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A Time for Diplomatic Renewal
Toward a New U.S. Strategy in the Middle East

THE FORTY-FOURTH PRESIDENT will face a series of critical, complex, and interrelated challenges in the Middle East that will demand his immediate attention: an Iran apparently intent on approaching or crossing the nuclear threshold as quickly as possible; a fragile situation in Iraq that is straining the U.S. military; weak governments in Lebanon and Palestine under challenge from stronger Hezbollah and Hamas militant organizations; a faltering Israeli-Palestinian peace process; and American influence diluted by a severely damaged reputation. The president will need to initiate multiple policies to address all these challenges but will quickly discover that time is working against him.

The next president will have to reprioritize and reorient U.S. policy toward the Middle East. For the past six years that policy has been dominated by Iraq. This need not, and should not, continue to be the case. The next president can gradually reduce the U.S. troop presence and combat role in Iraq, increasingly shifting responsibility to Iraqi forces. But because the situation is still fragile there, the drawdown should be done carefully and not so quickly or arbitrarily that it risks contributing to the undoing of progress achieved at great cost over the past two years.

Instability generated by a too rapid withdrawal could distract the next president from the other priority initiatives he will need to take and cre-

ate opportunities in Iraq for Iran and al Qaeda to exploit. However, a too slow withdrawal would leave American forces tied down in Iraq and unavailable for other priority tasks, including backing his diplomacy vis-à-vis Iran in particular with the credible threat of force. He will need to strike a balance.

In no way should this call for retrenchment in Iraq be interpreted as a recommendation for a more general American pullback from the region. The greater Middle East will remain vital to the United States for decades to come given its geostrategic location, its energy and financial resources, the U.S. commitment to Israel, and the possibility both for terrorism to emanate from the region and for nuclear materials and weapons to spread there. Reduced American involvement will jeopardize all these interests.

Instead, the next president's principal focus will need to be on Iran, because the clock is ticking on its nuclear program. He should offer direct official engagement with the Iranian government, without preconditions, along with other incentives to attempt to prevent Iran from developing a capacity to produce substantial amounts of nuclear weapons-grade fuel in a short amount of time. Simultaneously, he will need to concert an international effort to impose harsher sanctions on Iran if it rejects an outcome the United States and others can accept. The objective is simple to describe but will be difficult to achieve: to generate a suspension of Iran's enrichment program before it builds the capacity to enrich enough uranium to provide it with this "breakout" capability.

Preventive military action, by either the United States or Israel, in the event that this diplomatic initiative fails, appears unattractive given its risks and costs. However, the option should be examined closely, both for what it could accomplish and given the dangers of living with a near or actual Iranian nuclear weapons capability. Because of Israel's vulnerability to an Iranian nuclear first strike, its fuse will necessarily be shorter than America's. And negotiations—as well as stepped-up sanctions—will inevitably take time to work. To increase Israel's tolerance for a more drawn-out diplomatic engagement, the next president should bolster Israel's deterrent capabilities by providing a nuclear guarantee and an enhanced antiballistic missile defense capability.

A second emphasis should be on promoting peace agreements between Israel and its Arab neighbors, in particular Syria, which is currently allied with Iran and its Hezbollah and Hamas proxies. The Syrian

government is in a position to fulfill a peace agreement, and the differences between the parties appear to be bridgeable. Moreover, the potential for a strategic realignment would benefit the effort to weaken Iran's influence in the sensitive core of the region, reduce external support for both Hezbollah and Hamas, and improve prospects for stability in Lebanon. In other words, it would give the next president strategic leverage on Iran at the same time as he would be offering its leaders a constructive way out of their security dilemma.

The next president should also make a serious effort from the outset to promote progress between Israel and the Palestinians. Here, though, factors related to timing appear contradictory. There is an urgent need for a diplomatic effort to achieve a final peace agreement based on a two-state solution while it is still feasible. Yet deep divisions within the Palestinian leadership (not to mention divisions within Israel's body politic), and the Palestinian Authority's questionable ability to control territory from which Israel would withdraw, sharply reduce prospects for a sustainable peace agreement no matter what the outside effort. This dilemma does not argue for neglect, which is sure to be malign, but it does call for a devoted effort to create the conditions on the ground for more ambitious diplomacy to succeed.

What these Iranian and Arab-Israeli initiatives have in common is a renewed emphasis on diplomacy as a tool of American foreign policy—certainly more than has been the norm over the past eight years. The United States will want the backing of the world's other powers—Russia, China, and Europe—and the partnership of America's regional allies, including Israel, Egypt, Saudi Arabia, and Turkey. Consulting and concerting with all of these actors will also take time and patience.

Realities on the ground also call for a new approach to the promotion of reform in the region. Authoritarian regimes that are repressive and largely unresponsive to legitimate popular needs have set in motion a dynamic in which opposition has gathered in the mosque. Such polarization needs to be avoided. The answer is not early elections, especially not when parties with militias contest them, but rather a gradual, evolutionary process of democratization that emphasizes the building of civil society, the opening of political space, and the strengthening of independent institutions (including political parties, the media, and the judiciary). The parallel encouragement of a market economy can buttress this effort.

Finally, the next president should understand that his policy toward the greater Middle East will be severely handicapped as long as the United States remains heavily dependent on the region's hydrocarbons. U.S. consumption is helping to fuel Iran's bid to assert its influence throughout the region; U.S. dependence also leaves this country highly vulnerable to untoward developments within the region, whether it is the ability of Iraq's sects to get along or the ability of the Saudi government to maintain stability. The goal of the United States should be to sustain its involvement in the region but to reduce its vulnerability to it. Energy policy is foreign policy.

