The UAE Lobby: Subverting British democracy?

A Public Interest Investigation by Spinwatch

On the 17th of July 2018, Public Interest Investigations (PII) presented a report at the House of Commons, publicised on its website Spinwatch, that focused on the UAE's lobbying efforts within the UK. The report illustrated how through the UAE's Minister of State for Foreign Affairs Anwar Gargash and the lobbying firm Quiller Consultants, the UAE initiated a comprehensive campaign of targeting journalists, policymakers, academics, businessmen, civil servants and MPs between 2011 and 2013. This campaign was designed to, and culminated in, two main policy changes within the UK government between 2011 and 2013. Firstly, the UK's official position vis-à-vis the Morsi regime in Egypt changed from what was tacit support to a more ardently anti-Morsi campaign that served to undermine his

presidency and offer support to the Sisi-led coup against him. Secondly, the UK's position against the Muslim Brotherhood and Qatar was made more aggressive as a result of the UAE's lobbying. Both of these policy changes were enforced through the weaponisation of UAE-UK trade deals, such as the BAE's Eurofighter Typhoon jet deal with the UAE.

Aside from the ways in which UAE lobbying influenced UK governmental policy directly, it has also been made clear by the report that the UAE's efforts to affect the British milieu also extend to the dissemination of information via media. Here, there were continuous attempts to both silence supposed Muslim Brotherhood sympathisers in the BBC, BBC Arabic, and in Chatham House. Through multiple complaints, and delegations, sent by the UAE to Number 10 Downing Street, the UAE managed to obtain some tangible results in the obtainment of a reduction, or removal from position, of those critical of the UAE's human rights record and who displayed sympathic views towards the Muslim Brotherhood. Additionally, aside from the BBC, there has been a general shift in the rhetoric of a number of journalists in the UK as a result of the lobbying. Through briefings between Anwar Gargash and a range of different journalists and academics, including but not limited to individuals such as Con Coughlin and Andrew Gilligan, the UAE managed to fashion an anti-Muslim Brotherhood, anti-Iran, and anti-Qatar echo chamber that spans across a range of different media organisations at the forefront of the provision of news in the UK.

Furthermore, the UAE campaign to penetrate UK political life has also, as noted in the report, extended to efforts to designate and label senior members of the Qatari royal family as 'terrorists'. As the report notes, the UAE sought to generate research exemplifying the links between the Qatari royal family and terrorism through ICSR and King's College London professor Shiraz Maher. The lobbying firm Quiller discussed a £20,000 a month payment for this research. In

turn, this research was intended to be operationalised in order for the government to officially list members of the Qatari royal family as ‘terrorists’.

Collectively, therefore, Spinwatch’s report provides damning evidence of the ways in which the UAE has penetrated democracy and stifled debate within UK political and social life. This penetration represents a clear breach of our parliamentary democracy and the human right to civil and political freedoms and transparency. The report also calls into question and number of issues so as to ensure a lack of continuity in the tactics used by the UAE. For example, it exemplifies the need for lobbying reform, a closer examination of press regulation, and a more in-depth investigation into the links between governmental pressure and the rhetoric espoused by the BBC. That said, the AOHR UK welcomes these calls for reform and commends Spinwatch and the PII on this ground-breaking report. The report has indeed served to saliently highlight the ways in which democracy in the UK is being eroded by outside entities with clear politicised agendas that contravene the principles of democracy and democratic freedom.

Turkish finance minister says he won’t fight markets

Reuters/Ankara

Turkey will not fight with markets but instead pursue a win-win relationship with them while ensuring Turkey has an effective central bank, Finance Minister Berat Albayrak was quoted as saying yesterday.

Concerns about the central bank's independence had intensified when President Tayyip Erdogan appointed son-in-law Albayrak as treasury and finance minister, boosting expectations that the president – a self-described "enemy of interest rates" – would look to exercise greater influence over monetary policy.

The Turkish lira has been hammered this year, losing a fifth of its value against the US dollar, on concerns about the central bank's ability to rein in double-digit inflation, while Erdogan has repeatedly called for lower interest rates.

Albayrak, speaking to reporters on a flight to Argentina for a G20 summit, also said the government would not compromise budget discipline and that there would be a noticeable improvement in inflation, broadcaster NTV reported.

"We will not compromise budget discipline and a programme that is down to earth will be prepared," Albayrak was quoted as saying.

"We aim for an effective central bank. The central bank sees

and builds the fiscal life in a correct way. Turkey will never again be this attractive for foreign investors."

The government's medium-term programme (OVP) will also change into a "strong and solid" five-year strategy, Albayrak said.

With Erdogan having merged the Treasury and the Finance Ministry, Albayrak's appointment effectively saw him replace both Mehmet Simsek and Naci Agbal in a cabinet that now has no obvious investor-friendly ministers.

Albayrak's comments, therefore, are closely watched by investors for clues on whether he will seek to calm financial markets by adopting a more orthodox approach to monetary policy or reiterate Erdogan's views that high interest rates stoke inflation.

Following his appointment, Albayrak had said the central bank is independent and will do whatever economic realities and market conditions necessitate.

Earlier yesterday, state media quoted Albayrak as saying that Turkey was continuing its strong economic growth trend and that the foundations of its economy were strong.

The state-run Anadolu news agency quoted Albayrak as saying that the government aimed to maintain prudent fiscal policies and healthy credit growth, carrying out structural reforms and strengthening Turkey's monetary policy framework.

