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in the **Security Issues
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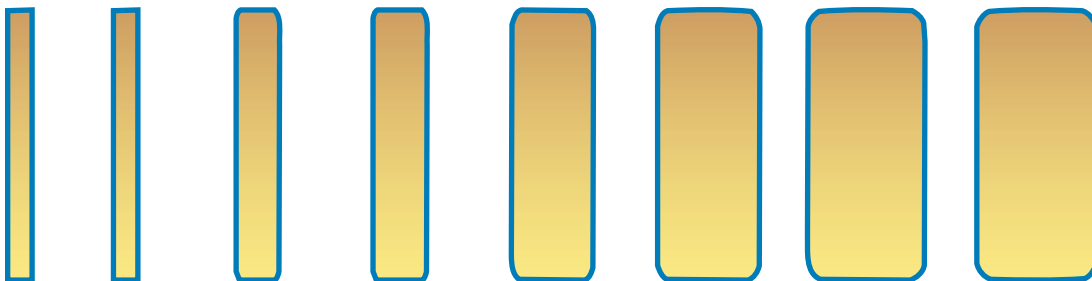
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Overview

Six months after the terrorist attacks in the United States and eighteen months after the start of the Al Aqsa intifada, ongoing violence, and political reactions to it, continue to shape the Middle East. This will continue to be the case for at least the next year, and the political changes that follow the violence may be much more significant than has been the case in the last year and a half. The political landscape of the region may shift more in the next one to two years than it has at any time since the late 1970s.

Iraq is Central

The Bush administration is reported to believe that if it can “solve” the Iraq problem, then many of the other problems of the Middle East will either fade away or be much more soluble. While this is likely a bit of an exaggeration of thinking within Washington, and in turn the thinking is a bit of a simplification, it does demonstrate how key Baghdad is to the calculations of how to proceed next in the war on terrorism. It should be remembered that the Bush administration came into office vowing to be more activist on Iraq and was in the midst of a policy review on how to put more pressure on Saddam Hussein when the September 11 attacks occurred. The attacks heightened the sense of urgency and clarified the desire to act against Iraq, but it did not make the options any easier. Barring some unforeseen turn of events, however, Washington will take military action of some sort against Iraq within the next year.

The outcome of military hostilities is impossible to predict and will depend upon a host of factors including what option is chosen (i.e., all-out invasion or support for a domestic insurgency), but it is useful to at least begin to think about the broader regional impact of a war in Iraq and a change of regime in Baghdad. The first question is whether Iraq would fracture into multiple states. Despite fears after the 1991 Gulf War that Iraq would split into three states, this is not likely to be the result in a future war. Too many outside powers have an interest in keeping it whole, and certainly a U.S. strategy for war would have a single Iraq as its preferred outcome. However, Iraq could become significantly more decentralized with the Kurdish north having much more autonomy than has ever

been the case. This, in turn, could put additional pressure on Turkey to grant increasing rights to its Kurdish minority. While less likely to respond, similar pressures could also build in Iran and Syria – each with its own Kurdish minority. Iraq’s Shiite majority could have much more say in the country’s governance, but it is unlikely to become allied with Iran’s rulers. Nationalism still runs strong in Iraq as does Arab pride, and those forces will likely overshadow the religious affinity between Iraq’s southern peoples and Iran.

A war to change the regime in Baghdad is likely to be more bloody and violent than even the 1990-91 Gulf War and occupation of Kuwait. If Saddam’s regime is threatened directly, he is likely to use weapons of mass destruction (WMD) against opposing forces and possibly Israel. Washington and Tel Aviv, in return, will retaliate massively, but almost certainly only with conventional weapons. The one wild card is if Saddam is able to strike Israel with significant amounts of chemical weapons or a radiological weapon. If that occurs, all bets are off as to the nature and scope of Tel Aviv’s reaction – although clearly Washington would press Israel hard to keep it conventional. Even if the U.S. succeeds in keeping Iraq’s WMD capabilities under wraps through accurate and rapid strikes of its own, the fighting on the ground is likely to be more violent and extended than that in Afghanistan to date. The real possibility exists for widespread damage to Iraq’s oil facilities (although the U.S. will avoid targeting them directly) and for significant refugee flows into neighboring states that may in turn set off further unrest in those locales.

If the U.S. and its coalition partners succeed in changing the regime in Baghdad to one that is friendlier to the West and more democratic, it will have a significant impact on U.S. military presence in the region and U.S. policy toward the Gulf monarchies and other less than democratic regimes in the region. Without the Iraqi threat, Washington would likely retreat to an almost completely over-the-horizon posture in the Gulf region. U.S. naval forces would continue to have their headquarters in Bahrain and patrol the Gulf, but ground-based air would likely depart other than occasional exercises. The prepositioned ground equipment in Kuwait and Qatar would remain, but it would likely be down-

sized and refitted to reflect the new threat environment – one in which ground invasions of Kuwait, Saudi Arabia and other Gulf states are a remote possibility. This type of military change would ease tensions with Saudi Arabia over the issue of U.S. forces in the kingdom, but Washington would also shift its political position on key domestic political issues in the Gulf, possibly roiling the waters with the al Saud family and other monarchies. In particular, the disappearance of the Iraqi threat would likely result in an increase in U.S. support for democratization in the region – in both remaining adversaries such as Syria but also in friendly states such as Saudi Arabia and the UAE. The result could be tensions that are even more serious than those of the past six months. If the situation in Israel and the West Bank and Gaza has not eased in the corresponding timeframe, the combination could prove explosive.

But Israel is Critical

The escalation of violence in Israel and the territories has indeed transformed the conflict into a war, and the political fallout of wars is rarely minimal. At best, the violence could provide the political impetus for a renewed effort at peace between the Israelis and Palestinians. This is a faint hope. More likely, despite renewed efforts at talks between Israeli and Palestinian leaders, the cycle of attacks and retaliations will continue. There is no clear end to this type of fighting as it is unlikely that either the Palestinians will give up or that the Israelis will be able to find a purely military solution to the problem. This could in turn debilitate the Israeli polity and even further fracture what political cohesion existed within the territories. It is not clear what type of political leadership would arise on either side in an ongoing wartime situation and what policies they would embrace or espouse. While a more extreme position than that of the Palestinian rejectionists is hard to envision, the worry is that a formal acquisition of political power by these groups could lead to closer political-military ties with Arab states or terrorist groups that follow the same policies, risking a broadening of the war. An even more hard-line government in Israel could take steps to drive large numbers of Palestinians out of the territories or cut them off completely from Israel permanently, leading to potentially destabilizing flows into Jordan and/or Egypt.

The worry about the wider political impact in the region is evident in the proposals by Saudi Crown Prince Abdullah and Egyptian President Mubarak. Whatever other reasons the two leaders have for putting forward their own plans for peace or at least renewed negotiations (see the Israel chap-

ter for a detailed discussion of the Abdullah plan), each clearly fears that the ongoing spiral of violence could rebound to their detriment domestically. The level of anti-Israeli rhetoric common in both of these states, at least permitted and often encouraged by the government, could escalate to popular demands for military or economic action should the war continue. While allowing popular anger to vent itself against Israel is one thing, neither the Egyptian nor Saudi government have any desire to get involved directly in the conflict. Balancing between condemnation of Israel's actions and the desire to stay on the sidelines militarily is becoming increasingly precarious.

Finally, if the United States expects to even get a modicum of support in the Arab world for an attack on Iraq, it needs at the very least to be seen to be trying to tamp down the violence between Israel and the Palestinians. Trying may not be enough if the war continues at the present level. Again, while governments in the region may not want to get directly involved, and may indeed welcome the downfall of Saddam, they may fear domestic reaction too much to be at all supportive of a U.S. offensive against Iraq. While rhetorical support from Iraq's neighboring states is not required, some logistical support will be needed almost regardless of what military option is chosen by Washington. How all of this plays out will be critical to the timing of any assault, to the option chosen, and to the speed and degree of its success.

Security Issues and Israel

Sharon's Strategy of Indecision

"We are in a war," affirmed Israeli prime minister Ariel Sharon in mid-February 2002, referring to the tit-for-tat violence that has dominated Levantine politics for seventeen months. This belated acknowledgement of the obvious invites some soul-searching by Sharon. War, said the military theorist Carl von Clausewitz, is the extension of policy by violent means – the use of force, that is, to compel an adversary to do one's bidding. The obvious first question, then, is: What does Israel's unity government hope to force the Palestinians to do? To say Israeli war aims are murky understates the case. Tel Aviv has refrained from ousting – or convincingly threatening to oust – Palestinian Authority (PA) chairman Yasser Arafat. It has no appetite for destroying the PA and trying to negotiate a peace agreement with whatever entity might emerge to replace it. And its more modest policy of "targeted killings" of militant leaders and reprisals against terrorist attacks has neither exacted a price sufficient to cow Arafat nor appreciably diminished the ability of the militant groups to continue the suicide-bombing campaign.

