



Change in the Middle East: Implications for U.S. Policy

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Summary

The political change and unrest that have swept through the Middle East and North Africa since early 2011 are likely to have profound consequences for the pursuit of long-standing U.S. policy goals in the region with regard to regional security, global energy supplies, U.S. military access, bilateral trade and investment, counter-proliferation, counterterrorism, and the promotion of human rights. The profound changes in the region may alter the framework in which these goals are pursued and challenge the basic assumptions that have long guided U.S. policy.

This report assesses some of the policy implications of recent and ongoing events in the region, provides an overview of U.S. responses to date, and explores select case studies to illustrate some key questions and dilemmas that Congress and the executive branch may face with regard to these issues and others in the future. Questions for possible congressional consideration raised in this report and in corresponding country reports include:

- What overarching principles and interests should guide the U.S. response to change in the Middle East? With what relative importance and priority? Should U.S. responses be tailored to individual circumstances or guided by a unified set of principles, assumptions, and goals? How can U.S. interests in security, commerce, energy, good governance, and human rights best be reconciled?
- What are the relative risks and rewards of immediately or directly acting to shape the course of unrest and transitions in the Arab world? What are the potential risks and rewards of a gradual response or of a “wait-and-see” approach? What are other regional and global actors doing or not doing to shape outcomes? Why or why not? At what risk or benefit to U.S. interests?
- How have established patterns of interaction and existing policies in the Middle East served U.S. interests over time? How have they shaped the range of choices now available to U.S. decision makers, both from a regional perspective and in specific countries? In what ways, if any, should legislative precedent, bureaucratic infrastructure, and funding patterns be revisited? What are the relative roles and responsibilities of Congress and the executive branch in defining future policy?
- How are U.S. interests and options affected by trends associated with the ongoing change in the Middle East, such as the democratic empowerment of Islamist parties, the weakening of state security authority, or the increased assertiveness of public opinion as an influence on regional policy makers? What new opportunities and risks might these trends entail?
- How should U.S. policy responses to political change in the broader Middle East be informed by parallel and longer-standing concerns about the Iranian nuclear program, transnational terrorism, and the Israeli-Palestinian conflict? How should an understanding of the implications of Arab political change inform U.S. policy on other major policy questions?

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Enduring U.S. Goals Amid Regional Change¹

Uprisings and political change in the Arab world challenge many of the assumptions that have long informed U.S. policy makers while the wave of unrest—often dubbed the “Arab Spring” or “Arab Awakening”—changes the arena in which U.S. policy plays out. However, many long-standing U.S. goals in the region endure.² The ongoing uncertainty and fluidity of events suggests that the process of developing a reliable set of new assumptions and policies will be protracted. As Congress provides oversight of U.S. policy and makes decisions regarding military and economic aid, it will be valuable to examine the effect of these shifting realities on the pursuit of long-standing U.S. goals and values.

U.S. policy goals in the broader Middle East are generally understood to include:

- Discouraging interstate conflict that can threaten allies (including Israel) and jeopardize other interests;
- Preserving the flow of energy resources and commerce that is vital to the U.S., regional, and global economies;
- Ensuring transit and access to facilities to support U.S. military operations;
- Countering terrorism (CT);
- Stemming the proliferation of conventional and unconventional weapons; and
- Promoting economic growth, democracy, and human rights.

Even before the wave of change began, balancing these priorities in the Middle East was complicated. For example, the goals of preserving regional stability and protecting U.S. security through counterterrorism and counter-proliferation necessitated cooperation with leaders who rejected efforts toward democratization and human rights. Indeed, many observers in the region described that cooperation as the United States bolstering dictators who used military and security apparatuses to stifle internal dissent. Arming and providing assistance to allies to preserve security and discourage interstate conflict were further complicated by the difficult relationships some U.S. allies have with each other and with others; for example, Israel and Saudi Arabia might both see the United States as an ally and Iran as a major threat, but they are also uneasy about each other.

Since the 1950s, the basic political landscape in the Arab world has remained stable for long periods punctuated by bursts of conflict or rapid—if isolated—political change. Over time, U.S.

¹ Prepared by Zoe Danon, Section Research Manager - Middle East and Africa Section, and Christopher Blanchard, Specialist in Middle Eastern Affairs.

² President Barack Obama said in a May 2011 address on U.S. policy in the Middle East: “For decades, the United States has pursued a set of core interests in the region: countering terrorism and stopping the spread of nuclear weapons; securing the free flow of commerce, and safe-guarding the security of the region; standing up for Israel’s security and pursuing Arab-Israeli peace. We will continue to do these things, with the firm belief that America’s interests are not hostile to peoples’ hopes; they are essential to them. We believe that no one benefits from a nuclear arms race in the region, or al Qaeda’s brutal attacks. People everywhere would see their economies crippled by a cut off in energy supplies. As we did in the Gulf War, we will not tolerate aggression across borders, and we will keep our commitments to friends and partners.” Address on Middle East and North Africa, May 19, 2011.

policy largely tried to balance competing policy priorities while placing a premium on preserving a secure and stable environment seen as essential for the goals described above. Some observers and policy makers have argued that U.S. interests in protecting the political rights and improving the socioeconomic conditions of the inhabitants of the region are worthy aims only to the extent that they do not interfere with other goals. This argument assumed that citizens in many Arab states would not be swayed by U.S. advocacy and assistance and/or that citizens had minimal opportunities to express dissent in ways that could challenge their governments' cooperation with the United States. Other analysts and U.S. officials argued that U.S. investments in the advancement of political rights and the development of societies in the Middle East could serve as potential instruments of strategic policy—a down payment on regional stability and a safety valve against popular demands for swift or disruptive change. This argument assumed that U.S. engagement, advocacy, and assistance could build a broad basis for bilateral cooperation and/or that failure to respond to popular dissent or disassociate the United States from abuses by partner governments could produce a harmful backlash. The latter approach rarely prevailed.

Change has now come to several countries in the Middle East in the wake of popular uprisings rooted in discrete demands and shared themes (see textbox below). U.S. policy choices are becoming more complicated as unrest, conflict, and transitions alter basic realities in the region. Relevant aspects of the new regional environment include

- **Public Opinion Power**—The crowds that have taken over squares and ousted dictators also have toppled the assumption that outsiders can adequately understand and effectively deal with the Arab world by engaging only with elites. It remains unclear what types of governments will emerge in the states that are undergoing fundamental change, but it seems likely that in both those states and others, rulers now must pay more attention to the demands of public opinion and the competing political and social groups that seek to shape and harness its power. Although the United States has not been a key focus of protesters in the Arab uprisings, many in the Arab world share a belief that some of their leaders have subordinated their national interests to the United States or other external powers in order to receive assistance, arms, and trade benefits. Foreign policy choices, particularly with regard to the Arab-Israeli peace process or foreign assistance, therefore, may be subject to extra scrutiny by emerging leaders and empowered publics.³
- **Islamist Support and Success**—In the short term, at least, a greater public say in governance may mean electoral support for Islamist parties, whether out of religious conviction; sympathy for those formerly targeted for repression; lack of competition from other well-organized parties; a belief that Islamist parties will be the least corrupt and most likely to champion social justice; or some combination of these reasons. Initial successes by Islamist parties have challenged the viability of the long-standing U.S. preference not to fully engage such parties out of concern about their views on Israel, armed conflict, and

³ George Washington University Professor Marc Lynch summarizes this trend as follows: “Many Arab analysts directly equated dictatorial regimes at home with a foreign policy they considered subservient to Israel and the United States. The Arab uprisings called for independence, national sovereignty, and respect for the will of the people—all of which pointed to less eager cooperation with Washington and frostier relations with Tel Aviv.” Marc Lynch, “The Big Think Behind the Arab Spring,” *Foreign Policy*, Issue 190, pp. 46-47, December 2011.

certain social and political issues, such as the rights and roles of women and religious minorities.