Some of these initiatives will take considerable time to ripen and bear fruit (rebuilding Palestinian capabilities, promoting political development in Arab countries, increasing energy security), whereas it may be possible or necessary to realize others relatively early on (assembling a new diplomatic offer to Iran backed by the threat of harsher sanctions, drawing down troops in Iraq, promoting Israeli-Syrian peace). At a minimum the next president will need to remain conscious of the interrelated nature of regional dynamics and try to synchronize the various branches of his Middle Eastern strategy, buying time when there is no alternative while quickly exploiting opportunities or dealing with necessities when they arise.

DIMINISHED INFLUENCE AND STATURE

Since the collapse of the Soviet Union in 1991, the United States has been the dominant power in the Middle East. But much has been done to diminish its influence there, ranging from the failure to achieve a comprehensive settlement of the Arab-Israeli conflict at the end of the Clinton administration to the Bush administration's costly war in Iraq, its unsuccessful attempt to impose democracy on Arab authoritarian regimes, and its willful disregard of the Palestinian issue for most of its two terms. For almost a decade, the United States has done little to address the region's principal conflicts and concerns and instead has opened the way for Iran to make a bid for hegemony in the Arab heartland. In the process, the United States has developed a reputation for arrogance and double standards.

This reduced regional influence is reinforced by a broader decline in the relative position of the United States in the world, as reflected in the falling value of the dollar; the shift of vast wealth to oil-exporting nations, which has emboldened Russia, Iran, and Venezuela; and the rise of China and India.[1] The net effect is an impression left by the Bush administration that the United States is unable to deliver and that when it tries, it tends to make matters worse. In so doing, the administration has raised serious doubts about American competence and intentions. Some of Washington's most important relationships have been severely strained; the Middle East is deeply unsettled.

Nevertheless, the vast majority of states in the region still look to the United States as the ultimate guarantor of their security and the power that should be most able to help them achieve their objectives. In addition, the people there still admire and identify with American values. Ironically, as the region has grown more unstable, in large part because of U.S. missteps, the need for American leadership has grown. That is particularly the case when it comes to meeting the Iranian challenge.

The Bush administration's mishandling of Iraq and Afghanistan opened the door to an Iranian bid for regional primacy by removing Tehran's most threatening enemies. Without these adversaries, Iran has been able to spread its influence into Iraq and, through its alliance with Syria, into Lebanon and the Palestinian arena as well. The Iranian challenge to the American-backed regional order is multifaceted. On one level, Arab governments see a historic replay of Persian efforts to dominate their region. Sunni regimes (particularly Saudi Arabia, Egypt, and Jordan, but also Turkey) see the threat of newly empowered Shi'i communities in Iraq and Lebanon—backed by Iran——setting an example for long-suppressed Shi'ah in other sensitive parts of the Sunni Arab world (such as Saudi Arabia and Bahrain). Similarly, moderate but weak governments in Lebanon and the West Bank—the most susceptible arenas for regional competition—find themselves under assault by extremist parties wielding Iranian-trained and equipped militias and terrorist cadres that are more powerful than the governments' own security services. In addition, Israel, Turkey, and Arab regional powers see Iran embarked on an aggressive effort to acquire a nuclear option that the international community seems powerless to stop. Iran has provided

good reason for Israel in particular to fear an existential threat from an Iranian nuclear weapons capability.

Finally, in the war of ideas, Iran and its Hezbollah and Hamas proxies have been able to argue effectively that "our way works." For many frustrated Palestinians and others in the Arab world, violence, terrorism, and defiance of the United States are now seen as a better way to achieve dignity, justice, and liberation of territory than following their own leaders who, the Iranians and their proxies claim, cower under American protection and lie down with "the Zionist enemy."[2]

Iran's challenge to the existing order is so threatening that it has compelled many of the other actors in the region to begin to work together and to look to the United States to help them in countering it. That even applies to Syria, which is allied with Iran but has now launched peace negotiations with Israel in part as a way to improve its relations with Washington, and in part to avoid being stuck on the Shi'i side of the Sunni-Shi'ah divide.[3] It also applies to Saudi Arabia and Egypt, which have grown deeply disillusioned with Bush's leadership but would much prefer an effective American role. That means considerable American influence can be recouped if the next president is able to show that "America's way works," that is, that moderation, reconciliation, negotiation, political and economic reform, peaceful settlement of conflict, and the upholding of international norms can better meet the needs of the people of this troubled region than the alternative offered by Iran and its proxies.

Even though opportunity is there, some may advise the next president that the effort is not worth it, that the Bush administration paid too much attention and invested too much American blood and treasure in a ill-advised effort to transform the Middle East. They may argue that it would be better for the new president to focus on the many other priority issues on his foreign policy agenda, from global warming and strengthening the nonproliferation regime to managing relations with China, India, and Russia, not to mention the global financial crisis and the economic recession at home. The problem with this approach is that it seriously underestimates the Middle East's ability to force itself onto the president's agenda and undermine America's capacity to influence global events.

Put simply, what happens in the Middle East will not stay in the Middle East. The central reason is that the dark side of globalization,

whether it is terrorism, high oil prices, or proliferation of weapons of mass destruction, finds its inspiration in the Middle East. That means the United States cannot insulate itself from the negative impact of a failure to manage the region effectively; this holds true for other global powers as well.[4] The effective management of globalization is therefore going to require the effective management of the Middle East. The good news is that other global powers have some shared interest in this endeavor.

SHAPING THE STRATEGIC CONTEXT

The president will need to put greater emphasis on diplomatic tools to take advantage of the willingness of regional and global powers to work with the United States. The return to diplomacy was already noticeable in the last years of the Bush administration when American diplomats participated in a series of multilateral efforts to engage rogue states like Iran and North Korea, rebuild trans-Atlantic relationships frayed by the Iraq War, and even promote Israeli-Palestinian peace. But for American diplomacy to be effective, the next president's diplomats will need more than the deft application of leverage and a serious commitment to working with others. A series of steps will be necessary to reshape the strategic context in a way that influences the calculations of all the actors involved in the Middle East.