"Turkey's economy continues its strong growth momentum.

Our economic foundations are going to be strong and our outlook is promising," Albayrak said.

The central bank's monetary policy committee, which has raised rates by 500 basis points since April in an effort to put a floor under the currency, will meet on July 24.

On the sidelines of the G20 summit in Buenos Aires, Albayrak said on Twitter that he had met with his US, Chinese, German, Brazilian, South Korean, French and Indonesian counterparts.

Greece’s Creditors Agree to Landmark Debt Deal as Bailout Saga Ends

Greece’s euro-area creditors struck a landmark deal to ease repayment terms on some of the nation’s mountain of debt, clearing the way for the country to exit the lifeline that’s kept it afloat since 2010.

The debt compromise reached in Luxembourg by the bloc’s finance ministers comes after months of acrimonious talks and just as the Mediterranean nation is set to leave its bailout program in August. A deal to ease Greek debt has long been seen as a key ingredient in the country’s successful return to economic health and foray back into financial markets.

An accord was reached in the early hours of the morning as attempts to find a compromise repeatedly hit a wall. The biggest holdout was Germany, which resisted granting Athens more money. In the final compromise, Berlin signed off on a longer maturity extension but managed to limit the tranche of bailout money.

“The deal is good news for Greece and on the optimistic side of what was expected,” said Athanasios Vamvakidis, a strategist at Bank of America Merrill Lynch in London. “Greece buys more time and the debt becomes sustainable, at least on paper. The deal also includes a clear post-program monitoring framework to make sure Greece sticks to the targets. Markets are reassured for now. But it is up to Greece to succeed. Growth is the key.”

Greek bonds rose following the Eurogroup decision, with the yield on its 10-year debt falling 23 basis points to 4.01 percent. The spread over comparable German bonds narrowed to 375 basis points.

Grace Period

Under the agreed debt-relief plan, maturities on 96.6 billion euros ($112 billion) of loans Greece has received from its second bailout would be pushed out by 10 years. The extension will be accompanied by a 10-year grace period in interest and amortization payments on the same loans.

Both these steps are part of a broader package of measures aimed to ensure that Greece will be able to service its debt over the next decades.

“We believe that the debt is now viable, we can have access to the markets now and in a context of surveillance and by continuing our reforms we can pursue this,” Greek Finance Minister Euclid Tsakalotos said after the meeting.

The creditors also agreed to a final disbursement of 15 billion euros, aimed to help Greece repay arrears, finance maturing debt and build up a cash buffer of 24.1 billion euros that will help it access financial markets. Some of that cash could be used to buy back debt it owes to the International Monetary Fund or the European Central Bank, which is more expensive and matures sooner.

In the longer term, euro-area creditors said they could consider measures such as further re-profiling or longer grace periods of loans if needed if economic conditions are unexpectedly worse than anticipated.

Debt Sustainability

“We welcome the Eurogroup’s readiness to consider further debt measures in the long term in case adverse economic developments were to materialize,” European Central Bank President Mario Draghi said. “We believe that the adoption of the set of debt measures agreed by the Eurogroup will improve debt sustainability in the medium term.”

Other agreed debt measures include the return to Athens of some 4 billion euros in profits the euro-area central bank made on their Greek bond holdings and the abolition of a 220 million-euro annual penalty attached to some of the country's loans.

These measures will be linked to Greece's performance after the end of its bailout, and will be disbursed in slices over the next four years as long as the country doesn't stray from its pre-agreed reforms and budget path. As part of the debt deal, Greece is foreseen to maintain a primary surplus – which excludes interest payments – worth 2.2 percent of gross domestic product from 2023 until 2060.

Close Monitoring

This means Athens is set to remain under close monitoring by its former bailout auditors, in order to ensure it continues implementing reforms in a small set of areas such as privatizations and the reduction of bad loans.

"We will continue to look at whether the reforms are sticking," Dutch Finance Minister Wopke Hoekstra said on Friday.

Concerns remain about whether these measures will be enough to revive Greece's cratered economy, which shrank almost by a quarter during the crisis.

"Under these conditions, Greece is unlikely to achieve fast growth, and therefore will be unable to pay back its debt in full despite a 10-year postponement of maturities granted by the EU," said Nicholas Economides, professor of Economics at the Stern School of Business at New York University.

Another cause for investor concern may come from the fact that the IMF did not activate its planned lifeline for Greece. The Washington-based fund had repeatedly said it would do so once the country's euro-area creditors took sufficient steps to

ensure its debt remained sustainable in the long term.

Still, the IMF gave its blessing to the debt agreement.

“There is no doubt in our mind that Greece will be in a position to access financial markets,” IMF Managing Director Christine Lagarde said, adding that for the medium term, the agreed measures would ensure Greek debt remained sustainable. “As far as the longer term is concerned, we have reservations.”