- **Uncertain Strategic Implications**—The United States relied on friendly Arab regimes and Israel as security partners during the Cold War and in the struggle against radicalizing forces such as Al Qaeda, Hamas, Hezbollah, other violent Islamist extremists, and the governments of Iran and Syria. The ability of the U.S. government to influence events has become more complicated as some friendly regimes have faced upheavals. Certain Al Qaeda figures have embraced the current of change and sought to wrap themselves in the mantle of opposition to regional governments. However, to a large degree, the activism on display in most countries discredits Al Qaeda’s claims that violent resistance is the only or best way to achieve change. Some observers contended early on that Iran and its allies were the “winners” of the Arab unrest, as regimes that had worked with the United States against Iran came under internal threat and Islamist parties gained traction. However, the picture for Iran is growing murkier as its primary ally, Syria, remains caught up in violence. The situation in Syria put Iran and its non-state allies in the position of defending an autocratic regime against a popular uprising—the opposite of the image they like to present. Hamas has distanced itself from the Syrian government, while Hezbollah has embraced it. The outcome in Syria, whatever it is, will have tremendous consequences for Iran, including the fate of its allies in Lebanon and the Palestinian territories.
- **Israeli Concerns and Complications for Peace Negotiations**—Israeli government leaders argue that the wave of unrest in the Arab world is making Israel’s security situation more perilous by potentially replacing relatively friendly and reliable neighboring governments with Islamist governments they see as likely to be hostile to Israel. Some Israelis argue that change in the region makes territorial compromise even more dangerous than it was before because governments and groups hostile to Israel may grow stronger. Palestinian leaders see an increased need to respond to a public that demands both a firm line with Israel and unity between Fatah and Hamas. These trends on both sides have further complicated ongoing U.S. efforts to encourage a process that might lead to an end to the Arab-Israeli conflict through a two-state solution between Israel and the Palestinians.
- **Weakened State Security Authorities**—Uprisings, unrest, and transition are affecting the ability and willingness of security authorities in several countries in the Middle East and North Africa to assert control over their territory, cities, and borders. Continued violence, dissolved national security bodies, and/or assertive citizen demands for less security control present unique challenges for regional and global policy makers concerned about transnational threats. Terrorists, arms traffickers, and other criminal entities are seeking to take advantage of this trend in places such as Libya, the Sinai peninsula, and Yemen.

In addition to the significant changes wrought by the wave of unrest, other events further affect the arena for U.S. policy. For example, the pullout of U.S. troops from Iraq and a forthcoming U.S. military reset in the Gulf region will change calculations by Iran and by U.S. allies in the Gulf about their own security needs after two decades in which the U.S. military presence around or in Iraq and containment of Iran were constants. The Iranian nuclear program continues to challenge U.S. goals, and the uptick in tensions over that issue appears to be raising the risk of military conflict as Iran counters escalating international sanctions with increasing threats.

Additionally, economic constraints affecting Europe, the United States, and others have an impact on their willingness to consider additional military interventions to deal with regional instability, or to embark on new or expanded programs of aid and trade negotiations to help emerging democracies succeed.

In light of these conditions, the policy tools that Congress may consider continuing, initiating, or terminating—providing military and economic aid, engaging in arms sales and leases, imposing or easing economic sanctions, negotiating trade agreements, and promoting democracy, to name a few—are likely to have different consequences than they have in the past. The story of change in the Middle East is still unfolding; a viable new set of guiding assumptions may not become available in the near term, and ad hoc decision-making may be the necessary but less convenient successor to the stable patterns and calculations that have long guided U.S. Middle East strategy.

“Dignity”: An Individual Motive, a Collective Demand, and a Policy Challenge

The wave of Arab unrest has led to a large body of analysis that seeks to explain the trend’s underlying causes and triggering factors, with explanations ranging from the youth bulge to economic inequality, from high unemployment to the role of social media. One factor that has gotten increasing attention, distinct from but complementary to the others, is how individuals’ basic sense of dignity and their anger regarding threats to their dignity motivates protestors and activists. Widespread press and anecdotal reporting prior to the wave of unrest suggested that many individuals in the region felt that their personal and collective dignity was threatened by repressive security entities, weak economic prospects, decrepit public infrastructure, and corruption among public officials. Specific grievances and circumstances varied from country to country, but the theme of “dignity denied” has emerged as one common thread linking discrete cases.

In the wake of the uprisings, Arab citizens in many countries have highlighted common challenges and stated their hopes that political change will be a first step toward resolving long-standing grievances and restoring their individual and collective dignity. At present, political groups in multiple countries are presenting Islamist, secular, and nationalist visions for resolving long-standing grievances and restoring the individual and shared dignity of their fellow citizens. Differences in proposals often reflect different notions about shared identity and basic political principles.

Looking ahead, changes in political structures and power balances brought on by the unrest point to ways that notions of individual and collective dignity may influence policy decision-making in Arab states. An increased sense of government accountability to public opinion may lead policy makers to increasingly consider popular notions of dignity—whether individual, sectarian, or national—when they make decisions. Leaders also might seek to exploit issues to capitalize on these trends. This is true in countries that have undergone significant changes and in those where regimes are trying to avoid wholesale change. In some cases, governments may make choices that appear to go against what outsiders assume are clear economic and diplomatic interests. The need to bolster flagging economies and nurture positive ties with countries like the United States might, at least in the short run, come second to the protection of a sense of sovereignty or freedom from outside interference.

Experts remain divided over whether or how to craft U.S. policy in ways that acknowledge sentiments of individual and collective dignity in the Arab world. As in other regions, respecting maximalist notions of sovereignty or certain expressions of political identity may prove difficult, as they may not be compatible with U.S. goals and values. A rhetorical or programmatic emphasis on partnership and shared interests may not always compensate for deeply divergent priorities. While Arab societies and leaders may prove more amenable to proposals framed in terms of their internally articulated aspirations, reconciling those aspirations with U.S. goals remains the core challenge for U.S. policy makers. As such, Members of Congress may seek to more fully understand the identities, goals, motives, and interests of newly empowered interlocutors in responding to the trend of regional change.

Select Issues

The following analyses explore how regional change affects U.S. goals and discuss approaches that Congress has taken and may consider taking in response to change in the Middle East.

Individual countries are treated in more detail in country-specific reports available online at <http://www.crs.gov>.

Egypt: A Future of Partnership and Peace?⁴

As a result of its 2011 uprising, Egypt appears to be in the process of a historic transition from military to civilian, Islamist-led rule that could have major repercussions that may have to be addressed by Congress and other U.S. policy makers in the years ahead. Recent parliamentary elections confirmed what most observers had predicted for some time—that political power in post-Mubarak Egypt would coalesce around two major forces—the victorious Islamist political parties dominated by the Muslim Brotherhood on the one hand and the currently ruling Supreme Council of the Armed Forces (SCAF) on the other. In the short term, these two powerful camps will contest many of the key issues facing Egypt, including the drafting of a new constitution, stabilizing the economy, and restoring public order and security. As decision-making authority is expected to shift from the Egyptian national security apparatus and its economic allies to civilian groups, the United States faces the task of adjusting decades of policy that sought cooperation with governing elites as a means of ensuring Egyptian-Israeli peace and preserving military and economic cooperation.

Since the late 1970s, Egypt's government has been a strategic partner of the United States. The U.S.-brokered 1979 Israeli-Egyptian Camp David peace treaty has kept two of the most powerful Middle Eastern conventional armies at peace for more than three decades, in stark contrast to the record of Arab-Israeli wars over the three decades before the treaty. The Suez Canal is one of the world's key waterways, and the United States seeks continued access to it to project its power in the Mediterranean Sea, Indian Ocean, and the Persian Gulf and to protect global oil and cargo shipments that pass through the canal daily. The United States has also sought to have a strong Egyptian partner in counterterrorism due to the country's long experience in combating extremist groups. Some of these groups, like Gemma Islamiyya, are now politically active.

