

# **Evolving International Partnerships in the Middle East: Q&A**

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As Delivered

### Alia Moubayed, Director of Geo-Economics and Strategy, IISS

Thank you, John, and thank you for the interesting panel which had a lot of geo-economics to finally discuss in this session. I would like to ask first Mr Akbar about, I mean, it is very clear that Prime Minister Modi has put geo-economics at the heart of India's foreign policy, and is using active economic diplomacy in the pursuit of the objectives of its economic reform. In your Look West policy, obviously, the emphasis is on the diaspora, energy, trade and investment. But at the same time, in addition to the very strong linkages, a strategic partnership with the UAE, you are also developing a corridor between Afghanistan, Iran and India for the ports. How can you square your economic objectives in being an active player in the region with the imperative of reducing geopolitical risk in order to achieve greater prosperity at the regional level?

### Keitaro Ohno, Parliamentary Vice-Minister of Defense, Japan

Thank you very much, Dr Chipman. I am Ohno, the Vice-Minister of Defense, Ministry for Defense of Japan. We are working closely with the Ministry of Foreign Affairs, and I would just like to add something to what Minister Kono mentioned about the new master plan named Compass.

Let me introduce our effort, how we proactively contribute to world peace. We firstly have been taking actions, such as promoting dialogue with the Middle Eastern countries through regular consultation and security and holding high-level exchanges between defence ministers' chiefs of staff and participating in the counter-piracy operation and port call to the Gulf nations, and continuously participating in bilateral and multinational exercises by Japan Maritime Self-Defense Force vessels.

In addition to that, we have been conducting a ship-rider programme for the Western Pacific Naval Symposium, which is nothing but asking and inviting the youngsters from the countries of the Middle East and jointly giving an opportunity of training, or something like that. And also we have been holding seminars and training, such as the training at the Ground Self-Defense Force chemical school, which has a great ability on nuclear, biological and chemical (NBC) defence. We believe that boosting trust-building and mutual understanding between militaries through such efforts contributes to the peace and stability in the region, which Japan's Ministry of Defense intends to first activate various defence exchanges with Middle Eastern countries. Thank you very much.

## Amr Moussa, Head, Committee of 50; former Minister of Foreign Affairs; former Secretary General, League of Arab States

Thank you very much, John. I have three points to make, in light of the three very sophisticated interventions by these three speakers. The first one is about the points raised by the Minister from India about the trickle-down theory in economy. It is so disturbing for so many developing nations that applied this theory, trickle-down theory. Among them was Egypt, and the failure in the application of this theory was among the reasons why the revolution erupted in January 2011. The trickle-down never happened. And the people who were told that that trickle-down theory would bring about prosperity and would be the panacea for all ills discovered that it is just a theory to be studied in universities, but when you put it into practice, it does not really give the needy people, the disadvantaged people, the results they need. So, from that standpoint, developing nations should really worry, should be concerned about such theories that come just as, 'Try, perhaps it would succeed, and if it fails, another theory will come and replace it'. Trickle-down theory will have to be reconsidered. That is number one.

Number two, it is about the extremism and fanaticism, and also of course terrorism, an issue that has been discussed in the three panels this morning, afternoon and now. Yes, we bear the responsibility. We, in the Muslim world, and in the Arab countries, we are responsible. No question about that. We have committed a lot of mistakes. But we are capable of redressing this situation. I just want to remind the audience and remind the podium that it did not, what happened, the confrontation between Islam and the West, end the results that live with us now. It did not come just like that, by chance.

I want to remind you of what Mr Huntington has said back at the end of the 1980s with the end of the Cold War, when he raised the issue of the clash of civilisations, with the special reference to Islam and Muslims. We were called upon to play the role of enemy, of adversary. It was said that our next enemy, the forthcoming one, will be Islam and Muslims, et cetera. Yes, indeed, we have to do our business, our work, in order to ameliorate, to deal with fanaticism and extremism. But I believe the Western mind will have also to reconsider such a position taken against Islam, doubts, mis-confidence and in fact animosity, and choosing Islam to be their adversary after the fall of the Soviet Union.

### Dr John Chipman, Director-General and Chief Executive, IISS

Can you make a brief third point? If I am going to give you a third point, it is 30 seconds.

## Amr Moussa, Head, Committee of 50; former Minister of Foreign Affairs; former Secretary General, League of Arab States

Third point in 60 seconds. I value very much what the Foreign Minister of Japan has said. Yes, indeed, we need that. We need your role. We need the soft power of Japan, as we need the soft power of the West, of America, which has the best soft power so far. And we received – I received, at least – the message about North Korea and what we should do in order to support the position concerning peace in that part of the world.

