

THE 3RD IISS
REGIONAL SECURITY SUMMIT

MANAMA DIALOGUE

Kingdom of Bahrain, December 2006



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HH Sheikh Salman Bin Isa Al Khalifa,
Crown Prince of Bahrain and
Commander of the Bahrain Defence
Force, greets Dr John Chipman,
IISS Director-General and Chief Executive

Foreword

The International Institute for Strategic Studies (IISS) takes pleasure in presenting this report, a summary of the proceedings of the Third IISS Regional Security Summit: The Manama Dialogue. The inaugural meeting of this now established institution for regional security diplomacy was held in December 2004, and the second summit convened in December 2005. The IISS decided on the occasion of the third summit to incorporate the name of the capital of the Kingdom of Bahrain, Manama, into the Dialogue title in recognition of the continued support of the Kingdom of Bahrain to this security summit.

The Manama Dialogue is intended to provide a forum for the national security establishments of the participating states to exchange views on regional security challenges. The IISS has no agenda of its own in convening this summit other than to create the occasion at which multilateral diplomacy can do its work. This report naturally only seeks to summarise the arguments made in the on-the-record plenary sessions and the thrust of the discussions in the off-the-record break-out groups.

In publishing this report the IISS hopes to draw attention to the challenges and opportunities in the region as perceived by those most responsible for its security. The IISS has incorporated into its own future research programme more forensic analysis of regional sectarian divisions, planned new work on regional maritime security and considered fresh assessments of the evolving regional balance of powers as a result of the issues raised at the 2006 Manama Dialogue summit.

The IISS is delighted to report that in February 2007 it signed a Memorandum of Understanding with the Kingdom of Bahrain that permits and facilitates the holding of the Manama Dialogue annually through to 2011. We thank the Kingdom of Bahrain for its gracious support. The institutionalisation of the IISS Regional Security Summit: The Manama Dialogue will be an excellent anchor for regional security diplomacy.

*Dr John Chipman CMG
IISS Director-General and Chief Executive*

Introduction

From 8–10 December 2006 the IISS hosted in the Kingdom of Bahrain the Third Regional Security Summit: The Manama Dialogue, bringing together the national security establishments of some 23 states from both inside and outside the Gulf region. More ministers attended and more countries were represented than in either of the two preceding years. Following the summit, participating states welcomed the fact that the Manama Dialogue, as it has been re-styled, offered a unique opportunity for regional security discussions amongst such a diverse but crucially engaged group of national security leaders, and welcomed its prospective institutionalisation as an annual event. Indeed, the absence of a formal Gulf security framework that included all the relevant powers made the Manama Dialogue an even more essential vehicle for consultations on regional security.

Three themes naturally emerged from the prepared programme and even more from the prevailing trends.

First was the politics of the current sectarian divide in the Middle East. Worryingly, regional political relations and indeed, for many, the geopolitical situation as a whole were being viewed through the prism of Sunni–Shia rivalry. The specific conflict for power and control between Sunni and Shia groups in Iraq, and the Shia specificity that had been expressed years before by the Iranian revolution, and was now in further renaissance, had clearly found potential export markets in the region. The result was that political actors at all levels were either consciously playing the politics of sectarianism, or were inadvertently trapped by the sectarian machinations of others. The frankness with which speakers addressed this topic suggested that there was an awareness that state leaders had to find ways to make more effective national appeals for loyalty if they were to avoid the tremors of the transnational sectarian politics that were becoming prevalent. At the same time, it was clear that channeling national politics through a battle of ideas rather than of sect would remain a long-term challenge, and in the

interim there would be a need to limit the contaminating effect of the politics of religious parochialism. There is, for all, a balance to be struck between recognising the reality of these sectarian divides, and not paying so much tribute to them that they become further entrenched.