As Egypt changes and U.S. diplomacy evolves to keep pace, one of the biggest challenges facing U.S. policy makers is managing Israeli-Egyptian relations in this shifting environment. Given the new potential for public views to influence the policy choices of Egyptian politicians, Egyptian public support for the Palestinian cause may have the ability to seriously rupture Israeli-Egyptian relations in a manner unseen since before the 1979 Camp David peace accord. At present the Egyptian Muslim Brotherhood, SCAF, and most other political groups have indicated a willingness to maintain the peace treaty with Israel, with some groups calling for negotiated amendments and reconsideration. Nevertheless, U.S. policy makers fear that the follow-on effects of heightened Arab-Israeli tensions may be more difficult to contain amid unanticipated negative events such as the August 2011 Palestinian terrorist attack inside Israel and the resulting killing of Egyptian police during the Israeli response. After that incident, protestors stormed Israel's embassy outside of Cairo, and only after U.S. urging did Egyptian commandos rescue Israeli diplomats trapped inside their own compound.

Complicating matters further is the fact that non-state actors, such as Hamas, base their military forces in civilian areas, making civilian casualties during conflict virtually inevitable. Should another war or Palestinian uprising erupt (as in 2000, 2006, and 2008), images of Arab civilian

⁴ Prepared by Jeremy Sharp, Specialist in Middle Eastern Affairs.

casualties broadcast over satellite television and the Internet may have a deeply destabilizing effect in Egypt and in the region. Previous patterns in which autocratic leaders would allow a certain amount of venting anger against Israel but prevent the reaction from going too far could no longer be assured. In that atmosphere, intended attacks or unintentional actions have the potential to cause broader instability. As such, for the foreseeable future, U.S. policy toward Egypt may become more focused on containment of potential conflict zones such as Gaza and the Sinai Peninsula.⁵

Egyptian leaders also may no longer be willing or able to broker Israeli-Palestinian peace talks. Though Mubarak maintained a cold peace with Israel, under his leadership Egypt hosted a number of important Israeli-Palestinian negotiations, and Israel counted on some Egyptian cooperation in containing Hamas in the Gaza Strip. Though Egypt's military has an interest in maintaining peace with Israel and avoiding conflict within Egypt's borders, Egyptian Islamist groups and public opinion are unlikely to be as adversarial toward Hamas. For the United States, the possible loss of Egypt as a reliable broker limits its options when trying to corral regional support for renewed negotiations. Recent talks between Israelis and Palestinians in Amman suggest that Jordan may try to fill this vacuum, although the small kingdom does not carry the same political weight as Egypt.

In general terms, the last decade of U.S.-Egyptian relations has reflected a fundamental tension between the pursuit of immediate U.S. national security interests and the long-term promotion of U.S. values, development, and universal human rights. This tension is expected to continue and may be amplified as a result of the ongoing transition. Complications have arisen when the maintenance of U.S. interests, such as regional peace and counterterrorism cooperation, conflicts with other goals, such as the promotion of human rights and the rule of law. The rise of Islamist parties in Egypt may be a harbinger of new complications, such as differing social values in the areas of the protection of minority and women's rights in Egypt.⁶ Though the United States may argue that Egypt will grow stronger as a nation only if it supports religious freedom and gender equality, new Islamist political leaders may disagree, forcing U.S. lawmakers to make difficult choices when it comes to supporting Egypt in other arenas such as trade and bilateral aid. Moreover, Islamists may use their new power to restrict freedom of speech or religious freedom.

Overall, Congress has supported new Obama Administration policy proposals for Egypt but with conditions that are now at the center of a controversy regarding Egypt's prosecution of personnel affiliated with U.S. and Egyptian nongovernmental organizations (NGOs). Congress fully funded the Administration's FY2012 assistance request for Egypt (\$1.55 billion) and authorized \$500 million in debt relief and the creation of an enterprise fund to promote private sector investment.⁷ Congress also required the Administration to make certain certifications to Congress before providing FY2012 funds to Egypt. The Secretary of State must certify that Egypt is meeting its peace treaty obligations to Israel and is continuing to support the transition to a free civilian

⁵ Gaza security considerations also fuel Israeli concern over the Egyptian government's ability to control weapons smuggling into Gaza from the Sinai. Reports indicate that Israel is building a 15-foot-tall fence (planned to be completed in late 2012) along its 140-mile border with Egypt at a cost of \$360 million. Joel Greenberg, "On Israel's uneasy border with Egypt, a fence rises," *Washington Post*, December 2, 2011.

⁶ Various Islamist groups, particularly Salafists represented in the Nour Party (generally more conservative than the Muslim Brotherhood), may try either to continue the suppression of Coptic Christian rights in Egypt or to place new restrictions on the rights of women in social and family law. Al Nour received the second highest share of the recent People's Assembly vote in Egypt.

⁷ See P.L. 112-74, the Consolidated Appropriations Act, 2012.

government that backs democratic values.⁸ These certifications may be waived by the Administration, although some Members have cited the recent dispute over the activities of U.S. and Egyptian democracy NGOs as a barrier to a credible certification. Proponents of expanded ties to Egypt support congressional approval of a U.S.-Egyptian free trade agreement, while opponents of expanded ties or an unconditional maintenance of the status quo have called on Congress to rescind aid to Egypt completely.

The Gulf States: Cooperation Under Pressure⁹

U.S. relations with the monarchies of the Gulf Cooperation Council (GCC: Saudi Arabia, the United Arab Emirates, Bahrain, Qatar, Kuwait, and Oman) involve each of the five key interests outlined in the overview. In general, U.S.-GCC relations since the 1970s have been defined by security partnership to protect energy resources, even as divergent policy priorities have created episodic tension with regard to energy policy, counterterrorism, and regional peace. The authoritarian GCC states have long posed one of the greatest challenges in terms of reconciling U.S. commitments to democracy, human rights, and religious freedom with security requirements in the region. While some of the GCC states have taken limited steps toward political openness, political decision making remains largely concentrated in the hands of unelected hereditary rulers, and security forces vigorously enforce laws restricting civil, religious, and political rights. The political events of 2011 thus brought underlying challenges in U.S.-GCC relations to the surface even as shared concerns about regional security developments have brought the United States and its Gulf allies closer together.

Many experts have observed that recent uprisings have thus far left the GCC states relatively unscathed, with the exception of Bahrain, where large demonstrations have occurred that may pose a threat to the ruling family's hold on power. Other Gulf states have experienced a range of more limited domestic unrest—including isolated clashes between protestors and security forces in eastern Saudi Arabia and low-level activism and sporadic criticism of the government by activists in the United Arab Emirates (UAE). Most demonstrations and calls for change that have taken place in the Gulf states have generally demanded an end to corruption and mismanagement and a more rapid opening of the political process. Calls for dramatic change or the outright replacement of regimes, as some protestors have demanded in Bahrain, have not been otherwise prominent but may lurk below the surface.

Regardless of what form the Gulf states' governments take, their support is considered crucial to the U.S. ability to achieve core goals, particularly preserving the free flow of oil from the Gulf to global markets. Under bilateral defense pacts with virtually all of the Gulf states, the U.S. military has access to facilities to support its operations in the region and beyond, including in Afghanistan. Gulf governments traditionally have viewed these arrangements as providing indirect protection from the threat of external military aggression even as the presence of U.S. forces has at times proven controversial domestically. The United States has active arms sales relationships with all of the GCC states, intended from a U.S. perspective to improve their

⁸ Section 7041 of P.L. 112-74 specifies that no funds may be made available to Egypt until the Secretary of State must certify that Egypt is meeting its obligations under the 1979 Egypt-Israel Peace Treaty. It further specifies that no military funds be provided until the Administration certifies that Egypt is supporting the transition to civilian government, including by holding free and fair elections and by implementing policies to protect freedom of expression, association, and religion, and due process of law.