As a war of attrition, then, the Israeli war effort has been woefully indecisive. Prime Minister Sharon seems to hope that he can leave the Palestinian status quo more or less intact while inflicting enough pain militarily to induce the Palestinians to give in to his proposals. After seventeen months of fruitless bloodshed, that seems a vain hope. Unless they can devise an effectual military strategy, yoked to a coherent national policy, the Israelis will continue to be roundly condemned by the world for a war effort that amounts to killing Palestinians for no apparent reason. It should have become apparent by now that reprisals against Palestinian militant leaders, not to mention missile attacks on empty PA buildings, do little aside from stiffening the resolve of Israel's antagonists. Yet Sharon is palpably unwilling to take decisive action, his nation's imposing arsenal notwithstanding. Barring a military escalation of the anti-terrorist campaign – and the political courage a decision to take more forceful action would involve – the intifada seems fated to keep sputtering along indefinitely.

One thing does seem clear amid this muddle: Ehud Barak's peace offer from the 2000 Camp

David summit is off the table. However, something more limited could be in the offing. In the wake of the December 2001 gun-running affair (see below), Tel Aviv ostentatiously severed relations with the "irrelevant" Yasser Arafat, blockaded the chairman in his Ramallah office, and opened talks with "alternative and more moderate" Palestinians. On January 30 the prime minister met with three senior Palestinians, including Mahmoud Abbas (Abu Mazen) and Ahmed Korei (Abu Ala), at his home in Jerusalem. Sharon has dangled an open-ended interim peace accord that would leave Palestinians with some 50 percent of the West Bank and Gaza, splintered into numerous enclaves. (By comparison, the draft Camp David accord would have left the PA in possession of approximately 95 percent of the West Bank and Gaza.) Through this show of willingness to negotiate, he stunned his critics in the Labor Party and infuriated right-wing Jewish settlers – not to mention their supporters in the government – who, true to form, flayed Sharon for surrendering their interests and demanded that he "learn from George Bush how to deal with terrorists."

The settlers needn't worry overmuch. Sharon's deft move was for domestic consumption and accomplished little else. Meeting with supposedly more pliant Palestinians gave the prime minister a sorely needed political boost by burnishing his image as a reasonable statesman; but no Palestinian leadership could agree to the niggardly settlement he outlined. In any case, the notion that there are leaders who are both independent of Arafat and capable of rallying the Palestinian people is faulty. After meeting with Sharon, in fact, Abu Mazen and Abu Ala raced back to Arafat's office, where they announced that the PA chairman had approved the meeting, and that this proved Arafat was still in charge. Would-be Palestinian leaders undoubtedly realize that, should they go along with proposals from the much-reviled Sharon, they would appear to be Israeli puppets – political death for any Palestinian statesman.

Karine-A and the "Axis of Evil"

One event left the United States, Israel's superpower patron, disposed to look more favorably on an

aggressive Israeli strategy. On December 11, 2001, Israeli commandos intercepted the Karine-A, a merchant ship carrying some fifty tons of arms, in the Red Sea. Among the Karine-A's cargo – provided by elements within the Iranian government, perhaps with the blessing of Supreme Leader Ali Khomeini – were mortars, anti-tank rockets, hundreds of anti-personnel mines, and assorted small arms and explosives. Had it reached Palestinian militants, the shipment would have given their military capabilities an entirely new dimension. (Even without the anti-tank rockets, Palestinian militants recently managed to destroy an Israeli main battle tank for the first time.)

The weaponry was destined for the Palestinian Authority or, at a bare minimum – if the PA's vehement denials of involvement can be credited – for some Palestinian militant group bent on pressing forward with the intifada in defiance of PA cease-fire edicts. (Perhaps foreseeing the political magnitude of the Karine-A affair, Arafat clamped down on the suicide-bombing campaign in mid-December and achieved a sharp reduction in the violence.) Tel Aviv scored a propaganda windfall by exposing the clandestine arrangement. Indeed, the gun-running incident prompted the Bush administration to damp its criticism of the targeted-killings policy and, more strikingly, give a green light to Prime Minister Sharon's plan to sever ties with Arafat, cultivate ties with purportedly moderate Palestinian leaders, and experiment with a more muscular military strategy. Gone were the State Department's traditional scolding and pleas for restraint following Israeli reprisals; and U.S. professions of support for a Palestinian state have been shelved for the time being.

To the delight of Tel Aviv, moreover, Iran's complicity in the Karine-A affair undoubtedly acted as a catalyst for President Bush's decision, in his State of the Union address, to consign the Islamic Republic to the "axis of evil." In effect the axis-of-evil doctrine transformed Tehran from a sometime ally in the anti-terrorist campaign into one of America's principal adversaries – and thus synchronized U.S. security strategy more closely with that of the Israelis.

A "Note of Hope" from an Unlikely Quarter

For weeks after the Karine-A incident, support for Yasser Arafat in Arab capitals remained muted. Disclosure of the illicit arms shipment angered the Egyptian government in particular. Anxious at the hands-off attitude of the Bush administration towards Israel's ramped-up military campaign, the Arab world has warned of dire repercussions in the "Arab street"

– that vast, amorphous mass of humanity always said to be poised to swat aside governments that are too cozy with America or too soft on Israel. The long-forecast uprising routinely fails to materialize – but that could change should Ariel Sharon topple the Palestinian leadership with a go-ahead from Washington. Under virtual house arrest, his office complex ringed with Israeli tanks, Yasser Arafat has taken to ruminating wistfully about his future as a martyr to the Palestinian cause and hinting darkly about the mounting threat to Western interests.

In late January, however, the Saudi crown prince, Abdullah, warned the United States that an Israeli campaign to unseat Arafat would abort any chance of a negotiated settlement, while in the bargain producing unpredictable effects on the Saudi populace. Subsequently, in a discussion with Thomas Friedman of the *New York Times* – reproduced in the pages of the Times with Abdullah's permission – the prince declared that he would be prepared to back a formula under which the twenty-two Arab League nations would normalize diplomatic and trade ties with Tel Aviv in return for an Israeli pull-back to the 1967 borders and an agreement to make Jerusalem the shared capital of Israel and Palestine. Prime Minister Sharon promptly declared himself "ready to talk" about the Saudi formula; the White House termed the new proposal "a note of hope" in the embattled region.

This glimmer of hope could be short-lived. The Abdullah proposal, for instance, fails to address the long-running impasse between Syria and Israel over the Golan Heights – seemingly a show-stopper in itself. Conspicuous by its absence from Crown Prince Abdullah's proposal, moreover, is any mention of the "right of return" for Palestinian refugees who fled the Holy Land during previous bouts of fighting. The Camp David summit engineered by the Clinton administration foundered in part on the right-of-return dispute, alongside quarrels over land and security provisions. As pointed out in previous quarterly reports, however, some form of monetary compensation could be negotiated if that were the only barrier to a settlement. In any case, these troubling questions cannot be wished away. Saudi Arabia will be unable to broker a joint policy declaration by the Arab League unless it addresses the interests of all of the Arab states.

One intriguing possibility is that the Saudis launched these overtures in essence to give Yasser Arafat – who, after months of meaningless bloodletting, presumably regrets his rejection of the Clinton/Barak offer two years ago – a chance to reconsider the terms broached at Camp David. Soliciting a third party to make peace proposals that would be impossible for the antagonists is a time-honored tactic of

diplomacy. If that is what Crown Prince Abdullah is up to, and if his actions reflect the wishes of Arafat, then events could unfold in a more positive direction. The smart money says the Abdullah proposal, like other such proposals – including a similar proposal by King Fahd, father of the crown prince, in the early Eighties -- will prove fleeting. Yet the two sides, prodded by Washington, will at least make a show of exploring the Saudi terms; and, assuming Israel and the PA have concluded they cannot attain their political objectives by warfare, some good could come of new talks.

State of the Union Aligns U.S. and Israeli Worldviews

“Music to Israeli ears,” one Likud Party official called President Bush’s January 28 State of the Union address; Ariel Sharon heartily seconded those sentiments. In his address, the president proclaimed that his administration would “not permit the world’s most dangerous regimes to threaten us with the world’s most destructive weapons.” Among the “most dangerous regimes” were Iran and Iraq, Israel’s traditional bugaboos. Many observers throughout the West leapt at Bush’s naming of Iran and Iraq as charter members of the “axis of evil” – not to mention his singling out of Hezbollah, Hamas, and Islamic Jihad as terrorist outfits – as evidence of stepped-up Israeli influence in Washington. And, indeed, successive Israeli governments have lost no opportunity to pound home the mortal threat to their nation posed by the Islamic Republic in particular. Israeli diplomats and soldiers have long pointed to Iran’s nuclear and missile programs, its support for Hezbollah, and its venomous rhetoric as evidence that Tehran had the desire to extinguish the Jewish state and had within its grasp the wherewithal to make that objective a reality. “The Americans never needed us for the facts,” recalled one senior Israeli official; but, he added, “we tried to keep Iran on their agenda.”

