Change of Russia's Middle East Strategy and Its Influence on Russia-US Relations¹

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Abstract: In recent years, some kind of apparent change appears on Russia's Middle East strategy, which is being converted from passive contraction to vigorous and initiative posture, with the potent feature of self-centered determination independent from outside world, and a tendency of initiating challenges. On some significant issues of Middle East, Russia openly demonstrates its disagreement with the US, and criticizes US Middle East Policy. As a matter of fact, Russia is now taking more and more active and initiative actions in the Middle East, so as to expand its influence in the Middle East, and challenge the leading role of US in this region. There are both economic elements and political factors shaping all the modifications and adjustments made by Russia on its Middle East strategy, which was figured out against a subtle and complex background. In the future, it is predicted that Russia will demonstrate more and more unique characteristics on Middle East affairs. Therefore, it seems that the US must pay more attention to the attitude and interest of Russia on Middle East affairs, and that a mixed spectrum between competition and cooperation will become the mainstream of Russia-US relations.

Key Words: Russia; Middle East; Russia-US Relation

Russia could not confront the US as aggressively as it once had done in the cold war era, for a rather long period since the collapse of Soviet Union. As a matter of fact, for a long time since the end of the Cold War Russia could do nothing but take a passive posture of spectator on whatever the US did, even when Russia had intensive economic conflicts and serious political disputes with the US on some significant issues of international affairs. However, due to the drastic soaring of prices of gas and oil, Russia, with its tremendous reserve of oil and gas

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resources, gradually recovered from its one time weakness. Because of its economical recovery and its enhancement on overall national strength, Russia is now playing a more and more leading role on the stage of the international community, and its ambition of restoring its international status as a big power and re-shaping its image is looming at large.

I. Apparent Change of Russia's Middle East Strategy

In recent years, some kind of apparent change has been emerging about Russia's Middle East strategy. With a strong feature of self-centered determination independent from the outside world, and a potent tendency of initiating challenges, Russia's Middle East strategy has been converted from passive contraction to vigorous and initiative postures.

A. Openly Demonstrated Disagreements of Russia against the US on Some Important Issues of the Middle East

In March 2006, Hamas came into power by election, and established a new government for Palestine. US and western countries requested that Hamas should admit the existence of Israel as a state, and should obey all the peace agreements reached between Palestinians and Israelis before that date, by ceasing all kinds of armed struggles. They threatened that they would not get in touch with Hamas unless Hamas satisfied their requests. Due to its insistence on its tough posture, Hamas suffered from joint boycott and severe economic sanctions made by most western countries, in which the US took a leading role. However, regardless of strong oppositions from US and Israel, Russia invited Hamas leaders to pay a visit to Moscow, with a justification that Hamas was a legitimate regime elected by the Palestine people through democratic procedures, which rather relieved the dilemma of international isolation suffered by Hamas. As a measure showing Russia's independence on Middle East region³, Russia's friendly gesture to Hamas stirred up intense dissatisfaction from the US and Israel, the latter of which even declared that it had made a revenging plan to invite Chechnya leaders to pay a visit to Israel, which of course was only a rhetorical menace without practice due to Russia's enormous influence and outstanding status in the international society. Until now, Russia still maintains a connection with Hamas. In February 2007, in an interview with Al Jazeera (the Peninsula) TV Station before his official visit to Middle East, the Russian President Vladimir Putin declared that the victory of

³ Mark A. Smith, "Russia and the Persian Gulf: The Deepening of Moscow's Middle East Policy," *Defense Academy of the United Kingdom*, August 2007, p.1.

Hamas in the Palestinian election was a failure of US foreign policy in the Middle East, and that unilateralism could not settle the problems in the Middle East. He further argued that therefore the US should take more consideration on the attitudes of various factions of the Middle East and demonstrate a more cooperative posture, because it was impossible to resolve the issues in the Middle East by unilateral effort.

On the nuclear issue of Iran, Russia also remains separate from the US by a large gap, so as to maximize its own interest. First, Russia has been consistently offering substantial assistance to Iran for the construction of its Bushehr Nuclear Power Station, despite opposition from the US. Second, Russia resolutely opposes settling the Iranian nuclear issue by military means. Besides, Russia is very reluctant to agree on any sanction on Iran, due to Russia's rather reserved and modest attitude on the nuclear issue of Iran. The UN Security Council finally passed resolutions 1737, 1747, and 1803, which are much milder than those drafts proposed by western countries.

