# CMER Middle East Report

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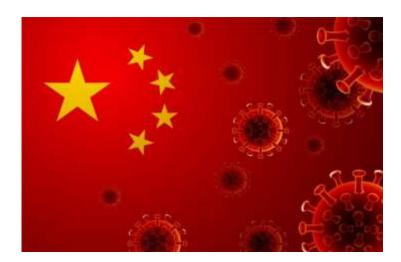
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# Editorial: China's Great Wall of Silence

By Arthur Tane CMER Executive Director



China's failure to contain the Covid-19 virus in addition to intentionally concealing the severity of the pandemic has exposed the regime's deceptive nature and demonstrated that it can bring about deadly consequences.

The mishandling of the virus, which first emerged in China's central city of Wuhan, is consistent with tactics the Chinese Communist Party (CCP) has deployed in the past: deny, hide, propagate disinformation, and then capitalize on the gains.

This pattern has repeated over the past few decades as the Chinese regime committed human rights violations and the international community watched on.

During this pandemic, the ramifications of the CCP's actions, in relation to the virus, are now being witnessed in every corner of the world, including the Muslim World.

Similar to the current crisis, Chinese officials withheld information during the early weeks of the SARS (severe acute respiratory syndrome) outbreak in 2002 and did not warn the public for months. In the aftermath of the outbreak that spread to dozens of countries, the World Health Organization updated the International Health Regulations to strengthen health risk communication and require countries to notify the United Nations agency of any public health emergencies.

China has a history of infecting the world, and they have a history of running substandard laboratories. Similar systematic denial and deception have recurred in China's medical field over the past two decades, and could inflict further catastrophic damage should it continue unabated.

Since 2015, the Chinese regime has maintained that all organ transplants are performed with organs collected via a voluntary donation system. But a 2019 BMC Medical Ethics study found that the Chinese regime likely falsified its organ donation data using a quadratic function.

Last June, an independent London-based tribunal concluded, after reviewing written evidence and witness testimonies, that such state-sanctioned practices have taken place for years "on a significant scale"—an action "indicative" of genocide.

The tribunal determined that the main source of organs comes from imprisoned Muslim Uyghurs as well as practitioners of Falun Gong, who have come under severe nationwide persecution since 1999. Human Rights organizations estimate that as of March 2020 some 17,600 Uyghur men and women have been deliberately murdered to have their organs harvested, including 8,300 Falun Gong practitioners.



The silence in the face of such human rights tragedies—in itself a form of denial—has its consequences: the mass imprisonment of Uyghurs in China's north-western region of Xinjiang bears the hallmarks of the persecution of Falun Gong, China's pervasive surveillance technology is expanding overseas, and false data published during the current outbreak.

Statistical modelling, eyewitness accounts, and leaked documents have shown that Chinese authorities are underreporting virus infections and deaths but as much as 15 fold.

Failing to contain the virus within its borders, the Chinese regime then attempted to recast itself as the global health leader, exporting substandard medical supplies to countries while waging an aggressive disinformation campaign on social media and Chinese state media to deflect blame. The regime has many sympathisers worldwide who eagerly spread Beijing's disinformation.

The nature, intent, and actions of the CCP should no longer be allowed to continue unabated. Quoting from a speech from Chen Guangcheng, a blind Chinese human rights lawyer who fled to the United States in 2012, "The CCP is the biggest and most serious virus of all."

# The Impact of Covid-19 on the Middle East and North Africa

By Lina Zaidi CMER Board Member



With tens of thousands infected across the region and thousands of lives lost, it is clear that Covid-19 will exacerbate governance failures, sectarianism, tensions between secularists and Islamists, and deepen economic cleavages within and between the states. The impact of the corona virus will serve to exacerbate the multiple crises besetting the region. The esteemed historian Yuval Noah astutely observed, "The storm will pass, humankind will survive, most of us will still be alive, but we will inhabit a different world" (Dorsey, 2020). It is clear that the MENA region will not be the same after this pandemic. What form the post-pandemic region will take is dependent upon the choices governments make.

# The Nature of the Threat Posed by the Virus and Responses

#### The UAE and Saudi Arabia

The United Arab Emirates has implemented social distancing measures whilst the virus was still at its infancy. Saudi Arabia, meanwhile, adopted an aggressive approach towards the virus, including a curfew from dusk to dawn. Riyadh also adopted other radical steps like preventing religious pilgrimage to two of Islam's holiest places – Mecca and Medina.

#### Iran

Iran's belated response and initial denials have transformed it into the epicenter of the Covid-19 pandemic in the Middle East with almost one hundred thousand infections. The first reported Covid-19 deaths in the MENA region occurred in the Iranian holy city of Qom when two Shia pilgrims died as a result of the virus. Despite this knowledge, Tehran decided to precede with the 21 February 2020 parliamentary elections in a dubious attempt to bolster their flagging legitimacy. Soon, every province and every city across Tehran was affected. The lies emanating from Tehran,

as well as its refusal to impose a lockdown on its population in February 2020, has also allowed the virus to spread into other countries, including Afghanistan, Bahrain, Kuwait and Lebanon.

The mullahs in Tehran, meanwhile, have also continued their anti-Western and anti-U.S. rhetoric in the face of the pandemic. In an effort, to distract the public's attention from their own failed responses, Iran has accused Washington of developing a special strand of the virus, which specifically honed in on Iran and Iranians. The Iranian public, however, is quite sophisticated and can see through the excuses of their leadership, with many questioning the regime's propensity to fund regional military ventures as opposed to funding health services. Tehran has also attempted to politicize the virus by requesting international relief from the crippling sanctions imposed on it while at the same time turning aid away in the form of Doctors without Borders.

#### Turkey

By late April 2020, Turkey had the highest acceleration of Covid-19 cases in the region, largely on account of its mismanaged health system. When the virus first appeared on Turkish soil, social mobility was not prevented and testing was confined to only those who had travelled abroad. Its densely populated cities are most vulnerable. Sixty percent of all Covid-19 cases were located in the commercial capital of Istanbul, which accounts for 20 percent of Turkey's total population. The pandemic also highlighted the failures of Turkey's health system – from the lack of organization to the shortage of equipment, beds, and health workers.

## The Haves and the Have-Nots

In many ways, the corona virus has brought into sharp relief the tensions inside countries, specifically as it relates to the ever-widening gap between haves and have-nots and between foreign-born residents and citizens. Qatar is a case in point. While boasting the largest per capita income in the world and having a skyline dotted by skyscrapers and a superb health system for citizens, it is easy to forget that 85 percent of this emirate's residents are foreign migrant laborers who live in squalid conditions, rendering Qatar ripe for infection. Reports of Doha cordoning off the migrants quarters would almost certainly serve to exacerbate tensions inside the country.

#### **Tunisia**

The differing reactions of citizens in Tunisia illustrate the point well. Tunis has a new government which came to power in February 2020. It is viewed as an expression of the will of the electorate and therefore legitimate. Despite imposing strong containment measures such as a curfew and the closure of all borders for international travel, the government has received no push-back from its citizens. Tunisians, in fact, support the government's actions.

#### Algeria

The situation is markedly different in Algeria where the regime does not enjoy popular legitimacy. Algiers' ban on political gatherings was seen as an opportunistic move on the part of the regime to quell the protests in the country which have been taking place for more than a year.

## **Economic Impact**

Notwithstanding the human costs, the impact would be felt most on the economic front as capital markets tumble, tourists evaporate in the midst of a ban on flights and lockdowns, and oil prices contract. Chinese buyers are involved in a significant portion of real estate transactions in Dubai. With China still recovering from the virus, these Chinese buyers have postponed making new purchases. Given the bubble economy of Dubai with its glut of property, even before the virus, this city-state is confronting economic catastrophe. With the UAE cancelling its Expo 2020 and Saudi Arabia not allowing the annual haj pilgrimage to take place, billions of dollars were lost for both states. The UAE was expected to attract 25 million visitors to its Expo 2020 event which was to be held in October 2020, and Saudi Arabia received 20 million religious pilgrims each year. Egypt, meanwhile, is losing an estimated US\$1 billion per month in lost tourist revenue.



