



## The Region: A Middle East Newsletter

*In this edition of THE REGION, ACLS brings you analysis of the previous week's strategically significant news developments in the Middle East.*

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### **1. TURKIYE-SYRIA EARTHQUAKE: Major Consequences for the Region**

The past week in the Middle East has been dominated by the effects and aftermath of the devastating earthquakes that hit southern Turkey and northern Syria on February 6. The [scale of the devastation](#) is only beginning to sink in with the worldwide audience. Entire cities of Turkiye and Syria have been reduced to rubble, far exceeding the capacity of Turkiye's local and national government to handle. As of February 13, the death toll has exceeded [37,000](#) in the two countries and is rising fast as recovery crews excavate the rubble of residential buildings. Tens of thousands are still missing, and most are presumed dead as very few survivors have been rescued from beneath rubble since last Wednesday. What follows is a summary of major takeaways from the first 8 days of the disaster.

[Failure of the international disaster response.](#) On Monday, UN Secretary General Guterres announced that he had persuaded Bashar al-Assad to agree to let the UN use two additional border crossings—at Bab al-Salameh and Al Rai—for a period of three months, in addition to the Bab al-Hawa crossing the UN already uses. However, this step comes too late to rescue the UN's reputation among many Syrians. The UN agencies sent no earthquake-related aid into NW Syria for the first six days following the quake, even after road access to the Bab al-Hawa border crossing was restored. Syrians in the hardest-hit regions of the northwest were shocked to see no UN assistance at all at a time when dozens of planeloads of UN and other international aid flowed into the regime's distribution points in Damascus. UN officials made high-profile trips to Damascus and other regime-held territories while avoiding engagement with the 4.5 million people of Northwest Syria. The [World Food](#)



[Program](#) and [WHO](#) in particular made high-profile tours of regime areas and praised the Assad regime's cooperation in relief efforts. Syrian opposition officials noted that UN agencies in Damascus have been [pushing to establish cross-line humanitarian deliveries as an alternative to cross-border](#) support from Turkey, and those agencies appear to be using the disaster relief as a way to achieve this goal.

It would be difficult to overstate the damage the UN's failure has done to its reputation among Syrians in the earthquake zones and worldwide. Syrian communities have begun protesting to demand investigations of the UN's neglect and its seeming pro-Assad posture. Syrians inside Turkey are also reporting a tide of Turkish social anger at Syrian refugees and local policies meant to exclude Syrians from receiving earthquake relief in some places. The Turkish cities hardest hit have large Syrian populations, and the death toll of Syrians inside Turkey is approaching 1,000 as of Monday.

[Exploitation of the disaster by the Assad regime.](#) As the reputation of the UN, Turkish government, and Syrian opposition parties suffer, the Assad regime has mounted an organized public relations blitz to depict the regime as the only viable channel for aid going to the stricken areas of northern Syria, both regime- and opposition-controlled. Syrian opposition communities have been dismayed by the high volume of aid deliveries and political outreach from the UAE, Egypt, and other countries to the Assad regime, alongside the Biden administration's decision on February 9 to waive sanctions for six months on financial transactions going to Assad's territory, a move that undermines the Caesar Act sanctions against Assad.

[Heightened risk of extremism, disease, and insecurity.](#) With the infrastructure of northwest Syria primarily destroyed, and the legitimacy of Turkiye, the Assad government, and the Syrian Interim Government all damaged, Syrian experts now raise concerns that extremists groups such as ISIS could take advantage of the crisis in northern Syria and of popular

anger to reestablish themselves and begin conducting terrorist operations. Syrian journalist Ahmad Hassan, for example, said on February 11 that the crisis has created conditions similar to those that allowed for the rise of ISIS before 2014. In addition to security concerns, the collapse of infrastructure and services in Northwest Services also heightens the risk of outbreaks of disease from lack of water, shelter, electricity, hygiene, and medical care in the region, especially if the anemic international relief response does not immediately improve.