– With assistance by Radoslav Tomek, Alessandro Speciale, Sotiris Nikas, Birgit Jennen, Joao Lima, Neil Chatterjee, Richard Bravo, and Alexander Weber

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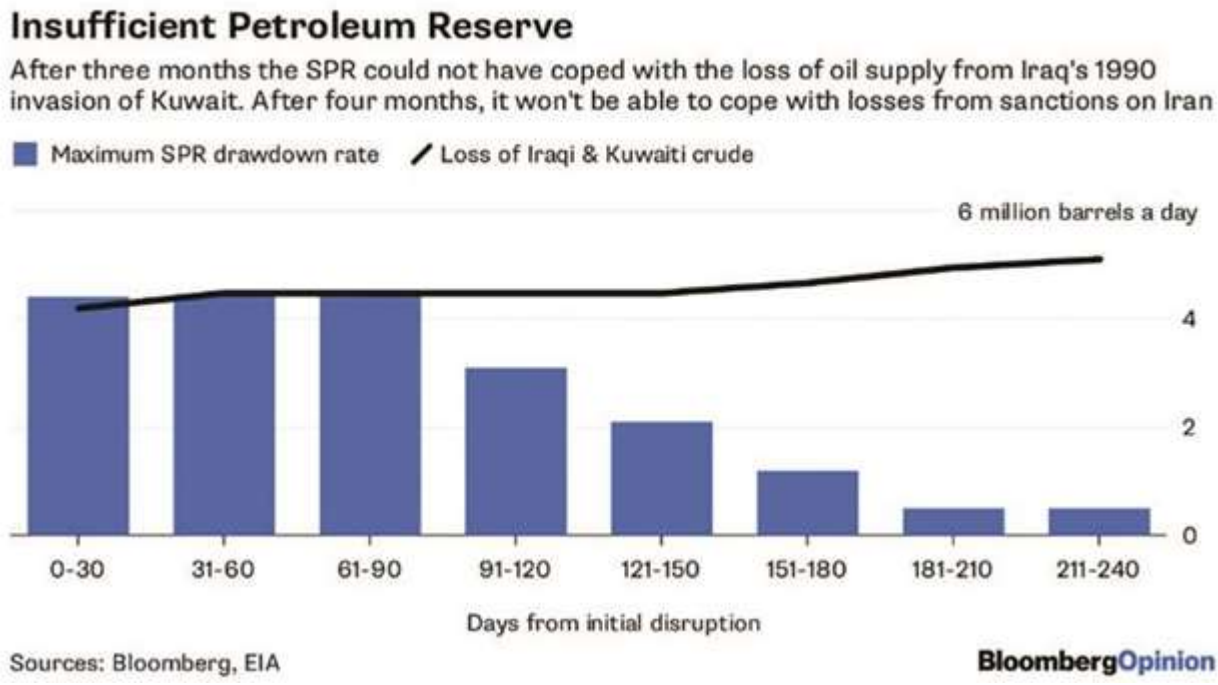
Imagine a world without Opec – it isn’t paradise



Imagine a world without Opec. This is what the sponsors of

legislation introduced in both houses of Congress seem to want. Versions of the “No Oil Producing and Exporting Countries Act,” or the NOpec bill, are working their way through the Senate and the House of Representatives, and are likely to find much more support from the White House than they have in the past — Presidents George W Bush and Barack Obama both threatened to veto similar legislation.

The bill would allow US antitrust laws to be enforced against Opec members whom the sponsors say have “used production quotas to keep oil prices artificially high.” This is a popular argument in a country where the right to cheap gasoline might have been written into the constitution alongside the right to bear arms, had that document been drafted a couple of hundred years later than it was. But we need to look a bit further than the gas station forecourt. And when we do, we will not be looking upon the promised land.

Opec introduced production quotas in 1982, to allocate output between member countries faced with a third year of falling global oil demand and rising supply from countries like Mexico and India, which left them with as much as 12mn barrels a day of spare capacity. Saudi Arabia had already reduced its oil production by 30% and, just as in 2016, was no longer prepared to shoulder alone the burden of balancing oil supply and demand.

What would have happened if Opec hadn’t got together? Sure, drivers in America and elsewhere would have enjoyed cheaper gasoline for a while. But probably not for too long. Even with the group’s supply management, oil prices reached a low of around $14 a barrel in 1986, according to data from BP Plc.

How much further would they have fallen if member nations had continued to produce without restraint? Certainly low enough to make production uneconomic in Alaska, the Gulf of Mexico, the North Sea, Western Canada and a host of other oil provinces that have become mainstays of non-Opec production. The group’s supply management created the space for 33bn barrels of additional non-Opec production in the 20 years it took for them to get their supply back to the level it had

been in 1978.

But nearly 40 years later, the world's a different place. Here is what would happen if the NOpec bill became law and the group failed to protect itself from its reach. This would be the world without Opec.

There could be no collective action to try to balance oil supply and demand. Saudi Arabia has said repeatedly that it wouldn't balance the market on its own and support high-cost oil producers.

You don't have to search too far to see what that means in practice. Just cast your mind back four years, during the thick of Opec's pump-at-will policy. Oil prices fell to $26 a barrel – great for drivers, but not so good for the US oil patch, or for investment in future production capacity needed to offset natural decline in existing fields.

As Saudi Arabia raised its production, the number of rigs drilling for oil in the US fell by 80%. The only region in the world where drilling didn't drop was the Middle East. It wasn't long before there were calls, including from candidate Trump's energy adviser, for Opec to act to reduce supply and rescue prices that were too low for the American shale industry.

If the NOpec bill becomes law, there's little incentive for anyone to hold spare production capacity. In recent decades this willingness has been an important safety valve to relieve the pressure of supply disruptions. A study by the King Abdullah Petroleum Studies and Research Center, initiated in 2016, assessed the annual economic benefit to the global economy of Opec's spare production capacity at between $170bn and $200bn through the reduction in price volatility in times of supply disruption. Without that buffer, oil prices could have spiked above $300 a barrel during the Libyan revolution, the study found.