Reprioritize Iraq

For the last six years, Iraq has dominated America's Middle East agenda, requiring a huge commitment of troops, funds, and presidential attention. Whatever its long-term impact, the surge—together with the willingness of Sunni and Shi'i leaders to establish order in and police their own communities—has created an opening for the next president to reduce Iraq's centrality in America's approach to the region.

The project's Iraq experts, Stephen Biddle, Michael O'Hanlon, and Kenneth Pollack, argue persuasively in the next chapter that ethnosectarian violence has been effectively suppressed and that al Qaeda in Iraq has been radically weakened. But the situation remains fragile, with a host of second-order tasks (including policing the many local cease-fires, ensuring orderly regional and national elections, overseeing the absorption of

the Sons of Iraq into the government's security forces, ensuring the equitable sharing of oil revenues, and enabling the safe return of some 4.7 million internally displaced Iraqis and refugees) requiring significant U.S. combat and support forces through 2009. By mid-2010, however, they believe that the next president will be able to begin to reduce significantly overall forces, perhaps to half their levels before the surge.

This process of troop drawdown will enable the next president to make clear to Iraq's leaders and to its neighbors that he is shifting responsibility to their shoulders. At the same time, it will demonstrate to the American people that wartime involvement in Iraq is coming to an end. Implemented gradually, a U.S. drawdown should not raise questions as to American reliability in light of all the United States has done to bolster Iraq's stability over the past two years. On the political front, the highest priority will be to ensure that the reconciliation between Iraq's Sunni leaders and tribal sheiks and the Shi'i-led government is consolidated. On the diplomatic front, as this process gains traction, the next president will need to persuade Iraq's Sunni Arab neighbors to work with Baghdad's Shi'i-led government, providing it with an alternative to increased dependence on Iran as it becomes less dependent on Washington.

Focus on Iran

By the time the next president enters the Oval Office, the hands of Iran's nuclear clock will be approaching midnight. If Iran's enrichment program proceeds at the current pace, by the end of the new administration's first year, or shortly thereafter, Iran will probably have stockpiled enough low-enriched uranium to have the ability to produce within several months enough weapons-grade uranium for at least one nuclear bomb. As Bruce Riedel and Gary Samore write in their chapter on proliferation, Iran will still likely be another two to three years away from a more credible nuclear weapons capability, in terms of stockpiling enough material for several nuclear bombs. Nevertheless, once it is capable of producing large amounts of weapons-grade fuel, Iran will have for all intents and purposes reached the nuclear threshold and forced all its neighbors, as well as the United States, to rethink their security calculations.

Israel, which has maintained a nuclear monopoly in the region through preventive military strikes on Iraq and Syria, will be sorely tempted to take preventive military action again before Iran has developed a full-fledged weapons capability. That is especially so because Iran's leaders have gone out of their way to declare their intention of "wiping Israel off the map." If Israel strikes, Iranian retaliation could spark a war in Lebanon, closure of the Straits of Hormuz (through which oil tankers exit the Persian Gulf), dramatic increases in the price of oil, and attacks on American forces in Iraq and Afghanistan. If Israel does not strike, Iran and Israel will be on hair triggers, with a high potential for miscalculation. Meanwhile, Egypt, Saudi Arabia, and Turkey—the region's other powers—will likely accelerate their own nuclear programs, fueling a Middle Eastern nuclear arms race. Brandishing a nuclear deterrent, Iran may feel emboldened to step up its efforts at subversion across the region. Tehran would also have the potential to provide nuclear materials (the core of a "dirty bomb") or even a crude fission device to one of the terrorist organizations that it supports.

Rebuild an International Consensus

In this context, it will be important for the next president to attempt to reach an early understanding with the world's other leading powers about the importance of capping Iran's nuclear advance. Unfortunately, recruiting Russia has become an even greater challenge since its use of force in Georgia in August 2008. Moscow could revert to its cold war approach of backing destabilizing actors in the Middle East (such as Iran, Syria, and Hezbollah) with supplies of offensive weapons systems and diplomatic protection in the UN Security Council. Preventing Russia from playing this spoiler role may not in the end be possible, but it is at least worth testing whether Moscow is willing to join a constructive partnership in the Middle East. It may even be possible that Russia's leaders will welcome that invitation as a way of overcoming the negative repercussions of their Georgian adventure.

Russia is already a member of the Quartet that concerts policy to promote Middle Eastern peace.[5] The question is whether it will be willing to join stepped-up Western efforts to block Iran's acquisition of nuclear weapons. Russia will surely want to avoid American recourse to action

outside the UN Security Council lest it find itself sidelined, as was the case in the Balkans. But Russian leaders need to know that if they do not cooperate, then they run the high risk that the United States will act with Europe against Iran and leave Russia and the Security Council behind.

Implicit in the effort to co-opt Russia is the need for it to support what the United States regards as its vital interests in the Middle East, which will inevitably generate the Russian expectation of a trade-off on issues that Moscow considers vital. The next president will need to look at the totality of the relationship and decide among competing priorities, something the Bush administration was unwilling to do. While he cannot trade away treaty commitments to eastern European states, nor sacrifice the independence of Georgia or Ukraine, the next president does have a number of incentive cards he can play to secure increased Russian buy-in on Iran: Russian accession to the World Trade Organization; ballistic missile defense installations in Europe (the need for which diminishes if an Iranian nuclear threat is neutralized through U.S.-Russian cooperation); and a number of financially lucrative arrangements for Moscow, from a Russian nuclear-fuel bank to Russian involvement in an international nuclear-fuel-enrichment consortium. The president can also adjust the pace of any Georgian and Ukrainian integration with NATO.

