

March 2018

Policy Paper, No 6/2018

Mediterranean Institute for Regional Studies

MIRS

www.mirs.co



The Collision of New Regional and Global Order in the Middle East

A security and economic reading of the future of regional conflicts

Bahrooz Jaafar



Mediterranean Institute for Regional Studies is a non-governmental, non for profit institute and is dedicated to research on and about oil, natural gas and water resources. It also engages in geopolitical, local, national, regional and international issues, and aims to translate the external world into the Middle East, Iraq and Kurdistan particularly. Our institute will provide detailed research and analysis on the mentioned topics. It also endeavors to lead and participate in public policies through scientific researches, analysis, debates and conferences. Furthermore, its target is to contribute to peace, prosperity, peaceful coexistence tolerance in a region riddled with war, conflict and sectarian tensions. The institute publishes articles and research in Kurdish, Arabic and English languages online on www.mirs.co

Address: Iraq- Sulaymaniyah- Salm Street. Rzgari- Opposite Ashti Sport Club

Email: Info@Mirs.co

Web: www.mirs.co

The Collision of New Regional and Global Order in the Middle East

A security and economic reading of the future of regional conflicts

Bahrooz Jaafar*



*Bahrooz Jaafar: Ph.D candidate, International Relations. Head of Mediterranean Institute for Regional Studies



Content

Introduction	3
First Section: Saudi Arabia and Israeli coalition.....	4
Second Section: Israil's new role in Middle East and Mediterranean region	6
2.1 Israel and EU in the Mediterranean Region	6
2.1.1 Gas pipeline and European and Israeli peak	8
2.2 The United States of America and the new role of Israel in the Middle East	11
Third Section: Iranian discontent: impact and implications	12
3.1. Internal Factors	12
3.2 External Factors	14
3.3 Nuclear Weapon and the strategy of Iran: resistance, strength and/ or division?	17
Fourth Section: Turkey's turn after Iran	21
Fifth Section: Post-ISIS Iraq, oil sector and Political shift	24
5.1 Will there be agreement and or collision over Kirkuk?	25
5.2 Will oil unite KRG with Iraqi government?.....	26
5.3 Conformity or collision?.....	28
Conclusion.....	30
Reference.....	31



Introduction

The events of the Middle East head towards a new regional and global system, from the last quarter of 2017 to the Mid of 2018 there were Gulf Crisis, reform attempts in Saudi Arabia with the support of Trump administration, the failure of Kurdish bid for independence, the resigning of Lebanon PM Saad Hariri, killing the former president of Yemen Ali Abula Salih, the warm relations among Russia-Turkey, Iran-Turkey, the defeat of ISIS in Iraq, New coalition of Israel-Saudi Arabia- UAE, the decision and its move the American Embassy from Tel Aviv to Jerusalem, then announcing new strategy for national security of America, the protests and demonstrations inside Iran and American threats to cancel the Nuclear deal with Iran and Group (5+1), The Turkey's aggressive attempts against Kurdish forces in North Syria. Finally the multi crisis in Iraq and its failed attempts to form the Iraqi government after the election of May, 2018.

After Sykes Picot agreement of 1916 and Balfour treaty of 1917 some new states were established in the end of WWI, The Othoman Empire also collapsed. These new state forming attempts was based on ethnic imbalance, dividing of land and at the expense of the rights and demands of other nations. In addition this also lead to external internventions and adminsitring Middle East from outside through western colonialism which all led too a new threatening and horrific era.

There passed one hundred year of the history of Middle East still there is now security and stability in this region. Whereas all the important events taking place in MENA in the end of 2017 and begning of 2018 cannot be considered as normal events in regional security. These are only the begning of a new era for reshaping the region and creating a new regional and global system, the question is what about



the nature of the regional and global order in the Middle East?. Here, This paper is a standard academic attempt by MIRS to understand more about the roles and impacts of all actors in this region.

First Section: Saudi Arabia and Israeli coalition

Donald Trump, the USA President for the first time in his Presidency he visited Saudi Arabia on May 2017. Many political observers argued that the purpose of this visit was to mend the relations between Israel and Saudi Arabia. After visiting Saudi Arabia Trump visited Israel so that both USA and Israel sort out many Middle Eastern issues: among them, preventing Iranian and Shiite hegemony, Iranian interventions and meddling in Iraq, Syria, Lebanon, Palestine, Yemen, and the threat Iran poses on the security of the Arab Gulf countries. Therefore, We can argue that the political observers were right in noticing an attempt to form a coalition among Israel and Saudi Arab and this coalition become a fact in:

- The overall events of the last half of 2017 showed that there is military cooperation between Saudi Arabia and Israel. Mike Pompeo, the chief of CIA in December 2017 explained that Saudi Arabia is directly coordinating with Israel and other Arab and Sunni countries in their wars against ISIS. Jerusalem Post once quoted Pompeo in December 7th 2017 in a report saying that “Saudi Arabia and Israel work together. Also previously the Israeli energy minister Yuval Steinitz in a radio interview announced that there are many contacts between the two countries, but that Riyadh has demanded these contacts remain not revealed¹.

¹ Tru news (2017) Pompeo: Saudis, Israelis Working Together. see here: <https://www.trunews.com/article/pompeo-saudis-israelis-working-together>



- On October 2017, the chief of intelligence of both countries have met to discuss and exchange their views about American foreign policy in the region. Also the former chief of intelligence of Prince Turki Al Faisal have presented a speech along with the former chief of Mosad Efraim Halevy and the former was even ready to participate in a symposium at the Center of Jewish Community in New York².
- Both countries have felt the increasingly threatening impact of Iranian expansionism and its risk to the political and economic hegemony of Saudi Arabia and Israel. Gadi Eizenkot, chief of Israeli military has told to Elaf Saudi Newspaper that Israel is willing to share intelligence regarding Iran with Saudi Arabia. Eizenkot says "We are ready to exchange our experiences and intelligence informations with Saudi Arabia and other moderate Arab States so that we can confront Iran"³.

