



Europe and the transition to a post-American Middle East

by Luigi Scazzieri, 5 November 2021

The US's preoccupation with China is reducing Washington's focus on the Middle East, while Russian and Chinese influence is growing. Europeans need to step up their efforts to stabilise the region.

The US withdrawal from Afghanistan and the AUKUS agreement to supply nuclear submarines to Australia are stark reminders of how the US is re-orientating its foreign policy towards countering China. This has important consequences for Europe, not least as it will mean less US involvement in the Middle East and North Africa (MENA). US disengagement from the region has been gradual but constant under Obama, Trump and Biden. Obama began the 'pivot' to Asia and distanced Washington from its traditional allies in the Gulf, particularly by negotiating a nuclear deal with Iran. Trump continued the pivot towards Asia: his erratic policy in Syria, and his failure to stand by Saudi Arabia after Iran's 2019 attacks on Saudi oil facilities, weakened the credibility of US security guarantees. Under Biden, the US has focused even more on China: it abandoned Afghanistan and [withdrew some defence](#) systems from Jordan, Kuwait and Saudi Arabia. US troops in Iraq will fall in number and shift from a combat mission to an advisory one by the end of the year. Washington is no longer reliant on the Middle East's energy resources: in 2020, the US became a net petroleum exporter, and [only 10 per cent of its petroleum imports](#) came from the Persian Gulf.

The US is not going to withdraw entirely from the MENA, and US military support, arms sales and diplomacy will ensure that Washington remains influential in the short to medium term. But the trend is towards less US involvement in the region, not least because this is popular with the American public. The perception of US withdrawal has become widespread. Meanwhile, Russia and China's clout has been growing. Many MENA leaders see Washington as likely to criticise their human rights records and abandon them in a crisis. Pressure from public opinion and Congress can also make the US reluctant to supply weapons, as shown by Biden's decision to [suspend arms sales](#) to Saudi Arabia and the UAE. By contrast, Russia's support for Syria's Bashar al-Assad, despite the atrocities of his regime, has allowed Moscow to position itself as a reliable partner for autocratic leaders. Russia is an important arms supplier, including to US allies: it is [Egypt's leading provider, and the UAE's third largest](#). And in August, Saudi Arabia and Russia signed [a military co-operation agreement](#), potentially heralding arms purchases.

China's economic footprint and political influence in the MENA are also growing. Beijing imports [around half of its oil from the region](#), and China-MENA trade [doubled between 2009 and 2018](#). China is now the

largest trading partner in goods for the Gulf Co-operation Council (GCC) and for Iran. As part of its Belt and Road initiative, China has poured substantial investment into projects across the region. According to the American Enterprise Institute's China [investment tracker](#), since 2016 Beijing has invested \$27 billion in the UAE, \$16 billion in Saudi Arabia and almost \$14 billion in Egypt – predominantly in construction projects. Earlier this year Beijing struck an agreement with Iran, promising \$400 billion in investment in exchange for guaranteed oil supplies. For many MENA countries, China is both an important trading partner and a provider of valuable technology and capital to grow and diversify their economies. Moreover, many states, like Saudi Arabia, are attracted to China's model of authoritarian growth, and Beijing's non-interference in domestic affairs. Beijing has bolstered its influence by providing [assistance during the pandemic](#). Unlike the US, China has avoided being drawn in by regional rivalries, and has good relations with all countries in the region. Beijing has 'comprehensive strategic partnerships', the highest level of diplomatic relations, with Algeria, Egypt, Saudi Arabia, Iran and the UAE. Beijing has different types of partnerships with other countries, including an 'innovative comprehensive partnership' with Israel, where Chinese companies are [involved in large infrastructure projects](#), prompting US misgivings.

The EU and its member-states remain influential in the MENA, particularly in North Africa, and, to a lesser extent, in the Levant and the Gulf. The region is important to Europe's security. First, it can produce direct threats to Europe, such as the Islamic State and other terrorist groups. Second, interstate conflict, internal instability and poor economic conditions in the region can lead to large-scale migration that can destabilise Europe. Finally, Europeans still rely on energy sources from the MENA: in the first half of 2021 the EU imported [17 per cent of its natural gas and 23 per cent of its petroleum](#) from the region. Europeans will need to work together and be proactive if they want to secure their interests. But the member-states tend to pursue disjointed foreign policies, and the EU has struggled to use its economic influence to drive economic and political reforms.

Europeans will face a MENA region where the US is less present, China and Russia are more influential, and regional actors like Turkey, the UAE, Saudi Arabia and Iran are increasingly throwing their weight around. US disengagement is not necessarily wholly negative for Europe. First, fear of US retrenchment pushed Saudi Arabia and the UAE to start talks with Iran, to reduce tensions. Second, US presidents have sometimes pursued policies that damaged European interests. The 2003 invasion of Iraq led to an extremist backlash and, by removing Iran's most powerful opponent, paved the way for increased Iranian influence across the Middle East. More recently, Trump's withdrawal from the Iran nuclear agreement and his 'maximum pressure' policy towards Iran pushed Tehran to increase its hostile actions against the US and its allies in the region, increasing the risk of conflict. However, US disengagement from the MENA will also be negative for Europe. EU member-states have depended on Washington's lead in the conflict in Syria and in the fight against Islamic State and have struggled to agree on effective common policies when the US stood back, as it has in Libya. What will they do if Washington steps back from regional conflicts that primarily threaten Europe?

