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03

BRIEF

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Know Your Enemy – Iranian and Saudi Perspectives on ISIL

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Introduction

The proxy wars between the two regional rivals, Iran and Saudi Arabia, are polarizing politics and sectarianizing social relations between Shiites and Sunnis, with potentially destructive ramifications for the Middle East and beyond. The projection of power and struggle for supremacy stretches from Syria to Lebanon to Yemen. Relations between Tehran and Riyadh have continuously worsened over the past two years, reaching a diplomatic freeze in early January 2016, when dissident Shia cleric Nimr Baqir al-Nimr was executed in Saudi Arabia and the Saudi embassy stormed and vandalized in Tehran in retaliation.

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Executive Summary

To successfully contain and defeat ISIL, the deeply fractured and war-torn Middle East needs to be stabilized. This strategic goal cannot be achieved without functional relations between Iran and Saudi Arabia. Against the backdrop of recent escalating tensions between the two countries, a newly developed emphasis on shared interests and common challenges between Tehran and Riyadh is more crucial than ever.

To this end, CARPO and the East West Institute (EWI) brought together experts from both countries in the fall of 2015 to exchange respective views on the regional threat posed by ISIL. Both sides agreed that a comprehensive strategy against this terrorist group needs a focus on root causes and must entail: (1) addressing socio-political grievances that create conducive environments for the flourishing of violent extremism, (2) undermining the ideological oxygen that feeds terrorism, (3) targeting internal and external financial resources, and (4) dismantling the bureaucratic, infrastructural and 'state' capacities of ISIL.

While fostering regional cooperation, Western states need to adopt a balanced approach that abstains from playing out regional actors against each other. The regional responsibilities of Iran and Saudi Arabia must be addressed and shared interests emphasized, in order to pave the way for an effective and long-term campaign against ISIL, led by the two regional powers.

Prior to this current crisis, the wars in Syria, Iraq and Yemen, as well as the process towards and the finalization of the nuclear agreement between Iran and the P5+1 group, have fed increasing tensions between the two regional powers.

In such a polarizing climate, there is an urgent need to set up alternative “track two” channels to foster and facilitate dialogue between the conflicting parties. CARPO initiated cooperation with the EWI center in Brussels to develop a format for confidential dialogues between Iran and Saudi Arabia. The explicit aim of this format is the aggregation of perspectives from both sides on a specific topic.

Perceptions Matter

Perceptions are not scientific or empirical data. Nonetheless, perceptions matter. They bear the potential to shape discourses, mindsets and sentiments – on both political and societal levels. Perspectives, regardless of their accuracy, need to be addressed and, when necessary, revised through deliberation and fact-based discussions.

On this basis, it was decided to bring together a group of ten experts, scholars, analysts, and former officials from Iran and Saudi Arabia to share their perspectives on what can be seen as a common denominator between the two countries: the threat posed by the so-called Islamic State in Iraq and the Levant (ISIL²).

Saudi Arabia has already been hit by ISIL on its own soil. Iran perceives its strategic interests in Iraq and Syria endangered by the presence of ISIL, and extends every effort to prevent ISIL's influx through the shared border with Iraq. Both countries view this terrorist group as a destabilizing factor in a region in which Tehran and Riyadh seek to maintain the existing territorial order. And yet, no apparent signs of joint cooperation between Iran and Saudi Arabia against ISIL are seen. In absence of the political will to do so, while each continues to blame the emergence of ISIL on the other, an Iranian-Saudi joint effort to contain and defeat this group is very unlikely.

The deepening destabilization of the Middle East has affected member states of the European Union (EU) in an unprecedented manner in 2015. Thus, the incentive for the EU to seek partnership with regional actors for the sake of stability and security in the Middle East has become much more defined. This crisis-laden political climate should be used to urge European policy-makers to seek avenues for constructive cooperation with Iran and Saudi Arabia and to foster dialogue and cooperation between the two.

