

IRAN MOVES FROM PARIAH STATE TO REGIONAL POWER

TEHRAN-US THAW MAY UNDERMINE RIYADH'S LEADING ROLE

BEIRUT: Iran's release from sanctions testifies to its new relationship with the United States as it moves from pariah state to regional power, a status that could come at the cost of Saudi Arabia, Washington's chief Arab ally. Enemies and allies alike must adjust to Iran becoming an uninhibited power broker in the Middle East after its nuclear deal with world powers and Saturday's lifting of sanctions that bring it to the top table of international politics. The swift release last week of US Navy sailors after they drifted into Iranian waters marked the new era in relations following decades of hostility with the West.

After the 1979 revolution that brought Shiite clerics to power, Iran would typically use hostages to extract concessions from its western adversaries. Early on, it held 52 hostages taken from the US embassy in Tehran for 444 days. That incident ranked alongside Iranian-backed suicide bombings against Western embassies and troops in Lebanon, the hijacking of planes and the kidnapping of Western hostages in the country.

All this left deep scars and incited hostility towards Iran as an outlaw, in the region and the world. Yet last week's naval incident contrasted to 2007 when Iran captured British sailors in similar circumstances, but accused of them of spying and held them for two weeks. The hiccup over the American sailors was easily contained by the new rapprochement and "summarizes the emergence of a new relationship between Washington and Tehran", said Fawaz Gerges, a Middle East expert at the London School of Economics.

No Longer a Spoiler?

Washington remains far from enamored of the mullahs ruling in Tehran, and is formally committed to Iran's archrival, Saudi Arabia. But Iran's attractions are both political and economic: A country that is "a potential regional superpower, and an emerging market with huge potential along similar lines to Turkey", said Gerges. "There is a new relationship based on a new understanding of Iran's pivotal role in the region - that Iran is here to stay," he said. So, for Washington, Iran would no longer be a spoiler state, but one that could play a positive role in stabilizing the region and "help put out the fires".

Saudi Arabia, however, remains implacably at loggerheads with Iran. Its rigid Wahhabi Sunni Muslim clerical leaders treat Shiites as heretics, not far short of how Islamic State jihadis regard Shiites as idolaters to be exterminated. The Saudis have been badly rattled by Iran's success in forging a Shiite axis stretching from Iraq through Syria to Lebanon, where Tehran's paramilitary ally Hezbollah is also the strongest political force.

Riyadh says Iran is also behind unrest in neighboring Bahrain, which has a Shiite majority, as well as the insurgency of Shiite Houthis in Yemen, where the Saudis launched an air war last year. It also believes Tehran is stirring up Saudi Arabia's Eastern Province, which contains nearly all the kingdom's oil and most of its marginalized Shiite minority. The execution this month of Sheikh Nimr Al-Nimr, a dissident Saudi Shiite cleric, has further poisoned relations with Iran.

Yet for the United States and its European allies, getting Iran on-side is likely to be vital to their interests. In particular,

Tehran could be crucial in the fight against Islamic State in Iraq and Syria. The same goes for the search for ending the civil war in Syria. There Iran kept President Bashar Al-Assad in power as his sole foreign ally offering battlefield help until Russia arrived with its air force last autumn.

On the Defensive

While Iranian confidence grows, Riyadh appears defensive - and unpredictable since last year's succession of the King Salman, who has vested vast power in his young son, Prince Mohammed bin Salman, Saudi watchers say. "There is a widespread perception that Saudi Arabia is pursuing chaotic, counter-productive policies," said Gerges. "The Saudis are really behaving with a sense of siege, reacting to events as if each was the end of the world," Gerges said, "flashing out angrily and recklessly, with no long-term perspective".

Iran, by contrast "believes it is a rising power, that the world needs it". Tehran also appears to have grasped that the huge increase in US shale oil production has freed America from its dependence on Saudi crude. Saudi officials say their regional policy is coherent, not ideologically or religiously motivated. "We will not allow Iran to destabilize our region. We will not allow Iran to do harm to our citizens or those of our allies and so we will react. But it is a reaction in response to Iranian aggression," Foreign Minister Adel Al-Jubeir told Reuters this month.