Does it really matter whether the new Bush doctrine was arrived at independently or was partly the result of Israeli prodding? Not from the standpoint of military strategy. Over the past decade, the substantial Western military presence in the Middle East has deterred any overt mischief by Baghdad and Tehran; but American policy is more ambitious than that. Throughout the 1990s, America’s Iran and Iraq policies were premised on thwarting the proliferation of weapons of mass destruction and putting an end to state-sponsored terrorism. Both powers were fixtures in the State Department’s periodic Patterns of Global Terrorism reports. The tools Washington selected to achieve these aims – a com-

ination of diplomatic economic pressure – proved ineffectual. In the transformed climate of the post-September 11 world, the Bush administration may be viewed as simply putting teeth in the nation’s existing Persian Gulf security strategy.

Yet perceptions can make a world of difference in politics – especially in the Middle East, a region immersed in suspicions of America and Israel. The State of the Union speech fed into growing cynicism about the war on terrorism. Moreover, opinion in the Arab world has – fairly or unfairly – taken an increasingly dim view of President Bush’s stance on the Israeli-Palestinian conflict. A common assessment that Bush threw his support behind a Palestinian state when he needed Muslim help with the war on terrorism. Now, freed of the imperative to curry favor, the president has reneged, providing political cover for a brutal Israeli bid to dash their national aspirations. And, indeed, George W. Bush has seemingly put himself in a bind with his axis-of-evil doctrine – at least where the Arab-Israeli conflict is concerned. Having come down behind Ariel Sharon’s claims that Israel is engaged in an anti-terrorist campaign of its own, Bush will find it difficult to back away and resume efforts to mediate between Tel Aviv and those branded as terrorists.

At this juncture it is impossible to tell whether the Abdullah peace proposal will offer an exit from this conundrum. But it is the most promising development in Arab-Israeli politics in many months.

Security Issues and

Wiggle Room for Saddam, Courtesy of George Bush

This is a delicate moment in the Bush administration's diplomatic offensive against Iraq, not because of an American misstep, exactly, but because George W. Bush has ordered Baghdad either to admit international weapons inspectors into the country or face "regime change" – that is, political destruction. President Bush had little alternative other than to give the Iraqis a chance; launching a military assault without diplomatic preparation would reek of wanton aggression and settling old scores. The inevitable backlash from world opinion could strangle support for an Iraq campaign within the already wobbly anti-terrorist coalition. But what happens if Saddam Hussein agrees to the demands of the United States, or, more to the point, seems to agree while continuing with the stalling tactics he perfected during the 1990s? That would spell trouble for Bush's "axis of evil" doctrine, announced during the recent State of the Union address (refer to the Iran chapter of this report), and would deny the United States a *casus belli*. An adept practitioner of the Big Lie, Saddam has long maintained, in the face of all the evidence, that his government has complied fully with the Desert Storm ceasefire resolutions. And he insists that U.N. weapons inspectors are little more than American spies.

Should he manage to readmit the inspectors on Iraq's terms and play on the sympathies of the world community, Hussein could stymie the American case for finally ousting him. To date, the Iraqi president has tried out a couple of different subterfuges. First, after months upon months of digging in their heels, the Iraqis suddenly agreed to negotiate with the United Nations about the admission of inspectors from the U.N. Monitoring and Verification Commission (UNMOVIC), erected in 1999 as the successor to the U.N. Special Commission (UNSCOM) but never allowed to perform its disarmament mission. This was a transparent bid to initiate endless wrangling over the matter in the halls of the United Nations. At this writing, Hans Blix, head of UNMOVIC, and Secretary General Kofi Annan were scheduled to meet with Iraqi foreign minister Naji Sabri to discuss weapons inspections. Asked what mes-

Iraq

sage he had for Baghdad, Blix indicated that he would demand unfettered access to the country and full cooperation from Saddam Hussein's government. More likely, Iraqi diplomats will attempt to bog down the negotiations by demanding, for instance, that UNMOVIC – already a sort of emasculated version of its predecessor – be totally purged of American influence and its activities carried out only with prior consent of the Iraqi government. In the best case from Baghdad's vantage point, Iraq would earn a clean bill of health on its weapons-of-mass-destruction programs without undergoing serious inspections.

Second, although it has adamantly maintained that UNMOVIC has been compromised by American spies, Baghdad has offered to admit a team of British inspectors to certify that Iraq has dismantled its arsenal of nuclear, chemical, and biological weaponry. That in turn would require the world body to lift the economic sanctions that have impeded Iraq's return to great-power status. Prime Minister Tony Blair's government has claimed to have proof that Baghdad has developed an inventory of unconventional weapons – lending an air of reasonability to Saddam's gambit. The Iraqi tyrant is undoubtedly counting on the notoriously soft-hearted Kofi Annan to intercede with Blair – as he did with the Clinton administration in early 1998, heading off American bombing raids. And, admittedly, it's not a bad gamble for Saddam; despite the seemingly interminable standoff between Iraq and the West, the secretary general has exhibited an inordinate faith in the ability of negotiations to settle all international disputes.

True to his post-September 11 form, however, Tony Blair sought to throttle this Iraqi obfuscation in its infancy. In a bellicose statement to Australian television, the prime minister in essence fell in line behind George Bush's axis-of-evil formula. He conjured up memories of the 1998 Kenya and Tanzania embassy bombings, concluding that, having allowed al Qaeda to survive and prosper in the wake of the embassy attacks, the West had unwittingly encouraged the terrorists to pursue an even more ambitious campaign – culminating in the New York and Washington attacks. Blair vowed not to dither any longer. He announced that he would soon be

meeting personally with President Bush to thrash out a joint Iraq strategy. "Iraq is in breach of all conditions of weapons inspectors," said the prime minister. "We know they are trying to accumulate weapons of mass destruction. We know Saddam has used them against his own people....This is something we have got to deal with."

Siding with the Bush administration promises to exact a significant political cost from Prime Minister Blair at home – exactly the sort of internal dissension Baghdad is counting on to head off military action. An estimated 86 percent of Labor Party MPs – members of the prime minister's own party – maintains that the coalition has scant evidence to justify a new military assault on Iraq. On the skeptical fringe, one respected Scottish parliamentarian even denounced Blair for his "warmongering propensities" and was expected to step up his attacks when the House of Commons debated Iraq policy in early March. Elsewhere in the world, the Russian foreign minister, Igor Ivanov, announced that his government opposed ousting the Iraqi government. While he issued a tepid plea for Baghdad to "take a more accepting stance" towards the wishes of the world body, and to renew talks with Secretary General Annan, Ivanov reserved his most pointed remarks for the United States and Great Britain. At a press conference in Paris, he told reporters tartly that "any unilateral actions, especially those contradicting the resolutions and decisions of the U.N. Security Council, may aggravate the situation in Iraq" and in the Middle East as a whole; worse, actions "in which the opinion of the other members of the anti-terrorist coalition are not taken into account could weaken the united front of the fight against terrorism."

Music to Saddam's ears.

What Kind of Military Strategy Will Washington Unleash?

Still, if anything, George Bush has proved himself to be a determined wartime president and – serenely indifferent to the political fallout – willing to follow his own vision of right and wrong. Consequently, the safest bet is still that the Bush administration will proceed with a military campaign against Iraq sometime in 2002. Unexpectedly stubborn resistance by Taliban and al Qaeda forces in eastern Afghanistan could delay operations until the fall; but U.S. forces have them surrounded and outgunned and will inevitably prevail. Meanwhile, Saddam Hussein is unlikely to agree to the exact terms demanded by Washington: free access to all suspected weapons sites throughout Iraq. As predicted previously, Saddam will continue with his

campaign of hair-splitting in an attempt to freeze world opinion. He will succeed to a considerable extent. That will channel Bush inexorably towards a difficult choice: whether to strike Iraq on a seemingly minor pretext, in defiance of large swathes of world opinion, or to relent – and lose all the tough-guy credentials he has amassed over the past six months.

If past events are any guide, and assuming Saddam Hussein balks at U.S. demands, President Bush will opt for the former course of action. As mentioned in the October 1, 2001 weekly report, Washington enjoys a range of military options. Some Bush administration officials, most prominently Secretary of State Colin Powell, reportedly favor a peaceful settlement under which Saddam Hussein agrees to cooperate with UNMOVIC in exchange for an end to the sanctions. Such an outcome would be nightmarish for many officials in the Pentagon and the CIA, who view the problem not as weapons inspections but as Saddam's continued rule. After over a decade of lies and evasion, they say, the Iraqi dictator has proved himself incorrigible – warranting his forcible removal from power before he can work further mischief. In the short term, that could mean organizing a coup from within the ranks of the Iraqi army, spearheaded by military men who defected to the West. It could mean intensifying coalition air operations over the no-fly zones in order to allow Kurdish forces to the north and Shiite forces to the south to launch large-scale uprisings. And it could mean both of these options in tandem.