If the next president can succeed in recruiting Russia to a common approach toward Iran, it is likely to be easier to bring China more fully on board. Beijing will not want to be left outside an international consensus. Chinese interests in the free flow of oil from the Persian Gulf are growing alongside its energy requirements. Nevertheless, Beijing currently prefers to pursue its commercial interests with Iran rather than support the effort to increase economic pressure on it. The challenge for the United States will be to make Chinese leaders understand that a crisis with Iran will have such adverse consequences for China's economy that its political stability could be impacted.

Integrate the War on Terrorism

As Daniel Byman and Steven Simon, the project's terrorism experts, suggest in their chapter, the next president should make counterterrorism an integral part of his Middle East strategy, but it need no longer be the

driver of that policy. The next president should focus his administration on strengthening local capacities to fight terrorism, preventing the reemergence of al Qaeda in Iraq, and bolstering the institutions of failing regional states. The president himself should also send a clear and consistent message to the Muslim world that the United States is not at war with Islam but rather with small groups of violent extremists who are acting against the basic tenets of their own religion.

Recalibrate the Political Reform Agenda

The Bush administration gained some traction in the Arab world—and some credit in the Arab street—with the aggressive promotion of its Freedom Agenda. But its insistence on elections in Iraq, Lebanon, and the Palestinian territories enabled Islamist parties with militias to enter the political process and then paralyze it in each place. President George W. Bush's boycott of Hamas, after it freely and fairly won the Palestinian elections, enabled America's opponents in the Arab and Muslim worlds to raise the banner of "double standards." Similarly, Bush's backing away from his public demands that the Saudi and Egyptian leadership open their political spaces undermined the credibility of the democratization enterprise.

As Isobel Coleman and Tamara Cofman Wittes explain in their chapter on economic and political development, it would be a mistake for the next president to abandon the effort entirely. Instead, he will need to strike a more sustainable balance between American interests and American values. Given the unstable nature of the region at the moment, it would be better to support a longer-term, evolutionary democratization process in which the United States emphasizes the value of strengthening civil society and reinforcing the institutions of democracy, including the rule of law, judicial independence, freedom of the press and association, women's rights, and government transparency, as well as more market-oriented economies. Above all, Coleman and Wittes argue, the United States needs to focus on supporting efforts in the region to provide a vast and rising young generation with hope for the future and reason to resist the dark visions purveyed by religious extremists.

Develop an Effective Energy Policy

High levels of oil imports and gasoline consumption render the American economy too vulnerable to the vagaries of the oil market and the Middle East's inherent volatility. Alternatives exist, and the silver lining of the dark cloud of $4-a-gallon gas prices lies in persuading the American driver to embrace these alternatives. However, as oil prices decline, the urgency to switch will also recede; the president should take the longer view and persist with the effort to promote alternatives and increase efficiencies that reduce consumption. This effort will lessen the pressure on world prices, slow the pace of climate change, and reduce the transfer of wealth to countries like Iran and Venezuela. It is more than just coincidence that when the price of oil was $10 a barrel in the 1990s, Iran's leaders were far more circumspect in their activities abroad than they are now when high oil prices allow President Mahmoud Ahmadinejad to fund foreign adventures while avoiding the domestic political consequences of his mismanagement of the Iranian economy. The lesson is clear: the next president cannot effectively reset the strategic context in the Middle East without a serious effort to reduce American oil consumption.

Regain the Moral High Ground

The United States is too powerful and influential to be loved in the Middle East, but there was a time not so long ago when it was respected for its values and commitment to peace. Regaining that respect will be important if the next president is to persuade the publics in the Arab and Muslim worlds to support their leaders in working with the United States. The new president can take two immediate symbolic steps that would do much to signal a return to a principled approach: announce that he has ordered the closure of the prison at Guantánamo Bay; and declare that resolving the Palestinian problem will be one of his priorities. These announcements should be part of an articulation of his vision of a new, more tolerant, and peaceful order for the Middle East, where governments are more accountable to the people, where young people can expect good education and productive jobs, where human dignity is respected, and where a sense of justice prevails.

TAKING THE INITIATIVE

Once the next president has reset the strategic context and articulated his vision of a changed Middle Eastern order, he will need to develop two diplomatic initiatives—one directed at modifying Iran's behavior, the other at promoting Arab-Israeli peace. The objective should be to achieve mutually reinforcing breakthroughs on both fronts within the first two years of his presidency.

The Iran Initiative

In their chapter on Iran, Suzanne Maloney and Ray Takeyh maintain that the best way to alter Iran's behavior, particularly on the nuclear issue, is to attempt to engage the Iranian government directly. Why engagement? The simple answer is that the alternatives have either been tried with no success or look too dangerous, costly, or improbable. There is no realistic prospect for toppling the regime, either through military means or through support of an internal uprising. A preventive military strike on Iran's nuclear facilities would at best delay its nuclear program a few years, while exposing Israel, and American forces in Iraq and Afghanistan, to retaliation. Containment and the application of sanctions have failed to alter Iran's behavior, partly because Russia and China have not supported effective sanctions and partly because the high price of oil makes it easier for Iran to absorb the cost of the sanctions that have been imposed. There is no assurance that an initiative aimed at engaging the Iranian government in a more constructive relationship would work any better. But a sincere attempt that failed would at least make other options more politically attractive at home and abroad.

The variety of challenges that Iran poses to American interests makes an initiative toward Iran inherently complicated. The situation is made more so by the Iranian government's simultaneous pursuit of the interests of the state and of its Islamic revolution.

The revolution views the United States as "the Great Satan," and therefore will have great difficulty coming to terms with the American devil; the state on the other hand is quite capable of recognizing a common interest and accommodating itself to it. In the past, when forced to choose, Iran's leaders have been prepared to put the state above the rev-

olution. The best course for the next president is to find a way to address Iran's legitimate state interests while adamantly opposing its revolutionary impulses.

