



WORKING PAPER

RUSSIAN POLICY IN THE MIDDLE EAST: DIVIDENDS AND COSTS OF THE BIG GAME

51 / 2019

RUSSIAN INTERNATIONAL AFFAIRS COUNCIL

MOSCOW 2019

Russian International Affairs Council

Editorial Board

Editor-in-Chief:

I.S. Ivanov, RAS Corresponding Member, Dr. of History

Authors:

I. D. Zvyagelskaya, Doctor of History, Professor;

N. Y. Surkov, Ph.D. in Political Science

Copy editors:

I. N. Timofeev, Ph.D. in Political Science; **T. A. Makhmutov**, Ph.D. in Political Science;

T. S. Bogdasarova, Ph.D. in Political Science

Russian Policy in the Middle East: Dividends and Costs of the Big Game: RIAC Working Paper No. 51/2019 / [I. D. Zvyagelskaya, N. Y. Surkov; I. S. Ivanov, Editor-in-Chief]; Russian International Affairs Council (RIAC). – Moscow: NPMP RIAC, 2019. 24 pages. – Authors and editors listed on the reverse of the title page.

ISBN 978-5-6042566-3-3

The working paper considers Russia's geostrategic interests in the Middle East and the concept of Russia's return to the world stage as a great power. The paper analyses Russia's regional interests, including the development of trade ties, attracting investment, gaining access to the arms market and influencing oil prices. The working paper also evaluates the increased collaboration with the local actors accompanied by Russia's active protection of its own interests in the Middle East.

The views and opinions of authors expressed herein do not necessarily state or reflect those of the Russian International Affairs Council.

The full text of the working paper is available on RIAC's website. You can download it or leave a comment via this direct link – russiancouncil.ru/en/paper51

Table of Contents

Table of Contents	3
I. Russia in Search for a Strategy	4
II. The Middle East: A Window of Opportunities?	6
III. The Instruments of Russian Policy	9
1. Military Instruments and Military-Technical Cooperation (MTC)	9
2. Economic Instruments: Oil, Grain and Reactors	13
3. Political Instruments of Conflict Settlement	15
IV. The Difficulties in Adapting to Middle Eastern Realities	17
About the Authors	21

I. Russia in Search for a Strategy

Russia's interests in the Middle East are determined by a complex set of objective factors combined with subjective ones like the specific features of its self-perception and self-positioning on the international stage. These interests are fairly general in nature and boil down to containing challenges to national security and searching for opportunities for stable socioeconomic development.

Russia's geostrategic interests reflected the idea of the country's return to the world stage as a great power. Moscow showed that it is indispensable in the global fight against international terrorism, and this could contribute to improving relations with the West, which have been going through a rough time. Compared with such an irritant as Ukraine, where the development of the domestic situation and the policies of outside actors led to an inevitable clash between the Russian and western approaches, the Middle East did not look toxic and could even serve as a platform for coordinating efforts. The region was not a site of ideological and political battles (even given different approaches), and the United States and other countries in the West did not view Russia's policies here as a radical challenge, since the preferences of local states seemed to have been long set and could not undergo any major adjustments. Most regimes seemed to be firmly pro-Western, while Russia's military, political and economic capabilities – indicators of its political success – were significantly below those of the United States and its allies.

Russia's regional interests included counteracting major challenges (transnational terrorism, "regime change" policies) and steering a course for developing trade ties, attracting investment, gaining access to the arms market and influencing oil prices.

Russia's turn towards the region, which was sealed by the deployment of its Aerospace Forces (VKS) in Syria in September 2015, was apparently the result of frustration with the prior strategy on the global stage, rather than from a carefully considered choice. Russia's effective exclusion from the European security system has forced the country's leadership to treat with increasing concern the attempts of the United States and its European partners to transform the end of the Cold War into their ideological, political and military victory. Considering Russia's intent to gain a more substantial presence on the global stage and have its role recognized by the international community, the Middle East was the best fit for the purpose.

First, the fairly long and still unfinished search for a national identity prompted Russia towards its customary and historically global role. Yet this process was accompanied by sometimes objective, sometimes forced positioning between the West and the East. Although this tenet remained controversial from the civilizational point of view, its translation into political practice stressed the real need to develop relations with Asia and could, among other things, explain the activism in the Middle East and the choice of regional partners. Second, significant experi-

ence of collaboration with regional forces was accumulated back in Soviet times. Even though not all of its elements would be in demand in the current situation, the political and expert knowledge of the Middle East remained an important resource.

A particular feature of the current stage in Russia's policies is its greater orientation towards collaborating with local forces, which some analysts view through the lens of "regionalization." As the Russian researcher Ekaterina Stepanova noted, "the regionalization of Russia's Middle East policy continues to evolve in three main directions:

- (1) New types and areas of Russia's regional influence, especially in the economic sphere and in conflict management beyond Syria;
- (2) A qualitative shift from a primarily Western-centric to a more region-centric approach to the Middle East – a recent tendency distinct from (and more strategically significant than) the mere diversification of Russia's regional contacts that has been going on for many years;
- (3) Identification and more active pursuit of Russia's own interests in regional partnerships in the Middle East – something that requires an actor to have a certain weight in the region, which Russia has now acquired".¹

These statements are unquestionably correct. At the same time, while the term "regionalization" is quite applicable to Russia's policies and signifies its turn towards relations with local powers, the manner of its application to the processes in the Middle East is still not entirely clarified.

In international relations, the term "regionalization" usually refers to such phenomena as the revival/rise of regional powers and the shaping of regional integration alliances, including preferential groupings.² The rise of Middle Eastern powers is unquestionable. However, it has not happened against the background of integration trends, but rather has been provoked by the weakening of existing ties and organizations.

What matters in this context is determining how conducive the processes in the Middle East are to achieving Russia's foreign political objectives and how effective the instruments Moscow has chosen are in this particular region.

¹ Ekaterina Stepanova. Regionalization as the Key Trend of Russia's Policy on Syria and in the Middle East // Russia's Policy in Syria and the Middle East: Determination, Delight, and Disappointment. CAP Paper No. 212, January 2019, p. 9.

