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AMERICAN PRESENCE IN THE PERSIAN GULF FROM 1970 TO 2000

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For decades prior to the 1960s and 1970s the Gulf region, part of the wider Middle East reality and including the present-day countries of Bahrain, Iran, Iraq, Kuwait, Oman, Saudi Arabia, and the United Arab Emirates, has been regarded as a border zone of the Middle East, on the periphery of cultures and empires, but with a unique identity that has been well defined since antiquity. The maritime economic trade in which the Gulf states and their major ports had been engaged since late antiquity has developed a highly hybrid and mixed culture where races and ideas, as well as goods from a variety of places enrich each other and the life of the city, characterizing for millennia the region by a constant interchange of commerce, people, and religion movement.¹ In this mutual environment, a territorial identity had spread, since both its economic trends centered only around valuable resources, such as pearl, and its subregional identities (southern Iran, southern Iraq, northeastern Arabia, and southeastern Arabia) have been strongly stable and local.

This strong inclination to local orientation and interdependence in the Gulf survived until the modern era, and it was particularly when the twentieth century approached with its rising and falling historical events that a shift in the legitimacy and orientation of the Arabian existing identities occurred. Actually, during this same period the creation of new Arab states when the British retired from the region, together with the emergence of the pan-Arab movement and the centrality of petroleum, made sure that the unity of Gulf society was shattered.² Very solid reasons were therefore at the basis of Potter's statement that in the Middle East identity was shaped by new and never contemplated factors such as tribe and tribalism, ethnicity, locality, language and religion. A short in-depth analysis of each single factor will help us to understand why, despite the clear changes at a macropolitical and macroeconomic level that happened

¹ For an excellent and more detailed account of how the Persian Gulf history has developed from the early antiquity to the twentieth century, see Lawrence G. Potter, *The Persian Gulf in History*. United States: Palgrave Macmillan, 2009.

² *Ibid.*, p. 2.

over the course of several millennia, the Persian Gulf region constitutes a world of its own, a geographically and culturally distinct territorial area marked by a tight web of economic and social connection.

As we all know, transformations of identity are possible in the Persian Gulf where the society is defined by a number of influential transnational identities – Arab, Kurdish, Muslim, Shi's, Sunni, tribal. Contemporary observations indicate that each of these identities with their peculiar traits and features, if not manifest and simultaneously present in the Gulf, has a different sphere of influence that changes across the region, depending on the context of the individual. For example, Arab identities cross every border in the Gulf region, including the Iraqi-Iran border, with the large Arab minority community in Khuzestan province, in the south-west Iran. The Kurdish identity spans the Turkish-Iraqi-Iranian borders. Iran, Iraq, and Bahrain are majority Shi'i countries but there are important Shi'i minorities also in Kuwait, Saudi Arabia and the United Arab Emirates. The larger Muslim identity transcends all the region's border. Important tribes, which were the key to forming modern states in the Arabian Peninsula, cross the border of Arab states. All these multiple and stratified identities highlight the strong sense of nationalism and a certain degree of citizen loyalty and identification among the Persian populations.³

The connection to identities and their transnational forms is particularly important, if we are analyzing the context of the Arabian States, because in more than one occasion, it has been used to understand important developments that have occurred both in foreign and regional politics, such as for example the social construction of Arab national interests, the effect of sovereignty norms among survival-seeking Arab leaders, and the shift in interests of Arab states caused by changes in national identities.

Identity, with all its set of behavioral or personal characteristics by which an individual is recognizable as a member of a group is sometimes described taking into consideration language. As in the case of transnational identities, the element of language must be evaluated bearing in mind the large variety of stratified idioms that have developed throughout the Persian territory. For instance, gulf Arabic, a Semitic language consisting of numerous dialects, is spoken around the shore of the Persian Gulf, particularly in the southern part of Iraq, in the State of Kuwait, and to a lesser extent in the Sultanate of Oman. Persian, an Indo-European tongue, today is spoken primarily in Iran, with a 55% of its entire population, but significant groups of Persian speakers are also found in other Gulf countries, for instance Bahrain, Oman and Dubai, on the southern shore. However, people along the Iranian littoral south of Bushehr often speak Arabic, which also predominates in the southwestern Iranian province of Khuzistan.⁴ If the typifying tendency of the pre-modern society in the Gulf times was in the sense of a common bilingualism that led to a mutual tolerance, we must not forget that language has occasionally represented source of division rather than unity.

³ Laurence Louër, *Transnational Shia Politics: Religious and Political Networks in the Gulf*. London: Hurst and Company, 2008, p.

⁴ John Peterson lists the different languages spoken in Oman only bringing to light 14 varieties in its "Oman's Diverse Society: Northern Oman", *Middle East Journal* 58, no. 1, 2004, p. 34.

The religious composition of the Gulf is incredibly diverse too. Islam in its many forms is by far the most heavily represented religion in the region though many branches and sects diversify and segment it. In a general sense Shiism has the largest population in Iran, although minority Shia communities are also found in Iraq and Bahrain; Wahhabism, an ultra-conservative branch of Sunni Islam, have become the dominant form of Islam in Saudi Arabia, where religious freedom does not exist and everyone is therefore forced to be of the Wahabi sect; Ibadism is the dominant form of Islam in Oman that forms the only Ibadi state in the world. Although Iran today is a Shi'i state and the Arabian Peninsula is largely Sunni, there are significant pockets of Sunnis along the Iranian coastline and many Shi'is reside in Kuwait, the UAE (especially Dubai), and Oman. Historically, there were often outsiders, such as Banyans from India, Zoroastrians, Jews,⁵ and Europeans, who also formed part of the human mix in the Gulf region, where religious tolerance and intermingling has been the norm in port cities for centuries.

Fuller and Francke have maintained that identity is not only based upon region, nationality, tribe, religion, ethnicity and language, but also upon profession and in the case of the Persian Gulf, the economic trends to which the region has been subjected since the early modern period suggest that much of its history has been focused particularly on trade, both over land and above over sea.⁶ Already in the fourth century C.E., the Roman historian Ammianus Marcellinus tells us that all along the coast of the Persian Gulf is a throng of cities and villages, and many ships sail to and fro,⁷ attesting the vitality of the sea trade in the Persian Gulf at the time. Due to its physical location between the Shatt Al-Arab delta and the Strait of Hormuz waters, the Gulf and its coasts have long been a vitally important part of the global economy. The major port cities of the Persian Gulf, Basra and Hormuz to mention a couple of name, have connected the Gulf to the Indian Ocean and the wider world, bringing the people who lives on its shores into early contact with other civilization and transforming the region into an important trading center with a certain degree of economic consideration. Maritime trade has surely played a role, but also did the existence of natural resources such as copper in Oman, silver mines, textile and leather industries in Yemen, as well as pearl cultivation and the existence of agricultural lands of Bahrain and Oman which were considered an immense source of imperial wealth by the Persians. As a consequence, the merchants and traders of the different areas of the region, whether Iranian, Arab, Indian, or European, engaged in commercial transactions in a peaceful environment, at least since the end of the fifteenth century.⁸

However, despite an early ostensible tolerance of the region, things severely changed in the first half of the sixteenth century when the advent of the maritime companies had greatly prompted the Portuguese vessels, followed by the Dutch in the seventeenth century and the English at the beginning of the

⁵ Walter J. Fischel, "The Region of the Persian Gulf and its Jewish Settlements in Islamic Times," in *Alexander Marx Jubilee Volume*, English Section. New York: the Jewish Theological Seminary of America, 1950, pp. 204-29.

⁶ Graham E. Fuller, Rend Rahim Francke, *The Arab Shi'a; The Forgotten Muslims*. NY: St. Martin's Press, 19999, p. 9.

⁷ Ammianus Marcellinus, notes: XXIII, 6, 11 in Potter, *The Persian Gulf in History*, p. 62.

⁸ For a interesting focus on how Asia and Europe were trading dependent, see John E. Wills, Jr., "Maritime Asia, 1500-1800: The Interactive Emergence of European Domination," *American Historical Review* 98, no 1, 1993, pp. 84-5.

nineteenth century, to enter the trade of the major ports of the Gulf. Throughout this period, the Persian Gulf, due to the richness of its soil resources and to its strategic location connecting the Middle East to India, East Africa, Southeast Asia, and China, was forced to resist to foreign intruders and external powers whose objective was primarily an economic one, that is to expand and exert their influence in the entire region.

To make the situation worse, in the modern era, and in particular in the second half of the twentieth century, new and emerging challenges have added a potentially destabilizing dimension to the international dependencies that have long bound the Gulf States to the international community. There were in particular three main reasons explaining this unexpected shift in the international politics of the Gulf: the end of the British control of the Gulf, the increasing emergence of petroleum and the change in the security system paradigm of the Arabian States.

1. The Britain's unexpected collapse

The English had initially reached the Arabian coasts in the nineteenth century as merchant adventurers in search for markets and fortune, as well as of lines of trading communication between India and Britain. However, by the second quarter of the century, as they acted as the protecting state of the smaller states in the Gulf, their position was unassailable and the guardianship of the Gulf rested in British hands for the following 150 years. In the meantime, the advent of oil-producing states in the Gulf states increased British influence, whose predominant interest in the mid-twentieth century was clearly oil. In order to prove this statement, by 1949-50 the Gulf was the source of more than 80 percent of Britain's crude oil imports.⁹ Moreover, the strong position of British oil companies in the region and their predominance there, all served to increase the Gulf's importance in British perception.

Inescapably, all these positive relations turned into cynic considerations when both the Cold War emerged, producing well-founded suspicions of Soviet designs for greater influence in the region, and the Iranian oil crisis of 1953 induced by Prime Minister Muhammad Mosaddeq's nationalization of Anglo-Iranian Oil Company assets, threatened to devastate the British economy. Thus Britain's retreat from the Gulf in December 1971 was also attributed to the changing political circumstances: the ill-advised Suez invasion in 1956 has poisoned Britain's position throughout the Arab world and the accelerating pattern of pan-Arab nationalism made Britain's politico-military position in the region increasingly vulnerable.

The British departure resulted not only in the near-forcible creation of the modern states of Bahrain, Oman, Qatar, and the UAE and in the revision of both the internal policy and economy of the Gulf, but also in the ensuing and sustained American military involvement in the region.

⁹ Malcolm Yapp, "British Policy in the Persian Gulf," in Potter, *The Persian Gulf in History*, p. 284.

2. Oil and its impact on the Gulf history

As the English history in the Gulf has just showed, it is clear that oil was paramount in crafting the legal bases for British policy towards the region and, as we will later see, this is also the case of the United States, insomuch as we can maintain that oil issue has become the second occasion for concern about the region. Because of its pivotal importance as a primary source of energy and since the entire Middle East have always played a special role in the international oil industry, oil is a very crucial factor for the Persian Gulf states, both with respect to regional, or inter-Arab relation, and with respect to international relations at large, that is, relations with industrial and other developing countries. As it was amply documented in the historical literature,¹⁰ the oil-producing countries have naturally taken notice of the importance attributed to oil by the major powers, and attempted to take advantage of it, acquiring guarantees for their security against external and internal challenges. We can therefore observe that the problem of the foreign intrusion and domination is an enduring and a still actual issue in the Persian Gulf as it was during the colonial period, but nowadays one of the major interest of the Arabian foreign policy has shift from copper and pearl to oil and natural gas.

Oil and its distribution have a twofold political implication since it could alternatively lead to positive and negative consequences. Consider for example that both ongoing but also several past ethnic, religious, and territorial disagreement that have occurred between Arab Gulf nations were often expressed as a conflict over oil prices. One such case among many is the Iranian Revolution of 1978-79 which has aggravated conflicts within the Organization of Petroleum Exporting Countries (OPEC) over oil prices and organization leadership. At that time the society of the entire region was divided into two schools of thought: that of the so-labeled “price hawks”, such as the relatively large populated Iran and Kuwait, and the opposed “price moderates” like Saudi Arabia which supported smaller prices increases.¹¹ Throughout the 1979, the government of the Ayatollah Khomeini and other price hawks imposed extravagant price increases that pulled the prices of more moderate OPEC members up in defensive emulation. It was particularly in Iran that its aggressive nationalism in oil marketing was then matched by an aggressive nationalism in regional politics, as we will say much later underlying Iranian aim to export its revolution to other Islamic states.

Conversely, inter-Arab relations have been positively influenced by oil, especially in the 1970s, when the sudden increase of the oil rent and its concentration so extreme, pushed the so called ‘rentier state’¹² to be generous inside their boundaries, as they engaged in granting direct subsidies to neighboring governments namely Jordan and Syria, giving a number of Arabian countries the economic independence that served to

¹⁰ Material centered on the oil issue includes Marian Kent, *Oil and Empire: British Policy and Mesopotamian Oil, 1900-1920*. London: Macmillan, 1976; and Stephen H. Longrigg, *Oil in the Middle East: Its Discovery and Developments*, 3rd ed. London: Oxford University Press, 1968.

¹¹ Mary Ann Tétreault, “The Political Economy of Middle Eastern Oil.” <http://www.ic.ucsc.edu/~rlipsch/Pol177/Tetreault.pdf>

¹² For a in-depth focus on the main characteristics of a rentire-state, see Giacomo Luciani “Oil and Political Economy in the International Relations of the Middle East.” 2008, www.princeton.edu/~gluciani/pdfs/Chapter%20in%20Fawcett.pdf.

try development strategies and to form political bonds that are foreclosed to poorer states. Because of the strong dependence of the Gulf nations on oil exports and their vulnerability to oil revenues, the private sector in the OPEC countries has become much stronger and well integrated in the currents of globalization, allowing them to propose a much more conventional model of regional cooperation, based on free trade and private investments, be it direct or financial.

If it is true that, as it have been argued, Gulf is not oil and oil is no more than a historical phase in this part of the Arab world,¹³ it is equally true that, at an international level, in only one occasion there was an attempt to use oil as a weapon. This occurred in 1973 when, at the outbreak of war between Israel and its Arab neighbors in October, the Organization of Arab Oil Exporting Countries declared an embargo against the United States and the Netherlands. Prices increased rapidly on oil markets, precipitating the first 'energy crisis' and driving policy behavior in the Gulf. Thus the availability of oil resources profoundly and quite obviously affects the domestic and international political order. In that regard, oil has exacerbated important power shifts and enduring power imbalances, forcing the major Arabian conflicts to blow up.¹⁴

3. The Gulf as a regional security complex

The distinctive elements of the Arabian culture that have been described up to now, such as oil and transnational identities, regional and international conflicts, religion and culture, are in turn all linked to the third important reason for pessimism in the Persian Gulf, that is to say the predominant role of the issue of security of both states and in particular of rulers. In the decade from the late 1980s to our present days now, the Gulf, in addition to Islamic revolution in the two-year period going from 1978 to 1979, has been the site of many large-scale international conflicts: the Iran-Iraq war of 1980-1988 ended with an estimated million dead, but it was not followed by any reduction of tensions between Iran and Iraq, which remained deeply suspicious of each other, the Gulf War of 1990-91, with the Iraqi occupation of Kuwait, and the Iraq war after the American invasion of 2003. Such a kind of territorially-bounded challenges, both source and consequences of nuclear proliferation and trans-national extremism, remain a source of latent and actual instability in the Gulf.¹⁵

At the same time, through the progressive internationalization experienced by the Gulf, the region has recently emerged as both a pivotal actor in the global rebalancing between west and east, and as a setting of potentially destabilizing dimension to the inter dependencies that have long bound the Gulf States to the international community. It was not by chance that Ulrichsen has affirmed that a range of new and longer-term challenges to regional security such as food, water and resource security, demographic pressures

¹³ Muhammad Rumaihi, "Beyond Oil: Unity and Development in the Gulf" in Potter, *The Persian Gulf in History*, p. 11.

¹⁴ Gregory F. Gause, III, *The International Relations of the Persian Gulf*. Cambridge: Cambridge University Press, 2010, p. 8.

¹⁵ Kristian Coates Ulrichsen, *Insecure Gulf: The End of Certainty and the Transition to the Post-Oil Era*. NY: Columbia University Press, 2011, p. 5.

stemming from rising populations and the youth bulge, structural economic deficiencies in the Arab states, the progressive ecological degradation and the security implications of long-term climate change, not only deepens but also broadens the concept of security in an era of accelerating complexity of global interconnections and trans-national flows of people, capital and ideas.

What is not surprising is the fact that due to national leaders major concerns about their own hold on power domestically, they tend to examine/see threats primarily through the lens of regime security. As Gause has maintained the best way to understand the security outcomes in the Persian Gulf – the wars that occur there, the alliances that are formed, even, to some extent, the problems of consolidating centralized states – is to view the area as a regional security complex, bearing in mind that the rise of those just mentioned primarily non-military sources of potential insecurity and the broader impact of globalization and internationalization on the political economy of the Gulf oil monarchies, that is to say, an integrated approach of national security calculations is the major driver of change within the old regional idea of security, that therefore need to be reshaped and reconceptualised.¹⁶

The concept of Regional Security Complex (RCS) was first introduced by Barry Buzan, who has focused on the degree to which certain geographically grouped states spend most of their time and effort worrying about each other, and not other states.¹⁷ Gause explains the concept in much easier terms by saying that regional system should include those states whose primary security focus is one another, manifested over time in the wars they fight and the time and resources they devote to dealing with one another. So in this conception, systems are defined by the intensity and durability of their security interactions, whether positive or negative.

While considering this approach of regional security complex, the Persian Gulf area undoubtedly qualify for several explanations. Professor Gause in fact imagines the region as a tripolar regional system with Iran, Iraq and Saudi Arabia as the major players, since each of them has been able to extend its influence over other member of the system at various times and none is so powerful as to be able to control the politics and policies of the others.¹⁸ However, the Persian Gulf system is not only these three states, but it also consists of other smaller Gulf monarchies, whose security concerns are also primarily Gulf-focused, as they devote intensely to each other and since decades they dedicate the bulk of their security resources to relations with each other.

¹⁶ Gause, *The International Relations of the Persian Gulf*, p. 3.

¹⁷ Barry Buzan, "People, States and Fear", in Gause, *Ibid.*, p. 4.

¹⁸ Gause, *Ibid.*, p. 6.

4. The American burden

To examine the entire issue of security and threats from a broader perspective, Gause has not underestimated the influence of another major external threat in shaping the modern state-systems in the Gulf as well as altering local and regional security agendas, that is the United States of American and its much greater role in regional security issue.

As we tried to clarify more than once throughout this introductory part of the thesis, the Gulf has been a commercial and strategic asset to outside powers for many centuries, and its linkages with the wider world extend back into late-antiquity and the pre-Islamic period. Its pivotal location astride the major trade routes between India and Europe have fostered either a cosmopolitan identity focused on rich and fruitful trading and a fragile Arabian society ever menaced by external penetrations.

In this context, we must consider with particular attention the specific weight played by the American involvement in the Gulf region and its foreign policy towards the major Arab oil monarchies since the first day of its assignment.

The United States quickly replaced the British when the latter, due to a combination of economic stringency and financial difficulties as well as the accelerating pace of decolonization in the 1960s, and military setbacks in Aden in 1967, were forced to retreat from all commitments east of Suez. This historical event as Gregory Gause says represented a watershed in the evolution of the international relations and security structure of the Gulf.¹⁹ In effect, despite the independence of most of the Gulf States, their consolidation and the creation of that kind of mutual economic interdependencies that integrated the oil-producing countries into the international economic system, the decade extending from 1961 to 1971, when the military English withdrawal fully occurred, was one of profound uncertainty for regional security structure as the Arabian monarchies underwent a sense of deep unease and long-lasting instability also under American control.

Historical developments have attested that the one outside power with the means, the interest and the local support to assume the British role of managing the international politics of the Gulf was the United States. The nation, that until now has internationally pursued an isolated conduct, emerged from the World War I as a victor and undoubtedly as the strongest power in the world, proving its obvious superiority over the Europeans, who, in turn, were losing support at a global level. Thus, in the early years of the twentieth century the United States became the world's primarily industrial power, the center of the global economy and a strategic actor all over the world. However, it was with the Second World War that its hegemonic role appeared stronger and more decisive. The American position in 1945 resembled that of the British at the beginning of the nineteenth century. Both countries had completed a triumphant war; their technological revolutions had really taken off; their rivals were exhausted, and it seemed that they both could more or less control world markets. To support this statement, it is worth recalling that in the first half of the

¹⁹ *Ibid.*, p. 21.

twentieth century and particularly in 1945, America's strength rested on four main pillars: its vast economic superiority, its substantial military lead, the broad domestic base for the foreign policy pursued, and America's strong international-ideological support.²⁰ We just want to remind that before and after the Second World War the United States produced almost as much as the rest of the world together, and its lead tended to be greater the more advanced the technology. With six per cent of the world's population, Lundestad reports, the American nation had 46 per cent of the world's electric power; its business controlled 59 per cent of the world's total oil reserves and it held 49,8 per cent of the world's monetary gold, reserve currencies, and IMF reserves. So, it is quite clear that after the 1945 the international economic system was dominated by the United States, whose superpower was also evident by taking into consideration its paramount military power. During the war in effect the United States had by far the strongest air force and its Navy had a control of the sea more absolute than was ever possessed by the British counterpart.

5. American ideology and its main principles

Once that the traditional American isolationism of the inter-war period was destroyed, the United States developed a foreign policy characterized by a firm inclination to interventionism, a propensity that has once and for all legitimized the American strategic role and its hegemonic control not only at a European level but also in the whole wide world. The American society of the twentieth century all agreed on the fact that the United States had the moral duty to assist in the freedom and independence of others outside its national borders and to reshape a world in which there were so many wrongs that needed to be put right and where the American experience could serve as a pattern.²¹

The major ambition of US governments from Franklin Roosevelt's onward had been to establish a global system based on American-inspired principles and values, such as international cooperation, democracy against communism, and free trade. Such an ideology had already been supported by the United States since the times of its inception, when the nation arose as an interventionist power that based its foreign policy on territorial expansion.²²

Westad has noted that the relations that the US elites had cultivated with the outer world from the beginning of the federal era were moved by a series of core ideas that here are worth to be briefly mentioned. In outlining few of these notion, he gave priority to the American concept of *liberty*, that was what separated the United States from other countries, since liberty was not for everyone, but for those who, through property and education, possessed the necessary independence to be citizens of a republic.²³

²⁰ For a general overview, see Geir Lundestad, "Cooperation Established: Empire by Invitation, 1945-1950", in *The US and Western Europe since 1945*. Oxford: Oxford University Press, 2005, pp. 27-35.

²¹ Odd Arne Westad, *The Global Cold War*. New York: Cambridge University Press, 2007, p. 15.

²² *Ibid.*, p. 9.

²³ *Ibid.*, p. 10.

Besides, as the collective represented all the fears American eighteenth-century revolutionary had for the corruption of their republic, *anticollectivism* was central to its ideology. According to the most ambitious American elites, since American freedom could be undermined by imported collectivist ideas and cultural identities US upper class did not recognize - fascism, communism, or national socialism, to name but a few - the countermeasures to this enslavement was in education and rationality through science.²⁴

Actually the United States forcefully defended *science* and its *rational principles* from the very beginning, connecting the American identity of the nineteenth century with the powerful concept of modernity and linking technology with the existing social order in the United States. The only way of becoming modern, some many scholars of the period suggested, would be to emulate the American example, in other words, to distance productivity and innovation from ancient ideology or more traditional cultures.

Finally, the *market*, represented another core concept of American ideology. As the history has shown, when the United States industrialized in the late nineteenth century, the capitalist market became a reality for all Americans, and the cooperation in the exchange became a symbol of belonging to America.

Through both American missionaries campaigns for social control and betterment abroad and American commercial expansion in search for new foreign markets, the United States was fast becoming the protector and balancer of the entire capitalist world system. In line with its objectives of securing American commerce at one hand, and of imposing its standards of behavior at the other hand, the powerful western nation, pushed by decision and policy makers who were longing for worldwide capitalist societies, started to expand its sphere of influence throughout the Third World, where peoples needed to be set free from age-old forms of social and ideological oppression that had created deep-rooted ignorance, poverty, and corruption.

6. American inclination towards the Persian Gulf prior to the 1970s

Even if in the late nineteenth century and early twentieth century zeal for American interventionism was particularly conspicuous in Africa, China and Japan and ultimately in Latin America, it was only from the 1950s that the Persian Gulf became part of US sphere of influence.

But despite whatever previsions, the passage from British domain to US control of the Gulf was not as easy as it could be expected. In effect, at the beginning the British had a definitely stronger position here and were distrustful of the United States, whose presence was seen as a potential danger to their dominant influence. Britain therefore tried to insure that US political interests in the region did not agree with its growing economic and military might. On the other hand, the United States were profoundly happy to recognize the UK as a strategic and leading bulwark and was unwilling to replaced politically and militarily the European ally, since their foreign policy decisions were mainly drove by economic interests and centered around oil supplies. More specifically, in the early years before 1945 the main US political,

²⁴ *ibid.*, p. 11.

commercial, military contacts were minimal and directed to guarantee an access in that area for all the American companies. Later during the World War II, America established a US Middle East Command, composed of foot soldiers and a small naval contingent, aiming at overseeing the supply route of war materiel to the Soviet Union. Then, after the World War II and the outbreak of the ensuing Cold War, strategic considerations overtook the economic ones so intensely that American policy treated the region as a critical part of the geopolitical balance of power.²⁵ During this period, the Soviet Union, with its revolutionary collectivism and alternative modernity, was seen as the main immediate threat to US objectives, therefore it would have to be confronted and possibly destroyed. With this basic idea in mind, the United States engaged in the region with the clear intent of preventing any Soviet leader from acquiring political or military control over the territory and its strategic resources, such as oil.

From the nationalization of the Suez Canal in 1956 up until the Arab-Israeli War of 1967, the direct US influence in the Persian Gulf was extended through the contextual framework of the 1957 Eisenhower Doctrine stating US willingness to intervene unilaterally in the Persian Gulf to support its friends and allies. Under such a doctrine the United States would assure economic and military aid to combat the spread of international Communism.

Washington was thus playing an increasingly larger role here, where in the meantime Iran was emerging as the most stark problem to US political elites, who, drove by their steadfast ideology, started worrying over a possible Soviet escalation in the whole region. In effect in Iran, despite the western-oriented ideas of the young shah, Mohammed Reza Pahlavi, the tumultuous political relation the United States were forced to face, seemed to quieted when, in 1953 they backed the overthrow of Muhammad Mossadeq, the Iranian prime minister with a evident inclinations for Communists and the Soviets.

In 1969, the change in the American government coincided with changes in the ways and methods of the US intervention in the Persian Gulf. This strategic reassessment drafted the Nixon Doctrine centered on the so-called "Twin Pillars policy", with which it was decided that the United States would have engaged in the Gulf by relying massively on regional allies, that is to say Saudi Arabia and particularly Iran, the two conservative key states that would have been helpful either to fight those social and radical nationalist influences in the region or to prevent the new destabilizing Iraqi influence in the Gulf.

7. Main objectives of the narration

It is quite clear that the Gulf region and the United States constitute the focus around which the entire dissertation will focus. Starting from the general analytical frameworks just established, the thesis is an attempt to describe the evolution of the American foreign policy in the Gulf from the 1970s, when the US engagement dramatically increase, up until now that new and emergent challenges threatened humankind and its balance.

²⁵ Ulrichsen, *Insecure Gulf*, p. 25.

Probably someone is wondering why the United States and why the Persian Gulf, and here the answer is promptly given. Despite the physical distance between the two, separated by more than ten thousands Kilometers of water and land, the American influence has been felt in every country within the region, even if in the past it has been rarely regarded as a geographical reality with any historical weight. This visible indifference to the Persian Gulf realities lasted until the 1960s and the 1970s, a ten-year period in which all the member-states of the Gulf entered the oil era. Over the years, the interests and objectives that have internationally moved the United States towards the Gulf were different and complementary, if not opposing. A combination of or a preference for diplomacy, strategy, economy and cultural ties were the intrinsic key factors that bound the powerful western leader to the Arabian tiny monarchies inasmuch as we can undoubtedly say that the situation today have not yet changed and it resembles that which has prevailed for the past five hundred years, in which an imperial power tries to maintain a more significant presence in the region both in terms of power and influence.

Actually, the West's thirst for oil transformed the Gulf from a backwater into a key node of international politics in the early twentieth, when external powers started to dominate the regional security system. This has ensured that international relations in the contemporary Gulf are shaped by security problems and dilemmas towards which each state have reacted differently but also paradoxically.

My thesis is divided into three part. In the first part we will look at the evolution of US foreign policy toward the Persian Gulf from the first year of the 1970s when the United States took over the British mantle as the predominant power in the region. It analyzes the American tactic of using surrogates, such as Iran, Saudi Arabia, and Iraq, to protect its main interests in the region in the 1970s and 1980s. The failure of this policy, as we will report, has led to massive direct military involvement by Washington in the Persian Gulf beginning with the first Gulf War of 1991 and culminating in the 2003 invasion of Iraq, in the name of what George W. Bush recognized as the "global war on terrorism".

We will see whether and how the US attitude towards the Gulf monarchies has evolved as a consequence of governmental changes and ensuing shifts in American interests, historical circumstance and geopolitical transformations.

Attention in the second chapter of the thesis shifts to the ways and methods through which the Arabian states have dealt with the physical American presence over their territory and how this issue is tightly related to that of Buzan's Gulf Regional Security System. Supported by a brief analysis of how the Gulf States today perceive their collective security, we would like to highlight a few new challenges that are of particular importance to their regional defense, both in terms of internal and external policy.

Finally, in part three we focus on Kuwait as a case study for our analytical research. Kuwait has certainly been considered as a key regional ally and a bulwark against the growing threat from Iran by the US governments, but on the other side it represents a controversial reality if we focalize on its society. Since its independence in 1961, Kuwait has struggled to manage a number of difficult challenges related to

protecting its citizens and its territory from the predatory designs of large and dangerous neighbors. As will be noted, one of the most menacing neighbors have been Iraq. The Iraqi occupation of the Arab emirate in 1991 was the condition *sine qua non* which led to the consolidation of US-Kuwait military and economic alliance in the Gulf, an alliance which has been of considerable value to both countries. On the one hand, Kuwait, which not only was a small strategically located nation, but it also boasts the second largest oil reserves in the GCC, behind Saudi Arabia. As a consequence, Kuwaiti expanding efforts to explore for natural gas made it a vital economic ally for the United States of America, which in turn supported ongoing security relations with the Gulf nation. As will be seen, from the 1970s onward, the increasing reliance on oil in the United States has impacted heavily on the course of its warfare and security policies toward the Middle East and especially the Persian Gulf.

Saddam's removal from power in March 2003 had certainly brought a strong sense of relief among Kuwait's citizens in so far as it had potentially eliminated an important rationale for the alliance. However, a close look at current strategic realities in the Gulf suggests that Kuwait, with its ever present and serious national security problems, remains an important US ally. Being a country with a limited population, Kuwait cannot act as a major regional power. It can nevertheless still serve as a valuable partner, whose contributions to regional security and democratization should not be overlooked.

The last part of the chapter focalizes on US more recent efforts towards

All these ups and downs crafting the contemporary US-Kuwait relations shows one more time the fragility and vulnerability interesting the wider Arabian world, divided between security tensions and moral concerns.

The research therefore explores the political role fulfilled by the United States within Arabian States and societies as well as its international involvement in local affairs and security issue. The major common approach, according to which the American power will continue to use its considerable economic and institutional ties in the region, makes it possible to figure out a future in which the United States, despite its dominant stance in the Gulf, will be stuck in the same difficult situations that it has been in during the past decade. Probably that means the Gulf region will continue to be unstable, existing problems will continue to fester, even new problems are likely to emerge, with the result that the future of US engagement will further develop following the international and global pace of events.

As it turned out with the World War I, the United States of America was by far the strongest power the world had ever seen. To be sure, its influence expanded not only into European life and politics, but also onto the world stage becoming a crucial leader capable to influence all aspects of everyday life, from economic assistance to military culture, from national society to domestic politics. It was particularly after the end of the war that the United States developed an interest for the Middle East provinces of the old Ottoman Empire in a way not experienced before. For the first time during the twentieth century, Washington enter the region with the 1919 King-Crane Commission, appointed at the requests of President Woodrow Wilson and sent to Syria, Palestine, Lebanon, and Mesopotamia (Iraq), in order to determine the attitudes and wishes of the people living there regarding their desired form of government and the degree to which outside intervention would be accepted. Surprisingly, in the inter-war period going from 1918 to 1939 almost all US administrations changed their attitudes and gave the region no high priority, although there was some dissembled interests in the involvement of multinational oil companies in the Middle East. The strategic value of the Middle East became clear in World War II and in the years of the Cold War between the United States and the Soviet Union, when it became clear that the United States would have adopted a more active foreign policy adequate with regional issues at stake. And so, as a result of the growing American dependence upon Middle East oil, the post-World War II governments centered their foreign policy around the Arabian monarchies.

It seemed all too clear that, by extension, the Persian Gulf territories became ingredient of the American engagement abroad in a more and more increasingly manner. As part of the wider Middle East, the Gulf was implicitly and simply considered by taking into consideration the two grand themes in Washington's interests: the purpose to ensure access by the industrialized world to the vast oil resources of the region, and containment, by preventing any hostile power, such as the Soviets during the Cold War or Islamic fundamentalism much later, from acquiring military or political control over those resources.

Simply put, under the presidential administrations of Nixon, Carter, Reagan, George H. W. Bush, and finally Clinton, the United States in the Gulf went from a role of supporting the British to a major player in power responsibility. The actions of all these presidents were taken in response to both internal and external threats to the economic, political, and strategic interests of the Western power menacing the stability and balance of the Persian Gulf. President Nixon, for example, developed the initial US Persian Gulf strategy, the so-called “Twin Pillar Policy” by establishing Iran and Saudi Arabia as US surrogates for the region, as friendly regimes with Iran playing the major role in checking Iraqi ambitions in the Gulf. However, US policy was forced to change with the overthrow of the Shah and the second oil shock in 1979 followed by the emergence of an anti-American regime in Teheran. Thus, President Carter took a more aggressive approach to safeguard American interests by designating the Persian Gulf as a “vital interest” to the United States and pushed by the Soviet invasion of Afghanistan threatened to oppose any kind of attempt by outside powers to gain control of the Gulf. President Reagan confirmed the Carter administration, so that his primary concerns were about internal Gulf instability serving Soviet objectives in the region. The Iran-Iraq war, along with the “arms for hostages” sales to Iran presented the greatest challenge to Washington policy during the Reagan administration. President George H. W. Bush maintained the Reagan-era tilt toward Iraq during the two years prior to the Iraqi invasion of Kuwait in August 1990, an historical event that marked a significant change in American policy in the region. The containment of Iraq as a unitary state became the official US policy in order to guarantee regional stability and prevent an Iranian dominance in the Gulf. The rhetorical underpinnings of this approach changed during the Clinton administration, which called for the immediate removal of Saddam Hussein through covert actions and a more comprehensive form of containment through which the United States would have relied on its own strength, rather than pursuing a balance of power through building up Iran and Iraq.

This chapter tries to focalize our attention on a few historical events occurred in the years that go from the British withdrawal of 1971 to those prior to the 9/11 terroristic attacks to the World Trade Center and the Pentagon. Washington’s policy of the XXI century toward the Middle East, from the 2003 Second Gulf War to the George W. Bush Doctrine of the “war on terrorism”, from US-Turkey strategic cooperation to Afghani and Taliban rise are subjects of an ongoing debate among scholars and professionals we avoid to focalize on throughout the entire work.

However, we are quite conscious of the fact that America's interests as well as its military and security defense strategies in the Persian Gulf will never completely disappear, or should we say they will continue to grow. President Obama and future presidents will have to deal with regional instability in the Gulf that may arise from territorial dispute, religious differences, ethnic dissensions, and ideological contests that threaten the United States and its allies' interests. These potential confrontational situations raise significant risks for future US policy in the Gulf.

1.1 The Nixon years

The United States would furnish military and economic assistance to nations whose freedom was threatened, but would look to these nations to assume primary responsibility for their own defense.²⁶

When the 37th republican President Richard Nixon and his entourage announced the early US policy doctrine in the Gulf, they all had clearly in mind what was the US military role in the preservation of regional stability. The United States feared that the Soviet Union, after filling the vacuum left by the British withdrawal, could jeopardize Western access to regional oil resources.

US interests and policies toward the region were clearly stated by Assistant Secretary of State for Near Eastern and South Asian Affairs, Joseph Sisco. According to the major cornerstones of the 'Nixon Doctrine', the United States would have engaged in supporting either political development or regional cooperation to assure the tranquility and internal process of friendly local governments, maintaining their independence and ensuring peace, progress, and regional cooperation without US interfering in their domestic affairs. Washington would also have expanded its diplomatic presence in the area, and it would have continued to maintain a small naval contingent at Bahrain to assure that the region remained secure. Probably the most significant of these principles centered around the intense cooperation among regional Gulf States. With the resulting 'Twin Pillar policy', the Nixon administration decided to place heavy reliance on regional states as a means of protecting US regional interests in the Gulf. Thus, to maintain Gulf stability, Washington included in the picture both Saudi Arabia, whose renewed possession of the world's largest oilfields was of considerable importance, and particularly Iran, which was soon regarded as the more considerable of the two "pillars", as Gary Sick noted, for its size, military capabilities, physical juxtaposition between the Soviet Union and the Persian Gulf, and the willingness of the Shah Mohammad Reza Pahlavi, on the throne since 1941, to cooperate openly with the United States on security matters.²⁷

It is really surprising that despite of several decades of political turmoil between the United States and Iran, culminating in the 1953 counter coup backed by the CIA during the Eisenhower administration to topple the populist and nationalist prime minister Mohammad Mossadeq and consolidate the shah's authority over the country, subsequent client relationship between the two sides were all but negatively shaped. Simply put, a very special relation between Washington and Teheran quickly developed, and given this change of attitudes, in May 1972 President Nixon and the shah signed a deal through which the United States would have increase the numbers of uniformed advisers in Iran and guaranteed the shah an unprecedented access to some of the most sophisticated nonnuclear technology and modern weaponry in the US arsenal. Through Iranian growing military power and Saudi Arabian financial assets enhanced by rising oil prices, the United States of America would have relied on a fundamental support to its foreign policy. In response, the

²⁶ Part of the 'Nixon Doctrine' in Bruce R. Kuiholm, *The Persian Gulf and United States Policy: A Guide to Issues and References*. Claremont, California: Regina Books, 1984, p. 22.

²⁷ Gary Sick, "The United States and the Persian Gulf in the Twentieth Century." in Potter (ed.), *The Persian Gulf History*, p. 296.

shah would have become protector of US interests in the Persian Gulf region and a major power in the twofold US foreign policy divided between containment and oil.

A undeniable historical event pointing out in what terms the aim of containment was meaningful to American president's eyes had arisen from the Marxist rebellion of Dhofar, the southern and most backward province of Oman, where, by the early 1970s, a series of supposed manageable tribal separatist unrests against a reactionary ruler developed into an ideological movement aimed at overthrowing Said ibn Timur, the ultraconservative sultan who was opposing changes of any kind. As a result of Arab nationalism, the principal ideology of the 1950s and 1960s which had started to indict the conservative monarchs of the Gulf demanding their overthrow, the rebellion was in effect supported by the Soviet through the Marxists in South Yemen (organized under the People's Democratic Republic of Yemen, PDRY), whose principal objective was to spread revolution throughout the conservative regimes of the Arabian Peninsula. All these economic and political grievances made Omani leftist elements under the name of Popular Front for the Liberation of Oman (PFLO) to take effective control of most of Dhofar province. In 1970 after Said's deposition by the British, his son Quabus ibn Said Al Said replaced him, and he began a program to modernize the country and to develop the armed forces. In addition to British and Jordanian troops and advisers, the new sultan was assisted by forces and F-5s sent by the shah of Iran. In December 1975, having driven the PFLO from Omani territory, the sultan declared that the war had been won. The fighting ended but the shah kept unchanged Iranian military presence in Oman, fulfilling his self-perceived role as guardian of the Persian Gulf²⁸.

On the other hand, president Nixon was clearly aware of the fact that the Persian Gulf was important also because of its immense energy resources and while facing a worldwide increase of oil supply, he underlined the centrality of the energy issues in trying to assure "a continued flow of Middle East petroleum to the United States, Western Europe and Japan".²⁹

Oil and the structure of its world market were the center of the revolution that was occurring in those same years. In this regard, Giacomo Luciani has stated that, from 1930 to approximately 1960, a small group of international oil companies (the OPEC producers today) which were controlling large oil reserves, had reaped extraordinary rent from petroleum, mainly by keeping prices high.³⁰ Among the major Gulf producers, Iran was the first country to become an oil exporter and its leadership in this sector lasted until 1950, when the controversy between the company controlling all Iranian production, Anglo-Iranian, and the nationalist government of Iranian Prime Minister Mohammad Mossadeq erupted. After the nationalization of Anglo-Iranian, all international oil companies boycotted Iranian oil. It seemed all too clear

²⁸ For an overview of the Dhofar rebellion, see B. J. Kelly, *Arabia, the Gulf and the West*. London, Littlehampton Book Services, 1980.

²⁹ Nakhieh, A. Emile, *The Persian Gulf and American Policy*. New York: Praeger Special Studies, 1982.

³⁰ Luciani, "Oil and Political Economy in the International Relations of the Middle East." www.princeton.edu/~gluciani/pdfs/Chapter%20in%20Fawcett.pdf.

that as Iranian economy collapsed and Anglo-Iranian's international role steadily reduced, an increase in the production elsewhere ensued, including Kuwait, Saudi Arabia and Iraq.

To make the situation worse, immediately upon the start of the shift of power within the world oil industry, the world demand for oil rapidly increased and by 1970s producer governments gained more power in their dealings with oil companies. In response to such a shift one of the most ambitious Libyan leader Muammar Qaddafi, who had taken power in 1969, informed Occidental Petroleum, a small American oil company expanded internationally in Libya itself, that it would have increase not only the price of its oil by 30 cents per barrel, but also Libya's share of the profits of its operations to 55 percent.³¹ Despite weak attempts to oppose the requests by the American oil company, a further menace coming from the Libyan leader of nationalization led to the Western capitulation. On the wave of events following Qaddafi's negotiation with Occidental, other Gulf rulers, such as for instance the Iranian Shah, signed agreements on this issue with the oil companies' endorsement. And so, successive consultations in 1972 and early 1973 led to further price increase in both the Gulf and the Mediterranean.

Confronted with a global demand continually increasing, OPEC members started to push for higher prices. Therefore, it was during a 1973 convention in Vienna that the OPEC negotiators convened there, announced a unilateral decision to raise the posted price of oil by 70%, now with no voice for producer companies. Unfortunately, by the same time the Arab governments achieved the supremacy in management issues related to oil and its production, dramatic geopolitical phenomenon are worth to be mentioned. One of such an event is firmly related to a particular stage of the 1973 Arab-Israeli conflict, namely when Egypt and Syria launched a surprise attack against Israel on October 6. The Egyptian President Sadat had decided to go to war because he had lost hope that negotiation could successfully address the issue of Israel's occupation of the Sinai Peninsula.³² At that time, in fact, Israel's control of the Sinai, the Golan, the West Bank, and the Gaza Strip was a consequence of the 1967 Arab-Israeli war (also known as the Six Day War). Israel's army, caught by surprise, took several days to launch a counteroffensive, but supported by a US airlift provided by the Nixon-Kissinger administration, it pushed the Syrian forces back toward Damascus and encircled the Egyptian forces in Sinai.

On October 17, facing a mounting threat in the regional Gulf territories, the Arab members of the OPEC announced an embargo on oil exports to selected countries viewed as supporting Israel, one among many the United States. The embargo was then followed by significant cutbacks in OPEC's total oil production. Production from Arab OPEC members in November was down 4.4 mb/d from what it had in September and the decreasing, they argued, would have been carried on if Israel had refused to withdraw from the above-

³¹ Gause, *The International Relations of the Persian Gulf*, p. 27.

³² Janice Gross Stein, "Flawed Strategies and Missed Signals: Crisis Bargaining Between the Superpowers, October 1973." in David W. Lesch, *The Middle East and the United States: a Historical and Political Reassessment* (ed. 4th). Colorado: Westview Press, 2007, p. 183.

mentioned occupied territories.³³ The unexpected decision led to a global environment characterized by scarcity in oil production and enormous uncertainty over the future of oil supply, as Gause maintained.

There is no doubt that lots of possible speculations had been made on this issue³⁴, however, the Arab oil embargo caused a major readjustment of US policy priorities in the Gulf, so that oil and economic matters increasingly match strategic interests.³⁵

Despite some visible changes in the world oil market but mostly despite unimaginable tensions between the United States, Saudi Arabia and Iran which emerged especially when some American diplomats asked the shah and the Saudis to lower oil prices, after the impressive increase of 1973, Arab-Israeli diplomacy helped to finally end the oil embargo. As a consequence, the framework for a renewed cooperation between the United States and the Gulf monarchies accelerated even faster. Gause recounted that a series of agreements such as for instance the joint economic commission established on November 2, or the economic accord that committed Iran to spend \$15 billion on American goods and services over the next five years were issued to demonstrate the shah and Nixon's unified relation. These economic contracts were reciprocated by Iran which sent tens of thousands of students to American campuses for higher education throughout the 1970s.

It is quite obvious that the 1973 oil revolution did not subvert the American reliance on Iran and Saudi Arabia, rather it has unavoidably deepened the US need of, and connection with, those two countries. In this regard, in the summer of 1976, just before Jimmy Carter was elected president, the present US-Iran relation was described with exceptional honesty and candor in a report made by the inspector general of the US Foreign Service. The report proved the determining influence exerted by the Government of Iran in the relationship with the United States and the almost unique degree of mutual dependence between the shah and the then-US president.³⁶

On the other hand, this increased cooperation among powers from opposite hemisphere did not change the system of local and international alignment in the region. So, as Iran and Saudi Arabia remained close to the United States, Iraq, the third major power of the Gulf, isolated itself even in the larger Arab nation by maintaining its political, economic, and military ties with the Soviet Union, something that obviously heightened US suspicions of a growing Soviet presence in the region.

³³ Gause, *The International Relations of the Persian Gulf*, p. 30.

³⁴ Hamilton (2003), for example, agreed on the fact that geopolitical events have played a role in shaping a complete oil embargo on sales to the United States. On the contrary, scholars such as Barsky and Kilian (2002), suggested that the real motivations behind this strategic move are economic rather than political. They noted that the Arab oil producers had discussed the possibility of an embargo prior to the war, and that the embargo was removed without the achievement of its purported political objectives. Robert Barsky, Lutz Kilian "Oil and the Macroeconomy since the 1970s." Cambridge, Massachusetts, National Bureau of Economic Research, 2004, p. 19.

http://www.nber.org/papers/w10855.pdf?new_window=1

³⁵ Long, David E. and Eaton T. White, ed., *The United States and the Persian Gulf*. National Security Management. Washington, DC: National Defense Security.

³⁶ Gary Sick, *All Fall Down. America's Tragic Encounter with Iran*. Lincoln, Nebraska: iUniverse.com, Inc., 2001, p. 24.