It is perhaps in tumbling oil prices where the greatest economic impact will be felt. Oil is the core export for most Gulf Cooperation Council (GCC) states. Even before the pandemic, the price of a barrel of oil was on its way down, largely as a consequence of U.S. shale oil production and alternative renewable energy resources coming on line. Oil prices also went into free-fall after OPEC and Russia failed to arrive at a mutual agreement to cut oil production. Irked with Moscow's recalcitrance, Riyadh decided to flood the market with oil, resulting in a calamitous decline in oil prices.

The impact of the pandemic will further depress the oil price as demand dries up. By late April 2020, the price of a barrel of crude oil was US\$22. Consider that at the beginning of the year the price of the same barrel was an estimated US\$60. While oil prices are expected to stage a moderate come-back and trade at US\$30-35 per

barrel by December 2020, this is far below the break-even point for the oil producers of the MENA region.

This, in turn, holds political consequences. The economies of the region are no longer sustainable and will have to tax their citizens. It is clear that the already fragile polities across the region and ruling elites whose grasp of the political reins of power were always tenuous will have to open up political processes.

#### Yemen

When discussing the impact of Covid-19, it is imperative to add a caveat. The MENA region consists of states with differing capabilities and with widely divergent health systems and governance structures. While GCC countries have a GDP per capita of between US\$20,000 and US\$70,000 and can spend considerably more on health infrastructure, the same is not true of war-ravaged Yemen whose health system is ranked an abysmal 120th in the world. The war raging on its territory has also damaged health infrastructure and created large numbers of internally displaced people. A further 300,000 refugees, largely from Africa, adds to its burden. Yemen's health system's inability to respond to the corona virus is already reflected in the fact that the country has been unable to control a cholera outbreak that has been raging for four years, affecting two million of its citizens. A similar dynamic is at play in war-ravaged Syria where whole cities are locked down, and where almost half a million people have no water and little access to health facilities on account of the shelling of hospitals. Syria also poses a regional vector for contamination if one considers the 5.5 million refugees residing in neighboring states in unsanitary camps.

#### Lebanon

Neighboring Lebanon, meanwhile, cannot embark on a stimulus package in the face of the pandemic. It defaulted on a US\$1.2 billion Eurobond payment. As its economy is in free-fall, it does not have the wherewithal to fund its faltering health infrastructure. The shortage of foreign currency has also prevented Beirut from importing much-needed medical supplies. 2020 marks a century since Lebanon came into being.

## Iraq

Similar to Lebanon, Iraq's health system has been mismanaged for years on the part of the authorities. In Iraq, local authorities have no financial or technical resources to deploy against this health catastrophe. The shortage of medical supplies and equipment and dearth of competent staff in the nation's hospitals speak to the decades of neglect of the health sector. Only 2.5 percent of Iraq's US\$106.5 billion revenues are allocated to health.

Another problem challenging Baghdad's response to the pandemic is the fact that the government enjoys scant legitimacy amongst its citizens. This was revealed in early March when health authorities banned public gatherings in an effort to flatten the curve of new infections. Demonstrators, however, refused to end their public protests, questioning the government's motives in imposing the ban in the first place. According to the Iraqi Commission for Human Rights, more than 600 demonstrators were killed by security forces and government-supported militias. When this failed to quell the protest movement – so the narrative goes – government made use of the real threat of the pandemic spreading to curb all public protests.

The pandemic also brought into sharp scrutiny the close ties between the regimes in Baghdad and Tehran. Iran and Iraq share 21 border crossings. While Baghdad insisted that all border crossings were to close in fear of contagion spreading from Iran to Iraq, Tehran's ambassador denied this. This prompted protestors to mobilize under the hashtag: "Shut the borders with Iran." They proceeded to block the road to one such border crossing in Diyala province. The seeming inability to close borders with Iran and the affinity between Iraq's fractious political leaders with the Iranian regime has resulted in further distrust towards the government and ordinary citizens questioning whether Iraq is a sovereign state or an Iranian colony.

## **Concluding Insights**

It is tempting to assume that with the Covid-19 virus raging across borders that political elites will demonstrate this foresight; that countries will bury past enmities and join forces against the pandemic. Despite these trying circumstances, old habits persist despite the existential nature of the threat. In the midst of the Covid-19 pandemic, militants in the Gaza Strip decided to launch missiles on Israel whose armed forces retaliated against various Hamas targets. Neither has the pandemic ameliorated the deep sectarian divisions within the region. Saudi Arabia intercepted two ballistic missiles fired by Tehran-aligned Houthi rebels in Yemen. The Saudi capital, Riyadh, as well as the city of Jizan were targeted. As Libya's Tripoli-based Government of National Accord announced the country's first Covid-19 case, Khalifa Haftar's forces pummeled the capital with airstrikes.

The world we will occupy after the pandemic will be a different one from the one we currently inhabit. This new world will require new ways of doing things as opposed to relying on old habits that have led the region to ruin. For the MENA region to experience its own renaissance, it needs political leadership to demonstrate the foresight to make a New World Order possible.

# What impact will the oil price crash have on the Arab world?

# Translated from Arabi21, 20 April 2020

Oil prices have hit zero. Yes, oil was "sold" this week with producers only asking buyers to pay for transporting it to its final destination. This is the worst collapse in oil markets in history; it is unprecedented for oil to lose 94 per cent of its value in just one day.

It is important to mention, though, that this price fall was related to US Texas crude oil for May contracts only. Prices for other contracts are still higher, but that does not mean that they are immune from collapse. There is still plenty of time before they are due and the price can go up or down.

The causes of the collapse can be summed up thus: there is a market share crisis that has led to a price war and the flooding of markets by oil producers. The agreement to reduce production will be effective from the beginning of next month. The previous agreement ended on 31 March, leaving a gap throughout April which has been enough to flood the markets with oil. Demand, meanwhile, has fallen due to the corona-virus crisis.

Indeed, the pandemic has caused a global recession, which is likely to mean continued low demand for oil. Hence, the OPEC agreement to reduce production by 9.7 million barrels per day (bpd) will be worthless, as the International Monetary Fund expects the global demand for oil to decrease by 29 million bpd. Even taking the production cut into account, there will still be a surplus in supply by 20 million bpd.

Moreover, another crisis is looming on the horizon concerning the storage of all this oil. The world's oil producers do not have the capacity to store their surplus production. This has pushed producers to sell their oil at any price, simply because the cost of storage is higher than the price of oil on the market. Reports already mention some producers renting giant oil tankers at sea to use for temporary storage, which is very expensive.

Hence, the prices have tumbled and may continue to do so during the coming days, leading to the disruption of production in many OPEC countries. They may find that the cost of production is higher than the market price, and so could suspend production voluntarily and lay off thousands of workers across the sector.

What impact will all of this have on the Arab world, especially the oil-producing Gulf States? The answer is simple: the Arab world is heading towards the worst economic crisis since independence. Saudi Arabia, for example, is the largest and most important Arab economy, but may still find itself facing its biggest budget deficit in almost 100 years. So too could other Gulf countries, because economies across the Arab world have also been hit by the corona-virus crisis.



The Arab Oil [Cartoon/Arabia21]

Riyadh-based Jadwa Investment Company predicted just before the collapse of oil prices that the Saudi budget will register a deficit of 422 billion riyals, which is 40 per cent of the budget, and 15.7 per cent of the Kingdom's GDP. It is easy to imagine how these figures could get worse after the collapse in oil prices registered on 20 April.

During the past few weeks, Saudi Arabia has had to borrow \$7 billion, as has the UAE. In Bahrain the government borrowed \$1bn, the Sultanate of Oman decided to reduce its public spending by \$1.3bn and Jordan announced that it was looking for someone to lend it \$640 million. Kuwait, meanwhile, appears to be the most stable country in the Arab world at the moment, thanks to its reserves built up in its Al-Ajyal (Generations) Fund and its conservative financial policies.

If the Gulf States go into a great depression, millions of Arab expatriate workers will have to return to their home countries, creating the perhaps even bigger problem of mass unemployment. In the middle of the corona-virus pandemic, God alone knows what sort of future we will have.

# Epic Collapse in oil price is a Second Pandemic for the Middle East

By Peter Rawlings CMER Board Member

Oil prices appeared to collapse as the futures contracts for West Texas International, a benchmark trading contract, fell below zero. This doesn't mean oil prices will really be zero, but overall oil prices have been down globally and the market turbulence has shocked people. Prices at the pump will not be reduced as much as barrels of oil will now decline from \$60 last year to historic lows.

