STRATEGIC
MONOGRAPH SERIES

FRAGMENTED STATES, TERRITORIAL INTEGRITY, AND THE LIMITS OF STABILITY IN THE ARAB WORLD

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VOLUME 06/2026
RELEASE: JUNE 2026

STRATEGY INTERNATIONAL

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First Published July 2022
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Executive Summary

This report documents the internal discussion held by Strategy International experts on Monday, 9th March 2026.

The session opened with a framing by the moderator, followed by a keynote presentation from Professor Kobi Michael, Senior Fellow on Military and Strategic Affairs, outlining the core problem of state failure and fragmentation, and the tension between territorial integrity and alternative political models. The floor was then opened for participants to present concise analytical positions, before concluding with an interactive Q&A in which speakers engaged one another directly.

The report concludes with a set of questions for further research, including the design of workable federation models, the conditions for effective external guarantorship, and the reform of international norms around recognition and self-determination.

Acknowledgments

Strategy International wishes to thank all participants who contributed to this discussion for their time, expertise, and candor. Special thanks are due to Professor Kobi Michael for his keynote presentation, and to Emily K. Wallerstrom for moderating the session. Strategy International is grateful to all the experts whose insights and engagement made this discussion possible.

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Foreword

By Prof. Kobi Michael

The phenomenon of the failed state is not new, but since the Arab upheaval that began in 2010 in Tunisia and spread like wildfire throughout the Arab world, it has intensified and become one of the most prominent characteristics of the Arab republics.

State failure is never limited to the borders of the failed state. The consequences are evident throughout the region and beyond. Phenomena of refugees, terrorism, crime, environmental quality and the economy undermine the stability of countries neighboring the failed states and subsequently the stability of the entire region, with ripple effects that can reach much further afield. For example, the refugee crisis in Syria, which led to the shaking of the social and political order in Europe.

The expansion of state failure requires a thorough understanding of the phenomenon and the formulation of methods of intervention to mitigate it. At the researchers' meeting that took place, I chose to present the main points of an article I wrote together with my colleague Dr. Yoel Guzansky, in which we tried to focus attention on one of the root causes of the phenomenon of state failure in the region, which is the conflicts between ethnic, sectarian and religious groups in the Arab nation-states in the region. The main argument focused on the creation and establishment of the Arab nation-states in the region as artificial entities, which forced rival and hostile ethnic and religious groups to live under one subordination, in one state under an invented nation. Historical experience indicates that in the absence of an authoritarian and repressive regime that enforces the authority of the invented nation-state by force and cruelty, the bloody civil wars were doomed to renew. The re-emergence of civil wars in the failed states in the region led to the intensification of state failure and very negative consequences for the security and stability of the region. Historical experience also proves that all attempts to resolve intra-state conflicts have not been successful. In the article presented to the Researchers' Forum, we sought to challenge the convention that sanctifies the territorial nation-state as the cornerstone of the regional order and recommended thinking about a range of ideas for alternative state structures in space. The division of multinational and multi-ethnic states into more homogeneous states, through models of expanded autonomy for ethnic and national groups in existing states and ending with loose federal structures.

We are aware of the limitations, problems, and challenges that the proposed changes present, but given a reality in which the existing system is so bloody and undermines security and stability, we believe it would be right to expand the boundaries of discourse and conventions and examine new ideas.

It is possible that the mere discussion of new ideas may generate additional and better ideas.

The Four Competing Axes

The discussion examined the consequences of state dissolution in the post-colonial and post-Cold War world, with a particular focus on regions where the international order has broken down and where competing powers and non-state actors now contest authority over territory and populations.

A foundational premise of the discussion was that many of the states now experiencing fragmentation were themselves artificial constructs, products of the Sykes-Picot Agreement and other colonial-era arrangements that drew borders with little regard for the ethnic, religious, or tribal communities living within them. The seeds of instability and friction were thus sewn at the moment of creation.

