

KÖRBER POLICY GAME

Berlin, 8–9 May 2015

**COOPERATION OR
CONFRONTATION?
THE MIDDLE EAST
AFTER THE
NUCLEAR DEAL**

KÖRBER FOUNDATION
INTERNATIONAL AFFAIRS

July 2015

Executive Summary

- In the West, views differ to which extent the agreement on the nuclear issue would open up opportunities for future cooperation between Iran and the E3+3.
- The US continues to play an essential role in diplomacy and security policy in the Middle East. However, it is only partly fulfilling the demands and expectations that come with this role.
- Even confronted with a massive deterioration in the region's security situation, Iran's and Saudi Arabia's willingness to cooperate would still be very limited.

Policy Recommendations

- Even after the conclusion of the negotiations on the nuclear issue, the E3+3 format should be continued as a platform to debate and overcome challenges in regional policy together with key regional actors.
- Against the backdrop of its own experience with regional integration, Europe should promote the development of a regional security architecture.
- Europe and the US should intensify their exchange about interests and options regarding the region and develop a common regional agenda.

Introduction

The regional order in the Middle East lies in ruins. State structures have fallen apart – in particular in Syria, Iraq and Yemen –, borders are increasingly losing their importance, sectarian tensions are escalating, and the threat of extremism and terrorism is increasing exponentially. Faced with this situation, bringing stability to the region seems to be a Sisyphean task. At the same time, Iran and the West have settled on an agreement on the nuclear issue that had been disputed for many years.

The Körber Policy Game took place on May 9, 2015 in Berlin against the background of the ongoing negotiations on the nuclear issue. Discussions were based on a fictional scenario consisting of two moves. The first

move concentrated on the immediate consequences of an agreement on the nuclear dispute between Iran and the E3+3. The second move foresaw a massive deterioration of the regional security situation culminating in the fall of Damascus and large parts of Lebanon to IS and the Al-Nusra Front.

The Körber Policy Game focused on three questions:

1. Which consequences will an agreement between the E3+3 and Iran have on the regional order in the Middle East?
2. What are the chances of cooperation between states in the region? What role can be played by actors from outside the region, in particular the US and Europe? Could solving the various regional conflicts, and

the fight against IS provide a basis for cooperation?

3. How can the tense relations between Iran and Saudi Arabia be defused?

Four teams representing Iran, Saudi Arabia, the US and the E3 (Germany, France and the UK) took part in the Körber Policy Game. Each team consisted of four to six senior government representatives and experts from their team's respective country. The teams used internal meetings to discuss their own country's interests, and to develop tactical and strategic recommendations for action that were subsequently discussed by all participants.

Results

Agreement with Iran

Against the backdrop of successful negotiations on the nuclear issue, western states prioritized different areas of policy. Whereas representatives from the US and France

“EUROPE’S PRIORITY IS THE FLOW OF REFUGEES FROM SYRIA.”

prioritized Iran's compliance with the agreement and the implementation of monitoring mechanisms, participants from Germany focused more on pinpointing the potential for cooperation with Iran. However, the German participants also stressed that Europe's greatest challenge in the region, irrespective of a successful agreement, was posed by the conflict in Syria due to its impact on refugee flows, and radicalized fighters returning to Europe. In this regard, there was no consensus among western states

as to the opportunities opened up by an agreement on the nuclear issue. Some participants believed that an agreement would lead Tehran to change its regional policy and that this would be reflected in more cooperation between Iran and the West. This, they argued, could help stabilize the region. In contrast, other participants contended that agreement on the nuclear issue might actually result in Iran being less willing to compromise. Additionally, there were further differences among western states over the potential for economic cooperation. Whereas participants from Germany hoped to develop bilateral economic relations with Iran, this aspect was treated as secondary by other western participants.

The Iranian team viewed economic development and regional security as Iran's most important tasks after successfully negotiating an agreement. In this context, the Saudi participants criticized the ongoing negotiations and a possible agreement

“THE WEST IS NOT PROPERLY ACKNOWLEDGING SAUDI ARABIA’S CONSTRUCTIVE ROLE IN THE REGION.”

because it meant that the West would make too many concessions to Iran. It became clear that Saudi participants believed their country had been unfairly treated by the West. They pointed out that Iran had adopted a confrontational approach towards the West for decades and that it had broken previous agreements. In contrast, Saudi Arabia had always been a staunch western ally and promoted stability in the region. Accordingly, the major concessions being made to Iran were viewed as illustrative of a failure to acknowledge the Saudi approach. At the same time, the Saudi participants underscored their country's capacity to place pressure on the West. They

argued that the acceptance of the nuclear agreement by the Gulf Cooperation Council (GCC), in which Saudi Arabia had a casting vote, would be of very high importance for President Obama. This meant the Kingdom could demand Western support for its military intervention in Yemen in return for acceptance of an agreement with Iran.