The oil prices are suffering the ripple effects of the corona-virus pandemic and a price war that took place between Saudi Arabia and Russia in early April. Those countries agreed on a deal between April 9 and 12 which was supposed to stabilize prices and lead to some production cuts. It was too late for the markets though.

The overall effect of the collapse in oil prices will not be known for some time. It appears that it is one of the many secondary curves that have come out of the more well known corona-virus curve of infections. That curve was flattened by lockdowns. But lockdowns also caused travel to grind to a halt. Uncertainty meant that there is less demand for oil. Oil prices were already declining but this is the kind of uncertainty and shock that causes unprecedented results.



The next impact of the virus and oil prices is likely come in other tensions and crises in the Middle East. That means there may be growing attempts by Iran to pressure the US Navy in the Persian Gulf. This has already happened but Iran is signalling that it has new ship missiles and drone technology that can be used against the US and allies.

There may be other ripple effects, such as economic collapse of states or political upheaval. Several countries in the region rely particularly on the oil trade. This includes Kuwait, Saudi Arabia, the UAE, Iran, Iraq, Algeria, Qatar, Oman and Bahrain. Some countries GDP are dominated by oil, including Kuwait, Saudi Arabia, Iraq and Oman. These countries have attempted to reduce their need to rely on oil in recent years, seeking to diversify their economies as they predicted oil prices will decline. But

they couldn't move fast enough. Saudi Arabia's Vision 2030 has sought to diversify the economy and create new, non-oil based, jobs. But that is a decade off.

Iraq relies on oil and is already in economic dire distress. It has had six months of protests because the government failed over the last decade to invest in basic infrastructure. The successful Kurdistan autonomous region also relies on oil and will be hit hard.

Other countries may profit from low oil prices. Jordan, Israel, Egypt, Lebanon and other countries can benefit. Many of these countries have lost massively in tourism dollars due to the pandemic, so this is a consolation prize. The King of Jordan has sought to prepare for low oil prices. In the past Jordan has subsidized fuel prices and The falling prices can be a positive and negative to countries such as Lebanon which already have an economy on edge. These countries rely on remittances from abroad and some of that comes from the Gulf. An oil crises can actually harm the remittances even if it makes some economic pain decrease. Turkey expects to be a winner as well, reducing the cost of energy imports and reducing inflation. This is yet another mixed bag for Turkey because the country now has the most corona-virus cases in the Middle East. So it may profit from lower oil prices but suffer in other ways.

The long term story of the oil price collapse and the pandemic are a series of rare black swan events being loosed on the Middle East. The oil price collapse is likely the first of many crises and it will cause many countries to be concerned about what comes next. With closed borders, concerns about conflicts in Syria, Libya, Yemen and elsewhere, and declining interest from the Western powers, Middle Eastern countries are now more on their own than in the past. The era of great power rivalries such as the Cold War or era of colonial mandates is long over. The era of US hegemony is declining as the US shift forces from the region and contemplates more withdrawals.

This means regional conflicts and alliances are increasing as well as proxy wars in places like Yemen, Libya and Syria. For instance in Libya a UAE-Egypt-Saudi backed faction is fighting a Turkey-Qatar-backed faction. In Yemen the Iranians are backing the Houthis against a Saudi-backed government. In Syria the Russian and Iranian-backed regime face off against the US and against Turkish-backed groups. The oil crisis is a new wrench thrown into the mix.

# Saudi Arabia's Pyrrhic Oil War Victory

# By Arthur Tane CMER Executive Director



Riyadh has scored some impressive victories in the month-long oil price war it and Russia unleashed, and which has ended in a three-way truce of sorts, crucially also involving the US.

But analysts caution that any supply-side calm necessitated by the unprecedented global health and economic emergency—and oil demand destruction—posed by the Covid-19 pandemic may be fragile. It may be too early for Saudi Arabia to celebrate: continuing elbowing for market share, especially in Asia, is just one sign of ongoing challenges.

Outwardly, at least, Saudi Arabia appears triumphant. There are few more public ways to project an image than to buy a European football club, in its case a bid for England's Newcastle United through the Saudi Public Investment Fund (PIF)—stealing a page from the playbook of both Russian oligarchs and some of its Mid-East Gulf neighbours.

Perhaps more pertinently, Riyadh is also signalling its continued confidence in the oil markets by bargain-hunting for stakes in European oil majors. PIF has recently purchased as much as \$1bn worth of shares in Shell, Total, Italy's Eni and Norway's Equinor, according to credible press reports.

"The Saudis can be said to have prevailed in this saga, because sharply reduced demand has forced the Russians to accept higher production cuts than what had been demanded previously, and will force the US shale patch to cut back considerably," says Jan Kalicki, an energy security expert at the Wilson Center, a Washington-based thinktank. "Much lower production costs will always give the Kingdom greater leverage in this new triangular contest."

#### Victory at a cost

The price impact, with its subsequent impact of Saudi state coffers, means it is a Pyrrhic victory at best. But the crash has brought Riyadh within sight of what it failed to do during the last price war it unleashed in 2014-2016: forcing the US shale industry to its knees.

Steep output cuts of at least about 2-3mn bl/d this year are already underway, according to US government figures, as producers are forced even to build make-shift storage tanks for unwanted oil they cannot evacuate. A significant chunk of even the largest US independents are threatened by bankruptcy, while the midstream, downstream and services sector are also braced for ongoing pain.

Recent Saudi output hikes and aggressive marketing have played a major role in the North American panic. Saudi exports totally c.40mn bl, or more than half the total capacity of the Cushing storage facility in Texas, is reportedly on its way to the US.

Victory over Russia has been more symbolic, but Russian producers—which could lose state subsidies in addition to having their profits slashed if crude prices stay low through next year—are also hurting. Moscow attempted to play hardball with Riyadh in early March by rejecting far more modest cuts, but in April was forced back to the table to agree to cut its output by 20%.

Russia's concession, alongside the informal inclusion of smaller non-Opec producers such as Brazil and Norway within the pact, has allowed Saudi Arabia to reassert its global leadership in the geopolitics of energy, in one analyst's view. "After almost two months of resistance, as many producers as ever joined the cuts and Saudi Arabia led the process, potentially establishing its leadership beyond the traditional 'borders' of Opec," says Cinzia Bianco, Gulf research fellow at the European Council on Foreign Relations multinational think-tank.

## Covid challenges

Riyadh is not isolated from the epidemic: about 150 Saudi royals including the Riyadh governor are reportedly infected. The authorities are considering cancelling this summer's Hajj, the annual Muslim pilgrimage to Mecca, a major non-oil source of income. The kingdom's oil earnings projections are suffering just like those of all other producers: Saudi Aramco's share price has in recent days declined by more than 20% from its December 2019 highs.

Weathering the crisis would require that Saudi Arabia lowers its spending: cuts of \$13.3bn, or about 5pc of this year's budget, have already been announced. Further tightening is widely expected and is likely to focus on some of its more ambitious projects related to its Vision 2030 programme.

"Demand is unlikely to return to anything like previous levels" Stevens, Chatham House The country needs to lower the fiscal, rather than commercial, breakeven price of its oil—that is, the price required for it to balance the state budget—which is currently north of \$80/bl. As it stands, the Kingdom's fiscal deficit is projected to more than double and borrowing is forecast to balloon. International bond markets are gearing up for a potentially unprecedented Saudi issue that could top the \$50bn mark.

For now, though, Riyadh can afford to strut in the role of last man standing. It has a comfortable \$500bn stash of foreign exchange reserves, slightly smaller than Russia's, but with only a quarter of the population.

Whatever semblance of domestic opposition ever existed, mostly within the royal palace, has been neutralised with the arrests last month of two high-ranking princes who have been charged with treason. While the 84-year-old Saudi King Salman and the younger Crown Prince Mohammed bin Salman (MBS) may have retreated into

seclusion on Covid-19 infection fears, there are few credible immediate threats to their rule, domestic or international.

## Devil in the long-term details

Saudi Arabia is also positioned for a time when oil demand for oil picks up again, which could happen as early as in a few months based on the most optimistic view of how the pandemic plays out. It has an advantage over Russia in that it can stop and restart production far more easily and cheaply, and an advantage over US shale producers that its output costs are just a fraction of theirs.