The advantages of escalating the pressure, and throwing Iraq into chaos, are obvious: It will ease the burden on the American forces that will be needed to topple Saddam Hussein, and it will give America a way to act now, even as it wraps up the Afghanistan campaign and pursues secondary theaters in the war on terrorism. Washington will probably seek to organize an indigenous resistance in hopes of replicating the success of the U.S.-backed Northern Alliance in Afghanistan. Should such activities succeed in ousting Saddam, so much the better; but the Iraqi military's armored formations would likely be able to vanquish new revolts without American help. Even after falling into disrepair after 1991, the Iraqi army remains far superior to that of the Taliban. It also has the advantage of sporting a variety of chemical munitions. While U.S. forces are equipped to operate in a contaminated environment with relative ease, Saddam Hussein proved the effectiveness of his chemical arsenal against ill-trained insurgents in the late 1980s. After local forces soften up the Iraqi army, Washington will be forced to undertake a more conventional, Desert Storm-like offensive, featuring perhaps 200,000 troops (to cite

one plausible figure that has been bandied about in the Pentagon).

Depending on how matters unfold in Afghanistan, then, the second half of 2002 is likely to be eventful – with dramatic implications for energy security in the Persian Gulf region.

Security Issues and

Saudi Arabia

The Man of the Hour?

In a move that surprised observers throughout the world and in Saudi Arabia, Crown Prince Abdullah bin Abdulaziz offered a tentative proposal in mid-February to break the ongoing stalemate in the Israeli-Palestinian struggle. He offered to make a speech at the Arab summit meeting scheduled for late March that would call for Israel to withdraw from all occupied territories (pre-1967 borders) in return for full normalization of ties with Arab states, including security guarantees and trade relations. Saudi authorities also demonstrated additional flexibility: the kingdom would not object to Israeli sovereignty over parts of East Jerusalem or the transfer of some small West Bank areas to Israel if it agreed to hand over comparable land to the Palestinians. After the speech, Abdullah would then attempt to secure a vote among the member states in support of his plan.

Although such a grand bargain has been floated before, the level of violence between the Israelis and the Palestinians and the fact that it originated from Saudi Arabia motivated all players involved to reexamine the idea. Indeed, the Israelis grudgingly greeted the proposal with skepticism while Washington cautiously praised Abdullah's overture. It remains unclear how this move will affect the policies of Israeli prime minister Ariel Sharon or the Bush administration. Despite some apparent shrugs of indifference in Tel Aviv and Washington, the proposal generated diplomatic momentum and some hope to overcome the impasse. U.S. secretary of state Colin Powell, UN secretary general Kofi Annan, and the EU's foreign policy chief Javier Solana all chimed in to lend support to the crown prince's initiative. (The potential impact of his gesture is analyzed in detail in the Israel chapter.)

While Abdullah's diplomatic gesture astonished and intrigued many, the move was in the making for some time. The story behind the story had only been made public just recently. The increasingly assertive de facto ruler of the kingdom had been increasingly troubled by the unrelenting violence between the Israelis and the Palestinians. Televised images of Israeli military actions in Palestinian territories enraged him. The Bush administration's seeming acquiescence to Sharon's policies deeply irked the crown prince. In June 2001, Abdullah openly vent-

ed his frustration over America's apparent inaction. In the following month, King Fahd issued an official statement warning of the dire consequences should the violence escalate. In early August, Saudi ambassador to Britain, Ghazi Qussaibi, published a scathing commentary on Bush's policies.

On August 24 efforts to send these signals to Washington reached a climax in a personal letter that Abdullah dispatched to President Bush. The letter, apparently written in a fit of anger, shocked the White House. The crown prince conveyed his belief that the United States had made a strategic decision to side with Israel completely. He stated that such a biased position was unacceptable to the kingdom. According to a Saudi official, Abdullah dramatically concluded that "You [Americans] go your way, I [Saudi Arabia] go my way. From now on, we will protect our national interests, regardless of where America's interests lay." He then proceeded to cut all discussions with the U.S. government, including the cancellation of a high-level military review, which sent the Pentagon reeling.

Abdullah's actions produced near panic within the Bush administration. Apparently shaken by the kingdom's threat to fundamentally rearrange the politics of the Middle East, the White House responded within 36 hours. In a very business-like two-page memorandum, President Bush stated that he was opposed to the violence and would be ready to pursue a new peace initiative in the Middle East. This short reply proved to be a turning point. The crown prince hurriedly set the stage for a potential breakthrough, disclosing the correspondence between the two men to Palestinian leader Yasser Arafat and the heads of other Arab states. However, in the midst of the frenzied, behind-the-scenes diplomatic activity, the September 11 terrorist attacks shattered whatever momentum and goodwill generated by new hopes for a negotiated settlement. Peace in the region would have to wait. The crown prince bided his time until late January 2002 to spearhead another drive to secure peace, which culminated with the ambitious land-for-peace deal.

What motivated the crown prince to make such a bold maneuver? First, as Abdullah's blunt letter to Bush demonstrated, he was genuinely disturbed

by the seemingly unending violence. In particular, the asymmetry in power between the Israelis and the Palestinians was a major source of indignation. Second, he needed to improve the kingdom's deteriorating image within the United States. Critiques of the kingdom—for supporting Islamic fundamentalism, for Riyadh's reticence in the war on terrorism, for corruption, for human rights violations, etc.—since the terrorist attacks on American soil continued unabated and even escalated. Third, as the presumed leader of the Arab and Muslim worlds there may have been external pressures from fellow neighbors for the kingdom to take the initiative.

Fourth, his ability to break Riyadh's diplomatic silence attests to his gradual consolidation of power since his ailing half-brother King Fahd became incapacitated. He has apparently been able to sway a large faction within the usually ultra cautious ruling family to embark on such a risky course. Fifth, a more sinister possibility is that the crown prince may have expected Israel to reject this overture and thereby spotlight Ariel Sharon's intransigence. It would show the world that Tel Aviv has done everything it could to avoid political negotiations and place the onus on the Israelis to make peace. This would then put pressure on Washington, which to date seems content to give free rein to Sharon.

Whatever the motives, hopes for a breakthrough are dim. Internally, Saudi Arabia remains deeply hostile toward Israel. Anti-Israeli sentiments are widespread and entrenched in the kingdom's strategic orientation and at every level of society. Former Saudi King Faisal's famous proclamation that Saudi Arabia would be the last Muslim nation to recognize Israel reflects this tradition. The majority of the population subscribes to such a view. The notion that the Star of David could be flying over Riyadh is anathema to practically everyone in the kingdom. Moreover, powerful religious elders of the austere Wahhabi religious establishment, the Ulema, are adamantly opposed to normalization. Indeed, Abdullah's offer apparently stunned the clerics. Given the Ulema's growing influence and potential ability to mobilize the Saudi masses, he would have to tread very carefully. While the crown prince derives some of his popularity and influence from close ties with religious leaders, his powers are not unlimited and the Ulema will likely constrain Abdullah. Gaining domestic consensus will be a difficult, long process. In fact, Abdullah's proposal may have been meant to preempt popular outrage over Saudi inaction when violence between the Israelis and Palestinians has spiraled to such high levels. A royal family that took no action could have prompted popular calls for military or financial support of the uprising, something for which the al Saud have no stomach. Regardless, Abdullah made this

move with a wary eye on his domestic constituency as on outside opinion.

Externally, many of the Arab states and radical Islamic groups remain very antagonistic toward Tel Aviv. Israel's occupation of the Golan Heights ensures that Syria will not be easily persuaded to back anything short of unconditional return of that strategic piece of real estate. President Assad initially distanced himself from the proposal and called on the Arab states to fully support the intifada. In subsequent talks with the crown prince, Assad reportedly expressed his consent, although he continued to insist on the right of return for the Palestinian diaspora. Iraq rejected the scheme outright while Libya's Muammar Gaddafi attacked the peace initiative and even threatened to quit the Arab League. The Lebanese militant group, Hezbollah, was quick to completely denounce the plan. Egyptian president Hosni Mubarak for his part offered in a counter-proposal to host a summit between the Israelis and the Palestinians. As such, obtaining unanimity or a convincing majority at the Arab summit will be a Herculean task, even for a heavyweight like Saudi Arabia. Some Arab experts were also skeptical of the proposal. They argued that the initiative would only demonstrate to Sharon that his military tactics had worked: a hard line policy compelled a major Arab power to make an unprecedented offer. This would in turn harden Tel Aviv's inflexibility toward the Palestinians in order to extract more concessions from the Arab world.

Given the divisions among the Arab states, the crown prince faces an acute dilemma. He has suggested that he might personally call on the members of the Arab League to vote on a motion to support his plan. If he fails to secure a majority or consensus, it will be a major embarrassment. Given the cautious nature of the regime, any risk of rejection could deter him from taking the podium. However, if he does not follow up, he could be derided for his lack of leadership (and perhaps a lack of imagination given that the idea is not new), which would be equally upsetting. While success for this particular proposal seems far from assured, it has at the very least stirred some hope and even responses.

Another Major U.S.-Saudi Fallout

In mid-January, the media began reporting that the Saudis had quietly asked the United States to remove its military presence on the kingdom's soil. According to unnamed Saudi officials, leaders of the ruling family have grown increasingly wary of U.S. forward-deployed forces and have come to believe that Washington was wearing out its welcome. The presence of "non-believers" has long been anathema to the highly conservative and religious soci-

ety. Indeed, one of Osama bin Laden's rallying cries has been to end American military presence in the Arabian Peninsula. This news leak followed earlier comments by the Chairman of the Senate Foreign Relations Committee, Senator Carl Levin that the United States ought to search for basing alternatives to Saudi Arabia. He complained that Riyadh's reluctance to fully support the anti-terrorism campaign and restrictions placed on military forces based in Saudi Arabia were hampering America's efforts in Afghanistan and elsewhere. His rebukes were the harshest from a high-ranking official in Washington to date.