The biggest consumer-held oil stockpile – the US Strategic Petroleum Reserve – could not have coped with the loss of supply that accompanied Iraq's 1990 invasion of Kuwait, and it would have struggled to offset the loss of Libyan production

in 2011 for more than five months. The loss of supply that may result from Trump's revival of sanctions against Iran would exceed the reserve's ability to deliver within four months.
It seems perverse to be attacking President Trump's ally against Iran and the world's only source of spare capacity, while simultaneously initiating the biggest supply disruption in nearly 30 years. But attacking allies and destabilising markets seem to be a favourite pastime in Washington these days.

Yemen's Fleeting Opportunity for Peace

The potential for a breakthrough in the Yemen war, now in its fourth year, may be close at hand. Last week, Martin Griffiths, the new UN envoy to Yemen, delivered a proposal that would avert a fight for Hodeidah, a city of as many as 600,000 people whose port provides an economic lifeline to millions of Yemenis. Now, it is up to the Houthis, the rebel

group occupying Hodeidah, along with the internationally recognized government of Abd-Rabbu Mansour Hadi and the Saudi-led coalition that backs it, to deliver their responses to Griffiths.

If any one of these parties rejects Griffiths's plan—or if Western powers fail to exert enough pressure on their Gulf allies to accept it—they would be complicit in the ensuing tragedy and the perpetuation of a war that has precipitated the world's costliest humanitarian crisis. With UAE-backed forces on the outskirts of Hodeidah and the Houthis digging in for what promises to be a long, nasty fight, these answers could not come soon enough.

While Griffiths's plan has not yet been made public, a broad outline has leaked. The details include a phased Houthi withdrawal from Hodeidah's port and city, along with two other nearby ports. The UN would help Yemeni staff run the port facility, and would also assist local government and police in managing the city. Because these local personnel have remained largely neutral during the war in Yemen, they ought to be acceptable to all sides. In return, UAE-backed forces would gradually pull back from the city. The deal would be tied to a broader national ceasefire, and a return to peace talks after a two-year hiatus.

So far, the parties have hedged. The Houthis have demonstrated some flexibility. They have agreed to hand over the port even as they quibble over control of the city. For its part, the Hadi government has been somewhat positive about the UN proposal—albeit, chiefly because it thinks the Houthis will reject it, not because it feels a need to broker a settlement with them. Indeed, even as they credit their military pressure for the Houthis' newfound willingness to compromise, both the government and the coalition argue that the rebels are not negotiating in good faith. They contend that their foes have continued preparing defenses around Hodeidah, and point to earlier instances when the rebels purportedly reneged on their word. These are legitimate concerns, but the UN proposal nonetheless deserves a chance. Emirati officials have argued repeatedly that the threat to forcibly seize Hodeidah was

designed to prompt greater Houthi flexibility. If the coalition can't take yes for an answer now, then what was the point of that threat to begin with?

The coalition has also suggested that even if Griffiths's ideas were endorsed by all, the UN lacks the capacity to carry them out. Yet surely this ought not stand in the way of an agreement that could spare thousands of lives. There is a straightforward remedy: If the UN needs support, it stands to reason that UN member states should provide it.

At times, the UAE and Saudi Arabia behave as if they should be rewarded with a better deal simply for restraining themselves from carrying out their assault. But avoiding a battle for the port is not doing the world a favor—it's living up to a moral and political obligation, and giving themselves a face-saving way to achieve their goals without waging a fight they may not even win.

Griffiths needs help to keep this peace deal on track. He needs much more than the mostly empty, cautious rhetorical backing he's received from Western capitals and UN Security Council members to date. Countries with influence over warring parties face a choice: stick to the verbal acrobatics they have employed thus far and risk becoming complicit in the outcome of their inaction, or put political muscle behind their call for a negotiated settlement. In the case of Iran—which has consistently claimed it can help resolve the conflict—this means holding the Houthis' feet to the fire while pressing them to accept the UN proposals to manage not only the port but also the city.

But responsibility for bringing about a negotiated end to the war lies chiefly with the United States, France, and Britain. All have concrete leverage over the coalition, stemming from their arms sales to the Saudis and the Emiratis; none has been willing to use it. In private, all can be forceful in their concern about an attack on Hodeidah, but in public, they are far more muted. Speaking behind closed doors, U.S. officials worry that a fight for the port and city could be calamitous. In contrast, Secretary of State Mike Pompeo's public

statements have only promised that the United States is “monitoring” the situation in Hodeidah. This should change, and pressure from Congress on the administration could make that happen.

There are certainly reasons why the anti-Houthi coalition might balk at halting its campaign to take Hodeidah. It has undeniably made military progress in recent months, giving it less incentive to accept Griffiths’s plan. But the coalition has also encountered unexpected resistance in its efforts to seize the port and struggled to maintain its supply lines. While it claims the current pause in its campaign is designed to facilitate diplomacy, it is clearly facing operational problems on the ground. The bottom line is that there can be no clean military victory once the fight reaches the city of Hodeidah. And even if coalition forces succeed there, the Houthis are unlikely to fade away.

The priorities today are clear: first, to get the parties to accept a compromise on Hodeidah, and then to resume negotiations to end the broader conflict. A real, if tenuous, chance exists to achieve both. It would be a missed opportunity and a moral failing if it were squandered.

