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## About this Series

Op-Med is an ongoing series of opinion pieces on topical issues in Mediterranean politics from a transatlantic perspective. The series brings together European, North American, and southern Mediterranean experts through the German Marshall Fund–Istituto Affari Internazionali strategic partnership. The series examines key questions surrounding the political, societal, and economic evolution of specific Mediterranean countries as well as the broader regional and international dynamics at play in the Mediterranean region as a whole.

## Bridging the Gulf with Iraq

by Eman Ragab

The withdrawal of U.S. troops from Iraq, which was completed in December 2011, prompted Iraq to redefine its post-war relations with key countries, namely those of the Gulf Cooperation Council (GCC), Iran, Turkey, and Egypt, and try to reclaim the leading regional role that the country played during the Saddam Hussein era. Iraqi officials and academics in Egypt have been promoting the view that the Arab Spring is similar to the changes Iraq experienced after 2003 and have sponsored many seminars depicting Iraq as a model to follow in the region in drafting a new constitution.<sup>1</sup> Iraq's insistence on hosting the Arab League summit in March 2012, despite the unstable political and security situation in the country,<sup>2</sup> is another example.

Iraqi Prime Minister Nouri al-Maliki considered the U.S. withdrawal a step through which Iraq could restore its sovereignty and independence as well as re-set relations with its neighbors.<sup>3</sup>

The Iraqi government has now entered into talks with neighboring countries to solve historical issues of contention, such as workers' remittances in the case of Egypt, or compensation to Kuwait for the Iraqi occupation of that country.

The process of regional activism is more complicated, however, when it comes to the GCC countries. The relationship between Iraq and the countries of the GCC has historically been characterized by mistrust and animosity, with an escalation in the wake of the Iraqi occupation of Kuwait in August 1990 and the invasion of Iraq in 2003. The GCC countries welcomed the later invasion at the beginning since it would remove their enemy, Saddam Hussein. But they soon realized it had created a power vacuum that was filled by Iran, their traditional rival.<sup>4</sup> Gulf leaders questioned whether the Americans intended to reward Iran for its role in facilitating the invasion of Afghanistan in 2001, cooperating with it on security issues in central Asia, and securing Iraq through the 2007 Crocker-Qomy talks.<sup>5</sup> In light of the new political

1 This was mentioned by Iraq's former ambassador to Egypt, Nezar Khairallah, at the Al-Ahram Center for Political and Strategic Studies in June 2011, and by Iraqi academics at the Regional Center for Political and Strategic Studies in Cairo in May 2013.

2 "Huge security operation in Baghdad for Arab summit," *BBC News*, March 26, 2012, <http://www.bbc.co.uk/news/world-middle-east-17510663>

3 James Meikle, "Iraqi prime minister says U.S. pullout restores independence," *The Guardian*, August 31, 2010, <http://www.guardian.co.uk/world/2010/aug/31/iraqi-prime-minister-us-pullout>

4 For more details, see Eman Ragab, *Arab Regional Order in the post-American Occupation of Iraq* (in Arabic), Beirut, Centre for Arab Unity, 2010.

5 See U.S. Department of State, *On-the-Record Briefing: U.S. Ambassador to Iraq Ryan C. Crocker on His Meeting With Iranian Officials*, Baghdad, July 24, 2007, <http://2001-2009.state.gov/p/nea/rls/rm/2007/88999.htm>

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realities created by the U.S.-led invasion, the perception of Iraq, like that of Yemen, as a source of threats for their national security has increased among the GCC countries. Unlike Yemen, however, the GCC countries have not yet developed a strategy for collective or bilateral engagement with Iraq.

### A Friend or an Enemy?

Since the invasion of Iraq, Iraq's foreign policy has been largely overlooked by scholars and practitioners, since the focus has been on the prevailing domestic political and security dynamics that have shaped the future of the country and the region. Iraq once acted as a barometer through which one could measure instability in the region.<sup>6</sup> The withdrawal of U.S. troops has pushed foreign policy issues to the forefront once again. After the invasion in 2003, Western experts expected GCC countries to develop peaceful and beneficial relations with the new Iraqi government. They were also expected to pump cash and diplomatic support into the new government, thus helping the reconstruction of the "new Iraq." However, the new political and security realities, and the increasing influence and leverage of Iran in Iraq's politics, economy, and security, have prompted Gulf leaders to consider Iraq a source of threats and an enemy more than a friend.

This perception is based on four issues of concern to the GCC countries, which can be inferred from the official discourse as well as from the Gulf regimes' policies. First of all, the ascendancy of Shiite factions within the power structure in Iraq since the 2006 elections has raised a number of concerns for the Gulf states. The systematic exclusion of Iraqi Sunnis from power positions, as well as the continuous sectarian conflict in the country, has had an impact on the legitimacy of the ruling Sunni regimes. The growing influence of Shiites in Iraq politically, economically, and religiously has had a spillover effect on the Shiites of Bahrain and Saudi Arabia, especially since a large number of the Shiite families in these countries have roots in Iraq, which is reflected in their political demands and increased political activism.