Leaders from the United States collectively sought to dispel the media rumors. Secretary of Defense Donald Rumsfeld and Secretary of State Colin Powell dismissed the newspaper reports. The Chairman of Joint Chiefs of Staff Richard Myers and the commander-in-chief of Central Command, Tommy Franks, who oversees military operations in the Persian Gulf, both declared that no such changes in posture were imminent. However, in a sudden and major policy reversal, Andrew Card, the White House Chief of Staff, announced in a CNN interview that the Saudis had indeed asked the United States to withdraw its forces from the kingdom. According to Card, "They've [the Saudis have] been asking a long time, and we've been working with them for a long time—not just during this administration but during previous administrations—to reduce the footprint." He added that the withdrawal would proceed over a period of time consistent with U.S. and Saudi interests. This admission was a major break from the past, when leaders from both sides either downplayed the military presence or insisted that it was fully justified. What is one to make of this fallout? How will it affect U.S. security commitments in the region?

Saudi maneuvers to permit this controversy to slip out into the open suggest some fundamental shifts in Riyadh's thinking. On the surface it may appear that Riyadh was merely retaliating against the negative and embarrassing U.S. media blitz (and perhaps even targeting Senator Levin's comments) on Saudi Arabia. By making clear that Riyadh was equally unhappy with the current arrangement, the leadership may have calculated that Washington needed to be put on notice. The kingdom is well known for its sensitivity to even the most negligible slights. However, more substantive considerations motivated this change in policy. The Saudis probably recognized that it was no longer sustainable to maintain the fiction that America's military presence was not a problem in the relationship. The ruling family had to demonstrate to its domestic audience that the kingdom had the right and the will to say "no" to the United States. In the longer-term,

a gradual reduction would deny Islamic fundamentalists a major target for criticism and therefore bolster internal political stability. Riyadh is perhaps hoping for an eventual return to the over-the-horizon posture of the pre-1990 era that does not compromise America's security umbrella.

At the center of this controversy is America's only permanent military presence in Saudi Arabia, at the Prince Sultan Airbase, situated some 50 miles southeast of Riyadh in the middle of the empty desert. The base hosts between 4,500-5,000 personnel at any given time, mostly from the Air Force, and approximately 25,000 troops pass through Prince Sultan for training and exercises. The latent capabilities that the base can provide are second to none in the region. Most notably, the United States inaugurated a state-of-the-art command and control post called the Combined Aerospace Operations Center (CAOC) in June 2001. Debuted as the most sophisticated system in the world, it is linked to space-based intelligence and command and control platforms, a range of air elements, unmanned aerial vehicles, and undoubtedly other classified assets. The CAOC has apparently played a major role in coordinating air operations over Afghanistan during Operation Enduring Freedom. In addition, the airbase boasts a tremendous capacity to support major combat and support operations on a nearly open ended basis. During the strikes against the Taliban and al Qaeda, Prince Sultan was and remains a crucial launching pad for aerial refueling and early warning aircraft.

As Andrew Card indicated, any shift in America's force posture will likely take time. There are both political and practical military reasons for a gradual shift. First, since Osama bin Laden's main goals were the ouster of U.S. forces from the region, a withdrawal would amount to victory for him. Neither the Saudis nor the Americans could afford such a public relations disaster at this critical juncture of the war on terrorism. Second, even though the United States can rely on other bases in the Gulf (such as Kuwait and Oman) to deter aggression and contain Iraq, the current military situation has made it difficult to justify any radical changes. The level of U.S. forces in the region has ballooned as a result of ongoing operations in Afghanistan. Many bases capable of supporting American aircraft and other assets are simply too swamped at the moment.

Third, withdrawal from Prince Sultan would no doubt undercut America's flexibility and military options globally. For example, altering the rotational cycles of aircraft carriers to provide more cover time in the Gulf would severely strain the already over worked U.S. Navy, which must contend with contingencies elsewhere (i.e., the Korean Peninsula and the Taiwan Strait). The loss of the CAOC would

be a major setback in command and control capabilities. No amount of technological advances in America's arsenal can substitute for the capabilities and psychological affects of physical presence. Both sides recognize these realities. As such, the highly conservative and cautious Riyadh will not likely push the issue any further in public, at least for the moment.

Beyond these considerations, the Saudi leadership must still balance internal stability against the imperatives of national survival. The strategic rationale for the continued presence of U.S. military forces is as valid as it ever was since the coalition defeated the Iraqis a decade ago. Saddam Hussein remains an unpredictable menace and the future path of Iran is still far from certain. With regard to Iraq in particular, should the United States edge toward a war with Iraq within the next year as seems likely, Prince Sultan Airbase would almost certainly be an integral part of the operation. In such a scenario, Washington would not reduce its presence and may in fact increase its capabilities there between now and when the first strikes begin. Given that the kingdom would benefit tremendously from the elimination of an implacable foe to its north, Saudi Arabia might quietly welcome America's use of the airbase. Indeed, if Washington can persuasively convince the Saudi leadership that another military campaign would decisively topple Saddam Hussein's regime, the kingdom might be prodded into permitting the United States to launch its operations, including combat sorties, from its soil. In exchange, the United States could promise the Saudis that it would drawn down and leave the base after the situation in Iraq was settled. In the meantime, the airbase is a critical launching pad for Operation Southern Watch, which enforces the southern no-fly zone and ensures that Baghdad remains contained militarily.

Another important factor is that Riyadh remains incapable of self-defense against its larger neighbors. While well equipped, the Saudi Arabia's military forces are far smaller than that of Iraq or Iran. The kingdom's military power depends almost entirely on American goodwill, hardware, technology, and maintenance. A major and highly visible withdrawal from Saudi Arabia could send shock waves throughout the region. Anxieties (however unjustified) about America's security commitments might intensify among the other Gulf states. Concerns over U.S. credibility and prestige would likely emerge. This could in turn encourage Saddam Hussein, if he survives, to reengage in military adventurism. As such, any reduction will be slow, largely invisible to the public eye, and cosmetic in the short-term.

In the long-term, it is almost certain that Washington will reconfigure its force posture in the region.

However, the United States will likely continue some level of presence without official acknowledgement from Washington and Riyadh. For example, maintenance crews and command and control operators for the CAOC numbering in the hundreds might be permitted to stay in the airbase. The base would be placed on standby mode in case of a major emergency or crisis, such as a reprise of the Gulf War. American forces could occasionally visit to conduct annual joint exercises with the Saudis, similar to U.S. arrangements with Egypt. It should be noted that prior to the Gulf War, the U.S. military posture in the region was not entirely over-the-horizon. The United States built most of the kingdom's modern airbases to accommodate American aircraft and stationed assets in the region that amounted to a prepositioning of military equipment. The tight control of the Saudi regime over the populace could enable Riyadh to maintain some level of fiction that U.S. forces are no longer present on the kingdom's soil. In sum, getting the right balance between military necessity and political sustainability will be an ongoing struggle between the odd couple.

Security Issues and Iran

Iran, Card-Carrying “Axis” Member?

In a feat of diplomatic alchemy, President George W. Bush used his January 28 State of the Union address to transmute the Islamic Republic of Iran from a behind-the-scenes – if often unruly – partner in the anti-terrorist campaign into one of that campaign’s chief targets. Not only would America continue to assail terrorist networks of “global reach,” proclaimed Bush; it also would not “permit the world’s most dangerous regimes to threaten us with the world’s most destructive weapons.” His administration would use diplomatic, economic, and military might in concert to prevent selected countries – three of the countries listed as state sponsors of terrorism in the State Department’s *Patterns of Global Terrorism* reports – from fielding weapons of mass destruction that might then be handed over to terrorist organizations, with dire consequences for America.

Particularly striking was Bush’s willingness to name names. Of the dozen countries said to be harboring terrorist training camps, the president singled out North Korea, Iran, and Iraq as malefactors comprising “an axis of evil, arming to threaten the peace of the world.” This was an unsubtle reference to the Axis powers vanquished at a titanic human and material cost during the Second World War. To be sure, this analogy – like all historical analogies – was flawed, implying a degree of collaboration among Pyongyang, Tehran, and Baghdad that simply doesn’t exist. Yet pleasing historians was not George Bush’s object. Rather, he meant to summon up the native fortitude of the American people for a protracted fight – a fight against an adversary that he branded the moral equivalent of Nazi Germany and Imperial Japan. Why up the ante in this fashion? Because history – from the Civil War to the Second World War – shows that America fights best when the American people believe some lofty, abstract ideal is at stake.