This so-mould system of strategic alliance did not prevent Iraq from shifting the course of its regional policy towards all the other Gulf monarchies. The October 1974 Rabat Arab Summit among the major representatives of the Arab League, signed a clear transformation in Baghdad attitude in the region, passing from ideological and direct confrontation to state-to-state cooperation³⁷. As a consequence of the summit, Iraq ended its support for the Dhufari rebels and established a diplomatic relations with Oman; in 1977 Iraq and Kuwait agreed to mutual troops withdrawal and to the establishment of a committee to resolve the border issue; finally Iraq exhibited a new willingness to cooperate with Egypt and particularly Saudi Arabia toward which it had constantly appeared offensive and critical, inasmuch as high-level Iraqi officials, while visiting the Crown Prince Fahd, suspended covert activities in the kingdom and agreed to equally divide the so-called 'neutral zone' built up by the British in the 1920s.

Despite a relative domestic stand toward both stability and compromise in the recent history of the Gulf, further issues, which gave considerable cause for concern, very soon emerged. Both the end of the Nixon doctrine and the more aggressive US policy in the Gulf that ensued were caused by a series of regional events which had started in the late 1970s and early 1980s. These events included the fall of the Shah's regime in Iran and the revolution that followed, the border war between the Yemenis, the Soviet invasion of Afghanistan, and the outbreak of the eight-years Iran-Iraq War, which started in 1980.

1.2 The Iranian Revolution and the Carter Doctrine

Imperialism exploits us and dominates the whole world [...] America would like the country and the people of Iran to be its business. The Islamic republic on the other hand favors all free and independent governments which are for justice .³⁸

In November 1976, Jimmy Carter won the Democratic nomination and became the new religious president of the United States of America. According to Charles Kurzman, the initial dismay of the Iranian shah following Carter's election was principally due to the fact that the just appointed president during his campaign for the presidency had pushed on issues such as the US moral duty of promoting human rights and its commitment to freedom and equality all around the world³⁹. Given these two political themes, it is not really surprising that Iran, a United States ally during the Cold War, was concerned about the new administration. The shah, Kurzman asserted, was in effect sure that since the Iranian people were still

³⁷ It is a well known fact that Iran and Iraq engaged in a series of disputes over regional and border issues. Probably the most popular was the shah's support for the Kurdish opponents of the Ba'thist regime in Baghdad. Here, when the Kurdish Democratic Party (KDP) attacked Iraqi troops after the government refused to give them control of the oil-rich province of Kirkuk, a traditional Kurdish territory, the Iranian forces, together with the Saudis, joined the fighting on the Kurdish side and provoked clashes elsewhere along the border to draw off Iraqi forces from the Kurdish front.

³⁸ Extract of a student's interview taken during popular manifestations in Teheran in Paul Vieille and Farhad Khosrovkavar, *Le discours populaire de la révolution Iranienne*. Paris: Contempérarité, 1990. Vol. II, p. 354.

³⁹ Charles Kurzman, *The Unthinkable Revolution in Iran*. Massachusetts and London: Harvard University Press, 2005, p. 12.

illiterate and unconscious of western concepts such as parliamentary democracy and political parties, they “were not ready for rights and needed rather strong and capable tutelage for the future”. Even more threatening was the fact that this perceived ‘US unique role’ to protect and preserve human rights in Iran might jeopardize the supportive alliance the shah had built with the previous American governments.

However, both the United States and Iran felt that there was no strategic alternative to a close mutual relationship. For this reason, in the first months of his presidency, Carter, aware of the fact that Iran, with its strategic importance, would have fitted well in this scheme, prevented his administration from considering the Arab state to be a problem and vigorously backed the idea previously conceived of relying on regional powers in the pursuit of policy objectives and interests.

The most visible signs of US-Iran cooperation came to light during the first official shah’s arrival in Washington in November 1977, when the two sides engaged in discussions over military, economic and geopolitical issues, in order to reassure the basis for a healthy relationship between them. It was particularly the issue of arms sales program, which had already begun during the prior administrations, that continued also during the Carter’s presidency. The question was in fact particularly relevant to American interests for the pursuit of a secure and stable Iran. Carters’ Secretary of State Cyrus Vance informed the Shah that he was prepared to make available all equipment already on order and approved the sale of Airborne Warning and Control System Aircrafts (AWACS). In addition, as Sick recalled, Carter also approved \$1.1 billion worth of additional military sales to Iran, including training and spare parts.⁴⁰ Additionally, Carter and the shah reached also a verbal understanding on the nuclear non-proliferation agreement and discussed on the Arab-Israeli question for which both the United States and Iran were attempting to launch a new peace effort.⁴¹

However, this well established set of assurances was diluted by the intense criticism originated either within the US society where many Americans deplored the shah’s authoritarian regime and his policies, in particular his relatively low regard for human rights and his role in keeping oil prices high, or domestically, since a series of internal unrests and demonstrations between Iranian human rights activists and Teheran authorities proved a deep and active opposition to the despotic leader, whose main ambition was turning Iran into the supreme power of the region.

We might suppose that, simply put, the eagerness for change of those who joined in revolutionary protests was a manifestation of deep social, economic and historical forces at stake within the Iranian society dating back at the decade immediate following the shah’s declaration of his White Revolution in 1963. Iran in that period had experienced a long period of sustained growth and economic development. Regarded not only as one of the most ambitious attempts at non-Communist modernization in the Third World but also as a

⁴⁰ Sick, *All Fall Down*, p. 31.

⁴¹ For a detailed overview on the US-Israel relationship during the years of Carter’s office, see Bernard Reich “The United States and Israel: the Nature of a Special Relationship.” in Lesch (ed.), *The Middle East and the United States*, p. 205.

prerequisite for development and security⁴², the White Revolution plans consisted of better reforms in Iranian industries, agriculture and social conditions. Unfortunately by the mid-1970s all this evolutionary progress had been upset by a series of internal distortions. To Khomeini, the White Revolution represented a direct challenge to the beliefs and the influence of the clergy, and the fact that the Shah was linked with the United States was seriously compromising both Islam and Iranian society. The negative changes the Iranian society was experiencing were due in part to the Shah's determination to transform the country either into a modern industrial giant (even lacking all those technological skills mostly required to achieve this aim), or in a society in which all power and institutions were subordinated to his rule and programs⁴³. To make things worse, it was quite apparent that selfishness and corruption of privileged classes at the top became a daily custom which rapidly assumed scandalous proportions. Due to a decreasing economic growth, rampant unemployment, and soaring inflation, a growing political discontent soon developed among workers and students in the fall of 1977.⁴⁴

The mobilization against the injustice of the Pahlavi regime was the centre of large-scale demonstrations throughout the city. Much has been said and written about the shah's repression of revolutionary meetings and students groups in Teheran University on November 5, which had been battered and fired for their subversive ideas, after attempting to pull down a statue of the shah. As a reaction to those clashes, mobs burnt up taking to the streets in a coordinated attack on symbols of Western presence, such as banks, Western business establishments, cinemas, and tourist hotels. To the American administration these strikes and riots were clear signs of the deep sense of dissatisfaction surrounding the entire Iranian society. The situation soon got worse, and when Reza Pahalavi failed in his efforts to established a coalition political group, he was finally forced by appointing a military government with the clear objective of restoring some measure of discipline to the country. To the shah, the waves of strikes Iranian people had engaged in had gradually paralyzed either the country's economy or the people's daily lives. For this reason, with the military being in action, street protests around the country were deterred, most of the strikers returned to their jobs, including oil workers, and several leading oppositionists were arrested, so that for several weeks there was a neat reduction of violence. In this regard, it is worth summarizing the words of many US diplomats two weeks later the Teheran University riot, who have reported that "violence in the provinces had reached a level of 42 or more cities just prior that day and now it has been reduced to only an handful of provincial cities on any given day".⁴⁵

⁴² Westad, *The Global Cold War*, p. 289.

⁴³ For a more detailed analysis of the negative consequences of the shah's White Revolution, see Westad, *The Global Cold War*, pp. 292-93.

⁴⁴ Melvyn P. Leffler, *For the Soul of Mankind, The United States, the Soviet Union, and the Cold War*. New York: Hill and Wang, a division of Farrar, Straus and Giroux 2007, p. 300.

⁴⁵ Kurzman, *The Unthinkable Revolution in Iran*, p. 105.

Kurzman noted that as Iranian stability was intimately linked to oil, perhaps most important for the regime was the fact that military forces contributed to bring oil production back up to four million barrels a day.⁴⁶ At the same time, as further strikes did not materialize, public services and airports went back into operation, civilian people respected the rules of the shah, and all around the city streets of Teheran a cautious sigh of relief began to develop leading to renewed semblance of order.

However, despite Pahlavi's intentions to normalization, now the problem was that a large portion of the population had began rallied around the clerics dominated by Ayatollah Ruhollah Khomeini⁴⁷. Playing the part of leading figure of the religious forces, Khomeini, in exile in Iraq and motivated by his hate towards the tyrannical Reza Pahlavi, demanded the shah's ouster and the abolition of the monarchical previous system in favor of a new order based exclusively on the will of the masses, namely the creation of a purely Islamic republic based on *Sharia* (Islamic law) that run tenaciously against the military and all other pro-Western institutions of the shah.

The clear-cut Ayatollah's oppositional activity was appreciated by many clerical activists who expanded their dissatisfaction with the authoritarian regime, the United States of America, and also with modernity. Following the liberal opposition of those appealing to the respect of constitutionalism and human rights they had consequently rejected the influence of Carter's campaign, as Kurzman noted reporting the words stated by the then-prominent revolutionary *Hojjat al-Islam* ("proof of islam") Mohammad Javad Bahonar.⁴⁸ This obvious nonacceptance was clearly manifested because they had no hopes or expectations that something good for them could come from America. Carter was regarded by other clerics, such as Ayatollah Hossein Montazeri, as being a religious man and a devout Christian who, unexplainably, had decided to defend the shah and his attempt at securing his position by meaningless and limited freedom.

Firmly supported by the clerical views, civilian people started once again to complain against the shah's economic excesses and the wrath of both Iranian leftists moderates and Islamic reformers soon turned into violent strikes, demonstrations, and riots in urban streets and rural towns. Probably, the apex of this renewed crisis was reached immediately upon the start of the religious celebration of Moharram. Effectively, an handful of Islamist hard-liners, as Kurzman named the anti-regime population (2005: 118), led the passion of Moharram, which had begun on December 2, into confrontations with the security forces. At night masses of flustered Teheran citizens climbed to their roofs while chanting religious and

⁴⁶ Kurzman recalled another aspects of the Shah's policy in stating that the notorious iron fist through which the new military government operated was opposed by a rather unexpected conciliatory attitudes on protesters and permissive measures pursued by the Shah, who frequently underlined to foreign emissaries his unwillingness at massacring his subjects in order to save his throne: "Do the impossible to avoid bloodshed", he stated.

⁴⁷ According to Sick, the clerics, together with the military, constituted the second key elements in the revolutionary situation, who had called for passive resistance, including strikes in strategic areas of the economy. *All Fall Down*, p. 94.

⁴⁸ Kurzman, *The Unthinkable Revolution*, p. 23.

revolutionary slogans: “Marg bar shah” (Down with the shah), “Javid Khomeini” (Long Live Khomeini) or “Allah akbar” (God is greatest), they yelled.

During the first week of Moharram, public disobedience to the military government’s orders of prohibiting demonstrations expanded in an unrestrained way and violence increased day after day, fueled by clandestine urban guerrillas committed to hit-and-run attacks against police stations and small military units. The religious coalition was so strong and effective in so far as the unrests represented a powerful symbol of the growing dominance of the Islamic discourse in the opposition.⁴⁹

In the meanwhile, the front of hostility was as real as it was not totalitarian. After all, various scheme of alliances were created at the end of the 1970s and with this system at work many Iranian military commanders as well as Washington’s politicians were still supporting the presence of the shah.⁵⁰ From a US perspective, Melvyn P. Leffler (2007) observed how all those unfavorable developments had negative consequences for US economic, strategic, and diplomatic interests. National Security Adviser, Zbigniew Brzezinski, was extremely conscious of the danger the United States was running and, in a letter sent to president Carter on December 1978, he revealed his fears that the disintegration of Iran would be the most massive US defeat since the beginning of the Cold World⁵¹. The withdrawal of US support, the Carter administration admitted, would have negatively affected their relations with other important regional states. After all, the Iranian ally still represented the centerpiece of lots of US interests: its oil fueled US and Western Europe economies and the shah’s friendship was of primary importance for enhancing Washington’s prestige throughout the Persian Gulf. Given Iran’s first relevance, an improvement in US-Iranian relations might have occurred.

Anti-shah demonstrations continued also on December 10 and 11, where two of the largest religious marches in history, namely those of Tasua and Ashura, took place. They were massive, involving more than 10 percent of the country, according to Kurzman and foreign journalists estimates⁵², but relatively free in violence. Both the manifestations proved that Khomeini had gained enormous power among his followers and the shah, in turn, realized that his weak strategy had been irreparably damaged to the point that Iranians and even senior military officers had stopped obeying him. Many times throughout the protests, their palpable bitterness was revealed in the words “The shah must go”⁵³.

The progressive deterioration of Iran’s security situation and its political leadership, together with the resulting atmosphere of suspicion developed within the US State Department toward a feasible shah’s

⁴⁹ Westad, *The Global Cold War*, p. 295.

⁵⁰ Sick, *All Fall Down*, p. 131.

⁵¹ Brzezinski to Carter, 28 December 1978, box 42, BC, CL, in Leffler, *For the Soul of Mankind*, p.301.

⁵² Paul Balta, Claudine Rulleau, *L’Iran Insurge*, 1979, p. 58. Antony Parsons, *The Pride and the Fall: Iran 1974-1979*, 1984, p. 110.

⁵³ The broad resistance to the shah that the two marches of Tasua and Ashura had created was a powerful symbol of the growing dominance of the Islamic discourse in the opposition. Westad, *The Global Cold War*, p. 295.

survival all created additional conditions of mounting chaos. So, after months of turmoil and tensions, on January 19, 1979, the shah was forced to leave his country among widespread popular celebrations.

The sudden and total collapse of the shah's regime effectively demolished a decade of US strategy in the Persian Gulf region. For decades, in fact, the shah had undoubtedly represented the anchor of both Nixon and Carter doctrines and one of the most important US ally in the Gulf and with his end United States was likely forced toward a change in its political attitude. Without the shah, the United States had a burdensome past to live down after being totally identified with the shah for over two decades.⁵⁴ Now the US approach, lacking any possible surrogate policy, turned to one of extreme and almost obliged caution.

On February 1, a few days after the shah's departure, Khomeini returned triumphantly to Teheran praised by millions Iranian people who had participated in joyous mobs and popular acclamations of him as the sole leader of the Iranian Revolution and of the ensuing Iranian new regime.

In the meantime, some chances of self-US redemption seemed to come out. The sudden war between South Yemen and North Yemen in March 1979, in fact, provided the Carter administration with the opportunity to demonstrate a possible new role in the Gulf region. The United States responded to the Yemen crisis with a series of measures intended to assure American friends in the region and to demonstrate a renewed US solving capability. The actions the administration took were basically in support of Saudi Arabia, which perceived South Yemen's attack on North Yemen as a calculated communist probe to overthrow the relatively conservative government of North Yemen. In testing Saudi and Western reactions, the Carter administration decided to counter the attacks by dispatching a carrier task force to the Arabian Sea, establishing a new baseline of constant US military presence. In addition, an emergency military aid package was also rushed to North Yemen, and AWACS early warning aircraft were deployed to Saudi Arabia for joint training and bolstering Saudi air defense.⁵⁵

But US military superiority displayed in the war firmly reinforced Washington's rhetoric operating under the assumptions of the Cold War: in order to avoid a further unsettlement of the Gulf region, a Communist takeover would have been prevented far and wide. The first step in this regard made the US Ambassador Sullivan to push for further contacts with Khomeini; simply put, it represented a quite restrained appeasement process the administration had already started before the shah's retreat, in the consciousness that only this move could have guaranteed a normalization of relations between the two opposing sides.

On the one hand, the strategy was motivated by the basic US idea that the Americans, who were still very concerned about the continuation of the export of oil to the Western world, had nothing to fear from the

⁵⁴ Shahrām Chubin, *Security in the Persian Gulf: The Role of Outside Powers*. New York: Allanheld, Osmun & Co, Publishers, Inc, 1982, p. 13.

⁵⁵ For more precise information on this issue, see Gary Sick, *Evolution of US Policy in the Persian Gulf*. Prepared Statement for Hearings to the Subcommittee on Economic Stabilization, US Congress, House Committee on Banking, Finance, and Urban Affairs, 100th Cong. 2d sess., 1988, p. 51.

Khomeini regime, something that drove Carter officials' attempts to avoid offending the new regime or give the impression that the US intent was on containing or isolating it. On the other hand, this new attitude was supported by the fact that Islamic Republic's objectives were fully compatible with US ideals of an independent and stable Iran free from outside interference.⁵⁶ In this way, Iran would not have feared a Communist control and the Islamic republic would not be interested in aligning itself with the Soviet Union. Nobody could have ever imagined that although these US good ideas and intentions, the situation soon deteriorated. That was the case particularly on November 4, 1979, when the US embassy in Teheran had been overrun by a crowd of anti-American students and well-operative supporters of the Ayatollah, who held fifty-two US diplomats and staff as hostages.⁵⁷ To the protesters, it was argued, the takeover of the embassy represented a short (more or less three or five days) symbolic demonstration aimed at preventing the United States from reinstalling the shah Reza Pahlavi.⁵⁸ However, the extent that was reached only a few days later, led many implicated students to classify it as the "second revolution". Beyond expectations, Khomeini escalated the level of his rhetoric by denouncing 'westernized' Iranians and when he publicly supported the hostage takers, the crisis acquired a decisive national dimension, as noted by Gause (2010: 55). It looked as though Khomeini's religious zeal would have transformed the circumstances from a largely political act of protest into a full-scale confrontation between Iran and the United States. The embassy seizure contribute to rapid shifts in US opinions about the Ayatollah, to the point that the Carter administration started recognizing that the longer Khomeini remained in power and used the hostages for his political purposes, the worse it would be for United States advantage.

Relations with Teheran were practically ended when US president became intensely obsessed with the hostage crisis; his key objective was to obtain the immediate release of all Americans being held in Iran, included those who have remained there on a commercial basis. Worse still, the Carter administration, and specifically the president's chief of staff Hamilton Jordan, understood not only that the crisis was one of the most difficult the government had ever faced, but also that the United States was lacking those effective and useful means to exert any direct influence over events inside Iran. Jordan came to realize that the Americans were frustrated at US inability to do anything to free the prisoners and that Carter's impotency in such an issue was becoming even more visible.

On November 6 a meeting of the Special Coordination Committee (SCC)⁵⁹ on how to manage the hostage crisis and the difficulties of US-Iranian relations, the participants quickly outlined the essential elements on

⁵⁶ Sick, *All Fall Down*, p. 171.

⁵⁷ *Ibid.*, p. 205. In order to highlight the uncertainty and confusion in which the US Army was living, Sick not only recalled the February 14, 1979 attack on the US embassy exactly in the same time Khomeini had returned to Teheran, but also the attacks against the US consulate in Tabriz, when Carter was at Camp David.

According to Sick, the explosions were clear signs that events surrounding Khomeini's return were all but peaceful.

⁵⁸ For additionally articles on the hostage crisis issue, see Bill Baker, "Iran Militants Planned to Hold US Embassy Only Days, Students Claims," *Christian Science Monitor*, December 31, 1980; John Kifner, "How a Sit-in Turned into a Siege," *the New York Times Magazine*, May 26, 1981.

⁵⁹ Sick, *All Fall Down*, p. 408. In describing the role of the SCC, Sick affirmed that it was charged with crisis

which the US policy was to focus. The United States would have acted on a double-complementary strategy: to political, diplomatic and economic initiatives would follow military contingency plans including action strategies and also retaliatory options.⁶⁰

Things deteriorated in the worst way for US policy both in Iran and the Gulf region as a whole at the end of December, when the Soviet Union invaded Afghanistan to support its client regime. The invasion primarily transformed the entire security system of the Persian Gulf and then forced president Carter and his advisers to a full-scale reassess of US strategy there.

The image of a Soviet drive to the Persian Gulf and the Indian Ocean dominated analysis of US policymakers' analysis, who had consequently become aware of the somewhat limited US ability to influence events in the region. The Soviet invasion of Afghanistan was widely perceived as an initial step to more lucrative targets at a time when, as we have already seen, US power was severely damaged by loss of US influence in the region. So, after Carter abandoned any efforts to seek peaceful accommodation with the Soviet, including the SALT II Treaty on Strategic Arms Limitations, he enhanced a military-political confrontation with the USSR, making a new US policy almost inevitable.

The new policy was articulated by President Carter in his State of the Union address in January 23, 1980 and became known as the Carter Doctrine. In a definitive statement of US policy to meet the threat posed by the Soviet invasion of Afghanistan, President Carter announced

Let our position be absolutely clear: an attempt by any outside force to gain control of the Persian Gulf region will be regarded as an assault on the vital interests of the United States of America, and such an assault will be repelled by any means necessary, including military force.⁶¹

It is quite apparent that president Carter's announcement reflected US intentions rather than capabilities, since the United States was plainly weak and poorly equipped militarily to respond to a major Soviet challenge in the Persian Gulf region. However, quite surprisingly, fragile steps were taken to increase military power also in the surrounding nations, in order to make America's new policy creditable among its allies. A Rapid Deployment Joint Task Force (RDJTF) to counter the Soviet intervention was soon followed by access agreements with Oman, Kenya, and Somalia as well as new dialogues with Pakistan, India, Iraq and many other nations, whereby a militant Soviet presence were expected to expand.

management, arms control and certain functional responsibilities such as intelligence matters. It was always chaired by National Security Adviser, Zbigniew Brzezinski.

⁶⁰ At a diplomatic level, the US government sought to encourage intermediaries, such as the Pope in Vatican, the Palestine Liberation Organization (PLO) and ultimately the United Nations, to approach Khomeini and to convince him to release the hostages. On the economic side, pressure against Iran were applied first, by terminating all crude-oil imports from Iran to the United States, and second, by freezing Iranian assets, since reports about Iranian intentions to pull its deposits out of US banks have begun circulating.

⁶¹ Paul C. Bradley, *Recent United States Policy in the Persian Gulf (1971-1982)*. Grantham, New Hampshire: Thompson Rutter, 1982, p. 95.

All this revived enthusiasm for a US military presence in the Gulf almost certainly gave new strength to the Carter administration in dealing with the hostage crisis, so that during a National Security Council (NSC) meeting at Camp David, on March 22, a possible use of military means to attempt to free the hostages was quickly explored⁶². Since all hopes for negotiations have totally vanished, it was decided that United States' attention should have turned exclusively to rescue mission and forceful action⁶³. However, fatal collisions and ensuing fires among the helicopters involved in the military plans led to an unexpected failure of the US mission, removing any realistic possibility of freeing the hostages and placing the United States in great physical jeopardy, as Sick recalled.

After a long series of supposed ups and more given downs in methods used by the United States to contend with the hostage issue, this political chaos reached finally an end on January 20, 1981 by virtue of the Algiers, who had been injected in the situation as intermediaries, inasmuch as all communications between Iran and the United States were to pass through the good offices of the government of Algeria. It was the Algerians those who argued that termination of the hostage crisis would be in the best interests of the revolution and Iran's national security; it was again the Algerians those who persuaded the Iranians to accept a financial agreement with the United States.

During Carter's last days in office, the Federal Reserve dealt with one of the largest private transfer of funds in a single transaction, passing a total of \$7,977 billion to Teheran⁶⁴, preparing definitely the final stage of a long stormy US-Iranian relations. An apparent solution to the crisis seemed to get closer, but President Carter's failure in driving American power against Iran's rebellious revolutionaries, his sudden turnover in confronting the shah and US military uncertainty on the battlefield, all contributed to develop a widespread public consciousness of US weakness as well as consternation of regional governments friendly to the United States.

1.3 Reagan and the Persian Gulf

[...] The citizens of the Western democracies and the Muslim world, by all that they believe to be true and just, should stand together in opposition to those who would impose dictatorship on all of mankind. [...] we are also concerned about the tragic war between [...] Iran and Iraq [...] This bloodshed has dragged on far too long and threatens peace throughout the region. The United States will do what we can, diplomatically to end the fighting. [...]⁶⁵

⁶² The March 22 NSC meeting was joined by Vice President Walter Mondale, Secretary of State Cyrus Vance, National Security Adviser Zbigniew Brzezinski, Secretary of Defense Harold Brown, Director of Central Intelligence Admiral Stansfield Turner, Chairman of the Joint Chiefs of Staff General David Jones, Deputy National Security Adviser David Aaron, Press Secretary Jody Powell and President Carter.

⁶³ For a detailed analysis of each phase of the military mission planned during the NSC meeting, see Sick, *All Fall Down*, pp. 336-37.

⁶⁴ *Ibid.*, p. 398. Sick here pointed out that the funds had a precise distribution: \$3.67 billion to pay off US bank loans to the shah's regime; \$1.42 billion to remain in escrow as security against payment on disputed claims between US banks and Iran; \$2.88 billion to Iran.

⁶⁵ Reagan's speech on February 11, 1985, at the South Portico of the White House besides Saudi Arabia's King Fahd. For the full speech, see www.reagan.utexas.edu/archives/speeches/1985/21185a.htm

When the Reagan administration arrived in Washington in January 1981, a renewed conviction that the Persian Gulf region represented a major strategic zone of US vital interests emerged. There is absolutely no question about the fact that this certainty clearly required, as Sick revealed (2009: 299), "both sustained attention at a highest levels of US policymaking and direct US engagement in support of specifically US interests."

So, Reagan and his advisers affirmed the Carter Doctrine and saw once again the Soviet Union as the most significant threat to the Persian Gulf region. At that time President Reagan's Secretary of State Alexander Haig, while expressing the administration's view at that time, suggested that the United States, during the previous administrations of Ford and Carter, had confronted a situation where strategic passivity and excessive piety of human rights crusade respectively had weakened the will of authoritarian anti-communist governments, eroded confidence of Western allies and encouraged risk taking either by the Soviet Union or by Soviet manipulated totalitarian regimes.⁶⁶ It was then apparent that if contemporary trends were not arrested, the convergence of rising international disorders would have ruined the international codes of conduct that fostered the resolution of disputes between nations. Accordingly, the Reagan administration that had considered the Soviet threat as its main focus, at first embraced the 'strategic consensus' idea⁶⁷, in which a goal was to persuade the diverse countries of the region "to put aside local parochial security concerns and unite with the United States in an alliance type of relationship against the Soviet Union and its client states.", as John E. Peterson maintained (1986: 147). Unfortunately, to the Gulf States perceptions the idea of 'strategic consensus' was anything but remarkable, due especially to the fact that regional and domestic concerns was far more preferable rather than external threats coming from the Soviet. For this reason, in May 1981 the heads of states of six Gulf countries, Saudi Arabia, Kuwait, United Arab Emirates (UAE), Oman, Bahrain, and Qatar formally created the Gulf Cooperation Council (GCC), regarded as the first step towards institutionalizing the concept of Gulf unity. Although the GCC was to be primarily an economic and social organization, it was quite apparent that political as well as strategic factors had been responsible for bringing the states together. Given the weakness of the entire region in facing foreign interventions, the GCC became a useful tool in reaction to the revolution in Iran, the Soviet occupation of Afghanistan, the Iran-Iraq war, and US efforts to strengthen its presence in the Persian Gulf, events that had brutally upset the balance of power in the area and its regional political architecture. The GCC, therefore, would have served either to contend with economic and political concerns at a regional level or to enhance prospects for security cooperation. Though the GCC states recognized the need for US diplomatic support, and for guarantee of American intervention, they were reluctant to become more

⁶⁶ For the full American administration's view at that time regarding the US foreign policy, see Kenneth A. Oye, *Eagle Resurgent: The American Foreign Policy*. Boston: Little Brown and Company, 1987.

⁶⁷ Through the 'strategic consensus' initiative, the United States established a formal American military presence in the kingdom. Gause, *The International Relations of the Persian Gulf*, p. 69.

overtly aligned with the US than necessary, on the contrary they remained rather indifferent toward an anti-Soviet regional coalition.

Over the following seven years, the United States, urged by the necessity to prevent the Soviets from acquiring political-military control directly or indirectly by its allies, strengthened its relations with the regional states, a strategic decision that required putting more substantial military power and organization.⁶⁸ As a consequence, in 1983 the Rapid Deployment Joint Task Force (RDJTF), created during the Carter administration, was reorganized and improved and the so-called Central Command was then implemented.

Saudi Arabia appeared to be the primary instrument of US policy in the Gulf as the result of the new policy change and an additional arms sales including five AWACS to the Saudi kingdom reflected the change. Saudi policy preferred to keep the US forces "over the horizon" so as not to cause antagonism with other Gulf States and possible disruptions within its own traditional society.⁶⁹ Nonetheless, the United States remained committed to the RDJTF plan while continuing arms sales to Saudi Arabia believing that if the Gulf States could not ensure regional security against the Soviets or Soviet-backed aggressors, due mainly to their strong vulnerability, then the United States would have to respond directly. Emilie A. Nakhieh (1982: 112) remembered that all these basic assumptions were reiterated one more time by Secretary of State Casper Weinberger during his budget report to Congress in 1983 and, taking advantage of that same occasion, he remarked two principles for US strategy in the region during the 1980's: the United States, according to Casper's view would have improved their mobility forces with adequate equipment and supplies to deploy and would have also supported the RDJTF of sufficient size to deter the Soviet aggression.

Actually, the Reagan presidency was shocked by another historical development, just began during the previous administration, which, however, definitely jeopardized the stability of the region. The Iran-Iraq War started when, on September 22, 1980, Saddam Hussein decided to launch a large-scale attack on Iran. The tremendous level of ferocity and violence that was reached against the Iranian population was so strong that the battle went down in history as the longest and most devastating war in modern Middle Eastern history.⁷⁰ Even if the war profoundly affected domestic political developments in both Iran and Iraq, it had little lasting impact on the international politics of the Gulf region. Both countries kept a starring role in Persian Gulf politics, and most importantly, neither gained or lost significant territory, as we will see later.

⁶⁸ Sick, "The United States and the Persian Gulf," in Potter (ed.), *The Persian Gulf in History*, p. 299.

⁶⁹ Donald E. Nuechterlein, *US National Interests in the Middle East: Is the Persian Gulf a "Bridge Too Far"?* Naval War College Review, October, 1987, p. 117.

⁷⁰ Gause, *The International Relations in the Persian Gulf*, p. 57.

1.3.1 The Iran-Iraq War

[...] you are fighting to protect Islam and he [Saddam Hussein] is fighting to destroy Islam... there is absolutely no question of peace or compromise and we shall never have any discussions with them because they are corrupt.⁷¹

After what have been said about the political developments in Iran, it seems all too clear that the revolution that broke there in 1978 and the ensuing regional chaos that has brought within the Arabian coastline of the Gulf are part of Iran's historical struggle with Saudi Arabia and Iraq for regional hegemony.⁷²

There is absolutely no question about the fact that after the revolutionary clashes, Iranian regime under Khomeini has isolated itself from the international community, creating a kind of power vacuum throughout the Persian Gulf.

Additionally, the United States, Iranian major superpower ally during the previous decades, started to see Iran as both a tangible strategic enemy and military threat to US interests all over the region.

Much has been said and written about a possible "green light" that Carter gave to Iraq to invade Iran, but when the war started and Saddam entered Iranian territory with twenty-two divisions, the reasons for the invasion were all but unclear. Certainly, the Iraqis had turned the neoimperialist in the Persian Gulf, becoming a powerful nation that could easily replaced the Iranian role as leader in the region.⁷³ They were able to rely on a reorganized, strong and better trained army than the Iranians which, on the other hand, had been cut off from US spare parts for their military infrastructure and had been resupplied with large but less effective Soviet shipments⁷⁴. Given the recent collapse and dismantling of the Iranian armed forces after the revolution, Iraq was trying to expand its power in many different directions, Iran included.

However, contrary to widely held assumptions, the initial Iran-Iraq relationship were not so strained: when the shah fell in February 1979 and the Islamic republic was finally established, Iraq welcomed the new regime by sending a congratulatory message to Khomeini for the achieved results. Further collaboration was visible also at both international and diplomatic level with public invitations extended by Iraq to the Iranian prime minister, Mehdi Bazargan to visit Baghdad.

But when violent demonstrations in the cities of Najaf and Karbala and in the Shi'i areas of Baghdad erupted leading to the arrest of Ayatollah Muhammad Baqir al-Sadr, Khomeini and many other Iranian religious leaders started antagonizing and condemning the Iraqi regime that was labeled as "despotic" and

⁷¹ Khomeini speech to Iranians quoted in Shahram Chubin and Charles Tripp, *Iran and Iraq at War*. Colorado: Westview Press, 1980, p. 39.

⁷² Ulrichsen, *Insecure Gulf*, p. 43.

⁷³ James G. Blight et al., *Becoming Enemies: US-Iran Relations and the Iran-Iraq War, 1979-1988*. Lanham, Maryland: Rowman & Littlefield Publishers, Inc., 2012, p. 64.

⁷⁴ The Soviets, Iraq's superpower ally, had strongly opposed Baghdad's move against Iran. For this reason, after having declared their neutrality, slightly shifted towards Iran and started a sort of commercial relation. Fuel and other military tools were provided to the Iranians which became also dependent on close Soviet allies, such as Syria, Libya, North Korea and the Warsaw Pact.

“criminal”. The situation soon deteriorated and border clashes in the Kurdish in which Iraq attacked Iranian villages were accompanied by an increasing military rhetoric on the part of Khomeini and his followers, who called for Shi'ite minorities in the Gulf to revolt, stressing, with considerable efforts, the relevant aims of the Iranian revolution, which would have been exported all around the region⁷⁵.

These events changed completely the way through which Saddam Hussein, who in the meantime has become the Iraqi president, started to think about his new Iranian enemy. He threaten the internationally isolated Iran in the most obvious way, to the point that once he openly abrogated the 1975 Algiers Agreement⁷⁶, he accorded the Iraqi air forces to launch attacks against Iranian oil facilities and military bases and then claimed the Iranian province of Khuzestan as part of Iraq. Iraq's invasion of Iranian territory was one of the largest military operations since the Second World War, together with the first time that Iranians faced territorial aggression.⁷⁷

Despite Iraqi's military and numerical superiority, the Iranians organized their offensive and won a series of victories against Iraq. The Iraqi invasion therefore ended, and when Saddam Hussein proposed to stop the war in two different occasions, the first one in 1980 and then two years later in the summer of 1982 when the Iranian troops entered Iraqi territory, Khomeini refused the UN Security Council resolution 479 for a cease-fire and a return to the status quo ante.⁷⁸

At the outset of the battle, the Reagan administration's policy towards the war was as clear as it was straightforward. The United States, on the basis of its strategic, economic, and political interests aiming at maintaining freedom of navigation in the Gulf and ensuring access to the vast regional oil resources, supported a strict neutrality that included the refusal to sell weapons to either side and the appeal to other countries to similarly refrain.

So, despite the size of the war, almost surprisingly and unexpectedly, the United States refrained from any direct involvement. It was not well-placed for the American nation to influence either side, since Iraq was traditionally pro-USSR and Iran has recently turned into an anti-US mood. Moreover, it was still constrained by the American hostage issue, something that affected politically US stance toward Iran. What was absolutely clear in this period is that decision-makers in Washington were inclined to support either all kind of international efforts which would have mediate (or even better end) the conflict, or the security of the Gulf nonbelligerent against the spread of hostilities.⁷⁹

⁷⁵ For short descriptions of Iran-Iraq relations, see Gause, *The International Relations of the Persian Gulf*, pp. 59-62.

⁷⁶ The Algiers Accord was signed by Iran and Iraq to resolve their territorial disputes along the Shatt-al-Arab waterway.

⁷⁷ Blight et al., *Becoming Enemies*, p. 99.

⁷⁸ *Ibid.*, p. 89. Blight here remembered that throughout this period, since the relations with the United States had deteriorated after the revolution, Iranian air forces could only counted on Israel for provisions. Whence, a quite direct and extensive relationship developed between the Israelis and the Iranians, which were soon resupplied with small quantities of F-4 tires, basically.

⁷⁹ Joseph W. Twinam, *US Interests in the Arabian Gulf*. American-Arab Affairs, 21, Summer 1987, p. 5.

But sooner than anyone may imagine, the Reagan presidency was forced to retract its original position. In fact, when the Iranian offensive against Iraqi forces augmented its strength, US advisers and military officials started to publicly recognize the threats that an Iranian victory would pose to its allies and interests in the region. A radical anti-American Shiite regime dominating the Gulf and the flow of oil was not bearable and the United States felt the need to strongly contain it. Saddam Hussein's Iraq became by itself the principal instrument of US foreign policy in this period to be used since Iran and Khomeinism must not be allowed to win.

Given the transformed US opinion on Iran and the recent war trends in favor of Khomeini's forces which drove back the Iraqis and successfully counterattacked across the border, the United States expanded its own prohibition on illicit arms sales to Iran into an active campaign known as "Operation Staunch", launched by the Department of State in 1983.⁸⁰ In the meantime, the United States began to provide Iraqis officials and field commanders with battlefield intelligence data and tactical advice on Iranian force deployment, (no weapons, anyway), but also with financial credits for the purchase of American goods and agricultural products, determining what went down in history as the "tilt to Iraq".⁸¹

Much has been said and written about this "tilting", since it is quite apparent that during the Iran-Iraq War at issue Washington became Baghdad's most important ally and supporter. Many historians have speculated that this strategic move was made for one reason only: according to Washington, an Iranian victory in the war and the consequent domination of the Persian Gulf by the Iranians would have led to a desperate scenario in which the United States would have been a big loser in the region and its principal interests irreparably endangered and probably faded. But there really were many other secondary motives in backing Saddam Hussein. As Blight suggested (2010: 264), according to mid-1980 US officials still affected by the Cold War bipolar system and afraid of a Soviet domination in the region, with its tilt toward Iraq Washington hoped to prevent both a domination of the region by the Soviet Union and a further Saddam's move into their sphere of influence. After all, Iraq was a major oil-producing state and its territorial richness undoubtedly represented a sort of Eldorado for American commercial businesses.

Officially, the second period of the Iran-Iraq War began in the summer of 1982 with Iranian forces, backed by Iraqi Kurdish forces from the Kurdish Democratic Party-Iran (KDP-I), launching a series of offensives along the northern, central and particularly southern fronts which lasted until the end of 1984. With this military strength at hand, the Iranians ejected the Iraqis from Iran and in the process succeeded in recapturing their most important port, Khorramshahr, embryonic phase of the wider Operation Ramadan

⁸⁰ Blight et al., *Becoming Enemies*, p. 107. The authors recounted that thanks to US efforts in denying arms sales to Iran, Teheran entered an international isolation that forced Khomeini's regime to shift to other suppliers, especially the Soviet's allies Syria, Lebanon, Libya, and North Korea.

⁸¹ Nuechterlein in his book *US National Interests in the Middle East*, p. 439, stressed that in addition to Operation Staunch, the United States gave also covert aid to Iraq's Arab allies (Jordan and the Egypt of president Sadat, to mention a couple) against a possible Iranian invasion or revolution by radical Islamic forces in the Gulf. On the other hand, Blight et al. in *Becoming Enemies*, p. 103, affirmed that the Jordanians and the Egyptians were encouraged by the United States to supply Iraq with third-party arms.

launched by Iran in July 1982 near Basra in the southwestern Iraq, where Iranian forces used “human wave attacks” against Iraq. Iraqi militaries faced a series of catastrophic defeats with something like 30,000 and 40,000 prisoners of war captured and many others killed or injured.⁸²

In the light of this, the US intelligence regarded the Iranians as specialists, able not only to launch a massive counteroffensive against the retreating Iraqis, but also to invade Iraq with the clear objective in mind of achieving and unconditional surrender from Baghdad and the removal of Saddam Hussein’s Ba’athist Party from power. Moreover, according to many Washington officials, the Islamic Revolutionary Guard Corps (IRGC), which had been fundamentally an ideological custodian charged with defending the Republic against internal and external threats, were expanding far beyond its original mandate and enhancing their military skills by training and arming a new Shiite force known as Hezbollah (Party of God).

In an attempt to counter this increasingly possible Iranian dominance, relying on Iraqi direct access to the international arms market and financial support from other Gulf monarchies, the United States actively worked in order to supply Baghdad with more missiles and aircrafts which came also from the Soviets and the Western countries, especially France.

While Iranian troops enhanced their war efforts and turned the tide in the fighting, the Iraqi military began to use chemical weapons against them.⁸³ To be sure this was an open violation of international law and reportedly the United States were surely conscious of that. Nonetheless, the Reagan entourage quite surprisingly engaged in a systemic deception to avoid revealing that they knew, principally because, as many have argued, the administration could not tolerate an Iranian supremacy. Simply put, the United States were lacking any kind of leverage against an Iraqi use of chemical weapons in the war to the point that not only they did not condemn Iraq for doing so, but they even continued to support Saddam Hussein providing his regime with diplomatic relations and delivery of sophisticated satellite intelligence, so they might, with US training and supervision, target Iranian troop positions more accurately and in a more timely fashion.⁸⁴ Clearly, the US intelligence made a big difference and it was helpful to the Iraqis since it prevented a total collapse of their military side.

The Reagan presidency, it was felt and argued, must have probably concluded that the Iraqi development and use of chemical, biological, and nuclear weapons was much less menacing ‘geostrategically’ speaking than the Iranian threat to the Gulf: by all accounts, if Iran had won the war, the Middle East would have been soon occupied by anti-Western extremists, therefore either preserving Saddam or preventing the Iranian enemy control became the main policy objectives of the United States in the region, a policy that would fought unconditionally to end the war as soon as possible, without an Iranian victory.

⁸² *Ibid.*, p. 363.

⁸³ For the developments on the battlefield during this period, see Antony H. Cordesman and Abraham R. Wagner, *The Lessons of Modern War Volume II: The Iran-Iraq War*. Colorado: Westview Press, 1991, chapter 6; Edgar O’Ballance, *The Gulf War*. UK: Brassey’s Defence Publishers, 1988, chapters 6-9.

⁸⁴ Blight et al., *Becoming Enemies*, p. 97.

In the meantime, in the two-years period 1984-85 the conflict was transformed into a war of attrition, and Baghdad in front of further Iranian offensives reacted by expanding the battlefield with the clear aim at forcing international powers to commit actively in order to stop the battle.

However, despite the war pace underway between the belligerents, something really unexpected happened more or less in 1985-86, during President Reagan's second term. At that time, the US State Department, having considered itself in a sort of virtual rather than actual war with Iran since the period of the hostage crisis of 1979-81, had put Khomeini's Islamic Republic on the top of its terrorism list, longing for an Iraqi victory in the war against Iran.⁸⁵ However, as part of the so-called 'strategic opening' to Iran coupled with efforts to free the American hostages still held in Lebanon by the Iranian-backed group Hezbollah, the Reagan administration undertook covert high-level contacts with Iran, the only nation with a certain leverage on the Hezbollah, for almost six months directly but also indirectly, through Israel.⁸⁶ This unpredictable event was then openly revealed in November 1986, by the Lebanese news magazine al-Shiraa with a published article announcing that the United States had been selling arms to the Iranian regime, a process that was definitely in contradiction with both the declared "Operation Staunch" policy of cutting arms supply to Iran and Reagan's stand against dealing with terrorists. In addition, by the end of November, it was revealed that funds from the arms sales with Iran were used effectively to support the Nicaraguan counter-revolutionaries, known as the contras, an anticommunist and pro-Americans groups, who were attempting to overthrow the Sandinista regime in Managua, supported, in turn, by the Soviet Union and Cuba.⁸⁷ As the Congress had prohibited an American support for the contras, the scandal created consternation at an international level, threatening US relations with the oil-producing states of the Gulf and forcing the Western nation to adopt an openly pro-Iraqi position. The publication and the ensuing perception that everybody within the US policy-making apparatus knew about the corruption of US legal system, had devastating effects not only in the US press, but also in the Middle East and in the rest of the world. Despite Reagan's official negations about the veracity of al-Shiraa revelations, Blight clarified that documentary evidence have proved that the president authorized thirty of forty different channels to raise money for the Contras (such as, for example, Brunei, Taiwan, Honduras, and many other places).

Even if to US officers the blatant violation of law they officially uphold was more than a humiliation, in Teheran the entire leadership weaken its credibility, as many started wondering how revolutionary leaders could have dealt with those individuals labeled as "the Great Satan" (the United States) and "the Little

⁸⁵ *Ibid.*, p. 125.

⁸⁶ Blight pointed out that the Israelis participated in the affair mainly because they wanted to reestablished such good relations with Iran existing during the Shah's reign.

⁸⁷ For brief accounts of the Iran-Contra Affair, see Odd Arne Westad, *The Global Cold War*. Chapter 9, p. 399. For a full examination, see Peter Kornbluh and Malcolm Byrne, *The Iran-Contra Scandal: The Declassified History*. New York: W. W. Norton, 1993; and Theodore Draper, *A Very Thin Line: The Iran-Contra Affairs*. New York: Hill and Wang, 1991.

Satan" (Israel).⁸⁸ According to some scholars, no one in Iran really wanted a serious dialogue with the Americans, but the prospect of acquiring weapons seemed the overriding motive for an Iranian acceptance of the deal.

The "arms-for-hostages" issue was undoubtedly subjected to several interpretations. Surely, it had a great strategic significance both for the Persian Gulf region and especially US policymaking. As has already affirmed, president Reagan, in a way to counter a supposed threat by the Soviet Union coming from its invasion of Afghanistan and the ensuing expansion of its influence into the Khomeini territory, would attempt to adopt a conciliatory posture toward Iran.

On the contrary, further analysis suggested that the original motivation for the initiative was Reagan's concerns with making the American hostages free. Reportedly, President's personal obsession forced CIA director William Casey, National Security Adviser Robert McFarlane, and National Security staff member Oliver L. North who was responsible for the transfer of funds from the sales of arms to the contras in Nicaragua, to coordinate the initiative⁸⁹. Within the Reagan administration there really was the conviction that the Iranians would have accepted the covert relations because since they wanted US weapons, they were prepared to pay lots of money for them.

Finally, others inside the White House believed that the enterprise might create a new beginning in US-Iranian relationship, but this is probably the most remote of Regan's strategic intentions. To be sure, the profound sense of betrayal coming after the Iran-Contras events called into question the US steadfastness and reliability providing a backdrop of what proved to be the major events of 1987 in the Persian Gulf.

From March 1987 to August 1988, in fact, the United States entered directly in the Iran-Iraq War not only by force of arms but also diplomatically, aiming at pushing Iran to end the war.