According to Maloney and Takeyh, an Iran initiative should aim at a direct U.S.-Iranian negotiation that would focus on bringing Iran into a new regional order, provided it is prepared to abide by established international norms:

—Strict adherence to international treaty obligations, especially the Non-Proliferation Treaty, which Iran signed and ratified

—Noninterference in the affairs of other states

—Nonviolent resolution of conflicts

—Opposition to, rather than sponsorship of, terrorism

—Acceptance of whatever peace agreements the Palestinians, Syria, and Lebanon reach with Israel.

If Iran is willing to engage with the region in a responsible way, promoting its influence by peaceful means rather than through subversion, proliferation, and confrontation, then it should be welcomed by the United States and its partners. This is, admittedly, highly unlikely. The United States will need leverage to persuade Iran to begin to change course. The carrots of normalized relations with the United States and the international community, as well as an end to sanctions, and the stick of increased sanctions (including a ban on Iranian gasoline imports, on which Iran is dependent, given its lack of refining capacity) will be important. But another effective way to get Iran's attention is through the "indirect approach" of launching an Arab-Israeli initiative at the same time as the next president holds out his hand to Iran. Substantive progress on peacemaking—especially on the Syrian track—will create concern in Tehran that, rather than dominate the region, Iran is going to be left behind by it. In the past, Iran has perceived progress in the Arab-Israeli arena to be deeply threatening to its efforts to spread its influence into the Middle East heartland and has successfully used its proxies to provoke havoc and undermine the process.[6] It will probably try to do so again. But this time the president will be opening an alternative way to the Iranian leadership, one that respects its government and seeks to accommodate its legitimate national interests should it choose to engage with the United States.

Before the next president embarks on that effort, however, he will also need to secure Arab, Israeli, and Turkish backing for his approach to Iran. The primary Arab interlocutors are Egypt, Jordan, Saudi Arabia, and the other member states of the Gulf Cooperation Council. Their lack of confidence in U.S. policy and their fear of Iran's hegemonic ambitions has led many of them to hedge their bets by reaching out to Tehran. However, they are deeply fearful that their interests will be sacrificed on the altar of a U.S.-Iran détente. The next president needs to treat them as full partners in his initiative. This includes consultations with them so that if engagement or military strikes fail to curb Iran's nuclear program, the United States would provide them with a credible nuclear guarantee in place of their own efforts to acquire nuclear weapons.

Israel is understandably nervous about the failure of the international community to head off Iran's nuclear program. Its national security establishment is quietly perturbed by the Bush administration's handling of the issue, particularly its failure to recruit Russia to support a more effective sanctions regime and its release of its National Intelligence Estimate on Iran, which undermined the efforts to achieve an international consensus at a critical moment.[7] The Israelis prefer to support an effective diplomatic effort to prevent Iran from crossing the nuclear threshold because they are well aware of the drawbacks of a preventive military strike, especially if they have to do it on their own. They too see the advantage of peacemaking, especially with Syria, as a means of acquiring leverage over Iran and seem willing to do their part.

Nevertheless, Israel's tolerance for engagement with Iran is more limited than America's because of the simple reality that the United States, with its thousands of nuclear weapons and delivery systems, has a ready fallback to a posture of nuclear deterrence while it works to curb Iran's nuclear capabilities. (To cite one example, the United States continues to tolerate a North Korean nuclear capability while it uses sanctions and diplomacy to reduce North Korea's capacities in this realm.) Israel has never been prepared to accept another nuclear power in its neighborhood, especially not one that directly threatens its existence, because a first strike of any scale would have devastating consequences for the Jewish state given its small size and concentrated population.

Therefore, at least to synchronize the American and Israeli clocks, and to give more time for a strategy of diplomatic engagement to work, the United States will want to persuade Israel not to strike Iran's nuclear facilities while U.S.-led diplomatic efforts unfold. This will require the next president to enhance Israel's deterrent and defensive capabilities by offering it a nuclear guarantee and providing it with additional layers of ballistic missile defenses and early warning systems. The United States and Israel will need to reassess their options should it become clear that diplomacy has failed.

Turkey is a regional power that is normally absent from America's calculations about Middle East strategy, except when it comes to Iraq. But Turkey is a NATO ally, and a Sunni state, that borders on Iran and Syria as well as on Iraq, and that maintains a long-standing strategic relationship with Israel. Turkey has long wanted to play a role in the Middle East but has usually been treated warily by Arab states that still recall Ottoman rule of their region. But now, its Sunni Islamist government has given it greater credibility in the Arab world. The Turkish government has taken advantage of this—and its close relationship with Israel—to step into the breach left by the Bush administration's refusal to deal with Syria, successfully brokering the resumption of indirect negotiations between Jerusalem and Damascus. Turkey, too, is deeply concerned about Iran's nuclear program and its hegemonic ambitions. It has therefore sought to remove Syria from its alliance with Iran and bring it into the circle of peacemakers. Turkey has also contributed to international forces in Lebanon and is willing to participate should international forces be required in Gaza or the West Bank. Turkey needs to be included in consultations about both presidential initiatives and about the design of a regional security framework. It might also play a useful role as a channel for messages to neighboring Iran, with which it maintains an open relationship.

The chapters on Iran deal in detail with the strategic and tactical considerations involved in an Iran initiative. The principal elements should be

—Instead of subcontracting the negotiations to U.S. allies until the Iranian government agrees to suspend its enrichment program—the approach pursued by the Bush administration—the next president should offer to have American diplomats lead U.S.-Iran negotiations in a

multilateral framework. The model should be the current North Korea negotiations, in which six powers participate, providing the umbrella for a direct U.S.–North Korean engagement.

—Rather than making suspension of Iran's enrichment program a precondition for formal negotiations, suspension should be converted into a condition for progress in the negotiations. If Iran is willing to suspend enrichment, the UN should be willing to suspend sanctions that were invoked to achieve that purpose; if Iran is not willing to suspend enrichment, UN and multilateral sanctions should be ratcheted up in agreement with America's partners.