What post-Brexit UK can learn from the blockade of Qatar

What post-Brexit UK can learn from the blockade of Qatar

Next week, the youthful ruler of the tiny Kingdom of Qatar will arrive in London to meet the Prime Minister. His Highness Sheikh Tamim Bin Hamad Al Thani's visit is aimed at promoting Qatar and what it stands for in the face of the year-long blockade by four neighbouring states – Saudi Arabia, Egypt, the United Arab Emirates, and Bahrain. In doing so, he may have some valuable lessons for Theresa May in her embattled state.

The four countries had become infuriated with Qatar's growing influence in the region, its support for opposition groups and its ties with Iran. They accused Qatar of harbouring terrorists and made sweeping demands including the closure of its flagship Al-Jazeera Arabic news channel.

In June 2017, a land, air and sea blockade was imposed on the gas-rich state by the four countries without warning. Families with relatives straddling borders were torn apart, institutions cut off from contact in the blockading countries, ships refused passage through Emirati ports and planes banned from flying over neighbouring airspace.

Qatar's rupture with its neighbours is far more severe than even the hardest Brexit would be for the UK. If Britain crashes out of the EU with no deal, trade and travel will become much more difficult. But that is very different from the imposition of a blockade.

Yet there are lessons from Qatar's experience for the UK. While there has been an outpouring of national sentiment – Qatari patriotism is on the rise like never before – the policy response has been to seek to make Qatar more open to the world rather than less.

Qatar has therefore lifted visa restrictions, offered permanent residency to parts of its large foreign workforce, and strengthened its commitment to human rights and freedom of speech – although it should be noted that critics maintain it needs to do more.

The tiny gulf Kingdom has made enormous investments in education, science, medicine and cultural institutions, with the goal of becoming an international hub. It has invested in a futuristic education campus, state-of-the-art hospitals, and a new national library and museum. Its goal is to be a more attractive destination.

As the UK considers its place in the world in the face of Brexit, there are some lessons it could draw from Qatar. The UK should become more open, not less; increase investment, not diminish it; and draw on our enormous scientific and intellectual talent, not alienate it.

There are three things the government could immediately do. First, scrap the net migration target and allow more international students to study in the UK – and permit them to contribute to our economy with post-study work visas. Second, increase investment in research so that we match the top quartile of advanced countries (the UK has been falling behind for more than a decade) and increase public investment in innovation. Third, make clear that Britain welcomes talent from all over the world, and is open rather than closed.

The shape of the UK's deal with the EU is highly uncertain – and it now seems possible that Britain will not leave at all. There appears to be no majority in Parliament for any deal, let alone an ultra-hard Brexit. Yet Britain must now resolve the deeper question about what it takes to succeed in the world in the 21st century.

Distant as the gas rich city state is from the UK culturally,

economically and geographically, Theresa May might draw some comfort from Qatar's resilience in the face of extraordinary pressure and much-changed regional circumstances. But the real lesson is that no matter the Brexit deal, the UK needs a radical rethink.

Professor Darzi is a surgeon and director of the Institute of Global Health Innovation, Imperial College London and Executive Chair of the World Innovation Summit for Health (WISH), an initiative of the Qatar Foundation.

Russia and Qatar discuss S-400 missile systems deal TASS

(Reuters) – Russia and Qatar have been in discussions about a possible sale of S-400 missile systems to Doha, TASS news agency cited the Russian envoy to Qatar as saying on Saturday.

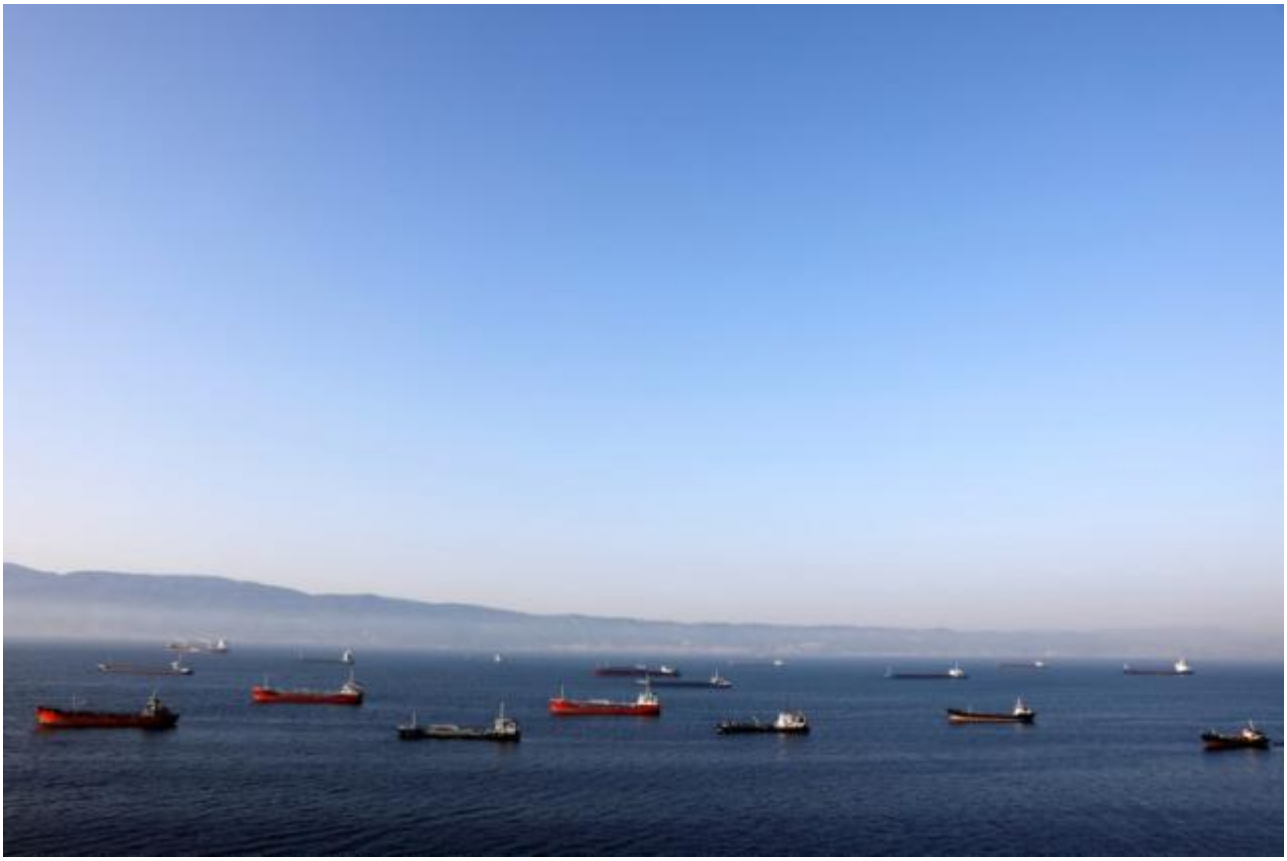
He also confirmed media reports that Qatar and Russia had

