
The Development of the Middle East – Vision-2020

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Contents

| | |
|----|---|
| 4 | I. THE MIDDLE EAST IN THE CONTEMPORARY WORLD |
| 5 | II. THE UPHEAVALS OF THE EARLY 21ST CENTURY AND THE SITUATION IN THE REGION |
| 7 | III. MODERNIZATION AND THE CRISIS OF STATEHOOD |
| 9 | IV. PROSPECTS FOR THE PALESTINIAN-ISRAELI SETTLEMENT |
| 12 | V. IRAN'S NUCLEARIZATION AND PROLIFERATION OF NUCLEAR WEAPONS |
| 14 | VI. CONCLUSIONS |

I. The Middle East in the Contemporary World

The resource-rich and densely populated Middle East has never been in the periphery of world politics; however, in the 21st century the Middle East problem has become obviously pivotal to global development.

The termination at the end of the 20th century of the bipolar confrontation, which structured the world in a certain way and which helped to find a balance of forces and interests, has complicated internal processes in the region and raised the issue of its new self-identification. The ideological vacuum has quickly begun to be filled with more traditional forms of consciousness, above all religious and nationalistic ones. This factor has a mixed impact on the course of events, especially in areas where the interests of major political players intersect.

Formerly, great powers had an ability (although not an absolute one) to influence negative regional processes, whereas now these processes often are out of control and develop in line with their own intrinsic logic.

We can state that:

- **First**, it is impossible to adequately forecast developments in the conditions of globalization without a comprehensive understanding of how intra-regional factors interact with external factors;
- **Second**, the Middle East has been swept by dramatic changes; it is undergoing a change of political generations, and the entire region is on the verge of fundamental changes of the scale and vector that are difficult to predict;
- **Third**, the Middle East countries are in several areas lagging behind the most advanced

modern states, and until they reduce this gap they cannot hope for sustainable social, economic and political progress; comprehensive modernization can yield results only if it is based on a balanced approach that would harmoniously combine tradition and innovations;

- **Fourth**, there is a huge security vacuum in the region, which is exacerbated by a combination of traditional problems (the persisting interstate and religious conflicts) and new challenges (the proliferation of weapons of mass destruction, the growing shortage of water resources, etc.);
- **Fifth**, the models proposed for resolving the conflicts, which are still being discussed, have largely been exhausted; markedly new approaches are needed that would take into account the trends of the current changes.

The authors of this report did not seek to make a comprehensive analysis of the developments in the Middle East, yet they wanted to raise some issues that are crucial for the region's development in the period until 2020.

II. The Upheavals of the Early 21st Century and the Situation in the Region

The beginning of the 21st century has seen a dramatic increase in the attention of the leading countries of the world to energy security, and a heightened global competition for control over hydrocarbon resources and routes for their transportation. As a result, the Middle East as the world's largest reservoir of hydrocarbons could not but find itself at the intersection of interests of major world powers.

After the Cold War, attempts were made to achieve – in various formats – a political solution to the key Middle East conflict – the Arab-Israeli conflict, and at some point it seemed that the deadlock in the situation was broken. However, the lack of consistency and coherence in the actions of external forces and the unreadiness of the immediate parties to the conflict to look for reasonable compromises led to frustrations and failures of peacekeeping efforts in the 1990s.

The situation in the Middle East deteriorated sharply after the neo-conservative administration of the United States attempted to implement the large-scale “Greater Middle East” project. It planned to modernize Muslim countries by imposing Western democratic standards on them – through political, ideological or military pressure.

It is difficult to determine unequivocally Washington's real strategic calculations and ideological motives. Were its actions a shock reaction to the unprecedented attacks on the United States, or a sincere intention to assume the burden of leadership in the struggle against common threats, or a manifestation of state egoism, or

a desire to gain control over the world's largest hydrocarbon reservoir, or dogmatically interpreted messianic romanticism?

In any case, at that crucial point, instead of an orderly and controlled evolution, the region was plunged into a whirlpool of upheavals. The practical implementation of the project for reconstructing this part of the Muslim world took place amid an ideological campaign – sometimes with an anti-Islamic tint – that accompanied counterterrorism operations, constant threats to Iran and Syria, and hasty military actions, especially in Iraq. The U.S. administration used the presence of new challenges (international terrorism, drug trafficking, WMD proliferation, etc.) to justify the “emergency situation”.

