Conclusion and Recommendations

The Middle East and its sub-region, Persian Gulf region, have long been amongst the most volatile regions of the world and major centers of world affairs; strategically, economically, politically, culturally, and religiously sensitive areas. The location of the Persian Gulf has given the region a significant economic and strategic position. Both the Middle East and Persian Gulf region remain areas of unresolved and dangerous conflict involving the external powers, arms proliferation and ethnic and religious hatreds that go back centuries. World demand for energy continues to grow propelled in part by the booming economies of Asia. Furthermore, oil and natural gas are the primary drivers of the entire global economy, both in the developing and developed worlds. The world therefore faces the coincidence of increasing demand for energy and growing dependency on dangerous and unstable regions. Furthermore, the new patterns of Asian demand will invariably mean that different Asian countries will establish their own political and economic ties with the Persian Gulf countries.

As geological exploration and new extraction technologies become more sophisticated, it is clear the world is well endowed with fossil fuels; coal, oil and natural gas. The problems of getting new energy to market are primarily economic and political. For the foreseeable future, the importance of Middle East oil and natural gas supplies will increase and the Persian Gulf will continue to be the most significant repository for reasonably priced energy. Persian Gulf States hold 55 percent (728 billion barrels) of the world’s crude oil reserves and access to the region’s oil is critical to Western, indeed global, prosperity. Yet because of the expected untapped energy resources of the region, the local players and the key external powers realize that if political conflicts can be resolved, an economic bonanza could transform the region.

The study focuses on Geostrategic Importance of Persian Gulf, based on two facts, as follows:

1. Iran and USA as Two Major Powers of the Region

This region has been the centre of conflicts in the Middle East. Due to the geostrategic changes in the last three decades the region suffered a prolonged period of tension and instability, with referring to Iran-Iraq War; 1980-1988, Gulf War; 1990-1991 and Iraq War; 2003 onwards.

Iran is an important player in the Persian Gulf region; with refer to its nuclear policy, its dispute about Persian Gulf islands with UAE, threatening to close the Strait of Hormuz and its significant role in the Iraq security. Since 9/11, the Middle East issues have been the focus of international politics. Among the Middle Eastern countries, Iran’s role has also been at the centre of Middle Eastern issues, especially since the disintegration of the Soviet Union and
the containment of Iraq after the First Gulf War. As the conflict in the Middle East continues, 
attention turns to the influence of Iran over there. 
Considering Iran’s political, cultural and geopolitics realities without focusing on any particular 
predominant factor, it can be seen as a nation that critically affects international politics in the 
Middle East because of its centuries-long profile in the region. A nation of 70 million, Iran is 
one of the largest oil exporters in the world. And with its long coastline, good highways and 
railroad links to Central Asia, it is a natural crossroads and trading partner. For Iran to hold 
that position, however, it must contend with some significant drawbacks; it is a Persian state 
in a region dominated by Arabs, and a Shiite Muslim nation surrounded, for the most part, by 
Sunni states. 
In the years since the September 11 attacks and the onset of crisis in Iraq, Iran's 
consolidation of its political-security role in the Middle East, and its impact upon regional and 
international security systems has been the focus of attention in international and Middle East 
security studies. The prevailing view in the West and the Arab world is that new political-
security and geopolitical developments have changed the balance in regional power and 
political structure in favour of Iran. Accordingly, this situation has had negative effects on the 
United States' strategic interests, its regional allies in the Arab world, and on Israel's position. 
It also began forming alliances with its oil-rich neighbors along the Caspian Sea as well as 
with Russia and China to counter-balance US power in the region. 
USA as an extra-regional state is a major power in the region with strong influence on the 
region’s politics. USA is presented in the region since 1991. From 2001 its presence became 
stronger by invading Iran’s eastern neighbour Afghanistan, where its troops are deployed and 
going to be increased. And since 2003 the western neighbour of Iran, Iraq, is also has been 
occupied by USA and its allies’ troops. 
The Gulf War has taught a number of lessons about the effective use of military power. 
Military force can capture territory and destroy enemy forces, but it can not guarantee peace. 
Even a military-weakened Saddam Hussein had remained a threat to stability in the Persian 
Gulf region and Middle East. 
Invading Iran or any surgical strikes against Iran’s nuclear facilities are not logical and viable 
options. The mentioned actions would most likely lead to a protracted retaliation by Iran and 
more determined it to become a nuclear power, greater instability in Afghanistan, Iraq, 
Lebanon and the Persian Gulf region and higher oil prices. General David Petraeus, the head 
of the US Central Command region which includes Iran, has stated another reason to not 
invading Iran. In an interview with Reuters in February 3rd, 2010 he said that, “It's possible (a 
strike) could be used to play to nationalist tendencies.”¹ “A military strike on Iran could have 

¹ “Petraeus says strike on Iran could spark nationalism”, Reuters, February 3rd, 2010
the unintended consequence of stirring nationalist sentiment to the benefit of Tehran’s hard-line government,” he added.

