

To: President-Elect Obama
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Re: Renew Diplomacy in the Middle East

The Situation

You will inherit a Middle East in turmoil, roiled by multiple crises that will require your Administration's immediate and prolonged attention. You will need to address the crisis in Gaza, drawdown troops in Iraq, and launch new initiatives to deal with Iran's nuclear program and help resolve the Arab-Israeli conflict. But the Middle East's problems did not arise recently, nor will they be solved quickly, because of serious underlying problems:

- inappropriate educational systems
- underperforming economies
- oppressive autocratic governments, and
- a culture that feels threatened by globalization.

Only by helping the region resolve these problems can we eliminate the threats it poses to the United States—[terrorism](#) and endemic instability that jeopardize global energy supplies and regularly ensnare the United States and the other great powers. A process of long-term reform has begun in many parts of the region, and you have an opportunity to lend it critical support by recognizing that:

- Reform must be internally driven, although externally assisted. We cannot know better than the people of the region what they want, nor should we try to impose our vision on them.
- The [Arab regimes must be treated as partners in change](#), not adversaries. All of them understand that pressures in their societies make change inevitable, which is why they are at least making gestures toward reform.
- Gradualism is a virtue, not a sin. Moving step-by-step encourages the regimes' acceptance of reform and allows identification of problems before they develop into crises.
- [Reform efforts must be multilateral](#). We cannot reform the Middle East by ourselves. Many others, particularly in Europe, are willing to help. Moreover, because of the region's rampant anti-Americanism, it may be wiser to let others take the lead.

In short, your Administration will need to adopt a [long-term, comprehensive strategy](#) toward the region's many threats.

Your Stance

During the campaign you promised to renew America's security and standing in the world through a new era of American leadership: rebuilding diplomacy to support strong alliances, ending the war in Iraq responsibly, finishing the fight against the Taliban and Al Qaeda in Afghanistan, and seeking a lasting peace in the Israeli-Palestinian conflict. You stated that America's first and incontrovertible commitment in the Middle East must be to the security of Israel, and you committed your Administration to direct diplomacy with Iran without preconditions. These can be the building blocks of success in the Middle East, *if they are fitted into an integrated approach focused on long-term goals*; short-term policies should support, not undermine, these eventual aims.

Further Recommendations

What is needed in the Middle East is a return to [intensive, creative diplomacy](#). Launching three diplomatic initiatives simultaneously, while preventing Iraq and Afghanistan from descending into chaos, is a tall order, but may avoid having the Middle East force its way onto your agenda in even more problematic ways and will leave you with more support at home and abroad for necessary alternatives should your efforts fail.

Iraq: Oil-rich [Iraq's long-term stability](#) remains a vital U.S. interest. Everything else your Administration seeks to accomplish in the Middle East will require Iraq's stability. Return to civil war—still a real possibility—will undermine all American initiatives and could exacerbate the global economic crisis by sparking another oil shock.

The U.S. troop “surge,” changes in strategy and tactics, the “Anbar Awakening” and other factors have dramatically improved the war's trajectory since the beginning of 2007. However, problems still abound, especially Iraq's dysfunctional politics. Sectarian alliances have collapsed, and individual parties now regularly form alliances across ethnic and sectarian lines. But this fluidity carries great risk, and several dangerous scenarios are emerging, including the potential for Prime Minister Maliki or someone else to try to make himself dictator, for Iraq's rebuilt military to mount a coup, or for militia parties to subvert the political process to gain dominance. Your leadership will be needed to help guide Iraqi political development toward equilibrium and avoid a slide back into civil war.

Consequently, the American role—particularly the military's role—in Iraq remains as important as ever. During the next two to three years, you will need American forces to:

- prevent the Shi'a-dominated government from suppressing minorities or political rivals
- ensure that Iraq's 2009 elections (provincial in January, municipal in spring, and parliamentary in winter) are fair and free
- help new, more secular and inclusive political parties secure roles in governing Iraq, and
- reassure all former fighters that they will not be attacked by government or other forces.

None of this need preclude a [drawdown of American forces](#), as codified in our new Status of Forces Agreement (SOFA) with Iraq. However, it will mean calibrating the drawdown's pace. If current trends continue, shifting four brigades to Afghanistan in 2009 should be feasible, unless new problems emerge in Iraq. As much as our forces in Afghanistan need reinforcement, our mission in Iraq is far more consequential.

Iran: Iran eventually may prove the most important and vexing problem your Administration faces. Iran is uncomfortably close to being able to produce the fissile material for [nuclear weapons](#) if it chose to do so. While Tehran's intentions remain ambiguous, all of its neighbors will assume the worst and act accordingly: Israel may take preventive action; Arab states may compete to develop their own nuclear options. Meanwhile Iran's prestige and influence remain high throughout the region, where its promotion of violence and challenge to Israel and the Arab states has greater appeal than the American-led effort to promote reform and peaceful resolution of conflicts.