² A. D. Voskresensky, E. V. Koldunova, E. A. Pronin. Regionalization in International Relations // International Relations Today. A. V. Torkunov, A. V. Malgin, eds. Moscow, Aspect Press, 2012, p. 107.

II. The Middle East: A Window of Opportunities?

The increased demand for Russia's presence after 2015 was prompted by the inability of a number of regimes to cope with the socio-political, military and economic challenges they were facing and by the inconsistency of American policies that alarmed even the most faithful allies of the United States. "Middle Eastern states realize what Russian interests are, but they continue to maintain good relations with the Russians, because it gives them an alternative to Washington, which does not fulfil their wishes and does not take their needs into account".³

Syria was in the first group of countries. It was engulfed by a civil war, encumbered by foreign intervention, and Russia was awaited there as a liberator. Next to Syria, there was Libya, and to some extent Egypt, where the military bureaucratic regime had barely withstood the popular pressure and returned to power only after overturning the Islamists who had won the elections. The second group is formed mostly by the Gulf states, which are concerned with the contradictory signals coming from the White House.

The third group is formed by the rising non-Arab states: Turkey and Iran, which considered cooperation with Moscow in the Middle East as a means to consolidate their new role. Israel is a special case. Today, Israel is overcoming its isolation in the Arab world through its confrontation with Iran and thanks to the desire of the Arab states to use the technological advantages that Israel possesses. The country has diverse ties with Russia and is motivated by the desire to not exacerbate the major discrepancies between Israeli and Russian interests in the Middle East.

Despite the existing differences, all the regional actors were ultimately interested in restoring the system of checks and balances, where Russia would be a counter-balance to the United States. In other words, they were interested in going back to the customary model of rivalry between the great powers in the Middle East that they had long since learned to use.

At the same time, the Middle East remained within its usual paradigm: regional organizations exhibited relative weakness, while integration processes were undeveloped given the lack of a general security system. This situation is not unique to the current state of affairs. In the Cold War era, not a single inter-Arab alliance of states survived for a long time.⁴

³ Matija Šerić. Russia's Interests in the Middle East: How Far is the Kremlin Prepared to Go? // InoSMI.ru. November 10, 2017. URL: <https://www.inosmi.ru/politic/20171110/240740094.html>

⁴ On February 1, 1958, Egypt and Syria formed a federative state called the United Arab Republic (UAR) with its capital and a united military command in Cairo. That same year, Yemen joined the union. President of Egypt Gamal Abdel Nasser was elected President of the new republic. However, in September 1961, following a military coup in Syria, the new regime announced its withdrawal from the UAR. The attempt to form a military alliance of Saudi Arabia, Egypt and Yemen in the 1950s failed. The same fate befell the plan to unite Egypt and the Ba'athist Iraq in the 1960s. The attempt to conclude a treaty between the Hashemite Kingdom of Iraq and Jordan in order to create an Arab federation failed, too. At the turn of the 1960s–1970s, the British idea to create a federation of principalities in the territories of today's Bahrain, Qatar and the United Arab Emirates failed as well. (V. V. Prelov, I. V. Ryzhov. Contradictions between Arab States: The Historical Dimension and the Current State. // IslamRF.ru. April 24, 2008. URL: <https://www.islamrf.ru/news/umma/islam-world/2602>)

The fight for influence pushes collective organizations into the background. Saudi Arabia is the principal player in the Arab League, and its policies largely determine the organization's stance. It is not incidental that Syria's Arab League membership was suspended even before the conflict broke out, and Hezbollah was declared a terrorist organization. In late 2018, though, certain changes occurred that hinted at the possibility of restoring Syria's Arab League membership, which is of major importance for the country's president Bashar al-Assad. On the whole, still, the Arab League has little influence on regional developments.

Even the seemingly successful the Gulf Cooperation Council (GCC), began to crack at the seams in 2017 under the impact of the Qatar crisis. The severance of diplomatic relations is a stable trend in the Arab world (current assessments show that virtually every Arab state has severed diplomatic relations with its neighbours at least once), and it is another illustration showing that international relations in the Middle East today are fragmented and do not fit the definition of regionalization in any way.

The sense of confusion and growing threats; conflicts and instability; the undermining of regimes from within and attempts to change them from without; the traditional dependence on external forces and internal weakness shaped special conditions that allowed Russia to come back to the Middle East as an important political and military player.

The deployment of the Russian Aerospace Forces in Syria in September 2015 demonstrated Moscow's ability to turn the tide of seemingly irreversible processes: to restore Syria's army, to strike a blow against ISIS and the Al-Nusra Front (terrorist groups that are banned in Russia), to restore governmental control over the largest part of the country, and to chart roads to de-escalation.

The direct military presence and active role in other areas were a response to the "window of opportunities" that opened for Moscow due to the general state of affairs in the Middle East. Russia's successful military operation in Syria prompted regional states that had grown accustomed to respect force and despise losers to show an interest in developing ties with Russia. The regional elites needed an alternative external buttress, and this gave Moscow a chance to reach its objectives using relatively modest means. Therefore, the famous statement that any state's policy can succeed only if it relies on a powerful economy, an attractive ideology and constant confirmation and testing of the status achieved did not look so indubitable in the Middle East.

Russia's powerful military and political breakthrough into the Middle East was not all that expensive. According to the current assessments, in the first year, Russia spent approximately 58 billion roubles on its operation in Syria. "Russia's campaign is cheaper than the American campaign because it costs far less to provide our army with supplies," the military expert Victor Murakhovsky explains. "We have a different price scale on weapons, equipment, aircraft and munitions. Our military personnel are paid less".⁵

⁵ A Year in Syria: How Much the Military Operation Cost Russia // RBC. September 30, 2016.
URL: <https://www.rbc.ru/politics/30/09/2016/57ebb7199a7947db5bb2b309>

Russia's leadership hoped that sales of Russian weapons that had proven themselves so well would fetch more money than had been spent. In late 2017, a RIA Novosti correspondent happily reported that "Russia is exerting pressure on the United States on the Middle East weapons market".⁶ The claim was clearly hasty, but not entirely divorced from reality. Turkey, Saudi Arabia, Egypt and Algeria do, indeed, purchase or express the desire to purchase Russian systems.