⁹ Prepared by Kenneth Katzman and Christopher Blanchard, Specialists in Middle Eastern Affairs.

capabilities to defend primarily against Iran. In some cases, such as the UAE, the United States is selling the most sophisticated missile defense system in the U.S. arsenal (Theater High Altitude Air Defense system—THAAD). Two of the Gulf states—Bahrain and Kuwait—are designated as Major Non-NATO allies (MNNA). Even after the U.S. pullout from Iraq, there are still approximately 40,000 U.S. military personnel in the Gulf region, including 23,000 in Kuwait, 7,500 in Qatar, 5,000 in Bahrain, and about 3,000 in the UAE, along with much smaller numbers in Saudi Arabia and Oman.¹⁰ These forces support U.S. military operations in the region and may serve as a deterrent to Iran.

Political change in the region affects the GCC states differently and their responses have varied:

- Bahrain is the Gulf state that faced the most unrest in 2011, but it also is perhaps the most crucial to U.S. defense strategy—a combination that creates an acute policy challenge for the United States. Bahrain hosts the headquarters for all U.S. naval forces in the Gulf, crucial to containing and deterring Iranian power and keeping open the Strait of Hormuz, as well as to operating multinational task forces that seek to prevent proliferation, smuggling, piracy, and the movement of terrorists across the Arabian Sea and Persian Gulf. Human rights groups and others have accused U.S. policy makers of employing a double-standard: continuing to engage the Sunni-dominated government in Bahrain in order to protect U.S. defense interests, while calling for adversarial leaders such as Muammar al Qadhafi of Libya and Bashar al Asad in Syria to step down. U.S. officials counter by asserting they have used their influence to encourage a long-standing, if gradual, political reform process in Bahrain; reduce the use of repressive tactics against peaceful protesters; and achieve Bahraini government acquiescence to appointing an outside commission to review its use of force against protesters. U.S. officials also argue that the Bahraini government's use of force against peaceful protesters is not nearly on the same scale as that used in Libya or in Syria. Some Members of Congress have sought to condition or prohibit proposed arms sales and military construction projects in Bahrain in light of the unrest and the Bahraini monarchy's response.
- Next to Bahrain, Oman has faced the most unrest among the Gulf monarchies; modest-sized protests calling for political and economic reform took place virtually each week between March and September 2011. However, Sultan Qaboos bin Sa'id Al Said, who has ruled since 1970, remains personally popular, and his government was able to quiet the protests with relatively modest political reforms—such as adding legislative powers to the elected consultative assembly—and promises to create jobs and curb corruption. U.S. policy makers, who refrained from criticizing the use of repression by Qaboos, have not faced the same types of choices they face in Bahrain. There are only about two dozen U.S. military personnel in Oman. The U.S. military uses Oman's air and naval bases under a 1980 bilateral agreement relatively infrequently compared to those in Qatar, Kuwait, UAE, and Bahrain.¹¹ Like Bahrain, Oman exports very small amounts of oil, but its strategic position along the Strait of Hormuz and the

¹⁰ Walter Pincus. "After Iraq Pullout, U.S. Serves a Reminder to Iran." *Washington Post*, October 24, 2011.

¹¹ Contingency Tracking Deployment File, provided to CRS by the Defense Department. Information as of November 2011.

Arabian Sea makes it an important area for maritime security and intelligence operations.

- The trend of political upheaval poses considerable foreign and domestic policy challenges for Saudi Arabia's authoritarian monarchy and highlights long-standing dilemmas for U.S. policy makers seeking to maintain Saudi-U.S. ties. Saudi leaders have been forced to adjust some of their basic foreign policy assumptions and approaches to new regional realities created by leadership change in Egypt; protests in Bahrain; instability in Yemen; the collapse of the pro-Saudi Lebanese government of Saad al Hariri; and an ongoing cycle of protests and violent repression in Syria. Persistent Saudi concerns about terrorism and Iranian regional and nuclear policy also are being reassessed in light of these developments. Saudi military intervention in support of Bahrain's monarchy, its confrontation with the Assad regime in Syria, and its active role in facilitating transition in Yemen demonstrate the kingdom's potential to serve as a powerful, if unpredictable ally of the United States as regional change continues. In some cases, such as Bahrain and Syria, U.S. and Saudi views and responses may remain dissonant. For the United States, the prospect of unrest in Saudi Arabia could jeopardize the flow of Saudi energy resources to international markets and undermine a long-established security partnership that has recently been bolstered by the largest proposed arms sales in U.S. history (over \$60 billion). At the same time, U.S. decision makers face dilemmas in reconciling stated U.S. policy principles with regard to religious freedom, freedom of assembly, and freedom of speech with current Saudi domestic political developments and human rights conditions. Annual U.S. government reports routinely note restrictions on human rights and religious freedom in the kingdom.
- Of the Gulf states, Kuwait's unrest since early 2011 is the hardest to characterize. Unrest has not taken the form of large public protests, but rather of occasional protests intended to support parliamentarians who have been at odds with the ruling Al Sabah family since a long-time ruler died in 2006. The unrest in Kuwait has not, at any time, appeared to immediately threaten any U.S. goals in the country, which have been significant over the past 20 years.¹²
- Qatari leaders have not faced domestic unrest, but have responded boldly to regional changes. For the United States, managing relations with Qatar has grown more complex as Qatari leaders have incrementally achieved their ambitious economic development goals and grown more confident and assertive on the world stage. The baseline of U.S. partnership with Qatar remains the bilateral agreement allowing U.S. military access to the Al Udeid airfield, an important base of operations and transit for the Gulf region and west Asia. Qatar's official embrace of prominent Arab Islamist figures and its international support for conservative Sunni Islamic groups and individuals raise other complex concerns, particularly in the context of political change and more open political competition in the region. Qatar was active in diplomatic efforts to create international pressure on the Qadhafi regime in the Arab League and Gulf

¹² Kuwait was the object of a large U.S. military offensive to deter Iraqi aggression in 1990 by expelling Iraqi forces from that country in February 1991. Kuwait later hosted the bulk of the U.S. invasion force in the 2003 U.S. military-led overthrow of Saddam Hussein; some of the U.S. forces used heavy armor prepositioned in Kuwait under a 1991 U.S.-Kuwait defense pact signed six months after the liberation of Kuwait.

Cooperation Council. It also deployed military aircraft in support of the U.N. Security Council-authorized civilian protection mission led by the North Atlantic Treaty Organization (NATO), Operation Unified Protector. Qatar also is taking a leading role in Arab diplomatic efforts to halt violence by the Syrian government against civilians.

Syria: Change or Chaos?¹³

Unrest in Syria has the potential to affect a range of U.S. national interests, most notably the goals of preserving regional peace, ending state sponsorship of terrorism, limiting the spread of weapons of mass destruction, and supporting human rights and development. In recent years, Syrian leaders have positioned their government at the center of the complex rivalry involving the United States, Iran, Arab and non-Arab U.S. allies (including Israel), and non-state actors such as Hamas and Hezbollah. Syria's role in facilitating Iranian support to Hezbollah while until recently serving as host to Hamas and other Sunni terrorist groups is perhaps the most important example of this dynamic. The prospect of regime change in Damascus or prolonged instability in Syria could fundamentally alter the calculations and relative influence of competing actors, particularly Iran, the Arab Gulf states, Turkey, Israel, the United States, and global powers like Russia and China. Implications for U.S. national interests could be dramatic, depending on whether the Asad regime survives, chaos ensues, or a more stable new order emerges.