Bush’s remarks exhibited a distinctly preemptive hue – another departure from American tradition. Exactly how he planned to assail the axis, however, went unsaid. Part of the reason for this vagueness is that the administration itself hasn’t yet decided how to sequence the next phases in the counter-terrorist campaign. Bureaucratic politics, the host of variables affecting war aims and strategy, and the

fluid course of events will interfere with the process of devising an effectual strategy. But the president’s main reason for being coy was that the State of the Union address was intended not to lay out some master strategy, but to neutralize the home front (especially his Democratic antagonists on Capitol Hill), steel the American people for a protracted battle against terrorism, and rivet everyone’s attention on a grand enterprise that – he said adamantly – would decide the fate of Western civilization.

And what prompted the president to add the Islamic Republic to his rogue’s gallery? In all likelihood the immediate cause was a series of intelligence reports indicating that Iranian special forces had been making mischief in Afghanistan; that Tehran had been arming select Afghan warlords in order to hamper the interim government’s efforts to impose order; and that the Islamic Republic was sheltering al Qaeda and Taliban fugitives. Fearing that Afghanistan would become a conduit for projecting U.S. influence into its neighborhood, Iran has evidently set out to make trouble for Hamid Karzai, head of the temporary regime. Yet the easiest explanation is that Bush simply meant to put teeth into a Middle East security strategy that has long fingered the Islamic Republic both as a state sponsor of terror and as a nation in hot pursuit of nuclear, biological, and chemical weaponry. The tools deployed during the 1990s – diplomatic isolation, economic sanctions, and military deterrence – ultimately proved unequal to the task of discouraging sponsorship of terrorist activity. Thus the administration has probably concluded that more forceful measures are in order.

Predictably, Tehran’s official response to the State of the Union address was an alloy of disbelief, dismay, and righteous fury. Partly that was because the mullahs are unaccustomed to having their vocabulary of moral absolutes appropriated by infidels, especially Americans; partly because a foreign threat was a useful tool to help muffle discontent with their bare-knuckles approach to domestic governance. Supreme Leader Ali Khamenei delivered a pointed riposte to George Bush on February 20 while enjoining the faithful to redouble their efforts to overcome the

enemies of Islam. Both of Iran's nemeses, America and Israel, declared the supreme leader, were "taking advantage of the current gap and division in the Islamic world," spawned by economic disparities, the rift between Sunni and Shiite Muslims, and divergent political interests.

Unfortunately for him, those cleavages are a fact of life in the Muslim world. The supreme leader's impassioned rhetoric notwithstanding, Tehran has been unable to organize an effective response to the new American foreign-policy doctrine. Speaking of the upcoming *hajj*, or Islamic pilgrimage, Khamenei implored Muslims to set aside the differences that have bedeviled their attempts to orchestrate a joint response to American and Israeli policies. "*Hajj*," he declaimed, "is the beginning point and the infinite source of this great and holy jihad," and thus the wellspring of a solidarity that could counteract the "unbridled world arrogance led by the United States along with the pugnacious policies of the Zionist regime." History suggests that the fissures in the Muslim world will outweigh Iranian appeals to religious unity.

Tehran has also pled with America's allies to lobby against the axis-of-evil formula. During an early March visit to Berlin, Foreign Minister Kamal Kharrazi told reporters, "The friends of the United States have to advise them that, instead of unilateralism, they should stick to multilateralism;" even a world power should not "declare someone as a terrorist and use its military muscle against them." While Kharrazi's plaintive appeal may have found sympathetic ears in Europe, where many officials and commentators clucked knowingly at the State of the Union address, Iran shouldn't put too much stock in the ability of the coalition partners to rein in the Bush administration. For one thing, George Bush has proved himself a resolute wartime president, unusually indifferent to criticism. For another, allies usually exert influence in a coalition in rough proportion to their material contributions to the war effort – witness the opposite trajectories of British and American influence during the Second World War, as U.S. power waxed and that of Great Britain waned. The meager contributions of the European Union, NATO, and the other coalition governments are unlikely to give them much of a say-so in Washington.

The conservative clerics, moreover, may have troubles closer to home. In the wake of Bush's address, there were heartening signs that the Iranian reform movement had finally found its voice on world affairs. In the past, when events abroad seemed to menace the Islamic Republic, both hard-liners and those of a more liberal bent tended – for the sake of preserving the Islamic revolution and upholding

Iran's great-power aspirations – to rally around the nation's conservative leadership. However, President Bush's remarks expressly separated the Iranian leadership, the target of American wrath, from the Iranian people, with whose plight the United States sympathized. His rhetorical strategy may have paid off. A reform spokesman said, for instance, interpreted U.S. enmity towards Iran as evidence that an "interfering minority is taking foreign-policy decisions" in the Islamic Republic – an apt description of the conservative chokehold on the foreign and security services. In the short run, Bush's militant approach will make it easier for hard-liners to bash President Muhammad Khatami and his disciples as appeasers. Yet it could also embolden Khatami's followers to intensify their challenge to the mullahs – and, in the bargain, hasten the slow erosion of the legitimacy of the revolutionary regime. Time will tell.

American Strategy Cloudy

Exactly how the expanded war on terrorism will unfold is a matter of conjecture. It avails little, consequently, to parse every syllable in Bush's State of the Union address or other policy statements in an effort to divine the administration's master plan. First and foremost, there is no plan: The administration itself has little idea what precise combination of diplomatic, economic, and military pressure it will bring to bear on the axis powers. Bureaucratic politics, the host of variables impeding rational decision-making, and the fluid course of events will hamper efforts to devise an effectual grand strategy for the anti-terrorist campaign. Second, there are still loose ends up to tie up in the existing campaigns. At this writing, for example, elements of the U.S. Army's 10th Mountain Division and 101st Airborne Division have engaged several thousand Taliban and al Qaeda troops in eastern Afghanistan and suffered the first American combat fatalities of the war – bearing witness to the unsettled conditions that continue to reign in that beleaguered country. And lower-level anti-terrorist efforts are underway in theaters as various as the Philippines and Yemen. In aggregate, even these secondary campaigns could overtax the American force structure.

Until it can bring these operations to a more or less satisfactory end, then, the Bush administration will be reluctant to undertake military action against the relatively formidable axis states. Nonetheless, it is possible to venture a few guesses about a future U.S.-Iranian showdown. Iran will not fall under immediate military attack, even after the operations in Afghanistan wind down. Countless signals emanating from the Bush administration indicate that the crosshairs will alight on Baghdad next. And that makes sense: The existing Desert Storm cease-

fire resolutions, which Saddam Hussein has defied for over a decade, provide ample justification for a new military campaign in Iraq. Assuming all goes well in the Iraq theater, North Korea will likely be next on the list, if for no other reason than to blunt impressions that America is waging war on Islam writ large. Taking on Iraq and North Korea would in all likelihood consume the rest of President Bush's term in office – suggesting that the Iran phase in the anti-terrorist campaign will spill over into the president's second term, or, should he be defeated in 2004, fall to his successor.

So the Islamic Republic will be the last country targeted – unless, of course, an immediate *casus belli* comes to light. Should the United States unearth compelling evidence that Tehran has perfected a nuclear warhead, for example, then all bets are off. That said, Iran will be the toughest nut to crack among the axis powers because of its comparatively potent military. A tilt against the Islamic Republic will demand careful preparation and a wholesale commitment of American military might. The Afghanistan template will be a non-starter in Iran, where there are no indigenous resistance forces to speak of. More likely, the United States will strike at Iranian interests abroad – say, by giving Tel Aviv a free hand, and perhaps even direct support, to wallop Hezbollah, one of the terrorist groups named in the State of the Union address, along the Israeli-Lebanese frontier. Another U.S. option, in view of last December's Karine-A gunrunning incident (profiled in the Israel chapter of this report), would be to impose a naval quarantine of Iranian coasts to throttle future arms shipments to the Levant. Should Washington step up the pressure in this manner, it would not only advance the war aims sketched by George Bush, but also conceivably provoke Tehran into some rash action warranting an even more forceful American riposte.

That would help solve the U.S. diplomatic problem vis-à-vis the Islamic Republic. Preparing the ground for warlike action against Iran will be a thorny problem from the diplomatic standpoint, since, in contrast to the case of Iraq, there is no existing framework of U.N. Security Council resolutions that forbid the Islamic Republic to build an unconventional arsenal – and that, in turn, would justify military action in the eyes of the world. If Tehran refrains from overtly provoking America – and restraint would be a prudent move under the circumstances – then U.S. activity will be channeled into the familiar formula: issuing demands for access to sites where nuclear, biological, or chemical weaponry is thought to be under development, and then taking retaliatory action when these entreaties are inevitably rebuffed. Without the international stamp of approval, American appeals for support could fall on deaf ears in

coalition capitals. However matters unfold between Iran and the United States, the looming politico-military clash between the two antagonists poses no immediate threat to energy security in the Persian Gulf region.

How would a U.S. war on Saddam Hussein's Iraq influence events in the Islamic Republic? Some officials within the Bush administration reportedly believe that a triumph over Iraq would embolden Iranian reformers and cow the hard-liners – helping the internal power struggle sort itself out in a manner beneficial to the West. A government dominated by Khatami or some like-minded individual presumably would refrain from threatening Iran's neighbors or the Israelis. Furthermore, ousting Saddam could also diminish Tehran's incentives to field weapons of mass destruction. The logic goes something like this: The downfall of one of Iran's chief rivals for supremacy in the Gulf region would remove a major irritant on the Islamic Republic's western flank, relaxing the impetus to military competition. In turn, Tehran might slow or halt research on unconventional arms.

