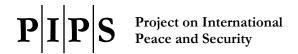
The Iranian Threat and a Reinvigorated Gulf Cooperation Council

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POLICY BRIEF

Iranian efforts to develop a nuclear weapons program pose several security challenges for the United States and its allies in the Persian Gulf. Armed with nuclear weapons, an emboldened Iran may attempt to destabilize the Gulf monarchies through the promotion of religious revolutions or use its increased military power to coerce its neighbors. Iran also may use its nuclear arsenal and important geographic position on the Strait of Hormuz to manipulate international oil prices and control important shipping lanes. In addition, a nuclear Iran would likely spark a conventional or nuclear arms race in the Persian Gulf which would only heighten tensions and further the threat of nuclear proliferation.¹

To combat the emergence of one or all of these undesirable scenarios, the United States must not simply rely on efforts to prevent Iranian acquisition of nuclear weapons. The United States should begin planning for the eventuality of a nuclear-armed Iran and must be prepared to combat such a threat with a regional security architecture appropriate for the Persian Gulf.

History provides three possible security regimes which the United States could utilize:

- North Atlantic Treaty Organization (NATO): NATO is distinguished by: (a) a collective security guarantee through which an attack on one state is considered an attack on all member states, (b) an integrated military command under the Supreme Allied Commander to which states allocate a portion of their forces, and (c) a common infrastructural development fund. However, a collective security guarantee similar to that required by NATO membership would likely be unattractive in the Gulf, where states could be drawn into a myriad of conflicts. The monarchies, already protective of their sovereignty, would also be averse to contributing forces to an autonomous allied command over which they would have little individual influence.
- European Defense Community (EDC): Proposed in 1950 in response to U.S. plans for German rearmament, the EDC mandated that each state relinquish control over its national military and contribute those forces to an overarching European Army.³ Benelux states' concerns of being dominated in the force by French and German personnel, and intense nationalism, particularly in France led to the demise of the Treaty.⁴ Such a supranational, overarching security structure would similarly be impractical in the

Gulf because (a) the smaller monarchies fear Saudi dominance, and (b) as in a NATO scenario, each state intensely values control over its national defense forces.

• Southeast Asia Treaty Organization (SEATO): Established by the United States to contain Chinese communism during the Cold War, SEATO was a loose alliance system in which states retained control over their national defense forces. No collective security requirement existed, rather each state pledged to utilize their domestic constitutional process to determine an appropriate response to aggression in the region. However, the inclusion of the U.S., the United Kingdom, and France led to extensive public criticism in the region. Many member states and their publics believed the organization only served the interests of imperial powers. SEATO collapsed because member states saw the organization as ineffective for solving conflicts in the region. It is unlikely that such a security architecture would be politically viable in the Persian Gulf. Many states and their populations are concerned with their overwhelming reliance on the United States and, following the 2003 invasion Iraq, the perception of U.S. interference in the Gulf. The Southern Gulf states also fear potential U.S. domination in the face of a global energy crisis.

Each organization presented provides an unsatisfactory model for a Persian Gulf security architecture in either its hierarchical organization, limitations on sovereignty, compulsory security guarantee, or connection to the United States. What is required, instead, is a more loosely based organization that can credibly contain Iran through military and political coordination, but safeguard the sovereignty of each state without fears of U.S. interference.

Such an organization is already in existence. The Gulf Cooperation Council (GCC), founded in 1981 at the outbreak of the Iran-Iraq war, provides such a framework. While the organization is currently ineffective and the six Gulf monarchies have demonstrated an unwillingness to coordinate on a range of military and economic issues, the growing possibility of a nuclear-armed Iran and the existence of a now Shi'a-dominated Iraq may increase the willingness of Arab states to cooperate in the security area. The United States is presented with a crucial opportunity to fashion an updated and more credible organization out of the existing GCC.

Such an organization should be a loose coordinating body that focuses primarily on the fielding and training of coordinated military forces, based on certain core principles:⁷

- (1) <u>United States Nuclear Guarantee.</u> While the United States should have no formal role in the organization, the U.S. should provide a blanket nuclear security guarantee over the entire organization, to deter a nuclear Iran and prevent further proliferation in the region. Such an arrangement would also provide greater legitimacy and prestige for the organization and diminish the perception of United States imperialism in the region.
- (2) <u>Coordinated Arms Purchases.</u> The GCC should serve as a vehicle to coordinate arms purchases by member states. Rather than relying purely on uncoordinated bilateral arms agreements, coordinated purchases would prevent GCC members from falling

prey to what Anthony H. Cordesman refers to the "glitter factor," in which states purchase expensive arms, which cannot realistically be integrated into their armed forces, simply for prestige. ⁸ By promoting greater interoperability, members could better and more efficiently meet the Iranian threat and coordinate with U.S. and other Gulf forces.