U.S. concerns about regional security and state sponsored terrorism are most directly implicated by the potential for inconclusive unrest or drastic political change in Syria. The potential spillover effects of continued or more intense violence raise unique questions with regard to Turkey, Lebanon, Jordan, Iraq, and Israel. Refugee flows, sectarian conflict, or transnational violence by non-state actors are among the contingencies that policy makers are considering in relation to these countries. From Israel's perspective, there is hope that a new government in Damascus could prove less open to cooperation with Iran, Hezbollah, and Hamas. Nevertheless, a new secular and/or Sunni Islamist-influenced Syrian government could adopt an aggressive posture with regard to the Israeli-occupied Golan Heights and/or the Israeli-Palestinian issue. Prospects for the consolidation of a new government are uncertain at best.

At present, Hezbollah has stated its support for the Asad government and both have warned that third-party intervention in Syria's crisis could lead to regional conflagration, widely interpreted as a threat to Israel and regional peace. Continuing unrest has encouraged non-state actors such as Hamas to seek new bases of operation and political support. A host of concerns could emerge if developments create opportunities for other violent Islamist groups to operate in Syria. The security of both Syrian conventional and unconventional weapons stockpiles (including chemical and possible biological weapons) has already become a regional security concern, which would grow if civil war or a security vacuum emerge. Ongoing violence also prompts U.S. concerns about the human rights of Syrian civilians: U.S. officials see the present violence as unacceptable even as they worry that swift regime change could generate new pressures on minority groups or lead to wider conflict.

¹³ Prepared by Christopher Blanchard, Specialist in Middle Eastern Affairs. For more information, see CRS Report RL33487, *Unrest in Syria and U.S. Sanctions Against the Asad Regime*, by Jeremy M. Sharp and Christopher M. Blanchard.

U.S. policy toward Syria since the 1980s has ranged from confrontation and containment to cautious engagement, as successive Congresses and Administrations have sought to end Syria's support for terrorism, encourage regional peace talks, and prevent proliferation of missiles and weapons of mass destruction. In the event of a swift regime change or other political transition in Syria, U.S. officials and Members of Congress will face a series of complex decisions regarding the timing and scope of potential changes to existing policy and sanctions. In the interim, Congress and the Administration could seek to increase the pressure on the Assad regime through stronger bilateral sanctions or the pursuit of greater multilateral sanctions enforcement. Some effort to develop relationships with newly prominent and influential Syrian actors may also be considered.¹⁴ In any regime collapse scenario, the United States or others may consider some form of rapid response to secure stockpiles of missiles and unconventional weapons, as they have done in Libya.

Islamists: New Opportunities and Challenges¹⁵

The rise of Islamist activists and political parties in several transitional countries (including Tunisia, Egypt, and Libya) raises questions about the future shape of these countries' political systems and the outlook for future U.S. partnerships with Islamist-influenced governments. Some observers, including within these countries, are concerned that Islamist parties may prove undemocratic, even if they come to power through democratic means, and that they could seek to limit individual rights and women's freedoms. In Tunisia, for example, the main Islamist party, Al Nahda (which now controls 41% of the seats in a newly elected National Constituent Assembly), has expressed support for women's rights and a civil state; however, its opponents accuse it of "double discourse," that is, conveying moderation so as to enter government and gradually introduce more restrictive and religiously conservative policies. Al Nahda leaders object to this characterization as unfair, and the battle over perceptions is likely to remain politically prominent in the short term.

With regard to Egypt, U.S. policy makers are particularly focused on Islamists' attitudes toward Israel and the 1979 Camp David Accords. U.S. concerns may also focus on whether newly Islamist-influenced governments across the region could prove hospitable to violent extremist groups. More broadly, the rise of Islamists illustrates a relatively new challenge for the United States: in the near future, the policies of partner states are likely to be influenced by popular opinion as much as by the strategic considerations of elites. Nevertheless, Islamists are not necessarily more hostile to cooperation with the United States than other political groups in Middle Eastern societies. Indeed, many secular leftist and nationalist parties and organizations are suspicious of U.S. motives, and are no more likely than Islamists to embrace strategic cooperation with Israel.

Moreover, the policies pursued by Islamists in positions of authority may be limited by a number of factors, including the strategic constraints of vital state interests (such as security prerogatives

¹⁴ To date, robust U.S. sanctions have limited official and nongovernmental contacts between the two countries leaving the U.S. government with few well-established relationships with influential Syrians or the broader Syrian population. Bilateral security cooperation has been limited to reported intelligence coordination on counterterrorism issues of shared concern: the absence of regular U.S. engagement with Syrian military officers limits U.S. insight into current and future developments involving Syrian military personnel whose defections are now important factors in the ongoing unrest.

¹⁵ Prepared by Alexis Arieff, Analyst in African Affairs.

and economic needs and ties), the counterweight of state institutions, the presence of religious minority communities, and the role of other domestic actors. The degree to which transitional states succeed in fostering institutions that create internal checks and balances—such as an independent and empowered judiciary, a free press, and trusted election oversight bodies—may prove more decisive to the future shape of their political systems than the stated policy preferences of individual parties, including Islamists. The divergent policy paths followed in recent years by Turkey, Iran, and the Gaza Strip illustrate that having Islamists active in a government does not predetermine a specific political outcome. In addition, Arab countries may find over time that Islamist identity issues are less important to voters than bread and butter economic issues, security, and the effective delivery of government services.

Above all, Islamist parties rarely represent unified or cohesive movements. Groups whose internal structures initially evolved in an atmosphere of pervasive repression and surveillance are now grappling with the challenges of forging a common, proactive approach and a shared set of policy principles. Longtime Islamist groups are also likely to face challenges from both more centrist and more extremist factions. Religiously conservative Salafist groups, which won a significant share of the vote in Egypt's parliamentary elections, are not necessarily positioning themselves as the allies of more centrist Islamist parties such as the Muslim Brotherhood-affiliated Freedom and Justice Party. In Tunisia, Salafist groups were not permitted to register as political parties ahead of the October 2011 National Constituent Assembly elections, and their future status is a topic of intense debate within the country.

In addition to the pressures of domestic rivalry, the influence of outside actors is also likely to shape the various platforms and strategies of governing Islamist factions. The United States, as one such actor, may seek to determine whether parameters for cooperation should be focused more on political behavior or religious ideology. Obama Administration officials have indicated that political behavior will be more important than ideology in determining U.S. engagement with Islamist parties, with Secretary of State Hillary Clinton stating in November 2011 that “what parties call themselves is less important to us than what they actually do.”¹⁶ This principle is likely to be tested in the months ahead over transitional countries' domestic and foreign policy choices.

Israel: Growing Security Concerns, Persistent Dilemmas¹⁷

Many Members of Congress strongly support U.S. commitments to Israel's security, including the provision of large amounts of military assistance to Israel. Ongoing political change in the Middle East could have a lasting impact on Israeli perceptions of security and prospects for preserving regional peace. After Israel's peace treaty with Egypt in 1979 made the prospect of multi-front conventional war seem remote, Israeli leaders' primary concerns shifted gradually from defense against armies at Israel's borders to concerns about asymmetric threats posed by terrorism and enemies' rocket and unconventional weapon arsenals.¹⁸ Near-complete success in stopping Palestinian terrorist attacks inside Israel after 2006 coincided with a greater Israeli focus on

¹⁶ Bradley Klapper, “Championing Democracy, Clinton Says US Can Work with Islamist Parties Gaining from Arab Spring,” *Associated Press*, November 8, 2011.

¹⁷ Prepared by Jim Zanotti, Specialist in Middle Eastern Affairs.

¹⁸ From Israel's founding in 1948 through the mid-1970s, Israelis fought a series of multi-front wars against their Arab neighbors, most notably in 1967 and 1973.

perceived threats from Iran—including a nuclear threat perceived as potentially existential—and non-state actors allied to Iran in Lebanon and the Gaza Strip.