According to the Fitch credit ratings agency, it will have spare capacity of more than 2mn bl/d over its newly agreed production level. "If and when demand rises, Riyadh has demonstrated between March and April that they can quickly ramp up production," agrees Bianco.

But the new so-called Opec++ production cut deal is at least publicly predicated on these most optimistic forecasts—committing to reduced volumes only for the rest of the first half of the year. Many analysts, both energy expert and more macro forecasters, point to the possibility of a prolonged economic downturn with a considerably slower recovery of oil demand.

In mid-April, the IMF estimated that the 'Great Lockdown' could result in the worst recession since the Great Depression of the 1930s. "Certainly demand is unlikely to return to anything like previous levels given the world faces a long and deep economic recession," says Paul Stevens at the UK's Chatham House think-tank. Such an outcome would make Saudi Arabia look far less like a winner.

#### Compliance, always compliance

And striking a deal is one thing, implementation quite another. Russia, for example, faces a technological disadvantage in its harsh production environments that all but forces it to cheat. Its older fields require higher investments to maintain—for some reservoirs, if production stops, it may never restart again.

Saudi Arabia also has geopolitical liabilities, too, and can only afford so much to test the nerves of both of the world's former superpowers at once, particularly given its ongoing tensions with Iran. US president Donald Trump has already threatened to block or slap tariffs on Saudi oil imports, including ships that are currently on their way. The Saudis may have to consider carefully the possible ramifications of trying to flood the US with cheap oil.

Saudi Arabia's gains have two major costs. The first is that relations with Russia and with the US come out strained. The second is that price did not recover nearly as far as the Saudis would need, indicating that they have still massively miscalculated the impact of Covid-19.

# **Netanyahu Come Out On Top Again**

By Peter Rawlings CMER Board Member



It wasn't long ago that Prime Minister Benjamin Netanyahu had Israel's High Court firmly in his crosshairs. His bloc of right-wing and religious allies, too, would consistently hammer away at the court. One minister accused it of "impertinence" and "contempt." A deputy minister said it was trying to establish a "judicial dictatorship." There were frequent calls to simply ignore court rulings.

Now, though, it is the High Court that has cemented Netanyahu's election victory and paved the way for him to hold on to the leadership of the country. In a unanimous decision, an expanded panel of 11 justices ruled that an indicted member of Knesset could be given the mandate to form a government. And that's exactly what happened when President Reuven Rivlin gave Netanyahu two weeks to put the finishing touches to his planned government with one-time opponent Benny Gantz. Both men have indicated they won't need that long, with a swearing-in ceremony planned for mid-May.

No longer will Netanyahu be the leader of a transitional government ploughing its way through three consecutive elections. Barring any frankly unforeseen obstacles, he will once again be Israel's sitting prime minister, this time with the backing of at least 72 members of the 120-seat parliament, making this the widest, strongest coalition he has ever led - at least on paper.

The High Court did not downplay at all the weight of the charges against Netanyahu - bribery, fraud and breach of trust in three separate cases - but concluded that the law does not specifically prevent an indicted member of Knesset from leading the country. An indicted prime minister only has to step down when he is convicted, and only after that conviction is upheld through the appeals process.

"The judicial conclusion that we reached does not diminish the severity of the pending charges against Member of Knesset Netanyahu for criminal violations, nor from the difficulties arising from having a Prime Minister accused of crimes," Chief Justice Esther Hayut wrote in the ruling.

Netanyahu, who failed to secure a clear majority for his preferred right-wing religious bloc in all three elections, has nevertheless emerged from this stronger, once again silencing those critics who predicted his imminent demise. In the coalition agreement signed with Gantz's Blue and White party, Netanyahu held to most of his campaign promises. He can pursue annexation of parts of the West Bank from the beginning of July. He has control over the judge's selection committee, giving him tremendous influence over the justice system. And crucially, he remains in power.

By contrast, Gantz folded on virtually all of his campaign promises. He had promised not to serve under an indicted prime minister, swore he would change controversial legislation about the character of the state of Israel, as well as fix the draft law, so long a pressure point between the secular and ultra-religious parts of the country. He also vowed he would not pursue unilateral annexation and made it his goal to fix the healthcare system. None of that is still standing now.

Not even his Blue and White party survived intact, fracturing as soon as Gantz announced he would serve under Netanyahu. The country's longest serving PM got nearly everything he wanted, while Gantz just got a line from his campaign jingle: Israel before everything - which was also his explanation for abandoning his campaign promises and core principles.

Realistically all outcomes seemed to serve Netanyahu in one way or another. If the High Court ruled in his favour as it did, then he could continue as Israel's longest-serving prime minister. If the High Court ruled against him, he could take the country to a fourth round of elections where he was heavily favoured for an outright victory against a crumbling opposition. In that scenario, Netanyahu could well have held enough seats to pass an override clause against the High Court, effectively allowing the government to push aside any rulings against it.

According to the coalition agreement, Gantz is supposed to become prime minister in 18 months. But many political analysts are skeptical that Netanyahu will ever willingly vacate the seat he has held for more than a decade. The agreement itself tries to anchor the rotation in Israeli law. Many observers argue that the complexity of the arrangement - and the penalties should either side break it - shows the depth of distrust that exists between Netanyahu and Gantz.

The expected swearing in of Netanyahu's government does not mean the legal fight is over. Recently the Knesset finished passing the necessary changes to Israel's laws to allow for the coalition agreement. In its decision the High Court said it would not yet rule on the legality of the agreement itself until the relevant laws were passed. Already, opponents of the new government have filed petitions asking the court to disqualify parts of the agreement approved by Parliament. Although it seems unlikely at this stage, the coalition could yet collapse before it has properly begun, sending the country back to the ballot boxes.

Meanwhile, Netanyahu's corruption trial is set to start on May 24. The prime minister has denied wrongdoing, calling the cases an "attempted coup." After years of police investigations and legal wrangling, the trial was delayed again when the judicial system was put on an emergency footing because of the corona-virus. Now, more than three years after the investigations were made public, Netanyahu will have his first day in court. Once again, his fate will be back in the hands of the country's judges.

# Russian Mercenaries Are Fighting in Libya

By Anastasia Kravtsov CMER Board Member

Mercenaries from the Wagner Group, a Russian paramilitary organization seen as being close to President Vladimir Putin, are fighting in Libya, UN diplomats said Wednesday, citing an experts' report on the country's arms embargo. It was the first time the UN has confirmed claims first made in U.S. media that the group is supporting military strongman Khalifa Haftar. Moscow has denied being responsible for deploying the group.



The report also revealed that Haftar was being supported by Syrian fighters. The Wagner Group is a shadowy private security firm and thousands of its contractors are believed to be in foreign conflicts from Syria and Ukraine to the Central African Republic.

A senior U.S. State Department official has told AFP press agency the group is "an instrument of the Kremlin's policy" in Libya. "The Panel has identified the presence of private military operatives from ChVK Wagner in Libya since October 2018," the UN

report says, according to several diplomats who spoke to AFP on condition of anonymity as the document has not yet been made public. "Wagner has been providing technical support for the repair of military vehicles, participating in combat operations and engaging in influence operations," the UN report says.

They are also involved in "more specialized military tasks such as acting as artillery Forward Observation Officers and Forward Air Controllers, providing electronic countermeasures expertise and deploying as sniper teams," it continued.

"Their deployment has acted as an effective force multiplier" for Haftar, it said. The experts said they could not independently verify how many Wagner mercenaries were in Libya, but estimated their deployment at between 800 and 1,200. The report, submitted on April 24 to the UN Security Council, notes that there are tensions between Wagner and Haftar's command.

## No call for sanctions

It also revealed that Haftar is receiving help from Syrian fighters, further complicating the conflict. In February, Turkey said that pro-Turkish Syrians were fighting in Libya in support of the internationally recognized Government of National Accord (GNA).

Haftar has opened a consulate in Damascus, where the regime of Syrian President Bashar al-Assad is backed by Russia. The UN report says Syrian mercenaries are now fighting alongside Haftar — though it said it could not identify who was responsible for training and financing them.

The fighters reached Libya via at least 33 flights operated by Damascus-based private Syrian company Cham Wings Airlines since the start of this year, according to the report, adding that they numbered less than 2,000.

The text is an update of the expert panel's last annual report from December, which had noted the existence of foreign armed groups from Chad and Sudan in the conflict, but did not mention Wagner.