On the other hand, the United States is providing Ballistic Missile Defence (BMD) to four countries on the Arabian Peninsula. “The New York Times carried a front-page story on the United States providing anti-missile defences to Kuwait, the UAE, Qatar and Oman, as well as stationing BMD-capable, Aegis-equipped warships in the Persian Gulf.”

Meanwhile, the front page of The Washington Post carried a story saying that “the Obama administration is quietly working with Saudi Arabia and other Persian Gulf allies to speed up arms sales and rapidly upgrade defences for oil terminals and other key infrastructure in a bid to thwart future attacks by Iran.”

Iraq’s invasion of Kuwait in 1990 had a tremendous impact on the regional politics. It proved that the Gulf’s many small oil-producing states are largely incapable of defending themselves against larger players in the region. The US was working together with Saudi Arabia and this was followed by the forging of ties with individual GCC; Gulf Cooperation Council, countries. Iran’s decision to remain neutral during the Iraq-Kuwait crisis resulted in an improvement in Iran’s relations with the West and the GCC countries. Iraq remained weakened after its defeat in the Gulf War and until removal of Saddam’s regime in 2003 it was the biggest threat to the region’s stability.

The removal of Saddam has not removed all enmity toward the region, and it seems that a large continued extra-regional military presence and intervention threat has perpetuated that enmity. So there is a need of constructing a regional order that works and lasts. On the other hand this presence could be use to deter any state from violating the security and stability of the region. Maintaining a determined presence would demonstrate to any aggressive state that the United States and its allies, take the region’s security commitments seriously. Moreover, Saudi Arabia and its partners in the GCC are consumers of security, vulnerable to attack from larger, more powerful neighbors. The memory of Iraq's invasion of Kuwait should be sufficient reminder that threatening neighbors cannot be ignored.

Involving extra-regional states with a stake in a peaceful and stable Gulf, most notably the United States, Europeans, South Asians and Chinese, will be important for achieving long-term stability. Their geographical proximity to the Gulf, growing dependence on Gulf oil, importance to counterterrorism and non-proliferation, and abiding proclivities to be a partner with the United States on global problems all point to the need for including them in a stable structure in this sub region.

This proves that the United States is an important extra-regional power that has considerable influence in this region. Since the disintegration of Soviet Union, the United States has played

---

a significant role in the region, especially with reference to the Gulf War (1990) and the Iraq War (2003).
The United States has placed substantial forces, to the east and the west of Iran, in Afghanistan and Iraq. For the Iranians, the current situation has posed a dangerous scenario. Iran is not concerned about these troops invading Iran. That is not a military possibility. Iran’s concern is that the United States will use current situation as platform to foment ethnic dissent in Iran. This concern has been strengthening after the Iranian disputed presidential election in June 2009.
As USA has committed itself to the security of its regional Arab allies, no political settlements of Gulf conflicts are possible as long as these two countries, Iran and USA, remain adversarial.
Hostility between the two states has been intensified and a Manichaean paradigm has been developed in both of them. Each one came to perceive the other as a mortal enemy in a zero-sum game. Anti-Americanism and anti-Iranian feelings became two sides of the same coin; of course these are the feeling of governments and not nations. The walls of mistrust have been built over decades and need to be deconstructed, brick by brick. This is not an easy task, but it is an essential one. The United States has also to assure the Gulf States that negotiation with Iran does not mean the withdraw of its forces from the region and their security is not the price of US-Iran rapprochement.
It is a fact that every American president since the Islamic Revolution has been unable to deal successfully with the question of Iran. President Carter was the most visible casualty, losing the presidency in the shadow of the hostage crisis. His popular successor, President Reagan, was himself held hostage by the Iran-Contra scandal, as was his heir, President George H.W. Bush, whose political woes were multiplied by allegations of further covert dealing with Iran. The Democrats returned to power in 1993, and President Clinton could be forgiven for concluding that it would be better to safe than sorry and avoid Iran altogether. Yet Iran refused to be ignored, and by the middle of his first term, Clinton was persuaded to take decisions that would draw him inexorably towards the Iranian question, a question that would come to the fore with the election of President Khatami in Iran in 1997. Contrary to expectations, Clinton found himself increasingly engaged with Iran, only to be disappointed by the end of his presidency with the lack of progress. With the inauguration of President George W. Bush, and the tragedy of September 11th, 2001, the policy of neglect was shelved. He declared Iran as a part of axis of evil. To avoid Iran to reach to the nuclear power, he used the policy of carrot and stick frequently. But none did work out. Again the Democrats have come to power and President Obama is running the United States. He has declared his policy a kind of engagement with Iran and is trying to bring the relation of the two countries to normal. But in his first year in the office, the disputed presidential election in Iran, has suspended all
the efforts in this regard. As President Obama has backed the Iranian people who are protesting against the result of the election, having direct and face to face negotiation with the Iranian government seems impossible, so far.