In light of ongoing regional change, Israeli leaders are once again uncertain about what to expect from their neighbors in Egypt and Syria, as well as about the future stability of Jordan's monarchy. Israelis have expressed concern that Islamist governments hostile to Israel and its allies could gain power in neighboring states. Drastic limits on Israel's ability to affect political and economic outcomes within Arab states—given its near-universal vilification among Arabs—add a sense of powerlessness to that of growing and intensified danger among Israeli leaders. A deterioration in ties with Turkey has added to Israelis' sense of isolation and of an inability to rely on former partners to support shared regional security goals. Additionally, it is unclear whether Israel views political change in the Arab world and the effect of that change on the Iranian regime as factors affecting a possible decision on whether or when to attack Iranian nuclear facilities.

In this complex political environment, Israel's dependence on U.S. security guarantees, strategic cooperation, and regional influence—already substantial for decades—may increase. If that is widely perceived to be the case, one probable result is that most international actors will hold the United States responsible to an even greater degree for Israel's actions. This could lead to disagreement among U.S. and Israeli officials over the way in which Israel can continue to carry out its traditional prerogative of “defending itself, by itself.” Calls by some U.S. policy makers for formal or informal Israeli communication or coordination of future military plans could intensify. Israeli attempts to obtain longer-term U.S. commitments on military assistance and other security arrangements, reportedly already underway,¹⁹ are likely to continue given concerns that shifts in global priorities and national budgetary constraints could reduce direct U.S. involvement in the region. Consistent Israeli economic growth may also contribute to future shifts in the bilateral relationship by increasing Israel's capacity to meet its defense budget needs independently. U.S. and Israeli views on the compatibility of their strategic aims and societal norms also may change.

The validity of analysis that suggests that these shifts might lead Israel to grow from a “dependent to a more equal partner”²⁰ of the United States is not yet clear. Israeli officials and commentators, along with some former U.S. officials, have seemingly stepped up efforts to assert that Israel is the most reliable and valuable U.S. ally in a region critical to U.S. and global interests.²¹ These efforts may seek to bolster the already strong popular and official U.S. commitment to Israel's security. But they may also aim to minimize possible perceptions among U.S. policy makers that Israel should defer more to U.S. views on regional military action and on diplomacy with Palestinians in reciprocation for increased or continued security assistance.²²

¹⁹ Richard Boudreaux and Bill Spindle, “Israel Considers Military ‘Upgrade,’” *Wall Street Journal*, March 8, 2011.

²⁰ Haim Malka, *Crossroads: The Future of the U.S.-Israel Strategic Partnership*, Center for Strategic and International Studies, 2011. This book states, “Many current and former Israeli officials across the political spectrum express the need to become more self-reliant and independent in order to prepare for a time when U.S. support might be less forthcoming.” *Ibid.*, p. 89.

²¹ See, e.g., Zalman Shoval, “Time to upgrade the US-Israel strategic relationship,” *Jerusalem Post*, October 5, 2011; Robert D. Blackwill and Walter B. Slocombe, *Israel: A Strategic Asset for the United States*, Washington Institute for Near East Policy, November 2011.

²² According to one report, some U.S. military officers and analysts, including “senior Pentagon officials, generals and independent defense strategists,” weigh the “direct military benefits the United States receives from its partnership with Israel ... against the geopolitical costs the relationship imposes on Washington in its dealings with the broader Arab and Muslim world; some suggest a net negative outcome for Washington in the equation.” Nathan Guttman, “Israel Is (continued...)”

Israeli leaders may see diminished diplomatic room for maneuvering to resolve the Palestinian issue given their sense of a growing range of threats from multiple sources. Israelis insist that their security needs must be met for them to be willing to relinquish West Bank land in a negotiated two-state solution with the Palestinians. The internationally mandated land-for-peace framework that has undergirded U.S. policy since the 1967 Arab-Israeli war presupposes broad Arab acceptance of any final-status Israeli-Palestinian agreement, and, more fundamentally, Arab acceptance of Israel. Increasing concern among Israeli leaders that they cannot count on future positive ties with states such as Egypt and Jordan has likely led them to perceive greater risks in any land-for-peace deal. Palestinian and other Arab leaders may be less likely to make domestically unpopular decisions if opposition to Israel and its policies begins to drive political activism.

U.S. concerns that Israel is increasingly more isolated in the region and internationally²³ prompt questions about how Israel is likely to try to counter this trend. Will it seek to improve relations—or at least ensure against their further deterioration—with Turkey, Egypt, and Jordan, and if so, how? Is Israel likely to show flexibility on its current security practices or its negotiating demands with the Palestinians when the leadership status and internal stability of most of its neighboring countries—Egypt, Syria, Lebanon—remain unclear? Or will it accept a greater measure of regional and international isolation, further increasing its reliance on U.S. security guarantees and strategic cooperation? Israel's actions may depend on whether its leaders perceive that changes in their policies can be effective in countering or reversing Israel's isolation. Some others attribute the isolation to concerted efforts by Palestinians and their supporters to delegitimize Israel, and to increasing international anti-Israel and anti-Semitic attitudes.²⁴

Many analysts view U.S. military support for Israel and neighboring Arab states as a pillar of the prevailing regional security order that has prevented the outbreak of major conventional Arab-Israeli interstate conflict for nearly 40 years.²⁵ A 10-year bilateral Memorandum of Understanding (MOU) commits the United States to \$3.1 billion in annual Foreign Military Financing (FMF) to Israel from FY2013 through FY2018, subject to congressional appropriations decisions. FMF to Israel for FY2012, per the MOU, is \$3.075 billion. This represents approximately 60% of total annual U.S. FMF and 20% of Israel's defense budget. Congress also routinely provides hundreds of millions of dollars in additional annual assistance for Israeli or joint U.S.-Israeli missile defense programs (\$235.7 million for FY2012). A 2008 U.S. law also requires that U.S. arms sales within the region not “adversely affect” Israel's “qualitative military edge” (QME) over threats potentially posed by one or more states or non-state groups.²⁶ The ongoing changes to

(...continued)

Strategic Asset After All,” *Jewish Daily Forward*, November 18, 2011.

²³ Transcript of remarks by Secretary of Defense Leon Panetta at Saban Forum, Brookings Institution, Washington, DC, December 2, 2011, available at <http://www.defense.gov/transcripts/transcript.aspx?transcriptid=4937>.

²⁴ *Ibid.*

²⁵ Malka, *op. cit.*, pp. 93-94.

²⁶ P.L. 110-429, The Naval Vessel Transfer Act of 2008. The legal definition of QME is set forth in section 201 of P.L. 110-429 as “the ability to counter and defeat any credible conventional military threat from any individual state or possible coalition of states or from non-state actors, while sustaining minimal damages and casualties, through the use of superior military means, possessed in sufficient quantity, including weapons, command, control, communication, intelligence, surveillance, and reconnaissance capabilities that in their technical characteristics are superior in capability to those of such other individual or possible coalition of states or non-state actors.” Current U.S. law does not further define what might constitute an adverse effect to QME. A transcript of remarks on Israel's QME by U.S. Assistant Secretary of State for Political-Military Affairs Andrew Shapiro, Washington Institute of Near East Policy, Washington, DC, November 4, 2011, is available at <http://www.state.gov/t/pm/rls/rm/176684.htm>.

Israel's regional environment were not in motion at the time Congress enacted the QME requirement. Congress may seek to further clarify or modify existing legislation or future assistance appropriations or arms sales to Israel and neighboring countries in light of these changes. This may include reexamining relationships with other U.S. regional partners or allies—including Egypt, Saudi Arabia, Jordan, Lebanon, and Turkey—or with a potential new regime in Syria.