Pro-Haftar forces have been battling to seize the capital Tripoli from the GNA since April 2019. Foreign military involvement has exacerbated the conflict, with the United Arab Emirates and Russia backing Haftar and Ankara supplying the GNA.

A January truce brokered by Turkey and Russia has been repeatedly violated.

Wagner's involvement in the conflict was first revealed by The New York Times and The Washington Post last year. The former put their numbers at 200, while the latter said it could be as high as several thousand. The UN report does not recommend sanctions against the groups or any action to prevent their involvement.

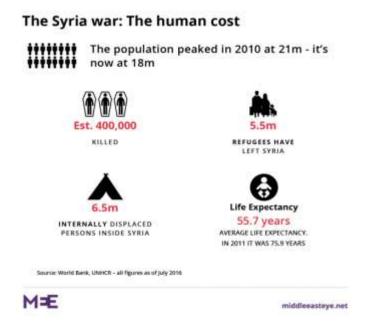
A report by UN Secretary General Antonio Guterres submitted to the Security Council on Tuesday and obtained by AFP also mentioned foreign mercenaries but did not identify them or recommend any action against them.

# **Syrian Civil War Enters 10th Year**

# By Don Gibbons CMER Board Member

Syria's bloody civil war enters its 10th year with the government of President Bashar al-Assad appearing to be consolidating his hold on power, backed by crucial military and political support from Russia and Iran. The conflict began when Syrians took to the streets on March 15, 2011, to protest against Assad's government, which then launched a brutal crackdown that has led to a conflict that has killed more than 370,000 people and displaced millions.

Geir Pedersen, the UN special envoy for Syria, said on the eve of the anniversary: "The suffering of the Syrian people during this tragic and terrible decade still defies comprehension and belief."

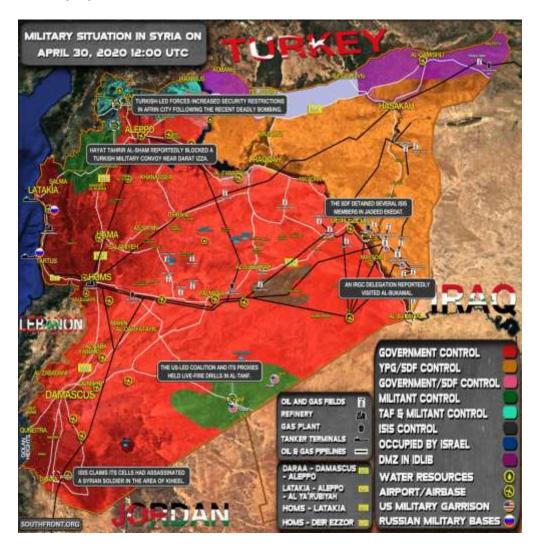


The conflict at times has resembled a proxy war among world powers, with Moscow and Tehran backing Assad while the United States and Turkey have supported differing rebel groups. The Islamic State (IS) militant group also entered the fray and were opposed by all other sides. They have been driven from most of their strongholds, although some extremists continue to hold out in Idlib Province in the northwest of the country.

Syrian forces, backed by Russian warplanes, have heavily bombarded in the province, targeting the remaining rebels, but they have also killed an estimated 500 civilians - along with dozens of Turkish forces, who are attempting to create a buffer zone in the border region, raising the possibility of an armed conflict between Damascus and Ankara.

The United Nations says that a million people have been forced to flee, creating a humanitarian disaster and threatening to ignite a new migrant crisis in Europe. A cease-fire came into effect this month in the northwest, with Turkish and Russian forces set to carry out joint patrols in Idlib, but violations of the truce are often reported.

Russian state-run TASS news agency reported that the first joint Russian-Turkish patrol of the M-4 Highway connecting Al-Hasakah and Aleppo in northern Syria will take place on March 15. The UN has brokered talks among warring parties, while Russia, Turkey, and Iran have held simultaneous negotiations - often in Kazakhstan - but a wide-ranging solution remains difficult to find.



The so-called "Astana format" talks have been held in the Kazakh capital since 2015. A new round was scheduled for March, but Kazakh Foreign Minister Mukhtar Tileuberdi said it is unlikely they will take place as planned.

"The suggestion to hold the talks in March was made in December, but now the situation has changed.... It is very likely that the talks will not be held in March," Tileuberdi told reporters on March 10, without giving any other details.

# US-Backed Forces Crack Down on Resurgent Islamic State

# By Jeff Seldin Voice of America Network

U.S.-led coalition special operation forces hit back against an Islamic State cell in Syria, capturing a midlevel leader linked to a rise in attacks by the terror group in the Deir el-Zour countryside.

The raid was at least the second in the Deir el-Zour area in the past week. An SDF-led operation on April 30 resulted in the arrest of an IS cell in Hajin that had been targeting U.S.-backed forces in the eastern countryside of Deir el-Zour.

It also came as SDF commanders continue to raise concerns about what they see as a sizable increase in IS operations over the past month. A source close to the SDF told VOA that many of the attacks have involved improvised explosive devices (IEDs), but that attacks involving IS fighters have been increasingly lethal.

## 'Significantly diminished'

Coalition officials admit there is reason for concern, but caution against interpreting the surge in activity as a sign the terror group is close to regaining its former strength, either in Syria or in Iraq.

"There is an increase in Daesh activity this time of year, but that activity is significantly diminished compared to this time in 2019," according to Lieutenant Colonel Savannah Halleaux, with the coalition's Special Operations Joint Task Force, using the Arabic acronym for the Islamic State.

"Despite what Daesh remnants are advertising, their attacks in Iraq are far less than in previous years," Halleaux said. "They are attempting to keep themselves relevant through disinformation on social media, regular media, and amplifying their messages for recruitment."

Coalition officials also point out that IS efforts to assert itself are not going unanswered. "The recent flurry of ISIS activity has been met by a blizzard," coalition spokesman Colonel Myles Caggins said, referring to a series of operations carried out by Iraqi security forces in recent weeks, sometimes with the help of coalition air power.

Other key officials have also pushed back against the spreading narrative of a resurgent and more capable IS due in part to the corona-virus pandemic. "We do not believe that ISIS has been able to exploit seriously the COVID crisis to advance in the northeast [of Syria]," said Ambassador James Jeffrey, the U.S. special representative for Syria, using another acronym for the terror group.

#### Hot spot

"The area around Deir el-Zour is, as we say these days, a hot spot. We're watching that closely, but we are confident that we have it under control," he added.

Still, even officials like Jeffrey harbor serious concerns about IS's staying power.

Despite the collapse of the group's self-declared caliphate last March, intelligence estimates indicate IS still commands at least 14,000 fighters across Syria and Iraq. Intelligence officials also note that there has been little disruption to IS activity in Iraq and Syria since a U.S. operation led to the death of former IS leader Abu Bakr al-Baghdadi in October 2019. Instead, they say, the group's new leader, Abu Ibrahim al-Hashimi al-Qurashi, has helped make sure IS has continued with its slow but steady resurgence in both Iraq and Syria.



An Islamic State group vows allegiance to new Islamic State leader Abu Ibrahim al-Hashimi al-Qurashi, in this photo issued Nov. 5, 2019, by the SITE Intelligence Group.

"They're following the same playbook as they did previously. Nothing new or innovative about what they are doing," said Aaron Zelin, a fellow at the Washington Institute for Near East Policy.

"It is true that some attacks are also more qualitative than the recent past, but still don't have the sophistication as previously overall," he said. "Definitely something to continue to track and watch to see if it gets worse, but now it's still a bit early to say they are where they had been, say, from 2014 to 2016."

More worrisome are indications IS has been able to surge more successfully in areas beyond the coalition's reach, including Syria's Badiya Desert, which has largely been abandoned by forces loyal to the government of Syrian President Bashar al-Assad as they focus their efforts elsewhere.

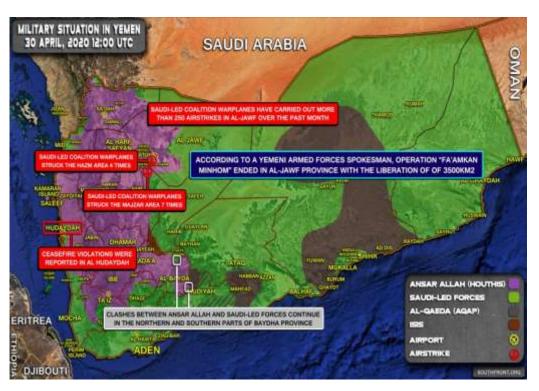
"That is of great concern to us," Jeffrey said. "We have seen ISIS gaining ground there, attacking even towns, and at least briefly holding territory."