Geopolitically, efforts to establish military bases in Syria were intended to boost Russia's standing and simultaneously serve as a deterrent. Surprisingly, given all the obvious differences in objectives and capabilities between Russian and Soviet policies in the region, there is a certain continuity. Soviet experts stated that the USSR actively established military bases in the Middle East, but it pursued political, rather than military objectives. "Bases in Egypt were intended, among other things, to bolster the fleet, to extend its staying power. However, for the Middle East and North Africa, the fleet played a largely political role: to fly the flag, to show their allies that we were there, and to tie the Americans up politically. There was no serious thought about a big war".⁷

Today, Russia is bringing its Navy into the Mediterranean again, and it has air and naval bases in Syria. However, these measures should not be considered as a demonstration of Russia's readiness to escalate military confrontation with the West.

⁶ The Arabian Breakthrough: Russia Exerts Pressure on U.S. on Middle Eastern Weapons Market // RIA Novosti. October 9, 2017. URL: <https://ria.ru/20171009/1506490550.html>

⁷ Cit. ex: A. Vasiliev. From Lenin to Putin. Russia in the Middle and Near East. Moscow: Tsentrpoligraf, 2018, p. 98.

III. The Instruments of Russian Policy

1. Military Instruments and Military-Technical Cooperation (MTC)

The operation in Syria proved that Russia is capable of providing rapid and effective military assistance to its partners and allies in dire straits. Such support involves several components: deploying troops to take part in combat; supplying weapons, munitions and spare parts; and training the national military.

During the operation in Syria, Russia demonstrated that it is capable of rapidly deploying a powerful task force of about 50 aircraft (planes and helicopters) that can provide effective support to ground troops. That was quite enough for the Russian Air Force to maintain a constant presence in the air over the key targets at certain combat stages.⁸ Should need be, long-range strategic bombers could be deployed as well. Ships, submarines, coast defence missile systems and the Navy's ship-based aircraft could also deliver strikes.⁹ In Syria, the Russian military perfected the tactics of using reconnaissance-strike complexes that rely on UAVs to search for enemy forces, and once a target is discovered, strikes are delivered by artillery and aviation. Russia's Air Force and Navy made extensive use of high-precision munitions.

In Syria, Russia actively used Special Ops Forces (SSO) to direct air strikes,¹⁰ conduct reconnaissance, hunt down field commanders and provide support to the government forces.¹¹ The support from Russian officers was of significant importance in operation planning. Equipment delivered by Russia made it possible to create 3D digital maps of the area.¹² Without such maps, it would have been impossible to effectively use the high-precision weapons. Russia's electronic warfare (EW) and Radio Electronic intelligence (ELINT) systems significantly limited the enemy's ability to use navigation and communication equipment.¹³ The capabilities of Russia's satellite network were also extensively used, ensuring communications and intelligence gathering.

In a few months, Russia deployed up to 10,000 troops with cutting-edge equipment at a remote theatre of operations. After that, Russia ensured the troops' uninterrupted combat participation. Special mention should be given to the speed with which the bases in Latakia and Tartus were brought to a combat-ready con-

⁸ Information Bulletin of the Russian Centre for the Reconciliation of Opposing Sides in the Syrian Arab Republic (March 24, 2016). URL: http://www.syria.mil.ru/peacemaking_bulletins/more.htm?id=12081151@egNews

⁹ I. Slavinsky. Russian Navy Delivers Massive Strike Against ISIS // Zvezda. January 1, 2018. URL: https://www.tvzvezda.ru/news/vstrane_i_mire/content/201706230828-drys.htm

¹⁰ Classified. Russia's Special Ops Forces in Syria URL: <https://www.youtube.com/watch?v=zgkRcwxdBE>

¹¹ A. Kots. Russian Special Ops in the Syrian Desert // Komsomolskaya Pravda. March 9, 2017. URL: <https://www.kp.ru/daily/26649.4/3671915/>

¹² Russian Military Gives Syria Surveying Equipment to Rebuild Cities // TASS. August 22, 2018. URL: <https://www.tass.ru/obschestvo/5477908>

¹³ Russia May Give Syria Krasukha and Zhitel EW System // Zvezda. URL: <https://www.tvzvezda.ru/news/opk/content/201809281743-x8o3.htm>

dition. Thus, Moscow demonstrated its ability to shift the balance of power in the region without major ground operations, as the United States had done before.

A second important tool at Russia's disposal is the uninterrupted flow of supplies to partners during active combat, when pre-war supplies are expended quickly. To provide aid to Bashar al-Assad's government, Russia set up the so-called "Syrian Express"¹⁴ which for several years ensured maritime deliveries of various military cargo. Supplies of spare parts for armoured vehicles and aircraft were of major significance.

The "Syrian Express" is not the only proof of Russia's ability to provide timely aid to its Middle Eastern partners. In 2014, Russia set up prompt deliveries of large shipments of weapons and combat vehicles (TOS-1A heavy flamethrower systems, Su-25 attack aircraft) to Iraq, which made it possible to quickly resolve problems with fire support for infantry given ISIS' rapid advance, while the United States stalled deliveries of combat planes to Iraq.

Finally, Russia has the capacity to restore the military potential of its partners, since it is ready to supply weapons and equipment, train military personnel on-site and even form new units and detachments.¹⁵ Russian military instructors and advisors participated actively in restoring the combat readiness of the Syrian Armed Forces, which had essentially fallen apart by 2015.¹⁶ Currently, the Syrian Armed Forces use Russian weapons, eat Russian rations and even wear Russian army boots. In 2016, the 5th Assault Corps numbering about 10,000 was formed and it played an important role in fighting ISIS in Palmyra and other parts of Syria. Simultaneously, Russian specialists trained the Syrian military to use the new equipment delivered from Russia.

The experience of recent years has thus proved that Russia has enough military potential to aid partners in critical situations. Russia's military demonstrated high efficiency and ability to use cutting-edge systems, including UAVs and high-precision munitions. At the same time, Moscow demonstrated the ability to both deploy its own forces and train local military on a short notice during active fighting.