Farhang Jahanpour of Oxford University argues that the Saudis need to agree a regional security structure with Iran and all other Gulf states, as well as Sunni powers Egypt and Turkey. "They should cooperate because if the present state of antagonism continues they will be the losers, and we will be witnessing wars for decades in the entire region and beyond," Jahanpour said.

New Dilemmas

Rivalry between Sunni and Shiite Islam goes back many centuries. In modern times, this often translated into a strategic contest between Saudi Arabia's Wahhabi version of Sunni orthodoxy and the Shiite theocracy of Iran. The 2003 overthrow of Sunni minority rule in Iraq by the US-led invasion and its replacement by a Shiite government under the sway of Iran has rekindled the sectarian firestorm.

Ali Al-Amin, a Lebanese analyst and researcher, says Riyadh seems to believe the real threat comes from Sunni rivals such as Islamic State and a restive young Saudi population indoctrinated with Wahhabi prejudice against Shiites. "The fight with Iran strengthens it internally, it strengthens its nerve," says Amin. "Its purpose is to protect the regime and rally all Sunnis behind it."

But Iran, too, has its vulnerabilities. It faces the dilemma of how far to liberalize once its economy reconnects to world markets and investment creates new power groups. Its successes in countries such as Lebanon, Iraq and Syria have come as these states were cracked open by war or invasion, leading to de facto partition. Tehran has advanced its interests by bypassing state institutions with unstable alternatives such as militias, its principal weapon of influence. — Reuters

EXPERTS ON COURSE TO UNRAVEL SECRETS OF EGYPT PYRAMIDS

CAIRO: Experts revealed yesterday new findings at two of Egypt's famed pyramids, boosting efforts to unravel whether the ancient world's iconic monuments contain secret chambers. For the past three months a team of researchers from Egypt, France, Canada and Japan have been scanning four pyramids with thermal cameras to see if they contain unknown structures or cavities. Operation ScanPyramids began on Oct 25 to search for hidden rooms inside Khufu - also known as the Great Pyramid - and Khafre in Giza and the Bent and Red pyramids in Dahshur, all south of Cairo.

The project is expected to continue until the end of 2016, and applies a mix of infrared thermography, muon radiography imaging and 3D reconstruction - all of which the researchers say are non-invasive and non-destructive techniques. Yesterday, experts revealed new findings on some of the limestone blocks that make up the western flank of the Red pyramid and northern flank of Khufu. "There is a clear separation of temperature on the west face of Red pyramid. The bottom is colder than the top," Matthieu Klein of Canada's Laval University told a news conference. "It's interesting. We have no answers yet... Could it be because of the wind?

Maybe, but it's interesting," he said, adding that the difference in temperature was of three to six degrees Celsius.

A video projection of the data recorded by the thermal cameras showed hues of red on the blocks where heat was detected and blue and magenta for the cooler ones. Klein said two anomalies were also located on the northern flank of Khufu, where experts have previously found similar "points of interest" on the monument's eastern face. Experts say they will carry out more investigations to include further data analysis of the anomalies detected so far.

"The primary result tells us that we have some news, some good news," Antiquities Minister Mamdouh Al-Damati said. "We will have some secrets to solve in the pyramids, but it's very early to say what they are." At 146 m tall, Khufu pyramid, named after the son of pharaoh Snefru, is considered one of the seven wonders of the ancient world, built some 4,500 years ago. It has three known chambers, and like other pyramids in Egypt was intended as a pharaoh's tomb. The Red pyramid, built by Snefru, is 105 m tall and located to the north of the Bent pyramid at the Dahshur necropolis. — AFP

ROUHANI, OBAMA HAIL NUKE DEAL...

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Tehran remained over its "destabilizing activities". In a sign of those differences, Washington announced it had decided to target the Islamic republic's ballistic missile program with new measures. Five Iranian nationals and a network of companies based in the United Arab Emirates and China were added to an American blacklist, the US Treasury Department announced.

The White House had threatened to impose the measures last month but withdrew them after Rouhani hit out at both their timing and intent. Missiles were not part of the nuclear agreement. Asked before the new sanctions were announced how Iran would react to fresh measures against it, Rouhani yesterday had said: "Any action will be met by a reaction."