In November 2005, Russia signed an agreement with Iran, selling 29 sets of "Doll-M1" air-defense missile systems to Iran. As one of the most advanced and effective air-defense missile systems in the medium and low level atmosphere, with a capability of simultaneous discovery and recognition on 48 targets in the air, the "Doll-M1" air defense missile system can trace and strike two targets at the altitude of 6,000 to 20,000 m. This arms sale from Russia to Iran attracted close attention and serious concern from US, which put great pressure on Russia, requesting Russia to eliminate this arms sale. However, Russia resisted the pressure imposed by the US, and made transfer of these missiles to Iran at the end of 2006. Therefore, Iranian air-defense capabilities against possible US air strike has been tremendously upgraded and uplifted.

On March 27, 2007, an article titled "Studies on the Foreign Policies of Russia Federal Republic" was presented on the official website of the Russian Foreign Ministry, which made a positive commentary on the Iranian role in the maintenance of stability in Afghanistan and Central Asia, and criticized US policy on the Iranian nuclear issue. This article regarded US policy on Iranian nuclear issue as an intention to involve the whole world in a crisis, and discouraged the whole international community from hastily participating in actions escalating tensions already occurring from the Iranian nuclear issue, warning the whole world against a possible further deterioration the regional situation by labeling Iran as part of "Axis of Evil" or encouraging subverting the current regime in Iran. Actually, Russia has been encouraging US to restrain itself so as to avoid a dangerous escalation of an already intense confrontation on the Iranian nuclear issue that might lead to "a clash between civilizations" and bring disastrous



consequences. From the perspective of Russia, Iranian President Mohammed Khatami's visit to US in August 2006 shows that the US may establish normal contact with Iran through dialogue and resolve the Iranian nuclear issue by means of diplomatic mediation.

B. Russia's Open Criticism on the US Middle East Policy and Its Challenges on the US Leading Role in Middle East

Before his visit to the Middle East, Putin openly criticized US Middle East policy in an interview with Al Jazeera (the Peninsula) TV Station. He pointed out that the evolution of the Middle East situation meant failure of the US Middle East policy. Putin said that Russia disliked and disagreed with some policies adopted by the US. On February 10 2007, Putin made a presentation on the Security Policy Conference held in Munich, Germany, in which he severely scolded the US unilateralist and militant policies on global affairs. Putin pointed out that "US unilateralism was trying to establish a world of a single sovereignty state and a single conqueror with a single center of power, military strength and decision-making"⁴. Putin said that "this is a matter completely opposite to the democracy, because this is matter of compelling the majority to obey the minority", "somebody always teaches us what is democracy, but that somebody himself does not want to learn what is democracy." Putin pointed out that "far from settling disputes, unilateral actions only turn the situation into even more confusing mess."⁵

Furthermore, Putin criticized the US abuse of military force "in an almost incontinent manner" that frequently surpassed proper limits. He thought that the US tendency of excessive use of military force was a dangerous trend that might stir up more programs of developing weapons, mass destruction by more countries and might lead to an arms race. He said that the legitimacy of the use of military force in the international community did not exist without warranty from the United Nations Security Council. This criticism was made by Putin at the Security Policy Conference in Munich right before his visit to three countries in the Middle East; therefore political observers think that his criticism was targeted at the US Middle East policy. At the press conference held to launch Putin's visit to the three Middle East countries, he maintained that "Russia is not planning to compete against any country for influence in this region". However, it is apparent that Russia intends to change the current US-dominated international order in the Middle East.

⁴ Ian Traynor, "Putin Hits at US for Triggering Arms Race: Russian Leader Launches an Assault on America in a Sign of Growing Kremlin Self-confidence," *The Observer*, February 11, 2007. See the website: <u>http://www.guardian.co.uk/world/2007/feb/11/usa.russia</u>.

^{5 &}quot;Speech and the Following Discussion at the Munich Conference on Security Policy," *Munich*, February 10, 2007. See <u>http://president.kremlin.ru/eng/text/speeches/2007/02/10/0138_type82912type</u> 82914type82917 type84779_118123.shtml.

C. Russia's Initiative for Expanding Its Political and Economic Influence in the Middle East

Since 2007, Russia became very active diplomatically in the Middle East region, symbolizing that Russia was speeding up its pace of returning to the Middle East. On February 11 2007, Putin made official visits to Saudi Arabia, Qatar, and Jordan after his attendance on Security Policy Conference in Munich.