The self-preparations of the United States of America in its forming of coalitions and contacts with the other countries of the Middle East is a subject that needs further scrutiny and we do see that risks as the Iranian plan is to control the Middle East through creating two Shiite Crescent:

First, this Shiite crescent passes through Iraq to Syria and Lebanon

Second, it also crosses Arab Gulf Countries from Bahrain to Yemen and Red Sea. This can be achieved through political parties and Militias whether directly and or indirectly are supported by Iran just like the Shiite Popular Mobilization Forces in Iraq who are supported by Iran and or Lebanon Hizbulla, Houthis in Yemen, and other Shiite groups affiliated with Iran and are operating in Gulf Countries.

² Middleeastmonitor: Swiss Newspaper reveals: Secret military cooperation between Saudi Arabia and Israel, 8. January. 2018.

³ Haaretz (2017), Amos H: Israeli Military Chief Gives Unprecedented Interview to Saudi Media: 'Ready to Share Intel on Iran, 1. December. :<https://www.haaretz.com/israel-news/1.823163>



Second Section: Israil's new role in Middle East and mediterranean region

2.1 Israel and EU in the Mediterranean Region

The Mediterranean is the only water route that borders (21) countries, these countries comprises (10) different religions and culture. There are more global and regional cultural interconnections which will have implications for the security and geopolitics of the Middle East. Historically it is a cradle of civilization. Geographically is the intersection point for Asia-Europe and Africa). In terms of global proxies, these regions are stratigic for American infuence in the Middle East and Africa. It is also important for Russian who have a significant military and economic interest in this region, particularly in Syrian conflict, energy production and creating local, regional and global connections.

The stratigic location of the ME has made powerful countries to increase their hegemony in the region by helding dozens of peak conferences, symposiums and academic discussions. Thouse European countries bordering mediterranean are Portugal, Spain, France, Italy, Malta, Greece and Cyprus. Barcelona Declration of 1995 was signed among European countries and other countries bordering Europe and the Mediterranean Sea.

In today's 21st century, after the advant of many concepts and theories of International Relations there is an acceleration of fast-paced events taking place in this region, some of which are: terrorism (the transfer of violence from less delepoved countries toward more advanced and developed countries), Market, immigrants, Refugees, pollution, the discovery of natural gas and hydrocarbon resources, and mutual cooperations and mutual values. Also, after the Arab Spring of 2011, war and political violence of Syria, Lybia, and Yemen, then the repucussions of the crisis created by ISIS terrorist groups, the Middle East needs a



new type of thinking and formulations. That's why European countries and more particularly, (Greece, Cyprus, Italy, and France) which are directly part of the security and geography of this region, hope that a new Union for the Mediterranean will be established⁴.

Generally, what makes EU think that Israel is an integrated part of protecting their security lies in the following three points:

First: the discovery of natural gas in Israeli seas which will fulfill an important part of the energy needs of Europe, this would in return and in a short period of time and covering few geographic areas will lead to a gas pipeline from Cyprus and Israel to Europe. This will have major implication as Europe will find a new energy market than rely on Russian energy and hydrocarbon resources.

Second, the pressing issues of immigrants crossing from Middle East to Europe and the transfer of some dangerous phenomena to Europe like: violence and terrorism, international organized crime and drug traffickers and smugglers and human trafficking, and the dealing with banned and illegal drugs.

Third, the strategy for security of the American administration under Presidency of Donald Trump reiterates the significance of supporting Israel and its geopolitical and geostrategic location. The location of Israel also reinforces the need of protecting the strategic interests and security of Israel. In other words, this would lead to redraw the map of the Middle East in a way that is in the interest of Israel.

⁴ Micallef. V. Joseph (updated, 2017) Reflections on the Mediterranean refugee crisis. Center of Mediterranean Refugee Crisis. □



2.1.1 Gas pipeline and European and Israeli peak

After a five decades long search and discovery, in 2009 Israel found natural gas resources at 80 Km distance of Haifa field which is called Tamar gas field. This gas lies at a depth of 1700 m in the sea. The natural gas reserves of this field is 307 BCM. According to Torah "Nothing happens under the light of sun" and thus under the depth of the sea Israel created an economic shock. Israel created an ethno-democratic country and one of the most developing agricultural state in aland which was barren and dusty. Subsequently in 2010 one of the largest field called Leviathan gas field was discovered at a depth of approximately 2000 at the sea. Its reserved natural gas is 622 BCM. Undoubtedly, America would welcome this great development. American Noble Energy Company has a share of %36 in Tamar and %39, 7 share in the Leviathan field. As Israel as only a limited population and few geographical area the country decided in 2013 to export %40 of its gas through Haifa port wich under direct control of Israel itself ⁵.