The results of the U.S. Middle East policy turned out to be opposite to the declared goals. It was largely for this reason that the new U.S. president, Barack Obama, announced plans to reconsider the practice of unilateral actions, to closely coordinate his moves with the European allies, and to “reset” relations with Russia in order to find a balance of interests with it in many regions, including the Middle East. Actually, Washington has given up its policy of “promoting democracy” and markedly reduced the ideological content of its policies.

Yet a sensible and constructive position of the United States is not enough for reaching a comprehensive settlement in the Middle East. Moreover, if Obama's pragmatic policy fails, it cannot be ruled out that the pendulum of U.S. policy may swing in the opposite direction. In the worst-case scenario, isolationist or neo-conservative

approaches to relations with the outside world may prevail.

The growing popularity of politicized Islam, which came as a response to attempts of external pressure, boosted the influence of the radical opposition in some Middle Eastern countries that uses legal methods. The Hamas movement won parliamentary elections in the Palestinian territories. Islamists also increased their representation in the parliaments of Egypt, Jordan and Kuwait, while Hezbollah, a Shi'a party in Lebanon, gained political weight and military strength.

Middle Eastern rulers came under double pressure. On the one hand, they faced U.S. demands for democratization, which did not rule out the replacement of traditional ruling elites by force; on the other hand, there was strong discontent among the masses of ordinary Muslims about their position. It took the authorities enormous efforts to neutralize an unprecedented upsurge of terrorism in Egypt and in the cradle of Islam, Saudi Arabia.

The general destabilization in the region has increased the significance of non-governmental or non-system players, such as extremist Islamic organizations, including those united by al-Qaeda, or groups representing Shi'a minorities in some Arab countries, and strengthened the positions of Iran, which many analysts view as the main "winner" of the U.S. Iraqi campaign. Meanwhile, Iran itself is facing serious internal challenges, which was graphically manifested by the presidential elections in June 2009 and subsequent events.

The heightened tensions over Iran's nuclear program have created one more uncertainty factor that may affect not only the regional but also global political situation. Attempts to resolve the Iranian problem by force, be it a U.S. or Israeli operation, may have unpredictable consequences. Such a scenario cannot be ruled out, as Israel views Iran's acquisition of nuclear status as an existential threat.

Since the U.S. "shuttle diplomacy" was crowned with the conclusion of a peace treaty between Egypt and Israel, most Arab leaders, even those who will never admit this in public, have seen America as the only force capable of bringing

conflicting parties to compromise solutions. This is largely true as the United States has a unique arsenal of most diverse levers of pressure on regional political players, especially Israel.

However, the Muslim man-in-the-street took the "war on terror" and waves of anti-Islamism in the United States and Western Europe as the declaration of war on Islam. The Middle East was swept by anti-American passions which at times grew into universal hostility towards the West in general. Seventy-nine percent of people polled in four countries (Egypt, Morocco, Pakistan and Indonesia) said the United States wants to divide and weaken the Muslim world. An overwhelming majority of those polled in Egypt, which has special relations with the U.S. and which is one of the largest recipients of U.S. aid, approved of the armed resistance to the American military presence in Iraq and Afghanistan. Although these trends cannot be assessed as irreversible yet, the events of recent years have shaken the legitimacy of the United States as the most authoritative player in the Middle East.

The Barack Obama administration has declared its plans to begin withdrawing troops from Iraq and Afghanistan in the foreseeable future (2010-2011). This move may have a significant impact on the security situation. First, it is not obvious that those countries will be able to preserve at least relative stability upon the withdrawal of foreign troops. Second, a large number of professional militants will become "unemployed" then and may turn their eyes to neighboring states and the countries they come from. This factor will require, inter alia, coordination of efforts by special services of various countries, both in the region and beyond, as this militant wave cannot be stopped on one's own.

The developments in the region seen in dynamics suggest that the U.S. position towards the region may gradually change in the coming decades. As the focus of world politics shifts from the Euro-Atlantic to the Asia-Pacific space, Washington will have to adjust the hierarchy of its priorities, while the growth of new "non-Western" centers of power and influence can cause the U.S. to take into account a broader palette of views on the Middle East situation.