During the Cold War, the Middle East had been a region in which Soviet and US had fiercely competed against each other. After the collapse of the Soviet Union, Russia's influence faded from this region. Putin's visit to these three countries was the first official visit made by a Russian president to the Middle East region. Actually, Saudi Arabia, Qatar, and Jordan are traditional allies of the US in the Middle East. Moreover, there are quite a few US military establishments in Saudi Arabia and Qatar, so Putin's visits to these three countries means expansion of Russia's influence into traditional US spheres of influence.

During his visits, Putin discussed such significant regional and international issues as the Iraqi situation and Palestinian problem with leaders of Saudi Arabia, Qatar, and Jordan. Leaders of these three countries all made affirmative commentaries on Russia's effort and important role in the process of promoting a peaceful resolution on Middle East problems. Therefore Putin's greatly uplifted Russia's status in Middle East, and enormously enhanced Russia's political influence in this region.

A large trade delegation consisting 60 outstanding Russian economists and entrepreneurs followed Putin to these three Middle East countries. During his visit, Russia signed a series of agreements of cooperation with Saudi Arabia and Qatar for the expansion of bilateral cooperation in such fields as trade, energy, and information technology. According to these agreements, Russia will launch 6 communication satellites for Saudi Arabia, and permit bankers from Saudi Arabia to establish wholly-funded banks in Russia.

Putin also demonstrated strong interest on the advice of establishing a "Natural Gas Export Countries Organization", proposed by Ayatollah Sayed Ali Khamenei, Iran's spiritual leader, although Putin knew that there is little feasibility for such a proposal. During his visit to Qatar, Putin promised that he would send Victor Khristenko, the Russian Minister of Industry and Energy, and Alexey Miller, President of the Natural Gas Industry Stock Corporation of Russia (Gazprom), to participate in the annual session of the Forum of Natural Gas Export Countries, which was planned for Doha, capital of Qatar, and to be focused on such major issues as establishment a so-called "Natural Gas Export Countries Organization".



The news on the planning the establishment of a so-called "Natural Gas Export Countries Organization" stirred up panic in the western countries. After Putin's meeting with leaders of Qatar, Samuel Bodman, US Secretary of Energy, immediately announced that "any proposals aiming at controlling energy supply, and restricting role of market in the forming of energy prices, no matter old or new, would conflict the long-term benefit of consumers". Andris Piebalgs, EU Commissioner on Energy, admitted in a perhaps most nervous manner that "the specific points of Russia-Qatar negotiation make us crazy," for EU would fall into an extremely fragile state once all the natural gas export countries get unified.⁶

In October 2007, Putin visited Iran and attended the Summit of Five Caspian Countries held in Teheran, regardless of pressure from the US. In that summit, Putin warned that any Caspian country should not assist an external power to attack another Caspian country, which was virtually a warning signal discouraging US attack on Iran. The news report of the United Press on October 16, 2007 was presented with a headline that said "Putin Warning US Not to Attack Iran". Furthermore, despite US opposition, Putin clearly declared that various countries' demands for peaceful utilization of nuclear energy should be permitted, and promised an on-time completion of construction of the Bushehr Power Station as scheduled. In addition, Putin also invited Mahmoud Ahmadinejiad, President of Iran, to visit Russia. Public opinion considers Putin's visit to Iran as a symbol of Russia's unyielding independence to US pressure.

On April 16-17, 2008, Putin paid a two-day visit to Libya where he discussed with Libya's leader Muammar al-Gaddafi, problems of concern by both countries and on issues of bilateral cooperation. Offending the visit, both leaders issued a declaration of enhancing and developing friendly cooperation relations between the two countries. In regard to economic and trade cooperation, Russia signed contracts with Libya on 10 programs, including a bilateral referendum of natural gas cooperation, and a contract regulating Russia's aid to Libya on the construction of railroad of 500 kilometers.

II. Background of Russia's Adjustments on Its Middle East Strategy

There is a very complicated and versatile background, including both political elements and economic factors, against which Russia made its adjustments on its Middle East strategy.

A. Resurrection of Russia's Self-awareness as a Big Power due to Its Economic Recovery and Quick Enhancement of Its National Strength

⁶ "The Ace Cartel," *Businessmen's Paper*, Russia, March 19, 2007.