Amongst the obstacles in direct talk between two sides, Iran in one side and Western states leading by USA in other side, two issues which are interrelated seem more important:

1.1. Iran’s nuclear program
Currently there is a standoff between Iran and international community on the question of nuclear development. The creation of an Iranian nuclear program serves two functions.
1. First, if successful, it further deters external threats.
2. Second, simply having the program enhances Iranian power.

Since the consequences of a strike against these facilities are uncertain and raise the possibility of Iranian attempts at interdiction of oil from the Persian Gulf, the strategic risk to the attacker’s economy discourages attack. The diplomatic route of trading the program for regional safety and power becomes more attractive than an attack against a potential threat in a country with a potent potential counter.

Iran is secure from conceivable invasion. It enhances this security by using two tactics.
1. First, it creates uncertainty as to whether it has an offensive nuclear capability.
2. Second, it projects a carefully honed image of ideological extremism that makes it appear unpredictable. It makes itself appear threatening and unstable.

Paradoxically, this increases the caution used in dealing with it because the main option, an air attack, has historically been ineffective without a follow-on ground attack. If just nuclear facilities are attacked and the attack fails, Iranian reaction is unpredictable and potentially disproportionate. Iranian posturing enhances the uncertainty. The threat of an air attack is deterred by Iran’s threat of an attack against sea lanes. Such attacks would not be effective, but even a low-probability disruption of the world’s oil supply is a risk not worth taking.

The Iranian government claims that its nuclear program is designed for peaceful purposes; it says that using nuclear weapons would violate Islamic law, but Washington and much of the West accuse it of having a secret program to build the bomb. So far, the International Atomic Energy Agency has found no smoking gun or any evidence that Iran has diverted its nuclear program toward military purposes. But nor has it been able to confirm Tehran’s peaceful intentions, because the Iranian government has refused to answer some major questions.

Now that Iran has joined a small club of countries that can enrich uranium to a low level of purity, it seems unlikely to cave in to international pressure and accept zero enrichment in the future. The existing nuclear impasse could create an excellent bargaining chip for Tehran in future negotiations. This may be the reason that Iran’s leaders are cultivating uncertainty about the country’s actual capability. Iran and the United States seem to be engaged in a
game of poker, with Tehran not showing its cards about its nuclear capabilities and Washington refusing to exclude the possibility of attacking Iran.

During the Cold War, Iran and Israel actually cooperated on many security issues. With a threat from the Soviet Union gone, the Iran-Israel relationship changed. Suddenly after the Cold War, Iran and Israel found themselves being the two most powerful states in the region of Middle East. And rather than potential security partners, they started to view each other as rivals. In late 1992, Israel made a sudden U-turn and started to depict Iran as a global and existential threat. At the same time, the United States rebuffed Iran’s attempts to come out of its isolation and play a bigger role in regional security. So Tehran began to see the Middle East peace process as a threat to its influence in the region and began to support Palestinian radicals such as Hamas and Hezbollah in Lebanon.

The Lebanon conflict of 2006, also called the 2006 Israel-Hezbollah War, was an indication of an assertive Iranian posture in this region, especially considering the support given by Iran to the Hezbollah in Lebanon. Hezbollah; literally ‘Party of God’, is a Shiite Islamist political and paramilitary organization based in Lebanon. Its leaders were inspired by Ayatollah Khomeini, and its forces were trained and organized by a contingent of Iranian Revolutionary Guards. Some experts believe that this group is Iran’s local proxy group, while some others say that Hezbollah is more of an equal partner than a proxy in the alliance with Iran.