By the same token, I call on you to consider carefully to support us on the issue of Jerusalem, and on the issue of establishing peace in the Middle East. This, we help you, you help us, because we are really sad, we are really shocked, by this announcement of President Trump.

The last, very light observation of the Foreign Minister of India, who stressed the fact that India is the Middle East, because India says that the Middle East is West Asia. But if you want to be the Middle East, you are welcome to it. Take it, with all our problems and try to do something. Thank you very much.

### Speaker

Thanks very much. A question for Mr Busaidi. On the port space, four Cs come to mind: complementarity, coordination, competition, capacity. I would be very keen to hear your thoughts on where port expansion across the Gulf Cooperation Council is going, whether there is coordination and complementarity, and whether port-

capacity expansion is going to keep up with trade growth. And to that end, and following on from one of my colleague, Alia's, points for Minister Akbar, earlier this week Rouhani suggested that Chabahar and Gwadar are sisters rather than rivals. Do you share that opinion, and why? Thank you.

### Dr Nicholas Redman, Director of Editorial; Editor, Strategic Survey and Adelphis, IISS

A question for Minister Akbar. When the war ends in Yemen, it will be a poor country with a large number of young, underemployed people. Might there be a role for India, with its large and dynamic economy, in helping to stabilise Yemen after the conflict? And to be clear, I am not just thinking of aid. You mention, sir, that there are Indians working in the Gulf. Might there be a day when India opens its labour markets to the people of Yemen?

## Mark Fitzpatrick, Executive Director, IISS-Americas; Director, Non-Proliferation and Nuclear Policy Programme, IISS

Thank you. Part of my question was just asked, when the gentleman asked if Chabahar and Gwadar are sisters not rivals. Much of the discussion here was about cooperation. It was all very positive. Often, when we go to conferences like this, we hear a lot about competition. Japanese speakers talk about China with some trepidation; so does India. I have not heard much about China as a competitor. Does it fit in with the theme of competition and mutual existence?

### Dr Nawal Khalefa Al-Hosany, Deputy Director-General, Emirates Diplomatic Academy

I have two questions. My first question is to Sayyid Badr. It is related to Oman's stance when it comes to the Yemen crisis and the situation with Qatar and the relationship with Iran. Are you not concerned that such relation or such stance could in any way hurt or compromise Oman? Looking at Iran's behaviour in the region, are you not worried that maybe Iran is taking advantage of Oman somehow?

My second question is for Minister Akbar. Mr Modi is completing three years now. We look at some of the achievements when it comes to the economy, but what we can see is that there is a rise of Hindu extremism on many fronts. How do you see this rising and this sort of extremism? And it is reflected in many fronts, even when we hear recently the debate about even a great monument like the Taj Mahal. How do you see this, and how do you see Prime Minister Modi responding to it, knowing that he depends on this constituency? Thank you so much.

### Dr Chiyuki Aoi, Professor, International Security, Graduate School of Public Policy, University of Tokyo

Thank you very much, Mr Chairman. My question is for Foreign Minister of Japan Minister Kono. I would like to thank you very much for the very good, concise summary of what Japan could do in the Middle East. I would just like to confirm the origin of the idea of the active Japanese involvement in the Middle East, which seems to be very much a focus of the current Abe administration. May I understand this policy to be very much in the spirit and implementation of the 2013 national-security strategy, and the proactive contribution to peace idea contained therein? If there is any shift or evolution in the emphasis of the idea, the various points contained in the document, I would like to be alerted. I ask you this question because some of the expats have pointed out that the document is really so much focused on ultimately the freedom and rule of law in this Asian context, so I would ask this question. Thank you so much.

### Dr John Chipman, Director-General and Chief Executive, IISS

Thank you very much. I am going to come back to the panellists to respond. I am going to ask M.J. Akbar to answer the points, and he will just take three and a half minutes to do so, because he has to leave for a bilateral meeting, but do not over-interpret his departure at 6.29; it is because he has an urgent meeting. It is not because he would not like to hear the responses from our other panellists or your further views. So, M.J. Akbar first, then Kono-san, then Sayyid Badr, and then we will go back if we have time. Thank you.

### Mobashar Jawed Akbar, Minister of State for External Affairs, India

Thank you very much, John. To take it in the sequence through which the questions came, I was very happy actually with the first question, because it pinpointed a very specific reality of the new policy lines and that actually segues with Amr Moussa's point and observation as well.

