

The Middle East

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U.S. national security interests in the Middle East are threatened by weak and failed states, sectarianism and geopolitical disorder, and the frozen Israeli-Palestinian conflict. Although these threats are unlikely to break up external state borders in the near term, they have reconstituted the nature of states and regional politics. The United States should recognize the deeply rooted nature of these threats and the limitations of its leverage in the Middle East. Rather than seeking to fix weak and failed states and attempt to comprehensively resolve protracted conflicts, the United States should project power defensively, contain instability, and selectively engage and support traditional partners who can serve as strategic anchor points in the region.

The primary U.S. national security interests in the Middle East are to protect the U.S. homeland from terrorism (particularly the global jihad of the Islamic State's millenarian ideology), bolster the security and stability of regional allies such as Israel, prevent mass migration that can destabilize European allies, and assure the development and free flow of energy resources to world markets. These interests are directly threatened by security dilemmas that have emerged over the past decade: failed governance and weak states, sectarianism and geopolitical disorder, and the frozen Israeli-Palestinian conflict. Mitigating the causes and potential consequences of these threats requires an explicit formulation of U.S. national security priorities that recognize the depth of Middle Eastern security dilemmas and the opportunities and limitations of U.S. leverage in affecting change. It suggests that the United States should pursue pragmatic policies that sustain the territorial integrity of states, limit the damage of instability, and balance the growing influence of Iran with support for traditional Middle Eastern partners that can serve as strategic anchor points in the region.

Strategic Environment

For the first time in a century, no major foreign power exercises dominant influence in the Middle East. U.S. foreign policy that emphasizes greater selectivity and multilateralism in major military interventions overseas has also left a vacuum of global leadership.¹ Competing regional states such as Iran, Turkey, and Saudi Arabia are attempting to fill this vacuum; Russia too is interested in renewed influence.² The Middle East is also being redefined by the strategic consequences of externally driven regime change and popular uprisings against failed governance. Highly centralized “deep” states are no longer the major threat to international order; rather, weak states that are unable to effectively govern, control populations, or secure borders are the danger. Failed governance has destabilized Iraq, Syria, Yemen, and Libya and is unsettling traditionally stable U.S. regional partners such as Saudi Arabia, Turkey, and Egypt.

These trends, alongside the Iranian nuclear deal (that is, the Joint Comprehensive Plan of Action [JCPOA] signed with the P5+1 countries in July 2015), have aggravated sectarian schisms based on Sunni and Shia Islam. Sectarian power struggles are also being fueled by regional actors and are playing out through local proxies in weak and failed states. These conditions have encouraged the proliferation of local militias and become drivers of terrorism; jihadist groups such as the Islamic State of Iraq and the Levant (ISIL) and al Qaeda affiliates have taken root in Iraq, Syria, Yemen, Libya, and Egypt/Sinai and threaten other regions where state authority and governance have broken down. Centrifugal forces are fragmenting states and their societies, causing ongoing political dysfunction in national and regional level governance.

The Middle East’s sectarian polarizations, however, have not created strong or unified regional alliance structures that could effectively balance power. Rather, different gradations of sectarianism coexist with domestic security priorities, state nationalisms, commercial interests, and distinct interpretations of Islam.³ Turkey, Saudi Arabia, and the Arab Gulf states may converge in their aim to replace the regime of Bashar al-Asad in Syria and challenge Iranian hegemony, but they are not unified as a Sunni bloc. The conflict in Libya is being driven by tribal divisions and competing Sunni Muslim powers; Saudi Arabia and the United Arab Emirates (UAE) back former president Muammar Qadhafi’s supporters while Turkey and Qatar are reinforcing Muslim Brotherhood groups. Syria’s civil war is also embedded in power struggles between Sunni Muslim opposition and jihadist groups. The result has been geopolitical disorder, local instability, and economic stagnation or collapse in key regional states.