In addition to the direct economic benefits, military-technical cooperation (MTC) gives exporter countries powerful leverage, since without repairs, maintenance, spare parts and munitions, equipment quickly loses its combat readiness. Therefore, MTC entails long-term partnership relations.

After the end of the Cold War, Russia lost its standing on the weapons market of the Middle East and North Africa (MENA). However, in the 21st century, it became once again an important supplier of weapons and military equipment to the region. According to experts from the Stockholm International Peace Research

¹⁴ Russian Launches Fantastic "Syrian Express" // ZVEZDA Weekly. February 14, 2018.
URL: <https://www.zvezdaweekly.ru/news/t/20182131621-7QShh.html>

¹⁵ New Assault Corps Formed in Syria to Fight Terrorism // RIA Novosti. November 22, 2016.
URL: <https://www.ria.ru/20161122/1481914615.html>

¹⁶ Irreplaceable Advisors: How Long the Russian Military Have Been in Syria // Zvezda. May 3, 2016.
URL: <https://www.tvzvezda.ru/news/forces/content/201605030813-wwc2.htm>

Institute (SIPRI), in 2013–2017, MENA countries accounted for about 21 per cent of Russia's military exports.¹⁷

A number of countries in the region (for instance, Algeria and Egypt) have launched large-scale modernization programmes for their militaries over the past decade. They try to diversify their sources of weaponry in order not to become dependent on a single supplier in the event that relations with that supplier suddenly turn sour. A good example in this respect is Egypt, which for approximately two years following the coup of 2013 could not purchase F-16 fighters and munitions in the United States and decided to diversify its combat aircraft fleet by importing Russian and French planes.¹⁸

Crisis situations gave a powerful impetus to Russia's MTC with MENA countries. Several states launched additional military procurement following the start of active fighting (Syria and Iraq) or when tensions began to increase (Qatar and the United Arab Emirates). Finally, those states that usually consider weapons contracts as a reward for political support or security guarantees (Bahrein and Saudi Arabia) are now showing an interest in Russian weapons.

The armies of more than ten states in the region now have Russian weapons: Algeria, Syria, Iraq, Egypt, Libya, Bahrein, Kuwait, the United Arab Emirates, Qatar and Sudan. In 2013–2017, Russia's weapons and military equipment accounted for 59 per cent of Algeria's total military imports, 22 per cent of Iraq's military imports and 21 per cent of Egypt's military imports.¹⁹

Russia primarily exports aircraft (planes and helicopters) and weapons for ground forces (armoured vehicles, artillery, air-defence missile systems and firearms). MENA countries purchase Su-32 Fullback bombers (Algeria) and MiG-29 Fulcrum fighters (Egypt) and the latest-generation of attack and multi-purpose helicopters. Russian T-90 and T-72 tanks are in high demand. They are sold to Algeria, Syria and Iraq. The states of the region are particularly interested in Russian air-defence systems. S-300 (SA-10 Grumble) missile systems in various modifications have been sold to Algeria, Egypt and Syria. Talks on sales of S-400 (SA-21 Growler) missile systems have been launched with Saudi Arabia and Qatar. Medium-range surface-to-air missile systems "Pantsir" (SA-22 Greyhound) of various modifications were also in high demand. They are used in the United Arab Emirates, Syria, Algeria and Iraq.²⁰

The sales geography is also expanding. Prior to the Arab Spring, only Algeria and Libya were major buyers of Russian weapons, while other countries either preferred western-made weapons or purchased particular weapons systems (only anti-aircraft defence systems, like Egypt, or only rocket artillery, like Kuwait), but the situation had changed by 2019.

¹⁷ SIPRI Yearbook 2018. Oxford University Press, 2018, p. 196.

¹⁸ Obama Ends Freeze on U.S. Military Aid to Egypt // Reuters. April 1, 2015. URL: <https://www.reuters.com/article/us-usa-egypt-military/obama-ends-freeze-on-u-s-military-aid-to-egypt-idUSKBN0MR2GR20150401>

¹⁹ Ibid.

²⁰ D. Sergeyev. The Unbreachable Pantsir-S2: What Revamped Missile Systems Can Do // Zvezda. March 13, 2016. URL: <https://tvzvezda.ru/news/forces/content/201603130834-zbyb.htm>

In 2014, Russia and Egypt concluded a contracts worth about \$3.5 billion.²¹ Cairo is purchasing modernized MiG-29 fighters, Ka-52 (Hokum B) attack helicopters, S-300 and “Buk” (SA-17 Grizzly) surface-to-air missile systems, artillery systems and coastal defence missile systems. Russia delivered three S-300 battalions to Egypt in 2016, and the first shipment of MiG-29s in 2017.²² Deliveries of Ka-52 attack helicopters started that same year.²³

A major contract with Iraq is being implemented for the delivery of T-90S/SK main battle tanks (MBT). The first shipment is estimated to be over 70 tanks, with the first tanks being delivered in 2018. Iraq was one of the first foreign buyers of the TOS-A “Solntsepyok” heavy flamethrower system, with deliveries starting back in 2014. In 2018, deliveries of infantry combat vehicles BMP-3 (allegedly up to 500 units) and “Pantsir-S1” surface-to-air missile systems started. Iraq was the first foreign country to purchase Mi-28NE (Havoc) attack helicopters (up to 15 units). Russia also supplies Mi-35M (Hind D) attack helicopters to Iraq’s military (up to 28 units).²⁴

Algeria is the region’s largest importer of Russian military goods. As of 2016, contracts were being implemented to upgrade about 360 infantry combat vehicles (BMP-1) to BMP-2M, and deliver approximately 200 T-90SA tanks and 38 “Pantsir-S1” surface-to-air missile systems.²⁵ In 2013, a large contract was concluded to sell 42 Mi-28 NE helicopters to Algeria. Algeria was the second foreign buyer of Mi-28NE helicopters following Iraq. In 2015, according to unofficial information, Algeria became the first foreign buyer of S-400 anti-aircraft missile systems, in addition to three regiments of S-300 surface-to-air missile systems.²⁶ In 2016, it was reported that a contract had been signed to sell Algeria 12 Su-32 bombers (the export version of the Su-34 bomber that acquitted itself well in Syria).²⁷ In essence, Russian systems are used to re-arm Algeria’s ground and air forces with an emphasis on cutting-edge hi-tech systems capable of ensuring superiority over the militaries of neighbouring states.