China's involvement carries both risks and opportunities for Europe. On the one hand, it will reduce Europe's influence and entrench authoritarianism in the MENA, fostering a brittle stability that is not aligned with the EU's interests or values. On the other hand, Chinese investments in [renewable energy projects](#) like the UAE's Mohammed bin Rashid solar park may also contribute to fostering the green transition, which would be positive for the EU. Beijing's reliance on the region's energy means that it shares Europe's interest in stability, meaning the EU and China could co-operate on some security issues. China's economic interests make it possible that it may in the future take greater interest in maritime

security in the Gulf, and might become more willing to contribute troops to UN peacekeeping operations in the region. And Beijing's ties with Tehran make it an essential interlocutor for Europeans when trying to limit Iran's nuclear programme, although co-operation is unlikely to be straightforward, because China does not perceive Iran's behaviour in the same threatening light as Europe.

Dealing with Russia will be harder. Its engagement in the region is partly about economic interests: increasing arms sales and exploiting hydrocarbons. Moscow also aims to reduce the risk of terrorist threats. But Russia's overarching aim is strengthening its regional influence and showing that it is an essential regional power. This has led Moscow to become militarily involved in the conflicts in Syria and Libya, and to build up its military footprint in the region. Military deployments give Moscow political influence, and provide it with the opportunity to create problems for the West if it wants. Russia may sometimes work with Europeans to manage conflicts, but it has few incentives to permanently solve them, because this would often cause Moscow to lose influence.

Europe's response

Earlier this year, the Commission tried to revive the Union's strategy by launching a '[Renewed partnership with the southern neighbourhood](#)' – covering Algeria, Egypt, Israel, Jordan, Lebanon, Libya, Morocco, the Palestinian Authority, Syria and Tunisia. The partnership aims to help Europe's neighbours reform their economies, and is backed by an investment plan worth €7 billion over seven years, which the Commission says can be expanded to €30 billion by leveraging private investment. The EU deals with the Gulf countries separately and negotiations on a trade agreement with the GCC [have recently re-started](#). Meanwhile, Turkey is a membership candidate, although relations with the EU have [become very poor](#).

The renewed partnership is a step in the right direction, especially with its emphasis on the green economy and digital technology. But the level of financial support offered is small, not least when compared to the €9 billion that the EU will give to the Western Balkans, which have a much smaller population, or the €8 billion devoted to migration management. Moreover, it is unclear whether the EU will be able to convince private investors to expand its €7 billion plan. Large-scale private investment will only flow into the region if governance improves. The EU should make its partners a more appealing offer to encourage reforms, foster stability and maintain its influence.

The Union should put forward substantially more than €7 billion for the MENA region. In September the Commission announced a 'Global Gateway' connectivity strategy to compete with China's Belt and Road Initiative. But the Commission has not yet explained how exactly the initiative would be funded. The EU should offer partners more attractive trade deals than the deep and comprehensive free trade agreements (DCFTAs) currently under negotiation. These are designed to remove non-tariff barriers to trade through regulatory alignment and adoption of EU standards. But the EU's partners are sceptical about DCFTAs, because they require politically difficult domestic reforms and because of a widespread perception that past agreements favoured the EU, and that DCFTAs would do the same. To assuage these concerns, the EU needs to build trust, engaging more with business organisations, trade unions and civil society groups. The EU should stress that any trade opening would be 'asymmetric' with the Union opening its market rapidly to countries that enact reforms, while they would only remove barriers more gradually. The Union should also pursue further sectoral integration as a stepping stone to a DCFTA, for example in the agricultural sector, offering partners extensive support to help their businesses meet European standards. And the EU should offer citizens from partner countries more opportunities to work legally in Europe, not least because this will make co-operation on irregular migration easier.

Europeans must also get more involved in tackling the region's security challenges. They have few avenues to address the conflicts in Syria and Yemen, other than continuing to provide humanitarian assistance and pushing for diplomatic solutions to the conflicts. But, if they are united, Europeans can be influential in Libya, where they should [make more effort to strengthen the government of national unity](#) and push for foreign forces to gradually depart. Greater European financial assistance can help avoid Lebanon's socio-economic collapse, support Jordan in dealing with refugees and make Iraq more resilient. At the same time, greater European willingness to apply political pressure and make assistance conditional can help ensure Tunisia does not slip back into autocracy, and push Lebanese elites to reform the country's governance.

The need for a more assertive European foreign policy is most pressing in the case of Iran. Talks over reviving the 2015 nuclear deal have stalled, with Washington and Tehran both pushing to obtain a more favourable agreement than before. If Iran's nuclear programme advances further, the chances of a confrontation between the US and Israel, on the one side, and Iran and its allies, on the other, will rise. Tensions with Iran would also make the conflict in Yemen harder to resolve, probably end the détente in the Gulf and lead to intensified clashes between Iranian-backed militias and Western forces in Iraq. These developments would also threaten energy supplies, affecting Europe. Europeans should try to reduce the risk of conflict in the Gulf, increasing their maritime patrols, which help deter Iran; continue to support mediation efforts by regional actors like Iraq; and encourage the Gulf States to discuss regional security issues with Iran. Europeans should try to revive the nuclear deal. But if this is not possible, they should push for an interim agreement, with Iran rolling back some of its enrichment in return for some sanctions relief.

As Washington pulls back from the MENA region, others will ultimately fill the vacuum. For many decades, the US has done more than any other power to hold together a framework for regional security. But Europe can no longer assume that the US will do that. The challenge for Europeans will be to overcome their incoherence and passivity, devoting much greater effort and resources to stabilising the region. If they don't, the challenges will grow while their influence will dwindle, ultimately making it much harder for them to secure their interests.

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