Hezbollah is now also a major provider of social services, which operate schools, hospitals, and agricultural services for thousands of Lebanese Shiites, and plays a significant role in Lebanese politics. It is regarded as a resistance movement throughout much of the Arab and Muslim world. Many governments, including Arab ones, have condemned actions by Hezbollah while other states, such as Iran and Syria, have praised the party. Several western countries regard it in whole or in part as a terrorist organization. It seems that Hezbollah has broadened its motives from fighting Israel in Lebanon to fighting Israeli and US influence in the region.

Israel is more concerned with Iran’s nuclear program than USA. The Americans have seen a number of apparently extreme and dangerous countries develop nuclear weapons. The most important example was Maoist China. Once China developed nuclear weapons, it behaved quite cautiously. Furthermore, the United States is a big country with widely dispersed population and a massive nuclear arsenal, a reckless country that launched some weapons at the United States would do minimal harm to the United States while the other country would face annihilation. But Israel’s geography forces it to see things differently. Iranian President, Mahmud Ahmadinejad, has said Israel should be wiped off the face of the Earth while simultaneously seems working to attain nuclear weapons. Moreover, the United States is outside the range of the Iranians’ current ballistic missile arsenal while Israel is not. And a nuclear strike would have a particularly devastating effect on Israel. Israel is small country
with a highly concentrated population. A strike with just one or two weapons could destroy Israel. Therefore, Israel has a very different threshold for risk as far as Iran is concerned. For Israel, a nuclear strike from Iran is improbable, but would be catastrophic if it happened. For the United States, the risk of an Iranian strike is far more remote, and would be painful but not catastrophic if it happened.

Besides, it is believed that if Iran succeeds in getting a bomb, it will also create a potential arms race as Arab states see the need to obtain weapons to deter the Iranians. In fact, since 2006, twelve Middle East countries (Saudi Arabia, Algeria, Egypt, Jordan, Morocco, Tunisia, Turkey, Syria, Yemen, Iraq, Libya, and the Gulf Cooperation Council) have either announced plans to explore atomic energy or signed nuclear cooperation agreements. All say they are only interested in peaceful uses of nuclear technology. As Iran is demonstrating, it is not so easy to achieve a nuclear capability, especially with the whole world watching, but the region will become far more dangerous as the number of countries engaged in nuclear activities grows.

1.2. The Sanctions Imposed by the Western Countries on Iran

After Islamic revolution in Iran and starting the existed hostility between Iran and USA, the country has been suffering from the sanctions imposed by the Western states, particularly USA.

Recently, the Iranian government has rejected, at least for the moment, a proposal from the P-5+1 to ship the majority of its low-enriched uranium abroad for further enrichment. But in January 21st 2010, Iranian Foreign Minister said that “Iran has not rejected an UN-brokered offer to exchange enriched nuclear fuel but it wants a staged swap rather than a wholesale handover of most of its stockpile.”

The group is now considering the next step in the roadmap that it laid out in April 2009. The next step to force Iran to change its attitude and policy seems to be a new round of sanctions, this time meant to be crippling. The only crippling sanction available is to cut off the supply of gasoline, since Iran imports 35 percent of its refined gasoline products. That would theoretically cripple the Iranian economy and compel the Iranians to comply with US demands over the nuclear issue. But it seems that even all of them are not committed to the idea of sanctions, referring to negative vote by China to impose new sanctions and favor to continue dialogue. China and Russia, both members of 5+1 group, seem that are not eager to impose more sanctions on Iran.

In case of China, there are two important issues.

1. First, China is the world’s second biggest oil consumer, 6.39 million barrel per day, after USA. Therefore it is trying to keep its good relations with Iran, resulting continued oil export.

---

4 France Press News Agency, Tehran, January 21st, 2010
from Iran. USA is encouraging key Arab states to boost oil exports to China in order to reduce Beijing's reliance on Iranian energy.

2. Second issue is Taiwan and an arms sale to this country, "USA has announced the sale of US$ 6.4 billion worth arms to Taiwan." This has sparked China’s anger. It is expected to prompt China to slow or even break military relations with the United States. It seems that if Western states, especially USA, want to have full coordination of China in dealing with Iran’s nuclear program and sway its support from Iran side to their side, Taiwan issue and China’s oil consumption must be somehow managed.