# Saudi Arabia not to Blame for Iran's Humanitarian Crisis in Yemen

By Zara Dawoud CMER Board Member

In the five years since Yemen was plunged into its bitter civil war, it has invariably been the Saudi-led coalition, which enjoys the support of the USA, Britain and France, that has been blamed for causing what is widely regarded as the world's greatest humanitarian disaster.

Throughout the conflict the main focus of coverage in most of the Western media has been on the role played by the Saudi military in intensifying the conflict, with Riyadh taking the lion's share of the blame for the estimated 100,000 Yemenis that have died. The Saudis, it is true, have not always covered themselves in glory in the way they have conducted the military campaign, with frequent reports of Saudi warplanes attacking civilian targets.



The Saudis, though, are not the only outside power that has involved itself in the Yemeni conflict. The Houthi rebels, who provoked the civil war in the first place by overthrowing the country's democratically elected president, Abdrabbuh Mansour Hadi, in 2014, have received backing from Iran, with the Revolutionary Guards regularly supplying the Houthis with weapons, including long-range missiles.

The Iranian-backed Houthi rebels, moreover, have been instrumental in escalating the conflict. Not only has the steady flow of weapons smuggled in from Tehran enabled the Houthis to sustain their offensive against the Saudi-led coalition. It has also enabled the Houthis to expand the conflict well beyond Yemen's borders by using Iranian-made missiles to launch a series of attacks against neighbouring Saudi Arabia.

Now, as the humanitarian crisis reaches a critical juncture, with an estimated 80% of Yemen's 24 million population in need of assistance, aid organisations are finally waking up to the central role the Iranian-backed Houthis have played in creating the disaster.

As humanitarian officials prepare to meet in Brussels to discuss the Yemeni aid crisis, the main topic of discussion will be what has been described as the unprecedented and unacceptable obstruction tactics being employed by the Houthis that are preventing vital aid supplies from reaching the country's starving population.

In what aid officials have described as "an extremely hostile environment", the Houthis have been accused of harassment and obstruction as they seek to prevent humanitarian supplies from reaching the 6.7 million Yemenis who are said to be on the brink of starvation.

In their latest bid to seize control of the aid distribution, the Houthis have recently imposed a 2 percent levy on all the international aid agencies operating in the country, prompting one aid worker to claim that the Houthis could be using the aid money to finance the war.

Washington has responded by threatening to suspend much of its humanitarian assistance to Yemen on March 1 if the Houthis continue to insist on their aid levy.

Such a move, if implemented, would add considerably to the already dire conditions affecting large swathes of the country. It would also, however, highlight the challenge of managing aid operations in areas controlled by an Iranian-backed rebel movement that is openly hostile to the West.

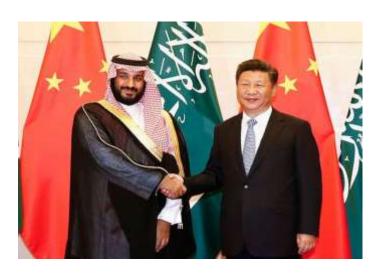
"We're in an unfortunate situation and we're trying to work the problem," said a senior official at the US State Department. "If such an action were taken, it would be one that was forced by basically unprecedented Houthi obstructionism."

A final decision will only be taken following a crunch meeting of aid agencies and donors this week in Brussels, where the thorny topic of how to respond to the Houthis' tactics will be discussed, as well as the implications of suspending aid to a country that is already teetering on the brink of total collapse.

Whatever the outcome, no one will be in any doubt that it is the Iranian-backed Houthis, and not the Saudi-led coalition, who are primarily responsible for creating Yemen's disastrous humanitarian crisis.

# China and Saudi Arabia

By Susan Yao CMER Board Member



China is Saudi Arabia's largest oil client. The U.S. is becoming a self-sufficient exporter of oil. Saudi Arabia needs to secure other customers. China has become a crucial partner to Saudi Arabia. In this context, uncertainty over the reliability of United States as an ally, which predates Donald Trump, going back to President Obama, looms large in Saudi Arabia's strategic calculus. President Obama's global view focused on the pivot to Asia, which resulted in the reduction of the Middle East's strategic importance. In addition, Obama concluded the Iran nuclear treaty. Saudi Arabia sees Iran as an existential threat.

For Riyadh, Trump is a more welcome partner for Saudi Arabia vis-à-vis Iran. However, Trump is increasingly seen as unreliable and very transactional with an isolationist view of the U.S. role in global geopolitics. Even on Iran, Trump is not reliable, with waivers given to eight countries on sanctions, including China.

The key question is how long China can walk the tightrope between Saudi Arabia and Iran, and at what point will it become an issue? Ultimately, China's relationship with Iran is much older than China's relations with Saudi Arabia. Chinese and Iranians understand each other on a deeper level, as empires that did not interfere with each other. Each country bookends the Asian continent.

Iran and North Korea are disruptors of international order. China is not unfavourable to a certain degree of disruption. Iran has a highly educated population, technologically savvy. Iran as a landlink for China's Belt and Road Initiative (BRI) makes Iran important since one BRI corridor ends in Tehran.

Saudi Arabia is important to China, but the United States is still the Middle East defence umbrella. Chinese doesn't want to take over the defence umbrella in the region. Chinese policy in the Middle East takes the U.S. into account, and Beijing won't rock the boat in the Middle East vis-à-vis the United States.

Even though Saudi Arabia's relations with China are growing, their agendas are not fully aligned. The most prominent example is in Pakistan on two issues. It is not clear if Saudi funding of militant anti-Shiite, anti-Iranian madrassas that dot the Iran-Pakistan

border is government-sourced or tacitly endorsed by Riyadh. Either way, it requires some sort of acquiescence from Riyadh. Sufficient evidence indicates the Saudis are considering the possibility of destabilizing Iran by stirring unrest among its ethnic minorities. This thinking is shared by U.S. National Security Advisor John Bolton. Bolton hinted at it in a video published on Twitter at the time of the Warsaw conference in February.

If Saudi Arabia and the U.S. wanted to wage war against Iran, Balochistan would be part of the battleground, which is the centre point of China's Belt and Road Initiative (BRI). China-Pakistan relations are strained today due to Imran Khan's demand for a refocus of the China-Pakistan Economic Corridor, which the Chinese don't want to do immediately. Saudi Arabia and the UAE have bailed out Pakistan. Pakistan was going to welcome Saudi investment in Balochistan, announced as part of China-Pakistan Economic Corridor, but China said Saudi investments weren't part of it.

# Why is China's recognition of MBS's leadership important to Saudi Arabia's economic future?

China's recognition of MBS matters not so much because of MBS the man, but MBS as the de facto king of Saudi Arabia. MBS is increasingly turning Saudi Arabia into oneman rule. Doing business with Saudi Arabia means doing business with MBS. Chinese support for MBS is more important to MBS than for China. The pomp and circumstance of MBS's recent visit to Asia compensated for the cold response from the U.S. and the West. The Asia trip cast MBS in a different light and demonstrated that key world powers are perfectly willing to do business with him, rather than treat him as a pariah. He wanted to project that he remains internationally respected — a message he wanted to amplify at home and abroad.

## How is MBS balancing China and Russia vis-à-vis the United States?

Based on his statements since 2015, before the death of Jamal Khashoggi, MBS was determined to do whatever was necessary to bring the United States back to the Middle East. One approach was to create an imbroglio in Yemen to compel the U.S. to re-engage in the Middle East, which worked very well until Khashoggi demise. Saudi Arabia's inability to come up with a coherent, convincing narrative to explain Khashoggi's death has caused consternation in Congress and friction between Capitol Hill and the White House.

It is highly unlikely that MBS could not have been affected by the death of Khashoggi in one of two ways: he either realizes that power comes with responsibility and must be managed or he is emboldened. My own sense is that MBS is emboldened, and this emboldened position could further complicate and sour relations with the U.S. and impact relations with China and Russia.

