmatism Rather than Rhetoric**

Geopolitical changes and the West's loss of positional advantages now make it urgently necessary to revise existing policy in the Middle East and North Africa. Yet Europe is finding it difficult to adapt to the new realities in the region, clinging to a “status quo” in relations that has not existed for some time. The dynamic developments in the immediate neighbourhood seem to have either passed Europe by or are not taken seriously, even though every change in the Middle East and North Africa always has an impact on Europe, and Europeans have the best access to this region.

In addition, Europe's attention has moved away from the region in recent years – even more so in the wake of the war in Ukraine. The German government also shows little interest in the neighbourhood to the south. Its dealings are relatively uninspired, limited to continuing cooperation on the issue of migration and expanding cooperation in the areas of climate change and energy transition. Neither strategy nor goals are discernible with regard to the shifting geopolitical framework conditions, even though dependencies on this region are increasing. This



is particularly evident on the issue of migration, while a similar trend can be observed in connection with energy security.

If Europe wants to find long-term and sustainable ways to stay relevant in its own neighbourhood and help shape the future, it must not only offer financial incentives, extensive programmes and diverse initiatives, but also define its own interests. Above all, Europe needs to set a clear agenda, prioritise its goals and be willing to pursue them vigorously. This includes first and foremost the realisation that it is not strategic to offer a “one size fits all” approach, i.e. to attempt to make the same offer of cooperation to all southern neighbouring countries regardless of their needs and capabilities. Rather, the aim must be to identify key partners with whom Europe can jointly assert its interests – if necessary up against other actors.

### **An honest interest in the perspectives of the countries in the region would open up new options for Europe.**

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While it is important to adopt a normative policy approach in dealing with southern neighbours, Europeans should refrain from any moralistic exaggeration of the Western understanding of values and should avoid criticising social, cultural and religious values and moral concepts, which is perceived as disrespectful. This also applies to the narrative of global polarisation in terms of democracies versus autocracies. In a highly geopoliticised region where the focus is on partnerships based on interests rather than values, talk of supposed global systemic rivalry conveys the impression that the primary interest is in containing the influence of Russia and China rather than pursuing genuine partnership.

In view of this, Europe should seriously address the question of how it can become more attractive again in its neighbourhood and strengthen its partnerships there. One promising approach

could be to engage in dialogue regarding common interests that can be jointly pursued even in the absence of shared values. One such common interest is the defence of the international rules-based order: after all, it is the strength of the latter and the protection it offers on which the small and less powerful states of the Middle East and North Africa are particularly dependent.

Likewise, it is important to adopt a more strategic focus in development cooperation, taking into account the needs of the region without losing sight of one’s own economic and foreign policy interests. For the societies of the Arab world, the rule of law, the fight against corruption, transparency and decent treatment of citizens by the authorities are values that are still highly appreciated as European strengths. As such, the European lifestyle and economic approach remain attractive. The Maghreb in particular is a region that still offers great partnership potential for Europe in terms of values, political systems and foreign policy orientation. This is where Europe has the best chance to assert itself as a foreign policy partner and assume greater responsibility in the area of foreign and security policy.

There is also criticism of the current interpretation of the European or Western model combining freedom, democracy and prosperity, although this does not mean that the countries of the Middle East and North Africa automatically share the values of Russia or China. However, it is a clear signal that Europe should take the new self-confidence of the states in the region seriously and factor this into its strategies. A little more sensitivity, a little more openness in dialogue and an honest interest in the perspectives and interests of the countries in the region would open up new options for Europe. Taking the positions of these countries seriously does not mean adopting them: it means strengthening the basis so as to be able to put forward one’s own European view of things with greater credibility.

The war in Ukraine and the growing rivalry between China and the United States have led to

enormous geopolitical complexity in the Middle East and North Africa. For some of the stronger middle powers, such as the resource-rich Gulf states, this phase of global reordering affords new opportunities: they can cooperate with their neighbours, participate in reshaping the rules of the international system and catch up with the dynamic economies of Asia, thereby driving their own transformation. Many small states are more vulnerable than ever, however. They have a limited capacity to manage economic and social crises and to contain conflict. They cannot take sides in the escalating confrontation between the West and Russia. They are distancing themselves from the previous world order and looking for independent solutions. In doing so, they turn their eyes, among others, towards Europe.

*- translated from German -*

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