To this end, CARPO and EWI invited European experts and scholars alongside policy-makers of the EU and EU member states to join the initial dialogue meeting between Iranian and Saudi experts in Brussels in fall 2015. The aim of the meeting was two-fold: to share Iranian

² Out of the manifold abbreviations for this group (ISIL, ISIS, IS, and Daesh), we chose ISIL because “Levant”, we believe, is the more accurate translation of the Arabic term “al-Sham”.

and Saudi perspectives on the root causes of the emergence and prevalence of ISIL, and to develop strategies to contain, defeat and prevent the rise of terrorist organizations in the Middle East.

Root Causes along Four Dimensions

The participants identified and discussed root causes along four thematic dimensions: sociopolitical grievances, ideological oxygen, financial resources, and bureaucratic, infrastructural capacities and 'state' structures. At the core of this comprehensive approach is the conclusion that all stakeholders in the affected region have a share in the creation of the crisis out of which ISIL has emerged.

An underlying theme of these discussions was to perceive ISIL not just as a terrorist organization, but as a state-building project. Participants stressed that this understanding is necessary to make better sense of the group's overall strategies, tactics, and key goals.

Sociopolitical grievances generate radical habitat

Considering the contextualization of ISIL in the Middle East as the first step, the participants from Iran and Saudi Arabia established a broad picture of the regional developments since the early 2000s. A key factor of the regional turmoil, both expert groups agreed, is the post-Saddam Hussein order (or disorder) in Iraq. In the absence of law, order and inclusive politics, militant Islamists managed to recruit and organize their forces. The uprising in Syria and its transformation into an armed

conflict created an avenue for these groups to defy the Sykes-Picot order and conquer territory, dissolving parts of the Iraqi-Syrian border. Borders became meaningless in such a context, as an Iranian expert elaborated.

It was a grave mistake, one Saudi participant argued, to dissolve the entire Iraqi military and security apparatus which had served under Saddam Hussein. Apart from key figures and prominent commanders, Iraq's military and police forces should have been kept intact and reorganized instead of dismantling all their structures.

Secondly, an Iranian participant pointed out, the new political reality of Iraq in which the Shia majority of the country holds key political positions was hard for the Sunni population to accept. At the same time, it was argued, this newly empowered Shia elite failed to embrace Iraqi Sunnis.

The group also agreed that the United States lacked both the vision and the political will to develop a solid post-Saddam order. Sunni insurgents (many of which were non-Iraqis) attacked the US military and Shia communities. Iran, for its part, added to the post-Saddam chaos by first and foremost protecting its strategic interests in Iraq through the empowerment of Shia militias in Iraq. After all, the US presence in neighboring Iraq under the Global War on Terror pretext was seen as a direct threat to Iran's territory.

In Iraq, as was mentioned by an Iranian participant and reaffirmed by a Saudi counterpart, the role of Grand Ayatollah al-Sistani was essential in achieving the power transfer from a too sectarian-minded Iraqi Prime

Minister, Nouri al-Maliki, to Haider al-Abadi. Furthermore, influential Shia cleric Muqtada al-Sadr, who himself has strong ties to Iran, was critical of al-Maliki's intensified sectarian approach. Without al-Sistani and al-Sadr, argued conference participants, Iran may not have decided to throw its political weight behind al-Abadi and convince al-Maliki it was time to hand over the executive branch to a more inclusive prime minister. Such relational dynamics, it was concluded, are essential to recognize in order to develop considerations as to how the political landscape can be transformed to ease some of the existent tensions.

Correspondingly, Iranian experts emphasized that in Syria there are no comparable figures who are outside Bashar al-Assad's government, yet influential enough to have a say in the country's political affairs, and at the same time respected and trusted in Tehran. Hence, Iran can envision its strategic interests in Syria secured only by keeping al-Assad in power.

