13

The United States in the Middle East

Michael C. Hudson

Overview 283
Introduction 284
The Roots of American Involvement 284
New Regional Tensions and Challenges 290
Policymaking: Structures and Process 295
The 'Neoconservative Revolution' 298
Conclusion 304

OVERVIEW

This chapter reviews and analyses American foreign policy in the Middle East. It begins with an historical sketch of US involvement in the area, discussing the traditional American interests as well as Washington's response to new regional tensions and upheavals since the late 1970s. It then describes the structure of Middle East policymaking and its domestic political context. The chapter concludes with an analysis of the 'neoconservative revolution' in American policy and its implications for US–Middle East relations. Among the questions raised are the following: are traditional US interests compatible with one another? What challenges do the social, economic and political tensions within the region pose for American policymakers? How have the attacks of September 11 affected America's position and policies in the Middle East? Is the US, under the neoconservatives' influence, embarked on an imperial project in the Middle East? What is the relation between American domestic politics and its Middle East policies?

Introduction

The United States today dominates the Middle East to an unprecedented extent. In a region historically penetrated by competing Western powers, there are no longer any serious challengers to American hegemony. Yet, paradoxically, American policymakers see the Middle East as posing an unprecedented threat to national security. This is because they believe it is a breeding ground for terrorist movements that are hostile to the US and able to strike violently against the American homeland as well as American interests overseas.

In this chapter we seek to explain this paradox. We will do so, first, by presenting in two parts an historical sketch of the US involvement in the area. This narrative focuses initially on the traditional trio of American interests: anti-Communism, oil and Israel. In the second part we discuss how new regional tensions and upheavals since the late 1970s have challenged American interests and how US policy has sought to cope with them. The third section describes the structure of Middle East policymaking, emphasising both the instruments of policy and the effects of domestic politics on policy. Finally, we look at what some observers call the 'neoconservative revolution' in US foreign policy in the Administration of President George W. Bush, which has laid out a far more ambitious political agenda for the region coupled with a new emphasis on preemptive military actions.

The Roots of American Involvement

There was a time—very different from the present period—when the United States was popular and respected throughout the Middle East. That benign image began to dissipate around the period of the Second World War, when America as an emergent Great Power became directly involved in a region which itself was undergoing great internal upheavals. Washington's concern about the Soviet Union, access to oil and the project for a Jewish state in Palestine—concerns which clashed with the rising nationalism in the region—eroded the earlier positive image.

The age of innocence

America's first encounters with the Middle East and North Africa date back to the founding of the republic (Bryson 1977). Relations revolved mainly around trade and missionary activity. In the late nineteenth and early twentieth centuries, as France, Britain and Russia established an imperial presence in North Africa, Egypt, the Levant, Iran and the periphery of the Arabian peninsula, the United States by contrast eschewed a colonial role in the Middle East. Indeed, in the aftermath of World War I—that watershed event in which European countries replaced Ottoman Turkish administration in much of the Arab world—the Arabs indicated that if they could not have the independence which they most wanted they would rather be governed by the United States than by Britain or France. These were the findings of the King–Crane Commission, sent by President Wilson in 1919 to ascertain the wishes of 'the people' in the former Ottoman territories. Americans were seen as good people, untainted by the selfishness and duplicity associated with the Europeans. As nationalist and religious movements reorganised to roll back European imperialism in the 1920s and 1930s they spared the US from their anger.

Coming of age

World War II marked what America's veteran 'Arabist' ambassador Raymond Hare called 'the great divide' in US relations with the Middle East, 'between our traditional national position of rejecting political responsibility in the Middle East and our postwar acceptance of responsibility on a global or great power basis'. Three issues drove America's new 'great-power' policies in the Middle East: communism, oil and Israel.

Containing Soviet Communism

In October 1947, as Hare (1993: 20) tells it, American and British officials met at the Pentagon to sketch out a geopolitical blueprint for the Middle East in light of the new threats of Soviet expansionism and Communist ideology. Gone was the 'reverse Monroe doctrine' of the interwar period in which the US left the Middle East to Britain (in contrast to President Monroe's insistence on keeping Britain out of Latin America in the nineteeth century). Already President Truman had extended aid to Greece and Turkey to help those governments stave off communist or Soviet challenges. While still conceding Britain 'primary responsibility' for the Middle East and the Mediterranean, Secretary of State Marshall already was contemplating an eventual leadership role for the United States in the region.