—To secure suspension of enrichment, the United States should be willing to agree to discuss what Iran, as a signatory to the Non-Proliferation Treaty, claims as its "right to enrich."[8] In the end, it may be necessary to acknowledge this right, provided that the terms of the agreement are acceptable. This would mean a sharply limited capacity under strict safeguards with inspections to deny Iran a breakout capability by which it could move rapidly to production of significant amounts of bomb-grade, highly enriched uranium. However, because Iran is acting in ways that have led the International Atomic Energy Agency to report it to the UN Security Council and to continue to express considerable concern about its activities and intentions, this right must be earned by Iran, not conceded by the United States. Otherwise, Iran will pocket it and insist on retaining its ability to develop industrial enrichment capacity, which would bring it too close to a bomb-making capability for anybody else's comfort.

—The offer of direct nuclear negotiations should be part of a broader initiative that would include parallel, bilateral negotiations on separate tracks dealing with normalization of U.S.-Iranian relations, Iraq and the Gulf, and other Middle East issues (including Iran's sponsorship of Hezbollah and Palestinian terrorist groups).

—The contents of any diplomatic initiative, with all its positive incentives if Iran decides to accept international norms, should be made public so that Iranians and Americans are aware of its contents. This transparency would require the Iranian government to defend its response at home and facilitate domestic backing in the United States and international support should more pressure be necessary.

—The United States should not insist on linking all the issues. Instead, some incentives should be tied to Iran's behavior in the nuclear realm; others could be offered contingent on its overall behavior.

—Force should never be ruled out. If the Iranian government proves unwilling to engage in direct negotiations with the United States, and suspend its uranium enrichment program in the process, the next president will be faced with a difficult decision in the first term of his administration. In advance of that moment, Ayatollah Ali Khamenei, Iran's supreme leader, will need to be apprised through private channels of the dangers he will be courting for his country and his regime if he continues down the nuclear path in defiance of the international community.

—At the same time, the next president needs to begin private discussions of security guarantees for Israel and Iran's other Middle Eastern neighbors to prevent Iran's program from triggering a regional nuclear arms race. He will also need to issue a declaratory statement that makes absolutely clear that any Iranian use or transfer of nuclear weapons or materials, regardless of the target, will have devastating consequences in Iran.

The Arab-Israeli Peace Initiatives

The next president will inherit Israeli-Syrian and Israeli-Palestinian negotiations that were put on hold by the collapse of the Olmert government. The president should aim for an early resumption of both negotiations. Once they have been relaunched, Lebanon should also be encouraged to participate in its own separate negotiations with Israel.

ISRAELI-SYRIAN NEGOTIATIONS

Syria serves as the principal conduit for Iran's influence in the Lebanese and Palestinian arenas.[9] Israeli-Syrian negotiations threaten to crimp that conduit, but an American-brokered peace between Syria and Israel is needed not only to remove Damascus from the conflict with Israel, but also to cause the breakup of the Iranian-Syrian alliance. But that could happen only if the next president decides to involve the United States in the negotiations, because Syria will not abandon its strategic relations with Iran unless it knows that normalized relations with the United States are in the offing.

Although both Israel and Syria would have preferred U.S. involvement from the outset, the Bush administration's efforts to isolate and punish the Asad regime for its efforts to subvert the neighboring Lebanese government precluded that involvement. This effort was a strategic miscalculation: the Bush administration wasted precious time and opportunities refusing to engage with rogue regimes, and America's national security interests suffered. The best way for the next president to exercise leverage over Syria (and Iran) is to join Turkey in helping to mediate the negotiations.

The Israeli-Syrian negotiations should prove less complicated than those on the Palestinian track, where Israeli claims to parts of the West Bank, as well as the Jerusalem and refugee issues, make agreement far more difficult. Unlike with the Palestinian Authority, the Israelis have little doubt that the Syrian government will be capable of fulfilling its part of the deal. Then prime minister Olmert is reported to have already offered President Bashar al-Asad a commitment to full Israeli withdrawal from the Golan Heights, and two of the leading contenders to become prime minister in some future government—Binyamin Netanyahu and Ehud Barak—both offered Asad's father full withdrawal when they were prime ministers in the 1990s. Indeed, after eight years of negotiations, most of the substantive issues between Israel and Syria were resolved by early 2000 under the Clinton administration, when all that separated the parties from an agreement was a 200-meter strip of land around the northeastern section of Lake Kinneret (Sea of Galilee).[10]

In the past Israelis sought to trade territories for peace, but that bargain was fraught because they doubted the depth of Syria's commitment to normalizing relations. Today, facing a serious threat from Iran, Israelis are more interested in the trade of the Golan Heights for what would be tantamount to Syria's strategic realignment. If President Asad proves willing to make that shift, it would deal a body blow to Iran's interference on Israel's northern and southern borders, providing a strategic dividend to replace the devalued peace dividend Israelis used to hope for.

ISRAELI-PALESTINIAN NEGOTIATIONS

Steven Cook and Shibley Telhami make the case in their paper that Palestine remains the hot-button issue for the Arab and Muslim worlds, one exploited by the Iranians to advance their otherwise implausible

claim to leadership in the broader Middle East. The Bush administration's neglect of this issue cost the United States dearly in the Middle East, something that President Bush himself belatedly recognized by launching the Annapolis process.[11] Since then the process he and Secretary of State Condoleezza Rice put in place has operated on four interrelated levels that each needs to be picked up and pushed forward by the next president so that a positive synergy is created among them:

Final-status negotiations. While the gaps have been narrowed on several critical issues—borders, refugees, and Jerusalem—there will be a need for bridging formulas that the United States may have to provide.[12] Given the amount of time the parties have already spent in negotiations, these should be proposed—but not imposed—sooner rather than later. To encourage movement, it will likely be essential for the next president to outline in some detail his view of the principles of a settlement. In the meantime, he should preserve the understanding reached with the Olmert government that final-status negotiations should proceed to an agreement as quickly as possible while implementation can take place in phases.