This pro-Assad policy of Iran added to the transformation of the Syrian uprising into an all-out civil war, in which other stakeholders such as Saudi Arabia, other members of the Gulf Cooperation Council (GCC) states, Turkey and some Western governments are known to have funded, armed and organized large parts of the militant opposition and terrorist groups. Once the uprising turned into an armed conflict, political solutions for Syria appeared impossible to achieve. Grievances were maximized, sectarian cleavages accentuated: a fertile ground for extremist groups.

The governments of Syria and Iraq have utterly failed to adopt an inclusive approach to creating security, order and democratic

institutions for all its citizens, and to address and alleviate grievances caused by the deprivation of basic citizen rights. Particularly in Iraq, no solid interfaith, cross-sectarian sense of citizenship under a national flag has been developed. All regional and global stakeholders in both countries must work toward these goals by undertaking every effort to push for the establishment of inclusive social and political contracts and improve the living conditions of ordinary citizens.

A Saudi expert stressed that ISIL should be seen as a symptom of a "deep disease"; namely, a result of "regional and international geopolitical jockeying" for dominance, as well as political instrumentalization of religion by both secular and religious autocracies. In the same vein, a Western speaker said that in theory all regional and international actors are against ISIL, but this is not the reality on the ground. In short, ISIL is "an enemy of all these players, but not the number one enemy of everyone".

Ideological oxygen and regional disorder

In a chaotic environment in which chaos and insecurity prevails, violent extremism flourishes. While participants agreed to disagree on whether or not ISIL has anything to do with Islam, there was unity about the fact that its mindset was shaped – at least in part – by fundamentalist clerics who preach an intolerant and fiery version of Wahhabi Islam.

As one Saudi participant explained, Wahhabism in Saudi Arabia has now entered the political arena, in much more explicit terms than in the past. It has left the path of what he viewed as "secular Wahhabism", meaning

a strand of Wahhabism which, while maintaining its core views and principles, does not promote entering the political arena.

Differing views between the participants from Iran and Saudi Arabia existed as to whether or not violent extremism, as seen in ISIL, was a “Sunni problem”. While everyone agreed that no Shia cleric may be able to effectively delegitimize violence in the name of Islam for potential Sunni jihadists, there was no consensus to what extent Shia figures could help to tame sectarian sentiments. While Iranian participants tended to believe it was up to Sunni clerical authorities to speak out, their Saudi counterparts stressed Shia clerics can also foster inclusive rhetoric. It was mentioned and agreed by both sides that Grand Ayatollah al-Sistani’s approach in Iraq, to frame the fight against ISIL as a fight for the sake of the nation of Iraq and thus request volunteer fighters to support the National Army, was the way forward.

Interestingly, throughout the debates, the group refrained from pointing fingers at seminaries in different GCC monarchies. Instead, they stressed the need to have religious leaders from both “wings of Islam” (meaning Sunna and Shia), as one Iranian participant put it, to condemn “not only terrorists but terrorism” – an important differentiation a Saudi participant made. Interfaith and intersectarian dialogue needs to be elevated to higher levels (in terms of religious credentials) to exert that effect, the group concluded.

Financial resources and avenues of income

Both sides had no doubt that extremely wealthy, private donors from Arab monarchies in the Gulf region laid the foundation for the monetary capacities of ISIL. However, one Saudi participant also highlighted that certain areas controlled by ISIL in Iraq are characterized by very efficient, self-reliant and transparent financial planning. In a context known for its entrenched corruption, he added, accessible budgetary planning may impress citizens under ISIL rule.

An Iranian participant mentioned that after the fall of key cities such as Mosul into ISIL’s hands, the Iraqi central government kept allocating budgets for these areas. This irrationally provided budget, in addition to income generated through the sale of oil through black-channels to Turkey, some taxation measures (zakat) and trading of artifacts attained by pillaging historical sites such as Palmyra, have helped the group to cover its expenses, which participants estimated to be 2 million USD per day.

For all workshop participants, it was inexplicable how it was possible for ISIL to move huge amounts of money – for example, those secured through oil sales – through borders and, more astonishingly, via bank transfers. It was agreed that much more effort is urgently needed to track and freeze money directed to ISIL accounts.