signed a deal on supplying Qatar with small arms, such as Kalashnikov assault rifles, and anti-tank weapons.

“As far as the air defense is concerned, the S-400 systems and so on, there are talks about this, but there is no concrete conclusion,” Nurmakhmad Kholov, the ambassador to Qatar, was quoted as saying.

Kholov also told TASS the Qatari Energy Minister Mohammed al-Sada will take part in Moscow’s energy conference in October.

Turkey’s Tupras reduces Iranian crude purchases as U.S. sanctions loom



(Reuters) – Turkey's biggest oil importer Tupras has cut back purchases of Iranian crude since May, when the United States said it would re-impose sanctions on Tehran, and analysts say Tupras is likely to stick to lower volumes in coming months.

NATO member Turkey depends heavily on imports to meet its energy needs and neighboring Iran has been one of its main sources of oil because of its proximity, crude quality and favorable price differentials, traders say.

In the first four months of 2018, Tupras, Turkey's largest refiner, bought an average of 187,196 barrels per day of Iranian oil, data from Turkey's energy watchdog EPDK showed.

In April alone, Tupras imported eight cargoes – equivalent to just over 240,000 bpd – from the OPEC member.

But since May, when President Donald Trump announced the re-imposition of U.S. sanctions on Tehran after pulling out of a 2015 nuclear deal, Tupras's purchases of Iranian oil have gone down.

Tehran shipped four cargoes of crude oil per month to Tupras, equivalent to around 130,000 bpd, in May and June, tanker tracking and shipping data showed, down from six to eight earlier in the year.

So far in July, Tupras has bought three more cargoes.

The United States is due to re-instate sanctions on Iran's energy sector after a wind-down period ends on Nov. 4.

An industry source said the U.S. decision was the main reason for the decline in Tupras's purchases of Iranian oil since May, but said the company was likely to continue importing some Iranian crude, as it did when U.S. sanctions were previously in force.

"During the sanctions scheme of 2011 by the U.S., Tupras was able to purchase 3 to 4 cargoes of Iranian crude a month," the

industry source said.

“I believe they would want to be able to stick to that this time as well instead of completely stopping. This crude needs to be bought by someone as otherwise it will send the price shooting up, which nobody wants,” he said.

Refiners in other countries are affected by the sanctions because they want to maintain their access to the U.S. financial system. Indian refiners also cut imports of Iranian oil last month to avoid looming U.S. sanctions.

SANCTIONS WAIVERS

Trump initially planned to totally shut Iran out of global oil markets, demanding all other countries stop buying its crude by November.

The United States later said it may grant sanction waivers to some allies that are particularly reliant on Iranian supplies.

Most analysts still think the sanctions will significantly reduce Iran’s crude oil exports, with some forecasting as much as a two-thirds drop to 700,000 barrels per day (bpd).

Turkey has criticized the U.S. decision, saying Ankara will not cut trade ties with Iran at the behest of other countries.

After meeting a U.S. delegation in Ankara on Friday, the Turkish foreign ministry said authorities were working to avoid the U.S. sanctions from harming Turkey.

In the past, whenever Turkey has needed to cut back on Iranian oil, Iraqi crude emerged as the alternative. Analysts say that is again likely to be the case in the coming months.

“Iran and Iraq have traditionally been Turkey’s two biggest crude oil suppliers,” Cuneyt Kazokoglu, head of oil demand at consulting firm FGE, said. “It won’t be a surprise to see more Basra barrels flowing to Turkey,” he said.

In the first four months of the year, Turkey imported an average of 39,768 bpd of Iraqi oil.

In the whole of 2017, Iraq was Turkey's third biggest supplier of crude after Iran and Russia, with 7 million tonnes of oil, equivalent to around 141,000 bpd.