- (3) <u>Joint Military Training.</u> With coordinated military forces in mind, a reinvigorated GCC should pursue joint training and military maneuvers among member states and the international community. Joint military training would ensure the GCC is prepared to respond to any form of aggression in the region.
- (4) <u>Focus on Air and Naval Forces.</u> Many Gulf states view their land forces as a possible source of domestic instability and are reluctant to either increase their size or relinquish control of those forces. Because of this reluctance, and the fact that the major conventional threat from Iran emanates from Iranian air and naval forces, the GCC should focus on the equipping and training of member states' air and naval forces.⁹
- (5) <u>Consensus Decision-Making.</u> Much like NATO, all decision-making within a reinvigorated GCC should be consensus-based. The Gulf monarchies are extremely protective of their sovereignty and it is unlikely they would accept a more rigid form of decision making. Although the current organization has lacked effectiveness, the highest organs of the GCC have consistently met on a yearly basis, and specific ministers have met even more frequently.¹⁰
- (6) No Collective Security Guarantee. The GCC should not require a hard collective defense commitment in which an attack on one state is considered an attack on all, requiring an immediate response. Rather, the GCC should utilize consensus to determine when to act collectively. Joint military maneuvers and greater operability of forces between the United States and other GCC members will ensure a wider array of possible responses, utilizing one or all of the GCC members and possibly the United States.

In implementing the above recommendations, a stronger and more effective Gulf Cooperation Council will emerge with the following benefits:

- (1) <u>Downplay Religious Tensions</u>. The GCC will effectively emphasize the existing Arab-Persian cleavage in the Middle East and downplay the significant Sunni-Shi'a tensions feared by the Gulf monarchies. The Iraq-Iran war demonstrated that Shi'a minorities may be more susceptible to nationalist or ethnic appeals than sectarian appeals.¹¹
- (2) <u>Increase Interoperability and Standardization.</u> Increased interoperability and standardization of Gulf and United States forces will provide greater opportunities for effective coordination. In addition, security services will be more effective, ensuring stability in states already plagued with internal difficulties.

- (3) Emphasize Air and Naval Forces.. The development of air and naval forces would provide an important counter to Iran's most probable conventional response to U.S. activity in the region. Iran is attempting to build its naval capacity in order to counter the extensive U.S. naval presence in the Gulf. In addition, several scholars have concluded that air and naval forces are less likely to attempt a coup. Thus, air and naval units would allow the monarchies to maintain lower levels of the ground forces they inherently fear, and prevent political challenge. Is
- (4) <u>Lessen Perception of U.S. Imperialism.</u> The lack of a formal United States role in the organization would lessen any perception of U.S. imperialism in the region. Arms trade and cooperation with the GCC at the supranational, organizational level, rather than on a national basis will diminish fears of internal interference. Despite a lack of bilateral cooperation, coordinated and interoperable forces would nevertheless ensure that, if necessary, multilateral actions on a scale smaller than the GCC could still be undertaken.

Despite improving the GCC and presenting a more credible threat to Iranian aggression in the region, a rejuvenated Gulf Cooperation Council may have several potential drawbacks:

- (1) <u>Increased Iranian Threat Perception.</u> An increase in coordinated conventional forces, the type of forces Iran lacks, has the potential to increase Iranian perceptions of threat in the region or the state's push for a nuclear weapon, should they not acquire one before the organization is created.
- (2) <u>Fear of Saudi Dominance</u>. As a visible United States' presence in the region is diminished, the smaller members of the GCC may increasingly become concerned of Saudi dominance within the organization.¹⁴

While military cooperation should remain the short-term focus of a rejuvenated GCC, in the long-term such an organization should also promote economic diversification as central to its purpose. The monarchies of the Persian Gulf are facing severe domestic challenges arising from (a) demographic challenges and population growth, specifically an increasing youth, (b) a lack of economic growth and meaningful employment for nationals, combined with a large number of expatriate workers, and (c) falling oil revenues. Left unaddressed, economic challenges may lead to instability in the region.¹⁵