The territorial nation-state was identified as the fundamental unit of the original post-WWII international order. As these republics have collapsed or weakened, that order has come under severe strain, giving way to competition between rival powers and ideological axes.

Participants identified four principal axes of power now competing across the fragmented Middle East and broader region:

- Iranian-Shia axis — Iranian state power projecting influence through Shia proxies and aligned militias across Iraq, Syria, Lebanon, and Yemen.
- Jihadist-Salafist axis — Non-state actors including ISIS and affiliated movements pursuing a transnational Islamist project outside the framework of any recognized state.
- Muslim Brotherhood axis — A political Islamist network with backing from Turkey and Qatar, with significant influence in Gaza and other theatres.
- Arab-Sunni pragmatist axis — A coalition of established states including Saudi Arabia, Egypt, Jordan, and the Gulf countries pursuing stability-oriented regional policies within the existing state framework.

The discussion noted that the boundaries between these axes are frequently blurred. Coalitions are mixed and fluid, and the resulting conflicts are characterized by overlapping loyalties, shifting alliances, and extreme violence. This fragmentation of authority has produced protracted conflicts that in turn accelerate state failure: a self-reinforcing dynamic.

The Phenomenon of State Failure

State failure was understood not as a sudden collapse, but as a process of erosion, driven by protracted conflict and the exploitation of domestic divisions by external actors. Several characteristics of failed states were identified:

- Inability to exercise a monopoly of force over the national territory.
- Permeability to external interference. Foreign powers use the populations of failed states as instruments of their own strategic interests (cited examples: Libya, Somalia, Syria, Iraq).
- Collapse of legitimate governance and public service delivery.
- Export of instability. Failed states are not a local problem. They generate refugee flows, terrorism, transnational crime, and regional contagion that concern the entire international community.

Participants emphasized the core tension between territorial integrity and the right of communities to security and self-determination when the state can no longer guarantee either.

Case Studies

South Sudan

South Sudan was discussed as an example of state dissolution followed by a descent into civil war, illustrating that formal independence does not automatically resolve the identity conflicts and power struggles that drove the original fragmentation.

Yemen

Yemen represents a case in which the collapse of central authority has drawn in multiple regional and international actors, each backing different factions. The humanitarian consequences have been catastrophic, and no political settlement appears imminent.

Somaliland

Somaliland was cited as a striking example of a state-like entity that has achieved relative stability and functional governance yet remains unrecognized by the international community. It raises a pointed question: if territorial integrity is to be maintained as a legal norm, what do we make of entities that are practically successful but formally invisible?

Iraqi Kurdistan

Iraqi Kurdistan was examined as a case of semi-autonomy that ultimately did not prevent internal conflict. Following the 2017 independence referendum, the region experienced serious military confrontation with Baghdad, illustrating the instability that can accompany even partial moves toward formal separation.

Lebanon

Lebanon's history, specifically the 1989 Taif Agreement, was invoked as an example of how power-sharing arrangements negotiated under conditions of external pressure can reshape but not resolve underlying communal tensions. The Christian community's political dominance prior to the civil war and the subsequent war with Syria were cited as reference points for the risks of demographic and political dissonance.

Cyprus

The Cyprus question received extended attention. Participants discussed the prospects for a federal solution that could allow for coexistence while maintaining the island's status as a sovereign state eligible for full EU membership. The role of Turkey both as an occupying power and as a state with its own foreign policy calculations was

identified as a critical variable. The historical context of inter-communal relations and the attitudes of hardliners on both sides were seen as major obstacles to any settlement.

Models for Political Restructuring

The discussion considered a range of possible structural responses to state failure and fragmentation:

- Full independence — recognition of new sovereign states carved from failing predecessors.
- Loose federation — a structure that preserves nominal unity while granting substantial autonomy to constituent communities.
- Autonomy arrangements — institutionalized self-governance short of statehood (the Kurdish Regional Government in Iraq was a reference point).
- De facto separation — entities that function as states without international recognition (Somaliland being the clearest example).
- Reconstruction of failed states — international and regional efforts to rebuild central authority and governance capacity.