The "shock-therapy" adopted by Russia since the collapse of the Soviet Union in 1991 brought serious recession and even devastation to its economy. In 1999, the turning point of Russia's economic depression occurred, with a yearly GDP growth rate of 6%. In 2000, Russia's GDP growth rate reached a historically high level of 10%. Since then, Russia's economy has been growing at a consistently high speed, with an average annual GDP growth rate of 7% between 2004 and 2006. In 2006, Russia's total GDP reached almost to 1 trillion US dollars, with a GDP per capita of 7,000 US dollars.⁷ Russian Finance Minister Alexei Kudrin declared that the Russian economy already recovered to and even exceeded the development level of the Soviet Union in 1990 before its collapse, which meant the opening a new page in Russia's history and new historic opportunities.⁸ At the 2007 Davos Forum of World Economy, Dmitry Medvedev, the first Vice Premier of Russia at that time, spoke of Russia as "another country" from the way it had been in 2000, when its economy was marked by low productivity and high inflation. Russia, Medvedev said, wanted to be recognized as a major economic and political power "not by the use of force but by the example of our own behavior and achievements."9

With the recovery and growth of Russia's economy, the exports of Russia have expanded quickly, and Russia's reserve of foreign exchange has increased at a tremendous speed. In 2006, the total volume of Russia's export reached 335.5 billion US dollars.¹⁰ In recent years, with its enormous oil resource, Russia enjoyed a dramatic growth of its foreign exchange surplus, due to the soaring of oil prices in the international market. On February 1, 2006, Putin declared at the annual press conference that Russia had redeemed all the foreign debt owed by the Soviet Union, with its huge gold reserve of 303.7 billion US dollars ranking the third in the world, and its absorption of foreign investment of 41 billion US dollars. Putin declared at the press conference that, ascending to the stage of development from its former stage of pursuing stability, the Russian economy now aimed at keeping current high growth rate and increasing GDP to two times of its then current level within 10 years. ¹¹

Therefore, Russia's courage to confront the US has tremendously increased, and the material foundation of its adjustments on its Middle East strategy has been

¹¹ Transcript of Putin's press conference for the Russian and foreign media, <u>http://english.pravda.ru/russia/</u>politics/02-02-2006/75035-putin-0.



⁷ World Bank, *World Development Indicators 2001-2008*, available at <u>http://ddp-ext.worldbank.org/</u> ext/DDPQQ/report.do?methord=Showreport.

⁸ Robert Amsterdan, "Kudrin and Fiscal Discipline in Russia," available at <u>http://www.iputin.net/article/</u> 98fefd94cc566fad1485891b75f48515.

⁹ Michael Elliott, "Leaders Face Up to a Changing World at Davos," *Time*, Feb. 1st, 2007, <u>http://www.time</u>. com/time/magazine/article/0,9171,1584132-2,00.html.

¹⁰ World Bank, *World Development Indicators 2001-2008*, <u>http://ddp-ext.worldbank.org/ext/DDPQQ/</u> report.do?methord=Showreport.

established, due to its economical recovery and the enhancement of its national strength.

B. US Squeezing on Russia's Strategic Lebensraum

Since the collapse of the Soviet Union, Russia had to adopt a policy of cooperating with the west and compromising with the US, owing to its decline of its national strength, but Russia's rewards were being further despised and squeezed.

When the US suffered the terrorist attack in "9.11", Russia immediately offered its compassion and assistance to the US, supporting its anti-terrorist war. However, the US regarded Russia's assistance and support as a natural duty that Russia should fulfill, and even ungratefully squeezed Russia's strategic lebensraum further, giving no reward for Russia's support. For example, the US expanded NATO's boundary to the western border of Russia, and agitated for the "color revolutions" in Ukraine and Georgia, republics of the former Soviet Union. Russia made a strong response to the eastward expansion of NATO, resuming its routine shift flight of long-range strategic bombers, which had been suspended for 15 years, and declaring a possible suspension of the implementation of the Treaty on Conventional Armed Forces in Europe (CFE). In February, 2008, Putin even claimed that Russia might be forced to aim its strategic missiles at Ukraine in the event that Ukraine joined NATO and permitted deployment of anti-missile systems on Ukraine territory. On August 4, 2008, Putin said "We should restore our position in Cuba and other countries" in response to US plans to place missile-defense elements in Poland and the Czech Republic.¹²