A decade later John C. Campbell, with the help of a study group from the Council on Foreign Relations, published *Defense of the Middle East* (1958)—a revealing account of the concern with which the foreign policy establishment viewed trends in the region. The fundamental problem was the Soviet threat to the security, even the survival, of the United States in the face of the global Soviet challenge. As for the Middle East: 'The entrenchment of Soviet power in that strategic region would bring a decisive shift in the world balance, outflanking NATO. Soviet control of Middle Eastern oil could disrupt the economy of the free world. And the triumph of communism in the heart of the Islamic world could be the prelude to its triumph through Asia, Africa and Europe' (Campbell: 4–5). The study group asserted that the Arab-Israeli conflict 'hangs like a poisonous cloud over the entire Middle East . . . Time has not solved the problem of the Arab refugees. Something must be done about it . . . The American commitment to Israel is to its continued independent existence, not to its existing boundaries or policies' (Campbell: 351–2).

On the geostrategic level American policy sought to contain the Soviets in the Middle East through military alliances, as in Europe through NATO. But this approach largely failed, as the examples of the Middle East Command proposal, the Middle East Defense Organization in 1951–52 indicate (Bryson 1997: 179–81). Even the Baghdad Pact (1955), generated more animosity than security in the Arab world (see Chapter 8). Nor were looser political/economic umbrella projects such as the Eisenhower Doctrine (1957), under which Washington promised financial aid and security assistance to Middle Eastern governments requesting American protection from 'international communism', any more successful. Lebanon was the only Arab state to take up the offer, a decision that brought more instability than security to that small country. Indeed, under Stalin's less doctrinaire successors, the Soviet Union and its satellites succeeded in leaping over the Baghdad Pact into the Arab heartland through its arms deals with Syria and Egypt of 1954–56. To these governments, the real geostrategic threat was Israel, not the Soviet Union; and therein lay a real problem for American diplomacy. The US–Soviet 'game' was not being played exclusively on the geostrategic level. It was also being played on the volatile ideological terrain of Middle East domestic politics.

The waning of European imperialism in the Middle East after World War II coincided with a powerful current of national assertiveness in Iran and the Arab countries, which were rapidly modernising. Ascension to great power status and close wartime cooperation with colonialist European allies had not extinguished American liberal idealism. Accordingly, there was great curiosity and not a little sympathy with the emergence of independent states in what came to be called the Third World. With these trends in mind, leading US government officials, had correctly prophesied that support for a Zionist state in Palestine would set the US at odds with the emerging Arab nationalist currents. They were equally right in predicting that the Soviet Union would try to associate itself with this trend in order to advance its own interests throughout the region. Regimes friendly to Washington would be weakened. Developments during the 1950's and 1960's revealed the extent of the problem: nationalist coups or upheavals took place in Egypt, Iran, Iraq, Jordan, Lebanon, Libya, North Yemen, South Yemen, the Sudan; and Syria suffered major instability. Ongoing eruptions (1956, 1967, 1969–70) in the unsolved Arab–Israeli conflict did not help matters.

If the American response to all this was often improvised and contradictory, the results were not altogether negative. American diplomats tried to avoid a head-on confrontation with nationalist forces—US efforts to deal with Nasser are a fascinating case in point. Even American presidents occasionally made a supportive gesture: for example, Dwight Eisenhower in the 1956 war, and John F. Kennedy, who, as a senator, had spoken positively on Algeria and, as president, initiated a dialogue with Nasser and supported the republican revolution in Yemen. On the other hand, the US worked to suppress Iranian nationalism by organising the overthrow of Prime Minister Muhammad Mussadiq's government in 1953, and it opposed the nationalist upheavals in Syria and Iraq. While Kennedy had some temporary doubts about supporting a 'traditional' regime in Saudi Arabia he did not hesitate to support the Saudis when they were challenged by Nasser in the 1960s.

US diplomacy in the field, and the respected non-governmental American presence, somewhat blunted the US confrontation with Arab nationalism, but it could hardly eliminate it. The Palestine problem lay at the heart of the pan-Arab cause, and American support for Israel was too massive to allow for healthy relationships with most Arab states, let alone with Arab public opinion. The Soviet Union, therefore, had a clear field to plow. But the Soviets had their own problems and weaknesses. Communism and Arab nationalism did not mix well together, and the Soviets were often clumsy in their military and aid relationships. Nationalist Arab regimes complained about the low level and poor quality of Soviet support. Nevertheless, Soviet patronage enabled the nationalist, anti-Israel camp to pose a serious challenge to US interests in the region.