Iran's economy is reeling from corruption, mismanagement, low oil prices and international sanctions. Unemployment and inflation, both in the 25-30 percent range, have caused widespread public outrage. As a result, nearly all of Iran's leaders recently have indicated willingness to talk with the United States. But are they actually willing to make concessions on their nuclear program, support for terrorism and efforts to subvert regional stability?

Your decision to try to [engage Iran](#) is appropriate but needs to be part of a larger strategy. Your goal should be to convince Iran to desist from problematic behavior in return for U.S., Western and international agreement on a package of incentives: to lift sanctions, provide economic assistance, address Iran's understandable security concerns and accept Iran as a player with legitimate interests in the Middle East.

The terms of the package should be made public, so the Iranian people can see that it is an attractive offer. All available public opinion data indicate that the Iranian people are far more interested in their economy than in their nuclear program, suggesting popular support for such an offer. The more the regime believes that the people will support the deal, the more likely it is to accept it.

It is late in the day to pull off this breakthrough. Still, a bona fide effort to engage Iran can also serve as a "best shot" for [securing international support](#) for much harsher sanctions if necessary. As the Bush Administration demonstrated, a unified West can impose painful sanctions on Iran without Russia and China, but the harshest sanctions will require their support. Persuading Russia to support our vital interests will require that you be prepared to take Russian interests elsewhere into account. You should be ready to agree to put on hold plans for missile defense in Europe or to slow NATO expansion, if necessary. Moscow and Beijing will not be serious about harsher sanctions as long as Japan and many European nations drag their feet, so you will need to secure a much stronger Western consensus than now exists.

Tenacity will be important. The Iranians probably will not have reached consensus about accepting a negotiated settlement before sitting down at the table with us. Some Iranian leaders will doubtless see talks as a useful ploy to delay sanctions and buy time for their nuclear program. Those who favor a negotiated resolution will probably hope to use the fact of the talks themselves to advance their position in Tehran. Even under the best circumstances, dealing with Tehran is going to be a difficult, drawn-out process. The Iranians will feel a sense of urgency only if the United States comes to the table as the leader of a united international community.

The Israeli-Palestinian Conflict: Promoting a comprehensive end to the [Arab-Israeli conflict](#) is essential to an integrated Middle East strategy and would enhance America's credibility in the region and increase pressure on Iran.

You will enter office with a Gaza crisis demanding immediate attention. While the fighting there underscores difficulties in resolving the Israeli-Palestinian conflict, it may present an opportunity to jump-start your diplomacy. Israel prefers to avoid an all-out invasion of Gaza that would generate high casualties on both sides, subject it to international condemnation and undermine Palestinian and Arab moderates. Hamas would prefer to avoid losing control of Gaza. By offering a sustainable ceasefire that ends rocket attacks on Israel, leads to Israeli troop withdrawals from Gaza, prevents smuggling of weapons into Gaza and includes international monitoring of the flow of goods and people, you may be able to convince both sides to de-escalate. A ceasefire in Gaza might also create pressures on Hamas to reconcile their differences with Fatah, enabling Palestinian President Mahmoud Abbas to speak again for all Palestinians.

Success in Gaza could serve as a springboard for a diplomatic initiative to resolve the larger conflict, where it is urgent to try for a two-state solution while it remains feasible. Intractable issues, divisions on both sides, and the questionable ability of the Palestinian Authority make a sustainable peace agreement unlikely for now. But these factors – and the conflict in Gaza – argues for an approach that lays the foundation for future success by improving Palestinian security forces, strengthening the West Bank economy and halting Israeli settlement activity there while resuming the final status negotiations initiated last year.

The Arab states will urge you to take this initiative. You should expect them to play a critical role in bolstering Palestinian moderates and promoting Palestinian unity. They should also be encouraged to convince Israelis of the prospect of a 23-state solution, with every Arab state recognizing Israel.

Syria First?: Pursuing peace between Israel and Syria might hold out the best prospects for early success, because both sides seek a deal and Turkish mediators laid the groundwork last year. Such an agreement would reduce the likelihood of a larger conflict and reduce Iran's influence. It also would strengthen moderates in the region, put pressure on Hezbollah and Hamas and provide pan-Arab cover for Palestinian compromises with Israel. It also might encourage Iran to take more seriously your offer of engagement, out of concern that, far from dominating the region, it might be left behind.

In other words, you should work for a package deal in which the achievement of peace will produce Syria's strategic realignment. However, if you make this the focus of your peacemaking strategy the Syrians, like their Iranian allies, will play for time. So, instead of "Syria first," you should invoke a "Syria also" approach, simultaneously pursuing normalized relations with Iran, a two-state solution to the Palestinian problem and [Israeli-Syrian peace](#). This will create synergies across the board.



The Saban Center conducts original research and develops innovative programs to promote a better understanding of the policy choices facing American decisionmakers in the Middle East.