The point – and this question has been asked often – that how does India maintain good relations across boundaries? Let me not get into specifics, but we do. We do maintain good relations across boundaries, for a very good reason: because we – and that was part of my presentation as well – we have no intrusive desire. We do not conduct a foreign policy which in any way seeks to actually hurt any country with which we engage. I think there is growing recognition that an engagement with India is for mutual benefit. Obviously, it is for our benefit as much as theirs. It is never aimed at any third country or any third entity.

Let me just put it like this, that one of the great theories that has sustained international diplomacy or lack of it for now hundreds of years is the theory of balance of power; and the consequences of balance of power, we witness in so much imbalance. What we offer, truly, is the power of balance. And this, I think, is what gets others the goodwill with which we can engage.

Again, on a related point, we have defence forces. Of course we have defence forces. Every country in the world has defence forces. But we truly mean it when we say we have a defence force. We mean that we do not have any offence force. We do not believe in any engagement. Our contribution to Afghanistan – and this is not to discount those who are investing in Afghanistan with blood and treasure, we understand that they have a valuable role to play, and that is equally necessary – but our contribution to Afghanistan, driven by our people–centric policy of the Prime Minister and the government, is to invest in the people and through development of dams, of factories. In 31 of the 34 provinces of Afghanistan – and this means most of the war zone – we have development projects there for people, for children, and down the line, I think, this is the kind of approach which gets us the goodwill.

You would be very surprised to know that we have just implemented two years – this is the Prime Minister's own scheme – what might be called the very opposite of the trickle–down theory, which is really a rise–from–the–bottom theory, which is that there is a massive investment taking place of small loans through a project called MUDRA – soft loans, without collateral, given over a minimum of about \$1,000 equivalent, rising up to \$10,000 or \$20,000. This is given without collateral. This is given for very, very small industries, from animal husbandry to wheat–keeping, to individuals across the line. Something like \$16 billion has been given to 100 million people so far in two and a half years. The most important aspect of this, believe me, is not that the loans have been given to the poor who need it most, but that 80%, actually the figure is 78%, of the loans have gone to women. We truly believe that gender emancipation and gender empowerment – this is the Prime Minister's absolute commitment – is going to be a critical element in reversing the curse of poverty and turning us into a country which adds in five years' time another 400 to 500 million new consumers. When he puts a deadline, he really believes in it, and he sets us the difficult task of actually making it happen.

A phrase that was used, Islam and the West – much of what you said, sir, is actually encapsulated in this phrase. I have often wondered what this phrase means, but it has shaped the discourse all through the last heaven knows how many years. How do you compare Islam and the West? Islam is a religion; the West is geography. Why do we not have a discussion on Islam and Christianity? And I would possibly say that the Virgin Mary is mentioned 23 times in the Koran and only five times in the Bible, and so on and so forth. You can discuss the West and Southeast Asia; you can discuss colonial behaviour; you can discuss the West and South Asia; you can discuss the West and West Asia. But how do you discuss Islam and the West, unless there is a subversive element to the framing of this phrase in which the West is absolutely synonymous with modernity, with science, with the glories of advancement, while Islam has now been converted into something synonymous with the regression, and you are really surprised that instead of talking to you I have not taken out my scimitar and started slashing it around. We need to change the language of discourse, if you want to correct the imbalance of the discourse.

On not quite the Middle East, merely the middle of the East, Chabahar, yes, it is perfectly possible for two ports, irrespective. Chabahar is a new port, a very dynamic idea, a concept that we believe will have very large, as my colleague and friend said. But it is not a zero-sum game; one port does not have to be at the cost of the other.

We all hope, and it really is our desire, that there is cooperation on both sides. There cannot be malevolence. There cannot be promotion of terrorism. But surely nations should learn to cooperate.

On this point, I certainly do not want to not answer it, please, in our country, we are a free country, we have absolutely no desire whatsoever to – the media is free, social media is free. In fact, we have often said that freedom is not the right to talk sense. Of course, everybody gives you the right to talk sense. Freedom is the occasional right to talk nonsense. And we are a very free country. Therefore, please do not confuse the fringe with the main. The fringe gets a megaphone, and the fringe is remembered. One voice out of 130 crores. One voice is taken and turned into the reality of India. No! The reality of India is that every morning when I wake up, I wake up to the Adhan. And I would like to know how many so-called secular countries in the world allow the right of the Adhan to be heard from every minaret. This is followed by the temple bells of the Hanuman temple, and this is followed by the Guru Granth Sahib being recited at the gurdwara, and this is followed on Sundays by the church bells of a Christian church. This has been going on for 1,400 years. India's constitution is secular. We are secular not because our constitution is secular. Our constitution is secular because India is secular. Thank you.