(Reporting by Humeyra Pamuk; Editing by Adrian Croft)

Moscow steadily promoting its 'Helsinki agenda' in Syria

MOSCOW – In the wake of the Helsinki Summit between US President Donald Trump and his Russian counterpart Vladimir Putin, Moscow has made a series of moves regarding the situation in Syria aimed at reassuring allies and delivering on guarantees made to each. In this context, Putin's special envoy on Syria Alexander Lavrentiev visited Tehran July 19 for meetings with figures from the Supreme National Security Council of Iran, including the council's Deputy Secretary-

General Saeed Irvanii.

In a meeting that lasted more than two hours, the Russian envoy briefed his Iranian colleague on the results of the Helsinki summit vis-a-vis the situation in Syria and discussed prospects for further coordination of activities in the country. At the July 16 summit, Trump and Putin spoke at length about security in the Golan Heights. During a press conference following their one-on-one meeting, Putin noted that Moscow sees the treaty of 1974 about the separation of Israeli and Syrian forces as a way "to bring peace to [the] Golan Heights, bring a more peaceful relationship between Syria and Israel, and also to provide security for the state of Israel."

Meanwhile, after a major victory over opposition militants in the south who have agreed to surrender terms, President Bashar al-Assad is close to recovering control of the Syrian border with the Israeli-occupied Golan Heights.

Prior to his visit to Iran, on July 16 Lavrentiev said, "There aren't and never have been Iranian forces in the south of Syria." Yet he dodged the question when asked whether he thought there were Iranian advisers in the area.

"The fight with terrorists continues. As far as the de-escalation zones are concerned, we continue working on reconciliation of the warring parties with the participation of moderate groups," Lavrentiev added.

Russian Ambassador to Syria Alexander Kinshchak was more precise on this matter, saying three days later, "There are no pro-Iranian armed units in the south of Syria."

"This issue has already been settled. I have repeatedly heard from different sources that there are no pro-Iranian, Shiite units in the south of Syria," he added.

Russia's outreach to Iran following Putin's meeting with Trump and thorough discussions of Israeli security concerns comes as part of Russia's own checks-and-balances approach toward the

complex Syrian equation.

Prior to the Helsinki meeting, Russia had been expected to deliver primarily three things: guarantee Israel's security from what Prime Minister Benjamin Netanyahu sees as a growing Iranian presence on the Syrian-Israeli border, curb Iranian influence in the rest of Syria and open up to some kind of engagement with the United States and interested European states — all to ensure America's own military pullout from Syria.

Hence, the statements and moves Russian officials have made in the few days following the Helsinki meeting are meant to signal that Moscow has been delivering on what appears to have been its promises to each party: security for Israel, cooperation with Iran and engagement with the West.

On July 19, Al-Monitor cited statements by Russian Ambassador to Iran Levan Dzhagaryan expressing Moscow's preoccupation over the possibility of a military confrontation between Israeli and Iranian forces in Syria. Dzhagaryan also alluded to Russia's way of approaching Iranians.

"[Iran] is not a country where you can apply pressure. It is a large nation and pursues an independent foreign policy. Work with Iranians can only be done through persuasion, and pressure on Iran will get you the opposite result," Dzhagaryan said.

Russia, therefore, is moving steadily toward gradual implementation of its vision for the Golan Heights, while conveying to Iran that these policies are the least painful solutions to the interests of the Islamic Republic when measured against disincentives of a larger regional war. Moscow also seeks to persuade Tehran that its proposal on the Golan Heights doesn't mean Russia prioritizes Israel over Iran, nor does it undermine Russian-Iranian cooperation against what both deem terrorists in Syria. Between the lines, Moscow thus signals the Trump administration it is capable of ensuring Israeli security from what Trump and Netanyahu see as the biggest threat.

Iran understandably appears to be wary of Russia flirting with the Israelis and Americans. In this particular situation, however, it has a rather limited number of options: either agree to the vision that Moscow proposes – albeit with some amendments – or waive it off and face military escalation in addition to sanctions and pressure from within.

To a large extent, the same holds true for Israel and the United States. They are skeptical over Russia's ability to deliver on this policy. Yet since Israel's security is arguably the only thing Trump really cares about vis-a-vis the conflict in Syria, he may accept the Russian vision for the Golan Heights and the southern de-escalation zone, since it virtually relieves him from yet another headache in the Middle East he'd otherwise have to deal with. It's more complicated with the Israelis, but since they genuinely count only on themselves anyway, the Russian proposal gives them just another yet important "security layer" against Iran.

Another track Putin mentioned in Helsinki that Russia was open to pursuing is coordination of the Astana process and "small group" activities. While it's not clear whether the latter is ready for such engagement, representatives of the former are scheduled to meet in Sochi July 30-31 to discuss the issue of refugees.

In parallel, a new meeting between the heads of Russia, Iran and Turkey is also being prepared. Putin's foreign policy aide Yury Ushakov said the exact date has not been set as of yet, but diplomatic sources have it the trilateral summit will most likely occur at the end of the summer or in early fall. This will be the third meeting between Putin, Iranian President Hassan Rouhani and Turkish President Recep Tayyip Erdogan: Previously, the trio met first in Sochi in November 2017 and then in Ankara this past April.

Finally, in Helsinki, Putin also signaled Moscow's readiness to engage with regional and Western states on humanitarian efforts. As part of the effort on July 18, Moscow announced the establishment of the Center for the Reception, Allocation

and Accommodation of Refugees. The center, which the Russian Defense Ministry created together with Syrian authorities and whose activities will also be coordinated with Russia's Foreign Ministry, will "monitor the return of all temporarily displaced people and Syrian refugees from foreign countries to their places of permanent residence, the delivery of humanitarian aid, medical aide and construction materials."