Second, the new sectarian dynamics in Iraq point to an increased Iranian influence. Iraq's subordination to Iran is likely to become even more pronounced if and when Syria

falls into the hands of anti-Iranian groups. Several analysts suggest that Iran hopes that Iraq will replace Syria in terms of its pillars of influence in the Levant and as a conduit to deliver aid and arms to Hezbollah.<sup>7</sup> If this happens, it will have an impact on the Sunni groups' share of power in Iraq, as well as on the degree of influence Turkey will be able to exercise in Iraq, ending the soft balance of power between Turkey and Iran in Iraq.

Third, the security situation in Iraq is fragile, both in terms of the government's ability to restore order in Iraqi cities and in terms of developing fully functioning local police and security. The ongoing conflict and the proliferation of Al-Qaeda-related groups in Syria have encouraged violent groups inside Iraq at a time when the Iraqi government is extremely weak. This could, in turn, threaten the security of the Gulf states, especially those that share borders with Iraq, such as Kuwait and Saudi Arabia.

Finally, Iraq's reaction to the Arab uprisings, especially the Syrian civil war, and their spillover effects at the regional level, including as regards Bahrain, has become an issue of concern to the GCC countries. On March 16, 2011, al-Maliki said that the entry of the Peninsula Shield Force — the armed wing of the GCC — into Bahrain would complicate the situation in the region and "fuel sectarian violence."<sup>8</sup> His view had negative repercussions on Iraq-Gulf relations in general and Iraq-Bahrain relations in particular. On one hand, Bahrain condemned the statements issued by Iraqi leaders as interference in the country's domestic affairs. On the other, the rising tensions between the two countries led to the postponement of the Arab League summit in Baghdad, which had been scheduled for March 10, 2011, as a reaction to the statements of Prime Minister al-Maliki. The summit eventually took place only in March 2012, thus signaling major disagreements among the Arab countries at the height of the Arab unrest.

### "Cont-gagement"?

In light of the changing dynamics in the Middle East, it is no longer in the interest of the Gulf states to ignore what is happening in Iraq and to fail to develop relations with it.

<sup>7</sup> This issue was discussed by security experts and academics in a closed roundtable discussion on the implications of the conflict in Syria, which was hosted by the National Center for Middle East Studies in Cairo in February 2013.

<sup>8</sup> "Al-Maliki: the Demonstrations in Bahrain Could Lead to a War in the Region," Iran Arabic Radio, March 26, 2011.

<sup>6</sup> Eman Ragab, "Structural Complexities: Regional Implications of the Political Crisis in Iraq" (in Arabic), *Al-Siyassa al-Dawliyya* (International Politics Journal), No. 189, July 2012.

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Developments in Iraq shape the strategic environment in the Gulf region as well as the Middle East as a whole and pose a set of challenges to the GCC countries.

Since 2006, GCC-Iraq interactions have proven that the Gulf states may not be able to effectively contain the effects of the rise of Iraqi Shiites on their own political systems. The presence of Iraqi communities in these countries makes them vulnerable to what is happening in Iraq, whether they are businessmen or former members of the Ba'ath Party. For example, developments in the Iraqi oil industry will affect oil prices at the global level, thus prompting a readjustment of the GCC countries' production.

GCC countries need to develop a pragmatic approach in dealing with Iraq, with a view to bridging the mistrust and easing tensions on issues like Bahrain and Syria. At the same time, the GCC countries need to maintain open channels with Iraq to increase their leverage and to balance the Iranian and Turkish influence in the country. The most effective strategy for this is "cont-gagement." This is a combination of the containment of the perceived threats posed by Iraq, namely the spillover effect of Shiite political activism, and engagement with the Iraqi government, political groups, and NGOs in order to maximize the GCC's influence in the country.

Engagement can take two forms. On one hand, economic engagement should be based on micro-economic projects in the Sunni and Kurdish areas, funded and developed by individual countries, through GCC development funds, or in cooperation with European countries. These projects could include infrastructure development, education programs, and reforms of the financial and health systems. Countries like Bahrain and the UAE could provide technical assistance on these issues. These projects would foster a more positive image of the GCC countries among Iraqi citizens, compared with the mistrust and animosity that have prevailed since the liberation of Kuwait. On the other hand, political engagement could take the form of a "strategic dialogue" between Iraq and the GCC in which regional issues such as nuclear non-proliferation, state- and nation-building efforts in Syria, and counter-terrorism should be discussed. This dialogue would represent a trust-building measure between the two parties.

The ongoing developments in the Middle East are increasing the regional importance of Iraq for the GCC

countries as well as for the transatlantic partners. GCC countries are confronted with the challenge to shape a collective, or at least coordinated, strategy in dealing with Iraq, supported by the United States. At the same time, the question remains to what extent the Iraqi government is willing to engage with the Gulf countries.

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### About IAI

The Istituto Affari Internazionali (IAI), founded by Altiero Spinelli in 1965, does research in the fields of foreign policy, political economics, and international security. A non-profit organization, the IAI aims to disseminate knowledge through research studies, conferences, and publications. To that end, it cooperates with other research institutes, universities, and foundations in Italy and abroad and is a member of various international networks. More specifically, the main research sectors are European institutions and policies, Italian foreign policy, trends in the global economy and internationalization processes in Italy, the Mediterranean and the Middle East, defense economy and policy, and transatlantic relations. The IAI puts out an English-language quarterly (*The International Spectator*), an online webzine (*Affari Internazionali*), a series of research papers (*Quaderni IAI*) and an Italian foreign policy yearbook (*La Politica Estera dell'Italia*).