In Russia’s case according to Reuters, US Secretary of State, Hilary Clinton, was speaking in London after talks with Russian Foreign Minister, Sergei Lavrov, part of a series of meetings focused on Iran held on the sidelines of international conferences on Afghanistan and Yemen. Russia, which along with China has been less eager to push for new UN sanctions on Tehran, was now ‘very willing’ both to work with the United States and to consider ‘appropriate pressure’ as a next step, she said. "It is clear that one can't wait forever, and our partners are already talking about the need to discuss further measures in the UN Security Council," Lavrov said. He warned that patience with Tehran was running out, according to remarks quoted by state-run RIA Novosti; Russian Information Agency Novosti.

In his first State of the Union address on January 27th, 2010, President Obama warned Iran's leaders of the nuclear programme. President Obama said that "Iran's leaders continue to ignore their obligations. Iranian leaders would face growing consequences. That is a promise." The Senate bill targets non-Iranian companies that export fuel to Iran or help expand Tehran's oil refining capacities by denying them US loans and other financial assistance. The Senate backing follows legislation approved in the House of Representatives and the two must be reconciled before becoming law.

There have been three rounds of UN sanctions against Iran and the US and its allies on the Security Council have been pushing for a fourth. In 2006, the council called on states to block Iran's import and export of 'sensitive nuclear material and equipment' and to freeze the financial assets of those involved in Iran's nuclear activities. In 2008, the council banned all of Iran's arms exports. Further restrictions, imposed in March 2008, encouraged scrutiny of the dealings of Iranian banks.

Moreover, the sanctions have already hurt Iran badly. Its plan for gas and oil pipelines that would connect the Persian Gulf to the Caspian Sea has stalled because of the restrictions. Its oil industry has been deprived of access to important modern technologies; as a result, Iran's

---

5 “US sells weapons to Taiwan, angering China”, Washington Post, January 30th, 2010
6 “Clinton sees consensus forming on Iran steps”, Reuters, January 28th, 2010
7 “US Senate Backs New Sanctions Against Iran”, BBC News Agency, January 29th, 2010
oil production today remains significantly below what it was in 1979, which was 6 million barrels per day at the time and it has altered to 4 million barrels per day in 2008. But it should not be ignore that any new sanctions against Iran will suffer Iranian people, who are already affected by the consequences of existing embargoes. It is strongly recommended that if any new sanctions are in agenda, the best way to aid Iranian people is maintaining or even increasing military sanctions and dropping economic sanctions.

On the other hand, it is a fact that historically, sanctions have not succeeded so far. For example, the United States placed sanctions on the sale of grain to the Soviet Union during the Cold War. It is discovered that while the sanctions were hurting the Soviets, they were hurting American farmers as well. The sanctions which USA imposed on Japan in 1941 could be another example. As another example, the United States halted the shipment of oil and scrap metal to Japan in an attempt to force it to reshape its policies in China and Indochina. The sanctions were crippling, as the Americans expected. However, the Japanese response was not capitulation, but Pearl Harbor.

Furthermore, the sanctions have been lose-lose economic proposition for both United States and Iran. Not only Iran has to bear the consequences of imposed sanctions, but also USA. Nor should one underestimate the negative long-term implications for US interests of increasing involvement of China and Russia in the Persian Gulf, which Iran has facilitated, or of Tehran’s recent move to use Euro in its international transactions.

Considering above mentioned issues shows that a strategy of full engagement will be the best option to eliminate or at least diminish the problems in the two states’ relation. This strategy which gradually increases economic, educational and cultural exchanges between the two states, will exploit the commonalities shared by two governments and establish concrete institutional mechanism to manage their remaining differences. But normalizing Iran-USA relations will be a long and difficult process.

As a first step hold direct, comprehensive and unconditional negotiations to learn firsthand about the two government’s shared interests on all the important issues, such as defeating Al Qaeda and stabilizing Afghanistan, Iraq security, Iranian nuclear program and etc. Meanwhile USA has to assure its Arab allies of the region and also Israel that any direct negotiation with Iran does not mean that Iran’s disputed nuclear policy is being neglected and it will remain the main item on the agenda.

It seemed that both states were ready for negotiation in 2009, but the disputed presidential election and its following unrest and crises in Iran halted all efforts and Iranian government’s suspicious of Western countries, mostly USA, to support and help the oppositions to change the regime has made the possibility of any future direct dialogue very unlikely.
2. Essential Regional Order

This study also argues that order in the Persian Gulf is a critical necessity for stability in the Middle East. Such an order would be a product of the policies of two important players; Iran and United States, besides the other states of the Persian Gulf. Order in the Persian Gulf would ensure stability for the region of the Middle East and also in the long run, provide for containing the so-called Civilization Clash, which is emerging in the World today.