These destabilizing dynamics have reconstituted the nature of Middle Eastern states and regional politics. Although external state borders

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are unlikely to dissipate—no powerful regional state wants to see states break up—internal boundaries are being reordered by opportunistic state and nonstate actors seeking to create spheres of influence. These spheres do not represent cohesive ethnosectarian entities that can replace failed central governance, but rather are hyper-fragmented enclaves of communities that have their own militias and that seek different forms of local self-rule and economic gain. Substate actors are also engaged in territorial and demographic engineering, which is setting the groundwork for new and renewed conflicts over territories and resources.

Failed Governance and Weak States

U.S. allies are increasingly vulnerable to domestic and regional unrest that undercuts their security. The most important source of instability is failed governance, or the inability of governments to adequately provide services, security, jobs, and political freedoms to their citizenry. The fallout of failed governance varies according to the strength and durability of state institutions and the influence and personality of ruling leaders. Most significant are states wherein governance has failed outright: Iraq, Syria, Yemen, and Libya. In these cases, externally driven regime change and/or civil war have destroyed existing state institutions without replacing them with viable alternatives. Political and security vacuums have been filled by subnational groups and violent nonstate actors (including ISIL and al Qaeda) that directly target or threaten to target the U.S. homeland and Europe. These subnational entities and nonstate actors thrive on illicit economies, porous borders, and warlordism, all of which further undermine state authority and internal stability.

Failed governance also threatens traditionally stable regional partners. Gulf state monarchies reliant on oil revenues and/or authoritarian rule to pacify societies are significantly challenged by depressed world oil prices, population increases, expanded energy consumption, calls for greater political freedoms, and costly regional conflicts.⁴ In Saudi Arabia, where oil represents 85 percent of state revenues, the government has incurred a \$100 billion deficit since 2015 and risks depleting its sovereign wealth fund by 2020. Kuwait has lost \$20 billion over the same period. The future stability of Gulf oil monarchies will depend on their ability to adapt to the changing political and economic order through fiscal reforms, greater political openness, and control of ISIL and al Qaeda extremists inside the kingdoms and in Yemen.⁵

Turkey, a U.S. ally in the North Atlantic Treaty Organization, is deeply unsettled. President Recep Tayyip Erdogan has failed to consolidate democratic governance and address the country's decades-old Kurdish prob-

lem. The resumption of an insurgency by the Kurdistan Workers' Party (Partiya Karkerên Kurdistanê, or PKK) against the Turkish government in July 2015 after a 2-year ceasefire has paralyzed portions of the country's southeast, while spreading to some city centers in western and central Turkey.⁶ The Kurdish insurrection and unresolved Kurdish problem have also become a leading transborder threat. PKK insurgents have established bases in the Kurdish regions of northern Iraq, Syria, and Iran, and they enjoy popular support among millions of Kurds in these territories who seek greater autonomy or statehood. Coalition support for Kurdish forces in Syria tied to the PKK has aggravated Turkey's threat perceptions and commitment to prioritizing the PKK over countering ISIL. The July 2016 attempted coup in Turkey has also greatly complicated U.S.-Turkey relations, adding a further distraction to an already complex equation.

In Egypt, the state remains brittle after the overthrow of President Hosni Mubarak in 2011. The ouster of the short-lived Muslim Brotherhood government under President Mohamed Morsi, absence of political space for legitimate opposition under the successor military government of President Abdul Fattah El-Sisi, and economic crises have deepened the country's secular-Islamist divide. Egypt's new authoritarianism without reforms risks exacerbating these crises. Another key security risk is the military's crackdown on the Muslim Brotherhood. Tighter restrictions will likely embolden Islamist extremists, much the same way that Egypt's "successful" defeat of the Islamic Jihad and Gamaat Islamiyya in the early 1990s resulted in the emergence of al Qaeda leader Ayman al-Zawahiri and Muhammed Atta, chief hijacker of the September 2001 terrorist attack against the United States. Egypt faces a drawn-out battle against terrorist threats that will reverberate throughout the country.