On the military level a couple of events are worth to be mentioned. As a consequence of Iraqi attacks at Iranian oil terminals and tanks made to reduce Iran's ability to finance the war, the Iranian army started a "tanker war" by retaliating against Iraq and nonbelligerent shipping in the Gulf. The apex of the conflict was reached when Iran decided to escalate the war by threatening GCC states, particularly Kuwait, that supported Iraq economically and politically, but most importantly it had begun negotiations with the Soviet Union. Driven by Cold War considerations, Washington decided to put US flags on a number of Kuwaiti tankers and to provide them with naval escorts. This strategic move, which came when US-Soviet relations were growing increasingly cooperative in the period of the Reagan-Gorbachev *détente*, was to deny the Soviets either any political benefits or increasing influence with other Gulf monarchies.⁹⁰ Additionally, the US reflagging would assure Arab states in the Persian Gulf that the sale of arms to Iran had been an

⁸⁸ Blight et al., *Becoming Enemies*, p. 127.

⁸⁹ Blight et al., *Becoming Enemies*, pp. 130-131. Blight clarified that to McFarlane, a useful way to made the arms sale initiative work was involving some moderates, who were in opposition to Khomeini's excesses, but equally in line with all the other factions of the Iranian society – the conservatives, the pragmatists, and the more radical Islamic leftist – who supported a prosecution of the war aiming possibly at win it.

⁹⁰ For a rapid overview of the American-Soviet opening, see Westad, *The Global Cold War*, Chapter 10, p. 364.

aberration. Ramazani maintained that the reflagging was for political, not military, reasons, as Washington believed that protecting Kuwaiti ships and ports would save Iraq from defeat and the other Gulf states from falling, one after another, like dominos.⁹¹ The buildup of the US Navy did not directly lead to a major clash with Iran. The first attack on the US Navy came, in effect, from Iraq, not from Iran. On May 17, 1987, an Iraq jet fired (the Iraqis said “mistakenly”) two missiles at the USS *Stark*, provoking the death of thirty-seven crew members. Almost immediately, the Reagan administration blamed the Iranians for the incident, therefore the United States, after having taken advantage of their military capability, engaged in a low-level war at sea and confronted Iran in a number of direct encounters as happened in September 1987, when US forces attacked an Iranian ship laying mines, killing five crew members and seizing the ship.⁹²

All these events proved that for the first time since World War II, the United States had assumed an operational role in the defense of the Gulf and Reagan’s decision to intervene actively confirmed president Carter’s designation that the Persian Gulf was of vital interest to the United States.

But the US military strength was then coupled with an equally strong diplomatic commitment, with Reagan and his advisers committed to end the hostilities in the Persian Gulf. Washington did not want to give any appearance of being chased out of the Persian Gulf, so first it sought help from West European allies to demonstrate support for its policy on the part of the Western oil-consuming maritime nations. Britain, France, Belgium, the Netherlands, and Italy responded to Reagan’s requests by sending ships to the Gulf, particularly because they wanted some influence on US policy in the region.

The administration took also the lead at the United Nations to develop means to end the war and it was strongly influential when the United Nations Security Council, at the request of the Iraqis, passed and then adopted Resolution 598 in July 1987⁹³. The Resolution urged both Iran and Iraq to accept an immediate cease-fire, withdraw all their forces to internationally recognized boundaries, and settle their frontier disputes by negotiations held under UN auspices. It is not really surprising that the two Arab nations involved in the conflict reacted in a different way. While Iraq agreed to abide by the terms if the other involved nation reciprocated, Iran, on the contrary, criticized the resolution arguing that the cease-fire clause should have come into effect only after other clauses, specifically those regarding the guilt of the war, were accomplished.

A series of Iraqi military victories in the 1987-88 period made the Iraqi forces to take the lead of the conflict over a more and more disorganized Iranian enemy. Officially, the Iraqis were on the offensive, and the whole concept of helping them changed. Effectively, the US administration because of the shame created

⁹¹ R. K. Ramazani, *Revolutionary Iran: Challenge and Response in the Middle East*. Baltimore, Maryland: John Hopkins University Press, 1986, p. 255.

⁹² For a detailed account of the naval operations in 1987, see Cordesman and Wagner, *The Lessons of Modern War Volume II*, pp. 365-66.

⁹³ Blight et al. (2010: 145) recounted that the Iraqis had been militarily and politically disadvantaged by the Iran-Contra affair, so when the Reagan administration once again tilted towards Saddam, Iraq asked the United States to renew its stance and to put a resolution before the UN Security Council aiming at ending the war. The Resolution was exactly the 598.

by the Iran-Contra scandal, felt almost obliged to provide the Iraqis Republican Guards with increased intelligence and tactical cooperation. The Iraqi forces now numbered to 100,000 people and driven by good officers and commanders, could take advantage of their military superiority.

Actually, with the war increasing, the Iraqis decided to escalate their production and use of chemical weapons and poisoned gas at the point that they used them directly against defenseless civilian targets (previously the targets had been Iranian militaries). The first such deployment occurred in 1987 in the Iranian Kurdish town of Sardasht. Here, the effects led by the Iraqi use of chemical weapons were so devastating that the attack went down in history as “another Hiroshima”. However Iraq’s chemical power was visible also during the so-called “war of the cities”, started in the early phase of the war (1984), when the Iranians had a big advantage, but fundamentally changed in 1988, when the Iraqis started effectively to throw their long-range Scud missiles with chemical warheads against Iranian cities.

Chemical powers combined with military capability at Iraqis hand were also deployed in the Anfal campaign between February and September 1988 against the controlled area of the Kurdish Democratic Party in northwestern Iraqi Kurdistan⁹⁴. As part of the Anfal campaign, the major bombing raids were conducted particularly against the local Iraqi Kurdish village of Halabja, captured by Iranian forces and the Patriotic Union of Kurdistan (PUK) opposition group after they took the offensive. BBC News in the Internet section “On this Day” recalled that the chemical attacks on Halabja killed between 3,500 and 5,000 people in their homes and in the streets, and according to some reports, up to 75% of the victims were women and children.⁹⁵ Surprisingly, in front of this dramatic but also quite obvious tragedy, the attitude of the entire International community and especially of the United States was disappointing. In fact, although the majority of evidence indicated that the gas attack was an Iraqi assault against Iranian forces and Halabja’s citizens, the US Defense Intelligence Agency, just because the village of Halabja was around eight to ten miles (fourteen to sixteen kilometers) from the Iranian borders, once again blamed Iran for the attacks and said that both sides, Iraq and Iran, had used chemical weapons⁹⁶. No pragmatic action was therefore taken by President Reagan and its partners which went further than not debating. In truth, the UN Security Council had passed the Resolution 612 on May 9, 1988, which originally should have condemned the use of chemical weapons and hold out the prospect for an immediate end to the use of it⁹⁷, but in the end it was never implemented in that it said both sides (Iran included) should stop to use chemical weapons.

⁹⁴ Blight reported Human Right Watch estimates underlying that during this huge campaign between 50,000 and 100,000 Kurdish civilians died, including women and children. The horrific campaign also saw the destruction of some 2,000 villages and of the rural economy and infrastructure. *Becoming Enemies*, p. 366.

⁹⁵ For an entire overview of the Halabja gas attack, see <http://news.bbc.co.uk>

⁹⁶ For detailed descriptions on the evidence supporting the Reagan’s idea of an Iranian use of chemical weapons during the war, see Blight et al., *Becoming Enemies*, pp. 182-83.

⁹⁷ As it turned out, although no one can dispute that Saddam Hussein’s forces had use chemical agents before this date, the attack on Halabja is thought to be the first documented assault using chemicals and now is officially considered an act of genocide against the Kurds.

After Sardasht and Halabja, many people evacuated the cities and headed for the mountains because they were scared that Teheran and many other Iranian cities could have been targeted with Iraqi chemical weapons. To be sure, Iraq's forces had no limits and the Iranians cannot be sufficiently mobilized.

Almost simultaneously, in March 1988 the Iraqis bombarded Teheran with long-range missiles and a month later in a lightning attack with chemical weapons against the helpless Iranian Revolutionary Guards, they recaptured the abandoned Iraqi oil port at al-Faw Peninsula south of Basra, which on early February 9, 1986 had represented the only significant military defeat Iran was able to inflict on its Iraqi enemy⁹⁸.

The final backlash happened on July 3, when the USS *Vincennes*, while engaging in a firefight against a number of Iranian gunboats, identified wrongly an Iran Air civilian passenger plane for an Iranian military craft and shot it down, killing all 290 passengers and crew. To make the situation worse, the United States refused apologizing to Iran and ultimately gave medals to the captain and crew of the *Vincennes*.

To Iranians' eyes the USS *Vincennes* incident was the umpteenth proof that the United States, in backing Saddam's regime, would stop at nothing to facilitate an Iraqi victory and ultimately to destroy the Iranian revolution. Even if Reagan was ready to clarify that it was the Iranians who created the tense atmosphere in the Gulf that led to the USS *Vincennes*' tragic shoot-down, the Iranians, on the other hand, blamed Washington as the only author of all those carefully coordinated and brilliantly put together scheme.⁹⁹

A combination of a series of events such as this premeditated and conspired attack by US forces on a civilian airliner, the massive Iraqi use of chemical weapons on the battlefield and the widespread fear at the prospect that Saddam would have launched his chemical bombs against other Iranian cities, the specter of an imminent US attack on Iran, the serious illness of Khomeini and antiwar demonstrations among Iranian population, have probably played a dominant role to the mood in Teheran, and throughout the rest of Iran, where the population was threatened also by economic and domestic difficulties.¹⁰⁰

To all appearances, the situation was untenable, therefore, on July 18, 1988, Iranian president Ali Khamenei sent a letter to the UN secretary-general accepting the prior postponed Resolution 598 for an end of the war. Hence, when two days later Ayatollah Khomeini, who was aware that Iran could not sustained that impossible situation any more, publicly confirmed the decision as mandated by UN Resolution 589, Iraq was taken by surprise and initially refused to accept the Iranian offer. Taking advantage of the fact that Khomeini and his population were exhausted and totally depressed, Saddam Hussein believed he could win the war. Basically, he had at that point lost interest in ending the war and did not want a cease-fire. Only

⁹⁸ Al-Faw represented a turning point in the Iran-Iraq War. Iraq, in fact, far from surrendering, reorganized the capabilities of its Republican Guards and increased military and strategic assistance from the United States and other governments, in an attempt to prevent Iran from succeeding in the war.

⁹⁹ Blight et al., *Becoming Enemies*, p. 160.

¹⁰⁰ At a domestic level, Iran was facing a big decrease in oil exports but also the resulting downturn in the economy, a downgrading process that led to the escalation of Iranian disappointment with the war.

after Teheran's official and unconditional surrender the Iraqis would have sit down with the Iranians and talked about a cease-fire.¹⁰¹

Saddam Hussein finally agreed to accept a cease-fire on August 8, which went into effect on August 20, after increasing international pressure coming from Iraqi Arab allies, the United States and the rest of the world and revolutionary changes in the Security Council¹⁰².

The crisis was apparently over because three weeks after the accepted cease-fire, Secretary of State George Shultz, after revealing reports of the effective Iraqi use of poison gas against the Kurds, denounced Iraq and added that further use of chemical weapons and abuse of other human rights would have put in danger US-Iraqi relations. Widespread economic sanctions on Iraq were imposed by the Senate and the House which had plainly revealed their criticism over Iraq's use of CW. At the end of Reagan's presidency the degree of mutual suspicion between the United States and Iraq slightly began to emerge but the worst of the crisis had yet to come.

President Reagan left office just as President Carter; with a strong Persian Gulf policy for his particular time and circumstance, but with US hostages still held in the Persian Gulf's related area, which will represent a front-burner issue also for the incoming Bush administration, came into office in January 1989.

But what happened on the Arabian side? After end of the Iran-Iraq War, a military and economic devastated Iran was forced to turn inward spending the next decade trying to recover. In all probability, even though the battle just ended demonstrated that Iraq had an enormous capacity of destabilizing the whole region, also the Iraqis were exhausted by the war and involved with switching from a wartime to a peacetime economy. To be sure, nobody at that time could ever imagine that the biggest challenge to the regional status quo for the next two years came from Saddam Hussein himself and his resolute purpose of leading the Gulf Arab States.

1.4 George H. W. Bush and the 1990s in the Persian Gulf

Access to Persian Gulf oil and the security of key friendly states in the area are vital to US national security. The United States remains committed to defend its vital interests in the region, if necessary and appropriate through the use of US military force, against the Soviet Union or any other regional powers with interests inimical to our own [...]¹⁰³

With the Iranian threat reduced after the 1980-88 War, Saddam Hussein's desire to reinforce his presumed Arab leadership role inevitably perished. Iraqi longing for a reconstruction of its economy and society after the past war damages with the help of Gulf Arabs large-scale participation, clashed/contrasted with GCC States and many other smaller Gulf monarchies' indifference for either close relations with or political subordination to Baghdad. Yet the Iraqis knew their limits and recognize that, in order to expand their

¹⁰¹ Blight et al., *Becoming Enemies*, p. 196.

¹⁰² *Ibid.*, p. 200. This changes reflected those happening in the Soviet Union, where president Mikhail Gorbachev started a more cooperative relationship with the other four permanent members leading to Resolution 598.

¹⁰³ For the full script of the National Security Directive 26, see <http://www.fas.org/irp/offdocs/nsd/nsd26.pdf>

influence, the most useful means to do so would have been the diplomatic ones. At the international level, the Iraqi regime still needed the United States. Consequently, Saddam Hussein tried to sustain the good working relationship it had developed with Washington during the previous war.¹⁰⁴ After all, the US presence in the entire Gulf was still welcomed, as many Arabian nations thought it served to “keep the Iranians under some check”. The United States under the George H. W. Bush administration, in turn, was very pleased to endorse the cooperation, since it continued to see revolutionary Iran as the major threat to its interests in the Gulf.

At that time, Bush’s advisers had clearly in mind that Iraq was continuing to expand its military industries and its possible appetite for building weapons of mass destruction was turning instable, therefore the administration passed a National Security Directive (NSD 26) outlining Bush’s policy toward Iraq. With this formal document, as has been reported earlier, the United States offered a normalization of relations between the two sides, together with economic and political incentives for Iraq to moderate its behavior. Additionally, on the economic level, the US Department of Agriculture (USDA) allocated to Iraq \$1.05 billion in credits for that year and in June Saddam received a large delegation of US businessmen, highlighting that a quite US-Iraqi situation had been reached. The State Department was also still interested in continuing the USDA’s Commodity Credit Cooperation (CCC) program to which US influence depended¹⁰⁵. It could have helped the Middle East peace process by limiting missile proliferation and influencing Iraq’s behavior in Lebanon.

Nonetheless, in 1990 major changes occurred in Iraq’s foreign policy when Saddam Hussein became suspicious of national and international conspiracy against him. Effectively, some State Department officials, after having uncovered that Iraq had diverted American loans intended to finance agricultural purchases to its weapon programs, as well as rumors of illegal payments required by Iraq of exporters in order to enter the Iraqi market led, began to express deep concerns over the future of the CCC program:

If we go further with CCC [...] Saddam Hussein will regard that decision as a positive political signal, which will lead him to [...] continue his proliferation campaign.¹⁰⁶

When US official Kimmitt claimed his personal suspension of the second tranche of the CCC program, Saddam came to believe that the survival of his regime was at stake.

In addition, there really was a great discontent at a domestic level, since Iraqi economy was stagnant, with low oil prices limiting Saddam’s ability to extend his influence outside his borders. According to Iraqi Prime

¹⁰⁴ Gause, *The International Relations of the Persian Gulf*, p. 89.

¹⁰⁵ Through the US Department of Agriculture’s CCC, the Reagan administration bolstered Hussein with funds and credits, ostensibly for purchases of US produce. This mean of support was continued by the first Bush administration up until the Iraqi invasion of Kuwait in 1990.

¹⁰⁶ Under Secretary of State for Political Affairs Robert Kimmitt to the Secretary, Note: DC Meeting on Iraq, April 17, 1990 in Lesch (ed.), *The Middle East and the United States*, p. 360.

Minister, Tariq Aziz, some American agencies were trying to destabilize Iraq and his concerns were also supported by the US mistrust when it decided to limit technological exports to Iraq.

In the meantime, after two epochal and quite unexpected events, namely the fall of the Berlin Wall and the end of the war in Afghanistan, the Cold War, which have inflamed the entire world for nearly fifty years, reached an end. It seemed likely that it was the fall of the Soviet Union together with the end of the bipolar system in which Iraq had maintained an overall anti-US stance, to prompt a new wave of worldwide reactions. In this regard, Gause summoned the reports of the writer Sa'a Bazzaz, who accounted what emerged from a summer meeting between Saddam and many Iraqi experts. The encounter was scheduled to debate over the effects the end of the bipolar world would have brought for Iraq. They agreed on the conviction that Iraq's international enemies would use the events in Europe to create an impression among Iraqis that it would be easy for them to change their government.¹⁰⁷ These speculations resounded at an international level bringing civilian population in Israel, Europe and the United States to urge for greater investigation on Iraq's efforts to obtain nuclear as well as other non-conventional weapons. Both the State Department and the Voice of America (VOA), reportedly, called for increasing scrutiny on Saddam's human right abuses and predicted the end of police states all over the world, including Iraq, which had as many as irreconcilable national goals with US interests in the region

But this is not all. In fact, the United States not only decided to suspend the CCC program by prohibiting any credits and loans to Iraq but it also projected a campaign in order to persuade other countries, such as France, the Federal Republic of Germany, USSR, and Japan, to raise nuclear, missile, chemical and biological warfare concerns with Iraq's Arab friends.¹⁰⁸ In particular, many European officials decided to confiscate high-technology devices Iraqi companies have purchased for their weapons program. Within the Bush administration anti-Iraqi sentiments were very real and palpable and Saddam Hussein soon escalated his worries. Immediately upon the start of the year, the existing circumstances in which an American enemy was strongly directed to topple the Iraqi regime and prevent its hegemony from the Gulf, led some within the Iraqi leadership to realize that its nation had been finally excluded from the US national interests. In such case, Saddam and his *entourage* adopted a much more bellicose stance toward what they considered as his unfaithful allies – the United States, the UAE, and particularly Kuwait. In a speech he delivered during the Arab Cooperation Council meeting at the end of February, Saddam Hussein attacked the US Navy presence in the Gulf implying it should evacuate the area.¹⁰⁹

Just one month later there were also a few more incidents that soured regional relations. Iraqi fear of an Israeli raid, in April 1990, forced Saddam to place missile launchers at the H3 military base in western Iraq.

¹⁰⁷ Gause, *The International Relations of the Persian Gulf*, p. 94.

¹⁰⁸ Amatzia Baram, "US Input into Iraqi Decisionmaking, 1988-1990" in Lesch (ed.), *The Middle East and the United States*, p. 361.

¹⁰⁹ See also Ofra Bengio (ed.), *Saddam Speaks on the Gulf Crisis: A Collection of Documents*. Tel Aviv: Moshe Dayan Center for Middle Eastern and African Studies, 1992, pp. 37-49.

The Iraqi leader threatened Israel announcing that fire would have consumed the nation, if only the raid had touched one square inch of Iraqi soil. Moreover, when Saddam rebuilt his ties to terrorist Baghdad-based groups well-committed in terrorist activities against the stability of the region, US ambassador April Glaspie renewed US criticism. If Iraq, she declared, had continued to engage in actions undermining local arms control efforts and mocking US laws, this would inevitably erode what little support the United States had left for Iraq. In addition, further warnings to Iraq that it must stop its nuclear, chemical, and missile proliferation as well as US law and human rights disregard, were launched by Republican Senator Bob Dole, but soon faded away when Saddam, to whom US policy of nonproliferation was unacceptable, explicitly ignored them.

The United States, afraid after Saddam's threat against Israel, decided to react forcefully by proposing a series of decisive measures limiting Iraqi economic freedom. The US Congress, together with a total trade embargo and a ban on travel, decided also for a stricter decrease on exports of dual-use technology and the cutting off of all US aid to Iraq, until it submitted to an international inspection of its military facilities.

Not surprisingly, US iron fist towards Iraq's nuclear, chemical and missile efforts brought to severe denunciation also within Iraqi Arab supporters, namely, Libya, the PLO, and Jordan. Specifically, regional tensions arose between Iraq and other Arab States when Saddam, at the Arab summit meeting in May, publicly stated that he was aware of a kind of war against Iraq started after unspecified Arab oil producers had violated their OPEC quotas and depressed oil prices from \$20 per barrel in January 1990 to \$16 per barrel in May 1990.¹¹⁰ In the period following the Iran-Iraq War, an economically weary Iraq demanded Kuwait to forgive its debts of war together with a loan of \$10 billion. Then, in April in a letter to Kuwaiti prime minister al-Ahmad, Iraqi deputy prime minister Sa'dun Hamadi called into question the validity of the never-ratified 1963 Iraq-Kuwait border agreement.¹¹¹

In this atmosphere of tensions, on July 15, Iraq moved its forces to the border, threatening Kuwait, and Kuwait responded by placing its armed troops on alert. The main objective was to avoid Baghdad's military reaction. However, despite Kuwaiti good intentions, a few days later, Saddam accused Kuwait and the UAE of conspiring against Iraq and the Arab nation, promising that he would have used effective action to protect his nation. Several Arab leaders tried to mediate between the two governments. These included the Egyptian President Mubarak, King Hussein of Jordan, Yasser Arafat of the PLO, and the Saudi foreign minister Al-Faisal, who succeeded in reaching an agreement between the two sides to hold in Jeddah. Given the Iraqi superiority over the small military capability of Kuwait and other Arab monarchies, it was quite apparent to US officials and sources that Saddam have the effective capability to conquer Kuwait

¹¹⁰ US Department of Energy, Energy Information Administration, "Petroleum Navigator,"

<http://tonto.eia.doe.gov/dnav/pet/hist/rbrted.htm>, in Gause, *The International Relation of the Persian Gulf*, p. 96.

¹¹¹ In 1963 the prime minister of Iraq and Kuwait signed an agreement wherein it recognized the independence and complete sovereignty of the State of Kuwait and the boundary between them. See also Mohamed Hassaneyn Heikal, *Illusions of Triumph: Arab View of the Gulf War*. HarperCollins Publishers Ltd., 1992, p. 210.

within a few days. Whence, President Bush forced his administration towards a review of their twofold policy vis-à-vis Iraq, torn between nurturing a friendly relation with the regime and attempting to tackle with Saddam's broad belligerence. So, on July 18, the State Department announced its main program: the United States would have committed in the region in order to both ensure the free flow of oil and support the individual and collective self-defense of their allied friends in the Gulf, with whom they have deep and long-standing ties.¹¹² In this way, the Bush administration made it known to the Iraqi leadership that it was not going to interfere in inter-Arab disputes. On July 25, Ambassador Glaspie made several protests to the Iraqi Foreign Ministry Nizar Hamdun over disturbing Iraqi policy of 1990s but was reluctant to oppose congressional sanctions. However, as the escalation of Iraqi threats rose, the UAE requested American forces and Washington responded by sending six navy ships to their coasts.

In this boiling atmosphere, Saddam unexpectedly decided to meet Kuwait at a scheduled Jeddah talks, on August 1. Deputy Prime Minister Izzat Ibrahim, of the Iraqi delegation, specifically recapitulated his earlier complaints for oil market losses as a result of the oil prices decline. The Kuwaiti delegation, on the other hand, insisted on writing-off the debts in return for border demarcation. The talks lasted until the evening of that same day, ending with disagreement on all issues.¹¹³

As the Jeddah conference failed to solve the Iraqi-Kuwaiti disputes, the stage was set for the invasion, which was accomplished by force within hours on August 2, 1990. The Kuwaiti military authorities informed the country's political leaders about the Iraqi military build-up asking for declaring the state of emergency. Unfortunately, the policymakers did not take the Iraqi actions seriously arguing that Iraq was just trying to exert pressures on Kuwait about disputed areas along the border and the Persian Gulf islands but would never invade the country as a whole.

To the effective Iraqi occupation the United States responded very quickly, above all on August 4, when President Bush called King Fahd to warn him that Iraqi troops were massed along the Saudi border, threatening its closest Gulf ally. In just few hours, the UN Security Council, with support coming from other great powers such as Great Britain and the Soviet Union, adopted Resolution 660, which condemned the invasion and called for the Iraqi withdrawal. On August 6, after the adoption of UN Security Council Resolution 661 imposing economic sanctions on Iraq, the US Operation Desert Shield started, with American forces deployed in the Saudi kingdom. On August 8, when Iraq officially annexed Kuwait, an Arab diplomatic activity followed the invasion, culminating with Iraq's closest Arab partners in the crisis, Jordan and Yemen, refusal to recognize officially the Iraqi illegitimate annexation. An international coalition was

¹¹² US Department of State cables to US embassies in the Middle East as reproduced in *New York Times*, March 21, 1990, Lesch (ed.), *The Middle East and the United States*, p. 369.

¹¹³ For further information on the Jeddah meeting, see Khaled Bin Sultan, *Desert Warrior: A Personal View of the Gulf War by the Joint Forces Commander*. NY: HarperCollins Publishers Ltd, 1995, p.158-159. See also Mohammad Abdul Rahman Al Yahya, *Kuwait – Fell & Rebirth*. NY: Routledge, 1993, p. 84-113.

thus formed including Syria, Egypt, Turkey, Iran and many other smaller Gulf monarchies (Bahrain, Qatar, the UAE and Oman).

With the sides basically set, the United States started develop its military, political, and diplomatic strategy leading to the reversal of Iraqi conquest of Kuwait. As had become clear that the UN Security Council sanctions imposed on Saddam would have not led him to withdraw, “President Bush”, as Gause noted (2010: 108), “decided to double the number of American forces in the region in order to provide an offensive option against Iraq”. At that point, Bush was impatient to resolve the crisis, therefore he moved US foreign policy in different directions whose objectives was to obtain either coalition unity or congressional acceptance for its use of military force. In adopting Resolution 678 of November 29, 1990, the UN Security Council implicitly authorized the use of all necessary means to uphold and implement Resolution 660 and all subsequent relevant resolutions and to restore international peace and security to the Persian Gulf region, if Iraq did not withdraw from Kuwait by January 15, 1991.¹¹⁴ With a diplomatic intervention of the Soviet premier Mikhail Gorbachev, resolution 678 included also a period of goodwill designated to give Saddam an opportunity to review its policy and actions in the hope that he decided to withdraw by avoiding an escalating crisis.¹¹⁵

In the United States, President Bush’s initiative on going an “extra mile for peace” would allowed the opportunity for open and direct dialogue between the administration, in the name of Secretary of State James Baker, and the Iraqi foreign minister Aziz. This move came in correspondence of a public decrease of both congressional and domestic support for the war option. So, given the internal opposition Bush was facing, US government hoped to assure the American citizens that it was doing everything possible to avoid a military conflict with Iraq.

The only face-to-face contact between high-ranking officials of the two states happened in Geneva on January 9, 1991. During the talks, Baker reiterated that Arab leaders had been in touch with Washington just prior to the meeting and informed Aziz that only a full withdrawal would be acceptable. Moreover, Freedman and Karsh continued stating that throughout the meeting, Baker emphasized the full capabilities of the US military and warned firmly Aziz that the United States had the option to retaliate with nuclear weapons on Iraq, if any chemical or biological weapons were used on its troops. The Iraqi delegation, previously instructed by Saddam to not consider a withdrawal from Kuwait, made no significant changes besides an offer extended for Baker to visit Baghdad.

It seemed all too clear that the Geneva talks resulted in no significant progress towards a resolution to the Iraqi occupation of Kuwait. As a consequence, on January 17, the allied coalition’s military offensive against Iraq began, with a massive and ferocious US-led air campaign. In the first phase of the war, during the so-

¹¹⁴ The resolution proved that the United Nations would not allowed Saddam Hussein to continue his occupation of Kuwait and it was adopted by a 12-2-1 vote, with Cuba and Yemen opposed and China abstaining.

¹¹⁵ Lawrence Freedman, Efraim Karsh, *The Gulf Conflict, 1990-1991: Diplomacy and War in the New World Order*. Princeton, New Jersey: Princeton University Press, 1995, p. 233-234.

called Operation Desert Storm, warplanes of the United States and its allies – such as Britain, France, Saudi Arabia – destroyed not only military targets and Iraq's air defenses but also roads, bridges, communications networks, power stations, factories, and homes. Iraqi counterattacked with missiles strikes on Israel as well as Saudi Arabia and Bahrain, but the United States showed its military superiority and high-tech accuracy also supported by its coalition. As the air campaign continued, international worries about the extent of civilian casualties emerged.¹¹⁶ Daily televised pictures of damaged civilian people soon began to circulate leading to growing public preoccupation in many parts of the world.

Probably it was this considerable anxiety combined with a general yearning to end the hostilities, that pushed the Soviet Union towards a new diplomatic relation with Iraq, so that on February 12 Gorbachev's special envoy Yevgeny Primakov met with Saddam in Baghdad. After the encounter, the Iraqi Revolutionary Command Council announced that Iraq was prepared to discuss compliance with UN Security Council resolutions on Kuwait. The Council would accept the principle of withdrawal, but, in return, it presented several conditions which seemed all but acceptable, such as for instance, Israeli withdrawal from the occupied territories.

Even though Gorbachev hoped that the United States would approve the negotiations on this basis, many within the administration as well as of the coalition started longing for Saddam's total defeat. Gorbachev's diplomatic efforts towards a peaceful end of the conflict were opposed by Bush's public announcement that Iraq's withdrawal would last only twenty-four hours. As Gorbachev could not assure he had Saddam's agreement on this, by mid-February the ground-war began. After three days of massive allied offensive named Operation Desert Sabre, Arab and US forces took advantage of a somewhat crumbling Iraqi resistance and recaptured Kuwait City. By February 27 the main US armored thrust had destroyed most of Iraq's elite Republican Guard units and in the same time President George Bush decided to declare a cease-fire, Iraqi resistance had completely collapsed.

1.4.1 The Iraqi rebellions

I made clear from the very beginning that it was not an objective of the coalition or the United States to overthrow Saddam Hussein. So I don't think the Shiites in the south, those who are unhappy with Saddam in Baghdad, or the Kurds in the north ever felt that the United States would come to their assistance to overthrow Saddam [...]¹¹⁷

The end of the war clearly signified an Iraqi country routed and devastated, as well as a disintegrated army which had lost a third of its troops. However, from the ruins Baghdad spoke of the war as a great

¹¹⁶ Freedman and Karsh reported Iraqi government estimates of the number of civilians killed in the war, 2,278 and wounded, 5,965. *Ibid.*, pp. 324-29. On the other hand, the Middle East Watch put the number of civilian Iraqi during the air campaign during the air war between 2,500 and 3,000. *Needless Deaths in the Gulf War: Civilian Casualties and Violations of the Laws of War*. Yale: Yale University Press, 1991, p. 19

¹¹⁷ Words reported in Dian McDonald's article, United States Information Agency (USIA) White House Correspondent, *US Forces Won't Intervene in Iraq's Civil War*, 1991, <http://www.fas.org/news/iraq/1991/910404-179249.htm>

achievement and called the withdrawal of all sections of its military forces as heroic. Amidst this chaos the Iraqi people, backed by the retreating soldiers and officers who had survived the horrors of Kuwait, rose up and revolted against Saddam's regime, becoming the main protagonists of an intense historical phase known as *Intifada*.¹¹⁸ In the throes of a devastating battlefield defeat they reached out of victory inside their own wrecked nation. They were driven by the firm conviction that with a ruling party in crisis and a security services politically isolated, these mass protests would have unified the people, further isolated the regime, and won over the army rank and file. The uprisings in Iraq blew up mainly in two different zones: the south within the Shi'i sector, and the north, comprising the Kurdish sector.

The first sparks of the rebellion were in the Sunni towns of Abu al-Khasib and Zubayr, about sixty-seventy kilometers south of Basra, and then other cities followed: Najaf, Suq al-Shuyukh, Karbala, Halabja and Arabat, Kirkuk, to mention a few. It was the last day of February 1991, three days before the formal Iraqi surrender to General Norman Schwarzkopf at Safwan. The revolts led masses to gather in the streets to denounce Saddam Hussein and Baathist rule, but in order to effectively overcome the ethnic, religious, and cultural fragmentation of the Iraqi nation, such an enterprise would have required a highly and coordinated disciplined leadership. Unfortunately, Iraq's insurgents lacked all system of communication and organizing structure, of political and military program that turned the revolt, especially in the south, into anarchy.

At Basra, for example, the angry retreating soldiers followed by a mass of equally angry civil population took up arms. During the revolt mayor's office, Baath Party offices and security headquarters were attacked by soldiers and Basra's population, which has actively joined the battle. Moreover, forces and sympathizers of the Iranian-backed Supreme Council of the Islamic Revolution in Iraq were also sent into Basra. During this spontaneous rebellion, cannons, tanks, and other weapons were scattered with no plans to move to Baghdad and as the revolt spread, it became clear that the political immaturity of the conscripted military would have achieved no results.

Unlike the south, the revolt in the Kurdish areas was preceded by public demonstrations bearing clear political slogans, demanding for democracy in Iraq and autonomy in Kurdistan. Here the Kurds, intended to forge a wider unity as the leader of the Kurdish Democratic Party (KDP) Masoud Barazani, approached the Salah al-Din Forces, a pro-government Kurdish militia called by the Kurds *jahsh* (donkeys). Barazani also formed cordial personal relations with many high-ranking commanders from the Patriotic Union of Kurdistan (PUK), led by Jalal Talabani. Once the system of alliance was set, the rebellion spread and reached the oil city of Kirkuk, that was seized on March 20. The rebels' own armed actions were carefully limited and both the PUK and the KDP were able to provide some amount of order in the liberated areas. Revenge attacks could not be prevented everywhere and considerable amounts of violence against officials and

¹¹⁸ Gause, *The International Relations of the Persian Gulf*, pp. 114-120.

symbols of the old regime were real and effective, but the scale of retaliation was much smaller than in the south.¹¹⁹

In the meantime, Saddam Hussein and Iraq's government had quickly organized his forces in order to put down the rebellions and restore control both in the south and in the north. Military forces of the Republican Guard led by Ali Assan al-Majid used violent missiles, artillery, helicopters, tanks and chemical weapons against rebel cities and population. In the south this notable level of violence was deployed also against Shi'i shrines and by the end of March, the region was back under the government.

The northern town of Kirkuk, on the contrary, was recaptured on March 28, only one day after Saddam's forces reentered the city. Other Kurdish towns soon fell and nearly two million Kurds, including children and women, were forced to escape from strife-torn cities to the northern mountains, into the southern marshes, or across the borders of Turkey and Iran.¹²⁰ Their exodus was sudden and chaotic with thousands of desperate refugees gunned down by Republican Guard helicopters or land mines, planted by Iraqi forces near the borders.

The Intifada uprisings were finally drowned in blood. The scenes of brief, mass executions exhibited before the eyes of the world an Iraq that, despite its recent defeat, was still a wonderland of terror. In front of that forceful and unexpected Iraqi appraisal, by March 27, the Kurdish leadership and members of the Shiite group desperately demanded President Bush more direct American involvement in the revolt. Surprisingly, Marlin Fitzwater, Bush's spokesman, assured that the United States, which occupied considerable parts of the southern Iraq as the rebellion was occurring, would not have supported the *Intifada*. Additionally, Bush and US National Security Adviser Brent Scowcroft from the outset firmly sustained a clear message: they did not want any US military forces to be involved in Iraqi turmoil since they hoped that Saddam Hussein and his regime would have been toppled by a popular revolt or *coup d'état*. Their view inevitably mirrored the American specific concern about the long-term balance of power at the head of the Gulf.¹²¹

According to Professor Gause, the United States' neutrality, probably has been one of the major reason explaining why the rebellion failed to dislodge Saddam Hussein from power. Possibly, many other causes for the isolationism of the United States during the Iraqi civil rebellions are worth to be mention. One possible explanation is that not only the American forces operating in the Gulf but also the US government believed that Saddam would have fallen in a short time; in the light of this, a more active American role was felt unnecessary. Other official factors were US military's desire to disengage from the Gulf and ultimately to operate so to backed a durable stability throughout the Middle East. To be sure, another important role

¹¹⁹ *Ibid.*, p. 116.

¹²⁰ According to a Human Rights Watch, the refugees in Turkey, an ally in the North Atlantic Treaty Organization (NATO)

were approximately 450,000, in Iran 1.4 million. Estimates are shown in *Endless Torment: The 1991 Uprising in Iraq and Its Aftermath*, June 1992, Chapter 2, www.hrw.org/reports/1992/Iraq926.htm.

¹²¹ George H. W. Bush and Brent Scowcroft, "A World Transformed". Declaration quoted in Gause, *The International Relations of the Persian Gulf*, p. 118.

was played by international pressures from China and the Soviet Union, as well as Turkey and other regional Gulf countries, such as Jordan, Syria, Egypt, and Saudi Arabia, which were setting against the establishment of a Kurdish State.¹²²

However, Washington decided not to support Iraqi Intifada principally because it feared that Iran would have benefited from upheaval in Iraq. It is quite clear that US military officials had downplayed the significance of the revolts and spelled out a policy of non-intervention in Iraqi internal affairs, but it is equally true that many scholars have argued that this American rhetoric might have given encouragement to the rebels. President Bush's practical intention was therefore to leave Baghdad enough power to survive as a threat to Iran. After all, the Iranians had remained bitterly hostile toward the United States since the Iran-Iraq War, when the United States suddenly tilted towards Iraq to prevent an Iranian domain of the entire Gulf region.

This strategic way of thinking explains why, at the beginning of the XX century, President Bush and his advisers, in confronting the Iraqi Kurdish issue, behaved in a contradictory rather than consistent way. Although they had openly expressed their neutrality during the Iraqi rebellion, the administration actively cooperated to promote the autonomy of the Iraqi Kurdish area, which now it was acceptable. So, disregarding its recent policy of neutrality towards Iraqi domestic affairs, the United States, together with some of its Gulf War allies (mainly Britain and France), established a no-fly zone over northern Iraq to bar Saddam's forces from conducting jet aircraft attacks and, on April 5, it provided humanitarian assistance to the Kurdish refugees. Operating under the Security Council Resolution 688, the coalition forces condemned the repression by the Iraqi authorities on Iraqi civilian people (it specifically mentioned the Kurdish people). The no-fly zone in northern Iraq was not explicit in the resolution, but it was regarded that in order to protect both ground troops entering the area and airdrops of aid to the Kurdish population, such a securing belt was extended over that part of the Iraqi territory. This resolution requested Iraq to immediately end its repressions, in the name of the respect of Kurdish human rights, allow international humanitarian organizations immediate access to people of the affected areas in need of assistance, and finally to make available all necessary facilities for their operations. This gesture saved some lives and prevented Saddam from reestablishing total control over the Kurdish territory.¹²³

At the end of May, US military spokesman announced that the American forces and its coalition allies would have begun to withdraw their troops from northern Iraq by June 1991. At that time, effectively, most of the Kurdish refugees, who had fled in Turkey and Iran during the previous months, had begun returning to Iraq.

¹²² For a more detailed explanation of the reasons explaining why the United States failed in their efforts to remove Saddam Hussein from power, see *Ibid.*, pp.117-119.

¹²³ Sick, "The United States and the Persian Gulf in the Twentieth Century." in Potter (ed.), *The Persian Gulf in History*, p. 302.

Politically speaking, the end of internal revolts enabled both the KDP and the PUK to assert their control over Kurdish towns. In October 1991, the Government of Iraq (GOI) voluntarily withdrew its civil administration and the Kurdish citizens were left to govern themselves.

If UNSC resolution 688 was designed specifically to terminate Iraqi reprisals against Kurds in the north and Shi'ite Muslims in the south, during the 1990s many others cease-fire agreements characterized the American attitudes towards Saddam and his regime. This is the case of April 3 UNSC Resolution 687, which established an inspection regime, the UN Special Commission for the Disarmament of Iraq (UNSCOM), to find and eliminate Iraqi weapons of mass destruction, including chemical and biological agents, nuclear facilities, and missiles with ranges exceeding 150 kilometers.

UNSCOM's work went down in history as being as strenuous as it was full of problems. During the two-year period 1991-92, in fact, Iraq tried to obstruct the work of UN weapons inspectors, who had gradually revealed vast and powerful regime's programs to develop WMD.¹²⁴ And so, in the light of this, both the US administration and State Department regarded Saddam as a dangerous supporter of international terrorism. Economic sanctions and compensations were quickly imposed on Iraq, in an effort to either weaken Saddam's regime or encourage a coup against him. Washington decided to maintain military pressure on Saddam and in August 1992, together with Britain and France, it imposed a second no-fly zone over southern Iraq, in response to increasing Iraqi military campaigns against Shi'ite Muslims guerrillas.

We might speculate that all this restrictions led Iraq to mount more aggressive challenges toward the United States, its coalition partners, and the United Nations. Confrontations between the two sides expanded particularly on November 23, when a UN commission completed demarcation of the Kuwaiti-Iraqi border, awarding to Kuwait additionally territory including a former Iraq naval base and several oil wells. Later, on December 27, the United States shot down an Iraqi jet that had violated the allied imposed no-fly zone in southern Iraq.

In January 1993, the allied air actions against Iraq were expanded particularly when 500 Iraqis crossed into the demilitarized zone between Iraq and Kuwait, seized weapons under guard by the monitoring force of the United Nation Iraqi-Kuwait Observer Mission (UNIKOM), and returned to Iraq. US-led air raids following the Iraqi incursions and violations were successful in that they seriously degraded Iraq's air defense network.

This aerial campaign the United States engaged in came at the end of a somewhat ambiguous Bush's presidency, strongly characterized by relations with and sustained opposition to Saddam's regime.

¹²⁴ For further information, see Greg Saiontz, *A Chronology of Diminishing Response: UN Reactions to Iraqi Provocations since the Gulf War*. Research Notes, The Washington Institute for Near East Policy, June 3, 1997, pp. 1-3.

1.5 Clinton and the end of the XX century

The United States has enduring interests in the Middle East. [...] Our strategy is harnessed to the unique characteristics of the region and our vital interests there, as we work to extend the range of peace and stability.¹²⁵

When Bill Clinton took office on May 18, 1993, US approach to the Persian Gulf had been already outlined. During his presidential campaign, in fact, the supposed future president had stressed his determination towards a foreign policy promoting the interests of American business abroad, working with American friends and allies in the Gulf and, if necessary, countering the threats to those interests from radical regimes; simply put, it was a foreign policy with a strong priority for the promotion of real and comprehensive peace in the Middle East.

Inevitably, the Clinton administration's approach had elements of continuity and change with prior US policies. For instance, many of US vital interests in the region remained unchanged: free-flow of Middle Eastern oil at reasonable prices, security, survival and well-being of the state of Israel, good relations with the Arab world, promotion of a just and lasting settlement of the Arab-Israeli conflict survived as focal points of Clinton's policy.

On the contrary, changes in policy stemmed from global and regional developments that had deep consequences for the Middle East, in general, and the Persian Gulf, in particular. Surely nobody doubts that the United States had been actively involved in the Persian Gulf for the last fifty years but only with Clinton's presidency the nation followed a policy of 'Dual containment' toward Iran and Iraq. US foreign policy towards two of the most powerful and populous Persian Gulf states was formally altered leading the Clinton administration to isolate these states politically, economically, and militarily.

Another unquestionable difference with the past administrations since 1950s, was that for the first time the United States was the unchallenged power in the Gulf with the means to take primarily responsibility in containing both Saddam's Iraq and the influence of Iran in the region.¹²⁶ Clinton and his advisers accordingly had rejected the old argument that they should have continued the old balance of power game between Iraq, Iran and the smaller oil-rich Arab states. The traditional "Twin Pillar policy" in support for Saudi Arabia and Iran as conservative bulwarks in the region had proved its bankruptcy when Iraq surprisingly invaded Kuwait but also when either the Iraqi or the Iranian regime explicitly showed their antagonism towards the United States and its allies in the region. All these events had gravely threatened the stability of the entire Gulf.

¹²⁵ Extract from President's speech of US strategy in White House, *A National Security Strategy of Engagement and Enlargement*, US Government Printing Office, Washington DC, 1995, p. 30.

¹²⁶ For further details of the Dual Containment policy, see Anthony Lake (National Security Adviser), in "Confronting Backlash States", *Foreign Affairs*, Vol. 73, No. 2. 1994, pp. 44-55. See also Martin Indyk, *The Clinton Administration's Approach to the Middle East*. The Washington Institute for Near East Policy, 1993. <http://jft-newspaper.aub.edu.lb/reserve/data/s11154/s11154.pdf>

The rationale for dual containment was the direct result of three events. First, the Soviet demise after the end of the Cold War, which allowed the United States to pursue a more discriminate policy. Previously, the superpowers used these two nations as pawns, with the Iraqi regime leaning to the Soviets, and Iran developing ties to the United States. No longer, however, is the United States forced to balance one state against the other to achieve strategic objectives. A second determining factor is the political outcome of Desert Storm. The coalition forces had militarily won the war, but politically it was considered a failure because Saddam Hussein had remain in power. And so, not only the issues that had initially led to this war were still unresolved but there were also many other problems which had worsen the situation – political uncertainty, fear of military actions, the specter of WMD, and regional hostility. the Arab-Israeli peace process is the third factor. Both Iran and Iraq have developed well-known ties to subversive elements opposing the peace process (Iraq had relations with the more radical Palestinian groups and Iran with Shiite Islamic fundamentalists, like Hezbollah). By using the strategy of ‘Dual Containment’, the Clinton administration desired to destroy Iran and Iraq’s influence in the Levant.

During the Clinton presidency too, US foreign policy was significantly challenged by Iraq and its ruling leader, Saddam Hussein, who was still considered by the US administration an irredeemable criminal. It followed that Clinton and his partners continued the previous government’s policies based on sanctions and military pressures in an effort to destabilize the regime from within.¹²⁷ Simply stated, they sought Iraq’s full compliance with all UN resolutions so as to avoid further Saddam’s threats to his neighboring states.

Tensions between the two nations escalated throughout 1993. During this year, not only Iraq failed to cooperate fully with the UN weapons inspectors but, reportedly, it also sponsored an attempt to assassinate former President Bush during a visit to Kuwait. However, it was only when Saddam concentrated threatening forces near the Kurdish enclave, that some in the Administration and Congress reacted by calling for retaliations, including air strikes that were soon launched on June 26 against the Iraqi intelligence headquarter in Baghdad.

The situation made no progress also during 1994. At the height of the crisis, after having issued warnings of unspecified consequences if the ban on exporting Iraqi oil was not lifted, Iraqi Republican Guard began to move in southern Iraq, around the city of Basra and the US-led international community reacted by reinforcing their Army, Navy, Air troops already deployed in the Gulf.

With the US response, the crisis slightly receded, causing Iraq to rethink its strategy at the point that at the beginning of October, Iraqi officials made several conciliatory statements. In a speech to the UN General Assembly, Tariq Aziz hinted at a possible Iraqi recognition of Kuwait, which formally occurred on November 10 with an Iraqi National Assembly motion signed by president Saddam Hussein. Additionally, in the mid-October, US officials noted increasing evidence that Iraqi units were withdrawing.

¹²⁷ For a more detailed analysis of the economic sanctions regime on Iraq, see Sarah Graham-Brown, *Sanctioning Saddam: The Politics of Intervention in Iraq*. I. B. Tauris, 1999, chapters 2, 7, and 8.