Specifically, Saudi Arabia must manage the geopolitics of energy with Russia trying to manipulate energy markets, despite heavy Gulf investment in Russia. In addition, Saudi Arabia's weapons acquisition from Russia, including the S-400 defence system, as well as Russia's role in Syria and relationships with Iran and Chinese underscore the high stakes in an extremely fluid geopolitical landscape.

## Explain the impact of Saudi Arabia's decision to use Huawei 5G technology.

Chinese did MBS the favour of honouring him. Saudi Arabia won't stab China in back with refusing 5G technology. Riyadh doesn't have the same kind of concerns that the West has. It's not about the technology, it's about trust. The U.S. would be less concerned if Samsung or Nokia led 5G technology innovation, because South Korea and Finland are not being accused of industrial espionage like China. The relationship between Huawei and the Chinese government is very different from Nokia-Helsinki and Samsung-Seoul's government relationships.

China is Saudi Arabia's model for economic growth – economic liberalization with domestic repression. Saudi Arabia has to upgrade its autocracy to a 21st century in which autocracies have to perform; provide jobs, public security, and goods; be more attentive to the public's aspirations and sentiments. The Chinese model is far more relevant for Saudi Arabia's economic development than the potential national security risks of using China's 5G technology.

# What are the foreign policy implications of growing Saudi Arabia-China cooperation on U.S.-Saudi Arabia relations?

Once the furore over Khashoggi has played out in Congress and the White House, we'll know how U.S.-Saudi Arabia relations will evolve. It's not a zero-sum game. Washington would not be upset as a matter of principle regarding closer Saudi Arabia-China relations.

Nuclear weapons could also become an issue. Saudi Arabia is more than happy to deliver. Chinese and Saudis have signed at least one nuclear agreement that allows Saudi Arabia to put certain building blocks in place. The U.S. is not willing to sell Saudi Arabia killer drones. China has no problem and has built a manufacturing plant in Saudi Arabia. Bolstering the country's military capabilities is aligned with MBS's vision for building an industrial military complex.

Military relations between Saudi Arabia-China particularly in terms of arms sales will raise issues in U.S.-Saudi Arabia relations and could be a key indicator of the direction in bilateral relations. The foolishness of such arms sales is more a slap at the USA than it is the purchase of quality equipment.

Some say Saudis and Americans have split up global markets with the U.S. emerging as the world's largest exporter, whereby Saudis sell oil to China, and the U.S. sells gas to China. Americans understand Saudis need to sell oil to major clients such as China to maintain stability.

# Hamas: A New Pretext to Attack Israel

By Khaled Abu Toameh



On April 2, Hamas leader Yahya Sinwar (right) threatened:
"If ventilators are not brought to Gaza, we will take them by force from Israel
and stop the breathing of six million settlers."

The leaders of Hamas, the Palestinian Islamist group that has been controlling the Gaza Strip since 2007, say they are worried about the shortage of medical ventilators during the outbreak of the corona-virus pandemic.

These Hamas leaders, who have done virtually nothing to provide basic healthcare in the Gaza Strip, are now trying to hold Israel responsible for the shortage of ventilators in Palestinian hospitals. Hamas leaders are, in fact, threatening to use terrorism to force Israel to provide the Gaza Strip with ventilators.

These are the same leaders who until recently were authorizing rocket attacks from the Gaza Strip against Israeli communities. These are the same leaders who never miss an opportunity to remind everyone of their wish to destroy Israel. These are also the same leaders who never accept responsibility for the well-being of their people and constantly search for ways to blame Israel for the miseries of Palestinians.

The Hamas leaders who are now complaining about the lack of ventilators in their hospitals are the same as those who have invested tens of millions of dollars on manufacturing and smuggling weapons, including rockets, to attack Israel.

Since 2014, Hamas has invested about \$120 million in the terror tunnels. According to various estimates, a terror tunnel costs anywhere from three to 10 million US dollars – depending on its length and depth. Had Hamas invested a small amount of these funds to purchase medical equipment, the situation in the Gaza Strip hospitals today would be very different. Healthcare, however, has evidently been a rather low priority for the Hamas leadership.

Instead of offering to cooperate with Israel in the battle against corona-virus, Hamas is now seeking to divert attention from its failed policies by threatening to kill Jews for not helping the Palestinians in the Gaza Strip. Instead of asking for Israel's help, Hamas leaders have informed the State of Israel: "Help us or we will kill six million Jews."

That is what Hamas leader Yahya Sinwar said during an interview on April 2 with a Hamas-affiliated TV station: "If ventilators are not brought to Gaza [by Israel]," he warned, "we will take them by force from Israel and stop the breathing of six million settlers."

Sinwar neglected to mention that in the past week, Israel dispatched hundreds of coronavirus test kits to medical personnel in the Gaza Strip. He also forgot to mention that it was Israeli doctors who saved his life when he had brain surgery to remove a tumour while he was serving time in Israeli prison for murdering several Palestinians suspected of collaborating with Israel.

The brain surgery and the time he spent in Israeli prison has taught Sinwar that Israel has one of the best medical systems in the Middle East. That is probably why he now wants Israel to help the Palestinians in the Gaza Strip prevent the spread of the corona-virus pandemic.

One might ask: What have Sinwar and other Hamas leaders done to help their hospitals and people in the past 12 years?

Hamas has been serving as the de facto government in the Gaza Strip since its violent takeover of the coastal enclave in 2007. As such, Hamas is responsible for managing the affairs of the two million Palestinians living under its rule, including their medical services.

Sinwar and his friends in the Hamas leadership evidently had more urgent things on its their agenda than handling healthcare issues in the Gaza Strip.

They evidently did not have the time to deal with such issues. They were busy digging tunnels along the border with Israel to enable Hamas to infiltrate Israel and kill Israelis. They did not have the time to inquire about the needs of the Gaza Strip hospitals: they were manufacturing rockets, mortars and drones. They were also busy smuggling weapons through the border with Egypt would later be used to attack Israel.

For the past two years, Sinwar and his friends in the Hamas leadership were also busy sending thousands of Palestinians to clash with Israeli soldiers near the Gaza-Israel border as part of the so-called Hamas-sponsored Great March of Return.

For the Hamas leadership, the weekly confrontations along the Gaza-Israel border were apparently more important than purchasing ventilators and other medical equipment for the hospitals in the Gaza Strip.

According to various reports, Hamas paid protesters more than \$100 per person to take part in the demonstrations near the border with Israel. In addition, Hamas hired buses and vans to transport Palestinians to the scenes of the confrontations. Hamas has, as well, spent millions of dollars to pay families whose children were killed or wounded during clashes with the Israeli soldiers.

On April 21, 2019, Ahmed al-Kurd, member of the Hamas "Political Bureau," estimated that just the past year, services and treatments have been provided to more than 10,000 injured Palestinians at a total cost of \$5 million. In addition, Hamas covered the treatment for injured Palestinians who were sent abroad for medical attention, mainly to Turkey and

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Egypt. Earlier that year, al-Kurd had announced the distribution of financial aid amounting to \$100 to \$150 to 4,000 families of Palestinians severely wounded during the weekly demonstrations.

Sinwar, notably, did not hold any Arab or Islamic government responsible for the possible spread of the virus among Palestinians in the Gaza Strip.

What about the responsibility of the Palestinian Authority government for the safety and health of the Palestinians in the Gaza Strip? What about the moral responsibility of Arab and Islamic countries towards their Palestinian brethren there?

Hamas officials and spokesmen have in recent days increased their threats against Israel by arguing that Israel would bear any responsibility for the spread of corona-virus in the Gaza Strip.

The Hamas leaders have added another threat: Israel must release Palestinian prisoners from its prisons, including those prisoners convicted of murdering Jews, as they could be infected with the virus.

Hamas wants the world to believe that Israel alone, which totally withdrew from the Gaza Strip in 2005, is responsible for the problems plaguing the Palestinians there.

The latest Hamas threats are aimed at paving the way for renewed terror attacks against Israel - this time on the pretext that Israel is not providing the Gaza Strip with ventilators or releasing prisoners from its jails. This is a classic Hamas move: refusing responsibility for the safety of its people while directing the heat against Israel.