Sectarianism and Geopolitical Disorder

Regional stability is further undermined by sectarianism and geopolitical disorder. The overthrow of Saddam Hussein in 2003 revived regional sectarian divisions by removing a strongman without a viable replacement. It also disenfranchised Sunni Arabs who had governed the Iraqi state for nearly a century. These dramatic changes have emerged in conjunction with hardened feelings of sustained injustice, absence of Arab unity, weakening of secular ideologies, undeveloped economies, government corruption, and youth bulge unemployment. They have reinforced local resentment against central governments, polarized communities along sectarian lines, and fragmented groups internally over leadership and influence.

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Sectarianism has become most salient in Middle Eastern states with Sunni Muslim majorities and leaders that espouse fundamentalist interpretations of Sunni Islam. These states fear a territorially contiguous Shia arc encompassing Iran, Iraq, Syria, and Lebanon that would permit Tehran to establish itself as a regional hegemon. Saudi Arabia is particularly sensitive to Iran becoming a dominant regional power and acquiring a nuclear weapon. The Kingdom is challenged by Iranian-backed Shia groups in its eastern province, Iranian-supported Houthi rebels in neighboring Yemen, and Iranian attempts to undermine the minority Sunni monarchy in Bahrain.⁷ Saudi Arabia, Turkey, and Qatar also regard Iran's Islamic Revolutionary Guard Corps (IRGC) and Lebanese Hizballah as the main cause of the Syrian conflict.⁸ Iran, in turn, is reacting to radicalized Sunni Arab communities and the propagation of Salafist and Wahhabist ideology that directly targets Shia and non-Sunni Arab communities across the Middle East. These tensions have hardened with Saudi Arabia's termination of diplomatic relations with Iran in January 2016.

Weak and failed states have become playing fields for sectarian power struggles. Regional actors are backing local proxies in Iraq, Syria, Yemen, and Libya in an effort to advance their political and economic interests, which include creating Sunni and Shia spheres of influence. Iranian hardliner influence has filled part of the political vacuum in post-Saddam Iraq and in neighboring states with Shia populations or leaders that support Tehran, such as Syria and Lebanon. Turkey also seeks to benefit from the weak Iraqi state by extending its influence in northern Iraq as a counterweight to Baghdad and Iran, to check the PKK, and to enhance Ankara's access to Iraq's oil and gas resources.

Similar trends are occurring in Syria. What commenced as a popular local revolution against the regime of President Assad has morphed into a sectarian proxy war. To ensure Sunni Islamic governance and to challenge Iranian influence, Turkey, Saudi Arabia, and Qatar have become leading sponsors of the Syrian opposition and some jihadist groups. Their aim is to overthrow Assad, an Alawite and longtime beneficiary of Iran. Tehran, in turn, has sent IRGC–Quds Force advisors and fighters to support Assad regime forces, alongside Shia fighters from Iraq, Afghanistan, Pakistan, Lebanon, and central Asia.⁹ Russian military intervention has also proved essential in saving Assad's regime and further weakening opposition forces.

In Yemen, regional political interests, internal power struggles between tribal groups, and renewed sectarianism are feeding off the failed state. Most Sunni Arab states regard the civil war as an Iranian-inspired effort backed by the Houthis and former President Ali Abdullah Salih to overthrow the Saudi-backed government of President Abd Rabuh

Mansur Hadi. Iran and the Lebanese Hezbollah view the conflict as driven by tribal rivalries and supported by Saudi Arabia.¹⁰ These sectarian tensions, if not a protracted civil war, are likely to continue as Saudi Arabia and the UAE remain militarily engaged and Iran extends support to Houthi rebels.¹¹ Saudi Arabia has also retaliated against Hezbollah's support for the Houthis by withdrawing \$3 billion in pledged military support to Lebanon.