In the wake of temporarily relaxing US-Iraq relations, some have tried to portray Clinton's policy as a softening of previous policy, especially when the administration faced increasing international pressures demanding to lift, or at least modify, those sanctions that were severely destroying Iraqi economy and people. Washington, together with the other four agreeing Permanent Members of the Security Council, agreed on helping the Iraqi people with several temporary measures intended to relieve the extended suffering of Iraqi civilians as well as improve their humanitarian situation. The April 1995 Resolution 986, for instance, established "oil-for-food" program, which provided Iraq with opportunity to sell oil up to a fixed dollar amount every six month to finance the purchase regulated items, medicine, food and other humanitarian goods for Iraqi civilian needs. Similarly, on December 1999, the UNSC passed Resolution 1284, which removed the "cap" on Iraqi sales, and established a "green list" of humanitarian items that could be imported into Iraq without prior Security Council approval. Additionally it indicated that the UN would seek to establish mechanism to allow spare parts for the oil industry to be more easily purchased by Iraq.

In such case, Saddam Hussein, in taking advantage of this relaxing economic compromises, he renewed increasing attempts to impede UN weapons inspectors, who found themselves repeatedly trapped within an endless tug-of-war between specific admittance and unconditional expulsion. This made inspectors' work even more difficult inasmuch as many questions about Iraq's weapons programs remained unresolved even until January 2001, when Clinton left his office and Saddam was still in power.

Iran and its threatening tendency was the other side of the 'dual containment' medal. The Iranian issue was a more difficult though no less necessary undertaking, during the Clinton presidency. In 1993, the United States had no direct diplomatic relations with Iran. Any prospect of improvement was complicated by sanctions dating back to the 1979 US Embassy takeover and an American public intensely distrustful of the Islamic Republic's policies. In the light of this, Washington was still regarding Teheran as a regional rival, given his natural tendency for sponsoring terrorism and assassination across the globe, capability to acquire weapons of mass destruction, and promotion of subversive governments throughout the Arab world.

The first real challenge to the Clinton administration's policy came from Lebanon, specifically from several crisis broken up between Israel and the Iranian-backed Hezbollah, a terroristic coalition which actively opposed the Middle East peace process and engaged in regular clashes with Israeli forces. In Lebanon, Hezbollah seemed determined to undermine Israel's separate negotiations with the Palestinians and Syria and Washington suspected the Iranian Revolutionary Guards, who had been deployed in Lebanon since 1982, of fomenting trouble. Tensions heated specifically when on June 25, 1996, a truck bomb exploded at the US Air Force facility in front of the Khobar Towers apartment complex, in Saudi Arabia, killing and wounding many Americans who were housed there to maintain military cooperation. US Intelligence suspected the bombing was the work of Hezbollah al Hijaz, a Saudi Shiite group closely linked to Iran's Revolutionary Guards and Lebanon's Hezbollah, but in the same time it was uncertain about the Iranian

senior leadership's involvement. By the way, having prepared to conduct military retaliation against Iran, it quickly recognized any operations could have escalated and even triggered a full-scale war.

The White House, on the other hand, sought additional intelligence on Iran's role, while hardening US installations in the Gulf, and deploying targeted actions against the Iranian intelligence personnel around the world. And so, in early 1997, the Central Intelligence Agency's Operation Sapphire identified Iranian intelligence officers in numerous countries and disrupted their activities. Even though Iran never acknowledged its role in Khobar, the Hezbollah al Hijaz organization was dismantled in the late 1990s. Finally, in 2001, the Justice Department indictment charged that several members of the group were involved and Attorney General John Ashcroft revealed that the attack was supported and supervised by elements of the Iranian government.¹²⁸

The American unilateral active containment in the Gulf was pursued also by maintaining counterterrorism sanctions and other measures of previous administrations in the hope of encouraging a change in Iranian behavior. The Republican-inspired Iran-Libya Sanctions Act (ILSA) was signed in 1996, in the context of a threatening of US sanctions on Iran. In response to Iran's stepped up nuclear program and its support to terrorist organizations (Hezbollah, Hamas, and Palestine Islamic Jihad), President Clinton banned both US investment in Iran's energy sector and US trade with that country, thereby forcing the US oil firm Conoco to cancel a \$1 billion agreement to develop two Iranian off-shore oil fields. When Congress allocated \$18 million for covert actions against the Iranian regime, it seemed all too clear that anti-Iranian sentiments, in American political thought, were running deep.

Even though the United States had engaged in efforts to isolate Iran, it did not receive much help from its NATO allies. The French firm Total signed the off-shore oil deal that Conoco had been forced to cancel, and Turkey, which faced a rapidly growing demand for natural gas, signed a twenty-year, \$20 billion agreement to import gas from Iran.

However, in the second half of the 1990s, hopes for a slight thawing of relations between the two nations began to appear in part due to the unexpected victory of moderate-reformist candidate Muhammad Khatami in the presidential elections of May 1997. Khatami made peace overtures to the United States in order to improve cultural and personal freedom in Iran, increase relations with Iran's Gulf neighbors, and reduce animosity with Europe and the United States. He proposed to the United States the idea of a mutual cultural exchanges leading to a reduction of the so-called "wall of distrust" with the US people.¹²⁹ President Clinton and his national security team were eager to take advantage of this possible opening and they unveiled their willingness to improve relations. The first tangible result of a new atmosphere of limited rapprochement came in May 1998, when, after mounting pressures from US European allies, the United States announced that it would have waived the provisions of ILSA, and in June, Secretary of State

¹²⁸ On the Khobar Towers bombing, see Richard A. Clarke, *Against All Enemies: Inside America's War on Terror*. New York: Free Press, 2004, pp. 112-21.

¹²⁹ Dilip Hero, *Neighbors, Not Friends: Iraq and Iran After the Gulf War*. London: Routledge, 2001, p. 231.

Madeleine Albright offered to develop, as Sick recalled, “ways to build mutual confidence and avoid misunderstandings”.¹³⁰

During the fall of 1998, however, the road to normal relations slightly complicated when Iranian test of a medium-range missile raised US concerns for Iran’s unexpected and rapid progress on its way to developing WMD. Despite this, in March 2000, a great deal of expectation of a further improvement in US-Iranian relations continued. Washington lifted trade sanctions on imports of Iranian carpets and food into the United States and it also approved exports of spare parts for Iran’s aging Boeing aircraft.

A few days later, the auspicious Khatami opening was contradicted by Iranian Supreme Leader Ayatollah Ali Khamenei, who seriously undermined US credibility by dismissing Albright’s remarks as worthless. He also accused the United States of backing Iraq in the Iran-Iraq War, and refused any official dialogue with the Americans, revealing that problems were still dividing the two sides. The memories of the hostage crisis of 1979-80, and of the ill-fated Iran-Contra affair of the 1980s, coupled with Iranian conduct of terrorism abroad, its growing nuclear program, its reluctance to accept the US military presence in the region, and its opposition to the Arab-Israeli peace process which took the form of military aid to such anti-Israeli terrorist groups as Islamic Jihad, prevented any tangible progress between the two nations and confirmed Washington’s ineptitude in confronting Iranian threats.

After what has been said, the end of the Clinton era in January 2001 resulted in an incoherent and inconsistent US policy towards both Iran and Iraq, a policy that timidly tried to reconcile the irreconcilable aims and interests of the United States. ‘Dual Containment’ did not resolve the central US challenge of creating a sustainable and durable security architecture in the Gulf. That was about a strategy continuously trapped between two different trends, American refusal to accept Iraqi or Iranian involvement in any regional framework, and these regimes’ insistence that the withdrawal of American troops was the primary condition for any kind of agreement. In addition of being inconsistent as well as ineffective, ‘Dual Containment’ had aroused the ire of European allies, created discord between the United States and its Arab partners, and compromised the credibility of US diplomacy. This produced an unbalanced system that lurched toward a third Gulf war in 2003 and continues to destabilize relations between Iran and the international community.

¹³⁰ Sick, “The United States in the Persian Gulf: From Twin Pillars to Dual Containment”, in Lesch (ed.), *The United States and the Middle East*, pp. 325-26.

As we all know, the Persian Gulf, and from a general perspective the entire Middle East, plays a special role in the international oil industry. Five Gulf producers possess 65 per cent of the world's proven oil reserves. Their oil is by far the cheapest to produce and if oil were a competitive industry, they would probably be the almost exclusive source of world oil.¹³¹ Unfortunately, oil is not a competitive industry but in approaching the Middle East, it represents an inescapable resource. Its multiple impact had shaped the recent history of the region, influencing both the Arab countries' relations within the region and their domestic policy.

The major Gulf countries had followed an increasing evolution in the production of oil. In particular, Iran remained the first country oil exporter in the Gulf until 1950, when the controversy between the company controlling all Iranian production and the nationalist government of Prime Minister Mossadeq broke out. To the nationalization of Anglo-Iranian, all international oil companies reacted by boycotting Iranian oil and Iran lost its primary role. For this reason, the supremacy in Arab production soon passed first to Iraq, and then Saudi Arabia, and Kuwait, where production remained very high. Together, these all three countries increased rapidly their petroleum levels to compensate for the collapse of Iranian production in the three-year period from 1951 to 1954.¹³²

The presence of the oil in the Persian Gulf was of crucial importance also for the consolidation of the regional state system. Oil not only had fundamental influence in shaping the independent existence of all other states in the Middle East, but it also had allowed the consolidation, and in some cases the very emergence of independent Arab states, which otherwise might easily have disappeared. To Saudi Arabia, to name but one, oil provided sufficient financial resources to pay for a modern state bureaucracy, and

¹³¹ Luciani, "Oil and Political Economy in the International Relations of the Middle East"
www.princeton.edu/~gluciani/pdfs/Chapter%20in%20Fawcett.pdf

¹³² For a detailed account of the history of development of Middle Eastern oil, see George Ward Stocking, *Middle East Oil. A Study in Political and Economic Controversy*. Knoxville, TN: Vanderbilt University Press, 1970; Daniel Yergin, *The Prize: The Epic Quest for Oil, Money and Power*. New York: Simon and Schuster, 1991.

eliminated the urge to conquer. In addition, oil money was instrumental in allowing Gulf emirates to develop modern state structure through which they had established themselves on the region.

Luciani went on in his essay by stating that oil had the fundamental capacity of predominantly favoring aggregation rather than disaggregation, centripetal rather than centrifugal forces present within the entire Gulf region. In the Middle East, he continued although oil is the prerogative of one region only no visible separatist temptations have emerged. In the UAE, for example, oil resources are almost exclusively concentrated in Abu Dhabi: there, however, the oil centre and the political centre coincided, and the oil-rich region had no temptation to secede, because it dominated. The non-participation of Bahrain and Qatar in the UAE project might be explained by their relatively more abundant resources, which allowed them to refuse the hegemony of Abu Dhabi.

Lastly, oil had defined boundaries and it led to the acceptance of international arbitration during contested cases. Since the definition of boundaries frequently came after mutual acceptance and recognition, the potential for finding oil has been an incentive to adopt a tougher negotiating stance, but at the same time also to seek a speedy resolution. The problem of oilfields straddling across boundaries (for example, between Qatar and Iran, Iraq and Kuwait, and Libya and Algeria) was not eliminated, and in most cases such trans-boundary fields continue to be independently exploited on the two sides of the frontier. But surprisingly, despite the fact that the original 'neutral zones' between Kuwait, Saudi Arabia and Iraq have been divided up to further demonstrate a preference for clear division over joint exploitation, potential oil-related conflicts over has not erupted, leading at most to competition to develop each country's side of the field more rapidly. In conclusion, considering what has been said, we can steadily speculate that oil has contributed to the peaceful solution of boundary conflicts, rather than to their exacerbation.

2.1 Oil and the International relation of the Middle East: the US perspective

In general terms, the West and the Middle East represent the two most significant players in the international oil market. It is quite evident that though Western imperialism in the Middle East can be traced all the way back to the Crusades of the eleventh century, oil motivating Western imperialist actions in the Middle East did not emerge until the early twentieth century, when the invention of the oil-fueled engine redefined the transportation industry and radically expanded the possibilities within the global economy, dramatically increasing the global thirst for oil.

In the core period covered by this thesis, 1970s-2001, oil was of paramount importance in the international relations of the Gulf region with industrial and other developing countries. To be sure, preoccupation with and security of oil has been one of the leading factors which had shaped the attitude of the United States toward the region, as we have shown in the first chapter of this work.

Despite this unquestionable certainty, the history of oil industry in the United States originated in the nineteenth century, when oil was used much differently and was substantially less important from an

economic point of view than it is today. To remind the different phases of US petroleum production and its refining industry evolution throughout the course of the years will help us to understand that, despite the timing gap, there really are interesting parallels between events in that era and more recent developments occurred during our analytical period.

2.1.1 Oil from the 1850s onwards

In 1859, when “Colonel” Edwin L. Drake drilled of the world’s first working oil well in Titusville, Pennsylvania, he successfully started producing commercially usable quantities of crude oil. From the very beginning, oil had been regarded as a valuable commodity as well as a primary source of energy. And given the expensive process of making oil or gas in particular from treatment of coal used by several commercial enterprises at that time, Drake’s discovery of obtaining petroleum in apparently inexhaustible quantities by drilling wells into the earth not only was a great surprise but also literally broke the market. The first product of the Drake well was sold at 50 cents a gallon, and the price for oil was generally given at \$20.00 a barrel from August, 1859 down to the close of the year.

As production in Pennsylvania increased, the price quickly fell, averaging \$9.60/barrel during 1860, stimulating a fury of drilling efforts throughout the region, inasmuch as production quadrupled from a half million barrels in 1860 to over 2 million in 1861, and the price quickly dropped to \$2/barrel by the end of 1860 and 10 cents a barrel by the end of 1861.¹³³ That price collapse led to the closure of many of the initial drilling operations and oil production began to decline after 1862, even as new pressures on demand grew. The US Civil War brought to a general increase both in prices and commodity demands, but when it ended a renewed significant fall of demand soon followed. At the same time, promises of drilling in new areas of Pennsylvania resulted in a renewed growth in production with the result of an obvious second collapse in prices in 1866. Despite other two boom-bust cycles over the next decade, By 1890, oil production from Pennsylvania and New York was 5 times what it had been in 1870. Production in other states had grown to account for 38% of the US total, and Russia was producing almost as much oil as the United States. These factors and the recession of 1890-91 had brought oil back down to 56¢/barrel by 1892.¹³⁴

Unfortunately, the ensuing decline in production and then the end of production from the original Pennsylvania oilfield, coupled with a loss of world access to Russian production, were responsible for the spike in oil prices in 1895.

¹³³ For a more detailed figures of oil production and costs, see *Derrick’s Hand-Book of Petroleum: A Complete Chronological and Statistical Review of Petroleum Developments from 1859 to 1898*. Oil City, PA: Derrick Publishing Company, 1989.

¹³⁴ James Hamilton, “Historical Oil Shocks” for the *Handbook of Major Events in Economic History*. 2010 http://dss.ucsd.edu/~jhamilto/oil_history.pdf

Whence, at the end of the nineteenth century, even though oil was of limited economic importance, it seemed as though its prices trends were already strongly influenced by both the level of production and frequency of demand.

2.1.2 US production in the 1990s

As the twentieth century developed, petroleum came to represent a fundamentally different economic product than it was in the nineteenth century, when it was use in particular for fabricating illuminants.

On the other hand, during the following century, petroleum became of great importance either in commercial and industrial heat and power, or transportation, first for railroads and later for motor vehicles. World War I was responsible for both demonstrating oil's geostrategic value and establishing the imperial power dynamics between the West and the Middle East that set the tone for oil related encounters for the next half century. Despite Wilson initial hesitance to exert its influence in this region - the United States of America at the time was the world's largest producer of oil, for this reason it was not as desperate as European nations were to extract oil from the Middle East – he finally committed to controlling oil in the Middle East throughout the late twenties and early thirties, particularly when commercial production solidified US interest in the region.¹³⁵ After all, the years immediately after the World War I, government geological surveys began to predict (erroneously) the imminent exhaustion of domestic reserves. Securing access to foreign oil supplies soon became a priority for US policymakers.

Simultaneously, during the 1920 the West Coast gasoline famine occurred leading to the first real oil-related shock. Those problems in the gasoline market shot down businesses and threatened vital services. Motorists endured hour-long lines to receive 2-gallon rations, and, in many localities, fuel was unavailable for as long as a week at a time.¹³⁶ Worse still, if consumption of crude oil in the United States increased 53% between 1915 and 1919, in 1920 alone it increased an additional 27%.¹³⁷

Surprisingly, the shortages of 1920, which remained confined to the regional West Coast area, were quickly eliminated by huge gains in productions from California, Oklahoma, and Texas, where, in 1930 the just discovered East Texas field marked the beginning of competitive challenges within the US petroleum industry.

As a result of oil prices falling due to competitive pressures characterizing the gasoline market, US governments at the beginning of the 1930s were forced to deal with state regulation efforts and restrictions to competition. The United States therefore emerged from the declining oil demand of the 1929 Great Depression with paramount changes in government supervision of oil industry. Regulatory state

¹³⁵ Philip Knightly, "Imperial Legacy", *The Gulf War Reader: History, Documents, Opinions*. New York, NY: Times, 1991 pp. 9-10.

¹³⁶ For further descriptions of the serious consequences of the gasoline famine which had crippled the entire West Coast, see Alan L. Olmstead and Paul W. Rhode, 'Rationing without Government: The West Coast Gas Famine of 1920', in *American Economic Review*, 1985, pp. 1044-1045.

¹³⁷ Joe E. Pogue, "The Economics of Petroleum." 1921, in Hamilton, "Historical Oil Shocks", p. 6.

agencies, such as the Texas Railroad Commission (TRC) and the Oklahoma Corporation Commission, soon developed aiming at assuring efficient field management as well as economic restrictions in production in order to give producers higher prices. By the end of the 1930, one of the main results of this efficient policy was the US control of a sizable share (42%) of known Middle Eastern oil reserves.¹³⁸

The World War II solidified the global perception of oil as a key resource. America supported the Allies throughout the war by supplying them with oil. From the war's end in 1945 to 1960, global oil consumption rose from six million to twenty-one million daily barrels.¹³⁹

The United States emerged from the war as a triumphant power and its vast economic superiority relied heavily on oil at the point that its consumption levels of oil continued to increase steadily in the period 1946-1955, when US per capita oil consumption was six times larger than any other nation's; more than a third of the global energy produced was used in the United States.¹⁴⁰

At the end of World War II, the postwar paradigm was already in place: American-based oil companies would, as much as possible, obtain access to oil and other strategic raw materials through concessions negotiated in conjunction with the main colonial power in the region, Britain. These economic arrangements were often secured with the assistance of the US government and backed up with the promise of political and even military intervention on behalf of the corporations, their local allies, or both. In the immediate postwar period, the United States intervened numerous times in the Middle East in an effort to assure stable access to oil in response to a growing postwar demand. However, the ways and methods used by the US giant were not always acceptable: very often Western oil companies pushed the burden of adjustment onto the exporting countries by unilaterally reducing their posted oil price. Many of these exporting nations which were in the Middle East regarded reluctantly this new asymmetrical practice between the West and the Middle East. As Arabian dissatisfaction intensified, at the international level things started to change.

2.1.3 The post world war era

Until 1974, when it was surpassed by the Soviet Union, the United States remained the world's biggest consumer and also producer of petroleum. In the early postwar era the TRC was a key player in the world oil market in that the above-mentioned regulations had important consequences not only because they increased oil quantities but also in that they affected prices trends. Immediately after the World War II, the TRC set the Maximum Efficient Rate (MER) to regulate the allowable productions which came to be based

¹³⁸ Joe Stork, *Middle East Oil and the Energy Crisis*. Monthly Review Press, 1975, p.27.

¹³⁹ Paul Roberts, *The End of Oil: on the Edge of a Perilous New World*. Boston: Houghton Mifflin, 2004, p. 40.

¹⁴⁰ *Ibid.*, pp. 41-2. Between the two-year period going from 1945 and 1947 not only US demand for petroleum products

increased 12% but there was also an increment of 80% in the price of crude oil. in this regard, for a more detailed analysis of oil consumptions at the end of the WWII see Williamson, et. al., *The American Petroleum Industry: The Age of Energy 1899-1959*. Evanston: Northwestern University Press, 1963.

on an assessment of current demand at the current prices. In this way oil or gas would have been produced without damaging the reservoirs natural energy on hand.

According to Hamilton's report on US oil shocks, another important historical events related to oil prices behavior was the 1950-53 Korean War, which resulted in a freezing of prices after the Office of Price Stabilization had announced an effective regulation establishing ceiling prices for new oil, generally at prices posted on January 25, for any given pool.¹⁴¹

In addition, interests for foreign petroleum industries originated during that same period, and particularly when the Iranian Prime Minister Mohammad Mossadeq decided to nationalize Iranian oil industry. As a consequence of this unexpected decision, an heavy world boycott of Iran eliminated million of barrels of its national production from world market.¹⁴²

By all accounts, at a domestic level, in 1952, a strike organized by workers of US oil refinery, shut down a third of the nation's refineries, as Hamilton's report based on the May Wall Street Journal suggested. The US government therefore reacted by ordering a 30% cut in delivery of fuel for civilian flights and in many cities voluntary plans to ration gasoline for automobiles were instituted.¹⁴³

In the space of a few years from the 1953 lifting of price controls, the Eastern world was once again at the heart of the international debates concerning oil production and its development. In 1956, in fact, President Nasser's nationalization of the Suez Canal led to a conflict between the Egyptian forces and Israel, supported by both Britain and French desire of regaining control of the canal where 1 or 1/2 million barrels per day of oil were transported. Worse still, pumping stations for the Iraq Petroleum Company's pipeline, through which an additional half-million barrels per day moved through Syria to ports in the eastern Mediterranean, were also sabotaged. Total oil production from the Middle East fell by 1.7 mb/d in November 1956 leading to dramatic economic consequences especially for Europe, which had been relying on the Middle East for 2/3 of its petroleum. Reductions in work weeks, lack of heat in some buildings, decline in all the major Britain automobile manufactures, imposition of rationing were just some of the threats that were impacting on the entire European society.

The gap in production created by the Middle East crisis was filled in by outside powers within a few years, and by February, total world production of petroleum was back up to where it had been prior to the Israeli invasion of Egypt in October 1956.

Despite US increasing exports of crude oil and refined products in response to the Suez crisis, overall real U.S. exports of goods and services started to fall after the first quarter of 1957 in what proved to be an 18% decline over the next year. The United States therefore approached the third postwar recession during that

¹⁴¹ The *New York Times* article of May 8, 1951, on which Hamilton based his report suggested that prices for crude oil up to now have been governed by the general price 'freeze' which set the ceilings at the highest price attained between December 19, 1950 and January 25.

¹⁴² Hamilton, "Historical Oil Shocks", p. 10. The author reported the figures of the 1952 *International Petroleum Trade* by Bureau of Mines which had estimated that the quantity of barrels removed from the market were 19 million.

¹⁴³ Hamilton's economic data are taken from the *New York Times*, May 5 and May 9, 1952.

same year. In the light of what has been said, throughout the post war period, prices were stable near \$3.00 per barrel, but in real terms the price of crude oil declined from \$19 to \$14 per barrel.¹⁴⁴

It was apparent that in the 1960s, several changes took place to reverse the power dynamic of the oil market and exacerbate American insecurity. With the 1960 formation of the first oil cartel, the Organization of Petroleum Exporting companies (OPEC), oil-exporting nations were able to find strength in solidarity. OPEC gained more control over the oil companies and prices,¹⁴⁵ which increased American anxiety about its own access to oil.

Oil prices increased once again in the two-year period 1968-1969 after many strikes had precipitated, including that organized by east coast fuel oil deliverers in December of 1968 and the nationwide strike on January 4 of the Oil, Chemical, and Atomic Workers Union. Therefore, Texaco was forced to increase the price of all grades of crude oil on February 24, 1969, justifying much later this supposed economic move by higher labor costs.

By all accounts, in the late 1960 the TRC decided to rapidly increase the allowable production levels for oil wells set by the post-war MER, and in 1972, when the United States of America's oil production peaked, eliminated the "conservation" restrictions. The US peak oil meant that it needed to depend more heavily on imports than ever before and this conscious transition from self-sufficiency to dependence on foreign oil probably had intensified American insecurity.¹⁴⁶

To make things worse, in 1969, after Libya had cut its own production of oil, OPEC nations decided to increase their own prices and raised royalties on exported barrels of oil to 70%.

In addition, the rupture of the Trans-Arabian pipeline in May 1970 in Syria may have helped precipitate a second 8% jump in the nominal price of oil, creating the needful conditions for a further US postwar recession.¹⁴⁷ This umpteenth increase in the relative price of oil was warranted not only by the depletion of US oil fields but also by a number of other factors suggested by Barsky and Kilian (2001). The abandonment of the Bretton Woods system in 1971, for instance, caused a depreciation of the dollar and increase in the dollar price of most internationally traded commodities. In addition, US central banks lost their rights to convert dollars into gold and subsequent negative real interest rates contributed to increases in relative commodity prices.¹⁴⁸

This unexpected situation resulted in a shift in the balance of power: as the producer of the Texas Railroads Commission set proration at 100 percent for the first time. This meant that Texas producers were no longer

¹⁴⁴ Data taken from WTRG Economics report, *Oil Price History and Analysis*, 2011, <http://www.wtrg.com/prices.htm>

¹⁴⁵ Daniel Yergin. *The Prize*, p. 585.

¹⁴⁶ *Ibid.*, 587.

¹⁴⁷ Hamilton, *Historical Oil Shocks*, p. 12.

¹⁴⁸ *Ibid.*, p. 13. Hamilton's report noted that between August 1971 and August 1973, the producer price index for lumber increased 42%. The PPI for iron and steel was up 8%, while nonferrous metals increased 19% and foodstuffs and feedstuffs 96%. The 10% increase in the producer price index for crude petroleum between August 1971 and August 1973 was if anything more moderate than many other commodities.

limited in the volume of oil that they could produce from their wells. More important, it meant that the power to control crude oil prices shifted from the United States (Texas, Oklahoma and Louisiana) to OPEC. By 1971, there was no spare production capacity in the US and therefore no tool to put an upper limit on prices.

The situation quickly deteriorated when President Richard Nixon reacted to the end of Bretton Woods by conceptualizing and putting into practice a system of price control, whose necessity stemmed from the administration's awareness that, by the spring of 1973, many gasoline stations had trouble obtaining wholesale gasoline, and millions of consumers began to be affected by this real and palpable shortage.

2.1.4 The age of OPEC

Both the years 1973 and 1974 were the setting for two of the most remembered dramatic geopolitical events. The October 1973 Yom Kippur War, which had started with an attack on Israel by Syria and Egypt, made the major Gulf OPEC producers realize the strong influence they had on the world through oil. Therefore, driven both by this strong conviction as well as by US and western world countries support for Israel showed during the battle, several Arab exporting nations joined by Iran stopped their exports to the United States and other western nations. At that time, the United States was consuming seventeen million barrels of oil a day, six-million of which were imported, in a world where OPEC controlled more than half the world's oil supply. One of the immediate results of the embargo was higher oil prices all throughout the western world, and particularly the US price of gasoline quadrupled, rising from below \$2 per barrel to \$2,90 in just a few months.

After the 1971 and 1973 devaluations of the US dollar, the currency used to price international oil transactions, OPEC member convened in Vienna on October 1973, announced a unilateral decision to raise the posted price of oil to \$5.11 per barrel.

In January 1974, OPEC adopted a benchmark price of \$11,65 per barrel, quadruplicating the cost of oil.¹⁴⁹ The net loss of four million barrels per day extended through March of 1974. It represented 7 percent of the free world production. By the end of 1974, the nominal price of oil had quadrupled to more than \$12.00.¹⁵⁰

The American Automobile Association recorded that up to twenty percent of country's gasoline stations had no fuel one week during the crisis and in some places drivers were forced to wait in line for two to three hours to get gas.¹⁵¹ There was also an instant drop in the number of homes created with gas heat, because other forms of energy were more affordable at that time.

¹⁴⁹ Figures on posted prices can be found in Dankwart A. Rustow, *Oil and Turmoil: America Faces OPEC and the Middle East*. New York: W. W. Norton, 1982, pp. 133-43; Daniel Yergin, *The Prize*, Chapter 28; Ian Skeet, *OPEC: Twenty-Five Years of Prices and Politics*. Cambridge: Cambridge University Press, 1988, Chapter 3.

¹⁵⁰ WTRG Economics report, *Oil Price History and Analysis*.

¹⁵¹ David Frum, *How we Got Here: The 70s*. New York: Basic Books, 2000, p. 320

The heavy fall in the US total consumption of oil which followed the Oil Crisis forced gasoline companies and stations to make all that they could in order to preserve both oil and money. Nixon had issued a voluntary cutback on the consumption of gasoline. Gas stations would voluntarily close on Sundays and they also refused to sell more than ten gallons of gasoline to customers at a time. They felt that all these efforts would help the public to become more fuel efficient.¹⁵² Companies and industries too switched their energy source to coal and the public searched for alternative energy sources.

Reportedly, one of the biggest long-term effects caused by the oil embargo was the massive change in cars. In Detroit, cars with bug engines and large heavy bodies were no longer made in order to preserve oil and boost the economy, and the automotive industry was forced to increase the fuel efficiency of all its cars.

In March 1974 the oil crisis ended after Secretary of State Henry Kissinger had embarked on the “shuttle diplomacy” that had brought disengagement agreements between the Israeli troops on one side and the Egyptian and Syrian armies on the other side.

It seemed all too clear that the embargo had opened a new era in international relations. Its effects on the US economy were clearly devastating, but even more important, everybody understood that it was particularly a political and economical achievement for the Middle Eastern countries since they came to realize that their natural resources, on which they depended upon, specifically oil, could be used as a weapon in many different situations. Simply put, any doubt that the ability to influence and in some cases control crude oil prices had passed from the United States to OPEC was removed: oil exporting countries were gaining power for themselves and, in controlling the prices of oil, they had become the new masters of the global economy.

The rising oil prices was a threat to the economy of the entire world, not only for the United States, in that it required adjustment to quadrupled oil prices, shifts in the ownership of crude oil resources, and changes in authority over how prices and supply would be managed.¹⁵³

It is worth emphasizing that the regime shattered by the first oil shock was managed by large International Oil Companies (IOCs) backed by the United States. Real prices for crude and products were stabilized by long-term contracts, rules for intra- and inter-company trade and transfers, and regulatory regimes favoring the IOCs and the countries to which they paid taxes and whose interests they variously pursued, as Burton L. Kaufman stated (1985). Unfortunately, this financial and economic system was endangered by declining power among dominant actors. In these regards many scholars have suggested that the US role in price stabilization was fatally impaired by overstretched finances, sapping its capacity to maintain the stability of exchange rates and real oil prices. IOCs were beset especially by a number of host country governments demanding contract changes that would give them a larger share of the profit stream, and by

¹⁵² “The Arab Oil Embargo of 1973-74.” *Arab Oil Embargo*. 2000.

<http://www.forks.wednet.edu/high/SocialStudies/Giles/USHistory/USHII/assign/oilembargo.htm>

¹⁵³ For a detailed analysis of adjustment during the period 1970-85, see Mary Ann Tétreault, *Revolution in the World Petroleum Market*. Westport, CT: Quorum Books, 1985, Chapter 2.

so-called independent oil companies, smaller firms with fewer or no international holdings, moving into the interstices of IOC equity concessions, such as, for instance, those kind of contracts giving direct property rights to oil, in order to establish commercial beachheads, often in concert with entrepreneurial host governments. The divergent interests of these new actors made effective coordination to mitigate adjustment difficult even during crises.

As the first oil shock had transferred equity ownership of hydrocarbon properties from IOCs to host governments, which by now had assumed greater control over pricing and production, representatives of the Organization for Economic Cooperation and Development (OECD) convened a conference in Washington, D.C., in 1974 that led to the establishment of the International Energy Agency (IEA). The proposal to set up an energy organization was made by Kissinger and accepted by most members of the OECD. The emphasis was on supply security. In order to improve energy security, the participating countries pledged to hold oil stocks equivalent to ninety days of net imports. They also developed an integrated set of emergency response measures that included demand restraint, fuel switching, and surge oil production. Simply put, the IEA was created by oil-consuming countries as a counter-weapon to coordinate their efforts against those made by oil-producing countries, members of OPEC, as well as to reduce excessive dependence on (OPEC) oil. Unfortunately the new institutional body proved to be ineffective in organizing structural adjustment in time for the following occurrence.

The 1979 events, in fact, led to another round of crude oil price increases. It was particularly the Iranian Revolution that brought about not only changes at the regional level, but also at the economic level. When, after the war, the Shah Mohammad Reza Pahlavi's monarchy was transformed into an Islamic theocracy headed by the charismatic Ayatollah Khomeini, one of the first thing he did was to nationalize the oil industry and throw out all the super-majors that held production contracts in the country. This move inevitably devastated the country's oil sector pushing oil production down below 1mbd in January and February. Levels of production recovered a bit in March 1979 to 2.4mbd, but they were nowhere near those seen before the revolution.¹⁵⁴

Other OPEC nations, headed by Saudi Arabia, were quick to ramp up production to plug the hole in supply and as a result the world's output only dropped by 4%. However, a widespread panic followed so strongly at the point that US President Jimmy Carter, who had regarded the quick and dramatic oil crisis of the 70s as "the moral equivalent of war"¹⁵⁵, ordered the cessation of Iranian imports and drove the price far higher than would be expected under normal circumstances. In effect, the Iranian revolution was the proximate cause of the highest price in post-WWII history: the price of crude oil rocketed over the next 12 months to more than \$40 per barrel and the rush to secure supplies caused acute shortages across the world.¹⁵⁶

¹⁵⁴ Major detailed about Iranian oil production after the revolution are found in Ian Skeet, *OPEC*, pp. 157-58.

¹⁵⁵ Arthur Speigelman, "Has America Learned the Energy Lesson of 1973?", 2000, <http://www.woza.co.za/forum/olio.htm>

¹⁵⁶ Jahangir Amuzegar, "OPEC's Adaptation to Market Changes", *The 1979 "Oil Shock": Legacy, Lessons, and Lasting*

Probably, the rapid increase in crude prices following the 1979 oil shock would have been less was it not for the energy policy imposing price controls on domestically produced oil imposed by the United States. If it is true that the giant Western nation was struggling to ensure a maintenance of stable international exchange rates, it was equally true that it proved unable to maintain the regime of a client state integral to managing an unruly oil market.

Worse still, long lines of autos, vans, pickup trucks and motor homes once again appeared at gas stations and convenience stores in a rush for gasoline aggravated by panic buying, just as it happened in 1973. Increased business costs and growing regulations led to a need for more industry education at that time. Due to memories of oil shortage in 1973, many politicians proposed gas rationing and Detroit's then-big three automakers (Ford, Chrysler, GM) marketed downsized full-sized automobiles which met the Corporate Average Fuel Economy (CAFE) mandates, passed in 1978 to reduce U.S. dependence on foreign petroleum and moderate potential disruptions to the economy similar to those that had followed the 1973 Arab Oil Embargo.¹⁵⁷ And so, together with more energy-efficient industrial processes and higher-efficient automobiles, surging prices caused several reactions also among public consumers who were very keen to develop better insulation in new homes and increase insulation in many older homes. Unfortunately for the OPEC members, much of the reactions to oil prices increases were quite permanent at the point that nobody rushed to remove insulation from their homes or to replace energy efficient equipment and factories.

Several months later, President Carter began a phased deregulation of oil prices which also included a removal of price controls imposed during the administration of Richard Nixon before the 1973 crisis. However, many Carter's legislators, who were worried over the rising cost of home heating oil as well as a general run-up in world petroleum prices, decided to keep a lid on domestic oil prices and from 1980 to 1988, the nation levied a special tax on domestic oil production, the so-called crude oil windfall profit tax (WPT).¹⁵⁸

In analyzing the effects of the 1979 Oil Shock, Mary Ann Tétreault affirmed that it was exactly a glutted international market where supply exceeded demand, coupled with a deregulated US oil market, and a strong-dollar policy that enabled the United States to import all the oil it needed at such advantageous prices that the Reagan Administration could repudiate conservation policies at home and discipline challengers abroad.¹⁵⁹

Reverberation. Middle East Institute Viewpoints, 2009, <http://www.mei.edu>, p. 10.

¹⁵⁷ Federico Boffa, David D. Haddock, Stefania Porporato, "CAFE: the Corporate Average Fuel Economy Mandate", in *Bad Public Goods*. 2008

http://www.law.yale.edu/documents/pdf/LEO/Haddock.Bad_Public_Goods_CAFE_Yale_Draft_2008-11-25.pdf

¹⁵⁸ For a rapid overview on WPT's structure and functioning, see Joseph J. Thorndike, *Historical Perspective: The Windfall Profit Tax*. 2005. <http://www.taxhistory.org/thp/readings.nsf>

¹⁵⁹ Mary Ann Tétreault, "Endless Adjustment: How the Second Oil Shock Hatched Today's Oil Market", *The 1979 "Oil Shock"*, p. 36.

At the international level, however, things were not so simple and favorable. Even though Iranian production had returned to about half of its pre-revolutionary levels later in 1979, in 1980, following the outbreak of the Iran–Iraq War launched by Saddam who had decided to invade the Iranian enemy, it was knocked out again. Not surprisingly, the war severely cut also much of Iraqi oil production at the point that by November, the combined production of both countries was only a million barrels per day.¹⁶⁰

At that time, Iraqi exports capability was lost due either to war-related damage or political reasons something that led to a depletion of Iraq's foreign exchange reserves. In addition, in 1982, Syria (allied with Iran) closed the 500-mile, 650,000-bbl/d-capacity Baniyas pipeline, which had been a vital Iraqi access route to the Mediterranean Sea and European oil markets. As a consequence, oil production dropped to 2.5 million bpd in 1980 and by 1983 had fallen to less than 1 million bpd.¹⁶¹ The war devastated Iraq's economy and left the country saddled with a substantial foreign debt, particularly to Saudi Arabia and Kuwait. Damage to oil installations both in Iraq and Iran was so extensive that the combined loss of production from the two countries again amounted to about 6% of world production at the time.¹⁶² Moreover, as a result of the Iran-Iraq War combined with a sudden loss of 4mb/d of oil supply pushed up spot prices beyond \$41/b once again. After several months of different prices charged by members, OPEC's official benchmark price was finally set at a uniform \$34/b in October 1981.¹⁶³

In the face of this rapid increase of oil prices, Saudi Arabia's mind on this issue proved to be as reasonable as it was useless. During the 1979-1981 period of rapidly increasing prices, Saudi Arabia's oil minister Ahmed Yamani repeatedly warned other OPEC members that high prices would lead to a reduction in demand. His warnings remained unheard and, in effect, surging prices combined with a global recession caused a reduction in demand which led to lower crude prices.

With the war between Iran and Iraq already on stage in the early 1980s, world petroleum consumption declined significantly in the early 1980s and from 1982 to 1985, OPEC attempted to set production quotas low enough to stabilize prices. During most of this period Saudi Arabia voluntarily shut down 3/4 of its production between in an attempt to stem the free fall in prices, though this was not enough to prevent a 25% decline in the nominal price of oil and significantly bigger decline in the real price. The Saudis abandoned those efforts, beginning to ramp production back up in 1986, causing the price of oil to collapse from \$27/barrel in 1985 to \$12/barrel at the low point in 1986. Despite the fall in prices, Saudi revenue remained about the same with higher volumes compensating for lower prices.

If it is true that during the eighties the glutted oil market, made the US consumers treating oil as any other commodity, deep-seated anxiety lingered. Effectively, the oil crises of 1973 and 1980 had revealed the

¹⁶⁰ WTRG Economics report.

¹⁶¹ Vivian C. Jones "Iraq's Trade with the World: Data and Analysis", *CSR Report for Congress*. 2004
<http://www.fas.org/man/crs/RL32025.pdf>

¹⁶² Hamilton, "Historical Oil Shocks", p. 17.

¹⁶³ Amuzegar, "OPEC's Adaptation", p. 10

extent of American vulnerability. The hubris of the early twentieth century had faded into anxiety as the need to preserve market stability became increasingly apparent. In 1986, George H.W. Bush travelled to Saudi Arabia with the intention of “selling very hard” the idea that the US’s domestic interest and thus the interest of national security were wrapped up in the oil market. Consistent access to oil at stable prices had become one of America’s top priorities.

In order to do so, the desire for stability at all costs was evident throughout official White House documents as well. The economic relevance played by the Gulf countries shaped once and for all the National Security Directive 26. It was issued not only with the aim at defending US vital interests in the region, as has already been noted, but it also served to assure access to Persian Gulf oil and security of key friendly states in the area.

By the late eighties and early nineties, America’s large share of the oil market rendered it simultaneously powerful and vulnerable. The level of oil consumption in the U.S. hovered around the 1973 level, but its imported oil constituted half of the oil consumed. In addition, food riots and political instability in oil exporting nations induced anxiety. Things exacerbated when, within this fragile market equilibrium the increasing demand was coupled with a failure to make the investment needed to increase production capacity in most countries with large oil reserves.

In the summer of 1990, the makings of a crisis lurked beneath American consumers’ contentment with low oil prices. Demand continued to grow as the national economy grew increasingly dependent on access to oil. American production of oil had dropped by two million barrels a day between 1986 and 1990, so American oil imports were at their highest levels yet, and they continued to rise. The oil market tightened in response to this demand. In addition, oil’s inventory was becoming less diversified: 70% of world’s oil reserves were contained in the Persian Gulf.¹⁶⁴ The United States, interested in preserving its access to oil by

maintaining stability and controlling prices, continued to seek congenial relations with nations in the Gulf until it became more evident that “constructive engagement” was not going to be enough to protect American interests.¹⁶⁵

The price of crude oil spiked in 1990 with the lower production uncertainty associated with the Iraqi invasion of Kuwait and the ensuing First Gulf War. Saddam Hussein’s thirst of increased control of oil prices was justified by claiming that Iraq had originally owned Kuwait before Western Imperialist forces had taken it. However, it was clear that Saddam hoped to intimidate the small nation into forgiving Iraq’s debt and reducing its own oil production, which would increase prices and allow Iraq to make money. Unfortunately,

¹⁶⁴ Yergin, *The Prize*, p.770.

¹⁶⁵ Richard Haass, *War of Necessity: War of Choice : a Memoir of Two Iraq Wars*. New York: Simon & Schuster, 2009, p. 50.

Iraq's ill fated adventure in Kuwait in 1990 produced the third short-lived mini-boom, with the oil spot price again reaching \$40 per barrel.¹⁶⁶

Given the uniqueness of the Gulf War in that it was almost entirely generated by tensions over oil,¹⁶⁷ the thirst for oil motivated not only Saddam's decision to invade Kuwait but also the global response to that war. In effect, most diplomats were interested primarily on the oil security risks associated with the invasion: they were preoccupied by either a possible global loss of oil or by a global recession following rapid increases in prices. The US State Department, for instance, in emphasizing its desire to ensure the free flow of oil through the Strait of Hormuz, reflected that it had clearly oil related interests. The United States, which at the time was heavily oil dependent, was terrified by Saddam's possible gaining of too much control over oil supplies in the Middle East. The big western nation feared in particular that if it didn't intervene, Saddam would continue on to Saudi Arabia and gain control of one fifth of the world's oil production and one third of its reserves.¹⁶⁸

In the light of this we might speculate that, even though there were no gasoline queues in America resembling those during the two prior oil shocks of 1973 and 1979, the First Gulf War was about oil access, prices and profits. Given these basic economic factors, US decision to intervene in the first Gulf needs to be seen against the background of an ongoing transformation of the world oil industry, but particularly as a kind of "new imperialism" as it strove to preserve a set of conditions that are economically favorable.¹⁶⁹ Even though Baghdad's interest clearly lay in moving prices upward to the \$22-25 per barrel to fill its depleted treasury, the Bush administration's nonchalant attitude toward Iraq's show of force in late July 1990 stemmed from the fact and it was less concerned about any modest increase in the price of oil than about the prospect of strong Iraqi influence over the oil policies of Saudi Arabia and the other Gulf monarchies.

Iraq, by invading Kuwait, was moving to augment its endowments of geology and capital, and in the process to redefine the political relationships that have linked the OPEC producers, the companies and the governments of the industrial consuming countries. Saudi Arabia identifies itself closely with the economic and political interests of the US and the major European states. But in "representing" these interests in OPEC and Arab politics, the Saudis have had to take account of the balance of forces in the region. It was this balance that Iraq attempted to restructure, and the US was determined to impose once again.

In reasserting its military dominance over oil producers during the first Gulf War, the United States ushered in a new era of oil security. The United States became the Gulf's regional policeman, but it also assumed

¹⁶⁶ Amuzegar, "OPEC's Adaptation", p. 11.

¹⁶⁷ Robert, *The End of Oil*, p. 105.

¹⁶⁸ *Ibid.*, p. 106.

¹⁶⁹ Kate Keleher, "Seeking Stability in an Oily World: The Gulf War and American Imperialism", *The Macalester Review*, 2012: Vol. 2: Iss. 2, Article 5. <http://digitalcommons.macalester.edu/macreview/vol2/iss2/5>

the role of protector of the world oil market and guarantor of the oil price stability.¹⁷⁰ US ability to lower the market price of oil by increasing production from the its newly controlled Saudi oil reserves demonstrated US extremely important power over world oil market behavior. The Bush's administration was strongly convinced that US military defense to the Saudis during the Gulf War would have pushed the Arabian nations to overproduce, flooding the market and dropping the price of oil, in exchange for continued military support.¹⁷¹

It is quite apparent that the First Gulf War has marked a shift in the nature of Middle Eastern politics. Not only the United States increased its own control over the Middle East, but as decades of tumult had passed, oil stability became finally a reality. Throughout the nineties, OPEC and oil companies alike flourished and demand for oil increased. As a result of the Gulf War, Americans became less fearful of an energy crisis, and their consumption of oil increased after remaining relatively static throughout the seventies and eighties. The renewed stability ensuing the Gulf War years gave the United States a degree of dependence on foreign oil at a substantial rate that would have continued intensely also during the years between the two Gulf War and beyond.

2.1.5 A new industrial age at the brink of the XXI century

After the First Gulf War, crude oil prices entered a period of steady decline.¹⁷² In the meantime the United States economy was strong and the Asian Pacific region was booming. Effectively, the last generation has experienced a profound transformation for billions of the world's citizens as countries made the transition from agricultural to modern industrial economies. Given this undoubted difference, not just the standards of living at a global level changed but also the world oil market. A subset of the newly industrialized economies used only 17% of world's petroleum in 1998 but accounts for 69% of the increase in global oil consumption since then.¹⁷³ From 1990 to 1997, world oil consumption increased 6.2 million barrels per day. Asian consumption accounted for all but 300,000 barrels per day of that gain and contributed to a price recovery that extended into 1997. Particularly noteworthy are the 1.3 billion residents of China. China's 6.3% compound annual growth rate for petroleum consumption since 1998 demonstrated that whereas short-run movements in oil prices in the first half-century following World War II were dominated by developments in the Middle East, the challenges of meeting petroleum demand from the newly industrialized countries has been the most important theme of the last 15 years. WTRG Economics report recalled that in the meantime, declining Russian production contributed to the price recovery, according to the . Between 1990 and 1996 Russian production declined more than five million barrels per day.