Economic Diversification. As internal security lays the foundation for any successful security organization, the GCC must pursue rigorous economic diversification and restructuring in order to produce the growth necessary to field sophisticated militaries and prevent domestic instability. Alternative economic sectors would lead to a more stable source of government revenues, unassociated with the ebb and flow of international oil prices. Economic diversification would also allow greater employment opportunities for national workers and lessen the reliance on expatriate labor. Cooperation in the economic sector could develop initially around several specific sectors, much like an embryonic European Coal and Steel Community. The GCC has imposed a common external tariff and common labor markets, but

similar, competitive oil-based economies have limited the benefits of such arrangements.¹⁶ A focus on economic reforms might also galvanize popular support in these countries, creating an image of the GCC as an organization organized for more than the preservation of ruling elites.¹⁷

<u>Partnerships for Peace with Iran.</u> If Iran proves to be the status quo power it claims to be, the Gulf Cooperation Council should also consider encouraging cooperation in specific economic and security areas. The organization could promote cooperative frameworks modeled after NATO's Partnerships for Peace with former Soviet bloc and Warsaw Pact states. ¹⁸ Such an arrangement would likely temper Iranian fears of the organization and may encourage cooperation rather than confrontation.

Thus, as alternative existing security architectures are poorly suited for the Persian Gulf, the United States should encourage a modified version of the Gulf Cooperation Council in order to most effectively contain Iran or prevent a regional arms race. Initially the GCC should promote greater interoperability of U.S. and Persian Gulf forces, and joint training and military maneuvers, specifically among air and naval forces. However, economic diversification should be promoted over the long-term to combat the potential sources of instability in the Gulf. As the organization evolves, partnerships with Iraq and Iran should be forged to stabilize the region.

¹ Congressional Quarterly, *The Middle East: Tenth Edition* (Washington: CQ Press, 2005), 139.

² David S. Yost, *NATO Transformed: The Alliance's New Role in International Security* (Washington: United States Institute of Peace Press, 1998), 24; Sean Kay, *NATO and the Future of European Security* (Lanham: Rowman & Littlefield Publishers, Inc., 1998), 35; 41.

³ Kevin Ruane, The Rise and Fall of the European Defence Community: Anglo-American Relations and the Crisis of European Defence, 1950-55 (New York: St. Martin's Press, Inc., 2000), 16.

⁴ The French National Assembly eventually voted against the proposal, effectively preventing the establishment of the Defense Community. See Ruane, 102.

⁵ States were charged with utilizing their domestic constitutional process to determine how best to respond to aggression in Southeast Asia. Yet, the United States was only required to intervene in cases of communist aggression, while all other members were charged with responding to any form of aggression. Asian member states also felt the organization did not meaningfully address regional security concerns. Pakistan in particular cited concerns that SEATO did not contribute to its security fears vis-à-vis India. See Leszek Buszynski, *SEATO: The Failure of an Alliance Strategy* (Kent Ridge: Singapore University Press, 1983), 106.

⁶ Saudi Arabia, for example, concluded an agreement with the United States for U.S. troops to leave Saudi bases following the end of the Iraq war in 2003. The Saudis cooperated much more covertly with the United States in 2003 than during the Persian Gulf war, and Cordesman characterizes such relations as "substantially more distant than in the early 1990s." See Anthony H. Cordesman, *The Military Balance in the Middle East* (Westport: Praeger, 2004), 324; For a discussion of the U.S. dominantion over energy concerns, see Congressional Quarterly, 177.

⁷ While the current GCC has proposed similar plans, the Peninsula Shield and Rapid Development Force have proven ineffective. The Peninsula Shield force of 7,000 men had participated in joint military maneuvers but is not maintained as an integrated force and is small in size. The Rapid Development Force, meant to be stationed in Saudi Arabia, does not maintain ground forces absent an emergency and is thus slow to mobilize. See Hilal Khashan, *Arabs at the Crossroads: Political Identity in Nationalism* (Gainesville: University Press of Florida, 2000), 93; and Cordesman, *The Military Balance in the Middle East*, 312.

⁸ The Gulf monarchies have largely built-up their armed forces in isolation from one another and have emphasized the purchase of expensive arms with little to no concern for interoperability with other states. See Anthony H. Cordesman, *The Military Balance in the Middle East* (Westport: Praeger, 2004), 311.