Powerful sectarian spheres of influence, however, have not led to Sunni or Shia Muslim blocs that could effectively balance power in the Middle East. Sunni Muslim–dominant states are also driven by domestic security priorities, state nationalisms, economic opportunities, and different interpretations of Islam that prevent cohesive action. For instance, instead of supporting Turkey against the Shia-led government in Baghdad, most Sunni Arab Iraqis strongly oppose Ankara's military interventions in northern Iraq as a violation of state sovereignty. The Syrian civil war has also become embedded in conflicts between Sunni Arab opposition and jihadist groups, while fueling tensions between Kurds and Arabs, regardless of shared Sunni Muslim affiliations.

Similarly, Iran has been unable to fully circumvent state nationalisms and export its brand of revolutionary Islam to Shia populations in the Middle East. In Iraq, most Shia Arabs are committed to Iraqi nationalism and oppose becoming a satellite of Tehran. These distinctions are also doctrinal; the Iraqi Shia religious establishment (*marja-iyya*) under the guidance of the influential Grand Ayatollah Ali al-Sistani rejects the Iranian practice of *vilayet-e faqih* (rule by Islamic clerics and fundamentalist legal views) and follows a moderate approach of limited clerical engagement in political affairs. In Lebanon, some Shia organizations project both religious and secular perspectives that do not necessarily align with Iranian clerical rule. Nor have Houthis in Yemen or Alawites in Syria, which are Shia offshoots, shown any indication of supporting *vilayet-e faqih*, even though they have aligned with and accepted Iranian military support to assert power against opposing forces.

Frozen Israeli-Palestinian Conflict

Bolstering the stability and security of regional allies includes supporting the state of Israel. The leading existential threats to Israel are a potentially nuclear-armed Iran and the unresolved Israeli-Palestinian conflict. The second is a far greater threat than the first. The vanishing feasibility of a two-state agreement leaves both Israelis and Palestinians more vulnerable to escalating conflict, while exposing Israel to greater international censure. Failure to reach a settlement has also left the government

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of Israel increasingly reliant on mitigating internal terrorist threats by “managing the conflict” without a clear strategic endstate. This approach means continuing to occupy the West Bank and maintaining a blockade on the Gaza Strip, which is controlled by the Palestinian terrorist group Hamas.¹²

The frozen Israeli-Palestinian conflict leaves Tel Aviv dependent on the twin pillars of external economic support for the Palestinian Authority and security cooperation with the U.S.-funded Palestinian Authority Security Forces (PASF).¹³ Both components lower the direct financial costs of the occupation to Israel; the bulk of revenues that sustain the Palestinian Authority is derived from outside donors. Similarly the PASF is largely responsible for security in the West Bank.¹⁴ The problem is that if either of these pillars falters, the daily costs of the occupation to Israel would increase dramatically.

Even if these security structures remain intact, they do not guarantee Israel’s internal stability. The Palestinians continue to loathe what they regard primarily as “the occupation”; in the occupied territories unemployment is about 40 percent—the world’s highest—with youth unemployment at more than 60 percent.¹⁵ Absence of hope for a final status settlement, tensions over claims to religious sites, Israeli security measures, and deep intra-Palestinian divisions have caused a recent upsurge in violence from both sides. Ongoing violence may work in Palestinian leader Mahmoud Abbas’s favor by reminding Israel and the international community of the potential outcome of changing the status quo.¹⁶ These consequences are inadvertently encouraging a single, binational state. The problem, however, is that this state will eventually be either Jewish or democratic, but not both. Demographic shifts within the next decade are such that Israel is expected to have a greater number of Arabs than Jews in the territories lying between the Mediterranean Sea and Jordan River.¹⁷

