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Refocusing U.S. Foreign Policy in the Middle East

Should the US retreat from its high profile role in the Middle East? Not according to Josef Braml. Staying engaged will 1) aid the US' quest for energy independence, 2) facilitate its relations with a troubled Saudi Arabia, and 3) possibly improve its ties with Iran, at the expense of China.

By Josef Braml for ISN

The United States' global footprint is continuing to undergo a period of profound change. Domestic problems and a lack of appetite for a repeat of the Iraq and Afghanistan campaigns are ushering in a more pragmatic and targeted foreign policy, with the Asia-Pacific region at its heart. Moreover, Washington is increasingly looking to make use of its domestic shale oil and gas deposits in a bid to decrease its energy dependence on conventional supplies from the Middle East. Yet, it would be totally naïve to assume that the United States will entirely give up on this resource-rich and geopolitically pivotal region any time soon.

Domestic Limitations

Despite the ongoing crisis in Ukraine and renewed fighting between Israel and Palestine, it will be social and economic challenges at home rather than foreign affairs that will absorb the majority of Barack Obama's attention for the remainder of his second term of office. Indeed, when the President has talked about foreign policy in recent times he has quite often put a domestic slant on his message. When commenting on the [Defense Strategic Review](#), for example, Obama indicated that rebuilding the basis of the United States' national strength would play an important part in resurrecting the country's international standing. Unfortunately, problems on the home front and a gridlocked political system will continue to impede his ability to shape a new foreign policy outlook across what remains of his presidency.

It's a similar story for Washington's defense and security policies. In keeping with other Western governments, financial constraints now mean that the United States can no longer maintain a massive overseas military presence in order to safeguard its economic and geopolitical interests. Nation-building and democracy promotion have now become yesterday's idealistic goals. And as the recent NATO campaign over Libya demonstrates, the United States is now prepared to pass more of the military burden over to its allies rather than taking the lead.

Securing Vital Interests

However, a reduced military presence does not necessarily mean that Washington is falling back into isolationism. From cutting edge unmanned aerial vehicles (UAV) through to its still formidable nuclear arsenal, the United States remains a global power with plenty of potential to exert its influence on the international system. In addition, Washington should not be blind-sided into thinking that a greater reliance on domestic energy will inevitably mean a reduced role on the world stage. The US economy will still remain highly susceptible to fluctuations in the price of oil as a result of unrest in producer countries, supply shortfalls and growing demands from the most energy-hungry parts of the developing world.

That's because Washington's efforts to extract domestic supplies of untapped oil and gas remain very much a work in progress. Indeed, until the United States fully masters the technology - and improves the profitability - of fracking, its economy will continue to rely on the free flowing of oil through sea lines of communication (SLOC) like the Strait of Hormuz. This, in turn, means that a significant amount of the country's oil supplies will continue to access a sea lane that could be blocked by Iran in the event of a crisis. Consequently, the United States will continue to have a vested interest in the politics and security of the Middle East for foreseeable future.

This is especially true of Saudi Arabia, the only producer state with the capacity to provide enough favorably-priced oil to the West and Asia in times of economic and geopolitical crises. In this respect, sanctions levied against Iran and its nuclear program would not have been endurable if the Kingdom did not make up for the heavily restricted flow of Iranian oil to the West. Without Riyadh's continued support, it is also highly likely that global oil prices would have risen to such an extent that the West's already fragile recovery from the last global economic downturn would have been put in doubt. And let's not forget that Saudi Arabia's support does not come for free. Since 1933, the Kingdom has looked to the United States and the West to guarantee its regional security, most recently against the challenges posed by the fallout from the Arab Spring.

Stability — a Waning Concept?

However, relations between the United States and Saudi Arabia are starting to rest on increasingly shakier foundations. Like many other countries of the Middle East, the Kingdom also faces its fair share of demographic challenges. It is now home to a younger, better educated and better informed population that is calling for increased political participation and a bigger stake in the country's economic future. This has undoubtedly set alarm bells ringing in Washington, which now fears that the same Saudi bureaucrats that have effectively run the country for years might lose their grip on power in another wave of the Arab Spring.

Worse still, the long-term stability of Saudi Arabia may also be threatened by changes at the very highest level. Currently, members of the vast Saudi royal family are vying for power and jostling for influence ahead of the eventual succession of the 89 year old King Abdullah. Fuelling their competing interests is speculation that the first and second in line to throne are in as equally fragile health as the current ruler of the Kingdom. Consequently, infighting between rival family branches consisting of hundreds of Saudi princes should not be ruled out.

Instability in Saudi Arabia might also prompt Washington to seriously consider its options. These may include an intensification of efforts to reach out to the Kingdom's fiercest regional neighbor — Iran. Currently, both the United States and Iran are readying themselves for another round of negotiations over Tehran's nuclear program. Concessions are likely to underscore dialogue between the two for the foreseeable future. Yet, the potential benefits of warmer ties between Washington and Tehran are

plain to see: Iranian oil supplies could flow once again into the American economy and the Straits of Hormuz would be a far safer place to do business. There's even a possibility that rapprochement between Iran and the United States might also break Saudi Arabia's stranglehold on OPEC and global oil prices, thereby bolstering the West's economic fortunes in the process.

Indeed, at a recent OPEC [meeting](#), Iran indicated that it would be prepared to step up its oil production capacities if sanctions were lifted. "We will produce 4 million (barrels a day) even if the price drops to \$ 20", Iranian oil minister Bijan Namdar Zanganeh was quoted as saying by the Associated Press. It remains to be seen, however, what a resurgence of Iranian oil production might do to the unity of an organization that has consistently managed to set global oil prices on their terms.

And then there's China

Rapprochement between Iran and the United States might also help to lessen Tehran's considerable strategic reliance on China. Beijing's interest not just in Iran but the wider Middle East has grown more or less in line with China's increasing demand for energy. Most of the oil that continues to fuel the country's economic development and growing military prowess now comes via Central Asia and the Persian Gulf. In order to safeguard these supplies, China has made significant investments into the energy and pipeline infrastructure of both regions. These include the proposed development of a railway line that runs from Tehran to the Iraqi border, and then on to China via Central Asia. In addition, many Middle Eastern states are now taking up investment opportunities in China ahead of similar ventures in the United States and the West.

Yet, despite its economic fragility, the United States remains more than capable of keeping China's economic and geopolitical influence in check. Washington can begin by going on a charm offensive against those OPEC states that are reinvesting petrodollars in China rather than the United States. That won't be an easy task, given that relations between the two have been volatile since at least the [oil embargo](#) of 1973-1974. In addition, OPEC also counts the likes of Venezuela and Ecuador as its members — two South American states that also have difficult relations with the United States.

So, Washington will inevitably have to do more than just seeking to improve ties with an organization that has a track record of holding the United States at arm's length. One option might be to provide those OPEC members located in the Middle East with expertise and technical assistance that aims to further develop their energy producing capacities. In time, this might also include working on renewable energy sources. This might help to ensure that oil sales continue to be mainly denominated in dollars and the existing international monetary system continues to be weighted in favor of the United States rather than China. Reason enough for the world's only bona fide superpower to remain active and engaged in what remains a truly pivotal region of the international system.

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Josef Braml is Editor-in Chief of the DGAP (the German Council on Foreign Relations) International Relations Yearbook and a Resident Fellow in the Research Program USA / Transatlantic Relations.

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ISN, Center for Security Studies (CSS), ETH Zurich, Switzerland