This image is expressive of the competition for producing natural gas in the Middle East (Leveiathan gas field):

⁵ Roaya Center for Political Development (2016): The Facts of Gas, "Israel and its Economic and Political Considerations, by Emad Abu Awad, July 13, 2016 at 11:50:23 am See: www.vision-pd.org/237



According to Israeli Haaretz published an article that was titled "in the commemoration of founding of the state of Israel" which simultaneously is "the commemoration of the misfortune of Palestine" was published. Israeli population in 2016 was 8, 5 Million and according to Israeli statistics its population in 2035 will be 11, 3 million citizens⁶. This means that for the future decades Israel has already provided adequate resources for multiple industry and producing electricity stations. Until 2025 nearly %50 of producing electricity will rely locally produced energy and the rest of producing electricity will depend on hydroelectricity. Israel was previously relying on Turkey for water and was importing gas from Egypt. Israel now owns 1.069 Trillion and 69 Billion Cubic meter of reserved natural gas. (The table below illustrates this more clearly)

⁶ Haaretz (2016). On 68th Independence Day, Israel's Population Hits 8.5 Million, May 12, 2016 1:51 AM, see here: <http://www.haaretz.com/israel-news/.premium-1.718791>



The total reserved natural gas of Israel

Finding location of the field	Gas in Billion Cubic Meter	Year of exploration and discovery	Name of Field
Mediterranean opposite of Eskeleon	45	2000/1999	Noah and MIRI
Mediterranean 90 km south of Haifa	307	2009	Timar 1+Timar Drum
Mediterranean opposite of Khudheir beaches	15	2009	Delet
Mediterranean 130 km south of Haifa	622	2010	Leviathan
Mediterranean 160 km south of Haifa	80	2012	Krish and Tenen

Source: Ruya Center for Political Development (June, 13th, 2016) the Ministry of National Infrastructure (2016)



2.2 The United States of America and the new role of Israel in the Middle East

Since its establishment until the end of the Cold War in 1991 Israel was working under the principle of regional alliance and cooperations. This was because Israel wanted to achieve its national objectives and not to be isolated. It was during the Cold War era that the Shah of Iran was deposed and then later the whole of Middle East was turned upside down. On the one hand the Shah of Iran was deposed and the Iranian Islamic republican regime was created and it became enemy number one of Israel. This was in a time that Iran and Israel had a friendly and cooperative relations previously. Then in the later phase Israel always wanted to have a friendly and relation with Turkish governments. This friendly relations was also supported by America. Especially in forming the foreign policies of the two countries. Israel was smartly finding new allies and coalitions and never allowed itself to be regionally isolated in a region which was destabilized. For example, Israel and Egypt signed the treaty of Camp David in the United States of America with the support of the former president of Egypt Anwar Sadat and Israeli PM Menachem Begin and the same year both presidents and Prime Ministers received the Noble Prize for Peace.

Even though Egypt was hugely criticized for this treaty by the other Arab states later a peace treaty between Egypt and Israel was established. This peace agreement was like a compensation and a guarantee for the relations between the two countries. This was partially Iran was Islamicized and had a new rival ideology that opposed Israel. Iran antagonized Israel as an attempt for creating a Jewish state. Therefore Israel realized the significance of its peace treaty with Egypt as Egypt was



considered as the capital of Islamic world for its most important role in the Islamic world and its institute of Azhar and also it is a neighboring country of Israel ⁷.

In 2018 and once again, under the new leadership of President Trump the administration of the United States of America highly values its relations with Israel. Israel is an unchangeable priority for American strategy in the Middle East. America never allows Israel to be sanctioned and or be isolated by any other country. Always strives to find new allies for and in the 1970s and 1980 coordinated the Israeli and Egyptian peace agreement and deescalated the tensions among the two countries. In the 1990s, Israel had the strongest relations with Turkey. And in 2018 America wants to support Israeli and Saudi Arabia relations in dealing with the destabilization of the Middle East. It is clear that America does not support anyone for free. It was America and Donald Trump who forced Saudi Arabia to make internal reforms under the direct leadership and supervision of Prince Mohammed Bin Salman. This was followed by imprisoning and arresting some powerful figures of Saudi Arabia and holding them accountable. It was also after the Arab Spring that both America and Saudi Arabia carried out military interventions under the framework of "Asifatw al hazm" in Yemen and via air bombardment.

Third Section: Iranian discontent: impact and implications

3.1. Internal Factors

Iranian demonstrations first kicked off in Mashhad, the second largest city of Iran on 28th December of 2017. This was largely a protest for improving the quality

⁷ Inbar. E (2010): *Israeli –Turkish Tensions and beyond*, Israel Journal of Foreign Affairs IV: 1.



of life, and against the rise of cost of living like food and other daily needs, and then soon the protests and demonstrations was spread to the majority of the cities in Iran.

As it seems initially the protests were against the deteriorating economic conditions of Iraq and there was an economic factor behind them. But then later the protesters raised political slogans against the Islamic regime of Rohani, Khameney, and other religious authorities in Iran. Thus the protests turned out from economical discontent to the political. In the Friday demonstrations the slogans of "People are struggling and religious men are acting like Gods" were raised. This time the protests were different and not like the protests of 2009 of Iran. The protests were not limited to the capital of Tehran which was supervised and led by the reformists. This time the demonstrations had no ideological leadership and or political leadership behind them. It looked like a people movement with no leadership.

According to the Al-Jazeera Center for Research (2018) findings the deteriorating of the lifestyle of people and their frustration with the Islamic regime system was the main factors behind the protests of Iran. It is obviously clear that the economy of Iran was deteriorating. In the end of 2017 nearly 6 million people were unemployed and or without a job which comprises %13 of the population and it is also expected that in the first quarter of 2018 more than 800,000 people will also be without job and or a career in the private and or public sector. Most of these people are university graduates. This is in a time when Hassan Rohani was elected President of the Islamic Republic of Iran he promised to reduce the level of economic inflation in his country. On the contrary, in the last two months of 2017 inflation was %8, 4 and in January of 2018 was %10. This was a dire financial condition in which the level of economic inflation reached %45 partially due to the



economic sanctions imposed on Iran by the international community on the one hand and the lack of trust of the people of Iran with the President and Iranian government⁸.