The enfeeblement of the Soviet Union vis-à-vis the United States was increasingly evident from the 1970s even to Arab governments heavily dependent on Moscow for arms and diplomatic support. Following Israel's smashing victory over the Arabs in the 1967 'Six-Day War' an Arab 'rejectionist bloc' emerged which, with Moscow's support, had refused American and international plans for a negotiated settlement that would require recognition of Israel. But gradually this bloc began to disintegrate, and with it the influence in Arab public opinion of the pan-Arab nationalist movement. Egypt's President Anwar Sadat was the first Arab leader to recognise Moscow's decline, and he drew the logical *Realpolitik* conclusion by throwing out his Soviet military advisors and dramatically turning toward Washington in search of a negotiated solution to the Arab–Israel conflict. Later, Iraq and Syria would engage in their own more cautious flirtations with the US. By the time of the Soviet Union's collapse in 1990, the US was able to enlist the one-time rejectionist governments in Egypt and Syria in the international coalition to remove Iraq as a threat to Kuwait and Saudi Arabia. The US–Soviet cold war in the Middle East was over, and the Arab nationalist camp (what was left of it) no longer had a superpower patron to constrain the US and Israel.

Oil

US commercial interest in Middle East oil predates Hare's 'great divide'. American companies got their foot in the door of the Middle East oil cartel with the Red Line Agreement of 1928. Under the Red Line Agreement the major international oil companies—including now an American group—pledged in a 'self-denying' clause to share proportionally the future oil discoveries in the former Ottoman Turkish territories, including the Arabian peninsula (except for Kuwait), Iraq, the Levant (except for Sinai), Cyprus and Anatolia. A decade later in Saudi Arabia, having outmaneuvered their British rivals in Saudi Arabia, a subsidiary of Standard of California made a stupendous find at 'Dammam No. 7' which, over the next 45 years, was to produce over 32 million barrels of oil. But oil did not acquire a strategic security dimension until World War II. Just as the British at the beginning of the century had seen the military and economic value of Middle East oil, so too did the Americans, not only for prosecuting World War II but also as a cheap supplement to declining US reserves, and the West's oil-driven post-war economic development. With the price of Middle East oil a mere $2 per barrel up until 1971 it is hardly surprising that western Europe and even the US would become dependent on it.

While European and Japanese dependency was well over two-thirds of total consumption, Americans in the 1970's found that half their oil was imported and half the imports were from the Middle East. Given, then, the importance of a secure supply of cheap Middle East oil, US policymakers determined that their main tasks were to exclude Soviet influence from the region and prevent any internal force from nationalising Western companies, restricting production and/or raising prices and overturning established regimes. Clandestine involvement by the CIA and the British in a coup codenamed 'Operation Ajax' which returned the young Shah to his throne in Iran in 1953 was an effective object lesson for would-be nationalist challengers (Bill 1980: 86–94). As for the US-Arab oil relationship, ARAMCO (the Arabian-American Oil Company, a consortium of US companies active in Saudi Arabia) had mounted a remarkably effective, indeed amicable, working relationship that has endured up to the present, weathering even the transfer to Saudi ownership.

In 1960, following an abrupt decision by the oil companies on a price cut, outraged governments of oil-producing states established the Organization of Petroleum Exporting Countries (OPEC). OPEC, inexperienced and weakened by internal rivalries, had little success in defending the price of oil during its first decade. But the situation was about to change. Growing world demand, the proliferation of small independent companies, and domestic nationalist pressures in several oil producing countries set in motion the 'oil revolution' of the 1970s which by the end of the decade had lifted the price to around $35 per barrel. It also led to a shift in the balance of oil power from the companies to the producing countries, by breaking the cohesion of the producer cartel at a time when world oil demand was growing. Libya, following Colonel Mu'ammar al-Qadhafi's nationalist revolution in 1969, led the charge, followed by Iran. Then, during the 1973 Arab-Israeli war, King Faisal of Saudi Arabia, did what Americans had thought was unthinkable: he imposed a partial boycott on the US and on European consumers. Suddenly the Arabs had 'the oil weapon' and, stung by America's emergency war aid to Israel, they had used it.