⁹ Anoushiravan Ehteshami, "Iran and Its Immediate Neighborhood," in *Iran's Foreign Policy: From Khatami to Ahmadinejad*, eds. Anoushiravan Ehteshami and Mahjoob Zweiri (Berkshire: Ithaca Press, 2008), 137; Anthony H. Cordesman, *Saudi Arabia Enters the Twenty-First Century – Volume 1: The Military and International Security*

Dimensions (Westport: Praeger, 2003), 380.

¹⁰ The Supreme Council, made up of the GCC heads of state, meets annually while the Ministerial Council, a subordinate body or cabinet ministers, meets several times per year to recommend policies in certain areas. See Erik R. Peterson, *The Gulf Cooperation Council: Search for Unity in a Dynamic Region* (Boulder: Westview Press, 1988), 107: 109-110.

- ¹¹ Fearing Iranian appeals to the Shi'a majority of Iraq, Saddam Hussein's Ba'th Party emphasized Arab appeals visà-vis the Persians of Iran to prevent sectarian identity from becoming dominance. Of particular importance was the fact that Iraq's army was approximately 80% Shi'a at this time. Thus, Hussein attempted to convince Shi'as that "they were first and foremost Arabs, just as their 'Sunni brothers,' and that their government shared in their Arabism...defending their cherished 'Arabism' against 'racist Persians.'" During the war such an appeal appeared to have successfully prevented Shi'a identification with Iran. See Suzanne Maloney, "Identity and Change in Iran's Foreign Policy," in *Identity and Foreign Policy in the Middle East*, eds. Shibley Telhami and Michael Barnett (Ithaca: Cornell Univeristy Press, 2002), 107; and Adeed Dawisha, "Footprints in the Sand: The Definition and Redefinition of Identity in Iraq's Foreign Policy," in *Identity and Foreign Policy in the Middle East*, eds. Shibley Telhami and Michael Barnett (Ithaca: Cornell Univeristy Press, 2002), 132.
- ¹² Anoushiravan Ehteshami, "Iran and Its Immediate Neighborhood," in *Iran's Foreign Policy: From Khatami to Ahmadinejad*, eds. Anoushiravan Ehteshami and Mahjoob Zweiri (Berkshire: Ithaca Press, 2008), 137.
- ¹³ James T. Quinlivan has found that many states limit ground troops in order to "coup-proof" their regimes because ground troops are best positioned to challenge the centers of the regime. Thus, an emphasis on air and naval forces would miminize the risk of coups. See James T. Quinlivan, "Coup-Proofing: Its Practice and Consequences in the Middle East," *International Security* 24:2 (Autumn 1999), 142.
- ¹⁴ Saudi Arabia, as the largest Southern Gulf state in terms of both population and size, has assumed a leadership role in GCC. GCC headquarters are located in the Saudi capital, Riyadh. However, the smaller monarchies have still resisted Saudi dominance by building up their own militaries independent of Saudi interference. See F. Gregory Gause III, "The Foreign Policy of Saudi Arabia," in *The Foreign Policies of Middle East States*, eds. Raymond Hinnebusch and Anoushiravan Ehteshami (Boulder: Lynne Rienner Publichers, 2002), 198.
- ¹⁵ For a discussion of the economic challenges facing the Persian Gulf monarchies see Turki Al-Hamad, "Imperfect Alliances: Will the Gulf Monarchies Work Together?," in *Crises in the Contemporary Persian Gulf*, ed. Barry Rubin (Portland: Frank Cass, 2002), 30; Hilal Khashan, *Arabs at the Crossroads: Political Identity in Nationalism* (Gainesville: University Press of Florida, 2000), 74-76; and Cordesman, *The Military Balance in the Middle East*, 29.
- ¹⁶ Rodney Wilson, "Saudi Arabia's role in the global economy," in *Globalization and the Gulf*, eds. John W. Fox, Nada Mourtada-Sabbah, and Mohammed al-Mutawa (New York: Routledge, 2006), 175-176.
- ¹⁷ Abdul Khaleq Abdulla, "The Gulf Cooperation Council: Nature, Origin, and Process," in *Middle East Dilemma: The Politics and Economics of Arab Integration*, ed. Michael C. Hudson (New York: Columbia University Press, 1999), 159.
- ¹⁸ Proposed by U.S. Secretary of Defense Les Aspin, the Partnerships for Peace (PfP) program promoted joint planning, military exercises, and cooperation of NATO forces with non-NATO forces in certain key areas. Cooperation with Russia and other former adversaries was relatively successful. See Yost, 70-72.