3.2 External Factors

The Iranian people do not hide their frustration of their government's interventions in the internal and sovereign affairs of the neighboring countries. The protesters of the city of Mashhad were raising the slogans and banners claiming "Neither Gaza nor Lebanon, my life be sacrificed for Iran". This is an indication that Iran is more focused on the internal affairs of other countries than addressing and or tackling the local issues of their country. Also in a previous report of Mediterranean Institute for Regional Studies (MIRS) we also highlighted the case of the Houthis in Yemen and that Iran is a strong supporter of the Asaad Regime and is also liable for supporting the Houthis in Yemen and simultaneously supporting Hizbullah in Lebanon.

⁸ Jazeera Center for Studies (2018) Iran: Limited Exhibition Traffic and Chronic System Crisis, Research and Reports.



**"Iran, the voice of the protesters were suppressed, but their message reached the world-
Anadol Agency"**

Iran is a powerful country, perhaps more powerful than neighbouring countries in the region like Turkey and Saudi Arabia. Moreover, Iran is an oil importing country. Iran has world's second large reserves of natural gas which is %18 of all world gas reserves. It also has great agricultural land with an attractive demography and a high level of scientific and medical education. However, Iranian people are not happy with the level of corruption within the elite ruling Islamic families. The level of corruption existing now in Iraq has even surpassed corruption during the Shah reign. Iran's budget deficit in 2017 was 5 Billion USD⁹.

⁹ Kottasova, Ivana (2018) The economic forces driving protests in Iran, CNN money paper



After Iranian nuclear deal of 2015 the people of Iran hoped they would improve their living style and have a better governing system. They believed that the pressures on their government will be reduced and Iran's money abroad will be free. However, the Iranian interventionisms in the neighbouring countries due to the changing nature of the Middle East and the change in American Presidency who defined Obama's deal with Iran as a disaster and worst kind of agreement. Trump's visit to Saudia Arabia and his describing of Iran as a terrorist country there, and then followed by Iranian protests and demonstrations. The USA and UN Security Council also expressed their support for the people who were demonstrating against the regime of Iran.

Trump's administration closely watches Iran and the region. Iranian Minister Mohammed Javad Zarify announced on January 6th 2018 that "The efforts of Trump's adminstration is elelgal and is only animosity". Zarify, whose name is in the list of those who needs to be punished beleives that " America has tresspassed all international borders and crossed the red line, therefore Iran will have reactions and acts responsibly, and that Iran willlds US accountable for their rivalry and animosity towards Iran"¹⁰.

According to Dennis Ross, a researcher at Washington Institue for Near Middle East Studies the Iranian leaders have achieved great victories in the Middle East, especially in protecting the Syrian regime and Bashar Asad. Also in supporting Hizbullah, and in directing the Shia Militias of Iraq and has taken advantage of the Iraqi government. That Iran has even successfully supported the Houthis of Yemen and disturbing Saudi Arabia. However, these interventions are financially costly for

¹⁰ Reuters and Algemeiner Staff (2018) Iran Threatens 'Serious Reaction' After US Ultimatum on Nuclear Deal, New Sanctions. You can viewed The algemeiner



Iran. Iran spends annually 800 Million USD just to support Hizbulla and has spent billions on the regime of Assad after the Arab spring. That is why the people of Iran protests. In 2009 people protested for bread and livelihood but in 2018 they protest for changing the system and the political establishment of Iran¹¹.

3.3 Nuclear Weapon and the strategy of Iran: resistance, strength and/ or division?

The narrative of Iranian nuclear weapon starts at the 1970s. When the Shah of Iran Mohammed Raza Shah Pahlavi thought about building a great Persian civilization. He thought that nuclear technology is one of the main pillars of building that civilization¹². There were many ups and downs in Iran's nuclear program and was faced with lots of punitive measures, external and local pressures. On 24th November 2013 there was a historical agreement between Iran and European countries regarding the former's nuclear program. On 2015 this agreement was signed among Iran and the five permanent members of Security Council. Iran was committed to the agreement after two years. However, Trump's administration insists on cancelling the agreement. The most important articles of this agreement are:

- Iran must committed to stop proliferation of uranium and its level should not more tahn %5 and cancelling all the technical factors that would result in producing uranium.
- Iran should specify all the stores and stations that produce uranium at the level of %20.
- Iran must be committed not to implement any activity in the stations of

¹¹ Ross, Dennis (2018) Iranians Are Mad as Hell About Their Foreign Policy, Washington Institute for Near East Policy.

¹² The Island (2017) The Iranian nuclear program. See here: www.aljazeera.net/encyclopedia/issues/2015/6/18 ...

- Arak: it is the name of the place which producing Uranium



Arak*.

- Arak station must not work.
- There should be no increasing of fuel for the location and factories of Arak.
- Production in Arak will stop.
- Under an interim nuclear deal agreed in November 2013, Iran agreed not to commission or fuel the reactor.
- Instead, it agreed to redesign the reactor so it cannot produce any weapons-grade plutonium. All spent fuel will be sent out of the country as long as the modified reactor exists.
- Iran will not be permitted to build additional heavy-water reactors or accumulate any excess heavy water for 15 years¹³.

Iran is a power in the Middle East, South West of Asia, and the history of Iran is the history of Middle East and expressive of the ideology of Islamic Shiism. Iran has also main partner of Russia in the Middle East. On the anniversary of Iranian Army, Hassan Rohani, the president of Iran on 18th April 2017 said "Our country has increased the budget for Army and defence for %145."

¹³ - BBC News (2014) Iran nuclear crisis: Can talks succeed? See here: <http://www.bbc.com/news/world-middle-east-11709428>



In addition to Atomic weapon, Iran has the largest Ballistic Missiles in the Middle East.