An unstable regional balance of power is likely to force the United States to remain militarily active and could accelerate Iran’s pursuit of nuclear weapons. A failure to reform governance in the Gulf States and the Middle East could permit political instability and in the end undermine any security system.

Before Islamic Revolution in Iran, in 1979, regional order of the Persian Gulf region was a triangle shaped by Iran, Iraq and Saudi Arabia. Iran’s policies in the region and Middle East, as a pro-Western state, were in favour of USA and its allies. Iraq, as a pro-Soviet state, also was a dominant country of the region and Saudi Arabia due to its huge oil reserves, one of the highest in the world, had and still has the power of influence on regional policies.

Iran and Iraq have had conflicted relationship since Second World War. They have fought a prolong conflict in 1980s and continued to have strained relationship until Saddam Hussein was in power.

Iran and Saudi Arabia, the other dominant and powerful state of the region, never had a direct confrontation. But they were struggling to get ahead of each other and become the superpower of the region.

The Islamic Revolution changed Iran’s governmental structure; as a result, Iran's regional and international foreign policies also altered. In 1979 besides Islamic revolution in Iran some other important events happened; such as Camp David Treaty, dissolution of CENTO, Russia’s aggression against Afghanistan and USA’s embassy’s in Tehran; hostage crisis. On the other hand, Islamic Revolution in Iran was the reason of turning some of Islamic States’ back to Western Ideologies, increasing doubt about Persian Gulf’s monarchies' legitimacy was the most important result. Decreasing the monarchies’ legitimacy indicated their weakness of security establishment. In its region, Iranian Islamic revolutionaries called specifically for the overthrow of monarchies and their replacement with Islamic republics, much to the alarm of its smaller Sunni-run Arab neighbors Iraq, Kuwait, Saudi Arabia and the Persian Gulf States.

Then the Iran-Iraq War started in 1980 and lasted for eight years. Iran and Iraq, the states which were powerfully ordaining the Gulf’s affairs and had dominated the security picture of the Persian Gulf more than two decades, were under internal and external pressures and
instead of them, small states that could not play any important role in regional order became USA’s political and martial bases.

After Islamic Revolution and due to a prolong war with Iraq, Iran became weak and almost lost its position as a dominant state of the region. Iraq also had been weakened by the long period of sanctions imposed by USA and most of the Western countries; therefore it seemed that the stage was ready for Saudi Arabia to become the region’s unique dominant power. The invasion of Kuwait by Iraq altered the situation and to respond the Gulf States’ demand, USA entered the region.

During recent decades, preserving a ‘balance of power’ policy between the regional actors has been the basis of American foreign policies in the region, especially in the Persian Gulf. The recent developments have unbalanced power equations in favour of Iran.

The US, by regime change in Iraq, helped Iran become the biggest military power in the region after Israel. On the other hand the US presence in the region which firstly was in response to the Gulf States demand for confronting Iraq and now to maintain the stability of the region, is being opposed by the government of Iran. It believes that this will intensify the tension and instability in the region and the regional disputes must be solving by the regional states. But regional states have accepted that US and its allies force has removed the greatest source of insecurity to the Gulf and in doing so, the regional balance of power has again been shifted as a consequence the action, although US presence has caused expanded opposition in the cultural and political spheres. It is essential that Tehran accept it so, because Iraq was the major threat to Iran, in particular.

Washington surrounds Iran with bases in Bahrain, Kuwait and Qatar and massive troop’s build-ups in Afghanistan and Iraq. It makes friends with the leaders of Iran’s neighbours and its nuclear-equipped naval carries patrol the Persian Gulf region.

The Iranian counter could be the following actions:

1. Maintain a military force capable of protecting the surrounding borders so that major American forces cannot penetrate.
2. Move to create a nuclear force, very publicly, in order to deter attack in the long run and to give Iran a bargaining chip for negotiations in the short term.

In this new environment, Iran faces a stark choice: either continue to resist US penetration of the region by heavy investment in what has become a shrinking circle of allies or exploit its considerable tactical advantages to broaden its policy of detente and diplomacy for greater economic and political gains.