At the same time, western media emphasized such topics as the energy conflicts between Russia and its neighboring countries, the military cooperation between Russia and Iran, Russia's boycott on Kosovo independence, and the assassination of the former Russian agent in Britain. Besides, continuous hostile words from high-ranking US officials further intensified confrontation between Russia and the US For example, Robert Gates, US Secretary of Defense, regarded Russia as an "unpredictable" potential adversary of US, basing his judgment on Russia's military buildup. On February 7, 2007, in a statement in the US House of Representatives, Gates said that, "in addition to the strikes against global terrorist actions, we must handle the threats encountering US, which consists of nuclear ambition of Iran and North Korea, and the obscure positions of Russia and China,

¹² "Report: Putin Calls for Restoring Influence in Cuba," <u>http://www.usatoday.com/news/world/2008-08</u>-04-putin_N.htm.

which are now building up their military power"¹³. Russia's *Independence Paper* announced that the US virtually classified Russia into the list of "Axis of Evil".¹⁴

In addition, the US government often made negative comments and criticism on the situation of democracy and human rights in Russia. For example, the US government frequently labeled Russia as a "totalitarian regime", practicing "restoration of dictatorship and imperial system from democracy". On February 23, 2005, when he arrived in Slovakia for a summit with Putin, US President George W. Bush said he would raise concerns about the health of Russia's democracy when he met his counterpart, accusing Russia of rolling back democratic reforms that had come to Russia since the collapse of the Soviet Union in 1989. On April 19, 2005, US Secretary of State Condoleezza Rice said that Putin's efforts to amass power and control television broadcasts were "very worrying" trends that had undermined Russian democracy, as she visited Moscow for consultations with Putin.¹⁵ On May 4, 2006, US Vice President Dick Cheney, scolded Russia for retreating on democracy while he was in Lithuania.¹⁶ In June 2007, on the eve of the G-8 summit, Bush openly criticized Russia for derailing democratic reforms. He said, "In Russia, reforms that once promised to empower citizens have been derailed, with troubling implications for democratic development."¹⁷ In 2007, the US Department of State issued a series of reports, sternly scolding Russia on its human rights and democratic situation, declaring strong support to non-governmental organizations and opposition parties in Russia, and regarding a protection of "transparency and democracy" on Russia's parliamentary election and presidential election as its own duty.

What has exasperated Russia most is the US plan of deployment of an anti-missile system in Eastern Europe. Putin clearly claimed that the anti-missile bases established by the US in Eastern Europe seriously menaced the national security of Russia. Russian Foreign Minister Sergey Lavrov definitely declared that it was totally groundless and ridiculous for the US to claim that it would deploy anti-missile defense systems in Eastern Europe for the purpose of tackling threats from Iran and North Korea. Sergey Ivanov, former Russian Defense Minister, said that US could have deployed its anti-missile defense system in Iraq, Afghanistan,

¹⁷ Sheryl Gay Stolberg, "Chastising Putin, Bush Says Russia Derails Reform," <u>http://www.nytimes.com/</u> 2007/06/06/world/europe/06prexy.html.



¹³ Noam Chomsky and Gilbert Achcar, "Perilous Power: The Middle East & US Foreign Policy: Dialogue on Terror, Democracy, War, and Justice," (Boulder and London: Paradigm Publishers, 2007), p.231.

¹⁴ "Moscow and Washington: A Transformation from Strategic Partnership to Confrontation," *Independence Paper*, Russia, February 12th, 2007.

¹⁵ Glenn Kessler, "Rice, Headed to See Putin, Cites 'Worrying' Trends in Russia," <u>http://www.washington</u>post.com/wp-dyn/articles/A1069-2005Apr19.html.

¹⁶ Peter Baker, "Cheney Switches From Scowls to Smiles," Washington Post, May 6, 2006, A13.

or Turkey, which are much closer to Iran than Russia, if the US really aimed at intercepting missiles from Iran, since missile could be intercepted in its flight.

Anti-missile systems have been deployed by US military planners in the Eielson Air Force, Fort Greely Air Force, Alaska, and Vandenberg Air Force Bases, California, which actually block the eastern gateway of Russia. Under such circumstances, Russia's western gateway would also be blocked by the US if it makes further deployment of anti-missile systems in Eastern Europe. Nevertheless, Lieutenant General Henry A. Trey Obering III, Director of the Missile Defense Agency of the US Department of Defense, revealed on March 1, 2007 that the US planned to deploy anti-missile radars in the Outer Caucasus region, which is much closer to Russia. Such plan is undoubtedly a "knife stabbing at the throat of Russian strategic nuclear force". ¹⁸