This is a bit farfetched. True, a U.S. joust against Saddam could encourage reform-minded Iranians to contest the conservatives' supremacy; yet it would also stiffen the resolve of the mullahs to maintain their stranglehold on power. How events would play out amid such tumult is anyone's guess, but there is little reason to expect things would go the liberals' way in a premature revolution. As far as the argument that removing Saddam would head off the arms race goes, an Iraq friendly to the West would hardly represent an improvement in the strategic equation from Tehran's standpoint. Both reformers and conservatives in Iran view their missile force as a bargaining chip and a deterrent – a dynamic that will hardly abate should the Islamic Republic find itself, in the aftermath of wars in Afghanistan and Iraq, encircled by powers friendly to the United States.

As the victor over two nations inimical to American interests, George Bush would certainly be able to speak with authority in a diplomatic and military showdown with Tehran. But to expect matters to simply work themselves out in the wake of an assault on Iraq bespeaks wishful thinking.

Security Issues and

Kuwait

In the Midst of the Pivot...

The United States Central Command (USCENTCOM), responsible for prosecuting the war in Afghanistan and for military issues in the broader Middle East region, has begun to make a strategic transition or “pivot” toward the Persian Gulf. In the context of the ongoing debate within the U.S. about the next phases in the war on terrorism, the repositioning of troops, equipment, and key U.S. military leaders to the region has reinforced the likelihood that Iraq will be the next major target. The U.S. government official position on the nature and significance of the moves has been intentionally vague, but the late November decision to deploy CENTCOM’s component commanders to various positions in the Gulf along with their respective staffs is a fairly dramatic shift. U.S. Army Lieutenant General Paul T. Mikolashek, Commanding General of the Third Army and his staff of some 700 planning, intelligence and logistical specialists have been deployed to Kuwait from Fort McPherson, GA. CENTCOM, unlike other regional commands in Europe, Latin America and Asia has never been able to establish headquarters in its area of responsibility because of the political sensitivity of such postings in would-be host nations. While the moves are ostensibly designed to bring the component commanders into the theater of operation to better coordinate operations in Afghanistan, the shift has major strategic implications for Gulf security. With between 8,000-10,000 U.S. soldiers now in Kuwait and the existing prepositioned armor and equipment at Camp Doha, a similar prepositioned set in Qatar, and the significant assets afloat in the Arabian Sea, CENTCOM has close to heavy division in the region. More importantly, the current level of forces in the region provide CENTCOM with the ability to rapidly build up even more forces either in the event of Iraqi aggression or if President Bush gives the green light for an attack against Saddam.

Readiness of both U.S. and Kuwaiti forces is a constant concern. Operation Desert Spring was recently concluded and involved live fire exercise employing infantry, armor, airborne, special operations, and rocket assets directed by Combined Joint Task Force-Kuwait. In May, the U.S. and its GCC allies including Kuwait will conduct Eagle Resolve, a senior-level symposium and coordination exercise in Qatar, focusing on operations in chemical and biological warfare

environments. Leading up to Eagle Resolve, chemical, biological, nuclear warfare teams and specialists from a number of European nations, including Germany (100 troops) and Czechoslovakia (350 troops), have been deployed to Kuwait to work with military and civil defense forces improve the emirate’s capacities to respond to potential attacks.

In mid-February, the Defense Minister Jaber al-Hamad announced that Kuwait was finalizing a \$1 billion deal with Boeing to purchase 16 AH-16 *Apache Longbow* attack helicopters, and that it was reviving a \$1.2 billion deal with BAE Systems to construct the first phase of an advanced communication, command, control, computers, and intelligence (C4I) system. Less clear was the timetable for the long-discussed purchase of F/A-18 fighters to augment the 40 F/A-18s currently utilized by the air force.

Continuing the crackdown

The Kuwaiti government has continued to focus on maintaining internal security, as it has since the outset of the Afghan campaign. Interior Minister Muhammad al-Khalid publicly announced on February 12 that after a painstaking investigation, there were no Al-Qaeda cells operating in Kuwait. However, the increased vigilance of internal security forces have continued to reap benefits, including the arrest of an Iraqi military operative working in Kuwait and the arrests of several military officers believed to have contacts with radical Islamic elements. Reports have been confirmed that seven Kuwaitis died fighting beside the Taliban; some twenty are confined in Pakistani jails (including two believed to be related to the royal family); six are held in Guantanamo Bay, Cuba; and approximately fifty are unaccounted for in Afghanistan, including a top bin-Laden lieutenant. It is clear that Kuwait is not immune from the unfortunate epidemic of radicalism that has plagued other Muslim states, but the government has implemented a proactive policy against potential threats to internal security and thus far it has paid off. Minister Muhammad also announced the presentation of a draft laws to

the parliament to better protect civilian policemen and the development of a Civil Defense Authority, which will coordinate efforts of law enforcement, intelligence and disaster assistance to provide effective responses to domestic emergencies.

Continuing with an aggressive policy of investigating and freezing assets of charities and organization suspected of providing financial support to terrorist organization, the Ministry of Social Affairs and Labor froze the assets of the National Federation of Kuwaiti Students. For many years, Islamists have dominated the organization and like other such organizations will now face the scrutiny of government auditors.

Kuwaiti politics: A turning point?

While both the external and internal security fronts may be stable, Kuwaiti politics has been anything but, and it has created a somewhat loud debate over Kuwait's foreign policy. As was discussed in the last issue, the September 11 attacks were seen by liberal and secular politicians in Kuwait as a tool to discredit the conservative Islamic agenda that has dominated parliament for several years. Aside from starving terrorists of funds, the crackdown on Islamic charities was perceived to have the added benefit of breaking the monopoly of political funding that have successfully supported campaigns of Islamic candidates. Since Kuwait does not have official political parties, liberals, secularists or any other individuals have had minimal success in raising funds to compete. While the true impact of the crackdown has not been realized (nor will it until at least the next election) liberals, most notably Ahmad Bishara, one of the founders of the liberal "party," and Muhammad Jasser al-Saqer, chairman of the foreign affairs committee in parliament have proclaimed the end of the Islamic chokehold on legislative power and a potential modus vivendi for Kuwaiti politics. The new liberal agenda seems to coalesce around two major pillars: major reform of Kuwait's political system, including the expansion of suffrage and political rights to women, and strong support for the United States. The recent Bahraini decision to embark on reforms including providing suffrage to women has re-energized the women's rights movement in Kuwait and lent further credibility to the reforms measures advocated by the liberal "National Democratic Movement." Saqer led a Kuwaiti delegation to Bahrain in mid-January to congratulate the Emir on his decision and hail the reform program. In mid-February, Saqer and Bishara led a delegation of Kuwaiti politicians, businessmen and scholars to the U.S. with the purpose of encouraging the U.S. in its fight against terrorism and to beseech U.S. political leaders to work

to build strong relations with the people of Muslim world. The delegation also encouraged Secretary of State Colin Powell and other top administration officials to take action against Iraq, sooner rather than later, for fear of his growing capabilities to inflict damage on its neighbors. Their message was, by all accounts, well received.

Some experts have questioned the extent to which the liberals will succeed in displacing conservative Islamist forces in the long run. However, what is clear is that leaders like Saqer and Bishara clearly envision and desire a fundamental reckoning of both Kuwaiti and regional politics. They see a restoration of liberal control of parliament as the avenue to affect fundamental change (counting on some measure of support of the royal family) in Kuwait, and the end of Saddam Hussein's regime in Baghdad will provide the security and stability that holds the key to prosperity and modernity.

It is clear, that at least in the short run, Kuwaiti politics is likely to remain fractious and acrimonious. The Islamist majority is not ready to hand over the reigns in the parliament or in Kuwaiti politics more generally. This was evident in the explosive reaction to the participation of Dr. Shafiq Ghabra, the director of the Kuwait Information Office and a well-respected academic, on a panel at the World Economic Forum with two former Israeli government officials. Islamic extremists accused Ghabra of effectively recognizing Israel, a crime in Kuwait, and demanded his expulsion from the office, which is funded by the government but an independent entity. After resigning from his post, Ghabra mounted a counterattack in his own defense in the Kuwaiti press, which has been seen a going a long way toward exonerating him and closing the case. Unfortunately, the vitriolic attacks by Islamic forces – even in the context of an open debate - is troubling and shows the depth of divisions within Kuwait. A Gallup poll released at the end of February concerned with the U.S. war on terrorism and the Israeli-Palestinian conflict seemingly reflected a groundswell of negative sentiment toward the U.S. across the Middle East. Many Americans were shocked at the results, particularly in friendly states like Kuwait. The Information Ministry and other media sources have questioned the methodology and therefore the credibility of the results, especially in Kuwait where only 800,000 of the 1.4 million citizens are actually Kuwaiti. However, the poll numbers, like the Ghabra incident, underline the existence of extremist elements in Kuwait and other Gulf States. It is a reality and one that the U.S. and its allies should accept and therefore continue to devise policies to mitigate and eventually minimize throughout the Muslim world.