¹⁷⁰ Robert, *The End of Oil*, p. 107.

¹⁷¹ *Ibid.*, p. 14

¹⁷² WTRG Economics report.

¹⁷³ These calculations to are based on Brazil, China, Hong Kong, India, Singapore, South Korea, Taiwan, and Thailand. Data source: EIA, total petroleum consumption.

<http://tonto.eia.doe.gov/cfapps/ipdbproject/iedindex3.cfm?tid=5&pid=5&aid=2&cid=regions&syid=1980>

Despite the phenomenal growth followed by many of these countries, the report continued stating that in 1997 and 1998 a new phase for petroleum prices began with the end of the previous as well as rapid increases. At that time, in fact, Thailand, South Korea, and other countries were subject to a flight from their currency and serious stresses on the financial system. Investors developed doubts about the Asian growth story, putting economic and financial strains on a number of other Asian countries. All this rampant deep-seated distrust led inevitably to fluctuations of dollar oil prices falling below \$12 a barrel by the end of 1998, there is to say at a time when the impact of the economic crisis in Asia was either ignored or underestimated by OPEC. In December 1997, OPEC increased its quota by 2.5 million barrels per day (10 percent) to 27.5 million barrels per day effective January 1, 1998.¹⁷⁴ The rapid growth in Asian economies came to a halt. In 1998, Asian Pacific oil consumption declined for the first time since 1982. The combination of lower consumption and higher OPEC production sent prices into a downward spiral. In response, OPEC cut quotas by 1.25 million barrels per day in April and another 1.335 million in July. The price continued down through December 1998, as the same report suggested.

Finally, in early 1999, as the Asian region returned to growth and the new industrialization proved itself to be very real, indeed, prices began to recover. In April, OPEC reduced production by another 1.719 million barrels. As usual not all of the quotas were observed, but between early 1998 and the middle of 1999 OPEC production dropped by about three million barrels per day. The cuts were sufficient to move prices above \$25 per barrel.¹⁷⁵

In the face of both growing US and other world economies the price was restored to \$30 per barrel in March 2000.¹⁷⁶ In the same year between April and October, the WTRG report continued, three successive OPEC quota increases totaling 3.2 million barrels per day were not able to stem the price increase. Prices finally started down following another quota increase of 500,000 effective November 1, 2000.

What came immediately after the George W. Bush's election are not issues of our thesis, but there really is no question that US policy towards the Persian Gulf in general, and toward Iraq, in particular, focused on economic factors as well as many other geopolitical interests. After all, the strategic importance of Gulf oil for the United States has been a constant in American foreign policy since World War II.¹⁷⁷ Even though strategic benefits and a new democratic impulse in the region were expected from the war, Bush's Cabinet continued to regard Iraq as a destabilizing influence to the flow of oil from the Middle East to international markets. For this reason, throughout the period of his presidency, president Bush's behavior toward the Gulf but especially his decision to go to war in Iraq was driven by a either strong willingness at, once again, securing US control of and access to Iraqi oil resources or avoid Saddam's use of oil weapon and his own

¹⁷⁴ WTRG Economics report.

¹⁷⁵ *Ibid.*

¹⁷⁶ Amuzegar, "OPEC's Adaptation", p. 11.

¹⁷⁷ Gause, *The International Relations of the Persian Gulf*, p. 237.

export program to manipulate oil markets.¹⁷⁸ In this way, the United States could insure that US companies developed Iraqi oil resources and break the power of OPEC in the oil market in order to regain its dominant role in the region.

2.1.6. US relentless addiction to oil

The United States is the world's largest oil consumer and importer and the second largest producer (after Saudi Arabia). It ranks eleventh worldwide in proven reserves.¹⁷⁹ Oil is the nation's largest source of primary energy, providing 38% of energy needs. US growing dependence on imported oil can be explained by declining production and rising consumption since 1970.

Given the importance of oil, the United States have also tried both through force and diplomacy to protect and control its energy interests around the world, primarily in the Persian Gulf region, for more than five decades, safeguarding foreign oil sources and the sea lanes through which they pass it.¹⁸⁰

The important location of the Persian Gulf from cultural, political and economic aspects was accompanied by several discoveries of oil reserves within the region, something that gradually formed more dependence of industrial countries to the producers of this area. Effectively, according to most of US leaders, the Gulf had gained a special status in the US grand strategies and its particular geopolitical characteristics to control the oil flows was at the basis of the 1944 President Roosevelt's statement to British ambassador:

Persian oil is yours. We share the oil of Iraq and Kuwait. As for Saudi Arabian oil, it's ours.¹⁸¹

Although formal presence of the United States in the Persian Gulf as the external guarantor of Gulf security¹⁸² coincided with the withdrawal of the Britain in 1971, this region and its oil had adopted an important position during World War II, particularly with the unprecedented expansion of the US armed forces and allies' involvement abroad.

Central thread running through each single US administrations analyzed up until now is the fact that almost all of their policies towards the Gulf region have been primarily driven by US definition of their national interests in the area. US policies, in fact, were evaluated mainly with respect to their implications for oil. At the time, oil represented the dominant cause for concern in the United States, where it was still viewed as

¹⁷⁸ For a rapid analysis of oil as the core interest for the war against Iraq, see *Ibid.*, pp. 233-238. For major guidance on this issue, see Michael T. Klare, *Blood and Oil: the Dangers and Consequences of American's Growing Dependency on Imported Petroleum*. NY: Metropolitan Books. Henry Holt and Company, 2004, Chapter 4.

¹⁷⁹ BP Amoco, *BP Statistical Review of World Energy*.

¹⁸⁰ According to Pollack since the Persian Gulf contained about two-thirds of the world's proven oil reserves, was one of the most important regions that played main roles to construct interstate relations also in the new era. "Securing the Gulf", *Foreign Affairs*, 2003, <http://www.foreignaffairs.com/articles/58993/kenneth-m-pollack/securing-the-gulf>

¹⁸¹ Yergin, *The Prize*, p. 401.

¹⁸² Ulrichsen, *Insecure Gulf*, p. 21.

a critical source of strategic power, but with a sense of urgency hardly imagined by policymakers initially identifying the significance of Gulf resources for the West.¹⁸³

In this regard, it is worth recalling the words of an August 1, 1945, memorandum wrote to Secretary of State Byrnes by the then Secretary of the Navy James Forrestal, who was firmly convinced that the United States would have faced a sharply decline of its oil reserves and because oil and all of its by-products were regarded as the fundamental factor of the ability to fight a modern war, Secretary Forrestal regarded oil as one of the most important problems of the US government.

As we have seen from the rapid analysis on oil impact on US economy and society, US role in protecting oil and ensuring the safe transit of petroleum followed a substantial course during the period of study. To the various US administrations, in fact, oil supply had certainly represented one of the major concerns of their foreign policy. It is quite clear that the energy reserves made the Gulf the one region in the Middle East that was a truly vital US strategic interest.¹⁸⁴

In conclusion, maintaining both Gulf security and its stability was not a choice for the United States, but instead a strategic necessity. The region proved itself vital to the economic well-being of the global economy throughout the analyzed period, and it seems all too clear that the size of oil reserves and production capacities of the Gulf area would have been a dominant factor in the world oil picture also for the foreseeable future.

2.2 Soviet containment in the Gulf

From what we have said until now, it is clear that even though the United States have been aware of its vital stakes in the oil-rich Persian Gulf for some time, US concern about the vulnerability of its position in that region is more recent. Official US policy toward the Middle East has generally focused on material advantage and political alliances. Historically, the internal stability of that region was of little concern because the area was controlled by conservative monarchies and, furthermore, the general security of the region seemed assured by the British, who acted as arbiters of local disputes and the guardians against external threats. When the British withdrew from East of Suez, the United States sought a new approach for regional security urged mainly by the growing shadows Soviet power cast over the area.

Policymakers in the postwar period consistently defined several primary issues, but until 1989, by far the preeminent of these was the cold war contest with the Soviet Union. This contest had a moral component—“saving countries from communism.” The Middle East was crucial to this struggle, due in part to the geographic position of the region: as it sits astride communication lines and travel routes connecting three different continents, the Gulf can serve as a key "land-bridge" between the Soviet Union (and, with

¹⁸³ James H. Noles, *The Clouded Lens: Persian Gulf Policy and US Policy*. Stanford, California: Hoover Institution Press, Stanford University, 1982, p. 45.

¹⁸⁴ Anthony Cordesman, *The U.S. Military and Evolving Challenges in the Middle East*. Washington D.C.: Center for Strategic and International Studies, 2002, p. 1.

the disintegration of the former Soviet Union, Russia) and the Middle East, South Asia, East Africa, as well as a window on the Indian Ocean. In addition, the Soviet Union, as a land power with borders contiguous to Iran and, in effect, to Pakistan, was in an obvious position of conventional military superiority over the West and its Gulf allies.

Whence, the United States' strategy in the region developed out of a sense that the Soviet Union should not and could not be allowed to dominate such a geopolitically important asset, as well as control its oil supplies. As the United States began to compete for dominance in the postwar era, it would do so as a counter to Soviet influence.

But the challenge posed by the USSR was not only straightforwardly military or economic. The Soviet threatened the Gulf also through a kind of active interference in a country's internal politics for the purpose of wakening it and ultimately making it susceptible to Soviet influence. Moscow's primary instrument here was the network of both Communist parties it maintained throughout the Middle East, such as the Tudeh party in Iran, and discontented ethnic groups like the Kurdish Democratic Party in Iraq and Iran of which it supported the claims with money, arms, and political protection.

Improved Soviet ability to project power, the total erosion of "Northern Tier" barriers to Soviet access,¹⁸⁵ the Soviet foothold along the periphery of the area, and the growing Soviet naval presence in the south, all fundamentally affected the security calculus of the local states and made Americans far more concerned about the Soviet threat in an already critical region.

It is equally undeniable that US containment sprang from its consciousness that the Soviet Union had long expressed a close interest in Gulf affairs: the Soviets were eager to protect its southern borders and to reduce Western influence in the region, but they wanted also to contain Chinese influence, and expand their influence (through the cultivation of existing states, acquisition of client states, and general support for revolutionary movements). Last but not least, they committed to prevent Western access to oil and finally to acquire Gulf oil for domestic use. Not surprisingly, the Soviet invasion of Afghanistan, which passed under its control, served to crystallize US concern about, and commitment to, countering Soviet threats in the Persian Gulf.

2.2.1 Superpower rivalry in the Middle East

The relationship between the United States and the Soviet Union in the Middle East was governed for more than four decades, from the end of World War II to the end of the Reagan presidency, by the Cold War with all of the attendant assumptions, concepts, institutions and policies essential to "fight" the Cold War. American views of the Soviet Union and of the Soviet bloc, and the policy requirements deriving from that perspective, formed the core of United States foreign and security policy worldwide. Wherever and

¹⁸⁵ The Northern Tier was originally conceived as land and air barrier against Soviet expansion into the Middle East heartland. Francis Fukuyama, paper on *The Soviet Threat to the Persian Gulf*, 1981.

whenever a policy was framed, and challenges were identified and met, the lens through which the policy was seen had a Soviet filter, with accompanying Cold War assumptions. This was particularly true in the case of the Middle East, which became a major venue of United States-Soviet Union competition soon after the Cold War began. Over the course of more than four decades, the competition and rivalry of the superpowers in the Middle East was a central if not dominant theme in international relations.

The end of the Cold War and the dismantling of the Soviet bloc in Eastern Europe cast doubt on the assumptions and called into question the policies that were designed to deal with regional issues. Nowhere have these assumptions been more soundly challenged than in the Middle East.

The Middle East is a region to which the superpowers attached great significance and in which they evidenced great interest. The United States and the Soviet Union became the major external powers of consequence in the Middle East in the period since the end of World War II but particularly since the mid-1950s and the retirement of British and French influence from the region. The superpowers had similar and conflicting interests and their policies often clashed, but they avoided direct conflict while their respective clients were involved in war.¹⁸⁶

The Middle East has been an important area in the foreign policy of most United States administrations since World War II, and Soviet interest and activity in the region has elicited a variety of American policy responses. The first significant official United States policy statement concerning the Middle East came after World War II, in the form of the Truman Doctrine of 1947. It argued, simply, that there was a Soviet and communist threat in Greece and Turkey and, to a lesser extent, in Iran. Since no other Western state was in a position to help protect these countries from the threat, it fell upon the United States to assume that role.¹⁸⁷ This established a pattern that has been followed with surprising consistency since that time. The threat of a Soviet challenge was identified and no alternative power was prepared to meet the challenge. The United States responded and sought to restrict Soviet actions in the zone directly threatened. In its response, the United States indicated a willingness to employ military force if necessary to deal with the problem. The Truman Doctrine was followed by the Eisenhower Doctrine of 1957 that focused on the Arab-Israeli sector of the Middle East.

At the time that British Prime Minister Harold Wilson announced the accelerated British withdrawal east of Suez in 1968 (which was accomplished by 1972), the Persian Gulf sector was not seen as vital to the United States. But there was a growing realization that there were important American interests and a potential Soviet threat which, combined with the British withdrawal, led to the need for a reevaluation of United

¹⁸⁶ For a detailed analytical examination of Soviet interests, policies and activities in the Middle East since World War II and the American response, see Bernard Reich and Alexander J. Bennett, "Soviet Policy and American Response in the Middle East," *Journal of East and West Studies* 13. 1984, pp. 79-112; Alexander J. Bennett, "The Soviet Union," in *The Powers in the Middle East: The Ultimate Strategic Arena*, ed. by Bernard Reich. New York: Praeger, 1987, pp. 108-147.

¹⁸⁷ For a full discussion of this early period see Bruce R. Kuniholm, *The Origins of the Cold War in the Near East: Great Power Conflict and Diplomacy in Iran, Turkey, and Greece*. Princeton, New Jersey: Princeton University Press, 1980.

States policy and the assumption of new commitments and obligations for the area. This, combined with Soviet activities elsewhere and a declining American desire to serve as the world's policeman, led to the promulgation of the later-known Nixon Doctrine. The United States would furnish *a shield if a nuclear power threatens the freedom of a nation allied with them as well as military and economic assistance when requested in accordance with their treaty commitments.*

The adoption of the Nixon Doctrine led to a Persian Gulf policy which sought to create and support surrogates to ensure regional stability. The "two-pillar policy," focusing on Iran and Saudi Arabia, was perceived to be responsive to a potential threat from the Soviet Union and its allies. Although the Nixon Doctrine was not designated specifically for the Middle East, it was applied to the Gulf sector and gave the Shah of Iran a virtual blank check for the acquisition of United States military equipment to build Iran's strength and capability to help ensure stability and security in the Gulf.

The policy of the United States, as delineated by the Nixon Doctrine, was carried into the Ford administration and the early days of the Carter tenure, which focused its initial attention on the Arab-Israeli conflict and its resolution.¹⁸⁸

The Carter administration initially approached the role of the Soviet Union from a different perspective, one which was challenged and altered subsequently. The Carter administration began its approach to the Middle East with the intention of dealing with, and hopefully resolving, the Arab-Israeli conflict.¹⁸⁹

The Persian Gulf and the Northern Tier were largely ignored, as the President saw the need to resolve the Arab-Israeli conflict before it erupted into warfare again. In his view, the Soviet Union could play a constructive role in the process. Carter saw the Soviet Union as a benign power, possibly interested in promoting development in the region, and not as one necessarily interested in taking advantage of regional difficulties. Cooperation with the Soviet Union in the Carter administration reached its zenith on October 1, 1977, when the Carter administration and the Soviet Union issued a joint *communique* stressing the need for "achieving as soon as possible, a just and lasting settlement of the Arab-Israeli conflict" and calling for the reconvening of the Geneva Conference of 1973.¹⁹⁰

The initiative was designed to accelerate efforts toward reconvening the conference, first convened after the Yom Kippur war of 1973, by securing Soviet cooperation. Nevertheless, the policy was soon abandoned by the Carter administration, and the Sadat initiative replaced it as the operative approach to the Arab-

¹⁸⁸ See Bernard Reich, "United States Middle East Policy in the Carter and Reagan Administrations," *Australian Outlook*. 1984, pp. 72-80; Bernard Reich, "United States Middle East Policy in the Carter and Reagan Administrations," *Middle East Review*, 1984/1985, pp. 12-23, 60-61; and Bernard Reich, "The United States and the Middle East," in *The Political Economy of the Middle East*. Washington DC: US Congress, Joint Economic Committee, 1980, pp. 373-399.

¹⁸⁹ See Bernard Reich, "The Continued Quest for Peace: The United States and the Middle East," in *Middle East Contemporary Survey Volume One, 1976-1977*, ed. by Colin Legum and Haim Shaked. New York and London: Holmes and Meier, 1978, pp. 21-33.

¹⁹⁰ The text of the United States-Soviet Union joint statement is in *Department of State Bulletin*, November 7, 1977, pp. 639-640.

Israeli conflict. Carter's secondary focus on the Gulf sector shifted with the Iranian revolution, the ouster of the Shah, the taking of American hostages, and the Soviet invasion of Afghanistan. In sum, these changes undermined the concepts underlying the twin pillar policy and the Nixon Doctrine, and they raised new concerns about Soviet intentions and policies at the same time that Middle Eastern oil was becoming more important, both as a natural resource and as a source of financial strength. Regional tensions and instability seemed to be growing.

The Soviet invasion of Afghanistan in December 1979 was a major watershed in the Carter administration's policy. Afghanistan had not been an area of primary attention and had been all but ignored by previous United States administrations. The Soviet invasion changed the Carter perspective of the Soviet Union and its policies in the Middle East, and it raised questions not only about the future of Afghanistan but also about the potential Soviet threat to the Persian Gulf and the Arabian Peninsula. It shifted the Carter administration's attention from the Arab-Israeli sector to "Southwest Asia," the core of which was the Persian Gulf. The invasion convinced Carter that the Soviet Union was a hostile, rather than a benign, power that sought regional domination and whose threat had to be countered. The reaction to the altered regional situation developed into the Carter Doctrine. It followed earlier American pronouncements for the area (such as the Truman and Eisenhower Doctrines and the more general Nixon Doctrine) which opposed Soviet and Communist machinations. But the Carter Doctrine focused on the Persian Gulf. It asserted that the Persian Gulf was vital to the United States and its allies and that all action necessary, including military force, would be utilized to protect that interest from a Soviet threat.¹⁹¹

To Carter, the Soviet invasion of Afghanistan represented but one step in a broader Soviet thrust toward the Persian Gulf. Implementation of the doctrine confronted the operational reality that the United States lacked the capacity to put it into practice effectively. The Rapid Deployment Force was not yet capable of the requisite actions. At its inception, in fact, the RDF was frequently criticized as a "paper tiger" lacking the force structure and firepower to engage effectively projected Soviet forces in the region and facing severe problems in strategic mobility to get them into the battle.

When Ronald Reagan came to office in 1981, he maintained the Carter emphasis on the Persian Gulf-Arabian Peninsula sector that followed the Soviet invasion of Afghanistan. But his approach to the Middle East and its problems derived from a set of assumptions that were quite different from the initial assumptions of the Carter administration and were much closer to the assumptions after the Afghanistan invasion. Reagan held that the fundamental threat to peace and stability in the region was not the Arab-Israeli conflict but the Soviet Union and its policies. It was therefore important to restore American

¹⁹¹ Carter articulated this perspective in an address to the nation on January 4, 1980. In his State of the Union address to the Congress on January 23, 1980, Carter said that the Soviet move in Afghanistan threatened a region of great strategic importance. He stated the United States response in these terms: "An attempt by any outside force to gain control of the Persian Gulf region will be regarded as an assault on the vital interests of the United States of America, and such an assault will be repelled by any means necessary, including military force." *Weekly Compilation of Presidential Documents*, January 28, 1980, p. 197.

capability and credibility which could be facilitated by building up American forces to deal with the region. Unlike Carter, he assumed that the main focus of American interests and concern in the Middle East was the Persian Gulf sector, including Afghanistan which could pose a direct threat to the security of the Gulf. Reagan's policy toward Afghanistan maintained that while the United States would employ no military forces of its own, given, in part, that it was unable to secure the support of its allies, it would nonetheless provide aid to the Afghan rebels to pressure the Soviet Union to withdraw its forces.¹⁹²

Reagan's principal objective during his tenure in office was to roll back Soviet influence across the globe through a massive US defense buildup at home and the provision of support for opposition in the developing world. The pursuit of those aims clearly involved the Persian Gulf and the Middle East. Here, the Reagan administration introduced the concept of "strategic consensus," which called for the regional states, from Pakistan to Egypt, to cooperate with Washington and amongst themselves to oppose the common Soviet threat. The challenge for the Reagan administration was to convince the regional states that their primary security threat came from the Soviet Union. Regional and domestic concerns were perceived by them as greater threats than those emanating from the Soviet Union. Strategic consensus required access and a regional network of support facilities for United States military forces. A principal incentive of strategic consensus was to be the expansion of United States arms sales to cooperative countries. For this purpose the Reagan administration supported the sale of 60 F-15 and 5 AWACs aircraft to Saudi Arabia. Except for Israel, none of the regional states embraced the concept. The Rapid Deployment Force was built up and renamed the Central Command. But it remained small and its effectiveness against a potential Soviet threat remained untried and uncertain. Nevertheless, the commitment of the Reagan administration to respond to a Soviet threat with military force, if necessary, was sincere.

In the context of the Iran-Iraq war, for instance, despite the maintenance of public neutrality in the war between Baghdad and Teheran, the Reagan administration chose to supply Saddam's regime with a range of armament in order both to ensure that the Soviet Union's influence in the Gulf did not increase relative to that of the United States (Moscow too provided Iraq's forces with military weapons). Furthermore, in Afghanistan the United States gave covert support for the mujahedeen resistance movement against the Soviet.¹⁹³

Each of the above policies proved beneficial. When the Iran-Iraq war ended, the Reagan administration's support for Iraq contributed to maintain a relative stable Persian Gulf where the Soviet Union influence therein had not increase substantially. Similarly, US funding of the Mujahedeen led to Moscow's withdrawal in 1989 and it also contributed to the implosion of the USSR itself in 1991.

¹⁹² See Reich and Bennett, "Soviet Policy", pp. 79-112.

¹⁹³ According to Robert Pauly, the Soviet spent \$75 billion maintaining their military presence in Afghanistan between 1980 and 1988; by contrast, the cost of American aid to the mujahedeen during that period was a modest \$3.3 billion. *US Foreign Policy and the Persian Gulf: Safeguarding American Interests Through Selective Multilateralism*. Aldershot, Hampshire: Ashgate Publishing Limited, 2005, p. 29.

Nonetheless, the clarity of the perceived Soviet threat and role in the Southwest Asian sector of the Middle East did not have a precise counterpart in the Arab-Israeli sector. After the 1982 war in Lebanon, the Reagan Administration launched a "Fresh Start" initiative to achieve resolution of the Arab-Israeli conflict and to end the civil war and other forms of instability in Lebanon.¹⁹⁴ The Soviet Union was not seen as a positive element, but rather as a force hostile to the West with designs in the region that could negatively affect the strategic position of the United States in the Eastern Mediterranean as well as the stability of the entire Middle East, including the vast resources of the Arabian Peninsula.¹⁹⁵

The Soviet Union opposed the Fresh Start initiative and encouraged its clients to oppose the process. At the same time, the Soviets saw little basis for their own participation in the negotiation process within the framework of the Fresh Start initiative. It continued its negative approach to the various efforts to achieve an Arab-Israeli peace. The Camp David Accords, the Egypt-Israel Peace Treaty, the Israel-Lebanon Withdrawal Agreement of May 17, 1983, and the continued United States efforts in this vein continued to provide an opportunity for the Soviet Union to object to the United States role and policy. It also was able to further ally itself with the opponents of the process and to link itself with the more radical Arab states and the Palestine Liberation Organization (PLO).¹⁹⁶

In the Reagan administration, there was little expectation that, given Soviet interests and past actions, and the views and policies of the president and his senior advisors, the superpowers could cooperate effectively to achieve a solution to the Arab-Israeli conflict. Nor was it likely that they would come to terms concerning the Gulf, especially given the continued Soviet presence in Afghanistan. Superpower rivalry continued as a central feature of the Middle Eastern scene.

In the latter days of the Reagan and the early days of the Bush administration, the basic pattern of the superpower relationship came under reassessment. This was driven by the implementation of Gorbachev's programs of *glasnost* and *perestroika*, and the developments in Eastern Europe which ultimately led to the judgment that the Cold War had ended. This, in turn, generated a reevaluation of the Middle East and of the global superpower relationship occasioned by these changes.

At the same time, skepticism about the Soviet Union and the role it might play in the international system, in the new world order, and specifically in the Middle East, was the main theme of much of the discussion in various other forums. Thus, for example, concerns about the Soviet role in the Middle East were articulated by Senator David Boren, Chairman of the Senate Intelligence Committee:

¹⁹⁴ See Bernard Reich and Rosemary Hollis, "Peacemaking in the Reagan Administration." in *Peace-Making in the Middle East: Problems and Prospects*. London and Sydney: Croom-Helm, 1985, pp. 133-155.

¹⁹⁵ Reagan press conference, October 24, 1983, in *New York Times*, October 25, 1983.

¹⁹⁶ See Y.M. Primakov, *Anatomy of the Middle East Conflict*. Moscow: "Nauka" Publishing House, Central Department of Oriental Literature, 1979.

Behind Soviet President Gorbachev's peace gambit in the waning hours of the Persian Gulf war may lurk a long-term regional agenda at odds with that of the United States-led multinational coalition.¹⁹⁷

During the Gulf Crisis of 1990-91, the relationship between the United States and the Soviet Union went through a series of changes. On January 29, 1991, a US-Soviet joint statement was released in which the two parties reiterated the American and Soviet commitments to the United Nations resolutions and coalition efforts aimed at ending Iraq's occupation of Kuwait.¹⁹⁸

As a consequence of his allegedly pro-US policy, Gorbachev was forced to face a strong opposition to which he reacted by sending twice to Baghdad his personal emissary and Middle East adviser Yevgeny Primakov to lobby for a compromise solution. Once there, he would have placated the Russian "patriots" unhappy with what they perceived as Gorbachev's subservience to Bush. The second concern would have forced Primakov to assuage the Arabs, who at the time were mad at Gorbachev over the issue of Jewish immigration to Israel. Soviet ambassadors in Arab capitals were reporting to the Kremlin that Soviet prestige in the Arab world was at an all-time low.¹⁹⁹ To be sure, the only way to restore Soviet prestige in the Arab world was to save Iraq from imminent disaster, but of course, Gorbachev knew that he could not do any such thing.

This followed discussions in Washington between Secretary of State James Baker and Soviet Foreign Minister Alexander Bessmertnykh, during which considerable attention was devoted to the Persian Gulf situation.

The joint superpower statement was cast in a positive vein. Both parties reiterated their commitment to the United Nations Security Council resolutions adopted in connection with the Iraqi aggression against Kuwait. They agreed that Iraq had to make an unequivocal commitment to withdrawal from Kuwait that would be followed by immediate, concrete steps leading to full compliance with the Security Council resolutions. They noted that, after the conflict, the establishment of enduring stability and peace in the region would be a high priority of the two governments. Both ministers, therefore, agreed that in the aftermath of the crisis in the Persian Gulf, mutual US-Soviet efforts to promote Arab-Israeli peace and regional stability, in consultation with other parties in the region, would be greatly facilitated and enhanced. Furthermore, the two ministers were confident that the United States and the Soviet Union, as demonstrated in various other regional conflicts, could make a substantial contribution to the achievement of a comprehensive settlement in the Middle East. While the Americans and Soviets clearly had points of significant agreement, there were also points of discord. The generalities of the joint statement were not matched by specific program to move in that direction. Indeed, in the immediate aftermath of the Gulf

¹⁹⁷ "Gorbachev's Ominous Middle East Policy", *Wall Street Journal*, March 27, 1991. In the same article Senator Boren described the Soviet action as "mischievous" in so far as it constituted a "diplomatic end run".

¹⁹⁸ The text of the statement is in *U.S. Department of State Dispatch*, February 4, 1991, p. 71.

¹⁹⁹ Georgiy Mirsky, "The Soviet Perception of the US Threat", in Lesch (ed.), p. 444.

hostilities, it was the United States Secretary of State, James Baker, who launched a peace effort in which the United States was the only external actor of consequence.

The end of the Cold War called into question many of the working assumptions and the resultant policies that had guided the United States in its view of and response to the Soviet Union and its activities in the Middle East since World War II. This required a reassessment and reformulation of United States policy which began in the late 1980s, but had not been completed at the time of the Iraqi invasion of Kuwait.

The last years of the Reagan administration and the advent of the Bush administration coincided with the accession to and consolidation of power in the Soviet Union of Mikhail Gorbachev. This, in turn, led to a modification of American perceptions of the "evil empire," and later, of the Cold War.

The Bush Administration began its tenure as developments in the region and world moved in unexpected directions. These major events included the Soviet withdrawal from Afghanistan, a cease-fire in the Iran-Iraq war, the collapse of the Soviet bloc in Eastern Europe, developing Soviet internal political and economic transformation, an assessment of diminished Soviet military capability to threaten the Southwest Asia region, and increasing United States and allied dependence on Persian Gulf oil. These and related developments led the Bush administration to reassess its perspectives of the Gulf and of related Middle Eastern issues. The overriding framework in which the Bush administration operated and made its decisions was described by George Bush in these terms in an address at the Air Force Academy on May 29, 1991:

For 40 years my generation struggled in the confines of a divided world, frozen in the ice of ideological conflict, preoccupied with the possibility of yet another war in Europe [...] A year before you came to Colorado Springs I was privileged to be here, and I told the class of '86 there's no doubt the Soviets remain our major adversary. Our two separate systems represent fundamentally different values. And since then, we've seen remarkable political change.

Nevertheless, as he suggested, the final verdict was not yet clear.

But let's not forget, the Soviet Union retains enormous military strength. It will have the largest air force in Europe for the foreseeable future, and with perhaps five new strategic missile systems in development they'll be ready for yet another round of strategic modernization by the mid-1990s.²⁰⁰

In his address to a joint session of Congress on March 6, 1991 (popularly referred to as the second half of the State of the Union address), Bush spoke of the prospects for a new world order and spelled out some of

²⁰⁰ White House Press Release, "Text of Address to Air Force Academy", May 29, 1991. The *1991 Joint Military Net Assessment* prepared by the Joint Chiefs of Staff noted, "Soviet military power, though at long last being reduced and changed in form and purpose, is hardly becoming irrelevant. Whatever the future Soviet state may look like, it still will have millions of well-armed men in uniform and will remain, by far, the strongest military force on the Eurasian landmass. The United States, as the leader of the Free World, must maintain the conventional capability to globally counterbalance the might of the Soviet Union's huge conventional forces, in conjunction with our allies." *1991 Joint Military Net Assessment*. Washington DC, USGPO, 1991, pp. 1-3 and 1-4.

the specific ideas and requirements of that conception as applied to the Middle East. The new world order was a world not divided by barbed wire and concrete bloc, conflict, and Cold War.²⁰¹

Among the challenges facing the new world order and the search for peace in the Middle East, Bush identified shared security arrangements in the region, control of the proliferation of weapons of mass destruction and the missiles to deliver them, new opportunities for peace and stability in the Arab-Israeli sector, and economic progress for the sake of peace. Each of these objectives would involve the Soviet Union as a participant or partner in the effort or, in a negative way, as an opponent of these processes, i.e. "a spoiler." Although the nature of a Soviet role was an obvious component of the problem, clearly the Soviet factor was not articulated. There continued to be a division of perspective in Washington on the Soviet role in the region.

In testimony before the House Foreign Affairs Committee on February 6, 1991, Secretary Baker described what he saw as the relationship between the superpowers in the new world order. His tone and direction was positive. Baker noted that the optimism of the President concerning the New World Order derived partly from the fact that there had been growing cooperation between the United States and the Soviet Union. Among the points of "mutual advantage" described by Baker was that the Soviet Union had joined the international coalition confronting Iraqi aggression. Moreover, a better cooperation between the two, Baker argued, would be possible if the Soviets continued to support completely the full implementation of the United Nations Security Council resolutions.

At the subsequent Madrid conference in November 1991 the Soviet Union tried to posture as an independent actor, but everybody realized that the Soviets were no longer a superpower. After all, the war in the Persian Gulf posed a major and untimely crisis for Soviet foreign policy. Moscow often showed its own confused, shifting, contentious and contradictory approaches to Iraq's invasion of Kuwait and the American response. At several points in the crisis it was uncertain just how firmly Moscow's principles of "new thinking" in foreign policy would hold.

Despite Moscow's support to all UN resolutions on Iraq, the war embraced a broad range of Soviet interests, in both the West and the Third World, and in military and civilian spheres. Coming as it did at a time of immense turmoil in Soviet politics, the crisis inevitably became the currency of a domestic power struggle as well and it emerged as the single most formative crisis to date in the gradual reformulation of the principles and interests of Soviet foreign policy.

At the same time, it should not be forgotten that the Gulf War clearly did move the evolving process of US-Soviet international cooperation to a new and higher level, particularly with the end of the Cold War.

²⁰¹ For the full text of the address, see "The World After the Persian Gulf War," *U.S. Department of State Dispatch*, March 11, 1991, pp. 161-163, at p. 162

2.2.2 US-Soviet involvement in the Post-Cold War era.

As we have seen up until now, conflict resolution in the Middle East had been a common theme in both the United States and Soviet diplomatic lexicons for the Middle East for some time. Each of the superpowers had spoken of, prepared plans and initiatives for, and been involved in efforts to resolve the conflicts of the Middle East. Over time, there has been substantial tension between the goals and objectives, as well as the methods and techniques, of the two superpowers as they approached the problems of the area. At times their interests appeared to coincide; at other times to diverge dramatically.²⁰²

It is worth recalling that after decades of pursuing a foreign policy that proved increasingly counterproductive and economically unbearable, the Soviet Union, due in part by its radical new calculus of foreign policy interests and by the modified environment of the early 1990s, was inclined towards a monumental strategic retreat and growing cooperation with the West internationally.

Despite the aborted coup of 1991 and the fragmentation of the Soviet Union in December of that same year, Moscow had undoubtedly continued to push for active and cooperative roles to facilitate peace process. Probably, it was precisely the diminished capacity of the USSR to obstruct the peace process and its evident lack of interest in doing so that has made the Soviet, participation welcome to both Washington and Jerusalem.²⁰³

Unlike his ten immediate predecessors in the White House, President Clinton lacked a clear, national security threat with which to deal upon when he assumed office in January 1993. Having began his first term in the immediate aftermath of the Cold War and the Bush's administration successful conduct of the 1991 Persian Gulf War, President Clinton struggled with his advisors to develop a model to fit a system no longer conditioned by the actions of the two superpowers grappling for power and influence across the world. The Clinton's administration was aware that with the Cold War ended, the United States, as the sole leading power, would not have fought to contain a threat to the survival of free institution, but it would have rather sought to enlarge the circle of nations that lived under those free institutions. According to Kenneth M. Pollack's view, one of the point man on Berger's staff from 1999 to 2001, the administration intended to create a new paradigm of international relations, a kind of real and New World Order in which global economic development, cooperation, collective, security were the main goals.²⁰⁴

If it was true that the momentum of the Cold War had been a draining but equally a past time for the United States of America, it is equally true that the nation intended to remain engaged and to lead. Clinton and his advisors were firmly aware that in the new era of peril and opportunity the US were experiencing

²⁰² For a detailed description of US-Soviet relationship in the Middle East, see Reich and **Stephen H. Gotowicki's** report, "The United States and the Soviet Union in the Middle East". 1994, <http://fmso.leavenworth.army.mil/documents/ussovme.htm>

²⁰³ Arnold L. Horelick, *US-Soviet Relations: From a "Post Cold-War" to a "Post-Communism Era"?*. Santa Monica, California: International Policy Department, RAND, 1991, p. 8 http://www.rand.org/content/dam/rand/pubs/occasional_papers-soviet/2007/OPS024.pdf

²⁰⁴ Kenneth M. Pollack, *The Threatening Storm: The Case for Invading Iraq*. New York: Random House, 1993, p. 65.

one of the most overriding US purpose was the expansion and strengthening of the world's new and emerging democracies that could cooperate with each other and live in peace.

That being the case, all these developments, in turn, prompted a strong sense of euphoria not only among academics and policy practitioners, but also among the American public. For this reason, when the Clinton administration articulated its initial foreign and security policies and strategies, it focused primarily on soft rather than hard security issues.²⁰⁵

As opposed to Bush, Clinton failed to develop a clear, well-focused foreign policy. The administration in power did not prioritize US interests on a particular region or issue area, but it preferred to launch and persuade a great variety of enterprises, few of which it followed through to completion, such as for example the military intervention in the Balkans or the mediation in the Israeli-Palestinian peace process. The lack of strategic clarity which characterized the Clinton era was due in part to the fact that the president had taken office during a period in which the US public had no appetite for the expression of grand strategic vision or the expenditure of dollars abroad given that the threats previously presented by either the Soviet Union or Saddam Hussein were at least perceived to have been diminished.²⁰⁶

Whence, facing such a new international panorama, the US obsession with keeping the Soviet Union out of the Arab-Israeli peace process was over. Furthermore, the ensuing Soviet reduced capacity to obstruct meant that its ability to play a strong positive role had been diminished. However, even with a restructured system granting more authority to the Republics, foreign policy concerns continued to emanate from Moscow. Russia faced a far different strategic situation than did the Soviet Union as it suddenly found itself with fourteen new neighbors, six of them Muslim and directly bordering the Middle East.

The crisis the Russian Federation was experiencing did not prevent it to see itself, under the presidency of Boris Yeltsin, as a major power in terms of its potential, its influence on the course of world events and the responsibility it bore as a result of this. Driven by such a kind of consideration, Moscow regarded itself a natural and logical player in the Arab-Israeli peace process, while also envisioning a greater Russian role in resolving the problems in and around Iraq and a stronger Russian presence in the regional arms and raw materials market.²⁰⁷ Moscow recognized the "price of admission," to the peace process and continued to edge closer to restoring relations with Israel. It envisioned the 1973 Geneva Conference as a model because of Soviet co-chairmanship, but it rejected the Kissinger approach which effectively excluded the Soviets by keeping them informed, but not involved.

²⁰⁵ Pauly, *US Foreign Policy*, p . 65.

²⁰⁶ *Ibid.*, p. 66.

²⁰⁷ According to Robert H. Donaldson's report, "Boris Yeltsin's Foreign Policy Legacy", 2000, the final document highlighting Yeltsin's foreign priorities as well as Russia's rights and responsibilities mentioned not only the Middle East, but also the countries of the Eastern and Western Europe. Ultimately it referred to Russia's relations with the United States, speaking of common interests that create the preconditions for developing partnership, but it stressed that U.S.-Russian interests did not always coincide. For detailed descriptions on this issue see <http://www.personal.utulsa.edu/~robert-donaldson/yeltsin.htm>

And although after the collapse of the USSR the Russian Federation now finds itself geographically separated from the Middle East by the buffer states of the Caucasus and Central Asia, Moscow's vital interests in these former Soviet republics and the vast energy reserves they contained, second only to those of the Middle East itself, made the region a high priority for Yeltsin's foreign policy.

Accordingly, of highest concern in the region were Turkey and Iran, the two states that share a border with the states of the former Soviet Union and that are thus seen as Russia's potential competitors there. Yeltsin's policies toward them varied, in part as a result of the shifting political winds in Moscow, with Westernizers (or Atlanticists) and pragmatic nationalists (or Eurasianists) competing over the direction of foreign policy.²⁰⁸ But there was also variability in Moscow's perception of threat that Ankara or Teheran is seeking to extend pan-Turkic or Islamic-fundamentalist influence in the Caucasus and Central Asia at Russia's expense. In both cases, Yeltsin's policy swung back and forth from nervous rivalry to a relationship so cooperative that it included the sale of arms. In the case of Iran, this cooperative attitude on Moscow's part occasioned frequent protests from Washington, but as long as Iran behaved responsibly in Russia's backyard, Moscow saw no reason to accede to US pressure to cut off arms sales or nuclear cooperation. In 1997 Yeltsin sought to calm Washington with a pledge that, while limited arms sales would continue, there would be no deliveries to Iran of missiles or missile technology.

No less a threat to stability in the Persian Gulf region, and no less undesirable in Washington's eyes as a possible partner for Moscow, was Saddam Hussein's Iraq. In the UN Security Council, both Gorbachev's and Yeltsin's representatives repeatedly voted to support international sanctions on Iraq, although Moscow ranked second only to Baghdad itself in the amount of economic harm it has suffered as a result.

Given Russia's own economic crisis, Yeltsin's persistence in supporting costly UN sanctions was prominently used by his domestic opponents as a prime example of Russia's sacrificing its own interests to satisfy the West. Stung by the criticism, Yeltsin periodically lobbied in the West for an easing of sanctions as recognition of Iraq's "good behavior." Saddam Hussein forced the sanctions issue to the forefront in the fall of 1997, when he ordered the expulsion of American members of the UN weapons inspections team, resulting in the withdrawal of the entire United Nation team. Capitalizing on his personal ties, Russian foreign minister Primakov wrested an agreement from the Iraqis to readmit the team, in return for a promise that Russia would "energetically" work for early lifting of sanctions. The Iraqis, on the contrary, refused to allow inspections of certain "presidential sites."

Given the failure of this diplomatic attempt, Moscow clearly wanted to push such details to the background, preferring to capitalize on what Primakov termed a great success for Russian diplomacy achieved without the use of force and without a show of force. While the Americans were essentially

²⁰⁸ Donaldson, besides a detailed description of both the two orientations, continued his report by suggesting that it had began appear also an even more sharply critical "fundamentalist" or "pragmatic nationalist" point of view, which sought to recreate the Russian empire, up to and even surpassing the borders of the former USSR, by the use of force, if necessary.

isolated, Russia strengthened its reputation as an influential power not only throughout the Middle East but in the world as a whole.²⁰⁹

When the Iraqi conflict flared up again in January 1998, Donaldson recalled, Yeltsin again sought to gain both international and domestic prestige by sending Deputy Foreign Minister Viktor Posuvaliuk to Baghdad in search of a solution. Embarrassed when a "deal" announced in Moscow was immediately denied by the Iraqis, an angry Yeltsin warned that continued US military activities in the Persian Gulf could bring dire consequences. Military action was averted when the mediation of the Secretary of the United Nations General Annan defused the crisis. Claiming a share of the credit, the Russians again saw in the Persian Gulf crisis some hopeful signs that the ability of the United States to dictate its will was waning, and that the unipolar world was receding into the past.

Despite its relative activism in the Far East and the Middle East, Moscow's interests in the "non-West" during the Yeltsin's period were distinctly more limited than in the prior period. The termination of the global ideological and geopolitical struggle with the United States, together with the significant limitations on Russia's ability to project economic influence, has caused a reorientation of Moscow's priorities to those areas that border the post-Soviet states.²¹⁰

Today it is rather difficult to argue that the end of the Cold War had contributed to peace process throughout the Persian Gulf countries since ethnic and religious conflicts coupled with cultural and political assaults continued to jeopardize regional stability and balance. If on the one hand the great game for control of the vast energy resources of this region had progressively intensified over the years, it is equally true that Russia has not been able to cast itself in the role of a benevolent partner in this contest.

2.2.3 Clinton's approach to the Persian Gulf from 1993 to 2001

In front of such a current international system completely dominated by the United States as the sole remaining power, It is not really surprising that William Jefferson Clinton's personal interest focused on domestic rather than foreign policy, something that, on the other hand, complicated matters further. Even most relaxing Americans were concerned primarily with economic growth at home as opposed to nascent dangers rising from external enemies.

Certainly the Clinton administration, over the course of its eight years in office, was not exempt from threats to US interests; on the contrary, two of the most significant threats it was forced to respond to emanated precisely from the Greater Middle East in general, and the Persian Gulf in particular: those posed by Saddam and the leader of Al Qaeda, Osama Bin Laden. The threats were thus real and concrete but Clinton and his entourage, especially during its first term of power, were relatively cautious in confronting

²⁰⁹ *Ibid.*

²¹⁰ *Ibid.* The article suggested that Yeltsin clearly preferred the use of diplomacy over coercion in dealing with the new states of the "near abroad"

those growing dangers, reflecting on the one hand the US public unwillingness to accept certain kind of risks (especially substantial military casualties) since the conclusion of the Vietnam War, and on the other hand the administration initial hesitation to bear substantial economic and political costs to achieve grand strategic objectives.²¹¹

2.2.3.1 Threats posed by Iraq

Assuming that initially Clinton was unable to identify one clear threat to US interests and given the administration propensity to use force only to aid the oppressed and defeat aggression,²¹² actively confronting Saddam did not fit neatly into the new world paradigm just created.

As a consequence, the United States, in its effort to reduce Saddam's potential to develop nuclear, biological and chemical WMD, relied primarily upon the United Nations inspectors, who were sent to Baghdad in order to oversee how and in which measure the proceeds coming from the sale of its petroleum resources were used. Moreover, on several occasions Clinton had authorized the limited use of military force against Iraq, such as, for instance, after Saddam's expulsion of the weapons inspectors in December 1998, but it is worth noting that in none of those cases the administration took seriously in consideration the possibility of a future Iraqi invasion.

The direction taken by the US foreign policy towards Iraq as well as the relationship between Washington and Baghdad during the eight-years period going from 1993 to 2001 had been strongly influenced and defined by several episodes. The first one of such an episode was the reaction to the foiled plot organized by the Iraqi intelligence service (Mukhabbarat) against the former president George H.W. Bush who, in 1993, visited Kuwait to commemorate the coalition's victory in the 1990-91 Persian Gulf War. Clinton decided to respond to the Iraqi aggression by launching, in the middle of the night, 23 cruise missiles into the Mukhabbarat headquarters in Baghdad. Even if the building was largely empty, the attack destroyed valuable intelligence files but killed few operatives.²¹³ To Clinton's eyes it was probably either a forceful or a sufficient response, since dropping bombs on more targets, including presidential palaces, would have been likely to kill more innocent people, something that must be avoid, according to him, rather than eliminating Saddam and his terrorist fellows.

Surprisingly, Clinton's approach was more effective during the second confrontation between the two which stemmed from the brief 1994 mobilization of Iraqi forces along the Kuwaiti border. After the end of the Persian Gulf War in which Saddam had demonstrated his real nuclear capability, the UN Security Council adopted Resolution 687, setting out the terms under which the regime of Saddam Hussein would have to deal with the international community.²¹⁴ The economic sanctions imposed to regulate Baghdad's

²¹¹ Pauly, *US Foreign Policy*, p. 67

²¹² Pollack, *The Threatening Storm*, p. 65

²¹³ *Ibid.*, p.67

²¹⁴ Gause, *The International Relations of the Persian Gulf*, p. 121

income from its oil resources were coupled with a series of restrictions on WMD development to which Saddam was submit. Despite the apparent initial acceptance of those restrictions, Saddam provocatively challenged Clinton by amassing approximately 80,000 troops along the border between Iraq and Kuwait. In front of Clinton's reactions, the so-called Operation Vigilant Warrior which quickly raised US troops presence in the Persian Gulf region promising a direct strike to the Iraqis if they did not pull their forces back from the border region, Saddam was forced to back down.²¹⁵

Unfortunately, over the final years of his power in the White House, the president did not prove so resolute in confronting Iraq, rather he demonstrated once again his unwillingness to take any marked political risks. This happened in particular in 1997 and 1998, when the president authorized a further small-scale military operations in response to Saddam's defiantly campaign to gradually frustrate UNSCOM inspectors' efforts and his decided reconstruction of at least his WMD capabilities with proceeds from the oil revenues. In doing so, Saddam was trying to "impede UNSCOM's progress, exacerbate the growing differences within the Security Council, and antagonize the United States"²¹⁶. Effectively, what at the end emerged in the face of this renewed Iraqi challenge, was a inevitable opposition between Security Council's representatives from France, Russia and China which reacted in favor of a strict enforcement of the UN's resolutions, and the United States and the United Kingdom's more restrained approach.