III. Modernization and the Crisis of Statehood

Although the way chosen by the George W. Bush administration to solve Middle East problems was highly erroneous, the issue of the need for comprehensive modernization was raised with good reason. The need for reform is ripe, which was manifestly shown in the UN Arab Human Development Report 2003. The development rate problems of the Middle East are particularly evident if compared with other regions of the Islamic world, for example, Southeast Asia.

However, viewing modern development as opposed to national and religious traditions would be a guarantee of failure. In most Muslim countries, the modernization and democratization project can be implemented and yield the desired results only if this is done within the framework of the deep-rooted historical traditions or, at least, if these traditions are taken into account – as this is done, for example, in Japan and the East Asian “Tigers”. And vice versa, political reforms will not succeed if they are implemented as an alternative to Islam and, therefore, if they are viewed by the Muslim community as a threat to their religious values.

The authorities and the larger part of society in Middle East countries are objectively interested in the development of democratic institutions, but only if there is political stability and security because destabilization is good for extremists. In turn, stability and security are possible only if democratization plans are linked to Islamic norms and customs that are not at variance with democratic values, and if the reforms are given an Islamic rethinking which should

be moderate, balanced and civilized, rather than extremist and aimed at opposing Islam to democratization.

Such a strategic approach is in the interests of the international community, whose priorities include preserving political stability and strengthening security in the region. Russia is also interested in such an approach. Neither the West, nor the Muslim world needs a confrontation over the compatibility of democratic values and Islamic political and legal traditions. For example, the West will hardly reduce the terrorist danger by exporting democracy to replace Islam.

The past experience has shown that a policy of rejecting Islam would only increase the influence of Islamic radicals and the number of their supporters. At the same time, a policy towards artificial democratization and reorientation of the traditional Muslim society to liberal values at the expense of Islamic political and legal culture would pose a threat of destabilization and, therefore, would undermine both regional and global security.

Therefore, the modernization strategy must be aimed at involving the Muslim world in the globalization process together with Islamic values, including political and legal, that are compatible with worldwide democratic principles and reconsidered in line with contemporary realities. Naturally, conflicts between Islamic and Western approaches are not only possible but, in some cases, inevitable. Yet there still is a possibility to make further steps towards overcoming differences between these approaches, while the limit

for the two positions' convergence is far from being achieved yet.

The relationship between democratization, if this implies the establishment of liberal political values, and Islam in the Muslim world is ambiguous and contradictory. For example, theoretically democratization can serve to neutralize Islamic extremism. At the same time, the development of democracy often gives political advantage to radicals. The political and legal legacy of Islam, first of all the absence of a separation of secular and religious powers according to the principle "Render to Caesar the things that are Caesar's, and to God the things that are God's," sometimes creates obstacles to democratization. At the same time, the Islamic political and legal culture can provide wide support for democratic reforms, strengthen security and stability, and promote a higher level of social consensus. This means it can become an ally of democratization.

Middle East countries need modernization also because they, as parties to all global processes, are exposed to external factors. The development of the world is now characterized by a general growth of pressure from the global environment (the growing influence of non-state actors and transborder phenomena) on nation-states as a structure-forming and stabilizing element of the international system. This situation issues particularly serious challenges to many countries in the Middle East with a relatively young and still developing statehood.

In this context, the policy conducted by the neo-conservative U.S. administration looked particularly irresponsible, as it undermined state stability in the region under the slogan of promoting democracy, and actually destroyed the most stable state there, namely Iraq.

Washington's ill-conceived policy boosted Iran's influence in the region, and Teheran jumped at the opportunity. It gained control over Shi'a-populated areas in southern Iraq, which enabled it to regulate ethnic tensions in that country. Also,

using its special allied ties with Syria and the Palestinian and Lebanese organizations Hamas and Hezbollah, Iran can influence developments in the Palestinian territories and Lebanon.

Iran's increased ambitions have ignited a new round in the historical confrontation between the Sunni majority and the Shi'a minority throughout the Middle East. The ruling Sunni dynasties in the Gulf region view the rise of Iran as a threat to their vital interests, which adds a regional dimension to the heightened religious conflicts.