The arrival of ISIS in Iraq and Syria in 2014, Iran's extensive interventions in Iraq, Syria, Lebanon, Gulf Countries, Yemen, the threats against Israel and Saudi Arabia which are two US allies in the region, all contributed to the rise of tensions and rivalry between Iran and Saudi Arabia and its impact is felt across the Middle East and North Africa, and also this made Trump administration not to stay neutral and idle. The US clearly defined Iran as a huge threat to its national security and Middle Eastern security as it is explained in American New Strategy for National Security. Iran is considered as a country that supports and funds terrorism. Iran also conquered Hurmoz Strait in 2016 in the south. This is a world class strait and corridor through which %40 of all ships and goods cross it¹⁴. This is also a warning sign for the geopolitics of energy and competition with other regions. Iran also made

¹⁴ Arabia (2018) European foreign ministers demand Trump to respect Iran's nuclear deal. <https://arabic.cnn.com/middle-east/2018/01/11/iran-nuclear-deal-europe-us>



the Shia militias of Iran called Popular Mobilization Forces to be legally considered as a part of Iraq's defence system. These Shia militias are pro Iranian. Iran also considers itself as a victor in the war of Syria and finally guaranteed the regime of Asaad from collapsing. The protest for Iran was nationwide including the capital city of Tehran. The major question is the future of Iranian nuclear program for which there are three major considerations and scenarios:

First, Iran may take advantage of the agreement and nuclear deal it has with (5+1) by keeping it functioning. Germany, UK, and France are also open about this. Fedrika Mogherini, EU representative for foreign affairs has asked Trump to respect the deal of Iran with the (5+1).

Second, Regional proxies and the rivalry between Iran-Russia- Syria and several other groups with America, World Bank and Global Energy Market who want to weaken the later, the Iranian economic crisis and internal dissatisfaction with the regime support this hypothesis. Also as we have already explained the new role of Israel and its ally with Saudi Arabia, and below we will also explain the future of Turkish system and its leaning towards Russia and Iran.

Third, Iran will be internally divided and that Iran's dream for controlling the external will destroy its internal structures. Iranian opposition is now ready. The differences between the reformists and conservatives and the shift we have seen of the protesters demand from economic issues to political dissident and we have seen some raising the slogans of "Death to Dictator" and "Death to Rohani". On the other hand, the Azers in Iran, Sunnies in Iran, Kurds in Iran, and Beluch in Iran all see that Iran is pregnant and it may soon deliver a revolution. Undoubtedly, a revolution in Iran means huge change in the Regional and Global System and particularly huge changes in the Middle East.



Fourth Section: Turkey's turn after Iran

Even though this expression "Turkey's turn after Iran" sounds like a conspiracy theory, this subject is not related to the many conspiracies surrounding the Middle East as much as it is related to the trend we see among the neo-realists of America. These neorealists reiterate that there should be no force greater than that of USA. They argue that the world needs a strong superpower and only this power can maintain the global security system. Therefore, all the other forces need to be inferior to that of America. So the neorealists are chewing up the theme of conflict and competition. America needs to compete to maintain the balance and the value of US Dollar, to limit BRICS, as a unified Bank proxy to compete with World Bank and International Monetary Fund (IMF). America needs to resolve and tackle the new phenomena entering the International Relations like: Pollution, terrorism, lack of water, poverty, global inequality, Migration and refugee crisis, human trafficking, and drugs and etc.

During the AKP rule (2002-2018) Turkey has had many adventures which were against the values of America (here we are not arguing whether American values are sacred or not and or whether colonialism is a good or bad) Turkey had many moves exactly against the American wishes. If Turkey gets rebellious its repercussion may not directly impact Turkey but also affect Eurasia, Balkans, Mediterranean region and Middle East. This means that America wants to crush the states that are stable politically, economically, and industrially and make them passive and inactive¹⁵.

¹⁵ For more information about this situation you can read this interesting book: THEODORE H. COHN (2012). Global Political Economy. Sixth Edition, London. Simon Fraser University



Turkey and particularly AKP did not allow US forces to use Turkey to attack Iraq in 2003. Then Erdogan and Abdullah Gul meet all the ambassadors and representatives of the Middle Eastern countries except for that of Israel. Why? They wanted to create a union like that of European Union and create a military force for the Muslims to act as an Islamic NATO. AKP had the dream of leading the Middle East. But the Party was also planned differently for this. The Arab Spring destroyed this Turkish dream and reversed the strategy of zero problem for all problems with its neighbours. Then Erdogan had tensions with Israel every week from 2009 to 2010. Erdogan was leaving Israeli Prime Minister in Davos and was also defining Israel as a terror state. Turkey was welcoming Khalid Mashal in Ankara, and was insisting on sending assistance for Palestinians in Gaza and was also claiming that the land of Israel is the property of Ottomans as it has the documents in the archive of the country.