## **2. IRAQ: Iraqi Government Seeks to Ease US Scrutiny of Dollar Transfers to Iran**

Last week the government of Iraqi PM Muhammad Shia al-Sudani took steps to try to end the crisis created by the collapse of Iraq's currency, the dinar, in the face of US pressure for Iraq to stop allowing dollars to be channeled from its Central Bank (CBI) to Iran. The dinar lost about a quarter of its value after the US Federal Reserve put in place stricter guidelines for dollar transactions in Iraq in November, in a bid by the US to stop the fraudulent practice by which fake import transactions allowed corrupt Iraqi businesses and officials to funnel dollars to Iran's IRGC and other bad actors. [Experts have estimated that this practice has enabled tens of billions of dollars to be diverted to Iran over the years.](#)

Facing popular unrest and rapid inflation as a result of the dinar's collapse, Sudani fired the Central Bank governor in late January and replaced him with Ali al Allaq, an ally of former PM Nouri Maliki who previously headed the Central Bank from 2014 to 2020, the period during which [the CBI's US-authorized "dollar auctions" were most subject to corruption and fraud.](#) Last week, Allaq traveled to Washington with a senior Iraqi delegation with the task of convincing the Biden administration to ease the tighter guidelines put in place by the Federal Reserve and the US Treasury. [Allaq reportedly got the administration to agree to ease the restrictions](#) and to allow Iraq to pay the Iranian regime up to \$500,000,000 in U.S. currency to partially fulfill debts Baghdad owes to Tehran for the supply of gas, electricity, and other exchange. He also seems to have gotten U.S. approval for a greater



volume of “dollar auctions,” as the first daily “dollar auction” following Allaq’s negotiations saw [a jump to \\$305 million dollars sold at the CBI](#), compared to an average daily auction level of under \$50 million before Allaq’s Washington visit.

Sudani and Allaq will need the increased supply of dollars in Baghdad if they are to avoid disaster for another monetary policy decision made last week. After the dinar fell to about 1,700 to the dollar on currency markets, Allaq and Sudani announced that [the official exchange rate would return to the pre-crisis level of about 1,300 to the dollar](#), and that they intended to secure US support for a dollar supply to the CBI that would enable the reduction. Since the market rate for the dinar in Baghdad is still [about 1,500 to the dollar](#), those who can buy dollars at the official rate can sell them on the market for an instant 15 percent profit, making corruption highly attractive. Unless Allaq and Sudani can manage to unify the official and market exchange rates, the Iraqi government will effectively be subsidizing corrupt dollar sales at the cost of hundreds of millions of dollars per month—a hemorrhaging of cash the Iraqi government cannot afford for long.

### **3. IRAN: Iranian Regime Becoming Major Arms Supplier to China and Russia**

Alongside the Iranian regime’s already known supply of arms to Russia for use against Ukraine, signs emerged last week that Tehran intends to become a major arms supplier for China. On February 9, an advisor to Iran’s Minister of Intelligence reportedly said that 90 countries are “customers” for Iranian drones, and [China is in the “queue” to receive 15,000 of them](#). As U.S. officials have already noted, [the export of Iranian military drones would be a violation of UN Security Council Resolution 2231](#)—the UNSCR that underpins the Iran nuclear agreement—and both Iran and China would be violating it if such a trade were to take place now. Nevertheless, [Iranian President Raisi will visit China this week](#), and the issue of a closer Iran-China military relationship is likely to be on the agenda. As the drones-to-China revelation demonstrates, the Iranian regime has been undeterred in violating international sanctions, continuing its supply of arms to the Russian war effort in



Ukraine even by [smuggling drones to Russia by boat](#), and [publicly declaring that its exports to Iraq are rising despite U.S. sanctions](#) that are meant to prevent such transactions. There is every reason to believe that the armed Iranian drones that U.S. and western observers once believed posed a threat only to Israel, Saudi Arabia, and Iran's other regional neighbors will now appear in the Pacific and other military theaters around the world, just as they have shown up in Ukraine.