After 2011, Russian firms got new customers in the Gulf. In 2014, Bahrein signed a contract for Kornet-EM anti-tank guided missiles.²⁸ The country also purchases light weapons from Russia. Russian small arms have been spotted in several units of the Qatar Armed Forces. Doha is also interested in Russian anti-aircraft

²¹ Ministers of Defence of Russia and Egypt to Hold MTC Commission Meeting // Interfax. August 20, 2018. URL: <https://www.interfax.ru/world/625798>

²² MiG-29 Crashes in Egypt // Kommersant. November 03, 2018. URL: <https://www.kommersant.ru/doc/3791644>

²³ Ka-52. Egypt Disappointed in “Alligators” // Novosti VPK [Military Industrial Complex News]. November 30, 2018. URL: https://www.vpk.name/news/236666_ka52_egipet_razocharovalsya_v_alligatorah.html

²⁴ Russia–Iraq Inter-Country Relations // RIA Novosti. URL: <https://www.ria.ru/20170723/1498945524.html>

²⁵ P. Tarasenko. Russia is Looking into Algeria’s Future with Confidence // Kommersant. March 1, 2016. URL: <https://www.kommersant.ru/doc/2927046>

²⁶ Algeria Might Have Begun Deploying S 400 SAM systems. July 14, 2015. URL: <https://www.menadefense.net/algeria/algeria-have-begun-deploying-s-400-sam-systems>

²⁷ Algeria Orders 12 Su-34 “Fullback” Fighter-Bombers from Russia // DefenseNews. 05.01.2016. URL: <https://www.defensenews.com/home/2016/01/05/algeria-orders-12-su-34-fullback-fighter-bombers-from-russia/>

²⁸ Rosoboronexport: Russian will Deliver Kornet Anti-Tank Guided Missiles to Bahrein and Namibia // TASS. August 12, 2014. URL: <https://www.tass.ru/mezhduarodnaya-panorama/1374477>

missile systems. The United Arab Emirates is purchasing Kornet-E anti-tank guided missiles,²⁹ and as in talks to purchase Su-35 (Flanker-E) fighters.³⁰

Russia has several other advantages as a partner in the field of military-technical cooperation. Russia offers very competitive prices on products that are equal to or exceed those of other manufacturers: 4+ generation fighters, anti-aircraft missile systems and armoured vehicles.

Russia also helps to localize production. A joint project is being successfully implemented with Jordan to manufacture anti-tank grenade launchers. Russian firms have launched the production of munitions in the United Arab Emirates.³¹ With the assistance of Russian specialists and using Russian-made spare parts, Algeria is modernizing Soviet- and Russian-made armoured vehicles at local production lines.³²

The dynamics of Russia's MTC with MENA countries shows that for the next 20 years, the militaries of at least three important countries in the region (Algeria, Egypt and Iraq) will depend heavily on Russian weapons, especially in aviation and air-defence systems. This can be viewed as a guarantee of long-term partnership.

2. Economic Instruments: Oil, Grain and Reactors

From the point of view of trade and economic cooperation, MENA countries are not among Russia's key partners. According to the Russian Export Center, in 2017, Middle Eastern countries (16 states, including Iran and Turkey) accounted for just 7.8 per cent of total Russian exports, approximately \$28 billion.³³ That same year, North African countries (including Egypt) accounted for 3.4 per cent of Russia's total exports, which equals a little over \$12 billion.³⁴ That is, the entire MENA region (including Turkey and Iran) accounts for about 11 per cent of Russian exports, or 440 billion. To compare, Western Europe accounts for 33 per cent,³⁵ and East and Southeast Asia account for approximately 20 per cent of Russia's exports.³⁶ This does not mean, however, that Moscow does not have economic leverage in the MENA region. Its three principal areas of influence are oil and gas, food security and nuclear energy.

²⁹ Arab Armoured Vehicle Carrying Russian Rockets Crashes in Tula Suburb // Novosti VPK. September 05, 2018.
URL: https://vpk.name/news/226891_pod_tuloj_razbili_arabskii_bronevik_s_russkimi_raketami.html

³⁰ Only Iran Stands Between Russia and the UAE // Kommersant. August 30, 2017.
URL: <https://www.kommersant.ru/doc/3396994>

³¹ Rostec Develops MTC with the United Arab Emirates // ArafNews. November 18, 2013.
URL: <http://arafnews.ru/news/rosteh-razvivaet-vts-s-obedinennymi-arabskimi-emiratami.html>

³² A. Moiseev. Algeria Appreciates Russia's Berezhoz: ICV-2M Becomes One of World's Best // Rossiyskaya Gazeta. "Russian Weapons" Special Project. November 13, 2017.
URL: <https://www.rg.ru/2017/11/13/alzhir-ocenil-russkij-berezhok-bmp-2m-stala-odnoj-iz-luchshih-v-mire.html>

³³ Middle East // Russian Export Center.
URL: https://www.exportcenter.ru/international_markets/world_map/Arabia

³⁴ North Africa // Russian Export Center.
URL: https://www.exportcenter.ru/international_markets/world_map/North_Africa

³⁵ Western Europe // Russian Export Center.
URL: https://www.exportcenter.ru/international_markets/world_map/Western_Europe/

³⁶ East Asia // Russian Export Center.
URL: https://www.exportcenter.ru/international_markets/world_map/East_Asia

Russia is the world's second-largest producer of oil and gas. Therefore, the countries in the region are interested in cooperating with Russia to maintain stable oil prices. This is done primarily in the OPEC+ format. For instance, in December 2018, OPEC+ members concluded an agreement to reduce daily oil production in the first six months of 2019 by 1.2 million barrels compared to the October level.³⁷

Russia's energy companies can act as investors. This is particularly relevant for countries that strive to develop their oil and gas industry, but have limited financial resources (for instance, as a result of military conflicts). Currently, Russian companies are particularly active in Iraq. Gazpromneft is developing three large deposits there (one in the east of the country and two in Kurdistan), while Lukoil is developing West Qurna Phase 2 and Eridu oil fields. Before the start of the Arab Spring, Tatneft was operating in Syria and Libya, and it is planning to return there after the situation stabilizes. Gazprom is conducting geological exploration of a gas deposit in Algeria. Russian companies are expected to take part in producing gas in Egypt and Lebanon.³⁸