Some experts do not rule out that in the period before 2020 the Middle East may see changes that, in the worst-case scenario, may even affect the configuration of some countries' borders. Possible developments may include an escalation of conflicts in the Arabian Peninsula, an aggravation of the situation in Lebanon, and increased activities of non-system actors across the region. Indicative in this respect is the situation of recent years when the Middle East has been a zone of constant conflicts, although no one is fighting anyone at the inter-state level there. Even Israel has in the last few years been fighting not against the Lebanese or Syrian armies but against armed groups of the Lebanese Hezbollah and the Palestinian Hamas. Similarly, it is not at all regular armies that are confronting the NATO-led multinational forces in Iraq and Afghanistan.

There is a prevailing view in Russia's expert community that the development of the Middle East and the creation of a security system there is impossible without active measures to strengthen the statehood of the Middle East countries through their consistent modernization. The latter must be harmonized with local cultural and religious traditions and, at the same time, must promote the development of modern societies in the region with an effective system of government that would respect the rights and freedoms of citizens. This would help defuse intra-state conflicts and create a more constructive atmosphere for the solution of regional problems.

IV. Prospects for the Palestinian-Israeli Settlement

The prospects for structuring regional security and easing tensions may appear only after tangible progress in the Palestinian-Israeli settlement is achieved.

There have been many attempts in the past 15 years to find a format for the Middle East settlement. The previous international efforts should not be dismissed as entirely unsuccessful. A major breakthrough was the United States' acknowledgement of the "two-state solution" formula for the Palestinian problem, based on the co-existence of two neighboring states: Israel and Palestine in the territory of the West Bank and the Gaza Strip. In principle, Israel has accepted this formula, too.

Regrettably, the Arab peace initiative has remained largely underestimated. It promised peace with Israel in exchange for its withdrawal from the occupied Palestinian territories and Syria's Golan Heights, and the establishment of a Palestinian state. For the Arab world, especially the oil monarchies of the Persian Gulf which are deeply integrated in the world economy, the abeyant Palestinian problem hangs increasingly heavy. The emerging middle class and new business circles in this region may eventually become a factor of social support for the peace movement. All those positive developments of the past have created a certain conceptual platform and political prerequisites for a search of mechanisms to implement a peaceful settlement. During the 2000 Camp David talks with Bill Clinton as mediator, the parties showed close understanding but fell short of a breakthrough.

The Quartet of international mediators had to work under the heavy burden of the generally

destructive situation in the region: the uncompromising stand and maximalism of the negotiating positions and the provocations by extremists on both sides. The situation aggravated after a split in the Palestinian movement as its radical wing, the Islamic movement Hamas, came to power in the Gaza Strip. Hamas does not recognize Israel's right to existence and refuses to abide by the former Israeli-Palestinian agreements, brokered by the international community.

Acts of terror and Palestinian missile attacks considerably limited the room for maneuver for the moderate forces in Israel and the Palestinian autonomy. The support of these forces by external players was obviously insufficient. As a result, the peace efforts deadlocked. The victory of the rightist coalition in Israel led by Likud Party leader Binyamin Netanyahu and the weakening positions of Mahmoud Abbas created another impasse.

Many in the region pinned hopes on Barack Obama's transforming the U.S. strategy. But Washington's inability to induce Israel to freeze its settling activity put the brakes on another attempt to break the deadlock. Perhaps, Barack Obama's agenda is too packed (Iran, Afghanistan, Iraq and the internal problems of health care reform) to risk further complications by confronting Israel, which is supported by influential forces within the U.S., including in the upper echelons of the U.S. politics.

Regardless of whether or not elections in the Palestinian territories take place, one might expect radical anti-Israeli sentiments there to gain momentum. Against this background, the

Islamic movement Hamas has more chances to gain the upper hand in the Palestinian movement – peacefully or by force.

The situation warrants the conclusion that the traditional forms of settlement have been exhausted. What options are still open?

1. **“Forced” settlement, in case the parties to the conflict are unable to reach an accord** and the mediators’ efforts are not yielding results. This approach may find enough supporters among Arabs and Israelis. It is easier to justify mutual concessions by outside pressure, generously spiced with the financial carrot, as was the case during the Camp David accords between Egypt and Israel. The very establishment of the State of Israel was imposed by the international community: the Arabs faced the fact of the establishment of a Jewish state in Palestine, while the Israelis faced the establishment of an Arab state by their side.