#### Taro Kono, Minister of Foreign Affairs, Japan

Trickle-down economics theory – it may not work. The Japanese corporation is making historic profits, but the wages are not going up, so the major corporations are just sitting on their cash. So, maybe we have an alternative to the trickle-down economics theory.

Jerusalem, yes, we support a two-state solution for the conflict between Israel and Palestine, and we believe that the final status of Jerusalem should be settled through the negotiations. If you read President Trump's statement carefully, it did not overstep, so I think we still need to get the US engaged in Middle Eastern affairs, and Japan, as a friend of the Middle East and ally with the United States, we can work on the United States. And I think we need a big step forward now, to give a big push for the peace process, because it has been sitting idle for far too many years, and I think it is a good time to really get the US serious about pushing for the final solution.

Port-capacity expansion: there is a huge demand for infrastructure in the region, from Africa, Middle East to Asia. There is a big demand, but the supply of the money is not enough. We may have to change the rule for the World Bank or whatever to provide enough finance, but we have to be careful that the finance to the infrastructure needs to be transparent, and the infrastructure needs to be open to everybody, and we have to be careful about recipients' financial situation. Some countries have borrowed too much money, and could not pay it back, and they simply give up infrastructure. We should not be repeating that.

Our strategy towards the Middle East is something new. We have been involved in Asia, especially Southeast Asia, and its economy taking off. We need to connect resource-rich Africa to growing Asia. The Middle East sits in the middle, and it is rich with oil and gas, and the population in the Middle East is exploding with the younger population. So, we really need to pay close attention to the Middle East. As I said, Japan is very neutral religiously, and we have no negative historic footprint. So, I think Japan needs to focus on the Middle East in this century, so that we can grow together. I think I covered pretty much everything.

### Sayyid Badr bin Hamad Al Busaidi, Secretary-General, Ministry of Foreign Affairs, Oman

Thank you. I will be brief. I think my colleague from India has eloquently answered part of the question on Chabahar and Gwadar. And I fully agree with what he said. On the question of competition, capacity and expansions, I would also agree with the Foreign Minister of Japan, but I would like to add that we are living in an area surrounded by markets, from East Africa to the Indian subcontinent, Central Asia, the Gulf and the Arab world, with a population of a market size that is more than 1.5 billion to two billion people. I think the potential is certainly for growth in the next 50, 60, 70 years ahead, as I said earlier. And infrastructure development is going to be key in responding to the demands of these markets, and I really think these expansions of ports everywhere in our region can really complement each other, and can feed into and cater to the demands that we are going to witness in the years ahead.

On the question of the current issues we are tackling with, in terms of Iran and Qatar and elsewhere, and Yemen, these, I would like to think, I hope that these problems are going to be temporary. The question we ought to be asking while we, obviously all of us in the Gulf and in the region and indeed the world, are concerned about these developments, we have to ask the question, what do we do about them? I think the keyword here is, for us to be able to overcome these problems, these differences, these issues, it has got to be through dialogue at the end of the day. We have got to really put more effort and more energy into finding a way where we can have a meaningful, constructive dialogue that can bring us all on a platform of understanding, building trust, building confidence, so that we are all part of this region, can move ahead for prosperity, for the sake of growth, and the wellbeing of all people in this region. Thank you for your questions.

#### Dr John Chipman, Director-General and Chief Executive, IISS

Thank you very much indeed, and maybe I can just conclude today's proceedings, first, by in a moment inviting you to thank our three presenters again today, but also by noting that during the course of the day, there has been a great deal of discussion about Yemen, quite a bit about Syria and Iraq, a good deal about extremism, and also a lot about what might be styled the security imperative of economic reform and economic development.

Those happen to be the five subjects that tomorrow morning we are treating in special session with senior officials and ministers and experts from all the relevant countries that are stakeholders in these issues. We also will conclude tomorrow with the Vice President of Iraq, Vice President of Yemen and a couple of senior IISS analysts to try to draw the threads of this dialogue together. But for a hard day's work in which all of you have been engaged, I want to thank you very deeply, and also to thank the ministers who have attended, some of them having to combine quite extraordinary schedules that the priorities of the moment have imposed on them. I can think of at least three who travelled eight or nine hours to be here, were only able to be here for three or four hours, and then had to travel eight or nine hours to their next diplomatic engagement. But for the fact that they chose an important pit stop at the Manama Dialogue, I thank them, and thank you very much.