Road map commitments to fight terror and freeze settlements. Both sides began to take steps to fulfill their commitments under the Quartet's road map for a two-state solution. The Palestinian Authority has deployed Jordanian-trained police to the West Bank cities of Nablus, Jenin, and Hebron to maintain order but still needs to act against terrorist cadres. The government of Israel reduced settlement activity beyond the security barrier, but inside the blocs and in the Jerusalem environs the Israeli government has given permission for thousands of new housing units, causing an outcry from the Palestinian and Arab leadership.

Given the importance of an effective Palestinian Security Service, the next president should secure greater congressional funding and accelerate training so that Palestinian forces have the ability to act against terrorist cadres and gangs still pursuing anti-Israeli violence. Because this process will inevitably take time, he should also prepare the ground for the deployment of international forces (preferably Arab and Muslim) as part of a peace agreement to partner with the Palestinian forces until they can police their territory on their own.

He will need to reach an understanding with the new Israeli prime minister to freeze all settlement activity for a limited period (say, six to

twelve months) while the borders of the Palestinian state are finalized. Once that occurs, settlement activity could recommence in the settlement blocs that would be annexed to Israel when the other final-status issues are resolved.

Improving conditions in the West Bank. Salam Fayyad, prime minister of the Palestinian Authority, and Quartet special envoy Tony Blair have begun to make progress on local, quick-start economic projects and the removal of some strategic checkpoints. The next president should work to make sure that they are getting sufficient cooperation from Israel and funding from the Arab states.

Arab state involvement. At the initiative of Saudi Arabia's King Abdullah, the twenty-two members of the Arab League have offered to end the conflict, sign peace agreements, and normalize relations with Israel, provided that it withdraws to the pre-June 1967 borders and agrees to the creation of a Palestinian state. However, the lack of visible progress in the Israeli-Palestinian negotiations, combined with Israel's settlement activity, has soured them on the process for the time being. Renewing the involvement of the Arab states will be easier if they see that the negotiations are moving forward and settlement activity is not. They need to be pressed to fulfill their financial pledges to the Palestinian Authority (PA) and to start to engage more visibly with Israel during the process, not just at the end.

The next president will have to decide what to do about the conundrum posed by Hamas, which won the Palestinian elections in January 2006 and then took control of Gaza through a military putsch in June 2007. Hamas rejects Israel's right to exist and the agreements the Palestinians entered into with Israel. It also advocates and has been the deadliest practitioner of violence and terrorism (which it calls "resistance") against Israel. In these ways, it rules itself out of the peace process. On the other hand, given its control of Gaza and its support among at least one-third of Palestinians, a peace process that excludes it is bound to fail.

The way out of this dilemma is to shift responsibility from America's shoulders to Hamas's. As the governors of Gaza, the leaders of Hamas should have to decide between mobilizing the 1.5 million Palestinians against Israel by rocket, mortar, and terror attacks on southern towns and cities, and meeting Palestinian needs by establishing order, returning

the Israeli soldier it is holding hostage, and enabling passages to be opened for goods and people. The cease-fire agreement negotiated by Egypt is holding for the moment precisely because the Hamas leadership has effectively policed it, choosing to place the needs of Gazans ahead of its interests in "resistance."

The next president should encourage that process but leave it to Egypt, Israel, and the Palestinian Authority to handle the relationship with Hamas. If the cease-fire between Israel and Hamas continues to hold, and a PA-Hamas reconciliation emerges from it, the next president should deal with the joint Palestinian leadership as well as authorize low-level contact with Hamas in Gaza. In the meantime, progress in the negotiating process will create its own dynamic in which Hamas will feel pressured by Gazans not to miss the peace train.

An early test of this dynamic may come at the beginning of the next president's term if Palestinian Authority president Abbas decides to call a presidential election when his term expires in January 2009. Hamas will likely contest those elections; its participation should be conditioned on its allowance of free and fair campaigning and voting in Gaza under international observation, and agreement to accept the outcome. It must also continue to observe a cease-fire. If elections do proceed, the Arab states will have to step up and clearly back Abbas politically and financially. He is likely to fare better (and Hamas's candidate worse) if the United States and Israel make clear before the election the extent to which diplomacy will reward Palestinian moderation. After the election, U.S. and Israeli willingness to deal with Hamas in any form should be predicated on its continued observance of a cease-fire.

Organizing for the Iran and Arab-Israeli Initiatives

If these initiatives are to succeed, the next president will need to make clear that they are a personal priority. He should avoid becoming the "desk officer" for the negotiations, but he will need to engage directly and often with the other world leaders involved in the initiatives. To build public support, the next president and his secretary of state will also need to be actively involved in making the case to the American people and the international community for what they are doing in both the Iran and Arab-Israeli arenas.

The secretary of state will necessarily have to take the lead in the diplomatic effort. But because of the many other demands on his or her time, and because the initiatives will need to be conducted simultaneously, the next president should appoint two special envoys, one responsible for the Iran initiative and the other responsible for both Arab-Israeli initiatives, each reporting to the president through the secretary of state. The relevant bureaus of the State Department should staff the two envoys. They should each be in charge of separate interagency committees to coordinate the other relevant parts of the national security bureaucracy. The "principals meetings" of the National Security Council should be the place where the two initiatives are coordinated, ensuring also that they are integrated with other aspects of U.S. foreign, defense, and energy policies.

Which initiative should have preference? The short answer is both of them. In any case, the pace of each of them will not be determined in Washington alone. The Iranian initiative needs to be launched as soon as possible because of the urgent need to suspend Iran's enrichment program before it achieves a breakout capability. Similarly, on the Palestinian track time is short because hope among Palestinians for a viable, independent state is evaporating, as Telhami and Cook show in their paper. However, the split in the Palestinian body politic, the Palestinian Authority's questionable ability to police territory from which Israel would withdraw, and the powerful opposition of Israeli settlers make an agreement difficult to reach, let alone implement. By contrast, the Israeli-Syrian negotiation is relatively straightforward, and the Syrian government has the proven ability to fulfill any commitments it might make. Moreover, the strategic importance of the Israeli-Syrian negotiations, in terms of their impact on Iran's calculus, requires prompt engagement.