It was in particular Saddam's attempts to impede the penetration of the security of the Iraqi regime by the UN inspectors and the continuing threat of Iraq's chemical weapons capability that led to the American military response named Operation Desert Fox.²¹⁷ So, after a report from UNSCOM chairman Richard Butler who had highlighted the lack of cooperation between Iraq and US commission's efforts, American and British forces conducted four days of air and missiles strikes on a range of Iraqi targets. If it is true that US policymakers acknowledged that the operation led to a plain reduction of Iraq's ability to produce and deploy dangerous weapons, what is equally true is that, despite a US plain capacity to punish Iraqi militarily, it marked the end of UNSCOM's access to Iraq²¹⁸ as well as the administration's refusal to effectively employ more strategic measures. It is quite apparent that those limited military operations against Iraq were not sufficient to eliminate potential threats Saddam posed to the interests of the United States and its allies, most notably, Baghdad's WMD developmental programs and its sustained support for terrorist organizations.

²¹⁵ Pollack, *The Threatening Storm*, pp. 69-71

²¹⁶ *Ibid*, p. 87

²¹⁷ Pauly, *US Foreign Policy*, p. 72. The author recalled that in the months preceding that operation Saddam had repeatedly denied UNSCOM inspectors access to many of his presidential palaces. In February 1998, UN Secretary General Kofi Annan travelled to Baghdad to negotiate a temporary compromise granting to the inspectors "unrestricted access" to all sites in Iraq; however, by November, Iraqi officials began reducing inspector's control from a variety of presidential places.

²¹⁸ For an account by UNSCOM's last director of these matters, see Richard Butler, "The Greatest Threat: Iraq, Weapons of Mass Destruction and the Growing Crisis of Global Security", New York: Public Affairs, 2000.

2.2.3.2 Threats posed by al-Qaeda

Even though the al-Qaeda offensive against the United States culminated with the of September 11, 2001, on the World Trade Center in New York and the Pentagon in Washington, the origins of this terrorist group dated back to the 1980s, the years of the Afghan jihad against the Soviet Union, and the Gulf War of the 1990-91.

In fact, it was exactly from the Afghan jihad context that Osama Bin Laden, a religiously devoted young man and interested in politics, strongly emerged. He dedicated his first year of political action by mobilizing the Saudi society for the cause raising money and recruiting Arab volunteers. However, even though in February 1989 the last Soviet troops had left Afghanistan, for bin Laden as well as for many others followers of his ideas, the jihad was not over. With thousands of young Arabs he founded a new organization called al-Qaeda (“the base”, in Arabic) with objectives of intervention in future missions.²¹⁹

With the Soviet threat ended, as Gause explained immediately after, bin Laden began focusing either against what he considered to be apostate regimes in the Arab world or fighting and overthrowing the deep-rooted communist governments of Kabul and South Yemen.

In addition to what have been said until now, we must underline the fact that bin Laden’s ideology, his organizational role and political ambitions, had been also crafted by the Gulf War of the 1990-91. In this context, Riyadh’s decision to invite American and other foreign forces into the kingdom, and the consequent presence US forces in Saudi Arabia infuriated the Al-Qaeda leader, who turned against his own regime and the United States.

As bin Laden and his terrorist organization became both ideologically empowered and structurally integrated, the Clinton administration was forced to deal with a new and unexpected threat posed by the Great Middle East. To be sure, the Clinton administration had had several opportunity to deal with an act of terrorism plotted by the Al-Qaeda perpetrators and directed against the American nation, but unfortunately, Clinton and his advisors once again demonstrated their inability to first confront and then weaken their Arabian enemies. They completely underestimated the seriousness of the threats posed by Al-Qaeda and consequently failed to take the necessary action to reduce the capabilities of bin Laden’s terrorist attacks.

Pauly maintained that one possible explanation at the base of the American failure was the fact that they did not treat terrorism primarily as a national security concern but rather as a law enforcement challenge, there is to say as a reality which did not require the unlimited use of military force. On the contrary, when they came to realize the severity of the dangers posed by bin Laden, they remained reluctant to take decisive military actions against Al-Qaeda and its loyal regimes.²²⁰

²¹⁹ Gause, *The International Relation of the Persian Gulf*, p. 138.

²²⁰ Pauly, *US Foreign Policy*, p. 73.

Representative of this hesitating US behavior was the first opportunity in which the Clinton's administration confronted itself with a real act of terrorism. On February 1993, a car loaded with great quantities of explosives blew up in a parking garage under the North Tower of the World Trade Center, killing six people and injuring about a thousand others. The blast did not, as its planners intended, bring down the towers, an event that, on the contrary, was accomplished by flying two hijacked airlines in the well-known attacks of 11 September, 2001.

Since Bin Laden was identified by Bill Clinton as a dangerous financier of terrorist operations and the head of a highly sophisticated terrorist organization with operatives in several countries,²²¹ the US president subsequently responded to the 1993 bombing of the World Trade Center with an FBI unilateral investigation on the February operation that revealed a strict link between Al-Qaeda and the terrorist bombing. Certainly, the investigation proved the serious threats bin Laden represented to the US present and future interests but at the same time, by keeping other national security institutions such as the CIA and Department of Defense out of the collaboration, it reduced the potential to uncover Al-Qaeda's effective crimes and designs.

Worse still, US behavior towards Afghan terrorism and its troublemakers was not only hesitant but also unclear revealing too many ups and downs in the ways the situation was managed.

In April 1996 bin Laden was an official guest of the radical Islamic government of Sudan.²²²

By 1996, with the International Community treating Sudan as a pariah, the Sudanese government attempted to patch its relations with the United States. At a secret meeting, the Sudanese minister of State for Defense, Major General Elfatih Erwa and CIA operatives discussed, among other things, Osama bin Laden. Not only in that occasion but also on repeated moments during 1996, Erwa claimed that he would have offered to hand bin Laden over the United States, either directly or by way of a third country. Despite some evidence recently emerged indicating that Sudan did effectively make such an offer, Clinton and his national security team squandered repeated opportunities to secure bin Laden's extradition, first denying that such a credible offer was really on the table, and second refusing to detain Osama in the United States because at that time the FBI together with administration had no basic grounds on which to indict him.

Whether or not the Sudanese would have actually delivered bin Laden remains open to question, but what is not in dispute at all is the fact that, in early 1996, American officials regarded Osama bin Laden simply as a financier of terrorism and not as a mastermind largely because there was no real evidence that he had armed US citizens.

²²¹ Bill Clinton, "My Life", in Pauly, *Ibid.*, p. 74.

²²² According to Gause, bin Laden had settled in Sudan between the end of 1991 and the beginning of 1992. Sudan was exactly the place from which he started his strong campaign against US influence in the Muslim World. The International Relations of the Persian Gulf, p. 140.

However, at the end, bin Laden took off from the Sudanese city of Khartoum on May 18 with his followers and was bound for Jalalabad in eastern Afghanistan, where not only he reconstituted the Al-Qaeda infrastructure that was later used in the 9/11 events²²³ but he also reiterated, on the basis of his past Sudanese statement, his *Declaration of Jihad Against the Americans Occupying the Land of the Two Holy Mosques*.²²⁴

Just two years later, in February 1998, after having received the support of the Taliban leadership, bin Laden announced the formation of the *World Islamic Front for Jihad Against the Jews and the Crusaders*, according to which every Muslim in all country had the first duty to kill the Americans as well as their civilian and military allies.

On 7 August, 1998, the seriousness of Al-Qaeda and its attacks emerged after a powerful car bombs exploded minutes apart outside the United States embassies in Nairobi, Kenya, and Dar-es-Salaam, Tanzania, killing many people, including twelve American diplomats, and wounding hundreds more.²²⁵ On that occasion, the Clinton administration was able to demonstrate a perfunctory response towards those acts by launching cruise missiles, striking an empty terrorism training Al-Qaeda complex in Afghanistan and an alleged chemical weapons factory in Khartoum, since the latter had been suspected by the government of collaboration in the embassy bombings.²²⁶ It is not really surprising that the US facility attacks failed to both kill bin Laden and reduce markedly Al-Qaeda's capacity to threaten US interests. Actually, to the public opinion's eyes this episode represented the umpteenth prove that Washington, lacking the political will to use the full extent of its military assets against Al-Qaeda, was so effectively inadequate and not sufficiently decisive in dealing with issues of terrorism, defense, and foreign affairs to the point that in a following address to the American people, Clinton tried to justify his limited missiles strikes in reply to the just happened embassies assaults:

[...] Our attacks were not aimed against Islam , but against fanatics and killers, [...] we had been fighting against them on several fronts for years and would continue to do so, because this will be a long, ongoing struggle.²²⁷

The last episode that reinforced the perception that the United States lacks the will of either defend itself or battle terrorism in spite of considerable loss of life, happened on October 2000, when two suicide bombers detonated an explosives-laden boat next to the USS *Cole* while it was refueling in the port of Aden, Yemen. The resulting explosion blasted a hole in the ship killing 17 American sailors and severely injured 39 others.²²⁸ Even if Clinton sent a team of FBI investigators to Yemen and considered a military

²²³ Daniel Benjamin, Steven Simon, *The age of Sacred Terror*. New York: Random House, 2002, pp. 131-33.

²²⁴ Gause, *The International Relation of the Persian Gulf*, p. 141.

²²⁵ *Ibid.*, p. 143.

²²⁶ Madeleine Albright and Bill Woodward, *Madam Secretary: a Memoir*. New York: Miramax Books, 2003, p. 368.

²²⁷ Clinton, "My Life", p. 803-04 in Pauly, *US Foreign Policy*, p. 75-6.

²²⁸ *Ibid.*, p. 76. For further detailed figures on the USS *Cole* bombing, see also Lawrence Wright, *The Looming Tower: Al-*

attack against Al-Qaeda once he disclose its involvement in the explosion, he ultimately preferred not to use force.²²⁹ Immediately after this unexpected decision, the US President clarified his move by stating that, since the CIA had proved its inability to identify exactly where bin Laden was located in Afghanistan, only two further moves were left: invading or bombing of all suspected campsites, something that would have not assured the end of the Al-Qaeda supreme leader.

Perhaps the most probable explanation of US aversion for using its military force, the fact that the USS *Cole* bombing occurred one month before the 2000 presidential election. In the midst of a such fragile political condition, Clinton became so seriously preoccupied with forging an enduring foreign policy legacy that, even under the best of circumstances, it was unlikely that the investigation could have been completed before the end of his presidential terms of office three months later. Worse still, probably too much time of Clinton's previous years in charge was dedicated to the achievement of a lasting peace between the Israelis and the Palestinians.²³⁰ As a consequence, Clinton feared that launching missiles strikes against bin Laden would have undermined his last attempts to find a definitively resolution to the everlasting prime Arab conflict.

After what has been said, in its approach to Al-Qaeda and those states suspected of supporting that organization, Clinton and his administration not only allowed bin Laden to enhance his capacity to inflict damage on US interests at home and abroad from 1993 to 2001 but it also left open the potential for the terrorist organizations to present even greater threats to the international community in the future.

Furthermore, the US failure to confront Al Qaeda created at an international level the unbearable negative perception that the United States was perhaps not as likely to defend itself in the face of grave security threats as would otherwise have been assumed.

2.2.3.3 Threats posed by the Gulf and Broader Middle East

It is not very unlikely that the direct consequences of the policies chosen by the Clinton administration in an effort to reduce the threats posed by both Iraq and Al-Qaeda to US interests, had affected either its relationship with other states and institutions in the Greater Middle East or the resultant stability across the region. Up until now, it is clear that the Persian Gulf and the neighboring states surrounding it had historically represented the stage of wars and revolutions, domestic disputes and international rivalries, internal imbalance and external engagement. Fully aware of this ongoing dualism, throughout this work we have specifically treated on a number of occasions not only the regional impact brought by the Iranian Revolution in the period going from 1980s and 2000, but also the dangerous consequences it had at an international level. For this reason, I will not refer here to the relation between Iran and the United States

Qaeda and the Road to 9/11. New York: Alfred A. Knopf, 2006, p. 331.

²²⁹ Richard Minitzer, *Losing bin Laden: How Bill Clinton's Failures Unleashed Global Terror*. Washington, DC: Regnery Publishing, Inc., 2003, pp. 216-29.

²³⁰ Pauly, *US Foreign Policy*, p. 79.

in the years of Clinton's first and second term.²³¹ Indeed, a couple of other connections, in particular those that have put the United States in contact to Saudi Arabia and the actors involved in the Israeli-Palestinian peace process, respectively, are worth to be recalled.

In dealing with the American-Saudi relation, President Clinton was forced to face a further complicated challenge. As is common knowledge, the United States, on the one hand, was strongly dependent on Saudi oil, which had contributed in those years to the escalating growth of American economy. On the other hand, the United States had maintained air bases in Saudi Arabia in order to maintain, in turn, no-fly zones in Iraq throughout the 1990s. For all these reasons, Clinton and his advisors had to employ a balanced diplomatic approach with the Middle-Eastern partner, despite the administration had begun to show its frustration over Saudi Arabia's backing for Islamic organizations which were suspected of cooperating with terrorist groups, including Al-Qaeda.²³²

However, the most troubling connection for Washington during the 1990s almost certainly was that between Iran and Saudi Arabia given the traditionally cool diplomatic relationship between the two.

Throughout his presidency, Clinton remained firmly committed to resolving the everlasting confrontation originated with the establishment of the Jewish state in 1948, between Israel and its Arab neighbors generally and the Palestinians specifically. As a result, with the accession of the Clinton administration to office the new president focalized on stronger and closer country-to-country relations with the Israelis, in the hope that an improvement of personal ties would have brought to a definitive solution in the Israeli-Palestinian peace process.

The Clinton administration, by choice and through developments, maintained the Middle East peace process at the center of its policy world, with efforts expanding from presiding over the signing ceremony for the Oslo Declaration of Principles at the White House in September 1993, which served for a time to temporize the situation in the Occupied Territories, to an attempt to accelerate the Israeli-Palestinian peace process during the Camp David in July 2000.²³³ Finally, despite Clinton's continuing efforts throughout the remaining few weeks of his presidency, Camp David failed following Arafat's refusal to accept a demographic solution to the problem of Jerusalem's status that would have left the Palestinians with only religious sovereignty over Haram al-Sharif. To the Clinton's administration it seemed all too clear

²³¹ For an overview of the US-Iranian relation during the Clinton's administration, see paragraph 1.6, pp.36-41 of this present thesis.

²³² The Saudis were responsible, for example, in the 1996 Khobar Tower attack, where Shiite members of the Iranian-backed Hezbollah were involved. For further details, see paragraph 1.6, p. 39 of this work.

²³³ According to Jeremy Pressman, the objective of the tripartite summit involving Clinton, Barak, and Arafat was to put together a package through which the Palestinians would have accepted and recognized a two-state and two-people solution within the region. For further explanation of the Clinton tenure in the Israeli-Palestinian peace process, see Pressman, "The United States and the Arab-Israeli Conflict, 1991-2001", in Lesch (ed.), *The Middle East and the United States*, pp. 267-68.

that the parties involved in the peace process given the historical, religious, political and emotional dimensions of the conflict could have not reached an agreement.²³⁴

At this point we may presume that the failure of the negotiations for the final peace seemed to have been caused by various sets of explanations, both internal and external. Simply put, Israel's refusal to accept the establishment of a contiguous Palestinian state made of the territory in the West Bank and Gaza Strip, the inability revealed by both the Israelis and the Palestinians to resolve their differences over control of Jerusalem and the holy sites therein, and ultimately PA President Arafat's incapacity to condemn the terrorist activities, comprised those of Islamic Jihad, all contributed to the inconsistency of an ill-fated move towards peace and stability within the Middle East.

However, there is another level of explanation I just want to recall in order to reveal how the United States of America, with its weary and almost inadequate role, has lacked the right level of action needed to stop the Arabian hostilities. After all, it is a fact that Washington had failed in its job of mediator, facilitator, and enforcer. Worse still, it failed in both monitoring the parties and sanctioning actors who, in turn, did not maintain their agreed-upon commitments. On the other hand, Pressman suggested that if the United States would have coerced the powerful and leading party of Israel, which at that time could be counterbalanced only by US efforts, at least a structured negotiating framework could have been reached. It is very likely that given the aforementioned strong Israeli-US relations, the United States was far from being willing to adopt severe actions against Israel with sanctions or other material threats.²³⁵

Let us recall that as the Israeli-Palestinian conflict escalated over the course of Clinton's final four months in office, the collapse of his endeavor at finding a solution to the conflict produced more instability than stability in the Gulf and its surrounding region.

²³⁴ Clinton, "My Life", p. 916, in Pauly, *US Foreign Policy*, p. 79.

²³⁵ For a detailed explanations of each single reasons, see Pressman, "The United States and the Arab-Israeli Conflict, 1991-2001." in Lesch (ed.) *The Middle East and the United States*, p. 271. The author here analyzed four possible explanations at the basis of the peace process failure. In addition to the passivity of the United States, he also mentioned the errors which have undermined the negotiations, the doubtfulness about peace showed by the actors of the negotiations and finally the numerical superiority of the opponents of the process over the supporters.

A CASE STUDY: KUWAIT BETWEEN SUPPOSED ECONOMIC INDEPENDENCE AND US EFFECTIVE CONTROL

I began this study with the intent of underling that oil is a blessing for those countries that have it and the Middle East is certainly the geographic "center of gravity" of the world oil industry. Oil is of integral importance in both the foreign and the domestic politics of nearly every importer or exporter country in the region. Mary Ann Tétreault remembered that oil is one of the most valuable resources any country can possess because when it can be used directly as a fuel it becomes a source of foreign exchange, if there is enough to export. Tétreault continued by pointing out that the reversing side of the medal resides on the fact that the blessing constituted by petroleum and its production has often turned out to be a curse in many oil producing countries, leading to major power intervention, as well as political corruption, militarization and, paradoxically given its income value, foreign debt.²³⁶

The curse of oil and its money had finally changed the balance of power between state and society in oil exporting countries, giving many local rulers the ability to suppress popular institutions and thwart traditional checks on their authority. Thus, on the whole, oil has decreased legitimate political participation in the region as a whole. Hence, although oil imperialism was onerous since many times it has brought not only to the distortion of national economies but it has also interfered with development strategies, in the Middle East it contributed to the geopolitical attractions drawing imperialist powers to the region. In addition, it also eased the eventual transition from colonialism to national independence for many states. As we have just seen in chapter 2, high oil prices following the two principle oil revolutions and the increase in national autonomy and control over oil did not take oil out of Persian Gulf politics, as well as Middle Eastern ones. As a result, OPEC's power in the international industry increased its appeal as an arena for the pursuit of political goals.

²³⁶ Mary Ann Tétreault, *The Political Economy of Middle Eastern Oil*, 2004, <http://www.ic.ucsc.edu/~rlipsch/Pol177/Tetreault.pdf>

It is a fact that just a few short decades ago Kuwait was a British dependence, little known outside the Persian Gulf in particular and the Greater Middle East in general. Indeed, today its oil resources and its strategic location astride the globe's principal energy routes have brought it the attention of world major powers. Kuwait is undoubtedly one of the major oil-exporting country, a vehicle for exploring through a longitudinal studies the transformations that oil had set in motion, both domestically and at an international level. Furthermore, the fact that Kuwait was a founding member of the OPEC and OAPEC, the Organization of Arab Petroleum Exporting Countries, together with its eccentric brand of nonalignment during the Cold War, and finally the development of its national oil company KPC, the Kuwaiti Petroleum Corporation, have deeply fascinated me to the point that I decided to dedicate the last part of this work to the exploration of the changes, or continuities otherwise, that have affected that Kuwait's international approach towards the external as well as active presence in its territory of the United States of America.

As Crystal noted, Kuwait is also the region that has experienced a radical but apparently smooth transition from either pearling to petroleum or poverty to prosperity through the development of a new economic structures, welfare systems and better lives for their inhabitants. All these rapid differences, according to the American professor, has been achieved because of oil, not despite it.²³⁷

The story of Kuwait could be traced taking into consideration the politics developed before and immediately after oil, leading to a real comparison between what happened before the First World War and after the war, period in which oil has effectively entered Kuwaitis daily lives. Generally speaking, we can say that the impact oil had in Kuwait was thus as effective as it was purposeful to such an extent that it rebuilt the entire political life.

In light of this, if in the pearling era the merchants was the group which pressed its claims most effectively on the state,²³⁸ during the interwar period, an economic crisis caused by a series of events comprising the crash of the pearling market with the Japanese invention of the cultured pearls, the depression, and the subsequent WWII, affected and afflicted the Gulf, including Kuwait. As a result, the merchants were forced to renounce their historical claim to participate in decision-making.

Worse still, things for those same the merchant families complicated even further in the period after the war, when not only the reconstruction was operating at a global level, but also oil revenues began dominating Kuwaitis economy. Hence, from the second half of the twentieth century, oil and its development not only catalyzed the destruction of old political and economic coalitions and the formation of new alliances, but it also induced far-reaching changes in institutional structures within the Kuwaiti

²³⁷ Jill Crystal, *Oil and Politics in the Gulf: Rulers and Merchants in Kuwait and Qatar*. Cambridge, Cambridge University Press, 1990, p.1.

²³⁸ According to Crystal, in Kuwait the merchant families dominated politics representing the link between the monarch, or Shaikh, to the money he needed. These families had a great economic power since they extracted revenues from pearl divers and gave portions of them to the rulers through customs dues, pearl boat taxes, and personal loans. For further information about the trading families who retained the political power in Kuwait, see Crystal, *Ibid*, p. 15 onwards.

society, leading to the construction of new and unstable bureaucracies. Rapidly the dependence of the rulers on the trading families withered, forcing the latter to withdraw from formal political life and altering their historical economic base.

It is not surprising that oil did effectively bring spectacular growth in each single Gulf countries, but it is equally true that in the long run oil has also created new international interdependencies as these states came to rely on foreign markets for capital, labor, and goods. As a consequence, oil operations took place in isolated oil towns which created a sort of enclave industry where few workers were involved and few social and economic linkages were generated.

With this new and revolutionized society, Kuwait reached its independence from the British control in 1961, setting the stage for the formation of its state and the following coalition building. Kuwaiti identification developed through the National Assembly and the final centralization of the ruling family in every sector and branches of the society accompanied the nation towards its personal political relationship with the United States of America. For this reason, I believe that lingering on the origins of the Kuwaiti system and its developed political society will be useful in order to comprehend how such a kind of people have finally accepted and supported the interference of major powers' policy, particularly the remote westerly Americans.

3.1 Kuwait before oil

In a Gulf continuously dominated by European interference, the land known today as Kuwait, with its long coastline, excellent harbor, and strategic location on the Persian territory, was able to play a major role in the trade that took place between fertile and highly productive agricultural areas - the Nile Valley to the west, Mesopotamia to the northwest, Persia to the northeast, and the Indus valley and India to the east - that were homes to large and powerful civilizations. This gave Kuwaitis an advantage in developing regional trade and commerce insofar as the small country thinks of itself as the "Pride of the Persian Gulf".²³⁹

The history of modern Kuwait is traced to 1710, when it was founded by clans of the Anaiza tribe from modern-day Saudi Arabia who, in the late seventeenth century, migrated from Najd, their original territory, to the Gulf shores. The families who moved together were later known as Bani Utub, a group led in turn by the Sabah family. In the 1750s, probably after having escaped a terrible drought, the Anaiza tribe's Sabah family began its dynasty in ruling over the land of Kuwait, where they found a small Bani Khalid settlement. According to Crystal, even before the migration, the Anaiza had stopped regularly at areas controlled by the Bani Khalis and probably for this same reason they were on good terms with them when they arrived in Kuwait.²⁴⁰ The support of Bani Khalid may have contributed to the rapid rise of Kuwait as a strategic and powerful trading town.

²³⁹ Solomon A. Isiorho, Charles F. Gritzner, *Kuwait*. Chelsea House Publications, 2002, p. 25.

²⁴⁰ Crystal, *Oil and Politics in the Gulf*, p. 18.

After all, the regional system dominated by peace together with the internal problems that kept other regional powers from interfering, allowed the Bani Utub to develop their new maritime skills. By the early 1800, Kuwait was inhabited by mercantile and trading people, who engage in all the branches of commerce carried on throughout the Gulf. Kuwait's economy was then oriented to fixed land and sea routes, nomads became sedentary and people linked for the first time to the land. Clearly, trade was the basis of the economy and in order to organize life in a settled hierarchical system, the Bani Utub later introduced a division of labor and preserved tribal traditions. Within a more complex occupational and social conformation, a stratum of merchants soon became an elite. Above the merchants, at the very top of the social scale, came the Sabah family, whose power was ideologically legitimated and basically political.

This meant that even though the Sabah family ruled, its diplomatic and negotiating skills in some measure remained limited because the merchants, through their financial power, could influence and control directly not only trade and imports but also Sabah designs and projects.

During the second half of the nineteenth century the prosperity of Kuwait in terms of capital accumulation and economic revenues was somewhat impressive. The high quality of its mariners and ship's captain alike, whose main source of income was smuggling, together with its low tariffs, the good and prudent policy of the ruling family, and the merchants' profits coming from long-distance trade, allowed to accumulate significant wealth, particularly among this societal group.

Kuwait's growth coupled with the image of a clean, active town characterized by the equity of its rule and by the freedom of its trade,²⁴¹ began to attract neighboring tribes, who had launched attacks against Kuwaitis territory harming its economy. In that period, Kuwait had also relied on the goodwill of neighboring tribes and its military and foreign policy was oriented towards a sort of calculated neutrality, with the nation never wholly siding with the most useful power, while keeping channels of communication open with all parties.

However, despite this early nonaligned posture, a well-known turning point in Kuwait's history, and particularly in the ways the nation faced its foreign relations, occurred during the course of that century. At that time, Kuwait was a weak but still independent sheikdom, affected directly by three powers, the Ottomans, the Al-Saud, and Britain.

To be true, Kuwaitis relations with the Al-Saud were correct and hostile alternatively and when the power of Al-Saud grew, a more a more threatened Kuwait started to look particularly to Britain and the Ottomans. During the reign of the first Sabah, in fact, Kuwait became part of the extensive and potent Ottoman (Turkish) Empire that developed from Constantinople to southwestern Asia, including the Arabian Peninsula. The new relations with the Ottomans took the form of diplomatic aid, as well as political recognition, closer economic ties, and finally military support. The Sabah maintained an almost flexible

²⁴¹ Lewis Pelly, "Remarks on the Tribes, Trade, and Resources Around the Shore Line of the Persian Gulf", 1863, in Crystal, *Ibid.* p. 19.

attitude towards the new ally, choosing between either political distance or proximity as necessary. By contrast, with the Ottomans in power, Kuwait represented nothing more than a province of Turkey, since the Turks did not physically rule the country. For this reason, when the Ottomans tried to gain more control over Kuwait, the then-ruler Sheik Mubarak I acted tactfully to retain its independence. As a consequence, at the beginning of the nineteenth century, Mubarak I aligned the country with the British, shifting from the pro-Ottoman tendency of the last decades to a strong pro-British orientation. After all, as the nineteenth century approached, the British were growing hold on the region and Kuwait's location near Basra gave to Britain increasing importance.

Thanks to the British, Mubarak earned great independence from the Ottoman Empire, both at a political and economic level. The realignment received official sanction in 1899 with a treaty between Kuwait and the European partner. The secret deal defined Kuwait as being an independent country under British protection. It meant that Mubarak could not make treaty with other countries, he would not allow agents from other countries, and ultimately he pledged not to cede, sell or lease any territory to any other power without British consent.²⁴² In addition, he received large sums of money every time he signed a new treaty ceding another portion of Kuwait's foreign policy autonomy to Britain. In this way, the British could expand their authority not only over Kuwait's port or some of its commerce, but also to their yet undiscovered oil and gas deposits. British officials even contributed to sheikh's financial independence from his national constituents, they provided support for his maintenance, and ultimately protected the small, weak country from foreign attacks. It is worth saying that, at the beginning, since Kuwait did not represent a warlike nation to Britain's mind, the European ally found it unnecessary to adopt any kind of striking interference in Kuwait's affairs, and decided it would be better to simply monitor them closely.

As I said earlier, one of the main feature of the agreement between Kuwait and Britain was that it was mainly secret. To Mubarak's, secrecy had a twofold importance, on the one hand, it would not allow a decline of Kuwait's personal relationship with the Arabs, and on the other hand, it would protect Mubarak himself, enhancing his power and that of his family and maintaining a sort of balance between such a professing allegiance to the Ottomans and European protection from London.

However, when the Ottomans, who have remained silently apart up until now, disclosed the secret treaty Kuwait had signed with the British, the European landing was declared a public health violation and the first Ottoman protests expanded noisily. The critical situation that followed, with opposing forces threatening Kuwait from the sea and the desert, made Britain even more involved into protecting the sheikdom. In 1904 in Kuwait arrived the first Political Agent, Knox, appointed by the British government to act as resident adviser to the ruler of the Arab territory.

Now, with a larger British local presence, even Mubarak's domestic policies moved into a new phase involving both the consolidation of his own power and the control over a greater portion of the wealth

²⁴² Crystal, *Ibid*, p. 23.

produced by Kuwait's trade. In the first place, the sheik decided to operate by introducing a series of new taxes as well as price controls but he also accepted a missionary presence, the Arabian Mission of the Reformed Church in America, which built a hospital, opened a school for boys and a night school for men, where either English or typing were taught. In addition, for the first time graduates headed Kuwait's public works, health, and customs departments forming the basis of a protectorate administration.

In the wave of the turmoil generated by the emir's imposition of new taxes, a group of dismayed merchants, joined by a number of large traders, especially the richest pearl buyers, expressed their opposition. By all accounts, those merchants with the back of popular supporters full of concrete grievances to Mubarak's rule, were able to built a somewhat well-organized protest, insofar as the emir was forced to retreat and cancel the taxes.²⁴³

Economically and politically speaking, the merchants, who had emerged from the rebellion as the overall winner, succeeded not only in retaining their power but also in creating a more organized group. For this reason, they would not concede so much power to the ruler without fighting and, more coalesced than ever, they demanded not only the institutionalization of a system of consultation between the ruler and Kuwait's leading citizens but also affirmed that they would only accept as ruler someone who would assent to such a council.

In the meantime, Mubarak had come to realized the importance of the merchants: in fact, they represented both the primary source of state revenues and the country main social and economic power. So, facing other merchants' struggles against him in every part of the country, the ruler decided it was time to distance his interests from those of the Kuwaitis bourgeoisie and dedicate considerable time to restraining its power.

In the light of what have been said, we can speculate that on the one hand, Mubarak's policies represented a crucial link in the integration between Kuwait's economy and the British one, but on the other hand, the merchants themselves, while they explicitly and repeatedly opposed the sheikh's rule, they did never perceive any kind of alliance with him and its fellows.

3.2 Kuwait approaching its oil phase

After Mubarak's death, Kuwait started to experience poverty as a result of a series of crisis starting from the first half of the twentieth century. The first of such a crisis came with the embargo imposed by the Saudis after the failure of an agreement on transit and import duties between the two Arabian nations. The second crisis, on the contrary, resulted from the decline of Kuwaiti main industry, pearling, when the Japanese developed and introduced cultured pearls in the 1920s.²⁴⁴

²⁴³ Crystal explained that in response to his military ambitions in the desert, Mubarak needed substantial funds. The gathering was realized through the imposition of new tariffs on the population such as for example an import tax, a pearling tax, a house tax, a pilgrimage tax. *Ibid*, p. 24.

²⁴⁴ Mary Ann Tétreault recalled the considerations of Jacqueline Ismael, who blamed Kuwait's poverty on an alliance

To make things worse, according to Tétreault, Kuwait's entrepôt economy was further weakened by both the disruption of local trade that occurred in the years of the World War I and then by the Great Depression. Even if it is true that during the years of the Great Depression, Kuwait's population grew because of immigration coming from areas that were even in a worse financial condition, it was equally true that the resulting surplus of labor further depressed per capita income. It was quite apparent that at the time the situation was all but simple to manage, nonetheless, Britain's formal presence equally grew.

After WWI Kuwait remained an independent sheikhdom under British protectorate. Britain only occasionally did intervene in politics in any decisive way, nonetheless, by the early twentieth century its aims at securing the route to India and keeping out other European powers were clear and indubitable. Britain retained that as long as domestic politics remained contained and disagreements softened, British power could stay marginally in the background.

However, the British started showing an interest in foreign policy and regional affairs, particularly with the issue of Kuwait's unsettled borders. In this regard, when Britain worked to settle the borders of Saudi Arabia and Iraq, it deprived Kuwait, which did not have the right to be consulted in the matter, of substantial territory.²⁴⁵ Worse still, the process convened by the British of incorporating Kuwait into the international system led to the creation of two neutral zones, one to the south and one to the west where it suspected the existence of oil. Given all these broad British constraints within Kuwait's territory, ruling family disputes flourished in this period but particularly when, to make things even worse, a growing economic crisis characterized by new taxes heightened both corruption in state institutions and displeasure among the population.

Then, quite surprisingly, oil was discovered at the beginning of the 1930s and Kuwait's importance, as part of the Persian Gulf, increased to British eyes, whose main interest was once again to consolidate and expand its control there.

The oil discovery was immediately followed by a phase of long as well as intense negotiation, whose one important result came in 1934, when sheikh Ahmad al-Jabir al-Sabah, who came in power in 1920, signed the first concession agreement with the Anglo-Iranian Oil Company. Two years later, in 1936 Ahmad managed to convince Anglo-Iranian and Gulf Oil to form the joint holding Kuwait Oil Company (KOC). As British companies reached agreement with Bahrain, Iraq and Iran, Ahmad, in an effort to maintain some latitude and freedom of movement also at international level, signed also Kuwait's first oil concession using to his advantage the British desire to limit US involvement in the region.

between the British, who were eager at freezing all their competitors out of long-distance trade, and merchants who in turn desired to freeze Ottoman competition out of Kuwait. For further details on the British-Kuwait relation, see *Story of Democracy: Politics and Society in Contemporary Kuwait*. NY, Columbia University Press, 2000, pp. 35-6.

²⁴⁵ Crystal reported Dickson's words, who was present at the Uqair Conference of 1922 on the boundaries of the three countries involved, Kuwait was deprived of nearly two-third of its territory. See *Oil and Politics in the Gulf*, p. 43.

Change accelerated quite automatically after the advent of oil because of the direct power oil revenues gave to the ruling family; in effect, oil reduced the ruler's economic and strategic dependence on the local population, including the merchants who formerly were the primary checks on the ruler autocracy.

"Oil income created already-existing channels through which the ruling family penetrates civil society. Oil wealth allows Kuwaiti rulers to manipulate elections by buying candidates and votes, and constrains the actions of voluntary associations by requiring them to obtain licenses and then funding their activities. It also enables the ruling family members and their retainers to compete in the marketplace from a position of advantage."²⁴⁶

All this meant that the magnitude of Kuwait's oil revenues, shifting the allegiance of the population from the merchants to the regime in power, allowed the ruler to create and maintain a welfare state.

At the same time, since the historical basis of the merchants' power was threatened by the new oil revenues, their opposition assumed an organized form by the late 1930s bringing into public focus their right to a say in the distribution of state wealth.²⁴⁷ As long as they perceived their historical access to decision-making faltering, they all agreed on regaining some of the political authority lost after the balance of power between the state and society had been effectively altered by British intervention.

To the opposition, which was briefly organized first through educational councils, then through explicitly political institutions such as the Kuwaiti municipality, or secret meeting groups and clubs, participated also many dissatisfied citizens who, provided with their personal list of political and economic grievances, finally began to protest, as they did during the so-called *Majlis* Movement in 1938.

As Tétreault recalled, during the *Majlis* Movement, opposition grievances against the ruler were different, but at the base of their critics there were particularly Ahmad's lack of attention to affairs of state and administration of justice, his rigging of local elections, his religious regulations interfering with the normal conduct of business, and ultimately the lack of money for education, health care, and exploration for domestic sources of water coming as a result of his sequestration of state income.²⁴⁸

The government immediately tried to change the course of the protest and arrested a dissident, Muhammad al-Barrak, guilty of anonymous writings on walls, antigovernment propaganda and intrigues. After al-Barrak public beating, Kuwaitis took the initiatives and formed a coalition of opposing citizens that included merchants and some Arab nationalists asking for the creation of an elective Council. The Legislative Assembly convened during the summer 1938 and wrote Kuwait's first constitution including, among the numerous legislations, abolition of Sabah monopolies on shop building and certain commodities, dismissing of several corrupted officials, and suppression of ruling family's right to control

²⁴⁶ Tétreault, *Stories of Democracy*, p. 61.

²⁴⁷ According to Crystal, in the 1930s the opposition developed by the merchants received support both from what they hoped were allies outside – Britain and Iraq – and even from dissident branches of the ruling family led by Abdalla Salim, Salim Mubarak's oldest son. *Oil and Politics in the Gulf*, p. 45.

²⁴⁸ Tétreault, *Stories of Democracy*, p. 63.

forced labor or goods.²⁴⁹ The Assembly then prepared a basic law that extended its control over key institutions, such as justice, budget, and public security with the aim at improving services in education, trade, public works and health. Finally, the Council attacked state income and even though in the past the ruler distributed customs revenues, it was the Assembly that started recollecting and distributing the revenues itself, paying the ruling family their allowances.²⁵⁰

Actually, at least as long as it dealt with domestic affairs, the Assembly received the direct support of the British. However, when the Assembly extracted from Ahmad a promise that he turn the next December oil check over to them, either Britain or the ruler drew back afraid of an exaggerated intervention in foreign policy by the Council. For this reason, when Ahmad dissolved the Assembly on December, the European ally supported his decision. The dissolution was immediately followed by the creation of a second larger Assembly which was now considered as really representative of Kuwait. However, the council refused to accept the new constitution submitted by the ruler, whose next move was the dissolution of the Assembly a second time. At this juncture, on March 1939, Ahmad bin Munais, gave a speech to the Assembly members where he charged that the Sabah were unfit to rule Kuwait and advised council members to resist them until the Iraqi forces' imminent arrival. Ahmad was arrested, taken on to the jail, tried and convicted, and then hanged in the main square until evening.

Thus, it is not really surprising that the March 1939 turbulent events contributed to the effective end of parliamentary democracy in Kuwait and consequently marked the inevitable failure of the Assembly. According to Crystal, who had tried to explain the main reasons of this failure, the merchants' inability to take advantage of Iraqi and British initial support together with their inability to create a durable domestic opposition coalition, all has brought to a decline in council's effectiveness.²⁵¹ After all, if it is true that Iraq was unwilling or unable to offer more than its verbal support, it is equally true that Britain refused to intervene when it came to realize that the Assembly had increase not only its interest in foreign affairs but also its direct contacts with the oil companies. Crystal suggested also that the Assembly worsen its position when it started to generate internal opposition among the Shias, the religious Kuwaiti group which, in turn, had started protesting for the Assembly's abolition since they were not represented within. As if that was not enough, opposition increased not only among the merchants themselves, who were bothered about Assembly's cancellation of some market monopolies, but also within members of the ruling family, extremely dissatisfied over allowances. The latter were driven by Abdalla Salim who, in the end despite the unexpected alliance between faction of the ruling family and the Assembly, was unwilling to risk a complete break with the ruler.

²⁴⁹ Alan De Lacy Rush, "Records of Kuwait, 1899-1961", vol. 2, Internal Affairs, 1921-1950. London: Archive International Group, p.118-19, in Tétreault, *Ibid.*, p. 64.

²⁵⁰ Crystal, *Oil and Politics in the Gulf*, p. 49.

²⁵¹ For a detailed description of UK-Kuwait and Iraq-Kuwait relation, see Crystal, *Ibid.*, pp. 50-55.

Without the support of his forces, particularly British backing, the Assembly lacked any credible defense and at the first show of arms it surrendered. As a consequence, many council members and their supporters fled the country, whereas those who remained were arrested and imprisoned.

To clearly summarize the course of political events once oil was found in Kuwait, I will bring under observation Crystal's considerations over that period. Crystal suggested that in the case of both internal and external allies, a new force, oil was beginning to work a sea change in Kuwait. Its impact was so much growing that oil had started to typify Iraq's claim to Kuwait as well as Britain's concern for the oil company's stability of operation, something that would be achieved only if the opposition did not go too far. Moreover, in analyzing the 1938 events, Crystal noted that they bore two important results within Kuwaiti society. At a coalitional level, the merchant elite demonstrated an open ability to adapt to political changes, as well as survive decades of depression and reproduce itself. The *Majlis* Movement left Kuwait's merchant community at a peak of political organization just at the moment when the historical economic base of its political influence was about to be removed by oil, a new, outside revenue. In Kuwait, merchants did not emigrate, nor they acquiesced, they rather tried to formalize and institutionalize their access to the ruler and to the process of decision-making.

The second legacy of this specific interwar period was institutional. Even though, as we have previously seen the Assembly did not survive for long, it brought about the formation of new state institutions, such as, for instance, the Educational Council and the longer-lived municipality, the fiscal and ultimately coercive departments.

After the 1938 turmoil, the security apparatus and its main distinctions between internal and external levels underwent a more formal modification. When the ruler came to realize the importance of internal security, accelerated also by the security needs of the oil companies, a police center was established and new prisons for dissidents were built. At the basis of this reaction there was the Shaikh's firm belief that his family was to be controlled and eventually contained, a need that was quickly resolved with a division of state responsibility between the ruler, Ahmad, and the partisans of Abdalla Salim. The Shaikh kept his position as ruler and overseer of politics, whereas Abdalla Salim came to handle daily matters in the key areas of finance, customs, and supplies.

On the other hand, in dealing with threats coming from external territories and neighboring enemies, we must recall that up to the end of the 1930s Kuwait was not equipped with neither border police nor standing security system outside the town. However, when Iraq in contesting its boundaries with Kuwait began to reveal its predatory tendencies, governmental attention catalyzed more deeply over external security and regional areas lying peripherally from the centre. As a result, armored cars, guards overseeing oil operations as well as villages on the borderline, and public security departments developed to expand Ahmad's regular forces.

In the light of what have been said, on the eve of oil, new important changes within the Kuwaiti system were effectively underway:

[...] prerogatives of both the ruler (defense, finance, justice) and the private sector (health, education) were assumed by the state. In the process protoministries were created: the municipality, finance, education, health, and security.²⁵²

Even if as soon as the rulers put all these elements into action, peace and stability reigned on the whole, doubts and disagreements especially among the population came to light. As crystal suggested immediately after, they

left open the question of whether, in the new oil era, the old rulers would be able to manipulate these changes [...] to coopt and create allies with an independent stake in their regimes' continued existence, or whether their expenditures would only serve to antagonize old opponents and create new ones.

3.3 Kuwait after oil

As we have just said, with the arrival of oil and its induced far-reaching changes in institutional structures, Britain's interest in Kuwait began to intensely grow. British involvement increased especially after the end of the WWII and especially in the early 1950s.²⁵³

It is worth underling just that at that time, with the outbreak of WWII sharp income inequalities had created, and rising prices as well as pockets of shortage began to appear in Kuwait. Despite the critical situation, after the WWII, oil brought new economic opportunities to the point that the *ad hoc* development policies of the 1940s were reorganized, and when the government began to spend on social services, education, and health care, construction intensified.

In the face of all these transformative plans and income they generated, the United Kingdom regarded Kuwait as a place of prime importance also to the sterling areas as a hole, as well as a major source of oil supplies and an important elements in British balance of payments. For this reason, when Shaikh Abdalla replaced his predecessor Ahmad, dead after a fatal heart attack, Britain's involvement increased and the government decided to expand its role by placing new British advisors and personnel within the financial administration to supervise the interests of the oil companies. As a result, in 1950 as long as the new installed sheikh was trying to broaden the support of other allies through mass-based distributive policies,²⁵⁴ the British presence still consisted of the Political Agent and his assistants whose primary local function was restricted to simple operation of handling expatriate legal matters and liaison work with KOC. Despite the rosier British expectations, the internal cohesion of Kuwait's ruling family as well as the ruler's control of other political factions clearly limited at a lower level Britain's involvement in the Arab country.

²⁵² *Ibid*, p. 60.

²⁵³ For a rapid resume of the UK-Kuwait relationship from Abdalla to the 1950, see Crystal, *Ibid.*, p. 66.

²⁵⁴ Crystal made a list of projects and plans launched by Abdalla in the sectors of health, education, employment, nationality. for a rapid overview of all the corrective measures, see *Oil and Politics in the Gulf*, pp. 78-80.

In all probability, according to Crystal, there really was a reason at the base of Abdalla's acceptance of British advisors' presence in his territory: the fact that with this system get off the ground, the new sheikh could counter domestic pressure from his relatives, especially Abdalla Mubarak and Fahad Salim.²⁵⁵ In this regard, it is worth recalling that the ruling family had begun to assume more government positions, so that it gained more powerful position relative to the rest of the society. It was specifically this worry that pushed Abdalla to allow in the British advisors.

It is not really surprising that, by the time the first advisors arrived in 1951, an open warfare blew out between them and Fahad Salim, to the point that the following year the entire British staff threatened to resign.²⁵⁶ The unusual arbiter of this dispute was Abdalla. He was in fact caught between Fahad, who desired the expulsion of the advisors, and the Political Agent, who, in turn, wanted Fahad out and one of his senior advisor in. But when Abdalla himself threatened to resign, in order to avoid an abdication crisis the British advisors proclaimed their defeat, in May 1952, The emir, in turn, rather than blocking his strongest opponents was forced to contain them with appointed functions in new administrative organizations.

In the meantime, even if Abdalla's initial plan to use the United Kingdom to control his relatives in the state administration had clearly failed, further changes in Britain's level of intervention seemed to occur when in 1953 UK government gave to the officials sent abroad a new extended role in regard to Kuwait, a role comprising also interest in all matters which affected the political and economic stability of the region. The unexpected shift brought new British advisors and personnel, who worked not only for the reorganization of the various administrations, particularly within the financial sector, but also in supervising the oil companies' interests.