Perhaps the Corona-virus crisis will finally arouse the international community to hold the Hamas rulers of the Gaza Strip to account for the millions of dollars they have dedicated to building - not hospitals and healthcare facilities - but terror tunnels and weapons manufacturing

# **Rising Violence in Africa's Sahel**

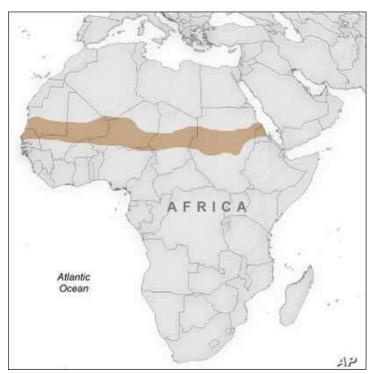
# By Don Gibbons CMER Board Member

The security situation in the Sahel region of Africa is rapidly deteriorating. Terror attacks claimed by Islamist militants against civilians and military targets have particularly risen in Burkina Faso, Mali and Niger.

The Sahel is a semiarid region that encompasses an area south of the Sahara Desert, spanning 10 countries from Senegal in the west to Eritrea in the east. In 2019, violence in the area left more than 2,000 civilians dead.

Since the beginning of 2020, in Burkina Faso alone, violence has displaced 4,000 people a day, the U.N. High Commissioner for Refugees said.

"It would be a mistake to attribute all of this violence to extremism or inter-religious conflict," Mark Green, administrator of the U.S. Agency for International Development, said during a recent U.S. Senate. "But it would be just as wrong not to recognize that conditions like unresponsive governance, lack of economic opportunity and increasingly limited natural resources, if left unaddressed, will make the region even more vulnerable to extremists, their ideology and method of recruitment."



The Sahel Region

Green said dangerous groups, including criminal gangs, arms dealers and extremist groups that seek to expand their power, bring their own violent tendencies to the region, making the situation "even more combustible." "There are at least five major violent extremist groups active in the Sahel, and dozens of smaller, loosely affiliated ones," the U.S. official said.

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The Islamic State in the Greater Sahara, an IS affiliate, is active in the region. Other extremist groups, including Ansar al-Islam in Burkina Faso, the Jama'at Nasr al-Islam wal Muslimin (JNIM) in Mali, and other al-Qaida and IS-linked groups also have carried out terrorist attacks in the region in recent years.

## US remains engaged

David Hale, U.S. undersecretary of state for political affairs, told the Senate panel that the Trump administration recognizes that instability in Africa, particularly in the Sahel, threatens U.S. national security interests.

"American engagement is crucial," said Hale, who recently returned from the region. "During my trip, I made clear that we are not abandoning the region. To the contrary, we are bolstering our diplomatic engagement."

The United States has between 6,000 and 7,000 troops in Africa, mainly in West Africa, and is considering a reduction. The possible reduction is reportedly part of a worldwide review by the Department of Defense, which is looking for ways to tighten its focus on China and Russia. These plans have alarmed African governments that rely on U.S. support for combating extremism.

"I assured African leaders that as the Department of Defense conducts its combat and command reviews, we will not undertake any hasty or destabilizing adjustments to our military posture," Hale added. In April the U.S. State Department appointed J. Peter Pham as the first U.S. special envoy for the Sahel region. Pham will maximize U.S. diplomatic efforts in support of security and stability in the Sahel.

## Countering violent extremism

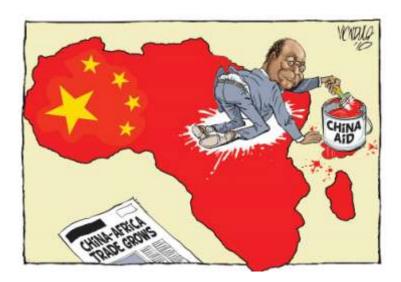
U.S. officials said that in addition to providing humanitarian assistance, the U.S. also has been involved in countering violent extremism in the Sahel. "We work with governments to enhance their countering violent extremism response strategies, as well as responsiveness to basic citizen needs," Green noted.

Last year, USAID launched a development partnership in the Sahel, an expansion of the agency's programming approach for the region.

The partnership "will focus first on Burkina Faso and Niger, but we're expanding elsewhere. It aims to address the intertwining nature of recurrent social, political and environmental crises," Green said.

# Why China Is Invading North Africa?





North Africa is on the cusp of a new period in its history, its renaissance. Freed from centuries of colonialism and neo-imperialism, North Africa has the opportunity to become a centre of economic might to provide prosperity to the continent's growing population. Yet, at present, North Africa unfortunately faces a new danger: Sino-imperialism, the risk of falling under the control of China largely through Chinese aid, economic investment and loans. The People's Republic of China has long supported African states since the Chinese Communist Party (CCP) came to power in 1949. Under Mao, China's backed African liberation movements in an effort to advance Maoism and offset Soviet and American influence. In much of North Africa today, China is the imperialist power.

China is in North Africa now not to advance Maoism, but to control its resources, people, and potential. From building oil facilities in Sudan to railways in Tunisia and roads in rural Morocco to running mines in Mauritania, China has drastically changed the North African economic landscape in the twentieth century. China recently pledged US\$60 billion at the 2018 Forum on China-Africa Co-operation. The Chinese superficially appear to maintain a mutually beneficial relationship with North Africa by providing financial and technical assistance to Africa's pressing developmental needs. Trade between China and North Africa has grown from \$4 billion in 2000 to \$130 billion by 2019. It is estimated that 20 percent of North Africa industrial production is carried out by Chinese firms.

China's activities in the North African continent have yet to receive the attention they deserve in the West. China's behaviour in Africa is important for three major reasons. First, China is the source of significant investment capital twinned with a prodigious ability to create infrastructure, both of which are needed by many African states. Second, China's behaviour in Africa provides the rest of the world with insight into how it will behave towards other states, particularly the states of the Global South, as it becomes equal in power with the United States. Third, what China is doing in Africa does not augur well for the rest of the world. China's activities and

behaviour in Africa may only be described as neo-colonial and exploitative of African peoples and the environment.

China's abusive behaviour towards North African states has occurred for decades. There are copious examples of the negative consequences of Sino-imperialism. One archetypical case is the China National Petroleum Corporation, the state-owned oil and gas company, which is a major investor operating in Sudanese oil fields. The Chinese pollute the local environment with impunity, resulting in children born with deformities, the poisoning of livestock, destruction of fertile land, and the pollution of rivers. Additionally, the Chinese cause environmental destruction in the Northern Upper Nile and Ruweng states affects the indigenous Dinka Padang communities of Sudan. The Chinese help produce oil generating revenue and economic opportunities but are not bound with environmental standards.

The Chinese influence in Sudan also results from road construction and infrastructure development. Sudan will provide thousands of barrels per day of crude to the Export-Import Bank of China to fund the construction of roads and infrastructure development. This includes the construction of a 392-kilometer (244-mile) road from Juba to Rumbek and from Juba to Nadapal, which is being built by a Chinese firm using Chinese technology and manpower.

Sudan's neighbours, Ethiopia and Kenya, received loans for infrastructure projects from the Chinese. The Chinese Belt and Road Initiative (BRI) has introduced dynamic infrastructure projects such as the Standard Gauge Railway. The railway connects Djibouti, Ethiopia, and Kenya. The railway was Ethiopia's first railway in over a century and Africa's first fully electrified line. The railways cuts travel time from the capital Addis Ababa to Djibouti from two days by road to twelve hours.

The Standard Gauge Railway appears to be providing revolutionary infrastructure to stimulate economic growth, but the details demand scrutiny. The project cost nearly US\$4.5 billion, partly financed by the China Export-Import Bank. The railway uses Chinese trains, Chinese construction companies, Chinese standards and specifications, and operated by the China Railway Group Limited (CREC) and China Civil Engineering Construction Corporation.

In addition to these abuses, the Chinese presence in Africa is defined by a purposeful isolation from the indigenous population. Chinese firms bring in their own drivers, construction workers, and support staff, denying these employment opportunities to Africans, and often live apart from the African societies in which they reside.

These activities are only an example of China's abusive behaviour in Africa. Africa, especially North Africa, endured colonialism and neo-imperialism for hundreds of years! Just as Africa has freed itself from those bonds, it needs to work with the West and other states to provide alternatives to Chinese money and infrastructure. The greatest threat Africa faces today is Sino-imperialism. It is now in danger of being captured by China's sinister Sino-imperialism that will keep North Africa from entering its renaissance.