#### **4. IRAN: Iranian Opposition Begins to Unify Around Iran's Former Crown Prince**

February 11 marks the annual day on which the Iranian regime celebrates the Islamic Revolution that overthrew the Shah in 1979. As in previous years, the regime in Tehran staged large rallies in support of the Islamic Republic, but the most notable rally this year came not in Iran, but in the United States, staged not by regime supporters, but opponents. For weeks ahead of February 11, anti-regime organizations around the world called for anti-Iranian regime protests on the regime's anniversary. In Los Angeles, [more than 80,000 Iranians gathered for a rally headlined by Reza Pahlavi](#), son of the late Shah, where crowds chanted "death to the dictator," aimed at Khamenei, in place of the "death to America" chants the Iranian regime uses for the February 11 occasion.

The Iranian opposition's ability to turn out 80,000 supporters in one U.S. city, and the crowd's enthusiasm for Pahlavi, are part of a recent trend in which the long-fractured expatriate Iranian opposition groups have begun to coalesce around a common platform and around Pahlavi himself. Regime leaders in Tehran will have paid close attention to Pahlavi's February 11 rally and the growing unity of their exiled opposition, both of which will be deeply worrisome for a regime that is still beset by a broad protest movement inside Iran and [a worsening economic crisis for which Khamenei has no answers](#).

#### **5. NORTH AFRICA: Russia Seeks to Expand Its Military Presence in Sudan**



Russia and the western powers competed for influence in Khartoum last week. In just a couple of days, Russian foreign minister Sergei Lavrov, a diplomatic delegation from the U.S. and EU, and an Israeli delegation all visited Sudan's capital in a bid to strengthen relations there. [The U.S.-EU delegation reportedly aimed to advance Sudan's stalled political process](#) toward a transition back to civilian rule from the military council that now runs affairs in Khartoum. The delegation came soon after [a visit by Israeli foreign minister Eli Cohen](#), who visited Sudan seeking to make progress toward an Israeli-Sudanese peace treaty later this year.

But last Wednesday, Lavrov made a different and counterbalancing visit when he met with Sudan's military leadership to reach an agreement for [a new Russian naval base on Sudan's Red Sea coast](#). In a press conference, Lavrov said he and Sudan's military leadership had agreed that [their two countries would work together to "reform the UN security council" and to achieve a "multipolar world"](#) in which the power of the U.S. and the west would presumably be diluted. In truth, Moscow has cultivated a closer relationship with Sudan in recent years as a way to help escape international sanctions and isolation, the pressure of which has greatly deepened since Russia's February 2022 invasion of Ukraine. Moscow needs all the friends it can get, and Vladimir Putin and his regime appear to view Khartoum's ruling junta as a prime target for gaining new leverage at the same time that Israel, the U.S., and the European powers are aiming to upgrade their Sudanese relations.

## **6. ISRAEL: Deepening Constitutional Dispute over Judicial Reform**

On Monday [Israel was thrown into political turmoil](#) as the Knesset took up the question of Prime Minister Netanyahu's plan to reform Israel's judiciary. As a Knesset committee voted to pass some of the plan's provisions, chaos broke out in the Knesset as opposition members attempted to shout down the committee's chairman and prevent a vote. Meanwhile, in the streets of Israel's largest cities, including directly outside the Knesset building, [tens of thousands of protesters gathered](#) in opposition to Netanyahu's plan and his government.



At issue is Netanyahu's plan to change the Israeli supreme court's ability to strike down laws the court deems unconstitutional. Netanyahu's opposition considers the move an antidemocratic power grab. Netanyahu and his allies, on the other hand, argue that it is the judiciary that has already amassed too much power in recent years, and their reforms are a necessary rebalancing of power. Either way, the dispute has grown into a full-fledged constitutional crisis.