Iran: Arab Uprisings Complicate Strategic Picture²⁷

Iran's desire to assert its influence in the Persian Gulf region and U.S. concerns about the security and stability of the Gulf region have entangled the two countries strategically for decades. Robust U.S. security cooperation with the Shah of Iran gave way in the face of the February 1979 Islamic revolution, and the United States and Iran have been at odds ever since. This bilateral confrontation has had a direct bearing on each of the strategic priorities that have guided U.S. policy in the region during this period. At times, the differences have turned violent, including attacks on U.S. facilities by Iran or pro-Iranian groups in the Middle East and U.S. skirmishes with Iranian naval elements during the 1980-1988 Iran-Iraq war. Long-standing Iranian support for violent terrorist groups has been a central point of contention, as have Iran's fears of U.S. support for regime change. These disputes, compounded by Iran's uranium enrichment program that many U.S. policy makers view as a cover for an eventual nuclear weapons program, have led successive U.S. Administrations and Congresses to impose ever broader economic sanctions on Iran—sanctions that others in the international community are now joining and amplifying.

In this context, some experts and commentators have evaluated the Arab uprisings for their potential to compound—or to undermine—the effects of U.S. and international pressure on Iran. Before the Arab uprisings began in 2011, U.S. strategists had become concerned that the U.S. military-led removal of Iran's leading nemeses—the Taliban in Afghanistan and Saddam Hussein's government in Iraq—had enhanced Iran's influence in the region. Some feared that Iran was within sight of its long-standing ultimate objective of overturning the power structure in the Middle East, which Iran believes favors the United States, Israel, and their Sunni Arab partners in Egypt, Jordan, and Saudi Arabia. The Arab uprisings, coupled with other changes in the region, in some ways enhance Iran's regional influence but in other ways add to U.S. and international efforts to isolate it.

Iran's leaders have asserted that the toppling of several generally pro-United States leaders in the Middle East, particularly President Mubarak of Egypt, represents an adoption of Iran's own Islamic revolution and a growing acceptance of Iran's message of resistance to U.S. and Israeli regional dominance. In its state-owned media, Iran has sought to highlight the challenge posed by Shiite Muslim oppositionists demonstrating for greater political rights against the U.S.-backed Sunni-dominated government of Bahrain. A collapse of the regime in Bahrain, although unlikely, would represent a major blow to Saudi Arabia, a close U.S. ally and an adversary of Iran, which may explain why the Saudi government sent about 1,100 troops into Bahrain in March 2011 to help the government suppress demonstrations. Whether or not there is greater acceptance of Iran in Sunni Muslim-led states undergoing transition, some believe that Iran will benefit because the increasing influence of public opinion in these states will cause a policy shift away from cooperation with the United States and entente with Israel.

²⁷ Prepared by Kenneth Katzman, Specialist in Middle Eastern Affairs.

Iran may also look to neighboring Iraq for opportunities to exert greater influence. As of the end of 2011, all U.S. troops had left Iraq under a 2008 U.S.-Iraq agreement. In the aftermath of the pullout, Iraq's Shiite Muslim Prime Minister, Nuri al Maliki, moved judicially and politically against some of his Sunni Arab governing coalition partners, raising fears that Iraq's majority Shiites want to exert preponderant authority in Iraq. Many of Iraq's Shiite leaders were in exile in Iran during Saddam Hussein's rule and are considered supportive of, although not beholden to, Iran's foreign policy interests.

A counter-argument is that Iran has or may yet suffer strategic setbacks because of the Arab uprisings, which could reinforce the effects of U.S. and international sanctions. The Arab uprisings were fueled in part by Westernized youth who admire American democracy and the U.S. information technology companies that have facilitated their revolutions. The leaders of these uprisings do not view Iran's cleric-dominated regime as an appropriate model or source of inspiration, but may also not reap the political benefits of electoral success in post-revolution environments. In any case, the credibility of Iran's arguments that it supports the Arab uprisings depends on portraying itself as a model for both Sunni and Shiite Muslims. Iran's attempts to do so in recent years have clashed with what has historically been a cornerstone of Iran's strategy of supporting Shiite Muslim opposition movements against Sunni-dominated regimes. Looking ahead, more politically active and powerful Sunni publics, in some cases led by Islamist governments, could take a more confrontational stance toward perceived sectarian power plays by Iran's Shiite cleric-led government.

Strategically, the grip on power of the leaders of Iran's key Middle Eastern ally, Syria, is now threatened. Iran has depended on Syria to be able to support groups, such as Hamas and Iran's key protégé, Lebanese Hezbollah, that oppose most mainstream proposals to resolve the Arab-Israeli dispute. Hezbollah is by far the most significant organization to be inspired by Iran's Islamic revolution and cleric-led regime. Iran's leaders are believed to be so concerned that President Bashar al Asad might fall that Iran has reportedly dispatched security advisers and material and advised the Syrian government on how to monitor and block Internet communications, while at the same time publicly admonishing Asad to reform. The Syria crackdown has also led to popular outcries in Syria against Lebanese Hezbollah, which has publicly defended Asad.

Iranian leaders also have been worried that the Arab uprisings would stimulate a revival of the domestic opposition "Green movement" in Iran, which grew out of large protests against the regime's perceived fraud in the June 2009 re-election of President Mahmoud Ahmadinejad but was later crushed by security operations. These fears have not been realized to date, but some believed that the opposition might have sought to return to the streets en-masse during the one-month campaign for the March 2, 2012, elections for Iran's *Majles* (parliament). During election periods, Iranian authorities generally tolerate public political activity to a much greater degree than usual. Some experts note with irony that there is a perception that the Arab uprisings were stimulated by the 2009 uprising in Iran, but that Iran's Green Movement has not benefited from these uprisings.

U.S. officials, including Secretary of State Hillary Clinton, have accused Iran of hypocrisy for supporting uprisings that threaten pro-U.S. leaders while suppressing demonstrations at home, and for supporting Asad's crackdown in Syria. Some observers say that the Obama Administration decided to support the uprising in Libya militarily in part to signal support for pro-democracy protesters in Iran, and to demonstrate potential consequences to Iran if it were to use force against protesters. Congress appears committed to maintaining sanctions on Iran in light

of concerns about its nuclear program, its threats to the Strait of Hormuz, and ongoing Iranian support for regional terrorist groups. Should the trend of political change deepen Iran's isolation, the effect of the U.S. measures may be strengthened.

Congress and U.S. Policy²⁸

The fluidity and ambiguity of events in the Middle East since early 2011 have created a challenging menu of choices for Members of Congress and Administration officials. In countries where political change has occurred and transition has begun, U.S. policy makers face questions about the timing and direction of engagement with newly empowered actors and about how best to maintain the benefits of long-standing partnerships despite changes in leadership and regional conditions. The U.S. government also seeks to limit the potential for change to empower individuals or groups directly hostile to U.S. interests, although such hostility may remain masked and U.S. influence may be weakened.

U.S. concerns are being addressed in an international environment where global powers such as Russia and China; traditional U.S. allies in Europe; and emerging regional powers such as India, Brazil, South Africa, and Turkey also seek to shape events in the Middle East. Regionally, the U.S. response is being crafted alongside other pressing policy concerns not directly related to the current of political change, with the confrontation with Iran over its nuclear program being the most prominent example. Leaders in the Middle East are simultaneously attempting to reconcile their own established assumptions and goals with the changing circumstances. Outside of government, the spectrum of opinion and expert recommendations includes arguments for robust engagement with countries in transition, counsel that suggests a case-by-case approach, as well as arguments of alarm about potential immediate and long-term risks to U.S. goals and interests.