The US and Europe in the Middle East

There was consensus that the US constituted a key regional actor. The United States, the participants argued, was the only country in

“THE US IS STILL THE ‘INDISPENSABLE NATION’ WHEN IT COMES TO DIPLOMACY AND SECURITY POLICY IN THE REGION.”

the position to form alliances in the region, and provide security guarantees. Furthermore, the US was still the “indispensable nation” in diplomacy and security

policy, and a key regional actor in terms of arms sales. Moreover, the country’s strong regional presence even led the Iranian team to refer to the US as a “neighbor.”

However, many participants believed that the US was not fulfilling the demands and expectations that came with its position in the region, and that Washington was largely focused on concluding negotiations with Iran. Moreover, the United States was subordinating all other regional crises to the dispute with Iran, and passing them down the line accordingly. The participants argued that this was due to the immense political importance placed by President Obama on agreement with Iran. The Saudi participants were particularly critical of this stance and pointed

out that it was leading the Kingdom to reflect strongly on its own interests and attempt to strengthen its position in the region. Moreover, they maintained that the US strategy against IS had failed and that it had merely strengthened the Assad regime in Syria and Iran’s position in Iraq.

Nonetheless, the US was still viewed as far more influential in the region than Europe. This became even more evident when actors from the region oriented themselves more strongly towards the US than to the E3, despite the fact that the European team viewed itself as fully capable of

“EUROPE WOULD BE READY TO INTERVENE IF LEBANON WERE TO FALL LARGELY TO IS AND THE AL-NUSRA FRONT.”

taking action. The E3 team clearly responded to massive destabilization in Lebanon by IS and the Al-Nusra Front by evacuating Europeans from the country and was even committed to airstrikes against advances by the terrorist militias, as long as this had regional support. However, neither Iran nor Saudi Arabia was ready to participate in an alliance.

Faced with a possible declaration of independence by Iraqi Kurdistan, which was provided for in the

“THE WEST STILL HOLDS TO THE PRINCIPLE OF THE INVIOABILITY OF BORDERS.”

scenario, the teams discussed their positions on the principle of the inviolability of borders in the Middle East and their commitment to the Sykes-Picot order. The US and – after heated internal debate – the European team came out in favor of respecting existing regional borders and calling on the political leadership of Iraqi Kurdistan to refrain from claiming independence.

Tensions between Saudi Arabia and Iran

Many participants were disenchanted by the massive tensions expressed between Iran and Saudi Arabia. In particular, the participants highlighted the predominance of zero-sum

“AT WHAT POINT WILL IRAN AND SAUDI ARABIA BE WILLING TO COOPERATE?”

thinking and the lack of mechanisms for conflict resolution. These points became even more evident during the second move, which foresaw Damascus and large parts of Lebanon falling to IS and the Al-Nusra Front: even these developments could not spark cooperation between Saudi Arabia and Iran. Moreover, neither side approached the other and sought substantial dialogue or opted for an open diplomatic or military strategy aimed at stabilizing the situation and pushing back IS and the Al-Nusra Front. This led to the question at what point would Iran and Saudi Arabia be willing to enter into dialogue. A US participant noted that even Israel and Palestine currently had more

frequent contact than Saudi Arabia and Iran. The participants concluded that agreement on the nuclear issue would not ease tensions between Iran and Saudi Arabia, and instead was more likely to escalate the situation.

The scenario demonstrated that the conflict in Yemen had far greater significance for Saudi Arabia than for Iran. Furthermore, victory for the Saudi-led coalition would have strong symbolic value. The Saudi team argued that its aim in Yemen was to curb Houthi “expansionism” and to integrate the rebels into the political process. During the debate, the Iranian team rejected claims

“VICTORY IN YEMEN IS CRUCIAL FOR SAUDI ARABIA.”

that Tehran was massively influencing the situation in Yemen. In addition, the Iranian participants believed that the Saudi-led coalition had little chance of success, with one Iranian participant even drawing comparisons to the Vietnam War. Finally, the West (including the US) also viewed Yemen as less of a priority than other on-going conflicts and those foreseen in the scenarios.

KÖRBER POLICY GAME

Coordinator Nora Müller, Executive Director International Affairs

Program Director Bernhard Müller-Härlin

Program Manager Iris Wellmann

Address Körber Foundation
Berlin Office
Pariser Platz 4a
10117 Berlin
Phone +49 · 30 · 20 62 67 60
Fax +49 · 30 · 20 62 67 67
Email ip@koerber-stiftung.de
Twitter @KoerberIP
facebook.com/KoerberStiftungInternationalAffairs
koerber-policy-game.org

© Körber Foundation, Hamburg 2015

Editor Bernhard Müller-Härlin
Translation Simon Phillips
Design Das Herstellungsbüro, Hamburg

Responsible according to the press law (Hamburgisches Pressegesetz):
Dr. Lothar Dittmer, Körber Foundation, Kehr wieder 12, 20457 Hamburg

All rights reserved.



Körper-STIFTUNG
Forum für Impulse

**We initiate
change**

Find us online: www.koerber-stiftung.de