



**CARNEGIE-TSINGHUA**  
CENTER FOR GLOBAL POLICY

---

Transcript

---

## CHINA IN THE WORLD PODCAST

Host: **Paul Haenle**

Guest: **Marwan Muasher**

Episode 132: Can China Remain Above  
Geopolitics in the Middle East?

April 30, 2019

**Haenle:** Welcome back to the China in the World podcast, I'm Paul Haenle the Director of the Carnegie-Tsinghua Center here in Beijing, and today we're fortunate to have with us Marwan Muasher, Vice President for Studies at the Carnegie Endowment.

Marwan oversees the Middle East program in Washington DC and the Carnegie Center in Beirut. Previously, he served as Jordan's Deputy Prime Minister, Foreign Minister between 2002 and 2004, and Jordanian Ambassador to the United States. His long and distinguished career in diplomacy has also included opening Jordan's first embassy in Israel in 1995. He has experience at the World Bank before joining the Carnegie Endowment in 2011.

Marwan has incomparable expertise in the intricacies of Middle Eastern politics and foreign policy, and we're lucky to have him, not only on the podcast, but he's been visiting Beijing this week as part of our Carnegie Global Dialogue on China-Middle East issues, talking about the changing dynamics in the Middle East, and how China fits into all of that. Thank you very much Marwan for being with us this weekend and for being on the podcast.

**Muasher:** Thank you.

**Haenle:** I want to jump in and talk a little bit about what we're seeing in terms of the regional transformations in the Middle East. It's always been a complicated region. As you know, this decade has seemed particularly dynamic. We've seen the collapse of traditional authoritarian regimes in the Arab Spring development, which has contributed to the current crises in Syria and the rise of ISIS, and I think whose implications are still unfolding before our eyes.

You have talked about what you described as the two shocks that have really impacted the landscape, both in terms of the politics and the economics, and on the governance side over the past decade. I wonder if you could describe a little bit about what you mean by the two shocks?

**Muasher:** The first shock of course took place in 2011. Everybody knows about it now. It was prematurely called the Arab Spring, but it was a direct result of people not accepting authoritarian rule anymore. The old social contracts between governments and their people just collapsed in 2011 when governments could not deliver on basic services and jobs that they promised their people while at the same time insisting that people don't have a meaningful say in decision-making. Some countries were able to really survive that shock because of oil, mainly because of financial resources that allowed inefficient economic and political systems to be sustained.

In 2014, the Middle East experienced another shock, which is the decline of oil prices below \$100 a barrel. That has meant that oil-producing countries could no longer be able to sustain their inefficient systems through oil. Oil importing countries also were not able to sustain their inefficient systems through grants they received from oil-producing countries or through remittances of their citizens working in Gulf countries.

The Middle East finds itself today in a situation where the old order has died, but a new order is not yet able to be born. Why? The old order has established bureaucracies, layers of political elites, business elites that were beneficiaries of that patronage system, and moving from a

patronage system to a more merit-based system is proving to be difficult with a lot of resistance from these layers. This is going to be a factor defining the Arab world for some time to come.

**Haenle:** You've described this model that has existed as a "Rent Here" model in your Foreign Affairs article in October-November, "The Next Arab Uprising," and I'd encourage our listen listeners to read that article, "The Collapse of Authoritarianism in the Middle East"(<https://www.foreignaffairs.com/articles/middle-east/2018-10-15/next-arab-uprising>.)

In that article you talk about Tunisia as one country that has been able to move beyond that and has had some success, but why is Tunisia a little different?

**Muasher:** Tunisia understood that the first thing that must be done is to agree on the rules of the game. And so right after the revolution, they elected an assembly that for three years, negotiated a new social contract among the different components of society. Today you have a constitution in Tunisia where the secular and religious forces agreed not only to co-exist, but agreed on the rules of the game, that no one force can be allowed to dictate its lifestyle on the other forces in society, where women were given full rights, and where the principle of the peaceful alteration of power became enshrined in the Constitution. That has all been achieved and proved, in my view, that democracy and Islam can coexist.

Tunisia, as you said, is not out of the woods yet. They still have huge economic and security challenges to overcome, but they put themselves on the road to democratization in a relatively short period of time. No one should expect this transformation phase that the Arab world is going through to unfold in ten years. This is going to be decades, but I think Tunisia so far is leading the way.

**Haenle:** Of course, countries in the Middle East are part of a region, but they're all unique and have their own unique challenges. What can be taken from the Tunisian model that other countries could begin to do now to move from that Old Order to this New Order that you talked about?

**Muasher:** Again, the first lesson is that democracy and Islam can and do coexist. The second lesson is that before you start embarking on institution-building, you need to define the rules of the game.

The rules of the game have been defined in a way where today, all components of society in Tunisia are assured that their rights are protected. They are protected by a constitution, not by a divine document. All the religious and secular forces agree in Tunisia today that the overall framework for their activity is the constitution and no other document. These are huge lessons that can be learned by the rest of the region.

It is true that Tunisia has its own set of characteristics that might not be able to be emulated in other parts of the Arab world. Still, these are lessons that people can really draw from as they go through their own process of transformation.

**Haenle:** At the Carnegie Global Conference in Beirut, which you and our colleague Maha put on, during your panel, one of the questions that came up from the audience is, "Why can't countries in the Middle East simply follow the Chinese model?" The Chinese model has been one where there hasn't been political reform. They have a repressive authoritarian system, yet they have been able to experience incredible economic growth over a sustained period. How do you respond to that question?