General Nikolay Solovtsov, Commander of the Strategic Rocket Forces of Russia warned that Poland and the Czech Republic might be targeted by Russian missiles if they approved the plan of deployment of anti-missile defense systems in their territories, which was proposed by the US. Yuri Baluyevsky, Chief of the General Staff of the Armed Forces of the Russian Federation, once threatened to unilaterally withdraw from the *Treaty between the USSR. and the USA on the Elimination of Their Intermediate Range and Shorter-range Missiles*, which was signed between former the Soviet Union and the US

On February 7, 2007, confronted with an approaching threat from the US, Ivanov, Russia's Defense Minister at that time, declared a 5-trillion-ruble deal of military buildup with a special focus on strategic nuclear force tackling threats from US anti-missile systems. According to a report from TASS on February 26-2007, Ivanov announced a plan to construct a fifth-generation missile defense system. He said that the "SAM-400" missile defense system already entered Russia's arsenal at the end of 2006, and would be ready for combat in 2007, and that the fifth-generation missile defense system is all-directional system including aerospace weapon system.

On February 17, 2007, the Conference of the Commonwealth of the Independent States on Missile Defense System was held in Armenia. According to reports from *Red Star Paper* and *Independent Military Review*, Russia planned to establish several missile defense bases outside Russia, including anti-missile bases in Armenia, which is located in the Caucasus region, and in Kazakhstan, which is located in Central Asia, in addition to anti-missile defense systems already deployed in Belarus. This plan is considered as a measure to tackle the menace from the US.

¹⁸ "Moscow and Washington: from Strategic Partnership to Strategic Disagreement," *Independence Paper*, Russia, February 26th, 2007.

On February 27, 2007, at a meeting of the Russian Military Industry Commission, Ivanov, who had been promoted to the post of First Vice Premier of Russia, gave the Military Industrial Complex an assignment: to research and develop a new air missile system capable of air-defense, aerospace-defense, and anti-missile. Now Russia has formulated an 8-year (2007-2015) plan for defense modernization, with a budget of nearly 5 trillion rubles, covering various categories of military force. This plan aims at a renewal on half of Russia's current weapons and installations, an upgrading on the combat capability of Russia's military force, and a fundamental change on the outlook of Russia's military.

C. Competition on Middle East Market

Exports of energy, munitions, and technologies, are three major pillars propping up Russia's economic recovery. The Middle East is both the partner of cooperation for Russia's export of energy, and a vast market absorbing Russia's export of munitions and technologies. Exports of nuclear technologies are a significant component of Russia's technology. As early as in 1992, Russia had already reached an agreement with Iran on the construction of the Bushehr Nuclear Power Station. However, due to opposition and obstruction from the US, the construction on this nuclear power station has been on and off from time to time. Owing to multi-lateral consideration on politic, economic, and strategic interests, Russia resisted pressure from the US and continued its assistance to Iran on the construction of this nuclear power station. Viewed from a political perspective, Russia's assistance on this nuclear power station could not only enhance its close relation with Iran, but also increase its capability of counterbalancing the US and uplifting its international influence. In terms of strategic interests, Iran means a geographic unity in which Russia has significant geo-political interest, because Iran could guarantee Russia's strategic security in its southern geo-political gateway, and might assist Russia in its competition for control on oil resources and oil-transportation pipes in the Caspian Region. Therefore, development on Russia's bilateral relations with Iran has become an important component of Russia's foreign policy. In regards to economy, Russia could make a huge profit from its assistance to Iran for the construction of the Bushehr Nuclear Power Station, which may become a major client that could salvage Russia's nuclear industry from its collapse due to disintegration of Soviet. It is said that almost all the factories and research institutions of Russia related to nuclear power station have been in various ways involved in the construction of the Bushehr Nuclear Power Station, whose total value is 800 million US dollars.



Moreover, Iran plans to establish 20 more nuclear power stations of the same scale before 2015, with a total contracted value of 15-20 billion US dollars.

Almost all the Arabic countries in the Middle East region have strong desires of peaceful utilization on nuclear energy. In February 2007, during Putin's visit to Saudi Arabia, a declaration was made between the two countries for cooperation on nuclear energy. In March 2008, Hosni Mubarak, President of Egypt, signed an agreement with Russia on the peaceful utilization of nuclear energy. Not long after that, Assad, the leader of Syria also demonstrated plans to cooperate with Russia on the peaceful utilization of nuclear energy. In April 2008, during Putin's visit to Libya, Russian leaders agreed to sign a framework agreement and related implementation plans with Libya in the near future for the peaceful utilization of nuclear energy. Generally speaking, Russia enjoys promising prospects and considerable economic benefits in its cooperation with Middle East countries for the peaceful utilization of nuclear energy.