It seems that Iran legitimately demands that Washington recognize its important role in Afghanistan, Iraq, Lebanon and the Palestinian territories and also Tehran’s new role as a major regional power.
To right the imbalance of power, America and others reacted by following an eminently realist script. They banded together to support a largely US operation that pushed Saddam back within his own borders, freeing Kuwait. This righting of the balance of power weakened and enervated Saddam’s Iraq more, followed by over a decade of economic sanctions that by 2003 had already gutted the once-powerful Iraqi state, for balancing potential future aggression by an unpredictable Iraq.

When the United States eventually implemented its new doctrine and took military action against Iraq in 2003, Iran, which under other circumstances would have welcomed any effort to remove the Iraqi regime, was unprepared and unwilling to lend any direct support to the US effort. The reason was simple and understandable; Iran itself was in the US crosshairs as an evil power.

Since 2003, the year of removal of Saddam and regime change in Iraq and most importantly USA’s more firmed presence in the region, another triangle was formed; including USA, as an extra-regional state which replaced Iraq, Iran and Saudi Arabia. Saudi Arabia and Iran have continued their relations conservatively and trying to avoid any kind of confrontation despite their desire to more influence in the region. Iran does not pose a military threat to Saudi Arabia, and the Saudis do not see Iran as such. While Riyadh worries about the Iranian nuclear program, that is an issue for the future, not the immediate present. Iranian President, Mahmud Ahmadinejad, visited Saudi Arabia in 2007 and the two countries have kept lines of communication open. The Iranians are not trying to destabilize the Saudi regime in its own domestic politics, as they tried to do in the 1980’s. The Saudis do not want to see an American-Iranian military confrontation, because they fear that the Arab side of the Gulf will be targeted for Iranian retaliation.

For their part, the Iranians do not seek out a direct confrontation with Saudi Arabia, hoping to avoid a sectarian Sunni-Shiite polarization that might benefit them in Iraq but could hobble their influence elsewhere in the Muslim world. Their contest for influence is more subtle, played out in the domestic politics of Iraq, Lebanon, the Palestinian territories and in Arab public opinion. But it is very real.

The Saudi leadership realizes that Iran has more cards to play in Iraq than it does and believes that the Iranians have a wider array of local allies, particularly armed allies, in Iraq. They created and continue to support ISCI; Islamic Supreme Council of Iraq, which was formerly the Supreme Council of the Islamic Revolution in Iraq. They have ties to other Shiite groups, including the Sadrist movement. They have good relations with Kurdish parties, particularly the Patriotic Union of Kurdistan led by Iraqi President; Jalal Talabani. They have a thriving trade with Iraq; tens of thousands of Iranian pilgrims visit the holy sites in Iraq every year. While the Shiite religious establishments in Najaf and Qom have something of a historical rivalry for leadership in Shiite theology, one should not discount the personal and
family ties and corporate identity which link the Shiite Ulama across the Iran-Iraq border. Saudi Arabia does not seek to reverse the reality of post-Saddam Iraq, that the Shiite Arab majority has a central role in Iraqi politics. What Riyadh seeks is to prevent Iraq from becoming an Iranian client state. It sees the current Iraqi government of Nouri Al Maliki as, in effect, an Iranian client regime. Saudi opposes the proposal by the Islamic Supreme Council of Iraq to create a regional government in the centre and south of Iraq; a Shiite ruling region on the model of the KRG (Kurdistan Regional Government). Riyadh views that prospect as the end of Iraq as a state, with the Shiite-dominated regional government as a permanent client of Iran.

One of Iran’s foreign policy challenges has been regulating its relations with the Arab world. This is firstly due to the various religious-cultural, historical and geographical connections between Iran and its Arab neighbours as well as (more significantly) to the fact that the particular issues pertaining to the Arab world also impact Iran. Secondly, by its presence in the Arab world politics especially in the Persian Gulf region, Iran has balanced its relations with the great powers.

Iran’s newly significant roles in shaping international politics of the Middle East include:
1. Acting as a balancing political power in regional crises such as Afghanistan, Iraq and Lebanon
2. Its geopolitical posture in the battle against global terrorism and being situated between the two major bases of global terrorism; Afghanistan and Iraq
3. Its influence among the Shiite factions who are currently at the centre of the Middle East’s shifting politics.

Three fundamental factors shape Iran’s self-image: Iran as national identity and regional power, Islam as faith and ethical code and Persia as source of history and future national prestige. Iran’s foreign and security policy goals under the ayatollah or shah have remained the same: security of Iran’s territorial and political integrity, recognition of regime legitimacy, acknowledgment of the country’s security concerns and historic regional leadership role.