Second was the politics of the evolving situation in Iraq. Held immediately after the release in the US of the congressionally mandated Iraq Study Group report, the summit offered an opportunity for three Iraqi ministers to offer their perspectives on the proposals and others to provide their reactions. If there was one common aspiration it was that any adopted strategy involve politically a wider array of actors, especially from the region itself, and that the minimalist goal of ensuring containment of the Iraqi travails within the borders of the state be pursued with vigour. The danger that the sectarian politics of the region might be played out still more intensely in the desert, villages and towns of Iraq was a forbidding prospect. It will be important for all to ensure that containing the conflict within Iraq would not translate into its intensification through multiple external efforts to support different internal combatants.

Third was the issue of the growing regional role of Iran. It was evident at the summit that Iran is seeking to assume the vitally central position in the region that its size and population would naturally recommend, but its ambitions are inspiring concern amongst its Arab neighbours, and even greater anxiety elsewhere. Iran's nuclear programme was directly commented upon by virtually all ministerial delegates and it was clear that the Gulf Cooperation Council (GCC) states considered a maturing of Iran's ambitions as a direct effort to change the regional balance of power. The formal decision of the GCC Heads of State announced later in the weekend, and pre-figured in the summit's opening statement by HRH Prince Muqrin Bin Abdulaziz, to invest in nuclear technology, was an indicator of the intensifying rivalry with Iran. It will be essential to find a way for Iran to achieve a settled and accepted position within the regional balance of power without changing that balance so dramatically that the result is greater tension and instability.

As this regional balance evolves, the role of outside powers is shifting and uncertain. The security relations



Yousuf Bin Alawi Bin Abdulla, Minister Responsible for Foreign Affairs, Oman and **Jawad Al Bolani**, Minister of Interior, Iraq

between the US and the GCC states are strong, but are built on a thin level of domestic consent. The desire to offset Iran's growing influence on the domestic affairs of Gulf Arab states, if only through its latent ability to appeal to the Shia populations, is perhaps not ideally met by importing American power. Yet an American security guarantee is perceived by government elites as important in the event that Iran's nuclear programme takes a confirmed military turn. Finding ways to improve America's reputation in the region so that the US connection is seen less controversially remains a delicate challenge.

European countries are engaged in a good deal of overt geopolitical diplomacy towards the region, and yet cannot play much of an independent military role. The EU₃ (UK, Germany and France) have performed a diplomatically useful service in engaging with Iran; how that might be carried over to other Gulf issues is uncertain. The remaining expeditionary capacities of these European states is such that they are unlikely alone to be able to affect the

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regional balance of power. Their political weight and the fact that two are nuclear powers nevertheless makes a security connection with them attractive. Europeans will have to determine whether they have the stomach for a truly strategic approach to political engagement with this region, or whether they will ultimately slip into an incidental role.

Asian states have ever deeper economic and political links in the Gulf and are likely to find that they will struggle to avoid involvement in the area's delicate politics if they are to advance their commercial aims. China, India and Japan, to different degrees, have sought to strengthen their links to these energy-rich countries at a time when the politics of energy supply has become especially vibrant. Maintaining strict neutrality and focusing uniquely on economic relations in these circumstances is hard, and in time Asian countries will be finding themselves making judgements of a political and even security character about their relations with Gulf states.

These diverse interests and players confirmed the wisdom of the regionally focused and internationally outward-looking approach taken to the participation in the IISS Manama Dialogue. The problems of the region have their own particular nature and so involving nine states from the area as the regional core (the six GCC states plus Iran, Iraq and Yemen) helps to ensure that the focus of discussion is indeed on the very special nature of Gulf security. Involving actors from the US, Europe and Asia guarantees that the differing perspectives of all these outside actors are incorporated in regional security calculations.

Official mechanisms for regional security arrangements seem to be subject to an ever-shifting and ad hoc political arithmetic. Initiatives are sometimes undertaken involving the six GCC states and different sets of other actors depending on what the current political traffic and sensitivities of the day permit. The virtue of The Manama Dialogue, with a settled and inclusive array of participating states, is that it guarantees that diplomatic consultations at the highest level take place at least once annually in the region with the key players. The IISS looks forward to contributing to the growth and deepening of this diplomatic process.