The food security of several MENA countries increasingly depends on Russia, primarily in relation to grain exports. Egypt is the most telling example in this regard. At year-end 2017, it was the largest buyer of Russian grain at 7.8 million tonnes.³⁹ That makes about two-thirds of Egypt's entire grain imports. The imports were worth over \$1.4 billion. In 2017, the growth was 44 per cent.⁴⁰ There has been high demand for Russian grain in Egypt for 15 years now. A drop in Russian grain exports is believed to have resulted in a rapid increase in grain prices, which, in turn, contributed to the growing social tensions that ended in the Arab Spring. Russia is unquestionably one of the key players on the Egyptian grain market, and its withdrawal from this market could have grave consequences. It is no coincidence that the issue of stable deliveries is discussed at virtually every meeting of Russian and Egyptian leaders.

At least seven other countries are major importers of Russian grain: the United Arab Emirates, Iran, Lebanon, Turkey, Yemen, Oman and Saudi Arabia. It is worth noting that Saudi Arabia is the principal importer of Russian barley: at the end of the 2017/2018 marketing season, Russian barley exports into Saudi Arabia exceeded 2.7 million tonnes.⁴¹

In addition to grain sales, Russia could also become a supplier of strategically important technologies. For instance, nuclear power could become an important element of energy security for states that are not rich in hydrocarbons. Given

³⁷ Russia and OPEC+ Agree to Reduce Oil Production. What the Deal will be Like in the New Circumstances // TASS.
URL: <https://www.ass.ru/ekonomika/5899540>

³⁸ Lukoil and Novatek to Produce Oil and Gas in Lebanon // Lebanon: All about Lebanon. May 2, 2017.
URL: <https://www.livan.info/dobychej-nefti-i-gaza-v-livane-zajmutsya-lukoil-i-novatek/>

³⁹ Egypt Becomes Largest Buyer of Russian Foods // RBC. February 21, 2018.
URL: <https://www.rbc.ru/business/21/02/2018/5a8c24c89a79477a3f60a820>

⁴⁰ Ibid.

⁴¹ Russia Prepares Pilot Shipment of Grain to be Exported to Saudi Arabia // Investing.com. December 5, 2018.
URL: <https://www.ru.investing.com/news/commodities-news/article-588740>

these circumstances, Rosatom is actively promoting its products in the MENA region, and the scale of cooperation is growing steadily. Russia's advantage is its readiness to finance NPP construction projects.

In November 2015, Russia and Egypt signed an agreement on the construction and operation of Egypt's first nuclear power plant (NPP). Rosatom will supply Russian nuclear fuel, train personnel, and provide assistance in operating the El Dabaa NPP.⁴² Construction is expected to be completed by 2028–2029. The cost of the project is estimated at about \$21 billion. Russia is expected to provide a government-funded loan to Egypt. Egyptian media reported about a loan of \$25 billion.⁴³ Rosatom will also assist its Egyptian partners in developing a nuclear infrastructure and help increase the level of localization.

In September 2014, Russia and Algeria concluded an agreement on cooperation in the peaceful use of nuclear energy. Construction of a Russian-designed nuclear power plant in Algeria could become the key cooperation project. In October 2014, then CEO of Rosatom Sergey Kiriyyenko told journalists that Russia was starting consultations with Algeria on building the NPP. In 2017, Rosatom and Algerian Atomic Energy Commission signed a memorandum of understanding on cooperation in training nuclear sector personnel.⁴⁴

Jordan is also interested in cooperation with Russia in nuclear energy. Initially, the two countries discussed building a large NPP worth approximately \$10 billion. However, Jordan subsequently decided to abandon the project, citing financial difficulties. In December 2017, Rosatom and Jordan signed a memorandum of understanding on small modular reactors. The parties agreed on the possibility of carrying out a joint technical and economic feasibility study of building a Russian-designed small modular reactor in Jordan.⁴⁵

In October 2017, Rosatom and Saudi Arabia's King Abdullah City for Atomic and Renewable Energy signed a programme of cooperation in peaceful uses of nuclear energy. In February 2018, Rosatom submitted a tender application to build two nuclear power units in Saudi Arabia. The results of the tender are to be announced in 2020.⁴⁶

3. Political Instruments of Conflict Settlement

Russia's participation in conflicts' settlement in the Middle East has also become a means of advancing its influence in the region. Russia's political initiatives are not always enjoying approval and support of all regional and global powers,

⁴² Rosatom: NPPs under Construction // Rosatom.
URL: <http://www.rosatom.ru/production/design/stroyashchiesya-aes/>

⁴³ Egypt and Rosatom Approve Record-Breaking Contracts for NPP Construction // RBC. December 11, 2017.
URL: <https://www.rbc.ru/business/11/12/2017/5a2e88b29a794759db1a99a8>

⁴⁴ Rosatom and Algeria Agree on Joint Training of Personnel for Algeria's Nuclear Energy Sector // TASS. October 10, 2017.
URL: <https://www.tass.ru/ekonomika/4633544>

⁴⁵ Media: Instead of a Big NPP Worth \$10 Billion, Jordan and Russia Will Build a Small Modular // TASS.
URL: <https://www.tass.ru/ekonomika/5240011>

⁴⁶ Rosatom Awaits Results of Tender for Construction of NPP in Saudi Arabia in 2020 // TASS.
URL: <https://www.tass.ru/ekonomika/5633339>

which is understandable: Russia puts forward its proposals concerning conflicts that have split societies and countries, and in such circumstances, an intermediary often encounters criticism and accusations of bias.

As regards Syria, mention should be made both of the Astana format that made it possible to establish de-escalation zones, and of the Syrian National Dialogue Congress held in Sochi on January 29–30, 2018. This was the first attempt to launch the process of public dialogue, and despite several groups refusing to take part in the Congress, it did have a certain effect. At least, this was the only platform where various political forces and ethnic communities could meet.