By the same token, participants wondered how it was possible for the group to purchase

brand new, armed Toyota SUVs, paraded in video clips of a large moving convoy entering the Anbar province of Iraq.

Bureaucracy and infrastructure: Is ISIL a 'state'?

When examining structural capacities of ISIL, there was a vibrant and lively debate among participants on the nature of the group. A Saudi specialist said ISIL is not a terrorist organization, but rather a 'state' and a 'state-building movement'. It claims to be and behaves as a state, albeit a barbaric one. In the same vein, another expert elaborated on the 'revolutionary' nature of ISIL by highlighting the extremely effective management system of the organization. This efficiency becomes even more apparent when compared to the surrounding states that lack proper bureaucracies. A Western expert disagreed with this analysis and argued that ISIL lacks essential elements of statehood, such as the concept of a delineated territory, a population, and one particular language.

When discussing how it was possible for ISIL to establish its infrastructural capacities, Iranian and Saudi participants all stressed that the main 'elephant in the room' was Turkey. Much criticism was voiced over Turkey's open border with Syria, which was regarded as essential for ISIL recruitment of thousands of fighters from Europe and elsewhere. It was also agreed that without such porous border security, it would not have been possible for ISIL to operate its oil sales to Turkey.

The reason behind Turkey's highly problematic policies was understood in two divergent ways. The widely quoted argument was that

the Turkish government uses ISIL as a force to fight the Kurds. But conference attendees from Iran and Saudi Arabia also voiced that there is an ideological fundament in Turkey's support to ISIL. A Saudi participant pointed out that Sunni extremism was wide-spread in Turkey, and that a group like ISIL embraced "more than one would assume". This would explain the alleged bargain between Turkey and ISIL: a 'carte-blanche' to operate in the border area for a guarantee to stay outside Turkey's territory. Whether that bargain holds is to be doubted, however, as shown by the attacks in Ankara, Istanbul and south-east Turkey, which are believed to have been carried out by ISIL.

Additionally, the important role of former Baathist military and intelligence officials who are said to have joined ISIL was regarded as important. It was shared in substance by groups from both countries that these former officials of the Saddam era are well-trained to run a police-state and to thwart any form of dissent through a web of security agents. They are also trained in running a functional bureaucracy, which is set-up primarily to keep the local authorities intact rather than to serve its citizens.

Such competencies ensure order and a functional bureaucracy in a hitherto chaotic state system. At the same time, intimidation, harassment and brutal police and law enforcement units manage to halt any attempt to challenge ISIL's command.

Apart from the skills performed by those with administrative tasks in the ranks of ISIL, the foundation of the group's success is the utter lack of any functional state bureaucracy

prior to the developments in 2014 resulting in the establishment of ISIL rule, not only in Syria's Raqqa but also in Iraq's Mosul and later Ramadi.

Hence, the conference participants concluded that sustainable containment of violent extremism is only possible if governments in countries such as Syria and Iraq establish properly functional bureaucracies. Transparency and rule of law may be very distant goals to aim for, but all participants agreed there is no other alternative to work towards.

Policy Recommendations

The group of experts from Iran and Saudi Arabia expressed several recommendations for both the containment and the eventual defeat of ISIL. They also developed further ideas for measures to foster Iran-Saudi dialogue on other regional matters.

1. Make ISIL 'Enemy no. 1' of every individual state in the region

Confronting ISIL, whether financially, militarily or in terms of discrediting their ideology, must be placed on top of the regional defense and security agendas of all regional actors - especially Iran and Saudi Arabia. Neither side can afford to generate political benefit through the prevalence of ISIL, as its gruesome actions are not only a present source of death and brutality, but are also traumatizing generations to come. The international community must encourage regional cooperation and offer its assistance in the campaign against ISIL. This campaign must entail the necessary military, sociopolitical,

economic and infrastructural dimensions, as well as psychological support for victims of human rights violations. The ideological foundation of groups such as ISIL must be uprooted through ongoing educational and cultural programs.