Turkey does not consider itself as the police of Europe and will not protect the border. If it wants it can open the doors and borders and unleash terror to Europe and then Europe will not be able to sleep peacefully. Erdogan and Davut Ogul were trying to bring Iran and Brazil together so that they both proliferate atomic weapons and create a union and remain united. Erdogan attacked America many times in 2017 and lastly told American Ambassador "If you do not like Turkey you can leave it"¹⁶. Finally, Turkey was engaging in a verbal war during the Iranian protests and Erdogan was claiming that he will not allow external forces like Israel and US to intervene in the internal and sovereign issues of Iran and Pakistan. In addition to all of these, if compared to Iran the economy of Turkey is more stable and is developing. Erdogan has said "We have given money for IMF and not the other way"¹⁷. Faisal

¹⁶ Washington post (2017) Turkey condemns U.S. over 'aggressive' acts against Erdogan's guards during D.C. visit

¹⁷ AhramOnline (2013) see here: <http://english.ahram.org.eg/NewsPrint/64422.aspx>



Orgholu, the Turkish Minister of Forests and Water Resources in 2017 said that the export of Turkey was worth between 154 to 155 Billion USD and that we want to increase this level to 500 Billion USD by 2023. The number of people visiting Turkey and transiting this country in 2017 was 63.1 Million People but in 2016 was only 58 Million people and this level is increasing by %8.3. The value of Turkish Lira was rising in the early months of 2018. 100 USD is worth 370 Turkish Lira¹⁸. This means that Turkey is regaining and controlling its strategy rather than caring for Ghaza and or engaging in a rivalry with Israel, US, Trump and or becoming a member at EU. There is a coalition between Turkey and Iran as two great regional powers and this coalition is rival to Saudi Arabia, Israel and UAE. Those who are allies with Turkey and Iran are Iraq, Syria, and some other groups like Militia men such as Hizbola and PMF).

Does American administration want to reshape the region?

According to New Global and Regional Order America wants to challenge the hegemony of China, Russia and India and regionally it seeks to create a new regional order through which it can control the new phenomena entering International Relations. Israel nor longer trusts Turkey under the leadership of Justice and Development Party of Erdogan and Israel is in a coalition with Cyprus, Italy and Greece to drill natural gas and this has made it even more impossible for Israel to mend its relations with Turkey. America wants to find new friendly relations and coalitions for Israel in the region. That is the reason why the US moved its embassy from Tel Aviv to Jerusalem. This is to test Saudi Arabia, UAE, and Egypt and

¹⁸ Daily Turk (2017) Turkish Minister: Our goal is to raise exports to 500 billion dollars by 2023. www.dailysabah.com/arabic/economy/2017/12/09/...



whether they cooperate with Israel in dealing with regional issues, for example, preventing further Iranian hegemony in the Middle East and other issues like Oil and if this effort was successful then Turkey will be marginalized, if not then America will try to amend the relations between Israel and Turkey.

Fifth Section: Post-ISIS Iraq, oil sector and Political shift

One century has passed since the formation of nation states in the Middle East. Yet this regional has not witnessed security and stability. Iraq is also a country suffering from decade's long war and chronic political instability. Iraq is expressive of a country that is defined by external interventions, economic interests and ethnic exploitations and prosecution. From the First World War to the ISIS in 2014 Iraq has seen seven major wars. All these wars were directly about oil and natural resources. The energy sector, corruption in governance, the lack of transparency and lack of a national system has contributed in deteriorating human resources and public services and these are major factors behind the failure of governance in the country. Iraq has either produced a totalitarian and or autocratic power that wanted to deepen ethnic and national division and or the failure of governing system has created a political vacuum through which extremists and terrorist groups were able to exploit these opportunities to strengthen themselves and destabilized the country. Will there be a political transformation in Iraq? The answer is that we have to look at the political shifts occurring in the aftermath of Arab Spring in Libya, Yemen, and Syria.

Generally the most pressing issue of Iraq is the issue of oil and natural resources, and how different political parties might reach an appropriate agreement



to administer the system of governance, to share political power and how to resolve nationwide corruption.

5.1 Will there be agreement and or collision over Kirkuk?

According to Turkish President Kirkuk is a city of Turkmen. Before the formation of Iraqi state Kirkuk and Khanqeen were administered by Mosul Wylayat. Kirkuk was one of the strategic location of the former Othoman Empire and the current state of Turkey. Turkey looks at Kirkuk from a strategic and economic interest and a place where Turkish identity will be strengthened. But for Iran, Kirkuk and Kurdistan region does not have any economic importance. Kirkuk and the region is vital for Iran's security. Iran knows that Kirkuk is important for its relations with the rest of Iraq and Syria. The Kurds who have ruled Kirkuk from 2003 to October 16th 2017 know that they cannot compromise on Kirkuk and abandon its strategic importance for them. However, it became crystal clear that only at the rhetorical level the Kurds say we do not compromise on Kirkuk but on the practical level it is not true and that Kurds have compromised on Kirkuk. The Shiite groups of Iraq have always wanted to attack the city of Kirkuk only to use it as a propaganda machine for the elections and abate their political fans. The Shias of Iraq have always wanted to prove the Iraqi identity of Kirkuk. The Americans have always defined Kirkuk as a ticking time bomb since their invasion of Iraq in 2003. Therefore we can say that the issue of Kirkuk has political ramifications for all relevant countries and the political disputes over this city may never end. The Kurds had an ethnic and sectarian conflict with Iraq since its creation in 1916 until 2003. However, after 2003 until October 16th 2017 the ethnic and sectarian conflict of Kurds with Iraqi government shifted from an ethnic conflict to that of dispute over oil, budgetary issues and



participations in the economic sectors. This is a vital and significant issue and is the main objective of this paper.

5.2 Will oil unite KRG with Iraqi government?

The security of energy resources as it is related to two distinct parties has only two results, it will either lead to war and political confrontations and or lead to cooperation and compromise. It will not have another option. Either war or political deal and agreement. Oil is only a commercial good and it's should become a factor for developing the other sectors of governance. It can only be achieved by a modern and soft system. Whenever oil is entangled with national ideology and or ethnic ideology it will cause humanitarian disaster and a cause for war and destruction.