Israel also remains vulnerable to violent nonstate actors despite its qualitative military edge,¹⁸ conventional military superiority, and unacknowledged nuclear program.¹⁹ Terrorist organizations and malign groups that vehemently oppose Zionism pose dramatically different threats than the strong states that used to surround Israel. In addition to Hamas and Palestinian Islamic Jihad operating in Gaza, Israel is confronted with ISIL penetrations into Libya, Egypt’s Sinai region, and potentially the Gaza Strip.²⁰ Israel is further exposed to destabilized neighboring states. Most important is the Hashemite Kingdom of Jordan, considered Israel’s most important neighbor and its strategic depth. Infiltrations of ISIL and radical jihadists from Iraq and Syria into Jordan, some of which seek to overthrow King Abdallah II and tap into the country’s socioeco-

conomic crisis, have gained domestic sympathy and support. In Lebanon the Syrian war has brought Hizballah in direct confrontation with the al Qaeda affiliate in Syria, Jabhat al-Nusra, and reinvigorated militant Sunni Arab jihadist groups.²¹ A strengthening of Hizballah would pose grave threats to Israel itself.

Israel regards its most significant regional security threat as an empowered Iran developing a nuclear program that could directly target the Israeli state. Although most Iranians do not seek Israel's demise, leading conservative hardliner Iranian leaders continue to call for the destruction of the state. Some Israeli security leaders fear that a nuclear-armed Iran would be far more likely to attack Israel conventionally. Consequently, while some Israeli officials regard the nuclear deal as a best option to deter Iran from obtaining a nuclear weapon, other leaders harshly oppose it. A key criticism is that the provisions are less likely to deter or detect incremental Iranian cheating, such as covert nuclear weapons research or advanced centrifuge research.²² Even if strong safeguards are enacted, many fear that the lifting of sanctions would further empower the IRGC, which controls about 30 percent of the Iranian economy, and its regional proxies. Iranian-backed threats against Israel have already occurred in Lebanon and the Gaza Strip and through other Palestinian organizations such as Palestinian Islamic Jihad.

Spillover on Regional Allies

These security dilemmas have created massive refugee flows that can destabilize regional and European allies. By January 2016 the Syrian civil war had resulted in 4.6 million refugees who fled to Turkey, Jordan, Lebanon, Iraq, and Egypt with an additional 6.6 million internally displaced persons.²³ Host countries have assumed large-scale costs of integrating and maintaining refugee populations that are expected to continue over the long term. The spillover of the Iraq and Syrian conflicts has undermined fragile regional economies. By December 2014 Lebanon had lost more than \$20 billion in direct costs from the Syrian civil war, mainly in foregone infrastructure development and the costs of hosting the over one million Syrian refugees that account for 25 percent of its population.²⁴ Jordan's 800,000 Syrian refugees comprise 10 percent of its population and are compounding the country's socioeconomic crises.

Turkey currently hosts the world's largest refugee population of about 2.7 million, with 250,000 Syrians living in 20 camps managed by the Turkish government. While Syrian refugees represent only about 3 percent of Turkey's total population, they have created demographic shifts in mixed localities in southeastern Anatolia where ethnic and sectarian

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tensions are salient. In some areas Syrian refugees have helped boost local production and local labor markets; however, the long-term impact on growth and stability depends on how they can be integrated into local and regional labor markets and society.

Mass migration from failed states also threatens European security. By 2015 about one million migrants had fled to Europe, mainly from Iraq, Syria, and Afghanistan. In contrast to the large-scale refugee flows caused by the wars of Yugoslavia, which gradually brought over two million refugees from 1992 to 2000, the massive and sudden population displacements from Syria to Europe have reached levels not seen since World War II. From April 2011 to November 2014, over 775,000 Syrians applied for asylum in Europe, more than two-thirds of whom are young adult men. The total number of asylum seekers to Europe during the first 10 months of 2015 increased to about one million, more than twice the amount of the same time period in 2014.²⁵ Instability in Libya and its proximity to Europe's Mediterranean shores threaten another migration spike, with Italy being increasingly vulnerable.