The Middle East is the largest market of munitions in the world. The munitions industry is Russia's pillar industry propping up its economic growth, and Russia's export of munitions offers its second largest source of foreign exchange income, only after its foreign exchange income from export of oil. Therefore Russia's export of munitions has been growing steadily in recent years. The total volume of Russia's annual munitions exports was 3.7 billion US dollars in 2001, 5.6 billion US dollars in 2003, and 6.1 billion US dollars in 2005. It was estimated that the Russia's total export of munitions in 2007 would reach the level of 7.5 billion US dollars.¹⁹ It can be argued that expansion of Russia's share in the munitions market in the Middle East is an important objective of Russia's Middle East strategy.

Countries in the Persian Gulf area are more and more worried about the expansion of Iranian influence in this area, because Iran's strategic status has been dramatically and unprecedentedly strengthened, and its influence and controlling capability over the Shia faction and radical Islamic organizations have been gradually uplifted, since the overthrow of the Taliban regime in Afghanistan and the destruction of Saddam Hussein's state. The Sunni faction in the Middle East has been increasingly alert about the expansion of Iranian influence.

Moreover, the risk of war is increasing in the Middle East region with the procrastination of Iran's nuclear issue. Although Middle East countries usually maintain neutral postures on the confrontation between the US and Iran, they are worried that they might be inevitably involved into the trouble occurring from future conflicts between the US and Iran. Iran has clearly declared that it would

¹⁹ Lianguo Yue, "It Is Estimated that Russia's export of Munitions Would Reach 7.5 Billion US Dollars This Year, " See <u>http://news.xinhuanet.com/world/2007-04/21/content_6006170.htm;</u> Louis-Marie Clouet,

[&]quot;Rosoboron export, Spearhead of the Russian Arms Industry," September 2007, <u>http://www.ifri.org/files/</u>Russie/ifri_RNV_rosoboronexport_clouet_anglais_sept2007.pdf.

direct large-scale counter-strikes as revenge against any US attack on Iran, including assaults on US allies in the Middle East (particularly Israel). Many Middle East countries fear that they would have confronted such a serious situation alone after the US creates disturbance in this region, regardless of the US commitment on security of its allies. Therefore, many Middle East countries think that the most reliable guarantee for their security is enhancements of their own defenses, so that they can handle external menaces and avoid being involved in military conflicts and aftermath turbulence.

In the past years, some Middle East countries have accumulated enormous wealth due to the soaring oil prices. Now they are rich enough to purchase the most advanced weapons in the world. The display of extravagant splendors in the Asian Games of 2006 sponsored by Qatar impressed the whole world. If the oil price in the international market could be maintained at its current level in the next 2 to 3 years, the United Arabic Emirates could obtain an income of 100 billion US dollars, among which 20 billion US dollars can be spent on its defense modernization.

During Putin's visit to Saudi Arabia, a bilateral agreement was reached on the issue of Russia's sale of weapons to Saudi Arabia. According to this agreement, Russia will sell 150 sets of T-90 tanks and some Mig-17 helicopters to Saudi Arabia. According to a report in the *Daily Telegraph of Britain* on February 11, 2007, Saudi Arabia was expected to buy weapons at a total value of 50 billion US dollars, on a weapon fair to be established in Abu Dhabi in mid-February, 2007. The order that Saudi Arabia might present would include fighters, cruise missiles, helicopters, and tanks. Furthermore, the United Arabic Emirates expected to spend 2 billion US dollars on the construction of a quick response brigade, and might spend another 6 billion US dollars on the purchase of missile defense systems and early warning planes. Tim Ripley, an analyst specialized on Middle East issues for *Jane's Defense Weekly* said: "the total value of weapons to be purchased by Gulf countries exceeds 60 billion US dollars, if all the deals now under negotiation are included into calculation."²⁰

III. Future Trends of Russia's Middle East Strategy

and Russia-US Relations

²⁰ Gethin Chamberlain, "Gulf States Load up on Weapons of War, " *Sunday Telegraph*, November 2, 2007, <u>http://www.telegraph.co.uk/news/main.jhtml?xml=/news/2007/02/11/wiran11.xml</u>



On March 7, 2007, "Studies on Policies of Russia Federation" was presented on the official website of the Russian Foreign Ministry. In conformity to the keynote presented by Putin at the Conference of Security Policy held in Munich. This article, regarded as an outline of Russia's diplomacy and a guiding document of instructions to Russia's Middle East strategy. It explains some fundamental principles and attitudes of Russia's foreign policies. Since May 2008, Medvedev has been the new President of Russia, but he is unlikely to alter the Middle East strategy formulated by Vladimir Putin.