The new sanctions came after three Iranian-Americans, including Washington Post reporter Jason Rezaian, left Tehran following their release in a prisoner swap with the United States. The prisoner swap involved Rezaian, Christian pastor Saeed Abedini, former US Marine Amir Hekmati and a fourth man, Nosratollah Khosravi-Roodsari. Iranian state television said they departed on a special plane to Bern in Switzerland but US officials told American media that Khosravi-Roodsari was not on board. The Swiss foreign ministry confirmed that three US prisoners released by Tehran were due in the country. Washington Post publisher Frederick Ryan said in a statement: "We are relieved that this 545-day nightmare for Jason and his family is finally over."

Under the exchange, Washington said it had granted clemency to seven Iranians, six of whom were dual US-Iranian citizens, and dropped charges against 14 more. Obama welcomed the Americans' release, saying: "When Americans are freed, that's something we can all celebrate." For a decade the sanctions, imposed in condemnation of Iran's disputed nuclear program, had crippled the country's economy. Rouhani, who has promised that 2016 will be a "year of prosperity" for Iranians, told lawmakers on Sunday that following the lifting of sanctions Iran would seek foreign investment of \$30-\$50 billion annual-

ly, to dramatically spur growth to eight percent. Iran can now increase its oil exports, long the lifeblood of its economy though Rouhani has moved away from relying on crude. The nuclear deal will also open up business in the 79-million-strong country. US Secretary of State John Kerry said yesterday that the United States was to repay Iran a \$400 million debt and \$1.3 billion in interest due to the Islamic revolution. The repayment, arranged after an international legal tribunal, is separate from the tens of billions of dollars that Iran can now access after the end of nuclear sanctions.

The Vienna agreement was nailed down after two years of rollercoaster negotiations following Rouhani's election. It drew a line under a standoff dating back to 2002 marked by failed diplomatic initiatives, ever-tighter sanctions, defiant nuclear expansion by Iran and threats of military action. International Atomic Energy Agency chief Yukiya Amano was also due in Tehran yesterday for talks on the UN watchdog's enhanced inspections to ensure Iran's continued compliance with the deal.

The steps taken so far by Tehran extend to at least a year - from a few months previously - how long Iran would need to make one nuclear bomb's worth of fissile material. They include slashing by two-thirds its uranium centrifuges, reducing its stockpile of uranium - enough before the deal for several bombs - and removing the core of the Arak reactor which could have given Iran weapons-grade plutonium. Iran has always denied wanting nuclear weapons, saying its activities are exclusively for peaceful purposes including power generation and medical research.

Critics, including Obama's Republican opponents, have poured scorn on the deal, saying it fails to do enough to ensure Iran will never acquire the bomb. Israel, widely assumed to be the Middle East's only nuclear-armed state and Iran's arch-foe, has repeatedly slammed the agreement. Prime Minister Benjamin Netanyahu said Iran had not given up its hope of obtaining a nuclear weapon. "Israel's policy has been and will remain exactly what has been followed: to not allow Iran to acquire nuclear weapons," Netanyahu told cabinet yesterday. — Agencies



A musher and his sledging dogs race a stage during the 12th edition of 'La Grande Odyssee' sledging race across the Alps yesterday in Val Cenis Lanslevillard. — AFP

MUSLIM SCOUTS BALANCE FAITH, AMERICAN...

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"It's important to transmit the American values, the values Lincoln fought for," says Rashid. "They have to learn the history of this land. You have to get them concerned by American history," chimes in Jamal Amro, the owner of the bus and a Palestinian who emigrated to the United States in 1977.

Troop 114 had the chance to attend the second inauguration of Barack Obama in 2013, and the scouts hope to be present again in 2017 when the new president is inaugurated - even if it is Trump. But Rashid cannot disguise his anger at the provocative billionaire real estate tycoon, who leads in the polls among likely Republican voters. "Those boys are born here, they are American. They can't take it away from us. The one who is anti-American is the one who says such things," he says, referring to Trump's ban call.