2. Trace and stop ISIL funding and income

Targeting external financial resources is an essential aspect in which both Iran and Saudi Arabia can take the lead, but the assistance of the international community will also be needed to prevent revenues from flowing into ISIL-controlled territory. Most urgently, the borders to Syria and Iraq must be secured to prevent smuggling. International transfers through banks and alternative channels to ISIL accounts must be tracked, transactions halted and assets frozen. Additionally, all actors (entrepreneurs, organizations or governments) must be sanctioned for any transaction with ISIL.

3. Address and alleviate socioeconomic grievances in Iraq and Syria

Both Saudi Arabia and Iran wield major influence in Syria and Iraq. This influence should be used by both actors to pressure governments and local authorities in Syria and Iraq to improve socioeconomic conditions in order to reduce breeding grounds for ISIL. Tehran and Riyadh must show more commitment to reaching an end of ongoing armed conflicts. Strategies for the social, political, and economic reconstruction of Syria and Iraq should be developed now in preparation for the day a lasting ceasefire is reached. The EU and EU member states should also accompany this process to foster cooperation

between regional stakeholders and initiate programs for direly needed humanitarian aid and reconstruction.

4. Increase and maintain people-to-people exchanges

In light of the recent apex of tensions between Iran and Saudi Arabia, maintaining a channel for communication between academics, political analysts, public figures and artists is imperative in order to address mutual misunderstanding of each other's politics, culture, people and history. Citizen exchange at grassroots level can form the foundation of strong and sustainable bilateral relations. Any future rapprochement between Tehran and Riyadh must be embedded in both societies in order to be sustainable. Resentments against the other in the respective populations should be tackled and countered on the political level by reconciliatory rhetoric and an immediate stop to inflammatory statements.

5. EU to promote and facilitate regional cooperation

Despite differences between Europe and the Gulf region, the EU and its member states should recall and more prominently promote the post-World War II mindset which eventually led to European integration. Germany and France played important roles during the integration process as key powers of the European continent. Thus, the EU should underline common ground between Iran and Saudi Arabia, encourage and facilitate cooperation, instead of further accentuating cleavages between the two key powers of the Middle East.

6. Regional economy in a 'post-oil' era

According to all conference participants, low oil prices and technological innovations in the energy sector have put tremendous pressure on both countries to prepare for a 'post-oil' era and underlined the need for a diversified economy. These structural shifts transgress borders and will therefore affect the entire region. Here too, a shared vision of regional stakeholders is indispensable. The EU and its member states should encourage and facilitate dialogue between Iranian and Saudi specialists to exchange views on this challenge in order to develop long-term strategies for regional economic cooperation.

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About CARPO

CARPO was founded in 2014 by Germany-based academics trained in the fields of Near and Middle Eastern Studies, Political Science and Social Anthropology. Its work is situated at the nexus of research, consultancy and exchange with a focus on implementing projects in close cooperation and partnership with stakeholders in the Orient. The researchers in CARPO's network believe that a prosperous and peaceful future for the region can best be achieved through inclusive policy making and economic investment that engages the creative and resourceful potential of all relevant actors. Therefore, CARPO opens enduring channels for interactive knowledge transfer between academics, citizens, entrepreneurs, and policy-makers.

About EastWest Institute

The EastWest Institute (EWI) is an independent NGO focused on conflict resolution. EWI has a 35-year track record of convening power, trust building and back channel diplomacy to develop sustainable solutions for today's major political, economic and security issues around the world. Recognized as an "honest broker," EWI's success is predicated on providing a platform where political, military and business leaders find common ground and solutions to international conflicts. EWI's Middle East and North Africa Program provides a platform for dialogue between regional rivals and engages major stakeholders in an attempt to find common ground in tackling root causes behind the rise of ISIS. Headquartered in New York City, EWI has offices in Brussels, Moscow, San Francisco and Washington D.C.

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