No single model was endorsed. Participants recognized that each carries distinct risks and that context — history, demography, geography, and the alignment of external actors — determines which approaches may be viable.

Arguments For and Against Separation

Arguments in Favor

- Reduces identity-driven conflict by aligning political authority with community boundaries.
- Can improve governance by creating more coherent and accountable political entities.
- Allows for effective territorial control, which is a precondition for security and public order.
- The logic of separation may mitigate the damage and human cost of interstate and inter-communal conflict.
- Common agreement, rather than unilateral secession, may produce more durable and internationally supported outcomes.

Arguments Against

- Risk of new instability: new borders may themselves become contested, and minorities within newly separated entities may face renewed vulnerability.
- Domino effect: recognition of one separation may encourage others, with potentially destabilizing regional and international implications.
- Loss of resilience, with larger, more diverse entities may be better placed to manage external shocks.
- Political identity as the basis of the nation-state: the historical process by which nation-states were formed through the construction of shared political identity suggests that dissolution may compound rather than resolve the underlying dissonance.

The Weakness of the International System

A recurring theme was the profound weakness of the international order in addressing these challenges. Several participants described the current moment as the most fragile for the international community since the Second World War.

The UN has demonstrated limited capacity to manage conflicts that implicate the interests of permanent Security Council members.

The wars in Ukraine and Gaza were cited as evidence of the inability of the EU and UN to act as effective conflict-management institutions.

International recognition remains a blunt instrument, it can freeze conflicts in destructive configurations but withholding it from functional entities like Somaliland serves no obvious purpose.

Participants noted that any federation or restructuring arrangement will require an external guarantor, a state or institution willing and able to underwrite the agreement over time. The absence of credible guarantors is itself a major constraint.

The Conceptual Debate: Statehood and Its Parameters

The final portion of the discussion engaged more fundamental questions about the concept of statehood itself.

One member argued that statehood as currently conceived may be an outdated framework when applied to societies built on tribal, sectarian, or ethnic foundations. Particularly where borders were borrowed or imposed rather than organically developed, this may become a source of tension. Syria was cited as a deeply sectarian society whose political organization cannot be adequately captured by standard state theory. He invoked Max Weber's concept of the monopoly of legitimate force, suggesting that where no actor commands such a monopoly, the language of statehood may simply not apply.

Another member offered a more adaptive view: rather than challenging the concept of the state outright, he argued for the evolution of the state as a social construct. Societies have historically adapted the form of the state to their circumstances; the challenge is to find new configurations rather than abandon the framework entirely.

One member proposed a procedural contribution: that a federation can serve as a platform for dialogue and gradual confidence-building between communities, even before a final political settlement is reached. The critical variable, he argued, is how minority and ethnic communities view one another, and whether mechanisms for gradual communication and trust-building can be established. He specifically proposed further research into federation as a potential solution for Cyprus and analogous cases.

Benedict Anderson's concept of the imagined community – the idea that nations are constructed through shared mythology and cultural narrative — was referenced as a framework for understanding both how states cohere and why, in societies where that mythology was never shared, they may not.

Conclusions and Next Steps

The discussion did not converge on prescriptive conclusions, which reflects the genuine complexity of the subject. Several threads were nonetheless identified for further research. These include a comparative study of federation models and their applicability to specific cases such as Cyprus, Iraqi Kurdistan, and Syria, as well as an examination of the conditions under which external guarantors have successfully underpinned political settlements. Participants also pointed to the need for a rigorous analysis of the international legal and normative framework governing recognition, self-determination, and territorial integrity, and whether reform of that framework is necessary or feasible. Finally, further work was called for on how states can be designed or redesigned to accommodate multi-ethnic and multi-sectarian populations without requiring the suppression of identity.



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