Massive refugee flows are occurring amid Europe's ongoing economic slowdown and ISIL-inspired terrorist threats. They have further heightened Europe's financial and security burdens and strained recipient countries' capacities to process asylum requests, meet humanitarian needs, and integrate refugee communities into society.²⁶ Demographic changes and economic pressures have fueled a populist backlash from anti-immigration and anti-European Union parties, creating conditions for marginalization and potential radicalization. Regional trade and energy flows have also been negatively affected. Turkey's trade to Syria has declined by 70 percent since 2011, while Jordan has lost about 75 percent of its trade to Syria.²⁷ Egypt, Jordan, Lebanon, and Turkey have realized losses in tourism and total household income while military and border security costs have increased.²⁸

Moreover, weak and failed states and geopolitical disorder are hindering the development and export of hydrocarbons to regional and global markets. Although Iraqi oil exports have increased to over four million barrels per day since 2003, the country's energy sector is vulnerable to instability and conflict. Nearly 85 percent of Iraqi oil exports rely on the Iranian-controlled Strait of Hormuz. A sustained closure of this strategic chokepoint would instigate the economic collapse of Iraq as well as of Arab Gulf oil economies.

Oil and gas exports are also susceptible to contentions over state sovereignty and ownership of resources. In Iraq the Kurdistan Regional Government (KRG) has taken de facto control of some oil and gas fields in disputed territories, as well as the Iraqi government pipeline, for its

own legally contentious oil exports to Turkey. The pipeline is prone to terrorist attacks and closures, often due to the PKK insurgency and Ankara's bombing campaigns against PKK bases in the Kurdistan region. Libyan oil sector development has confronted similar obstacles. Since the overthrow of the Qadhafi regime and ISIL threats, Libya has seen its oil production plummet from about 1.6 million to 360,000 barrels per day in April 2016 due to the absence of a strong, unified government, ongoing rivalries between tribal and militia groups, and limited storage capacity. Even if the eastern ports are reopened, Libya may realize just half of its Qadhafi-era production levels and see significant losses in oil export revenues.²⁹

In the Levant, protracted conflict has prevented Lebanon and Syria from tapping into vast offshore gas discoveries while the Israeli-Palestinian conflict has hindered gas development in the Gaza Strip. Egypt's gas export agreements with Israel have been canceled due to opposition from the Muslim Brotherhood and local populations. These untapped markets could potentially source regional energy hubs, as well as Turkish and European economies that rely on Russian gas and are exposed to high energy insecurity.³⁰ Assuring the free flow of energy resources to regional and global markets also depends on security of supply issues, individual country gas pricing policies, and the absence of integrated regional and domestic gas markets. Without any change in these conditions, intra-regional gas trade will likely remain limited to gas exports from Qatar to the UAE and Oman, and through the Arab Gas Pipeline from Egypt to Jordan, Israel, Syria, and Lebanon.

Conclusions and Policy Recommendations

Failed governance, sectarianism and geopolitical disorder, and a frozen Israeli-Palestinian conflict pose protracted long-term threats to U.S. national security interests in the Middle East. The breakdown of strong state institutions that can secure borders and effectively provide public services has created conditions in which terrorism, illicit economies, and political conflict breed. These security dilemmas are occurring at a time when the United States has limited leverage in the Middle East, lacks domestic and financial support to engage in large-scale and long-term interventions, and has strained relations with traditional partners such as Saudi Arabia and Turkey.

Under these conditions and constraints, the United States should not attempt to fix failed states. Nor should it seek to resolve protracted conflicts without the necessary requisites in place, namely political conditions and regional actors committed to making necessary compromises.

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Rather, the United States should be prepared to project power defensively within the parameters of sustained regional chaos and limited influence. This defensive policy approach demands selective and pragmatic engagement in the Middle East that is grounded in a clear commitment to the territorial integrity and sovereignty of states, no matter how weakened they have become, and traditional regional partnerships. It can include preventive measures to help regional partners stem refugee flows, develop economies, and tap energy resources needed for domestic and external consumption. There are several key U.S. policy options.