Or just more of the same?

Nothing is easy in Kuwaiti politics, and the increasing intense ideological divide will do nothing to help matters. A February 1 explosion at the al-Rawdhatain oil refinery in northern Kuwait, which killed four and injured 19, set the stage for another clash between the parliament and the cabinet. It was the third such blast at an oil facility in the past 12 months and the most severe. A large portion of the facility was damaged by the ensuing blaze, which took some time to extinguish. Daily oil production fell by 600,000 barrels per day, but this was rectified through the use of stockpiles, increasing production at other facilities and bringing the Shuaiba refinery, which had been shut down for repairs, back on line. The larger issue was that Oil Minister Adel al-Sebeih resigned, and the ensuing controversy included a call for the resignation of the cabinet by parliament. Since the oil industry is such an integral part of Kuwait's economy, the regularity of accidents and the perception that many facilities have fallen into disrepair is a contentious matter. Of course, there is blame to go around, as Sebeih made clear in statements to the media after his resignation. "In order to meet my objective, I need huge support from the government and parliament...fixing up the oil industry would need an aggressive [policy]... If the political atmosphere was different I wouldn't have resigned." The state of gridlock between the cabinet and parliament has made meaningful progress on domestic policy initiatives difficult in almost all areas. In mid-February, the parliament blocked a government plan to award power generation contracts to several international companies for urgently needed increased capacity to avoid expected blackouts. Opposition to the contract focused on the fast-track nature of the plan, which was deliberately presented to bypass certain oversight bodies because of the clear need. Parliament, which has consistently decried corruption in the selection processes for granting state contracts, and unwilling to provide the government with such discretion, refused to pass the plan.

Foreign Affairs

The government continued to follow its seeming thematic foreign policy of supporting the U.S. war on terrorism, while also supporting unified Arab positions, particularly on the ongoing violence between Israelis and Palestinians. The government strongly supported Crown Prince Abdullah's proposal for peace between the two troubled peoples. "If Israel proposed a satisfactory solution that the neighboring countries accept then our opinion will be the same as the neighboring states," Foreign Minister Sabah

said at a press conference on February 21. Similarly, the government, while supporting the idea of U.S. action against Iraq, strongly rejected insinuations that the U.S. was planning on launching attacks from Kuwait, or that U.S. operatives were infiltrating Iraq from Kuwait in hopes of destabilizing the Baghdad regime. The government does not want attacks originating from Kuwaiti soil, attempting to draw distinctions with its protector and thus dispel the extremist image of the government as a mere proxy of puppet for the U.S. With momentum seemingly increasing for a U.S. attack, statements to this effect have become more regular. At the same time, statements of Kuwait's resolve to defend itself have also increased in regularity.

Kuwait has also walked a fine line in its relations with Iran, a country considered by President Bush as belonging to an "Axis of Evil" threatening the world. Soon after the speech, a delegation of Kuwaiti officials visited Tehran and reaffirmed the increasingly friendly relations between the two states. The government has continued to support increased GCC integration and strongly supported the January announcement that monetary and financial union may be sped up. Kuwait has also worked to help integrate Yemen into the GCC community, pledging financial assistance and loans to improve infrastructure and education. On February 24 a delegation headed by Finance Minister Hamad al-Ibrahim arrived in Beijing for the fourth session of the Kuwaiti-Chinese Committee. The first three sessions were held in 1989, 1992, and 1993 respectively and have focused primarily on facilitating trade and building stronger economic relations between the two countries. On his way to China, the minister also stopped in Singapore and Indonesia where he reaffirmed existing trade and financial relations with the two states and attempted to maintain support for the POW cause and other components of the UN resolutions that must be implemented by Iraq before any rapprochement is possible.

Security Issues and United Arab Emirates

As the Middle East ponders the future of America's war on terrorism, the United Arab Emirates (UAE) looks to maintain strong ties with the United States despite friction over Washington's support for Israel. However, if the Bush administration initiates overt military operations against Iraq, Iran, or joint operations with the Yemeni government against resident extremists, the Emiri leaders will likely become increasingly critical of their American ally. Meanwhile, Bahrain's call for elections, while lauded by pro-democracy advocates in the region and elsewhere, is unlikely to have an effect on the UAE political landscape.

Afghanistan and the Axis of Evil

Abu Dhabi continues to focus on balancing its pro-Western security and commercial policies with the need to appease domestic and regional anti-U.S. sentiment. American military superiority and political actions since September 11th have resulted in a growth of anti-U.S. resentment in the Emirates. While the large expatriate population inside the UAE – specifically the Arab, Iranian, and South Asian communities – is the most wary of Washington's policies vis-à-vis Israel, Iraq, Iran as well as Pakistan and Afghanistan, there is also a latent anti-Americanism within the UAE national population.

At the same time, with the Afghan security situation unstable for the foreseeable future, Abu Dhabi remains concerned about Washington's commitment to Afghan political and economic development. Many in the UAE and the region see post-conflict Afghanistan as a test case of Western commitment to building equitable relations with the Islamic world. A failure of the United States to remain effectively engaged in Afghanistan to help create space for legitimate political and economic development would impress upon the Muslim mind Islam's continued marginalization by non-Islamic powers – and see the growth of a new, and even more militant, extremism.

Taliban elements, some previously supported by Abu Dhabi, remain potent in Southern Afghanistan while al Qaeda remnants continue to reconstitute along the Pakistan-Afghan border. Given past terrorist use of the UAE as transit point between South Asia, the Gulf, and beyond, Emiri security forces have heightened surveillance of the large expatri-

ate resident communities while enhancing ties with Pakistani, regional and Western intelligence and law enforcement agencies. It is likely that Abu Dhabi is serious about preventing the use of UAE financial institutions as cover for extremist activities; the details of Emiri efforts to target terrorist monetary resources were detailed in the December 2001 report. However, investigations into the potential involvement of UAE citizens with al Qaeda or other terrorist actors will remain extremely sensitive and outside – as much as possible – emergent cooperative efforts with the United States. Investigations have implicated a UAE national, Marwan Al Shehi, as one of the hijackers involved in the September 11th attacks. While this has not received as much attention as the fact that fifteen of the hijackers were from Saudi Arabia, it does show that al Qaeda has successfully drawn from, and operates in, almost every country in the Gulf.

Yet, Afghanistan is on the periphery of the Islamic world, while countries such as Iraq and Iran represent core states regardless of their regime type. U.S. President George Bush's labeling Iran and Iraq – along with North Korea – as part of an "Axis of Evil" has raised Abu Dhabi's concerns that the U.S. will attempt to replicate its Afghan military successes in the Gulf, specifically against Iraq. The key for Emiri leaders is not that they support Baghdad – they do not. However, they fear a drawn out military campaign – and its inherent civilian casualties – followed by a Western occupation of the Arabian heartland. Such events are perceived as being socio-politically problematic, with the potential to fuel the overthrow of regional monarchies.

The potential for U.S. involvement in Yemen is also of concern to Abu Dhabi. President Shaykh Zayed bin Sultan al-Nuhayyan traces his roots to Yemen, as do many ruling and merchant class – like bin Ladin – Gulf families. While American provision of training to Yemeni military and security forces is seen as positive, any direct involvement of American troops in combat operations would be

viewed negatively by Abu Dhabi. Press reporting stated that the U.S. requested Yemeni permission to use U.S. Marines to hunt resident terrorist elements in areas outside Sanaa's control. While this has yet to be substantiated, it is possible that Washington will want to press for direct involvement if it believes that even a better-trained Yemeni force cannot do the job.

Family Politics still Predominate

Although the Bahraini Emir's recent call for popular elections marks an important point in the region's political evolution, its impact on the UAE political system will be minimal. Unlike Bahrain, where the ruling family represents a minority of the population (30 percent Sunni, 70 percent Shia), the UAE national population is largely homogenous. With the UAE still in a relatively decent economic position, Abu Dhabi has been able to maintain the balance between security needs and popular opinion. The ability to maintain the royal family's contract – financial compensation in return for political acquiescence – with the population over the foreseeable future is likely to prevent any popular movement in support of democratization.

With political attention focused on the fallout from U.S. military action in the region, domestic concerns regarding President Zayed's health and the succession continue. No additional insights or information indicate any change in succession politics, with Zayed's eldest son Shaykh Khalifa bin Zayed al-Nahayyan expected to become both the UAE president and ruler of Abu Dhabi emirate.

Relations between the two largest and richest emirates, Abu Dhabi and Dubai, have been improving since the late 1990s. With Dubai's oil revenues falling, and given the impact of the world economic slowdown on non-oil industries, Abu Dhabi has become the financier of its less resource-endowed neighbor. At the same time, Dubai's growing dependence on subsidized Abu Dhabi natural gas to fuel its commercial expansion bodes well for a closer federal state – regardless of disputes within the al-Nahayyan and lesser families over the UAE Crown Prince position – after Zayed's passing.