Arab Spring was the failure of statehood in those countries rich with oil and natural gas, the Arab spring was the result of failure of political system based on marginalized other groups. Corruption in the governing system created political vacuum. In the political science there is nothing more dangerous than political vacuum. It is in these vacuums that the viruses of extremism and socioeconomic inequality will grow up. If violence become a subject of political issue then it will create terror and terrorism. The terrorism and extremist created in political vacuum requires external regional and international interventionism. Under such circumstances each of the state and non-state actors will seek to expand their own interests and this may lead to a regional and global issue, just like what we see currently in Syria. On August 2014 ISIS controlled one third of Iraq and some of the vital oil resources of the country. The logistic and military capacity of Iraq was weakened. The KDP forces controlled both Bai Hassan and Avana oil field of Kirkuk and Sofaya oil fields near Rabia west of Mosul. From 14th August 2014 until 16th



October 2017 KDP was exporting 300,000 barrels of oil per day from Kirkuk and 40,000 Barrels of oil per day at Sofaya oil fields. KDP was exporting its oil through Kar-Group Company it owned. The money and revenues of this oil has neither been given to central government of Iraq nor to Kurdistan Regional Government nor to the local administration of the city of Kirkuk nor to its own people. Kurdish political leaders were raising the slogans of Kurdish independence and referendum for independence. They had the excuse that Kurds were effective force in the war against ISIS and the Peshmarga were fighting ISIS terrorism on behalf of international community. They thought that Kurds were morally strong and they are a good force for resolving the issues of the city of Mosul which was being occupied by ISIS. Just after the liberation of Mosul and the defeat of ISIS in Iraq and the Kurdish referendum the international community reiterated their support not for the Kurds who were seeking succession but for the Iraqi government and Haider Abadi, the PM of Iraq. The UN Security Council, the Coalition of the War against ISIS, Iran, Turkey and regional countries opposed and refused the Kurdish referendum for independence. Immediately after the referendum the Iraqi government with the support of Iran and Turkey imposed its punitive measures against Kurdistan. They banned all international flights to and from Kurdistan airports. The Popular Mobilization Forces (PMF) and the Iraqi Army with the support and backing of Iran as well as with some powerful groups in Sulaimani were able to control the city of Kirkuk and more than 5,600 Kurdish families were displaced from Kirkuk and Tuz Khormato.



5.3 Conformity or collision?

Iraqi government protects the security of Kirkuk through federal police forces. But what is the intention of Iraq for administering the oil sector of Kirkuk? Previously Iraq was improving 300,000 to 500,000 bpd through an oil pipeline to Cihan port to Turkey, however, after the arrival of ISIS the oil pipelines were damaged and need renovations and this pipeline crosses the land of Kurdistan. That is why Iraq has thought about three other alternatives:

First, with the support of Iran Iraq wants to export Kirkuk and Naftkhana oils to Iran and this way Iran is able to divert the export of oil to the mediterranean region. Even though Iran is an oil rich country but Iran needs this oil to fill the needs of oil refiners of Kirmashan and other Kurdish areas of Iran. In exchange Iran will export the same amount of oil it received from Kirkuk from South of Iran to Basra to Iraqi government.

Second, Iraqi government may reach a deal with KRG under the auspices of US. Iraqi PM Abadi has asked Iraqi oil minister Abdulkarim Al Luaibi to reach a deal with KRG. Iraqi Parliament decided to kick Kar Group out of Kirkuk but the Ministry of Oil refused that decision. This is because if Kar Group was forced to leave Kirkuk it will negatively affect 700 Kurdish staff employees of that company in Kirkuk and will also negatively affect the talks between Erbil and Baghdad. After all, the production system in those two oil fields was implemented by Kar Group. So if KRG and Iraq reach a deal then Kar Group will also return to the city of Kirkuk²⁰.

Third, Iraqi government wants to consume the oil produced in Baba Gur Gur, Bai Hassan, Avana, Khaybaz, and Jambour locally rather than to export them through the land of Kurdistan. For example, they have increased the level of Kirkuk oils to

²⁰ Iraq Oil Report. www.iraqoilreport.com



the local refineries since the beginning of 2018. They have increased Kirkuk refinery from 40,000 bpd to 50,000 bpd. And there is also a plan to increase it to 100,000 bpd to fill the needs of Mosul. Kirkuk refinery has increased from 30,000 bpd to 70,000 bpd, Bazian refinery has increased from 20,000 bpd to 28,000 bpd²¹. This is to ensure that the oil of Kirkuk will be consumed locally rather than to export it to other countries. Finally, the oil and gas industry of Iraq needs major and radical changes. Administering the energy sector is not only about economics which produces widespread corruption but will also renew ethnic, sectarian and political conflicts. Conversely, this will cause another local, national and regional catastrophe and will also pose risks and threats to the security of European countries. Therefore, we can specify three major challenges in post-ISIS Iraq:

First, US, Germany, France need to force Iraqi political parties to reach a deal. First to protect and maintain security and stability of disputed areas in coordination with others, then it will become a stabilizing factor for managing the sectors of producing energy.

Second, as the Shia groups have failed in providing a good example of good governance in Iraq in the last 16 years. The Shia themselves shoulder a great responsibility for the nationwide corruption and therefore tackling corruption is a huge challenge for the majoritarian rule of Shias in Iraq. Adnan Jalabi, the former chief of Oil and Energy committee at Iraqi national council mentions that due to corruption and mismanagement of the oil sector in Iraq from 2006 to 2017 there has been damage of 1 trillion USD to Iraqi economy. Therefore the Iraqi legislative elections of 2018 will be a major challenge for all Iraqi political parties. Iraq also has huge international debts to pay. According to the financial committee of Iraqi

²¹ Formal letter of North Oil Company.



parliament Iraq owes 123 billion USD and this will decrease the credibility of Iraqi International Bank and Iraqi membership at The Organization for International Transparency is being suspended as Iraq is one of the world's top corrupt country²². Iraq is not committed to the terms and conditions of Organization for International Transparency. As Iraqi PM Haidar Abadi has said confronting corruption in Iraq is more risky than confronting terrorism.