The legacy of prior U.S. policy approaches—in some cases consolidated over decades—frames the context and range of choices available to the United States. This is particularly true when considering the depth and extent of existing U.S. relations with leaders, organizations, and populations in countries undergoing unrest and change. In countries like Egypt, Tunisia, Libya, and Yemen, U.S. engagement focused on leaders and groups that have been partially or fully disempowered by change. In other countries like Syria or Libya, robust containment measures and sanctions limited U.S. contact with officials and populations who are now seeking to chart the future course of their societies.

From a U.S. legislative and executive policy perspective, formal mechanisms of confrontation and engagement such as sanctions and aid programs are not easily created or reversed. From a more intangible diplomatic and social perspective, patterns of confrontation and engagement over time have already either created or failed to create strong and broad bilateral ties between societies. Additionally, the U.S. government may find that relationships of trust with long-standing official partners fail to deliver expected results and that comparable partnerships with newly prominent or powerful actors cannot be manufactured overnight, if at all.

²⁸ Prepared by Christopher Blanchard, Specialist in Middle Eastern Affairs.

U.S. Responses to Date

Overall, U.S. policy since early 2011 has sought to leverage regional trends and action to achieve outcomes consistent with core principles and favorable to U.S. national security interests. To date, the Obama Administration, with the support of Congress, has taken a varied approach to different cases of unrest and change in the region while making initial steps toward crafting a common approach to countries that embrace democratic transition. The Administration appears to be operating on the basis of a belief that a heavy-handed and direct response by the United States or other outsiders may prove counterproductive. In May 2011, President Obama outlined “a set of core principles” that he said would guide U.S. responses to change in the Middle East and shape future policy choices by his Administration:

The United States opposes the use of violence and repression against the people of the region. We support a set of universal rights. Those rights include free speech; the freedom of peaceful assembly; freedom of religion; equality for men and women under the rule of law; and the right to choose your own leaders – whether you live in Baghdad or Damascus; Sana’a or Tehran. And finally, we support political and economic reform in the Middle East and North Africa that can meet the legitimate aspirations of ordinary people throughout the region....

America respects the right of all peaceful and law-abiding voices to be heard, even if we disagree with them. We look forward to working with all who embrace genuine and inclusive democracy. What we will oppose is an attempt by any group to restrict the rights of others, and to hold power through coercion – not consent. Because democracy depends not only on elections, but also strong and accountable institutions, and respect for the rights of minorities.

The act of having clearly restated guiding policy principles does not appear to have made it any easier to reconcile them. The various trade-offs, costs, and benefits of the courses of action the Administration is taking vary by individual case but remain interlinked—what the United States chooses to do or not do in response to events in one country shapes expectations and options for responding to events in others. For example, the U.N.-authorized, U.S.-led North Atlantic Treaty Organization (NATO) military intervention in Libya was a dramatic and so far isolated use of force by third parties to halt violence against civilians. Nevertheless, the example of the Libya conflict and its aftermath is profoundly shaping consideration of potential U.N. Security Council action on Syria and of potential strategies for direct or indirect military intervention or assistance for Syria’s opposition movement. Similarly, many regional observers have alleged that the United States continues to apply a double standard in its dealings with unrest in Bahrain, which they contrast with elements of the U.S. response to uprisings in Egypt, Tunisia, Libya, Syria, and Yemen. Administration officials answer critics of U.S. policy in Bahrain by suggesting that public and private messages about the importance of reform have been and continue to be communicated to leaders in Manama, consistent with the principles outlined by President Obama.

Non-military U.S. responses thus far have blended diplomatic outreach, political engagement, targeted security sector programming, and promotion of trade and investment to align U.S. policy with local developments and the policies of other external actors that are seeking to support democratic transitions. Using the State Department’s Middle East Partnership Initiative (MEPI), and the U.S. Agency for International Development’s Office of Transition Initiatives (USAID-OTI), U.S. officials and contract personnel have engaged directly with emerging political groups in some transition countries and have sought to shape the early course of change or respond to its immediate consequences. In Libya and Tunisia, for example, initial democracy promotion

programs have sought to engage with civil society groups and political parties, while initial security programs have focused on mitigating threats from Libyan weapon stockpiles. The United States has offered debt relief to Egypt; authorized the creation of enterprise funds for Tunisia, Egypt, and Jordan; and is working through international financial institutions and with allies in Europe in an effort to support transitions with economic growth. As President Obama stated in May 2011, the United States will seek “to focus on trade, not just aid; and investment, not just assistance.”

Looking ahead, the Administration is taking steps to coordinate its responses and is seeking funding from Congress to support new transition initiatives. In September 2011, the State Department established an Office for Middle East Transitions led by Special Coordinator Ambassador William Taylor. The Special Coordinator’s Office serves as a focal point for outreach and support to Middle Eastern countries that are moving forward with democratic transition plans and who welcome U.S. transition assistance. The office also serves as a coordinating point for engagement with third parties such as U.S. allies in Europe who are engaging with transition countries.

A Middle East Response Fund/Middle East and North Africa Incentive Fund (MERF/MENA-IF) administered by the office has been created from unobligated FY2011 and FY2012 Economic Support Fund (ESF) funding. To date, the office and Congress have identified an initial \$185 million in funding to support transitions. As of early 2012, Libya, Tunisia, and Egypt were considered as being potentially eligible for programs supported by the office, although MERF funds had only been identified for Tunisia. The conference report on the FY2012 Consolidated Appropriations Act (P.L. 112-74) identified \$50 million in ESF funding for the MERF/MENA-IF and directed the Administration to provide a spending plan to the Committees on Appropriations for all proposed obligations. The Obama Administration is requesting a further \$770 million for the MENA-IF in FY2013. Of the \$770 million requested for the incentive fund, approximately \$65 million represents the FY2013 request for MEPI and \$5 million represents the FY2013 request for USAID’s Regional Office of Middle East Programs (OMEPI). The remaining \$700 million is a new request for funding.

Possible Questions for Congress

Congress may play both direct and indirect roles in adapting U.S. foreign policy to new regional conditions. Legislation can set the terms for U.S. sanctions, foreign assistance, arms sales, security cooperation, and trade policy, including revisiting existing law to enable new relationships, reshape old ones, or respond to new concerns. Congressional oversight, debate, and outreach also can stimulate new ideas and discussion about the goals, timing, and content of U.S. policy in the region. As Members of Congress consider discrete and broad based responses, the following questions may contribute to consideration of options and evaluation of Administration and non-governmental proposals.

- What overarching principles and interests should guide the U.S. response to change in the Middle East? With what relative importance and priority? Should U.S. responses be tailored to individual circumstances or guided by a unified set of principles, assumptions, and goals? How can U.S. interests in security, commerce, energy, good governance, and human rights best be reconciled?
- What are the relative risks and rewards of immediately or directly acting to shape the course of unrest and transitions in the Arab world? What are the potential

- risks and rewards of a gradual response or of a “wait-and-see” approach? What are other regional and global actors doing or not doing to shape outcomes? Why or why not? At what risk or benefit to U.S. interests?
- How have established patterns of interaction and existing policies in the Middle East served U.S. interests over time? How have they shaped the range of choices now available to U.S. decision makers, both from a regional perspective and in specific countries? In what ways, if any, should legislative precedent, bureaucratic infrastructure, and funding patterns be revisited? What are the relative roles and responsibilities of Congress and the executive branch in defining future policy?
 - How are U.S. interests and options affected by trends associated with the ongoing change in the Middle East, such as the democratic empowerment of Islamist parties, the weakening of state security authority, or the increased assertiveness of public opinion as an influence on regional policy makers? What new opportunities and risks might these trends entail?
 - How should U.S. policy responses to political change in the broader Middle East be informed by parallel and longer-standing concerns about the Iranian nuclear program, transnational terrorism, and the Israeli-Palestinian conflict? How should an understanding of the implications of Arab political change inform U.S. policy on other major policy questions?

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