In the Israeli–Palestinian conflict, Russia, a part of the Middle East Quartet, has for many years attempted to reconcile the Palestinian National Authority (PNA) and HAMAS in order to ensure a stronger bargaining position for Palestinians. It should be noted that regional powers (Egypt and Saudi Arabia) attempted, and failed, to achieve an agreement between the principal Palestinian actors. Russia did not abandon its efforts, although the Arabs' interest in the Palestinian problem is declining, and it is being pushed into the margin by other conflicts in the region.

Russia is an important player in the Libyan conflict, and parties to the confrontation regularly appeal to it. According to Lev Dengov, Head of the Russian Contact Group on Intra-Libyan Settlement, "Russia's leadership set the task of interacting with all the parties to the Libyan conflict. Additionally, Russia interacts with the key international actors interested in settling the conflict, namely Italy and France, as well as with regional countries".⁴⁷ The Russian delegation was present at the International Conference on the Libyan Settlement in Palermo in November 2018. Russia supports the UN proposal to settle the situation in Libya through national dialogue that could bring the positions of the parties closer together.

⁴⁷ A New Foothold: What We Know about Deploying Russia's Military in Libya // RBC. October 9, 2018.
URL: <https://www.rbc.ru/politics/09/10/2018/5bbc8efa9a7947544a676112>

IV. The Difficulties in Adapting to Middle Eastern Realities

Having returned to the Middle East, Russia soon realized that the desire of the regional elites to restore an acceptable balance of external forces does not mean they are ready to take into account the positions and interests of their global partners regardless of political and economic ties and even of military dependence.

External influence has long instilled a consumer attitude in local actors towards foreign partners, who they traditionally accuse of being insufficiently active and unprepared to go to war for their friends in order to protect their interests. Manifestations of discontent can be viewed both as a desire to save face given their unquestionable dependence on a stronger partner and as attempts to involve that partner in intra-regional conflicts. This tendency has always existed, and the Soviet Union repeatedly had to deal with the attempts of its allies to use Soviet influence and resources while stressing their special importance and demanding an appropriate response from Moscow. Not infrequently, the result was the Soviet leadership viewing a particular situation through the eyes of Egypt or Syria.

At the sharpest moment of the May 1967 crisis, when Nasser demanded that the United Nations Emergency Force (UNEF) be withdrawn from Sinai, the Soviet leadership essentially approved these steps. For example, the telegram from Minister of Foreign Affairs of the Soviet Union Andrei Gromyko to the Ambassador of the Soviet Union to the United Arab Republic of May 25, 1967 stressed that “the government of the USSR believes the demand of the government of the UAR that UN forces be withdrawn from Gaza and the Sinai Peninsula to be justified [...] We believe this step to be a strong measure that had an appropriate positive effect”.⁴⁸

In reality, not only the actions of the Egyptian president not have a positive effect, they in fact raised tensions exponentially and contributed to the start of the Six-Day War in 1967 that resulted in a military disaster for Egypt, Syria and Jordan.

Russia does not currently have any allies in the Middle East, and its policy no longer reflects ideological biases. Russia does, however, have a rapidly expanding circle of partners, both state and non-state actors. Since tactics are more important for regional actors than strategy, any alliances become situational, and a given actor’s conduct is determined by heightened notions of their role. Ego-tism and the desire to use the situation to one’s own advantage become more and more visible. The example of Syria demonstrates that the objectives of Turkey and Iran (ensuring their influence in the post-war Syria) threaten to push them into a conflict either with each other or with Arab states, and they also make it more difficult for Russia to steer its course in Syria. Joint work in the Astana format, the fight against ISIS and the Al-Nusra Front, actions to create de-escalation zones and the Constitutional Commission based on the Sochi agreements still

⁴⁸ Telegram from Minister of Foreign Affairs of the Soviet Union Andrei Gromyko to the Ambassador of the Soviet Union to the United Arab Republic. May 25, 1967. Classified. Priority. Foreign Political Archive of Russia. F. 059. Op. 56. P. 116. D. 519. Sheets 14–16 // The 1957–1967 Middle Eastern Conflict. Vol. 2. No. 255, p. 565.

remain important “ties” binding the triple alliance. However, as the overall level of tensions decreases and the positions of the al-Assad regime consolidate, it is inevitable that differences within the Astana trio will increase prompted by the obvious discrepancies of interests.

For instance, Russia and Turkey have different approaches to the situation in Syria’s northeast, where Turkey demands that a broad buffer area be created that is capable, as Turkey believes, of protecting it from the Kurdish threat. Moreover, President of Turkey Recep Erdogan has stated that Ankara is ready to launch an operation to the east of the Euphrates and in Syria’s Manbij against the People’s Protection Units (YPG) unless the United States withdraws these units. Later, he announced he had decided to postpone the start of the military operation in Syria.⁴⁹

Russia advocates transferring these territories to the control of the Syrian Armed Forces. It also calls for agreements to be made between al-Assad’s government and Kurdish representatives.⁵⁰ Under these circumstances, the idea of returning to the 1998 Adana agreement emerged. Under the agreement, Turkey may retain control of only a small strip along the border (about five kilometres), while the Syrian government would abandon its support for the Kurdistan Workers’ Party. Nevertheless, Turkey continues to insist that the buffer zone be extended to 32 kilometres. Even if a compromise is achieved, there are clear differences that complicate Russia’s diplomatic manoeuvres.

Russia has its share of problems with Iran, another participant of the Astana format. What matters for Iran is expanding its influence in Syria (political, military and economic). It actively campaigns for people in al-Assad’s circle, creates its own bulwarks in the secret services and the military, purchases land plots and sets up military production. In January 2019, reports surfaced about clashes between pro-Iranian and pro-Russian forces caused by the plans to appropriate agricultural lands for the needs of the pro-Iranian forces and to prevent the return of Sunnite refugees to their homes, which would change the ethnic and sectarian composition of the local population.⁵¹

Even though Iran is a partner of Russia, it nevertheless continues to move its military facilities closer to Russia’s base in Latakia, fully aware that this complicates the situation of the Russian troops.