As this chapter and the ones that follow make clear, renewing diplomacy in the Middle East will be a tall, complicated, and urgent order for the next president. That will especially be true because the Middle East is bound to have some unwelcome surprises in store —perhaps a coup, a terrorist attack on a U.S. embassy, a succession crisis—that will threaten to divert him from his course. Only an integrated strategy, one that anticipates the consequences of action in one arena for what the United States is trying to achieve in others, and one that is capable of staying on course despite the inevitable distractions, stands a chance of success.

NOTES

1. Richard Haass, "The Age of Nonpolarity," *Foreign Affairs* 87 (May/June 2008): 44–56.

2. In the Arab street today, Iran's Mahmoud Ahmadinejad, Syria's Bashar al-Asad, and Hezbollah's Hassan Nasrallah are far more popular than any moderate Arab leader. According to a survey of six Arab countries taken in March 2008, Nasrallah received 26 percent, Asad 16 percent, and Ahmadinejad 10 percent of support. See Shibley Telhami, "Survey of the Anwar Sadat Chair for Peace and Development at the University of Maryland (with Zogby International)," a survey conducted March 2008 in Egypt, Jordan, Lebanon, Morocco, Saudi Arabia, and the United Arab Emirates, with a sample size of 4,046 and a margin of error of ± 1.6 percent (www.brookings.edu/~/media/Files/events/2008/0414_middle_east/0414_middle_east_telhami.pdf).

3. The Asad regime is minority Alawite, which is a breakaway sect of Shi'ah Islam, but it sits atop a predominantly Sunni Arab population that is uneasy about growing Iranian influence in Syria.

4. Given its geographic proximity, Russia sees the Middle East as its soft underbelly. China and India are increasingly dependent on energy exports from the Middle East to maintain their fast-paced growth.

5. The Quartet comprises the United States, the European Union, Russia, and the United Nations.

6. In 1996, after Yitzhak Rabin's assassination brought Shimon Peres to power in Israel, Iran used Hezbollah rocket attacks into northern Israel and a Palestine Islamist Jihad (PIJ) terrorist attack in Tel Aviv to thwart Peres's efforts to achieve a quick breakthrough in negotiations with Syria before he faced Binyamin Netanyahu in an election. Iran succeeded in provoking Peres's "Grapes of Wrath" operation in southern Lebanon, which lost him the votes of Israeli Arabs and the election. The peace process stalled. Iran also used its relationship with the PIJ to prolong the subsequent Palestinian intifada that brought the Palestinian Authority to the point of collapse and facilitated Hamas's victory in Palestinian elections.

7. The National Intelligence Estimate's principal judgments were released in November 2007 at the height of the Bush administration's efforts to step up pressure on Iran. The NIE judged that Iran had stopped its efforts to develop a bomb-making capability in 2003. It went on to argue that Iran was still developing capabilities that could be used for producing nuclear weapons, but its headline created the impression that Iran was no longer seeking nuclear weapons (www.dni.gov/press_releases/20071203_release.pdf).

8. In the June 14, 2008, proposal made to Iran by China, France, Germany, the Russian Federation, the United Kingdom, the United States, and the European Union, the parties declared their readiness "to recognize Iran's right to develop research, production and use of nuclear energy for peaceful purposes in conformity with its NPT obligations." This proposal clearly opens up the possibility of accepting an Iranian enrichment program provided there is confidence in the exclusively peaceful nature of Iran's nuclear program. See Steven Erlanger and Elaine Sciolino, "Bush Says Iran Spurns New Offer on Uranium," *New York Times,* June 15, 2008 (www.nytimes.com/2008/06/15/world/middleeast/15iran.html?_r=1&scp=2&sq=Erlanger&st=nyt&oref=slogin).

9. Iran's arms and personnel flow through Syria to Hezbollah in Lebanon, and from there to Gaza. Damascus hosts the headquarters of Hamas, which is backed by Iran, and of Palestine Islamic Jihad, which is controlled by Iran.

10. See Martin Indyk, *Innocent Abroad: An Intimate Account of U.S. Diplomacy in the Middle East* (New York: Simon and Schuster, 2009), chapter 10.

11. Some American neoconservatives still argue vociferously that it is a mistake to focus on the Palestinian issue because few leaders in the region really care that much about it and solving it cannot resolve the region's more pressing problems. This argument conveniently dismisses the opinion of the people in the Arab and Muslim worlds who see the Palestinian issue as a symbol of their own humiliation and a lack of respect for their dignity. Because their leaders are not directly accountable to the people, those leaders are even more sensitive to popular views on this subject, fearing that what little legitimacy they enjoy is vulnerable to charges that they are not doing enough to promote Palestinian interests. Moreover, failure to resolve the Palestinian issue provides these leaders with an excellent excuse for diverting the attention of their people from their own shortcomings. President Bush's failure to address the Palestinian issue has been exploited by Iran to strengthen its argument that violence and terrorism is the way to liberate Palestine, which in turn undermines those Arab leaders who would work with the United States to try to resolve the problem.

12. Prime Minister Ehud Olmert is reliably reported to have offered Palestinian president Mahmoud Abbas a deal in which the territory of the Palestinian state would comprise all of Gaza, 93 percent of the West Bank, 5.5 percent of Israeli territory adjacent to Gaza as compensation, and a permanent "safe passage" between Gaza and the West Bank. See Aluf Benn, "PA Rejects Olmert's Offer to Withdraw from 93% of West Bank," *Haaretz*, August 12, 2008.