The awareness of common threats and common interests in global security may give an impulse to launching collective political actions to settle regional conflicts. It would be possible to boost the role of the Quartet of the Middle East mediators, for example by coordinating moves between Russia and the European Union which aspires to a higher profile in international affairs.

A Russian-European or, possibly, Russian-French tandem (France has traditionally pursued an active policy in the Middle East, which is explained by historical, economic and demographic reasons), while not substituting the U.S. mediation, could eventually induce the Americans to look for ways of exerting pressure on its Israeli ally. A higher profile of the European Union and Russia in the Middle East would expand room for political-diplomatic maneuver in the region and the array of instruments available to the international community.

At the same time, setting up “the pressure group” in the present reality would encounter serious difficulties. Despite mutual declarations, the members of the international Quartet lack coordination in approaches to the tactics of their actions and rival each other for considerations of prestige. The United States traditionally seeks to monopolize its peacekeeping role and feels jealous of the involvement of other partners.

All these factors diminish prospects for exerting pressure on the parties to the conflict by mediators that would be proportionate to their role. In addition, the general state of the international system and its key institutions, including the UN, will inevitably cast doubts on the legitimacy of the actions to impose this or that decision.

The freezing of progress towards a Palestinian-Israeli settlement or an obvious failure of this process will result in a further decrease in regional and global governability.

2. **Enlargement of the group of mediators with new participants from among rapidly developing states** that are boosting their economic and political weight. For example, such countries as China, India, Malaysia and South Africa have no negative legacy in relations with the Middle East. Some of these developing countries have a vested interest in stabilization in the region, to say the least, because they depend on supplies of hydrocarbons from the Middle East.

At the same time, none of the “young” great powers has shown an interest in getting involved in the settlement of international conflicts that do not concern them directly, especially in case of such chronic and intractable conflicts as the one in the Middle East. Also, any expansion of the group of mediators has its limits, beyond which it might become inefficient. That is, this option is unlikely to materialize and bring the desired effect.

3. **Institutionalization of the status quo and a decrease in the general level of violence.** There is an opinion that since it is impossible to reach a political decision in the present conditions, one might at least set the objective of strengthening security, in order to avoid the use of force or wars, be it terrorists or guerillas’ attacks against Israel or retaliation by the Israeli army.

This option will require a higher level of interaction between secret services, the resumption of a full-scale dialogue on security problems, accords on concrete issues and avoidance of provocations. It may also require the involvement of international mediators and observers as guarantors of the non-use of force and the settlement of disputes by political methods.

This model, in the opinion of its supporters, would provide for increasing the standard of living of both the Israelis and the Palestinians. In the future, it may create an atmosphere for a more serious discussion of possible options when suitable conditions have developed. In actual fact, this is the essence of the latest statements by some Hamas leaders: not peace, but ceasefire.

Any attempt to put this option into practice is dangerous, because the idea to attain security without a political solution or, at least, clear moves towards it can provoke a much more radical reaction in the near future. In other words, it

would mean driving the problem inwards instead of resolving it.

No matter what model is selected, one can hardly avoid the following.

The establishment of two states – which is still regarded as the objective of the Middle East process – requires from both parties concessions of a scope one can hardly conceive in practice. In the event of Palestine’s unilateral declaration of independence – within unclear borders and with a vague international status – none of the existing problems will be resolved, and the existing ones can only worsen.

V. Iran's Nuclearization and Proliferation of Nuclear Weapons

Iran's nuclear program is the most acute international problem directly related to the Middle East. The strengthening of its military, above all missile potential, along with the insufficient openness of Iran's research into peaceful uses of nuclear energy caused apprehensions among its neighbors (Israel in the first place) and other countries.

The danger emanating from the uncontrolled proliferation of nuclear weapons is global, therefore the efforts taken by the international community are crucial. Active and coordinated efforts are needed to achieve an acceptable solution of the Iranian problem, because Teheran's acquiring the nuclear status will put in doubt the prospects of the Nuclear Non-Proliferation Treaty and sharply deteriorate the situation in the region. Iran's readiness to productively cooperate with the international community in the solution of this problem is a measure of the maturity and responsibility of Teheran which aspires to a higher international and regional role.