The shock in the United States and Europe was palpable, and it lent urgency to Secretary of State Kissinger's mediation of the war. In the long term it also led to a comprehensive new energy policy designed to blunt the oil weapon in the future through the Strategic Petroleum Reserve, a vast underground oil storage facility, and conservation measures. Thus, by the time of the second major price hike in 1979, due to the Iranian revolution of 1979–80, and the Iraq–Iran war of 1980–88, the global oil market was far more stable. Moreover, Saudi Arabia was both able and willing to cushion these shocks. With the collapse of world oil prices in 1986, OPEC and non-OPEC producers alike lost their collective effectiveness, and 'the Arab oil weapon' basically disappeared. For US policymakers the main oil problem now was ensuring that the newly formed (1981) Arab Gulf Cooperation Council (GCC) be 'protected' from regional (Iranian) or exogenous (Soviet) inroads. Fortunately for Washington, the Iraqi president, Saddam Hussein, shared American concern over Ayatollah Rouhollah Khomeini's regional system-challenging proclivities. Iraq provided the military shield, the GCC states the money, and the US the intelligence data to beat back the Iranian Islamist challenge.

Israel

So firm—indeed, fervent—has American support for Israel become since 1967 that it is easy to forget how bitter the policy debate in the US was over Palestine in the 1940s and how evenly matched the antagonists. On the one side were the pro-Zionists in the domestic political arena; on the other, the Executive Branch officials concerned with the global and regional implications of a US-supported Jewish state. In a well-known article published in *The Middle East Journal* in 1948, Kermit Roosevelt, an American intelligence expert on the Middle East, described (and criticised) the Zionist lobbying effort, observing that '[A]lmost all Americans with diplomatic, educational, missionary, or business experience in the Middle East protest fervently that support of political Zionism is directly contrary to our national interests, as well as to common justice' (Roosevelt 1948: 1).

But President Harry Truman, influenced by Zionist friends and desirous of Zionist political support in the 1948 election campaign, decided that the US would support the establishment of a Jewish state in Palestine. Had he not taken that stand (and he himself wavered at one point), the Zionist enterprise in Palestine might have taken a weaker form and, indeed, might not have ultimately succeeded. It was not until 1967 that the Executive Branch diplomatic and defense establishment, impressed with Israel's military prowess and Arab weakness, was finally persuaded that Israel might be something more than a burden on the national interest. Since then the deeply committed supporters of Israel have managed not only to mobilise most of the American Jewish community but have helped win American public opinion, in general, to support Israel and its policies in the region almost without reservation. Perhaps the best evidence for the political clout of Israel's supporters is the size of the annual US aid package—upwards of $3 billion.

Israel today is not only an established part of the Middle East landscape but has become a regional superpower: its GNP is more than twice that of the largest Arab state, Egypt; and it has a world-class military establishment. Yet the naysayers of the 1940s were not entirely wrong in their assessment. Indeed, they were right in forecasting that the US relationship with the Arab world would deteriorate, that repeated wars and immense suffering would result from the creation of a Jewish state, and that the Soviets would take advantage of this rancour and instability. America's political leadership was prepared to accept these costs and insist that the Arabs accept them too. For American leaders the costs were bearable because they did not include loss of access to Arab oil nor the complete loss of the Middle East to the Soviet Union.

For that, they may thank the Arabs, who failed to respond collectively to the challenges facing them, and the Soviets who proved incapable of sustaining their empire.

As midwife at the birth of Israel in 1948, the US faced the task of helping arrange a settlement that would see it through infancy and ensure it a prosperous life. To that end the United States has supported over the years a variety of diplomatic initiatives and projects to normalise the new state's relations with its neighbours. But owing to the manner in which Israel had been established—basically by force of arms which led to the displacement of some 750,000 Palestinians into neighbouring countries—these efforts were largely unsuccessful until 1978. Only then, at Camp David did the American government finally make a significant dent in the problem.