Izzuddin, his 17-year-old son, will vote for the first time this year after turning 18. "Trump scares a lot of people. But also, he motivates people - you have to do something about it," he says, defiantly. After visiting the museum and the Gettysburg battlefield, the teens head

back to the bus for lunch - fast food. Along the way, Rashid distributes postcards. "Write a postcard for the veterans, they'll like it," he tells his charges. After eating, the group stops at a mosque on the edge of a highway to pray.

Then it's on to Amish Country, the community of traditionalist Christians in Pennsylvania known for their simple living and reluctance to adopt modern conveniences. It's a chance for Amro to grab the microphone once more and to describe to the teenagers how the Amish left persecution in Europe to settle in the United States, to find "religious freedom".

Chalnine, an Algerian woman who has lived in the United States since 1994, volunteered to accompany the group. She enrolled her two children, a son and a daughter, in scout troops "because they do a lot of volunteering". "It's the same values as Islam," she says. But she cannot hide her concern at the sometimes harsh focus on Muslims in America and says she cancelled the family's subscription to cable television at home so her children hear as little from Trump as possible. "I hope my children will feel more American than I do," she whispers. — AFP



GETTYSBURG, Pennsylvania: Scouts from Troop 114 pose with their parents and organizers at the Gettysburg Museum of the American Civil War on Jan 9, 2016. — AFP

AMIR ORDERS SLASHING AMIRI DIWAN BUDGET

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In a related development, liberal MP Rakan Al-Nasef questioned the finance minister about the government's procedures in collecting charges imposed on companies that utilize government land. The lawmaker asked if any of the companies failed to pay the charges and demanded a list of the names of such companies. Nasef asked about if the government has taken legal measures against companies that have not paid and inquired if the government has taken measures to stop these companies from using the land. He also asked if the ministry

has exempted any of the companies of the fees.

In the meantime, the Assembly's interior and defense committee discussed the issue of naturalization with Interior Minister Sheikh Mohammad Al-Khaled Al-Sabah. Head of the committee MP Sultan Al-Shemmari said the minister informed the committee that the files of 155 children of Kuwaiti widows and divorcees are ready and will be issued soon. Shemmari said that the head of the bedoon apparatus Saleh Al-Fadhlah told the committee that the files of 32,000 bedoons are under evaluation and citizenship will be granted to those who deserve it.

GULF SHARES PLUNGE AFTER OIL ROUT, IRAN...

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The bourses of Saudi Arabia, Qatar and Abu Dhabi have already lost in the past two weeks more than they dropped in the whole of 2015. The Saudi Tadawul All-Shares Index, the largest Arab market, fell by over 7.2 during trading but recovered slightly to finish down 5.44 percent on 5,520.41 points, close to a five-year low. The leading petrochemicals sector dipped 5.1 percent, while banks lost 3.7 percent. Since the start of 2016, the TASI has dropped 20.1 percent, more than all of its losses last year.

The Qatar Exchange, the second largest in the Gulf after Saudi Arabia's, plunged 7.2 percent to close trading just above the 8,500-point mark, last seen in April 2013. All the listed firms were in the red and the bourse has so far dipped 18 percent this year, more than the 15 percent it lost in 2015.

The Dubai Financial Market dropped 6.0 percent at the opening but recovered slightly to close the day

down 4.64 percent on 2,684.9 points, a three-year low. Blue chip properties giant Emaar shed 4.0 percent and the leading construction firm Arabtec sank the maximum allowed 10 percent. Since the beginning of this year, Dubai has dropped 15 percent.

The Abu Dhabi Securities Exchange also slumped 4.24 percent but remained above the 3,700-point mark. All sectors were down with banks and real estate shedding above 5.0 percent. Dubai and Abu Dhabi bourses are the lowest since Sept 2013. The Kuwait Stock Exchange dropped 3.2 percent to just above the 5,000-point mark, levels only seen in May 2004. The small market of Oman dropped 3.2 percent to below the 5,000-point mark for the first time since mid-2009. Bahrain dropped 0.4 percent.

Since the beginning of 2016, the seven stock markets have shed more than \$130 billion of their market capitalization, which now stands at about \$800 billion. All Gulf stock exchanges ended 2015 in negative territory, led by Saudi Arabia, after the sharp decline in oil prices. — AFP