**Muasher:** Well in fact, many Arab countries have followed the Chinese model for the last 40 years, where economic reform has been attempted without political reform in countries like Jordan, or Egypt, or Tunisia. None of these countries could make it, neither in economic reform, nor in political reform. The reason has been that without developing a system of checks and balances to make sure that when abuse is happening, and they will happen as you undergo economic liberalization, that there is a system in place to check these abuses, that there is a strong parliament, that there is a free press that there is an independent judiciary, etc., in the absence of these strong institutions, what has happened in the Arab world is that economics basically has led to a very small layer of people benefiting from this reform rather than the general population, and corruption skyrocketed.

So today, most people in the region associate economic reform not with the betterment of their own situation, but rather with corruption. This is why I have argued and still do that economic reform in the region without political reform is not going to succeed.

**Haenle:** A lot of discussions this week looking at the Middle East have centered on the role of two outside global powers: the United States and China. Of course, the U.S. has been very involved in the region over a long period of time. The Middle East in many ways is a new theater for China. Let me start with the U.S., because here we see president Trump, in terms of his administration's approach to the region, really doubling down on key allies in the region; Israel, obviously the support there and the decision to move the US Embassy to Jerusalem; the decision recently to recognize Israel's ownership of the Golan Heights. There seems to be doubling down also on the alliance with Saudi Arabia, unconditional support there to MBS. We saw that play out when the journalist from Saudi Arabia Khashoggi was killed. Real unconditional support, unyielding support, to Saudi Arabia, and then a much more confrontational approach to Iran just recently labeling the Iranian Revolutionary Guard as a terrorist organization.

Some have described it as a U.S. rebalancing in the region, and I wanted to get your perspective on whether you see this as being effective, beneficial, to the Middle East region? You have served in a number of administrations, and I wanted to get a sense from you where you see U.S. policy has been effective, and where has it been unsuccessful in your perspective?

**Muasher:** There is no question that the U.S. image, particularly in the Arab world, is a negative one today, and that is because of two main reasons: the perception that the U.S. is totally on the side of Israel and the Arab-Israeli conflict is one major reason, and of course the invasion of Iraq is the other one.

Strong U.S. intervention in the region, particularly when it is seen as siding with one party, and not with all others, has not been beneficial. I think we have seen the U.S. at its best when it attempted to bring peace to the region and despite the fact that it did not claim neutrality in this, it still tried very hard to bring the Palestinians and the Israelis together, first with George Bush Senior, and then with President Clinton. The two sides as a result of that effort came very close to an agreement.

What we are seeing the U.S. do now is take black and white positions. Frankly, several are against international law, like the decision on the Golan Heights, for example. Attempting to solve the Arab-Israeli conflict so far by taking sides that appear to be totally on the side of one party, which is Israel, that is not beneficial, and it is not going to result in any agreement.

**Haenle:** Let's talk a little bit about China. You've been here this week. China has been increasing its presence in the Middle East region, in particular, on commercial and economic projects and arrangements, and also around the issue of energy. Half of China's imports come from the Middle East region. They have managed to have comprehensive strategic partnerships with regional rivals like Iran and Saudi Arabia. They have close relations with Israel, and a strategic partnership with Iran. Many see that as somehow incompatible, that there would be tension between having close relations with those rival countries.

The Middle East is growing very important to China, especially around its Belt and Road initiative. As someone from the region who has served in senior levels of government, how do you see China's role in the Middle East?

**Muasher:** China of course is a newcomer to the region, and as a great economic and political power, it is trying still to flex its economic muscles and offer a lot of economic incentives to the region while at the same time, assuming what it perceives as a neutral stand towards political problems of the region and trying to maintain good relations with all.

**Haenle:** Trying to stay above the political?

**Muasher:** Yes. Indeed, it is trying to stay above the political fray. I think the challenge for China, as it deepens its economic interest in the region, is to still be able to do that while avoiding the political tensions in a region that is highly political and highly charged with a lot of issues that are not solved yet. I think that is a challenge that China still has to address.

China has been much better articulating what it does not want, because it does not want to repeat the mistakes of the U.S. and Russia in having a very strong footprint in the Middle East. It has articulated that very clearly. It needs now to articulate what it does want from the region in a clear way.

**Haenle:** One of the things it says it does want, and it's very clear about that- we heard that from the Special Envoy to the Middle East this week at the Foreign Ministry, is it wants good relations

with all countries in the Middle East. It wants those countries to benefit through its Belt and Road projects. Can't China have that? Is that something that is sustainable from a Chinese perspective?

**Muasher:** I think the intention is admirable. Whether China can do that or not is still really an open question. It will be difficult to maintain a very neutral position. I remember a time when Turkey in 2002 also announced a policy of zero problems with its neighbors and were able for some time to carry that policy. Today turkey has a problem with all its neighbors. Whether China can be able to avoid being sucked into the problems of the region is still an open question.

**Haenle:** Well that's a very interesting point, and I want to thank you very much for joining our podcast this week, and for spending time with us here in Beijing at the Carnegie–Tsinghua Center.

**Muasher:** Thank you. I had a very great and educational time as well.

**Haenle:** Thank you for joining the China in the World podcast. Be sure to check out more content from the Carnegie–Tsinghua Center on our website.