The consolidation of Iran’s positions in Syria, the support it extends to Hezbollah and the launching of military production are major sources of irritation for Israel, for which Iran remains its principal adversary. The confrontation with Iran has become an important factor for Israel in terms of improving its relations with Saudi Arabia. Accordingly, Israel continues its raids on Iran’s lines,

⁴⁹ Syria’s Former Ambassador Cites Reasons for Resuming Discussion of Adana Agreement // RIA Novosti. January 27, 12:16. URL: <https://www.ria.ru/20190127/1549980028.html>

⁵⁰ Galip Dalay. Moscow and Ankara Keep Working Together on Syria Despite ‘Geopolitical Incompatibility’ // Valdai Discussion Club. January 25, 2019. URL: <http://www.valdaiclub.com/a/highlights/moscow-and-ankara-keep-working-together/>

⁵¹ M. Belenkaya. Pro-Russian – Pro-Iranian Conflict // Kommersant. January 29, 2019. No. 15, p. 6.

essentially demonstrating Russia's inability to close Syria's airspace. Deliveries of S-300 surface-to-air missile systems are only a partial solution to the problem, especially since Russia has rather strong ties with Israel and is not interested in an open conflict with Tel Aviv. (The danger of such a development became obvious after Russia's Il-20 reconnaissance plane was downed by a Syrian rocket fired in response to an attack by Israeli fighter jets on September 17, 2018.)

Russia's relations with Syria's President Bashar al-Assad are also not smooth. Thanks to Russia's help, he succeeded in restoring control over the greater part of the country, which made it possible to gradually start rebuilding relations with Arab states. However, the feeling of victory does not create any incentive for the Syrian authorities to agree to the political compromises on which the settlement of the conflict is based. The Russian diplomat Alexander Aksenok believes that "today they triumph, believing they are the victors not only in the war against ISIS, but also in general, for over the last year, President Bashar al-Assad has established control over the larger part of the Syrian territory. Therefore, they are not at all prepared to discuss transit of power or a major amendment to the constitution. The big question is whether the Ba'ath Party led by Bashar al-Assad, which used to be the only ruling power in Syria, is capable of accepting in deed as well as in word a multi-party system. Will it allow democratic elections to be held under UN observation? There are grave doubts on that account, particularly given the arrogant conduct of the current Syrian leadership".⁵² The Syrian leadership is obviously not alone in its high-handedness toward its global partner.

Russia's immediate presence in the Middle East has not solved all of the global tasks it set itself initially. Close coordination with the West, and primarily with the United States, failed. The question of who is a terrorist among the opponents of Bashar al-Assad's regime revealed additional disagreements. Fighting ISIS after its militants generally lost their territorial holds in Iraq and Syria ceased to be a uniting factor for Russia and the Western coalition.

Even though one should not discount the informal deconfliction agreement between the Russian and American militaries to prevent clashes; the Geneva Process, as well as the meetings and discussions held; the fact that the West considers Russia to be an inconvenient competitor, still objectively narrows the opportunities for less confrontational relations between global actors. At the same time, in the context of the Libyan conflict, Russia's interaction with Italy and France has been perceived as an important premise for setting up the settlement process.

The pragmatism that is typical of modern Russia allowed it to take advantage of a situation in the Middle East. There are no reasons to reduce the influence Russia

⁵² A. Aksenok. Russia is to Blame for Damascus's Self-Assurance // Kommersant. December 26, 2018.
URL: <https://www.kommersant.ru/doc/3843268>

gained in the region and its relations with all the key actors to being side-effects of the Syrian operation. The growth of military-technical and economic ties with Middle Eastern states has acquired its own dynamics.

That said, Russia's influence in the Middle East is subject to constant challenges stemming from the policies of the local actors. Trying to boost their own standing, they will be trying to "pull Moscow to their side". Under assurances of "friendship" and cooperation, they will continue to essentially test Russia's readiness to protect its own interests in the region.

About the Authors

Irina Zvyagelskaya, Professor, Dr. of History. Head of Center for Middle East Studies, Primakov National Research Institute of World Economy and International Relations (IMEMO), Russian Academy of Sciences; Professor, Department of Oriental Studies, MGIMO University; Senior Researcher, Center for Arab and Islamic Studies, Institute of Oriental Studies, Russian Academy of Sciences.

Nikolay Surkov, Ph.D. Senior Research Fellow, Center for Middle East Studies, Primakov National Research Institute of World Economy and International Relations (IMEMO), Russian Academy of Sciences; Associate Professor, Department of Oriental Studies, MGIMO University.

Russian International Affairs Council

Russian International Affairs Council (RIAC) is a non-profit international relations think-tank on a mission to provide policy recommendations for all Russian organizations involved in external affairs.

RIAC engages experts, statesmen and entrepreneurs in public discussions with an end to increase the efficiency of Russian foreign policy.

Along with research and analysis, the Russian Council is involved in educational activities to create a solid network of young global affairs and diplomacy experts.

RIAC is a player on the second-track and public diplomacy arena, contributing the Russian view to international debate on the pending issues of global development.

Members of RIAC are the thought leaders of Russia's foreign affairs community – among them diplomats, businessmen, scholars, public leaders, and journalists.

President of RIAC Igor Ivanov, Corresponding Member of the Russian Academy of Sciences, served as Minister of Foreign Affairs of the Russian Federation from 1998 to 2004 and Secretary of the Security Council from 2004 to 2007.

Director General of RIAC is Andrey Kortunov. From 1995 to 1997, Dr. Kortunov was Deputy Director of the Institute for US and Canadian Studies, Russian Academy of Sciences.

Notes

Russian International Affairs Council

Cover photo credits:

top right: State Atomic Energy Corporation ROSATOM, rosatom.ru;

bottom left: Ministry of Defence of the Russian Federation, syria.mil.ru, CC BY 4.0;

bottom left: REUTERS/Alaa Al-Marjani/Pixstream.



RUSSIAN INTERNATIONAL AFFAIRS COUNCIL (RIAC)

1, B. Yakimanka street, 119180, Moscow, Russia

Tel.: +7 (495) 225 6283

Fax: +7 (495) 225 6284

E-mail: welcome@russiancouncil.ru

www.russiancouncil.ru