A. Russia will continue its implementation on a Middle East policy differentiated from those of EU and US.

Owing to the profound disagreement between US and Russia on values and national interests. conflicts between these two countries will continue to occur on major issues of Middle East. Russia will continue its support of multilateralism and its opposition to US unilateralism. It will continue its assertion of resolving conflicts and crises in the Middle East by means of peace and diplomacy, with an opposition to the use of force for settling Middle East problems. On the Iranian nuclear issue, Russia will continue to protect its own strategic and economic interest. However, Russia is also reluctant to see an Iran equipped with nuclear weapons rising on its southern border. In the future, Russia will maintain its unique Middle East policies differentiated from those of EU and US, and will interfere in Middle East affairs more actively and initiatively, so as to expand its influence in the Middle East. Challenging US leadership and reshaping its image as a great power are the major strategic objectives of Russia in the Middle East as well as in the whole globe. The expansion of Russia's influence is a kind of restriction and limitation to US unilateralism, which will to some degree weaken the leading role of the US in Middle East, even if it cannot alter US leadership in this region in a certain short period.

B. Reluctant to play the role of a passive spectator, Russia will pursue the role of equal partner of cooperation.

On February 14, 2007, at the news conference ending his visit to Jordan, Putin pointed out that many positive factors still existed in Russia-US relations, and he demonstrated a hope that some positive changes might occur in the future, which might push forward bilateral relation on an "equal basis". On March 17, 2007, on the conference commemorating the 15 anniversary of the establishment of the Russian Council of Diplomacy and Defense Policy, Russian Foreign Minister Lavrov pointed out that, without confronting the US or any intention of recovering the cold war, Russia would demand completely equal rights on the analysis of menace, and on the formulating and implementation of policies responding to outer situations, because it was groundless for Russia to act only as a passive and subordinate player.²¹ In the future, Russia will demonstrate its own attitudes on Middle East affairs in an even stauncher manner, so the US should pay more attention to the attitudes of Russia, and care more about Russia's interests.

C. Combination of rivalry and cooperation will become the mainstream of Russia-US relations.

For a rather long time in the future, Russia will not completely yield to US unilateralism, nor will it take direct a confrontation against the US. Russian media maintain that "it is neither easy nor beneficiary for us to maintain a confrontation in the era of globalization. Currently, Russia is not strong enough to confront global military force. The total volume of GDP of US is 23 times that of Russia, and US defense expenditure is nearly 600 billion US dollars, whereas our defense spending is only 30 billion US dollars. "22 Furthermore, Russia needs cooperation with the US in order to fulfill such long-term strategic objectives as promotion on its economy and restoration of its status of big power. On the other hand, the US needs Russian support for its global anti-terrorist fight, and on many aspects the US relies on Russia for settlements over Arabic-Israeli conflicts and Iranian nuclear issue. Only bilateral cooperation between Russia and the US can reduce the risk of Iranian control of nuclear weapons. Therefore, Russia's support and cooperation on these issues are really indispensable to the US Defense Minister Gates declared at the Munich Conference of Security Policy that the real current world is a different and a much more complex world than that of 20 or 30 years ago. ²³ We all face many common problems and challenges that must be addressed in partnership with other countries, including Russia.²⁴ Viewed from an overall long-term perspective, a combination of rivalry and cooperation will be the mainstream of Russia-US relation in the future, and should be a rational and pragmatic choice made by both sides.

²⁴ Munich Conference on Security Policy, delivered by Secretary of Defense Robert M. Gates, *Munich*, Germany, Sunday, February 11, 2007. See <u>http://www.defenselink.mil/</u> speeches/speech.aspx?speechid=1123.



²¹ Zuokui Wang, "Russian Foreign Minister Thinks It Necessary to Define Mode of Russia-US Relation," <u>http://news.xinhuanet.com/world/2007-03/18/content_5861245.htm</u>.

²² Youth League Truth of Russia, February 13th, 2007.

²³ The Independence Task Force, "Russia's Wrong Direction: What the United States Can and Should Do?" *Independence Task Force Report, No. 57*(New York: The Council on Foreign Relations), p.4.