Third, the oil fields and oil refineries of Iraq all need major renovations and reorganization. The Kirkuk-Beiji line which produced 250,000 to 300,000 bpd before the war of ISIS was once one of the major oil refinery in Iraq but now is not functioning. That is why the refineries of Shuaibya is activated in Basra as an alternative to Beiji refinery. We need to maintain and protect the security of the oil fields if we wanted to keep the balance of work in all over Iraq*.

Conclusion

The Middle East is destabilized and all the state and non state actors will be affected and have to face major new challenges. This is also the result of the collusion of global order with that of the regional order in the Middle East. The new system is the result of a decades and century old destabilization and insecurity of

²² Al-Hurra (2017): 'The most dangerous of terrorism'.. Battle of corruption in Iraq <https://www.alhurra.com/a/Iraq-corruption-economy/404684.html>

*: You can go back to Mediterranean Institute for Regional Studies, First Energy Conference in Iraq- Sulaymaniyah. On Oct, 11, 2017. www.mirs.co



the Middle East with Iran seeking to increase its hegemony via creating threats to the Sunnis of this region. The US does not freely offer any support for those who need it, even Israel. For the West it is important to tackle the issues of ethnic, national, religious and sectarian ideologies and resolve them. Therefore if the West cannot change the framework of the game, it will seek to change the players.

The new global order system is all about the superpowers: US, China, Russia play a key role and will reformat the world. In the era of post industrialism and post technology no regional order system like the Middle East, African Union, European Union and the NAFTA cannot perceive themselves outside the new global order and they cannot prioritize their identity and nationalistic subjects before the reality of the new world. Therefore, we believe that the entire Middle East will be shaped by Saudi and Israel with the support of the United States of America and whenever it is necessary a new geostrategic division will occur at the beginning of the 21st century.

Reference

- AhramOnline (2013) see here: <http://english.ahram.org.eg/NewsPrint/64422.aspx>
- Al- Hurra (2017): 'The most dangerous of terrorism Battle of corruption in Iraq (Translated from Arabic to English) <https://www.alhurra.com/a/Iraq-corruption-economy/404684.html>
- BBC News (2014) Iran nuclear crisis: Can talks succeed? See here: <http://www.bbc.com/news/world-middle-east-11709428>



- CNN (2018) European foreign ministers demand Trump to respect the Iranian nuclear deal. (Translated from Arabic to English) <https://arabic.cnn.com/middle-east/2018/01/11/iran-nuclear-deal-europe-us>
- For Documents: You can go back to Mediterranean Institute for Regional Studies, First Energy Conference in Iraq- Sulaymaniyah. On Oc, 11, 2017. www.mirs.co
- Haaretz (2016). On 68th Independence Day, Israel's Population Hits 8.5 Million, May 12, 2016 1:51 AM, see here: <http://www.haaretz.com/israel-news/.premium-1.718791>
- Haaretz (2017), Amos H: Israeli Military Chief Gives Unprecedented Interview to Saudi Media: 'Ready to Share Intel on Iran, 1. December. [:https://www.haaretz.com/israel-news/1.823163](https://www.haaretz.com/israel-news/1.823163)
- Inbar. E (2010): Israeli –Turkish Tensions and beyond, Israel Journal of Foreign Affairs IV: 1.
- Iraq Oil Report. www.iraqoilreport.com
- Jazeera Center for Studies (2018) Iran: Limited Exhibition Traffic and Chronic System Crisis, Research and Reporting. (Translated from Arabic to English)
- Kottasova, Ivana (2018) The economic forces driving the protests in Iran, the CNN money paper
- Micallef. V.Joseph (updated 2017) Reflections on the Mediterranean refugee crisis. Center of Mediterranean Refugee Crisis.
- MiddleEast monitor (2018) Swiss Newspaper reveals: Secret military cooperation between Saudi Arabia and Israel, 8. January. <https://www.middleeastmonitor.com/20180108-swiss-newspaper-reveals-secret-military-cooperation-between-saudi-arabia-and-israel/>
- Reuters and Algemeiner Staff (2018) Iran Threatens 'Serious Reaction' After US Ultimatum on Nuclear Deal, New Sanctions. You can viewed The algemeiner
- Roeya Center for Political Development (2016): The Facts of Gas, "Israel and its Economic and Political Considerations, prepared by Imad Abu Awad, (Translated from Arabic to English) July 13, 2016 at 11:50:23 am See: www.vision-pd.org/237
- Ross, Dennis (2018) Iranians Are Mad as Hell About Their Foreign Policy, Washington Institute for Near East Policy.
- The Island (2017) The Iranian nuclear program. (Translated from Arabic to English) see it here: www.aljazeera.net/encyclopedia/issues/2015/6/18 ...
- THEODORE H. COHN (2012). Global Political Economy. Sixth Edition, Londaon. Semon Fraser University.
- Tru news (2017) Pompeo: Saudis, Israelis Working Together. See here: <https://www.trunews.com/article/pompeo-saudis-israelis-working-together>
- Turkish Daily (2017): Our goal is to raise exports to 500 billion dollars by 2023 (Translated from Arabic to English) www.dailysabah.com/arabic/economy/2017/12/09/...
- Washington post (2017) Turkey condemns U.S. over 'aggressive' acts against Erdogan's guards during D.C. visit