

From: Office of Terje Rod-Larsen <[REDACTED]>
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IPI Middle East Update
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Egypt: The first month in office has already proved turbulent for President Al Sisi. Terrorist attacks on and around the first anniversary of the June 30th uprising that led to the ousting of Muslim Brotherhood President Morsi highlighted that the security threat remains high: two bomb disposal experts were killed that day as they attempted to defuse bombs outside the presidential palace. An Islamist militant group named Ajdnad Misr (which the interior ministry claimed had been vanquished) had warned days in advance that they were planning the attack. Two days before, Islamist gunmen killed four Egyptian policemen in northern Sinai—an indicator that the insurgency the state has struggled against there since 2011 is far from extinguished.

Meanwhile, recent diplomatic gestures indicate the direction that Egyptian foreign policy is taking under an Al Sisi presidency. King Abdullah of Saudi Arabia made a landmark visit on June 20th en route from Morocco. The aging monarch touched down in Cairo along with his ministers of finance and foreign affairs for a meeting with Al Sisi, which took place on Abdullah's plane. As the first foreign leader to visit Al Sisi since he took office, the gesture is symbolic of strong Saudi support for Egypt and its new president. Indeed, the monarchy has already showered Egypt with billions of dollars in aid after the Muslim Brotherhood was removed and called for a major donor conference to support the Egyptian economy. A few days later, US Secretary of State Kerry arrived in Egypt and quietly released \$572 million in aid that the US administration had been holding back until after the election had taken place. While the release of funding appeared to indicate that Egyptian-American ties are returning to business as usual, the US had extremely strong criticism of Egypt's so-called path to democracy: Secretary Kerry himself called the seven-year jail sentence issued by an Egyptian court on Al Jazeera correspondents "draconian." The relationship is likely to remain strained given the government's continued quiet crackdown on revolutionary youth and pro-Muslim Brotherhood factions.

Libya: On June 25th, Libyans went to the polls to vote in parliamentary elections. The elections were marred by violence, including the disheartening killing of prominent human rights activist Salwa Bugaighis, and fewer than half of all eligible Libyans voted. The electoral commission noted that about two weeks' time was needed to count votes and produce accurate results. Meanwhile, the battle continues between General Hiftar's forces and Islamist militias in Benghazi. Interestingly, General Hiftar has new allies—a group supporting a federal structure for Libya known as the Barqa rebels. This group has controlled the major oil ports in Libya's east. In an April 6th agreement, the Barqa federalists released control over two of the four ports they seized a year ago, Zueitina and Hariga, in exchange for amnesty and back pay for port guards. On July 1st the rebels and the government announced that the other two ports, Es Sider and Ras Lanuf (the largest), will reopen. According to government and rebel group statements, the opening follows the earlier negotiations and is also in recognition of the elections. Initial reports on the exact timing of the re-opening were conflicting, yet given the two ports combined have the capacity to export over 500,000 barrels per day, the announcement generated a drop in the market price for crude oil.

Lebanon: Lebanon enjoyed a relative lull in violent spillover from the fighting in Syria for a few months this spring, but terrorist incidents returned in late June with recent suicide attacks in Shi'a neighborhoods and an attack on Lebanese soldiers carrying out a raid in a Sunni neighborhood in Tripoli. It seems that the Islamic State of Iraq and the Levant (ISIL), which recently renamed itself the Islamic State (IS), and/or its allies have turned their sights on Lebanon. This recent flurry of attacks in Hezbollah-friendly neighborhoods and in support of Sunni militants closely followed IS(IL)'s take-over of Mosul in Iraq and its move toward Baghdad. Evidencing the deteriorating security situation in Lebanon, a Saudi delegation recently met with Lebanese authorities in Beirut to discuss shared security concerns after a thwarted bomb attack by two

Saudi nationals claiming to have received their orders from ISIL. Further exacerbating the uncertainty, the Lebanese presidential seat remains vacant after a June 2nd parliamentary session was unable to agree on a presidential candidate because the March 8th movement (made up of Hezbollah and its allies) boycotted the session.

Iraq: On June 29th, the Islamic State of Iraq and the Levant (ISIL) announced the establishment of a caliphate, referring to the system of rule that ended almost a century ago with the collapse of the Ottoman Empire, and changed its name to "Islamic State." The group of Islamic extremists designated its chief Abu Bakr al-Baghdadi as caliph and "leader for Muslims everywhere." The symbolic statement comes at a time when insurgents continue making advances in Iraq and Syria, most recently with the take-over of the crucial Syrian border town of Albu Kamal after a fierce three-day battle with rival fighters on July 1st. As the geopolitical shifts continue, other groups have also moved to deal with the new realities, particularly Iraqi Kurds. Kurdish leader Massud Barzani announced that an independence referendum would take place within the coming months given the de facto partitioning of Iraq. The bold statement comes at a time when Kurds have taken control of parts of the country that previously fell outside of their sphere of influence, notably oil-rich Kirkuk. Skepticism persists, however, regarding the Kurds' prospects for making this idea a reality.

While the security and political dimensions of the Iraqi crisis have flooded the media, the catastrophic and quickly deteriorating humanitarian problem has been largely overlooked. The United Nations has announced that 1.2 million Iraqis have been driven from their homes since the beginning of 2014, hundreds of thousands of them as a result of the month-old Sunni militant offensive. The regional community has begun responding to the crisis: Saudi Arabia pledged \$500 million in aid to the people of Iraq "regardless of their religion or ethnicity." The humanitarian situation in Iraq will undoubtedly affect the humanitarian situation in Syria as the storms collide, severely affecting demographic make-up of the region and adding strain to humanitarian agencies and resources.

Saudi Arabia: Saudi King Abdullah appointed a new spy chief: Prince Khaled bin Bandar bin Abdul Aziz, the former governor of Riyadh who most recently served for 45 days as deputy defense minister. The appointment comes at a time when Saudi Arabia is keeping a close eye on the Sunni militant offensive in Iraq and Syria and weighing how best to respond. The extremists were recently denounced by the monarch, who vowed not to allow a "handful of terrorists...[to] terrify Muslims" while emphasizing the fraternal and unifying qualities of Islam. Prince Khaled's portfolio was previously in the hands of Prince Bandar bin Sultan, who served as intelligence chief for two years as well as being a former ambassador to the United States. However, Prince Bandar will remain an advisor to the king and his special envoy, according to a different royal decree.

For more information please contact:

Maureen Quinn at [REDACTED] or quinn@ipinst.org

or

Camilla Reksten-Monsen at [REDACTED] or [REDACTED]

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