However, to make things worse, throughout the course of that same year a crisis related to the regime's development plan soon emerged and met particularly with a strong opposition led by Ahmad al-Khatib and made of expatriates, poorer Kuwaitis, many merchants, and even governmental representatives. The crisis thus erupted when in early 1954 Abdalla issued a stop spending order with which all kind of development projects underway were curtailed or even eliminated. At this stage, a group called Kuwait Democratic League, disappointed by the extravagance and corruption of both the rulers and the sheikh, began issuing criticizing pamphlets and organizing anti-British and anti-governmental disorders. As the chaos escalated, the expatriates and their Kuwaiti supporters concerned with issues of foreign policy, such as for instance the Arab-Israeli conflicts and imperialism, while factions of poor Kuwaitis criticized the great wealth that the corrupted sheikh was spending abroad; finally, some merchants participated actively in organizing the boycott of British and French goods.

²⁵⁵ *Ibid.*, p. 68.

²⁵⁶ For further details on the presence of British advisors in Kuwait, see *ibid.*, pp. 62-83.

According to all accounts, in front of this growing Arab opposition, together with the first Nasser's call for strike, Abdalla reacted by introducing more repressive police, as well as censorship, banning, and arrests on a large scale. The ruler used these tools primarily to contain opposition, where he succeeded at least at a regional level, and secondly to create the basis for the long-sought Kuwaitis independence.

As Abdalla felt the opportunity for autonomy was coming closer, Britain little by little was forced to abandon its goal of increasing internal control. By the mid-1950s its weak efforts to devise a new policy for dealing with the Sheikh were too ineffective as they did achieve absolutely nothing. Moreover, the advisors the European nation had managed to push on Abdalla were practically unable to resist and counter his family rivals, to the point that in 1955 the Political Agent realized its defeat:

While it has been our declared policy [...] to increase our influence in the internal affairs of Kuwait, in order to achieve a close hold over our moral and material interests, it has been equally the firm determination of the Ruler and his family to resist us in doing so: and the Ruler has in great part succeeded...
I do not believe that we can afford to go any further that we have already gone without a revolutionary change of policy and without being prepare to take over a large measure of internal control.²⁵⁷

As the British were not prepared to use force to stifle both the whole domestic affairs involving the Sheikh and stronger anti-European sentiments, they prepared to leave definitely Kuwait.

In the light of this, the last stage of British presence in the Kuwaiti territory developed with the 1961 agreement signed between the two nations, a deal which ended the 1899 treaty as well as formal British control bringing, once and for all, to the full independence of Kuwait.

However, despite the end of the protectorate, Britain agreed once again to give military aid on request but soon afterwards Iraq appeared, laying its claim to the new state and threatening it with annexation. Amidst rumors of invasion, the British sent troops to defend Kuwait, followed by forces of the Arab League. In this regard it was felt and argued that British action not only helped preserving Kuwait's independence, but it also allowed Abdalla to present a united domestic front against the Iraqi threat.

Hence, now that the emir doubtless thought to have resolved the most threatening external problem, he could focalize on Kuwaiti internal situation, particularly the condition in which the entire population, except the ruling family, lived. In order to connect the rest of the Kuwaitis to the state, Abdalla signed the 1962 Constitution²⁵⁸ which in turn created the National Assembly, an institution that not only separated the merchants and other politically important groups, as Crystal wrote, but served also as a vehicle for balancing and replacing them with more controllable allies.²⁵⁹

²⁵⁷ Political Agent's declaration recollected by Crystal, *Ibid.*, p. 73.

²⁵⁸ On November 11, 1962, Emir Abdalla al Salim al Sabah signed the newly created constitution, thus becoming the first constitutional monarch in the Gulf. Miriam Joyce, *Kuwait 1945-1996*. London: Frank Cass, 1998, p. 123. In Andrew W. Terrill, "Kuwait National Security and the US-Kuwait Strategic Relationship After Saddam", Strategic Studies Institute, 2007, www.strategicstudiesinstitute.army.mil/pubs/download.cfm?q=788

²⁵⁹ Crystal, *Oil and Politics in the Gulf*, p. 85.

The Assembly, by separating Kuwait's people from their expatriates Arab allies, was also a tool at Abdalla's hand through which on the one hand he encouraged Kuwaiti identification and on the other hand discouraged the Nasserist form of Arab nationalism, that had already fueled the mid-1950s turmoil and demonstrations.

However, the Nasserist faction itself was again at the core of the opposition to the National Assembly developed by 1963. During that year, after Egypt, Iraq, and Syria announced their desire to form a union, the National Bloc, made by many pan-Arabs, introduced a motion requiring to end the 1961 treaty with Britain and began negotiating unity. Unfortunately, as al-Khatib, leader of the opposition, lacked the ability to develop national support for expatriates issues, he was forced to back off and the government turn the Assembly into a forum for national, rather than pan-Arab, issues.

Opposition to the Assembly and criticism at ministers from the ruling family grew particularly in 1965, year of a further succession within Kuwaitis power. When in November Sabah Salim replaced Abdalla, the new sheikh reacted to what was now a somewhat harder opposition by introducing stricter security measures directed both to local press and foreign workers. In this tense situation, the new elected Assembly was opened but immediately after the loyal opposition, which had accused the government of fraud as well as many other irregularities occurred during the election (including miscounts, gerrymandering, ballot stuffing), called for the Assembly's dissolution and new election.

Things went from bad to worse with oil workers' strike and bombs explosions at three government center in 1969. Now, Sabah Salim and his political followers realized they urged to find new allies. Groups outside the old trading elite, such as beduins, Shias, and lesser-known Sunni families, have become the main target. In order to ensure loyalty especially inside the beduin tribes, the government offered social services, housing, jobs in the police and army, and finally all the benefits of citizenship, including a program of mass naturalization.

At an economic level, given the recession of the 1960s, the government was forced to develop new income sources and the first area considered was clearly oil. The state thus proceeded by creating new organizations, such as, for instance, the most externally oriented Kuwait National Petroleum Corporation (KNPC)²⁶⁰, the Petrochemicals Industries Company (PIC), a holding company launched in 1963 to coordinate joint ventures to produce petrochemicals, mainly fertilizers, in Kuwait but also in foreign countries, and the Kuwait Chemical Fertilizer Company (KCFC), set up to produced ammonia, urea, and sulfuric acid.²⁶¹

The government also undertook an active policy of intervention shifting its earlier position toward diversification. Taking into account the fact that Kuwaiti private investment was mainly trade oriented, the state, in order to encourage industry, created a credit bank, an industries department, and a national industries company. On the contrary, to regulate domestic industry, the government not only gave a variety

²⁶⁰ In 1966 KNPC became the first Middle Eastern oil company to retail oil in Europe. *Ibid*, p. 90.

²⁶¹ Mary Ann Tétreault, *The Kuwait Petroleum Corporation and the Economics of the New World Order*. Westport, Greenwood Publishing Group, 1995, p. 112

of incentives to the merchants to encourage their participation in the market, but it also issued new laws concerning tariff protection, loans, and subsidized facilities.

As the state expanded its role in the economy, a series of limitations and sanctions were introduced in order to regulate this new sector. In 1964, for example, import business and commercial agencies to Kuwaitis were restricted by the government and Central Tenders Committee, a 1964 institution created to preserve the competency level of the contractors taking part in the tenders of the ministries of the state of Kuwait,²⁶² began giving preference to local products. The economic nationalism characterizing governmental attitude in the mid-1960s limited also the right to established business to Kuwait, measure taken by the Industries of Law in 1965.

Since the government became aware of its place in a large, coordinated, multinational oil world, it decided not to relinquish petroleum and gas to the private sector. After all the state, a founding member of OPEC since 1960, after having established new terms with the oil companies, decided that it would assume and maintain sole control on the oil economic arena. It had become clear to all that, by the time of its discovery, oil had reached high level of production in Kuwait and being it a profitable source of state income, the government gradually increased its control of the domestic oil industry making also a decision on how to exploit it. Consequently, this left citizens, however influential, with little hope of affecting Kuwait's oil policy.

In the 1970s, Kuwait had progressively increased its role as an important player in the international oil industry, for this reason oil continued to represent the leading issue in the third Assembly of 1971. The problem now was that there really was a sharp difference in perspective on Kuwaiti oil and gas policy between the two main actors of the Kuwaiti political scene. On the one hand the government which in 1973 had signed a participation agreement limiting the percentage of foreign holdings to be nationalized, and on the other hand the parliament which, in turn, had rejected the agreement and pushed for nationalization. Formal debates in parliament publicized the issue and forced the government to nationalize completely before the end of the decade. Thus, in 1974, the government signed an agreement giving Kuwait 60 per cent ownership, and the next year it announced it would nationalize the remaining 40 per cent.²⁶³

This measure did not prevent the creation of an intense opposition which developed over a variety of domestic and foreign policy issues, and seriously led the ruling sheikh to dissolve the Assembly in 1976. Crown Prince Sabah Salim tried to justify its decision by complaining a lack of cooperation between the executive and the legislative branches together with a wrong behavior of the deputies who too quickly launched unjust attacks and denunciations against ministries, the emir and his family. In reality, many other factors could explain the dissolution of the parliament. Crystal, for example, stressed the fact that the

²⁶² For a rapid overview on Kuwaiti tendering process, see www.tendersinfo.com/blogs/kuwait-tendering-procurement-and-law/

²⁶³ Crystal, *Oil and Politics in the Gulf*, p. 91.

Assembly had repeatedly obstructed the government on too many issues, including press laws and oil agreements. Worse still, the Assembly had alienated domestic and mass support, particularly that coming from the merchants faction. Crystal also suggested that the third important factor was related to inter-Arab politics and opposition groups operating outside the state, as in the case of many active students who, loyal not only to the large, restive Palestinians (they represented the largest expatriates group in Kuwait) but also to regional opposition groups in Bahrain, Oman, and elsewhere in the Gulf, started protesting over internal events that affected Kuwaitis relations with other states (the Lebanese Civil War involving the PLO and other Palestinian factions is a prime example as, shortly before the dissolution, the Assembly passed a resolution condemning Syrian intervention and calling for a sudden stop of aid to Syria).

One year after the Assembly's dissolution, Sheikh Sabah al-Ahmad al-Jabir al-Sabah was nominated new emir of Kuwait. Unfortunately, despite several starts he inherited anything but an unpleasant, disorganized bureaucratic growth stemming from years of conflict of interests, weak institutional framework, little formal planning, lack of coordination, and large number of unqualified personnel. In the light of this, the recession of 1977 was the occasion for a new series of administrative reforms. Al-Jabir directed his first move toward a reorganization of the oil sector, which expanded as soon as the state assumed control not only of KOC's ownership but also of foreign and local-owned groups connected directly with the oil industry (e.g. British Petroleum, Gulf and Kuwait Oil Tankers Company).

As growing oil revenues prompted an increase in state growth, improvement in efficiency became the second step of al-Jabir al-Sabah's policy. For this reason, the oil sector was organized through a system limiting corruption and ensuring a continuous control of bureaucracy. In the wake of this economic revision, by 1979, the state had acquired all oil industries in the country which merged in 1980 into the Kuwait Petroleum Corporation (KPC), which was put under the control oil minister. In addition, in 1981 KPC bought Santa Fe International, a US corporation and it also expanded petrochemicals holdings in seven European and a few South Asian countries.²⁶⁴

Becoming competitive with the other majors was certainly one of the main aim of the Kuwait's government, for this reason as a rentier state Kuwait benefited from both its oil income and, from the mid-1980s until liberation, from profitable and diverse foreign investments in Western markets ranging from Spanish industry and German pharmaceutical to British and US property. In order to handle this even greater returns to portfolio investments, a small bureaucracy developed.²⁶⁵

²⁶⁴ *Ibid*, p. 96.

²⁶⁵ Thomas Stuffer has wrote an interesting article over the growing importance of investment income over oil income.

For a detailed overview on the issue, see "Oil Revenues: Income or Capital?", in *Middle East Economic Survey*, 27, D1-D4.

However, the decision not to invest in local development to avoid political as well as economic risks, and the consequent shift towards oil diversification and foreign markets, had turned Kuwait into an highly dependent nation on distant financial markets.

3.3.1 the Suq al-Manakh crisis

Another important key issue of Kuwaiti policy under al-Jabir was the Souk al-Manakh market crash in the early 1980s, a domestic economic crisis that, according to Jesse Colombo's words, has been gone down in history as perhaps the greatest speculative mania of all time.²⁶⁶ In his article, Colombo said that the bull market began precisely when Kuwaitis, longing to ride the coattails of the Middle East's oil-driven economic boom of that time, became in vogue with those kind of investments linked to local Gulf companies. The new heights reached by oil prices after the oil crisis of 1973 and 1979 had evidently made many people in the Gulf wealthy and particularly in Kuwait this new-found wealth overwhelmed the economy suddenly and in the long run, quite destructively, as we will see.

Within the Kuwaiti system, we must remember that buyers were apparently protected by a peculiar national custom allowing traders to pay for stocks using post-dated checks. In addition, investors were not very concerned with risks. Their collective memories, in fact, had recalled a market panic in the two year period 1976-77 in which the government, facing an heavy merchants' bankruptcy, had supported prices so that nobody would suffer; for this reason they took for granted that default would be unthinkable.

Nonetheless, contrary to all their optimistic assumptions, the bubble inflated. It happened precisely when Kuwaiti shares were experiencing an unstoppable bull run thanks to newly rich Kuwaitis who had turned to stocks as an investment tool to increase their wealth. On that occasion, in fact, the state had reacted by introducing a stock market and ordering local banks to extend loans, with the government paying the interest. Having revived the market, the 1980s traders assumed that the government would always be an active presence within the economic arena ready to abandon it in the future if necessary.

Unpredictably, by the summer of 1981 all these measures contributed to the creation of an alternative as well as unofficial stock market, called the Souk al-Manakh. This market specialized in the trading of highly speculative unregulated non-Kuwaiti companies, which were incorporated outside of Kuwait such as, for instance, in Bahrain or in the United Arab Emirates.²⁶⁷ Those companies were banned in the official market precisely because they were owned by Kuwaitis, registered elsewhere in the Gulf and therefore not subject to Kuwaitis regulation. Not long after the Souk's founding, the market became a hotbed of speculation that made interest in Kuwait's official market dwindling.

²⁶⁶ Jesse Colombo, "Kuwait's Souk al-Manakh Stock Bubble", 2006, www.thebubblebubble.com/souk-al-manakh/

²⁶⁷ Felix Pomeranz, "The Collapse of the Souk al-Manakh: A Chronicle." Islamic-Finance.net. November 25, 2000 <<http://islamic-finance.net/islamic-ethics/article-13/article13-2.html>>

To get the situation from bad to worse, by all accounts, the Souk immediately became the more exciting of the two markets, since one could double their money within few months. The prospect of nearly instant wealth proved too enticing, causing many Souk traders, with little business experience, to draw against funds they did not have, convinced that they could simply sell off their shares to raise cash when the checks came due. So, it is not really surprising that the rapid influx of speculative capital caused Kuwaiti stocks to skyrocket, with Souk shares increasing by an average of 63 per cent in 1981.²⁶⁸

Throughout the Middle East, the Souk al-Manakh market was compared to a fruitful “money machine” insofar as not only wealthy Palestinians, but even Egyptians and Pakistanis started purchasing stocks under Kuwaiti nominees, since they were the only permitted to trade legally.

From the beginning the government neither officially sanctioned the market nor did it close it. One of the main reasons is that even government leaders, comprising members of the ruling al-Sabah family and members of Parliament were not immune to the stock speculation and tried their luck in the market. In addition, the government tolerated the market because some policymakers saw it as a harmless and equally beneficial way to redistribute wealth among the Kuwaiti population.

It is worth saying that despite Kuwait’s tiny population, the vast pools of cash being pumped into the market resulted in over 3.5 billion shares traded and, as a consequence, its market capitalization was the third highest in the world behind only the United States and Japan, as Frank Veneroso stated.²⁶⁹

In 1982 the market began to sink after a female speculator presented one of postdated checks belonging to Jassim al-Mutawa for payment ahead of his due date, catching him unable to pay his debts. Within an instant, the Souk al-Manakh bubble imploded, causing the default of hundreds of speculators. To make matters worse, a glut of oil suppressed prices, dropping Kuwait’s 1982 oil revenues to only a quarter of those in 1980. In the early stages, the government intervened by purchasing all depressed shares to support stock prices but in 1986 recession urged the government to buy thirty-three of the closed companies. Unfortunately, both stock and bond markets remained depressed and the unresolved residuum of the Manakh debt continued to menace the economy.²⁷⁰

Most devastating was the statement by Kuwait’s new finance minister, Abdelatif al-Hamad, indicating that he had no intention of supporting the market at the insane levels to which it had risen, preferring that speculators paid for their sins as stated by the Islamic tradition.

The world’s greatest speculative bubble finally resulted in shock waves through the economy. It badly damaged Kuwait’s investments together with its international reputation. Internationally, some American banks stopped granting Kuwaiti companies credit.²⁷¹ On the contrary, at a domestic level, however a crisis

²⁶⁸ *Ibid.*

²⁶⁹ Frank Veneroso, “Memories of the Souk al-Manakh”, June 1, 1998, www.gold-eagle.com/gold_digest_98/veneroso060198.

²⁷⁰ Economist Intelligence Unit, “Kuwait Country Profile, 1986-87, p. 21-23” in Tétreault, *Stories of Democracy*, p. 68.

²⁷¹ Crystal, *Oil and Politics in the Gulf*, p. 99.

for many, the Manakh's crash was also an opportunity for a few, such as for example, Kuwait's government as well as older merchants. The first one took advantage of the crisis by reestablishing its link with the older merchants who, in turn, grew still wealthier and consolidated their position. They actively participated in the economy of their nation using the recession and then the falling oil prices to encourage protectionist policies in the government.

However, as Tétréault stated, the largest debts Kuwaiti history experienced remained unresolved until March 1990 when the government decided to adopt a new debt resolution plan proposed by the Kuwaiti Chamber of Commerce. One broad area of concentration regarded a more efficient use of oil in order to expand human resources. For this reason Kuwait's development strategy was stated in terms of diversifying production through encouraging industries with high value added, and through greater interaction between the public and private sectors.²⁷²

3.3.2 Kuwait's reaction to the 1978 Iranian Revolution

Almost in the same period of the just handled Suq al-Manakh crisis, another remarkable event forcefully struck Kuwait and its entire society. When the Iranian Revolution erupted at the end of the 1970s Kuwait's 30,000 Iranians received it with joy and equally responded with allegiance to the Ayatollah's call for a general strike.

The revolution was not just a foreign policy issue for Kuwait. It has rather become an organized domestic issue for the ample presence within the Arab territory of the Shia population which the emir had relied on as a result of his previously political decisions.

With the revolution, the Shia community became a politicized ally, or, as Crystal noted, much more of a mass political movement.²⁷³ Being the religious group an effective real presence, the emir started complaining not only the spread of Shi'ite troubles to Iraq but also large Kuwaiti Shia demonstrations, broke out in September 1979. At first, the Shias, who met spontaneously in mosques, moved religious accusation against the moral duty that forced them to Sunni law. But soon after the attack on the Grand Mosque in Mecca, which involved even four Kuwaiti rebels, their sermons became more political. Immediately the government, which had judged mosque speeches of being excessively seditious, announced a repression on workers who completely lacked the needed documents and expelled thousands. In addition, as the government feared the Iranian revolution could fatally explode also in Kuwait, the following pro-rebels rally erupted in front of the US embassy was stopped with demonstrations' capture.

In this moment of crisis and regional instability, the emir felt it was necessary to control the importation of regional ideologies. It followed that to reduce Shia and progressive electoral strength, he first appointed a

²⁷² "Crucial Tasks of the Central Bank of Kuwait During the Iraqi Occupation and After the Liberation of Kuwait", delivered on November 30, 1991 in Manama, on the occasion of the 17th Inter-Arab Cambist Association. www.cbk.gov.kw/pdf/Book2Eng/part14.pdf

²⁷³ Crystal, *Oil and Politics in the Gulf*, p. 101.

Constitutional Review Committee and then he moved ahead with election plans. Despite the Shias had put forward almost a third of the candidates, the election resulted in the Sunni religious conservative victory.²⁷⁴

The opposition this time was religious conservative too, with a strong Sunni Islamist base expressing their inclination to only accept the Islamic Law as “the” main source of law. Besides this declaration, the Islamists voted down women’s suffrage, readily considered a proposal to veil Kuwaiti women, passed a bill restricting naturalization to Muslims and ultimately banned alcohol.

Although at the beginning the government itself responded to the opposition appeal with a more Islamist posture resulting in making more rigorous the ban on alcohol and supporting the Islamic Finance House,²⁷⁵ in December 1983 a series of car bomb attacks including those at the US and French embassies, the airport and the industrial area, to mention a few, ended the government’s efforts toward the Islamists. The bombings were all ascribed to a Iraqi Shia opposition group, al-Dawa, whose objective was to show opposition to Kuwaiti support for Iraq in the Iranian Revolution. With regard to the present chaotic turmoil, from the a early 1980s onward, political violence had spread all over the region: not only Kuwait’s Iran Air offices were bombed, but also the London KOC office combined with Kuwait’s border area attacked by Iranian planes. In 1985 another Kuwaiti plane was hijacked to Iran and one year after five public cafes together with the emir himself were attacked. As Iran continued posing a domestic threat, the state’s concern with security became an obsession. In spite of everything to the contrary, the government was particularly anxious to control the Islamic religious movement.

Circumstances brought by the Iranian revolution further complicated when growing public as well as economic problems appeared. While on the one hand there was an increase in the level of opposition, on the other hand Kuwaiti government proved unable to directly manage it. Beyond a shadow of a doubt, at first the economic effect linked to the Iranian war were positive, since the government, once had taken advantage of the fall in Iranian production, decided to raise Kuwait’s own production. It is obvious that this process, along with increasing prices, led to an increase in revenues.²⁷⁶

Unluckily, in the space of a few months a turning point came after the 1986 decline in oil prices and in the midst of a recession caused by the fall of the already mentioned Suq al-Manakh stock market, Kuwait was shocked. Things went from bad to worse when during the same year Kuwait’s oil installation were attacked by Iran and the government reacted by touching, for the first time since the early 1970s, general reserves.²⁷⁷

²⁷⁴ *Ibid.*, p. 103.

²⁷⁵ The Islamic Finance House was the first system of Islamic banks established in the State of Kuwait in 1977. The term ‘Islamic’ refers to the fact that it is consistent with religious law, Shari’a, and guided by Islamic principles on economics. www.kfh.com/en/about/

²⁷⁶ Cristal reported the figures of the Middle East Contemporary Survey (MECS), according to which Kuwait’s raising production and price increasing led to a 42 per cent increase in revenues for the two-year period 1978-79. *Ibid.*, p. 104.

²⁷⁷ “Middle East Economic Digest (MEED), of 30 August 1986” in Crystal, *Ibid.*, p. 105.

Growing political problems were aggravated also by the somewhat obstructionist (according to a government's statement), Assembly, which had been constituted with the 1985 election. As a matter of fact, the Assembly not only had blocked several government bills, but it had also directly attacked members of the ruling family, such as for instance the case of Kuwaiti oil minister Salman Duaij, who was forced to resign after the Assembly found out he had used his position for the purpose of financial advantage during the al-Manakh crisis.

To stop all those compromising indictments, the government closed the Assembly in July 1986, sustaining its manoeuvre with reasons tied with the excessive division within the ruling family prompted by the Assembly's attacks on it, its failure to handle increasingly violent opposition, the likelihood of continuing dissension, the growing economic crisis and the unstable regional environment looming on other GCC members. When the body was officially closed, a lively popular consensus to the dissolution emerged. Because of the reasons given, Tétreault suggested that the ruler's main allies in the suppression of the political congregation²⁷⁸ were, for instance, many collective factions, comprising members of the tribes that functioned as military retainers of the ruling family and other groups in search of the ruler's protection excluded from direct representation within the Assembly. To the public's eyes representing the opposition, thus, it seemed all too clear that the Assembly's dissolution could be regarded as the only way at Kuwait's hand to restrain its real security threat.

Repression now became the backbone of the government's policy which had began relying more heavily on the police and the military and with this new rhetoric in place, the Shia group became the target of this force.

An informal state discriminatory policies against Shias in key state position which had been established since the war heightened sectarian identification within the group and even among those who had openly asserted their support to the regime. Shia's resentment towards the state gradually made their list of grievances moving from mere religious to more social and daily issues. With certainty, Shias complained of vanishing job opportunities in both the public and private sector, of growing restriction on communal and religious life, and even of tightening quotas at Kuwait university.²⁷⁹

However, now that the Assembly was closed and the Shias' sense of political isolation increased their oppositional attitude, the government began looking for allies outside the state. Despite Kuwaiti iterated again its financial support for Iraq over Iran, the government realized that Iraq did not represent the basis for a lasting security policy. Everyone had clear in mind that from the early 1938 on (at the height of the *Majlis* Movement and prior to Kuwait's independence), the Iraqi regime started posing a danger to Kuwait by moving several claims of supremacy over it. In that occasion, the Iraqi Prime Minister Qassim started declaring Kuwait an inseparable part of Iraq, so that calls of annexation followed. All those troublesome

²⁷⁸ Tétreault, *Stories of Democracy*, p. 66.

²⁷⁹ For the complete list of grievances, see Crystal, *Oil and Politics in the Gulf*, p. 106.

Iraqi pressures were supported by three factors basically. To begin with, in Kuwait now oil had been discovered. The discovery seemed to have moved a strong upsurge in Iraqi interest in the future of the emirate. According to Andrew Terrill, although oil was not be exploited until after WWII, Kuwait was beginning to show real economic potential, which was of interest to the Iraqis.²⁸⁰ The problem here centered specifically around the important Rumalia oilfield which laid somewhere astride Kuwait's border with Iraq, which had began claiming that Kuwait was siphoning oil from its side of the border. Iraq went on asserting that Kuwaiti counterfeit OPEC production quotas were causing the lowered oil prices that were restraining Iraq's reconstruction efforts. Secondly, since the recent Iran-Iraq disputes over the Shatt al-Arab waterway, the latter regime was searching for a possible alternative to the port of Basra. Moreover, Iraq had to all appearances no intention of repaying some \$13 billion Kuwait had lent it during the war with Iraq, arguing that Iraq had defended Kuwait from Iran and that consequently Kuwait should reduce to zero the debt. Nonetheless Kuwait's refusal to do so represented a further issue to Iraq's claim. Finally, the Iraqis, who had repeatedly asserted the illegitimacy of the existing al-Sabah regime in the bargain, considered the *Majlis* Movement as a valuable occasion to use Kuwait opposition to the emir to expand their own power.

In opposing the possibility of Kuwait being too dependent on Iraq, in the 1950s Sheikh Abdalla had even rejected an Iraqi plan to supply water from the Shatt al-Arab. However, despite the fact that with the *Majlis* Movement collapse the Iraqi claims actively came to an end, it is true that in 1961, when Kuwait achieved its independence, Iraq once again advanced its earlier pretensions. The Iraqis declared the 1899 treaty between Britain and Kuwait illegal on the grounds that Kuwait did not have the right to end its relationship with the Ottoman Empire or Iraq as a successor sovereign and brought troops to the Kuwaiti border, threatening an immediate military invasion.

At the end, Iraq did formally recognize Kuwait as an independent country only when the first republican Iraqi regime led by the Prime Minister Qassim was overthrown in 1963²⁸¹. However, even though Kuwait immediately took advantage of the change in government to seek new and more constructive relation with Baghdad, it is surprising that territorial claims between the two never totally ended. Undoubtedly disputes continued throughout the sixties and the seventies, but now Iraq's approach to Kuwait shifted from demand of total annexation to an interest in border modifications and adjustments. In 1965, during an official visit of Kuwait's emir in Baghdad he was pressured to relinquish the strategically important islands of Warba and Bubiyan. At that point the emir refused and, sustained by Kuwait's precarious economic condition, started to look outside the Gulf.

²⁸⁰ Andrew Terrill, "Kuwaiti National Security and the US-Kuwaiti Strategic Relationship After Saddam", www.strategicstudiesinstitute.army.mil/pubs/display.cfm?pubID=778

²⁸¹ Crystal thought back not only to the 1963 agreement signed between Kuwait and Iraq with which the latter recognized the borders as those set forth in 1932, but also the following exchange of ambassadors and their official diplomatic relations. *Ibid.*, p. 173.

To be sure, a somewhat reluctant Kuwait had historically kept its distance from the foreign superpower, retaining even after it became a British protectorate, greater room of maneuver than the other small states. The Arab emirate had been effectively a political independent entity since the arrival of the Bani Utub. Even when emir Abdalla II moved into a closer alliance with the Ottoman Empire towards the end of the nineteenth century, the Ottomans exercised no direct control over the nation, neither taxing nor ruling it. Furthermore, in 1913 with the Anglo-Ottoman Convention Britain either recognized Ottoman suzerainty over Kuwait or declared Kuwait an autonomous district of the Ottoman Empire. However, now that the Iranian Revolution was threatening the entire Gulf region, a new alignment was necessarily required. With the war effectively underway, Iran was coming ever nearer to Kuwait, by taking more territory with each succeeding year. When in October 1986 a Kuwaiti tanker approaching Kuwait's threshold was hit by Iran, Kuwait came closer both to the Soviets and the Americans. Relations with the Soviet Union had already started in 1984, when an arms deal, aimed at defending Persian Gulf commercial shipping against Iranian attacks, was signed.²⁸² At the beginning, given the recent US arms sales to Iran that had caused suspicion and displeasure among the Kuwaitis, the government turned evidently towards the Soviets. But after the Soviet invasion of Afghanistan in 1979, it was the United States of America that assumed a greater level of involvement in the Gulf, in general, and in Kuwait, in particular, to such an extent that when Kuwait presented a formal request about reflagging their tankers in 1987, the US finally agreed.²⁸³

It is quite apparent that Kuwaiti notable thirst for independence reemerged even more forcefully in the relationship with the American giant. For this reason, the government was trying both to reconcile the need for outside backing, a condition required by its greater exposure to outside influence as well as its weaknesses, and maintain a satisfactory level of domestic autonomy. Not only the Kuwaiti public but also the government had initially expressed their doubts toward an increasing US military involvement in Middle East policy. This common atmosphere of suspicion made several deputies to call for ending diplomatic relation with the United States and withdrawing investments.²⁸⁴ Moreover, crown prince and prime minister under Jabir Saad during a press conference in August 1987 had announced that US bases would not be allowed in Kuwaiti territory, and, as the war faded in 1988, Kuwait further distanced itself from a likely political liaison with the Western ally.

By the way, contrary to what has been affirmed earlier, for long Kuwait has remained a small power whose geographical position has been observed by much larger powers with some economic and strategic interest; worse still, the Kuwaiti rulers, who had developed through their policies and ideas a substantial

²⁸² "Kuwait initials a \$327 million Soviet Arms Deal", *The New York Times*, 13 July 1984.

<http://www.nytimes.com/1984/07/13/world/kuwait-initials-a-327-million-soviet-arms-deal.html>

²⁸³ As has already been noted in this present work where the reflagging issue has been analyzed from the Western perspective, the United States accepted to reflag Kuwaiti tankers to avoid the Soviets either any political benefits or strategic advantage with the Gulf monarchies. For further considerations see chapter 1, pp. 21-22.

²⁸⁴ *MECS*, 1981-82; *Foreign Broadcast Information Service (FBIS)*, 4 April 1986, in Crystal, *Oil and Politics in the Gulf*, p. 109.

potential opposition at home, had less political space on the level of outside involvement. This is the reason why al-Jabir and his predecessors despite their disinclination for external involvement, were finally constrained to turn for support to forces outside Kuwait, both regionally, to the Saudis or Iraqis, or globally, to the United States.

3.4 Kuwait and the US from 1961 on

When Kuwait became independent, the United States, which have opened their first consulate there in October 1951, formally elevated its representation to that of an embassy.²⁸⁵ However, as has already been noted, in the early years of the emirate's autonomy, the UK, not the United States, was Kuwait's most important ally.

The United States was interested in commercial relations with the emirate but played no serious role in defending Kuwait during this time frame. In the years between 1961 and 1990, relations between the United States and Kuwait were usually normal and sometimes good, although never special.²⁸⁶

Up until that time, Kuwait shared with the American giant a political relationship that oversaw the few commercial ties between the two country. It was therefore a kind of connection restricted to mere operation of diplomacy. Even after independence, as Shafeeq Ghabra recalled, Kuwaitis showed little interest for the United States, since US foreign policy in the Gulf was directed primarily towards Iran and Saudi Arabia.²⁸⁷ Basically, they wanted to avoid the charge of being overly supportive of Western rather than Arab regional interests. It wanted to rely solely on an informal Arab endorsement. For this reason, the strong and vociferous support that Kuwait gave the Palestinians also led the government to condemn the pro-Israeli policies of the United States. In addition, in order to secure its security and freedom from major foreign powers, in June 1967, Kuwait, as well as a variety of other Arab states, briefly suspended oil deliveries to the United States and the UK due to the support these countries gave to Israel in the June 1967 War.²⁸⁸ After all, as the first country to recognize Israel as a nation in 1948, particularly the United States has continually supported Israel's right to be. For this reason the level of cooperation between the two states has differed over the course of time, and throughout several decades the United States has been eager to develop a relationship with a like-minded nation in the Middle East, in order to achieve regional stability within the Gulf. As we all know the region had great importance to the world energy market, and the United States saw itself as a protector of that same market. To be sure, these US interests have combined to create the impression that the US was in favor of one side -Israel- more than the other –

²⁸⁵ As Terrill underlined, prior to 1961 the United States maintained their consulate in Kuwait with the permission of the United Kingdom.

²⁸⁶ Terrill, "Kuwait National Security", p.23.

²⁸⁷ Ghabra, "Closing the Distance: Kuwait and the United States in the Persian Gulf", in Lesch, *The Middle East and the United States*, p. 333.

²⁸⁸ Rachel Bronson, *Thicker than Oil: America's Uneasy Partnership with Saudi Arabia*. Oxford, UK: Oxford University Press, 2006, p. 99. In Terrill, "Kuwait National Security", p. 23.

Palestine. With the six-days war over, Israel controlled more land than it had and each state that allied to attack Israel also lost significant portions of land. Given these acquisitions, each side involved has continued to vie for the land they felt was rightfully theirs.²⁸⁹ And so, despite US alleged role as an intermediary for a Middle East Peace, the 1967 Arab-Israeli conflict intensified criticism of US policy in Kuwait, whose posture towards every type of inter-Arab conflicts and differences was that of neutrality, as Ghabra recalled.²⁹⁰ Pushed by anti-Western sentiments running high in the region, Kuwait backed the abundant independence movements throughout the region and committed itself in Arab affairs with the other Arab allies – Egypt and Saudi Arabia in particular- which had prevented Iraq from invading Kuwait in 1961. Sufficiently supported by that event, Kuwait decided to adopt a policy which could guarantee both solidarity with and support from its main Arab fellows.

Kuwait became also one of the most active states in the Office of the Boycott of the League of Arab States against Israel, through which it systematically supported the economic isolation of Israel. These efforts were also taken to prevent Arab states and discourage non-Arabs from providing support to Israel and adding to Israel's economic and military strength.²⁹¹

The 1971 negotiations between US and OPEC which led to increasing oil prices and devaluation of the dollar by Richard Nixon, further distanced Kuwait from the American giant. For the United States, the Gulf petroleum resources had greatly increased the region's significance after the British withdrawal in the late 1960s and early 1970s but particularly during the Cold War. So, once the emirate obtained its full independence, US policy operated with the desire of both preserving stability and ensuring easy access to and safe transport of oil from the region while keeping control of the Soviets. Worse still, the 1973 Arab-Israeli conflict and its related growth in oil prices increasingly exacerbated tensions to the point that Kuwait, while continuing to support the broad concept of pan-Arabism, decided to sustain policies also adopted by the nonaligned movement and the United Nations that were typically hostile to US interests and aims. Unfortunately, during the 1980s, US share of world production diminished and demand rose, so that the importance of the region's oil supply to the United States was clear to everyone. as Ghabra highlighted in his article two-thirds of the world's proven oil reserves located in the region made Iran, Iraq, Kuwait, Saudi Arabia, and the United Arab Emirates the few producers responsible for most increases in production.

US involvement in the region reached its apex in the 1980s, initially with the formulation of the Carter Doctrine according to which all means necessary would be used in order to avoid outside forces to gain control of the Gulf region, and then as a result of the 1980-88 Iran-Iraq war when both countries feared an

²⁸⁹ Ian Livingston, "US Role in the Arab/Israeli conflict Post 1967". 2004-2005 Paper Series: University of Connecticut. http://www.ianlivingston.com/2004/december/arab_israeli.htm

²⁹⁰ Ghabra, "Kuwait and the United States in the Persian Gulf", in Lesch, *The Middle East and the United States*, p. 334.

²⁹¹ Nancy Turck, "The Arab Boycott of Israel", in *Foreign Affairs*. Council on Foreign Relations, 1977, Vol. 55. JSTOR 20039682.

overwhelming Iranian victory. Contrary to what it might be thought, Kuwait and the United States became more interested in working together as well as in settling more cordial relations. Kuwait, for example, had deliberately avoided communism and the majority of its economic affairs were conducted mostly with the Western rich countries, predominantly the United States and Europe, where Kuwait held the higher financial investments.²⁹²

However, many Gulf rulers, fearful of regional and domestic reactions to the large US military presence in the region, blocked any efforts at US buildups in the area. This was specifically the case of the Iran-Iraq war, when Kuwait, sensing that possible regional tensions would emerge, avoided the pre-positioning of US military apparatus in the Gulf.

This Kuwaiti twofold posture oriented both externally as regards economy, and internally when it comes to development projects in the Arab world, did not bring about positive outcomes at all for Kuwaiti system of alliances. On the contrary, it rather created a conflicting situation among local, regional, and international interests until the early 1990s.

3.4.1 US reflagging of tankers from the Kuwaiti perspective

When the Iraq-Iran war started, most of the Gulf states, including Kuwait, were taken by surprise. In 1980 Iraq wanted to quell internal Shi'a dissident and assert its hegemony in the Gulf. Despite the terrible human and material losses on the two sides wrecked by the war, for a number of years, the tragic Iran-Iraq conflict was contained.²⁹³

In 1984, Iraq began to attack tankers carrying Iranian oil through the Gulf. In this way Iraq wanted not only to recoup on the seas the military momentum it had lost on the ground, but also to reduce Iran's oil exports and, therefore, its revenues for propagating the war. By following this course of action, the Iraqi regime hoped both to effectively attain the closing down of Iraqi ports and persuade Syria to shut off the Iraqi-Syrian oil pipeline to the Mediterranean Sea.

The counteroffensive created by Iran created apprehension throughout the Persian Gulf. The situation dramatically escalated in particular when Iran began singling out Kuwaiti-flag vessels and vessels bound to or from Kuwait for attack. At the same time, Iranian-inspired clandestine groups intensified their efforts at sabotage and terrorism in Kuwait itself, building on their revolutionary activities that included bombings attacks on several targets in Kuwait and an assassination attempt on the emir in 1984.²⁹⁴ Furthermore, given the increasing number of Iranian attacks on vessels in 1986 and acquisition by the same nation of

²⁹² Ghabra suggested that despite Kuwaiti strong pan-Arabism, within the ruling Sabah family there had always been members advocating better Kuwaiti-US relationship. Whence, the above-mentioned economic relations represented the base on which the first official visit by a Kuwaiti emir to the United States occurred. *Ibid.*, p.334.

²⁹³ Terrill underlined that Kuwait initially maintained strict neutrality in this conflict and only much later, as has reported, it decided to provide growing economic, logistical, and diplomatic support to Iraq.

²⁹⁴ Michael H. Armacost, "U.S. Policy in the Persian Gulf and Kuwaiti Reflagging". Bureau of Public Affairs, U.S. Department of State, No. 978, p. 12. <http://www.dtic.mil/cgi-bin/GetTRDoc?AD=ADA496911>

anti-ship missiles armed with warheads three times larger than other Iranian weapons able to severely damage or sink a large oil tanker,²⁹⁵ Kuwait decided to reverse its policy passing from one of neutrality to one supportive of Iraq.

After all, Iran's immediate objective was clear and publicly stated: it wanted to use intimidation to force Kuwait to quit supporting Iraq with financial subventions and permitting goods bound for Iraq to be offloaded at a Kuwaiti port. But that was not all, because Iran had also a longer term objective that was equally clear: after succeeding in Kuwait, it would try to apply the same policies of intimidation against other Gulf states in order to change their policies and set the stage for gaining hegemony over the entire area.

It was in particular Iranian hegemonic aspirations together with its desire to spread Iranian radical fundamentalism throughout the region that pushed the Arab Gulf states to assist Iraq, regarded as a fender that must not be allowed to collapse.

So, when Iran began attacking Kuwait oil tankers in the Gulf, according to Ghabra's essay, Kuwait came to realize it needed a reorganization and improvement of its ties not only with the United States, but also with other Western powers, and even the Soviet Union.²⁹⁶ One of the major Kuwait's political and security aim was to stop the war and end Iranian attacks on Gulf shipping, something that had hugely damaged Kuwaiti economic life belt.²⁹⁷

In response to this threatening situation, to Kuwaiti rulers the reflagging of their tankers appeared to be the only way to assure other countries' involvement, useful either in countering Iranian targeting of Kuwait-associated oil shipping, or protecting the same merchant vessels. Totally doubtless that the plan would have brought to successful results, Kuwait's rulers initially approached both the Soviet Union and the United States during May and June 1986. The Reagan administration initially refused to help Kuwait less for the risk of the operation, than for the prohibition of such an affair imposed by the US law. The Russians, on the contrary, responded promptly and positively and as negotiations between the Soviets and a Kuwaiti technical delegation began, the United States reevaluated its decision agreeing to reflag and protect Kuwaiti ships. Despite Kuwait had expressed its preference to cooperate primarily with the United States, it insisted on chartering three Soviet tankers as well, in order to retain its so-called balance in its foreign policy and to engage the military presence of as many permanent members of the Security Council as possible.²⁹⁸

If the reflagging for Kuwait and the other gulf states symbolized a demonstration of long-term ties with the United States, for the Reagan's entourage those actions finally were taken in support of two important and

²⁹⁵ *Ibid.* p. 12.

²⁹⁶ Ghabra, "Kuwait and the United States in the Persian Gulf", p. 336.

²⁹⁷ As Ghabra's figures reported, at one point in 1986, Kuwait oil production fell to 300,000 barrels per day, as opposed to 2 million earlier in 1986. *Ibid.* p. 336.

²⁹⁸ Armacost, "U.S. Policy in the Persian Gulf" p. 13.

specific US security and economic interests in the region: first, to help Kuwait countering immediate intimidation and thereby discourage Iran from similar attempts against the other moderate gulf states; second, to limit, to the extent possible, an increase in Soviet military presence and influence in the Gulf. Moreover, the embarrassing revelation of the Iran-contra affair was still a considerable burden in Reagan's mind, to the point that the entire US administration had recognized the need to reinforce its relations with the Arab states of the Gulf.

The reflagging efforts, it was felt and argued, represented the first step in security cooperation between the United States and Kuwait, two countries which combined their efforts to solve several common issues – ending the Iran-Iraq war, the carnage in Lebanon, and terrorist activities.

Despite the most promising perspectives of collaboration and unity between the two sides, it is worth recalling that some sections of the Kuwaiti population continued to see skeptically any government policy engaging a foreign power. They were in particular students of Kuwait University and other opposition groups, which started to voice strong reluctance to the reflagging action and, at a time of parliament's dissolution, regarded US role as too much imperialist.

That firm, neutral posture most Kuwaiti people still showed, together with their alienation from all that meant Western imperialism, made US policymakers very doubtful about Kuwaitis direct relations with their nation. In this regards, Ghabra reported the words of M., a US official interviewed by him and involved in US-Kuwaiti relations during the reflagging operation. According to this influential source, the reflagging:

did not improve relations with Kuwait. [...] For example, the State Department did not feel we had better relations with the Kuwaiti foreign ministry. [...] Kuwait would not discuss security issues in the region with the United States. [...] Kuwait remained as pan-Arab as it could. [...] Kuwait condemns the United States on a whole range of issues.²⁹⁹

Such a confusing perception regarding the relationship between the two states contributed to the lack of any serious cooperation in the following years. US incapability in dealing with major crisis in the Gulf, together with the fall of communism in Eastern Europe at the end of the 1980s, caused US loss of interest on Gulf security. Simultaneously, a group of Kuwaiti officials in the foreign ministry began devising a new regional policy, but such a quite discussion among the higher politicians, who thought that Iraq would not under any circumstances dare to attack Kuwait, was soon shaken by the Gulf crisis in mid-July 1990, a defining moment in Kuwait's history.

Shortly before the Iraqi invasion of Kuwait's emirate, confrontation between the two intensified on a number of matters, particularly oil policies. The national revenue of Iraq depends mostly on oil, and Iraq considered it important to maintain high oil prices to ensure adequate revenue sources for the repayment of its debts and for its recovery from the Iran-Iraq war. Amid this situation, Saddam accused Kuwait of waging an economic war on Iraq. When crude oil prices dropped in July from \$18 to \$12 per barrel, Iraq

²⁹⁹ Ghabra's interview, Washington, D.C., summer 1993. In Lesch, *The Middle East and the United States*, p. 338.

blamed Kuwait and the United Arab Emirates for cheating on their OPEC oil production quota. The prices drop, Saddam claimed, was caused by the overproduction of crude oil by those countries in disregard of the national production quota set for them by OPEC. Such actions, playing a critical role in reducing the price that Iraq was able to obtain for its oil, produced enormous adverse effects on its economy.³⁰⁰ Iraq was particularly harsh in blaming Kuwait, arguing that Kuwait had constructed military and oil facilities on Iraqi territory while Iraq was concentrating on the Iran-Iraq war. Kuwaiti alleged “theft” of Iraqi oil pushed Saddam to demand that Kuwait write off its debt obligations but the latter countered that Iraq's claim was totally unfounded.

In this way, the confrontation between the two countries became grave and Iraq began to deploy troops on the border with Kuwait around July 20. Reacting to this, Egypt and Saudi Arabia attempted to mediate between the two countries during a meeting in Jeddah. Here, the Kuwaitis, who were willing to discuss financial issue but on the contrary stood firm against relinquishing control of any of its land as Iraq had hoped, expressed their desire for a peaceful end to the crisis over their border demarcation and sovereignty over Bubiyan and Warba, the island Iraq wanted for improving its access to the Gulf. As has just seen earlier, Kuwait firmly believed that, in return for having provided Iraq with financial and material aid during the first Persian Gulf War against Iran, the Iraqis would agree to demarcate their border.

Quite unexpectedly, at dawn on August 2, the Iraqi army amassed near the border suddenly invaded Kuwait. At that point, the previous reservations and qualms made by both the Kuwaitis and Americans were set aside bringing to a real shift in the relation between the two. Kuwait's government, for instance, once recognized the extent of its security requirement, came to realize that without a reliable security umbrella, as Ghabra stated, it could not survive for long.³⁰¹ Only through US power and commitment, Kuwaiti policymakers thought, the independence of Kuwait could be maintained and assured.

The Iraqi occupation of Kuwait and every single phase of the ensuing Gulf War have already been treated here, for this reason it is worth recalling only the fact that US involvement followed a double course of action. It followed that resolutions and economic sanctions against Iraq were coupled with a massive military replay culminated in two consecutive campaigns: Operation Desert Shield aiming at deterring further Iraqi action and restoring the prewar status quo, and Operation Desert Storm, an offensive through which the US-led coalition expelled Iraqi troops, and its leaders, who spent the occupation period in exile in Saudi Arabia, and restored sovereignty to Kuwait.