Support Strategic Anchor Points

It is in the interest of the United States that its traditional Middle East partners are politically stable, militarily cooperative, and economically strong, and serve as strategic anchor points that can contain terrorism and geopolitical disorder. To this end, the United States should work to reverse the image of a fickle ally by affirming and/or resuming full security cooperation with regional partners that can help diminish the prospects of terrorist threats penetrating Gulf monarchies and the region, including Jordan, Lebanon, Yemen, Turkey, Egypt, and Israel. Enhancing the capabilities of regional partners also entails hard choices; there may be aspects about these countries that the United States does not necessarily support, but these strategic partnerships should be regarded in terms of the stability they could provide. Developing strategic anchor points should take precedence over short-term tactical alliances with substate actors that undermine state sovereignty.

Contain Instability and Limit Damage

Iraq and Syria: Defeat ISIL and Stabilize. The United States should continue to support regional and local partners to defeat ISIL and stabilize ISIL-free territories. This effort can include reconstruction and humanitarian assistance, technical expertise to assist with services and capabilities, reconciliation efforts, training Iraqi Security Forces and federal and local police forces, and tapping energy resources needed for domestic and external consumption. Support for the KRG could be included in this effort but should be based on the condition that the Kurds remain committed to the Iraqi state and that all support continues to be channeled through and be approved by central and federal authorities. The United States should more carefully leverage the KRG and avoid enabling the Kurds to the point where they do not think they have to negotiate with Baghdad. The United States should also be prepared for ongoing Kurdish threats to declare independence and the regional and local backlash that may elicit.

The United States should support Shia leaders in Iraq who are driven by Iraqi nationalism, seek to bridge ethnosectarian divides, and engage in reforms. This effort should include regular and frequent engagement at the executive level that openly supports the Haydar al-Abadi government (and any successor inclusive, Iraqi-nationalist government) and affirms the U.S.-Iraq strategic partnership. To diminish the influence of Iranian-backed hardliner factions, the United States should assist Iraqi government efforts to incorporate “reconcilable” popular mobilization units (Shia militia) into the Iraqi Security Forces command and control structure, and/or as a distinct counterterrorism force, while excluding Quds Force–supported factions aligned with Iran. The United States should also tacitly support Iraq’s marja’iyya to ensure that Najaf’s “quietism” and Iraqi nationalism are sustained, particularly in the event that the aged Ayatollah Sistani passes away.

In Syria the United States should continue efforts to negotiate a ceasefire with the overall aim of defeating ISIL and maintaining state institutions and Syria’s territorial integrity. It should not actively seek regime change without a negotiated settlement among leading regional and local actors and a viable transitional government in place. Turkey’s engagement in stabilizing Syria and negotiating a strategic endstate is essential and should take priority over unconditional tactical assistance to Syrian Kurdish groups. The United States should also engage diplomatically with Turkey to negotiate a ceasefire with the PKK and assuage Turkey’s threat perceptions about the territorial integrity of its southern borders.

Israel-Palestine: Break and Resume Later. Under current dynamics, the negotiation process for a two-state solution is not viable. The sustained tumult in the region has heightened Israeli and Palestinian concerns about security, terrorism, and political instability and has diminished interest to compromise on security and territorial matters. A negotiating climate is further undermined by Palestinian weakness and disunity and Israeli settlement expansion. In the absence of a clear commitment from both sides toward a two-state solution, the United States should not reengage in the peace process. It should, however, watch closely for indicators that signal a major shift in the political climate that would be more propitious for negotiations. Key triggering conditions include, at minimum, political realignment in Israeli politics that moves away from a hard-right to a centrist government; the departure of Palestinian Authority President Mahmoud Abbas and a viable leader to replace him; and willingness of both sides to engage in meaningful negotiations.