At the same time, the recent developments in nuclear proliferation warrant the assumption that it is practically impossible to prevent states that are actively seeking to acquire nuclear weapons from obtaining them in the long run. As practice shows, special concern over the Iranian and North Korean nuclear programs stems not so much from the fear of their turning nuclear as from the fact that both regimes are in conflict with the United States. Meanwhile, the nuclear status of India and Pakistan which maintain good relations with Washington has actually been legitimized by the U.S., while the world has been tactfully "turning a blind eye" to Israel's weapons.

A popular argument is that Iran, if it comes in possession of nuclear weapons, might provoke the domino effect across the entire Middle East. But the gravity of the problem is overestimated due to political considerations. Since none of the states in the region has the required technological potential, they will be unable to develop a nuclear weapon within a relatively short period of time (5 to 10 years), although the interest in the military use of the atom in the Middle East will be growing. In this connection, the possibility of someone's acquiring ready nuclear charges, for example, from North Korea, is particularly dangerous.

There are no reasons to believe that a solution might be found within a foreseeable future. At any rate, it is closely linked with the settlement of the Palestinian problem and complete normalization of Israel's relations with the Arab world under international guarantees. The idea to create a nuclear-free zone in the Middle East, proposed by Iran 35 years ago, has no prospects due to Israel's refusal to join the Nuclear Non-Proliferation Treaty.

Taking into account the high probability of Iran's developing nuclear weapons, and, consequently, the regional situation's evolving into an entirely new phase, one might consider various variants to ensure security:

1. Offering a "security umbrella" to Middle East countries by "legitimate" nuclear powers, first and foremost Russia and the United States;
2. Deploying a collective missile defense system in the region;
3. Renouncing nuclear weapons programs by both Iran and Israel;

4. Institutionalizing a system of regional nuclear deterrence along the lines of the India-Pakistan model.

Although the proliferation of nuclear weapons is a very undesirable scenario, we should admit

that its possession by two superpowers during the Cold War helped prevent a conflict between them and contributed to strategic stability. If nuclear proliferation cannot be stopped, we should think of ways to make nuclear weapons play a stabilizing role in the new circumstances.

VI. Conclusions

1. The solution of the region's problems in all fields is impossible without an active strategy of modernization and development, which would provide for the strengthening of the existing states on a modern basis while taking into account local traditions and culture.

2. The structuring of security in the region by 2020 is not a very realistic prospect. The burden of old and new problems is too great, and the level of violence and conflicts is rather high. "Rocking the boat" in the existing states can result in the appearance of new conflicts. There is a hypothetical possibility of a "package agreement"; however, considering the region's extreme heterogeneity and the great number of various factors and groups of interests, its practical implementation looks impossible.

3. The key issue is the state of the Israeli-Palestinian conflict and the ability, if not to approach a political settlement, then to secure an acceptable level of stability in the region.

4. The role of non-regional players is increasing, not so much in mediating as in the direct support of the ruling regimes which are experiencing internal problems. Change of government may result in a sharp radicalization of the political setup in these countries.

5. International efforts are needed which would take into account the complex nature of regional problems and common interests. The U.S. will continue to play the decisive role, but it must not monopolize it. It is necessary to increase the roles of Russia and the European Union in the Arab-Israeli settlement, and consider inviting

new great powers. A Middle East strategy coordinated between them could influence Washington and lend more balance to its mediating mission.

6. The strengthening of the non-proliferation regime in the current situation does not appear possible. No headway is likely until 2020. In the event of failure of the efforts to settle the Iranian nuclear dossier, a surge of interest from other countries in ensuring security in the new conditions is inevitable. The international community should be ready to offer various options of guarantees to these states. A vigorous dialogue over these issues is needed between the old powers, as well as between them and countries of the region.

7. The confrontation between Iran, which seeks to strengthen its regional positions, and the Gulf States will gradually intensify, affecting energy security. However, it is unlikely to escalate into an armed conflict, due to the parties' weakness and the extensive foreign military presence in the region. The general balance of forces would tip in favor of the Gulf's oil monarchies, which have embarked upon the road of the effective use of their tremendous financial resources for modernization purposes. Stability in Iran cannot be guaranteed, although in case it successfully overcomes its domestic political problems, Teheran may considerably strengthen its positions in the region.