The expulsion of Iraqi forces from Kuwait in the 1991 Persian Gulf War deepened the US-Kuwait security relationship, to the point that in September 1991 the nations signed a broad 10-year defense pact which essentially recognized the importance of US power in maintaining the region's balance and the US role as the sole successor to Great Britain as the Gulf's protector. The pact, reportedly, provided for mutual

³⁰⁰ Terrill, “Kuwaiti National Security”, p. 26.

³⁰¹ *Ibid.* p. 340.

discussions in the event of a crisis, joint military exercises, US evaluation of, advice to, and training of Kuwaiti forces, US arms sales, prepositioning of US military equipment, and ultimately US access to a range of Kuwaiti facilities, such as Ali al-Salem Air Base, Camp Arifjan, and Camp Buehring.³⁰² In September 2001, a related SOFA pact specifying that US forces in Kuwait be subject to US rather than Kuwaiti law, was renewed for another 10 years.

Kuwaitis rulers hoped that by admitting a military cooperation with the United States this would represent in all probability an element of deterrence. After all, the new situation in Iraq, together with the emergence of issues of terrorism and cross-border arms smuggling throughout the Gulf region and the greater Middle East, were clear signs of the Kuwait's lack of chance against not only Iraq or Iran but also any other larger country with aggressive intentions.

On the basis of the military agreement signed between Washington and Kuwait, the Americans started a series of military operations within the emirate's territory leading to the pre-positioning of US weapons, training of Kuwaiti soldiers, and joint maneuvering with their military. The SOFA pact also emphasize the fact that two countries were not divided by any kind of restriction on the cost sharing and technology that can be sold, to the point that the US provided Kuwait with F-18s without limiting its exports. Finally, US naval presence in Gulf waters was accepted by Kuwait's rulers who provided logistics and facilities at Kuwaiti ports.

Kuwait and Washington entered into a new and greater phase of mutual relations also at a diplomatic level. US companies engaged in reconstruction efforts by reestablishing communications, electricity, and petrochemical facilities and operations. US exports to Kuwait recovered and in 1992 totaled \$1.5 billion.³⁰³

During the 1990s, since Kuwait's foreign policy had become more sensitive to US interests, the Gulf nation sent forces to Somalia, provided financial support to Bosnia, and lifted the secondary boycott against Israel. A significant breakthrough was also achieved within the United Nations as Kuwaitis' votes became more closely aligned with US votes than in the past. Probably, it was Iraqis compliance with UN Security Council resolutions that brought to an increase in cooperation between them.³⁰⁴

Cooperation meant also the improvement of US-Kuwait cultural relations, in the sense that a unilateral process of cultural contamination resulted in a total Americanization of Kuwaitis younger generations, attracted by fast-food restaurants, American movies, Web sites, and cafés.

³⁰² Sami Hajjar, "US Military Presence in the Gulf: Challenges and Prospects", US Army College, Strategic Studies Institute. Kenneth Katzman, "Kuwait: Security, Reforms, and US Policy", Congressional Research Service, August 30, 2013, p. 14. <http://www.fas.org/sgp/crs/mideast/RS21513.pdf>

³⁰³ Corey D. Wright, "The United States-Kuwait Business Update," Business American, January 25, 1993, p. 13; "To the Victor Go the Rebuilding Contracts", Business Week, February 18, 1991. In Lesch, *The Middle East and the United States*, p. 340.

³⁰⁴ Ghabra, in order to give further evidence of the concrete relationship between the Arab nation and the Western country, pointed out that particularly after the war, Kuwait's ministries traveled to the United States for training, especially in the fields of information, television,, internal security, and investigation. Kuwait intervened with land and payments for the construction of a new US embassy there. *Ibid.* p. 340.

A full interaction between the two was of great significance in so far as Washington sought Kuwaiti support also for its policies in the Gulf, such as encouraging Arab-Israeli multilateral talks in matters concerning human progress and rights, as well as policy towards Iraq or Islamic extremism, Islamic charities, and terrorism.

Kuwaiti policymakers, in turn, regarded as particularly important the need to be part of this international system in which the United States debated on the Middle East. As a result, Kuwait became sensitive to the priorities of each administration and started to cooperate with them in order to reach agreements on aspects of US strategy in the region.³⁰⁵

However, the policy actions taken in the 1990s within the context of the peace process represented two clear examples of aversion and lack of dialogue in US-Kuwaiti relations. The affinity between Kuwait and the PLO, which were already fragile because of the PLO's standing with Iraq during the Gulf war, weakened further when Kuwaiti irreversibly vacillated to engage on that issue. The government of Kuwait, on the one hand, had supported the Oslo accords, but the parliament with a strong Islamist majority, on the other hand, had publicly supported an opposing position. As a consequence, when Washington organized a fund-raising meeting in October 1993, Kuwait did not participated actively. Only after a few days, as the United States regarded political support and financial assistance as extremely important in order to begin the peace process struggle, Kuwait made a financial contribution to the Palestinians.³⁰⁶ In another case, when the Clinton administration outlined the dual containment policy to refrain both Iraq and Iran, Kuwait fully supported the policy which contained Iraq, but it also felt the need for dialogue and some kind of relationship with Iran.

3.5 Kuwait's endeavor after the war

We have just seen how the United States had largely contributed to the phases of reconstruction in Kuwait after the war but probably no everyone knows in which direction the Arab state moved its efforts to restore its nation economically and politically.

After the war, Kuwait was certainly free of Iraqi rule but the war-related costs it undertook were all but insignificant. To begin with, oil revenues were suspended as the Iraqi forces had severely damaged not only Kuwait's oil industry, but also its infrastructure such as pipelines, refineries, and storage facilities.³⁰⁷ It followed that the government and the exile population were forced to rely exclusively on investment income for sustenance as well as for paying the postwar reconstruction and repairing the oil industry.

³⁰⁵ *Ibid.*, p. 345.

³⁰⁶ As Ghabra reported, Kuwait contributed with \$25 million, but at that point Washington policymakers took slightly notice of that.

³⁰⁷ Crystal noted that an estimated 2 per cent of its 100 billion barrels of reserves were set on fire by the Iraqi forces. *Oil and Politics in the Gulf*, p. 176.

As the war ended, reconstruction efforts was not an easy issue since Iraqi forces had transported to Iraq more or less everything they can, from cars and computers to lab equipment and furniture, from hospital supplies to universities' material. What was left was burned or otherwise destroyed. Worse still, the Kuwaiti society was constrained by continuing low oil prices, corruption during the reconstruction efforts, thieving and mismanagement of Kuwaiti overseas investments which had apparently vanished during the occupation,³⁰⁸ and ultimately government restrictions on hiring nationals of states that supported Iraq during the war. All this both removed still more money from the treasury and further inhibited reconstruction efforts.

At a political level, once the Kuwaiti government was able to reobtain the lead of its nation, it immediately tried to strengthened Kuwaiti security apparatus by instituting martial law. In that event the emir also organized a new government on 20 April 1991 with members of the old regime, but without representation both from opposition and from those who had remained within the Kuwait's territory during the occupation and war.

At the beginning, emir's postwar politics were directed toward placating the population economically by paying existing consumer loans and salaries to government employees as well as by increasing government entitlements in a variety of categories, such as child allowances, aid to orphans, widow and the poor.

However, the strategy arranged in an effort to reestablish social services was too expensive and, as a consequence, it was simply impossible to restore the status quo ante in a society totally imbued with a sense of strong crisis and dominated by political opposition. The adversaries of the ruler, in fact, had previously reemerged stronger than ever in 1986, after the dissolution of the National Assembly and the ensuing suspension of the constitution. At that time, they had organized a prodemocracy faction called Constitutionalist Movement which brought together a unified array of opposition forces comprising former Assembly members, strands of activists, Islamists, intellectuals, liberals and merchants, all dissatisfied with the emir's resistance to wider political participation and personally threatened by government encroachments on their political autonomy, status, and liberty.³⁰⁹ Moreover, those who had remained in Kuwait during the war developed also a sense of frustration and anger not only with the behavior of the rulers who had fled, but also of some exiled members of the ruling family.

Ineptitude and corruption within the government persisted into 1990 and arose from several other sources. The continuing domestic economic crisis originated with the previously mentioned Suq al-Manakh market collapse, the state's controversial oil investments culminating in the poor economic performance of the

³⁰⁸ Crystal reported that in the late 1980s the Kuwait Investment Office (KIO) invested some \$5 billion in Spanish chemical fertilizer companies which had been vanished after the invasion. He mentioned also that the government later lamented that somewhere between one-half and one billion dollars had been stolen while the rest mismanaged. *Ibid.*, p. 177.

³⁰⁹ Tétreault pointed out the additional expansion of the movement occurred July 1989 with the recruitment of thirteen new non-parliamentarians selected to represent various social groups, including women, who were not allowed to vote or run for office. *Stories of Democracy*, p. 69.

American Santa Fe International purchased by Kuwait in 1981, and the more general stagnation of the Kuwaiti economy aggravated by various local factors, comprising the Iran-Iraq War and the violent drop in world oil prices which had begun in the fall of 1985.

The persistence of the recession and its deepening trends amplified popular uneasiness adding a great sense of insecurity inside Kuwait. Facing a widespread popular convictions in government's unresponsiveness with domestic needs, the broadly popular Constitutionalist Movement sought to liberalize the Kuwaiti regime not only by forcing the emir to brought back into use portions of the constitution but also by applying for the restoration of the National Assembly. It was probably the targeting of notables and members of the ruling family that had increased pressures on the emir to act, and in fact he immediately called for the election of a National Council, the so called *Majlis al-Watani*, a transitional interim body designed for evaluating the country's previous parliamentary experience and defining relations between the parliament and the government so to avert a further crisis.

Even if most opposition leaders united against the *Majlis al-Watani*, the assembly worked at least until the Iraqi invasion on August 1991. The invasion, without doubt, deepened democratic values of both Kuwaitis inside and outside the nation, bringing to an enlargement of the arena where the struggle in favor of democratic reforms and elements was fought. As a consequence, the Iraqi massive intrusion helped the pro-democracy movement to continue to work effectively in two field. On the one hand the threat posed by Iraq pressed Kuwait's leaders for the restoration of the constitution even after the liberation from the Iraqi power, on the other hand it was instrumental in the definition of the politics and economics of liberated Kuwait by exiles. Each group therefore devoted itself to the assistance of their fellow citizens and the restoration of their country mobilizing people and resources to meet their own needs.

Once Kuwait reached its independence from Iraqi domination, it finally celebrated the reunification with its country as well as the victory for popular traditions which had prevailed over an autocratic regime and survived. The liberation became a national symbol the Kuwaiti population could be proud of. In this way, as Tétreault suggested, those who engaged actively under occupation learned how much they were capable of enduring and overcoming.³¹⁰

In response to the chaotic and dangerous period following the independence in which the government not only was facing the opposition of pro-democracy movement but it had also realized that it was difficult if not impossible recovering the prewar fiscal environment, the ruler relented and allowed Assembly elections in October 1992, a little more than a year and a half after Kuwait was liberated from Iraqi occupation.³¹¹

³¹⁰ *Ibid.* p. 98.

³¹¹ Tétreault affirmed that compared to the 1990, during the 1992 election candidates and political factions cooperated to nationalize the campaign through the focalization on platforms, coalitions, and concrete issues. The result was a parliament in which more than a half of those elected had run on platforms opposing the government and promising reform. *ibid*, p. 128.

The particularity of the 1992 Kuwaiti parliament was that it was highly dominated by Islamist politics, whose strength lied not only on the popularity of Islamism among voters but also on the help it received from the regime. In spite of everything to the contrary, as in other Muslim countries, also in Kuwait Islamists found ready and strong adherent mostly among young men and women participating in academic institutions and circles. As they constituted a large segment of potential and existing opposition to the ruling regime Kuwaiti leaders were believed to be supporting Islamists. One of the main assumption that made such a government-Islamist alliance possible stated that powerful Islamists were less dangerous to the regime than powerful secularists. After all, tradition and religious prescriptions predisposed Islamist to respect the ruling family's authority more than secularist opponents did.³¹²

After liberation, a peculiar mixture of Islamists, secularists and supporter of democracy started operating so to recover Kuwait from its times of critical difficulties generated by the war. first of all the prodemocracy movement which had heavily criticized the corruption of the government during occupation and reconstruction, brought to light two general groups of concerns. It asked for more effective government and less ineptitude, but also for expansion and protection of political and civil rights.³¹³

After all, during the occupation, human rights had certainly became a central part of the government's politics. Its main focus concentrated in particular on the massive and brutal violations of those rights occurred in Kuwait. Hundreds of people within human rights groups had accused the government of having deliberately disregarded Kuwaiti violations of Palestinians, who had been brutally arrested, tortured, and murdered after the war. Worse still, the political power was also charged with the faults of having tolerated attacks on expatriates and nationals and of not having succeeded in the prosecution of those implicated in these actions.

[...] in Kuwait as elsewhere human rights are more conventionally seen as civic, civil, and property rights. [...] Kuwait's human rights record was harshly criticized following liberation, when news of mistreatment of households servants and abuse of prisoners subject to the State Security Court procedures were brought to the attention of the world community by international human rights groups.³¹⁴

Injustice regarding the Kuwaiti population must be immediately resolved and the National Assembly that emerged in 1992 established a human rights committee with members of the Kuwaiti Association to Defend War Victims (the first domestic human rights group organized in 1991 comprising more than 900 insiders Kuwaitis) and members of another group working on prisoners-of-war issues. They jointly collaborated on projects concerning Kuwaitis who disappeared during the war and occupation and they

³¹² *Ibid.*, p. 162.

³¹³ According to Crystal, the first sphere of concerns brought the movement to arise the separation of the government posts of prime minister and heir apparent, while the second issue included discussions in support of either women's suffrage or lowering the voting age to eighteen. *Oil and Politics in the Gulf*, p. 180.

³¹⁴ Tétreault, *Stories of Democracy*, p. 199. The professor has discussed the same issue also in many other interviews in 1992 and 1996 with Kuwaiti human rights activists, among them Shamlan al-'Eisa, Kholoud al-Feeli, and Jasim al-Qatami.

also evaluated prisoners and prison conditions by putting into operation a large number of investigations and hearings on government's treatment of them. On November 17 they also organized a powerful and involving demonstration in front of the parliament building in so far as the government clearly understand the need to exercise greater control over Kuwaiti human rights groups. And so, at the beginning the government tried to persuade the activists to form a united groups under its endorsement but the human right groups, after perceiving that the government's terms were too political to accept, refused and continued to work on their own account.

Probably, this unconventional attitude towards rulers and standards must have influenced government's behavior regarding Kuwaiti human rights groups.

Human rights community in the emirate was as large as it was varied, consequently it maintained extensive relations with similar association abroad.³¹⁵ Most of those groups were unlicensed either because they wanted to avoid government's interference in its activities or because the government has denied their legal status to operate. In this regard, In September 1993, the Middle East Watch highlighted the unclear attitude of the government towards those human rights groups. The political power not only refused to legalize them as a National Assembly's resolution affirmed, but it also ordained a decree dissolving all unlicensed voluntary human rights organizations, especially those connected with Kuwaitis who disappeared, most notably the Kuwaiti Association to Defend War Victims, or the League of Families of POWs and the Missing, just to mention a few.³¹⁶ Those groups irritated the government both because they were more effective than state organizations in dealing with the same problems, but also because they were extremely functioning in building international channels of communication and playing role independent of the government in international arenas.

On the contrary, despite the risks of operating without a license, the banned human rights organizations have remained active, supporting their work through donations and number dues. Meanwhile, the new standing committee on human right created by the parliament with the 1992 election continued to operate in order to provide a protected space for the management and resolution of activists' major concerns. It also served as an official channel through which international pressure could be employed to support the local activists as well as their human rights enterprises.

As it turned out, once the parliamentary committee had been established, Kuwait's human rights community experienced a somewhat rapid expansion of formal human rights protections and also a modest reorganization of priorities in government ministries of Labor and Interior. It followed that citizens pressure stimulated the government which strengthened regulation and supervision of visa authorizations, foreign labor recruitment practices, and conditions of employment for domestic workers.

³¹⁵ For example, the 1993 Kuwaiti Society for Human Rights (KSHR) under the leadership of former parliamentarian Jasim al-Qatami is closely connected with the Arab Organization for Human Rights in Cairo. Tétreault, *ibid.*, p. 200.

³¹⁶ For the full list, see Crystal, *Oil and Politics in the Gulf.*, p. 181.

Unfortunately, it seems all too clear that even if citizen activists along with parliamentary bodies have made progress in extending Kuwaitis human rights protections, throughout the 1990s human right activism had been continuously connected with the larger struggle fought by the regime to limit the power of parliament and the civil rights of citizens. In this regard, many serious problems remained

[...] the government restricts freedom of assembly and association, and places some limits on freedom of religion. Journalists practice self-censorship, and the Government uses informal censorship. The Government prevents the return to Kuwait of stateless persons who have strong ties to the country. [...] Discrimination and violence against women are problems. Domestic servants are not protected by labor law, and unskilled foreign workers suffer from a lack of a minimum wage in the private sector, and from failures to enforce labor law.³¹⁷

The economic level represented another sore spot for the Kuwaiti government after liberation. In front of a population unwilling to renounce economic privileges, the ruler undertook talks with foreign oil companies in an effort of privatizing many of its oil operations. The government's main aim was to seek new ways to raise money and cut spending, therefore it also invited foreign and private Kuwaiti companies to financially support power projects in its national utility industry and it pressed for an increase in its OPEC quota.

Most people may not be aware that as the Gulf War had demographically transformed Kuwait almost completely, the government was forced to pursue a new population policy able to both reshape and rethink the entire society. Just prior to the invasion, Kuwaitis represented a minority in their state, constituting less than 28 per cent of the population.³¹⁸ During the 1980s, as the percentage of Asian workers from countries like Korea, Bangladesh and the Philippines grew,³¹⁹ the Interior Minister pushed for a limit on the number of immigrants and the government proposed a Long Term Plan through which raising Kuwaitis to 40 per cent of the population.

The last topic of discussion within the new postwar government referred to Kuwaiti's concerns over the Iraqi enemy, which, also after the war, continued to regard Kuwait as an integral part of Iraq. The new resulting border were traced by a UN boundary commission which gave Kuwait six wells in the field, together with part of the Iraqi naval base of Umm Qasr. Not surprisingly, if Kuwait was happy with the new delineation, Iraq, on the contrary, rejected the findings totally and declared them illegitimate; a position that caused everlasting uneasiness among Kuwaitis also after the war.

As the end of the 1990s was getting closer, once again a growing harsh criticism against government initiatives and ideas prompted to a phase of tough political turbulence. It is not really surprising that at the

³¹⁷ US Department of State, "Kuwait Report on Human Rights Practices for 1997", report released by the Bureau of Democracy, Human Rights, and Labor, January 30, 1998. Tétreault, *Stories of Democracy*, p. 202.

³¹⁸ Sharon Stanton Russell and Muhammad Ali Al-Ramadhan, "Kuwait's migration policy since the Gulf crisis: change or continuity?". Paper presented at the annual Meeting of the Middle East Studies Association, Research Triangle Park, North Carolina, 1993: 2, 11. In Crystal, *Oil and Politics in the Gulf*, p. 182.

³¹⁹ Russell and Ramadhan put further emphasis on the fact that by 1985 expatriated Asians who appeared to be settling in Kuwait, constituted between 29 and 35 per cent of the nonnative population.

basis of popular and parliamentary dissatisfaction there was not only predominant human rights abuses due to the lack of government accountability on this issue, but also the long-lasting misuse of public funds as well as accusations of government's revenue-raising measures in motor gasoline prices, revenue-depleting measures, and finally ruler's manipulation of constituencies and election aiming at either defeat their troublesome opponents or help their fellow allies.

However, contrary to what most people could think, rather than accepting some of its plain responsibilities, the government chose to severely punish parliament primarily by announcing in 1998 its closure and secondly by dissolving it just one year later. This proved the drama of Kuwaiti politics since the late nineteenth century when rulers attempted to achieve

[...] a space for autonomous action for themselves and countervailing attempts by elites outside the ruling family to limit the public activities in which the rulers can engage without their explicit consent.³²⁰

3.6 A final watchful eye to the current situation of the US-Kuwait relations

Unquestionably one of the main protagonists of this present chapter, Kuwait was of central importance to two decades of US efforts to end a strategic threat posed by Iraq because of its location, its role as object of past Iraqi aggression, and its close cooperation with the United States. Kuwait has been a pivotal partner of the United States through three Gulf wars: the Iran-Iraq War, the 1991 Persian Gulf War with Iraq (as have repeatedly seen in this work), and the more recent and not yet examined 2003 Operation Iraqi Freedom. The latter was launched on March by a US-led coalition in Iraq, with the immediate stated aim of primarily removing Saddam Hussein's regime and destroying its ability to use weapons of mass destruction or to make them available to terrorists. The coalition operated also to improve the security structure within the Government of Iraq (GoI), establish a system of governance, and foster economic development.³²¹ On that occasion, Kuwait's government and ruler, once recalling the early 1990s Saddam's invasion of their nation, enthusiastically agreed to support the Bush Administration's decision to militarily overthrow the Iraqi leader. Consequently, it hosted the vast bulk of the US invasion force of about 250,000 forces, as well as the other coalition troops that entered Iraq. In addition, Kuwait blocked its entire northern half for weeks before the invasion, to secure that force, and it also allowed the use of two of its air bases, its international airport, and sea ports to the United State; finally, it provided \$266 million in burden sharing support to the combat, including base along with personnel support, and supplies such as food and fuel.³²²

³²⁰ Tétreault, *Stories of Democracy*, p. 219.

³²¹ Catherine Dale, "Operation Iraqi Freedom: Strategies, Approaches, Results, and Issues for Congress.", Congressional Research Service, April 2, 2009, <http://www.fas.org/sgp/crs/natsec/RL34387.pdf>

³²² Katzman, "Kuwait: Security, Reform, and US Policy.", p. 15.

Kuwait's consistent and multi-faceted cooperation particularly with US operations in Iraq certainly did not pass unnoticed, and in gratitude for the service received, on April 2004, the Bush Administration decided to designate Kuwait as a "major non-NATO ally" (MNNA).³²³

After the fall of Saddam, Kuwait, while expressing its forthcoming objectives, pointed out its intention to promote stability in Iraq, something that would have been achieved through a number of major steps. It would therefore be responsible of both the creation of a water line into Iraq, and a Humanitarian Operation Center (HOC) that gave million of dollars in assistance to Iraqis from 2003 to 2011.

According to Defense Department budget documents, Kuwait contributed about \$210 million per year in similar in-kind support to undertake the costs incurred by US military personnel that have rotated through Kuwait for operations in Iraq.

Kuwait represented also the key exit route for US troops when in 2009 they implemented President Obama's drawdown plan and then his 2011 announcement that all US troops would be out of Iraq by the end of that same year.³²⁴

If the US military presence in Iraq is far from unknown, doubts appeared in the case of Kuwait's territory. A substantial US troops there would presumably add to the American ally capabilities to confront Iran if disputes with the United States over its nuclear program and its role in the Middle East and Persian Gulf were to escalate. However, there has been no significant increase in US forces in Kuwait, despite violence and threatening attacks were still the order of the day particularly in Iraq. As the war began to diminish gradually in intensity and the US troops were ready to withdraw, deputy National Security Adviser Ben Rhodes assured that there were not really plans to have any substantial increases in any other parts of the Gulf.³²⁵

Some of the US troops stationed in Kuwait since the US withdrawal from Iraq are enhanced combat troops, indicating that the United States wants to retain combat power in close proximity to both Iraq and Iran.³²⁶

In response to Kuwait's desire to be fully integrated into post-US withdrawal security structures and with other US partners, in the wave of the 2004 Istanbul Cooperation Initiative (ICI), NATO discussed with the emirate a possible opening of a center in Kuwait City. Finally, the NATO center in Kuwait has not opened, until now, in part because the ICI has lost strength as NATO states face significant financial constraints.

³²³ Katzman reported, during the nine-year period 2003-2011, when US troops were in Iraq, there were an average of 25,000 US troops based in Kuwait, aiming primarily at backing the US forces which were moving into or out of Iraq.

³²⁴ Katzman clarified that although the United States and Iraq have discussed retaining 3,000- 15,000 US troops in Iraq beyond 2011 to continue training Iraqi forces, the nations were unable to agree on a legal status framework for retaining US troops; for this reason, the last US military unit left Iraq on December 18, 2011.

³²⁵ "The Cable: Foreign Policy's Josh Rogin" in Katzman, "Kuwait: Security, Reform, and US Policy".

³²⁶ Thom Shanker's article "In Kuwait, Panetta Affirms US Commitment to Middle East" reported that during his last trip to Kuwait, Defense Secretary Leon Panetta noted that there were about 13,500 US troops stationed there.

Today, the Arab nation remains a key to the US ability to act militarily in the northern Persian Gulf now that all US forces have left Iraq and the threat coming from Saddam Hussein is over. Anyway, the United States continues to support Kuwait's defense capabilities, through which thanks to a solid and vivid US-Kuwait defense relationship,³²⁷ the latter has improved the quality of its military, especially with regard to air force. Although the US-Kuwait alliance has been continuous and stable, Kuwait's political system is living a turbulent situation particularly since 2011. New political disputes had manifested once again throughout the XXI century in the form of opposition to the al-Sabah family producing the latest suspension of the National Assembly on June 2013 and the following election that were held in July 2013.

That election led to a period of significant public protests whose main aim was to challenge the Sabah regime's unilateral alteration of election rules to shape the prior elections of December 2012 to its advantage.

As has been already noted, financial scandals and corruption issues within the parliament have and still represent two of the major sources of discontent among the Kuwaitis.

[...] It appears that there was also an objective reason for the overwhelming public anger. The government [...] had always been weak. In just five years, it formed nearly six governments all of which were unable to pass through the different rounds of parliamentary inquiry and failed to approve or apply any development plans. This [...]nourished displeasure towards the government's performance.³²⁸

The ruling establishment in Kuwait continues to retain assets that will likely prevent major political change. The emirate remains a relatively wealthy society where most citizens do not want to risk their economic well-being; therefore the opposition largely confines its demands to limiting Sabah power rather than ending the family's rule. Worse still, many years of political paralysis have led to some economic stagnation that, in turn, has brought about strikes in several economic sectors in 2012.

Precisely on this issue, perhaps because unrest in Kuwait was relatively minor until 2012,³²⁹ the Obama Administration has made few comments on it and there has been no overall alteration or any interruption of the US-Kuwait relationship as a result of Kuwait's handling of unrest. Similarly, US democracy programs in Kuwait did not end, including discussions with Kuwaiti leaders, public diplomacy, and building civil

³²⁷ Kuwait's military capability enhanced also thanks to the Foreign Military Sales Program, through which in 2010 Kuwait bought \$1.6 billion in US defense articles and services. For the full list of arms purchased, see Katzman's article, p. 17. In the same article, Katzman explained that the current US-Kuwait defense relationship has been further assured by number of US funds under the International Military Education and Training (IMET) program. Those funds are given primarily to get Kuwait a discount for its military students who had been sent to US military institutions to study intelligence, pilot training, and other disciplines.

³²⁸ Mohammad Alwahaib, "Kuwait: The Crisis and its Future." *Arab Reform Initiative*, November, 2012, http://www.arab-reform.net/sites/default/files/ARB_63_Kuwait_M.Al-Wuhaib_Nov12_Final_Layout_En.pdf

³²⁹ On October 2012 the opposition rallied against the emir's decision to issue a decree altering the election law to allow voters in each district to vote for only one candidate. This move was regarded as an effort to complicate opposition efforts to forge alliances in each district; for this reason the opposition organized an unprecedented demonstration with 50,000-150,000 Kuwaitis. The march was suppressed by security forces and some parliamentarians as well as some younger members of the Sabah family were arrested. Katzman, "Kuwait: Security, Reforms, and US Policy", pp. 7-8.

society using funds from the Middle East Partnership Initiative (MEPI), a profitable service through which Kuwait not only has enhanced the capabilities of its media, promoted women's rights, and supported democracy initiatives, but it has also provided a wider spectrum of educational opportunities.

Finally, we cannot fail to make reference to the slightly fluctuating Kuwaiti economic situation and ensuing policy which have been shaken by the global financial crisis of 2008-2009. In Kuwait the crisis stimulated either by falling stock prices or the effects of lower oil prices, led to several unrest and brought the National Assembly to pass a legislation planning to privatize major sectors of the Kuwaiti economy, including Kuwaiti Airways.

Things have gone from bad to worse when the IMF along with other observers revealed that Kuwait has not only underinvested in capital infrastructure, but also spent more than was necessary on public sector salaries and subsidies. The immediate consequence of this improper use of financial assets by Kuwaiti government was a inevitable standstill of foreign capital investment which gradually and significantly decreased in the past 10 years compared to that of its neighbors.³³⁰

In addition, the combination of economic crisis and political deadlock crossing Kuwait throughout the XXI century has also prevented movement on several major initiatives, the most prominent of which is Project Kuwait. Main aim of the project, which has received the government sponsorship, was the opening of Kuwait's northern oil fields to foreign investment in order to generate about 500,000 barrels per day of extra production. However, the Assembly concerned about Kuwait's sovereignty has blocked the \$8.5 billion project for over a decade and observers say no compromise seemed expected.

Oil industry and its market management are still strategic sectors in Kuwait, where they account for 75% of government income and 90% of export earnings. The United States imports about 260,000 barrels per day in crude oil from Kuwait (about 3% of US oil imports). Total US exports to Kuwait were about \$2.7 billion in 2012, the same as the few preceding years, consisting mostly of cars, industrial equipment, and foodstuffs. Total US imports from Kuwait in 2012 were about \$13 billion, of which almost all was crude oil and other petroleum products.³³¹

Like other Gulf states, Kuwait regarded peaceful uses of nuclear energy as economically important, although doing so always raises fears among some in the United States, Israel, and elsewhere about the ultimate intentions of developing a nuclear program. Its friendly intentions have been confirmed once Kuwait has started to cooperate with the International Atomic Energy Agency (IAEA) to ensure international oversight of any nuclear work within its territory.

³³⁰ Just to mention a few figures, Katzman referred to those reported in "Kuwait in Crisis As Ruling Family Splits, MP's Rebel." Reuters, June 7, 2011. According to this essay, if in Kuwait only \$800 million has been invested in the past ten years, throughout the same period of time, \$10 billion was invested in Bahrain, \$73 billion in UAE, and \$130 billion in Saudi Arabia. *Ibid.*, p. 25

³³¹ *Ibid.*, p. 25.

US-Kuwait friendship and economic cooperation, already ensured since 1994 when the latter became a founding member of the World Trade Organization, has been reiterated by both sides with the sign of the 2004 Trade and Investment Framework Agreement, to facilitate economic development in the Arab region and to increase liberalization and diversification of its economy.

Given the economic wealth the country is proudly experiencing, together with the important involvement in the political system which derived from it, today Kuwait can boast about a number of economic benefits as well as some measure of economic expression. However, while Kuwait is not economically dependent on the West, it still maintains some exceptionally good reasons for valuing ties to the United States and its allies. Most Kuwaitis continue to fear Iraq even after the ouster and execution of Saddam Hussein. Likewise, many Kuwaitis are exceptionally concerned about Iranian policies toward their country, particularly about Iranian “sleeper cells” that Tehran may activate in a crisis. Additionally, various Iranian leaders are angry over the GCC intervention in Bahrain and have made hostile public statements heightening Kuwaiti interest in strong military allies. Despite these problems, many Kuwaiti leaders seek to preserve normal relations with Iran due to lingering concerns about the future of Iraq and a need to maintain open communications with a potentially dangerous country.

At this time, the US military presence is not a serious Kuwaiti domestic issue, and it is unlikely to become one in the foreseeable future. Although both the United States of America and the Kuwaiti government are making an effort to further reduce to a lower level the profile of their troops in Kuwait as a way of minimizing the political opposition to their presence, US military troops are currently scattered throughout various bases in Kuwait, the most important of which is Camp Arifjan.³³² Some Kuwaitis have previously expressed concern that the US military presence is exceptionally visible to the local citizenry unlike during the early 1960s when British troops in Kuwait appeared to be virtually invisible. Nevertheless, Kuwait more than perhaps any of its neighbors is aware of what can happen to small rich states if they do not seek powerful allies and supporters. This situation suggests that Kuwait will continue to regard highly its relationship with the United States under the current government or under almost any plausible alternative governments.

³³² Sandra Jontz stated that previously, the centerpiece of the US presence in Kuwait was Camp Doha, but this facility that was never envisioned to be a permanent base, had almost been completely closed by early 2006 with the Camp Doha operations transferred to other bases in Kuwait that are farther away from civilian population centers. “Army Preparing to Close Camp Doha, Shift Operations to Other Kuwaiti Bases,” in Terrill, “The Arab Spring and the Future of US Interests and Cooperative Security in the Arab World.” *Strategic Studies Institute*, 2012, <http://www.strategicstudiesinstitute.army.mil/index.cfm/articles/The-Arab-Spring-and-the-Future-of-US-Interests/2011/8/2>.

1. US foreign policy in the Persian Gulf: the focus of the 21st century

Over the course of American history, the United States has placed emphases on a variety of different regions of the world in developing and implementing its foreign policies. After the Monroe Doctrine of the 19th century issued to counter European attempts to upset the status quo, in the 20th century the Americans decided to shifted towards the European continent, where the main focus were the two global conflicts against Germany and the long Cold War against the Soviet Union. By the way, it was particularly during that same period that the United States began increase steadily its involvement in the Greater Middle East generally and the Persian Gulf specifically. That trend has continued also in the post- Cold War era reaching the apex with the events of 11 September 2001, which illustrated the centrality of the Arab and Islamic worlds to American security in the 21st century.

Since the end of the World War II, the Persian Gulf has always been among the priority areas in the overall US foreign security policy. As has been showed throughout the period of this study, prior to the outbreak of the Cold War, US interests in the Persian Gulf followed primarily an economic orientation. If initially American intention in the region was limited to the exploitation and cultivation of a new market for US goods, the deepening of commercial relationship with Gulf actors grew stronger with the discovery of vast petroleum deposits across the region during World War II and the interwar years. Then, as the demand for oil to fuel the industrialization of North America, Europe, and Far East perpetually grew, the United States substantially expanded its private and governmental interests in the Gulf in the subsequent decades. At that time, the most significant US policy goal in the Gulf was therefore to maintain uninterrupted flow of oil at a reasonable price and in sufficient quantities to meet US own requirements together with those of its allies. The strategic importance of the petroleum and natural gas-rich Persian Gulf, coupled with the increasing American reliance on the Gulf for oil and the decreasing of the British presence in the region, were so evident that it led to a growing impetus for the expression of US diplomatic influence therein.

During the Cold War era, with the newfound US commercial dominance came also considerable diplomatic and military involvement. The aim of this kind of involvement was conditioned primarily by the US efforts to contain, if not eliminate, Soviet political and military influence in the region. In addition, the ethnic, political and religious complexity of the Middle East have also demanded the pragmatic cultivation of often-transitory collaboration with given states or tribes. The nature of the relationship between Washington and Iran on the one hand, and Iraq on the other is a further element defining US security agenda in the Gulf. The United States, in fact, had maintained a close relationship with Iran until the government of Shah Reza Pahlavi was overthrown by supporters of fundamentalist Islamic cleric Ayatollah Khomeini in 1979. In the 1980s, by contrast, the United States backed Saddam's regime in its war against Iran in so far as it supplied the Iraqis with armaments and failed to discourage Baghdad's development, and use, of chemical weapons of mass destruction. In addition, as by the mid-1980s Iraq reestablished full diplomatic relations with a range of Western states, most notably the United States, the Arab regime found itself with the happy chance of enhanced its ability to threaten regional stability.

With the end of the Cold War, containment of the former Soviet Union was no longer a key US objective in the region. Therefore alignments and the ideological content of regimes should be of less concern. It followed that two different US Gulf objectives remained: the continued access to Persian Gulf oil resources at reasonable prices and the second derived one, the preservation of the security and territorial integrity of the states of the region from hegemonic threats. So, despite the end of superpower competition and the consequent potential freedom from traditional policy constraints in the region, US concern about regional instability in that period did not yet declined. Iran and Iraq, more than any other state in the Persian Gulf, have been central to American policymaking in the region throughout the post-Cold War era, as the United States perceived them as the major threats to its interests in the area. It followed that the "dual containment" policy of the United States towards both the countries has been aimed at weakening them militarily, politically, and economically.

The Gulf War of 1990-91 had radically changed the landscape in the region. As President Bush regarded the region a nerve center of the industrialized and developed Western economies, the war was mainly a stark economic struggle for domination and control of oil resources of the Gulf region. The Gulf oil was not only the life-blood of modern developed countries, but also a vital element of military power. Therefore, control of oil in the Gulf would give the United States a strong leverage and advantage over its rivals in the region. As a consequence, the success of the complex US-led Coalition force of Western and Arab states against Iraq provided the first practical demonstration of the dramatic reduction of Soviet influence in the Persian Gulf and of the ability of the United States to dominate as the sole remaining superpower with no strong outside rivals against it.

Containment and neutralization of the so called "rogue states" was one of the main objectives of American foreign policy under president Clinton, since they posed a serious as well as dangerous threat to regional

stability in many corners of the world. However, although the Clinton administration recognized that terrorism represented a fundamental problem to US interests at home and abroad, it was unwillingness to effectively sanction and militarily confront that threat given domestic concerns over casualties and the likely electoral costs such losses would entail. This weak American posture towards Saddam and his weapons of mass destruction left the Iraqi leader free to defy the United States without repercussions until the George W. Bush administration expressed a renewed American willingness to take bold action against Iraq following Al-Qaeda's 11 September 2001 attacks on the World Trade Center and the Pentagon.

Al-Qaeda's attacks that day altered the perception of threats to US interests, leading to the liquidation of Saddam's regime through the prosecution of Operation Iraqi Freedom in 2003 and continuing American-led efforts to democratize Iraq and, eventually, the broader Middle East as well.

The demonstration of US will and the capability to project and use the military power effectively, even at a great distance from the United States seemed to have grown the desirability of alliances with the Western ally in the immediate postwar period. Several Gulf states have shown a far greater willingness than before to accept a visible presence and an explicit US role in regional security arrangements.

In this regards, the study analyzed in particular the case of Kuwait, a state that on the one hand has experienced some strain in the US-Kuwait relationship resulting from the pace of political reform within it, but on the other hand has demonstrated considerable interest in a close defensive alliance with the United States.

Kuwait often overlooked in discussions of the region, in reality has a major role to play. After all, its location alone makes it a prime strategic asset. In addition, Kuwait has about as much oil (and probably natural gas) buried under its tiny territory as exists in either of its much larger and more populous northern neighbors. For Kuwaitis, Americans, and the entire global economy, protection of these assets is quite essential. So, since Kuwait cannot cope with its major threats on its own (the rising power of Iran), it clearly needs and deserves a continued US security umbrella against any direct military threat as well as against any unintended or undesirable consequences of American intervention elsewhere in the region. What is not really surprising is that even today dependence on US protection in case of need can be expected to continue indefinitely not only within the Kuwaiti territory but also in all the other GCC states, where deterrence provided by the United States will remain an essential feature of their defensive strength.

As a result, the majority of nations in the Middle East in general and in the Persian Gulf in particular where the United States has long been their primary protection against any external threat, will undoubtedly continue to take great care of their security tie to the Western power.

2. A brief future perspective on the US-Gulf relations

As has been revealed, instability and turmoil have characterized the region since the end of World War II. However today, after years of war, upheavals, change of regimes, the spread of terror and primarily threats

over access to oil, today President Obama and his national security team are dealing with a new and broader array of problems: the threats coming from the Iranian nuclear program; a civil war in Syria with possible dispersal of chemical weapons and jihadists; an Iraq that struggles to keep sectarian tensions in check and remains unable to strike a deal on any of the core national issues, from revenue sharing and control over oil to resolving the Kurdish role and degree of control in Kirkuk; the rising of Sunni-led political Islamists, who seem to be forging a new strategic alignment and who challenge US values and their traditional friends; monarchies that remain tied to the United States but feel vulnerable and under threat from the new Islamist leaders on the one hand (political Islam presently represents one of the main political and social force) and Iran on the other; the danger of radical Islamist terror in North Africa; and a completely stalemated peace process between the Israelis and Palestinians, with the identity of the Palestinians at risk of being transformed from nationalist to Islamist.

For all these reasons, together with the fact that the Persian Gulf had and continue to have a way of imposing itself on American presidents and becoming a pivotal player in US national security over the past few decades, the United States will not disengage from the Persian Gulf, and the Obama administration will continue to stay active, demonstrating not only his belief in the centrality of American commitment, but also his powerful readiness to use US leverage in confronting issues as such.

After the Al-Qaeda attacks, the United States now has no choice but to confront any states and non-states actors that are supportive of Al-Qaeda or any other terrorist organizations in the future. Cooperate to at least some extent with the United States has its benefits for the actors living in the Gulf. It is a matter of fact that the political, military, and economic commitments the United States engaged in during the nation-building operations in Iraq have led to Iraqis freedom of expression, on the one hand, and to an improvement of their standards of living, on the other hand. As a consequence, the United States will not have to respond only to crisis, but it will fight and actively cooperate in order to primarily affect the future landscape of the Persian Gulf. These outcomes, in turn, will enhance US credibility with their friends and foes alike throughout the region as well as the security of the Western nation in different many ways. They will serve, for instance, as a model to individuals across the Greater Middle East that beneficial change is possible in that region of the world where the victory in the war of terror will be one of the possible, if not equally easy, achievement in the long-term period.

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Nel corso degli anni, gli Stati Uniti d'America hanno più volte fatto ricorso alla forza o alla minaccia dell'uso della forza al fine di proteggere i propri interessi energetici nel mondo. Questo è avvenuto soprattutto nei territori del Golfo persico, dove la grande potenza occidentale si è attivamente impegnata per la difesa non solo delle ingenti risorse petrolifere del sottosuolo ma altresì delle vie marittime che ne consentivano la distribuzione nel resto del mondo. Questa tesi tenta pertanto di chiarire il ruolo giocato dal petrolio e dalle altre risorse energetiche del Golfo nell'influenzare prima e dar forma poi alla grande politica estera statunitense.

È quanto mai risaputo che l'importante struttura culturale, politica ma soprattutto economica considerati il vanto da alcuni dei maggiori paesi del Golfo da una parte ha attratto l'attenzione delle maggiori potenze straniere e dall'altra ha dato origine a aspri conflitti e competizioni per controllarne i territori.

La scoperta del petrolio in Iran agli inizi del XX secolo così come nelle altre regioni del Golfo favorì nuovi sviluppi nel Golfo persico: non solo gli stati della regione entrarono in stretta relazione con le varie potenze mondiali, ma ci furono cambiamenti notevoli anche nella struttura socio-politica degli stati industriali e consumatori, i quali giorno dopo giorno diventarono sempre più dipendenti da questa area e dai suoi produttori.

Se è vero dunque che grazie alle sue vaste riserve energetiche, la regione ha avuto e continua ad avere un ruolo fondamentale nel costruire le relazioni che intercorrono tra gli stati, garantire la sicurezza regionale, la produzione costante di petrolio e il flusso petrolifero ai paesi consumatori è sempre stato uno dei maggiori interessi delle grandi potenze occidentali.

Sebbene la presenza formale degli Stati Uniti nel Golfo coincide con la ritirata degli inglesi dalla regione avvenuta nel 1971, è solo in corrispondenza della fine della seconda Guerra Mondiale nel 1945 e il conseguente scoppio della Guerra Fredda che questo territorio acquisisce uno ruolo primario: da sempre al centro di tre grandi continenti, Asia, Europa e Africa, il Golfo persico si trasformò all'epoca nello scenario di

forti rivalità tra grandi potenze divenendo oltremodo funzionale alla grande strategia americana di contenimento dell'Unione Sovietica.

A causa della relativa indipendenza energetica USA assicurata da una produzione petrolifera nazionale quanto mai sufficiente a sostenere la domanda interna, gli anni Sessanta rappresentarono una decade di relativa calma nella posizione assunta dalla grande potenza occidentale. A partire dagli anni Settanta, invece, nuove difficoltà e pericoli agli interessi nazionali statunitensi emersero aggravarono il quadro internazionale cambiando inesorabilmente il corso degli eventi.

L'impennata dei prezzi del petrolio nel 1973, passata alla storia come la prima grande crisi petrolifera, costringerà infatti Nixon ad incrementare in modo significativo la presenza dell'esercito USA in quell'area, fino a quell'epoca piuttosto modesto in mancanza di significativi tumulti interni. Tuttavia, sarà negli anni dell'amministrazione Carter che il coinvolgimento militare statunitense si farà maggiormente aggressivo e radicale. Il nuovo presidente, per proteggere il flusso di petrolio che dalla regione veniva distribuito globalmente, autorizzerà con la *Presidential Directive 18* la creazione di una *Rapid Deployment Force* in grado di rispondere ad eventuali disordini nel Golfo. In seguito alla rivoluzione iraniana scoppiata nel 1979 e alla sostituzione dello scia Reza Pahlavi alla guida del paese con il fervente religioso e anti-americano Ayatollah Khomeini, gli Stati Uniti accresceranno ulteriormente il proprio contingente militare nella regione. In risposta all'invasione sovietica dell'Afghanistan, nel 1980 Jimmy Carter formalizzò la sua personale politica che prevedeva l'utilizzo esplicito di "any means necessary, including military force".

Gli Stati Uniti continuarono a preservare i propri interessi petroliferi, considerati di vitale importanza, anche durante l'amministrazione Reagan. Il nuovo presidente incaricato ordinò la creazione di un comando permanente e unificato, il CENTCOM, per difendere i flussi di petrolio che dal Golfo persico convogliavano nei mercati occidentali. L'espansione dell'Unione Sovietica, considerata ancora la ragione principale di tutti i problemi, doveva essere contenuta e la posizione dagli Stati Uniti nel 1988 durante il "reflagging" dei "Kuwaiti oil takers" dimostrò ancora una volta l'impegno fondamentale assunto dalle varie amministrazioni USA nel cercare di confinare l'avanzata del grande nemico d'oriente.

Negli anni Novanta, con l'invasione del Kuwait da parte delle forze irachene, il presidente americano George W. H. Bush incrementò ulteriormente l'utilizzo delle truppe statunitensi richiedendo il ritiro di quelle guidate da Saddam Hussein. Il rifiuto da parte di quest'ultimo portò alla prima Guerra del Golfo, vinta dalle truppe USA e dagli alleati della coalizione.

Dopo gli attacchi dell'11 settembre 2001 e l'espansione delle organizzazioni terroristiche a minacciare le estrazioni di petrolio, la sua raffinazione e le infrastrutture adibite al trasporto globale, è proprio nel Golfo Persico che gli Stati Uniti rimarranno attivamente coinvolti con lo scopo di salvaguardare e tutelare la sicurezza di questo territorio, da sempre asse centrale dell'egemonia e dello strapotere americano.