The Camp David Accord is a milestone (see Chapter 10): one of two pivotal events for American policy in securing the 'normalisation' of Israel in the Middle East; the other is the Madrid/Oslo 'peace process' that began in September 1991. But the road from Camp David to Madrid was, to say the least, bumpy. The presidency of Ronald Reagan (1980–88) proved sterile with respect to the Middle East. Reagan's officials maintained a quixotic and unrealistic fixation on 'strategic consensus', by which they meant agreement between Israel and its Arab neighbours to cooperate in rolling back what they saw as Soviet inroads in the Middle East. Reagan's first Secretary of State Alexander Haig is widely believed to have given 'an amber light' for Israel's invasion of Lebanon, a bloody adventure that only intensified Israeli–Palestinian hostility. The Reagan administration also sought to resuscitate the perennial 'Jordanian option' as a solution to the Palestine problem, even though Jordan's King Hussein was no longer in a position to represent Palestinian nationalism. So ill-equipped were the Reaganites to understand, let alone deal with, the Middle East, that they allowed valuable years to go by during which the Arab-Israeli situation only worsened. This paralysis of policymaking set the stage for the Palestinian *intifada*, a mass uprising of young, stone-throwing Palestinians in the occupied territories, that began in December 1987 and refocused world attention on Palestinian national grievances as the heart of the Arab–Israeli conflict.

New Regional Tensions and Challenges

While the United States was growing in power and its interests in the Middle East were deepening, the region itself was not standing still. In fact, it was and still is in the process of far-reaching social, economic and political upheavals. It has been experiencing rapid population growth and suffering from uneven and sluggish economic development. Oil wealth is mainly concentrated in a just a few small, thinly populated countries; and it has not been successfully deployed to promote region-wide sustainable development. Moreover, the collapse of oil prices in the mid-1980s has continued to generate socioeconomic strains on governments. Poor educational systems and a growing pool of unemployed young people pose a constant challenge to largely inefficient, authoritarian regimes. The three *Arab Human Development Reports*, prepared by Arab social scientists in 2002–04, highlight these issues, which constitute important underlying factors behind several emerging political challenges to America's role in the region.

1979: the beginning of a watershed decade

These challenges were dramatically illustrated in 1979. That year was marked by five landmark events. ① the peace treaty between Egypt and Israel; ② the Islamist revolution in Iran; ③ The takeover of the Grand Mosque in Mecca, Saudi Arabia, by Islamist militants; ④ the Soviet invasion of Afghanistan; and ⑤ the emergence of Saddam Hussein as the sole ruler of Iraq. Each in its way posed new challenges for American policymakers.

On the surface, the Egypt–Israel treaty of 26 March 1979 represented a positive development, with the United States playing the crucial role in bringing it about thanks to the diplomacy of President Carter in the Camp David meetings the previous year. Momentous as it was, this breakthrough failed to address the heart of the Arab–Israeli problem—the conflict between Israel and the Palestinians. Indeed, because the 'Palestinian dimension' had not been successfully dealt with at Camp David, new pressures began to build up within the Palestinian community (both inside and outside historical Palestine) to confront the Israeli occupation. Scarcely had Israel's withdrawal from the Egyptian Sinai peninsula been completed, Israel's right-wing government, strongly influenced by Defense Minister Ariel Sharon, launched its ill-fated invasion of Lebanon with the aim of liquidating the Palestine Liberation Organization and establishing a regime in Lebanon that would be friendly (and compliant) toward Israel. Greatly weakened, the PLO, under Chairman Yasser Arafat, tried to move toward a stance more acceptable to the international community, but the Palestinians remained diplomatically isolated. The onset of the *intifada* helped to re-engage American diplomacy, but as we have seen the once promising Madrid and Oslo 'peace processes' ultimately collapsed, and the ensuing brutal conflict between Israel and the Palestinians greatly weakened US stature in the Arab and Islamic worlds.

Farther to the east, in Iran, an even greater challenge had emerged. Iran's pro-American leader, Shah Muhammad Reza Pahlavi, had been forced to leave Tehran in January 1979 and the Islamic revolution was fully under way a month later. The coming to power of Ayatollah Rouhollah Khomeini undermined a 'pillar' of US security interests in the region dating back to the early 1950s. Decades of Iranian popular resentment at the American intervention erupted, symbolised by the seizure of the American embassy on 4 November 1979, and the holding of US hostages for over a year. The hostage crisis traumatised American public opinion and contributed to the defeat of President Carter in 1980. It also reignited negative perceptions of Islam among Americans and of America among Muslims. During the first phase of the Islamic revolution from 1979 until Khomeini's death in 1989 the Iranian regime