Moscow won't disclose the exact coordinates of the center for security reasons, but Russian sources say the structure will be located "either in Damascus or in some other big city in southwestern Syria." The center, above all, is yet another tool Russia now has over the reconstruction and reconciliation process in Syria – the next big stage in Russia's Syria campaign. Aware of potential complications of the Assad government as a sole decision-maker in the process, Moscow thus seeks to both restrain the powers of Assad in this process and create conditions on the ground for other potential donors to come and negotiate terms of their contributions. Three years into the Middle East, Russia has been mastering some of its own "Oriental" bargaining practices.

Saudi Arabia's crown prince is taking the kingdom back to the Dark Ages

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Since Saudi Arabia's current regime was established in the 1930s, a chain of kings and crown princes has either promised or attempted to implement some sort of democratic mechanisms.

However, the current crown prince, Mohammed bin Salman (or MBS, as he is commonly referred to), who is positioned as the kingdom's leader among the royal family's newest generation, seems intent upon taking the kingdom back to the norms of pre-modern Saudi Arabia. He has endorsed absolute monarchy more firmly and vociferously than any of his predecessors.

In an interview with the Atlantic, MBS stated that "absolute monarchy is not a threat to any country." He added: "If it were not for absolute monarchy, you wouldn't have the United States. The absolute monarchy in France helped the creation of the United States by giving it support. Absolute monarchy is not an enemy of the United States. It's an ally for a very long time."

MBS failed to note that the Colonies were revolting against an absolute monarchy. With this declaration, MBS fully embraced a pre-modern stance that had been abandoned by almost all of his predecessors, including his grandfather, King Abdulaziz, the founder of contemporary Saudi Arabia. In preaching absolute monarchy and abandoning even the mere promise of democracy, MBS's approach to the monarchy is even more antiquated than his grandfather's.

In 1924, when King Abdulaziz conquered the Hijaz, one of the most important regions of the Arab peninsula where Mecca is located, he promised an elected council, participatory politics based on the Islamic doctrine of consultation, and absolute freedom. King Abdulaziz denounced fake elections, a nominal parliament and unfulfilled promises to the people. In the elected council that he proposed, the elected members would have the power to check executive action, approve the budget and propose legislation. In 1926, King Abdulaziz drafted a constitution-like document that provided the theoretical framework for a degree of accountability and power-sharing.

This gesture toward constitutionalism was ultimately unrealized, but hope and the theoretical framework for democracy persisted. During the reign of King Saud, the first king among the sons of Abdulaziz, the proposal for transforming the system into a constitutional monarchy was nearly implemented. Prince Talal bin Abdulaziz published "A Letter to the Citizen" that contained the basic elements for the proposed constitutional monarchy that was to be implemented by 1960. In the proposed constitution, general human rights and freedoms were to be protected. The proposed constitution also protected the right to establish unions and guilds, a right never protected or incorporated in any subsequent Saudi Arabian legislation. When King Faisal was officially inaugurated in 1964, the constitutional project was aborted.

In 1975, then-crown prince Fahd affirmed Islam's democratic basis, and when he became a king in 1982, he promised a parliament-like council and popular elections. It never happened. Fahd's brother Abdullah, at the time crown prince, revived the promises for democracy and constitutional monarchy in 2003, after a number of intellectuals and activists from all sides of the political spectrum signed a petition directed to him entitled "A Vision for the Nation's Present and Future." The petition demanded elections, the separation of powers, human rights guarantees and an end to arbitrary detentions in the kingdom. When representatives of the group met with crown prince Abdullah, he commented on their petition, saying, "Your vision is my vision, and your project is mine."

Several similar petitions followed. The most popular one, "Toward the State of Rights and Institutions," was presented by my father, prominent scholar Salman al-Awdah (who has been in prison since last September), and some of his friends and signed by several thousand citizens, including me and many members of my family. The petition marked the climax of the popular activism in Saudi Arabia for constitutional monarchy and democracy in Saudi Arabia. The phenomenon, commonly referred to as the Arab Spring, likely served as a catalyst for the petition's popularity. Yet this time, Abdullah, who had assumed the throne but has since passed away, offered no promise for democracy.

Thirty-two-year-old MBS has promised nothing but a long reign of absolute monarchy and a firmer grip on power. While ironically promising a bright economic future embodied by his initiative for a 21st-century city, Neom, he has also promised religious regression, all the way back to the conditions that resulted in the country's most infamous terrorist attack in 1979.

Previous kings and crown princes were not eager to embrace democracy either and may not have moved honestly toward it,

but their maneuver of accepting democracy as an end allowed for some healthy interaction between the people and the kings to take place. With such interactions, there was always a great chance to establish a meaningful social contract between the people and the royal family for a foundation for a more stable and democratic future.

The change of mind-set with MBS toward embracing eternal absolute power marks a dramatic shift from past democratic promises that offered some hope for the future, even though none of them were ever fulfilled. The new Saudi administration has gained positive press for its futuristic rhetoric, including talk of a robotically manned city, and for allowing women to drive. But make no mistake: We are witnessing a return to Saudi Arabia’s past. In abandoning the promise of democracy, the crown prince may actually be on his way to making Saudi Arabia more medieval than ever.