The Lebanon conflict of 2006, also called the 2006 Israel-Hezbollah War, was an indication of an assertive Iranian posture in this region, especially considering the support given by Iran to the Hezbollah in Lebanon. Hezbollah; literally ‘Party of God’, is a Shiite Islamist political and paramilitary organization based in Lebanon. Its leaders were inspired by Ayatollah Khomeini, and its forces were trained and organized by a contingent of Iranian Revolutionary Guards. Some experts believe that this group is Iran’s local proxy group, while some others say that Hezbollah is more of an equal partner than a proxy in the alliance with Iran.

Hezbollah is now also a major provider of social services, which operate schools, hospitals, and agricultural services for thousands of Lebanese Shiites, and plays a significant role in Lebanese politics. It is regarded as a resistance movement throughout much of the Arab and
Muslim world. Many governments, including Arab ones, have condemned actions by Hezbollah while other states, such as Iran and Syria, have praised the party. Several western countries regard it in whole or in part as a terrorist organization. It seems that Hezbollah has broadened its motives from fighting Israel in Lebanon to fighting Israeli and US influence in the region.

Middle East and Persian Gulf region are very complicated issues and there is no doubt that conducting research in these areas is a difficult river to navigate. After reviewing the conditions of the Persian Gulf region, in Cold War and Post-Cold War eras, it seems that the greatest danger in the Gulf is not a nuclear Iran or a traditional threat of conventional invasion, but rather internal socioeconomic and political changes that might be increasingly hard for leaders to direct or control.

Regionally, the greatest threat is not strategic Weapons of Mass Destruction attacks, but the fragmentation and weakening of the central Saudi state, Iraqi civil war and dissolution, recent disputed presidential election in Iran which may lead to violence and overshadow other issues related to Iran and growing radicalism via violent forms of politicized Islam in Persian Gulf’s Arab states; including increased levels of trans-national violence and terrorism.

Recommendations
The researcher has concluded the followings as some findings and recommendations:

1. To restore the peace in Persian Gulf Region and ultimately in the Middle East, two major actors; Iran and USA, must cooperate. To re-establish stability and security in Middle East and Persian Gulf region, both USA and Iran should change their policies.

USA must offer more carrots in its carrot and stick policy. At the first step, the imposed sanctions, which are bothering Iranian people, should be stopped. Nevertheless, reality requires Washington to begin considering not if, but the extent of an Iranian role in the region that the US and its allies can agree to. This may necessitate a paradigm shift in Washington's approach to Iran and the Middle East, but failure to reconcile with Iranian demands justified by the new balance in the region will likely disable USA administration from turning political opportunities into real diplomatic breakthroughs; irrespective of their positive intentions.

Iran has to modify and moderate its policies, especially its nuclear policy. Without these main actors’ cooperation, any attempt to establish and maintain stability in the regions will be failed.

2. The existed border disputes, dilemma over the sovereignty of some of the Persian Gulf islands, interfering in each others’ internal issues by the regional states and existed hostility between some of them must be solved and removed, immediately, as any and each of the mentioned issues could become the source and reason of another conflict or even a devastating war in this critical and violated region.
A stable regional order in the Persian Gulf is a critical necessity for stability in the Middle East. Such an order would be an outcome of the policies of Iran, United States and the other states of the Persian Gulf. Order in the Persian Gulf would ensure stability for the region and eventually for the Middle East.

The Gulf States' hopes for stability have been severely challenged in recent years, first by Shiite Islamic Revolution in Iran and then by Hussein in Iraq. Result from these and other threats during this period has been the formation of closer more involved relationships between the Gulf States and the United States. The Gulf States see this as a source of encouragement yet are still concerned about the long term impact of a western presence.

Today, the security preference of most Gulf governments is to re-establish the kind of balance of power in the Persian Gulf they once felt comfortable under, a balance maintained by friendly relations with a major regional power and backed up by a more distant US presence.

The researcher, also, has concluded that the best path to establish regional order in the Persian Gulf region is to restore a sort of balance of power which would be consisted of Iran, Saudi Arabia and United States of America as an extra-regional power.

USA has two advantages to do so, as follows:

1. A very strong influence on regional politics.
2. The power to deter any aggressive state which may have tendency to violate the region.

As the final words, the researcher hopes that the thesis, findings and recommendations propounded provide food for thought and lead to further studies.