During the interim period, the United States should help neutralize threats to Israel, provide economic incentives to Palestinians, and ensure

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the continuation of a Jewish and democratic state. This effort could focus on building economic interests through natural gas development and revenue and resource-sharing in Palestine between the Israeli and Palestinian governments. It should also raise civil society funding and community level projects while continuing to support long-term objectives of Israeli-Palestinian peace. The United States should revisit the situation when conditions change and are amenable to negotiation.

Assist European Partners. The United States should assist European allies that are most vulnerable to refugee flows and ISIL foreign fighters returning to Europe through political and operational support. It should enhance intelligence-sharing, joint security measures in refugees' home and host countries, and financial support to Turkey and "frontline European countries" to support comprehensive asylum and humanitarian needs. The U.S. Sixth Fleet in the Mediterranean should cooperate with the European Commission's liaison (European Union Naval Force) to help interrupt refugee smuggling operations, support Libyan and Turkish coast guards and border authorities, and provide diplomatic pressure on Arab Gulf states to increase their support of Syrian refugees.

Engage with and Deter Iran

The United States should pursue a two-track approach in dealing with Iran that includes negotiating with Tehran and checking Iranian ambitions. In one track, the United States should develop a constructive bilateral relationship with Iran. It should respect Iran's position as an important Middle Eastern country, bring it into multilateral forums in the effort to establish standards and resolve differences, and make measured statements that could incentivize societal opening and reform. This effort should also encourage economic and commercial interdependence between Iran and Arab Gulf states that could enhance moderate structures, institutions, and regional relations.

In a second track, the United States should push back hard on Iranian regional terror and guerrilla networks. It should work to diminish the Islamic Republic's continuing revolutionary mission, primarily through IRGC-Quds Force activity in Iraq, Syria, and Yemen and its relationship with Lebanese Hizballah, to establish itself as a regional hegemon. This effort should also actively target and attempt to break up Iranian terror networks. Additionally, U.S. policymakers must rigorously monitor Iranian compliance with the JCPOA nuclear agreement and act swiftly to exact consequences in the event of any Iranian violation that would threaten the security of Israel and regional Sunni Arab allies. Furthermore, the United States should support Saudi Arabia's efforts to defeat

the IRGC–Quds Force-backed Houthi rebels and stabilize Yemen, and the Kingdom's efforts to counter IRGC–Quds Force machinations in Saudi Arabia's eastern province and in Bahrain. The United States should not let Iran or Sunni Arab states think it is equidistant.

Summary

The Middle East will be unstable and prone to conflict for the next decade, even after ISIL is defeated. External borders are likely to remain officially intact, but the nature of states will be reconstituted in ways that demand new security and political arrangements at national and local levels. These shifts may encourage politically and economically expedient pacts between substate and nonstate actors, but they are also likely to stir or deepen conflict over control of territories, hydrocarbons, and revenues. Although the United States cannot be expected to resolve these problems, it can play a more effective leadership role that reaffirms its commitment to state territorial integrity and shores up traditional regional partners. There is no realistic or viable alternative from which to choose; state breakup is not supported by any key regional government and would only lead to greater bloodshed and instability.

While seeking to project its power defensively, the United States should be prepared for events that could trigger dramatic shifts and force it to engage in the Middle East at higher levels. Some key triggering events include but are not limited to an official merger of al Qaeda and ISIL; catastrophic collapse of the Mosul Dam; civil war in Egypt; violent uprisings and/or civil war in Jordan; major escalation of ISIL-inspired violence in the West Bank; Iranian nuclear or ballistic missile attacks on Israel; and large-scale terrorist attacks inspired by Iran, ISIL, and/or al Qaeda affiliates in Saudi Arabia. The United States should also reconsider its level of engagement in the case of a mass casualty terrorist attack in the U.S. homeland linked to core al Qaeda or ISIL operations in Iraq or Syria. This threat is particularly pertinent if it occurs during the final days of an outgoing administration concerned with its legacy or the beginning of a new administration vulnerable to the hazards of transition.



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Notes

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