

US-Iran Tensions

A Japanese Perspective

By Hitoshi Tanaka

Abstract

Will maximum pressure and a coalition of willing nations to safeguard shipping contribute to peace in the Strait of Hormuz and the Gulf region? This article argues otherwise. Instead, Japan could play a special diplomatic role in bringing its ally US and Iran, which it maintains close dialogue with, to the negotiating table.

United States-Iran tensions have been flaring since the Trump administration pulled out of the Iran nuclear deal (Joint Comprehensive Plan of Action, JCPOA) in May 2018. Recent attacks against a number of oil tankers since May 2019, which the US accuses Iran and its proxies of perpetrating, as well as Iran's shooting down of a US Navy RQ-4 Global Hawk drone over the Strait of Hormuz in June 2019, have added further fuel to the fire. And in July 2019, the US proposed the formation of a military coalition to safeguard strategic waters off the coast of Iran, including the Strait of Hormuz.

From Japan's perspective, this series of developments raises a number of questions. What is the US' strategic objective toward Iran? Is the US-led coalition proposal likely to realise this objective? And what are the likely consequences for east Asia?

Deciphering US objectives

The last time US-Iran relations were this tense was in 2002, when US President George W Bush referred to Iran, Iraq and North Korea as constituting an "axis of evil" in his State of the Union address. This designation was based on the concerns of the Bush administration about the nature of the political regimes in those countries and their intentions to develop weapons of mass destruction. Yet the use of this phrase also appeared to have exacerbated the perception of these countries' threat toward the US.

The international community was split then on what was the best approach to stop Iran from developing nuclear weapons. These divisions came to the fore in the 2004 G8 Summit in the US. The European Union (EU) was in favour of negotiations with the aim of a diplomatic settlement. However, with the US as host, the G8 discussions on non-proliferation were chaired by Mr John Bolton — then under-secretary for Arms Control and International Security at the US State Department and currently national security advisor in the Trump administration. Mr Bolton was against diplomacy and favoured applying maximum pressure on Iran. I was then Japan's deputy foreign minister and political director for the G8, which left me in the position of bridging the differences between the US and the EU. Ultimately, the US was persuaded to give diplomacy a chance and the negotiations eventually led to the adoption in 2015 of the JCPOA.

It now appears that the US has gone back to its previous approach of applying maximum pressure on Iran. The objective of this maximum pressure seems to be not just the denuclearisation of Iran, but also deterring it from supporting terrorist groups, such as Hezbollah and Hamas, and the

weakening of its Islamic regime. This approach aligns with the objectives of Israel and Saudi Arabia, and strengthens US' relations with them. The stated objective of the US proposal for a military coalition to safeguard the Strait of Hormuz is to secure the safe transit of commercial ships.

From the Japanese perspective, the military coalition proposal raises a number of concerns. Japan had its own tanker come under attack in the Strait of Hormuz in June 2019 when Prime Minister Shinzo Abe visited Tehran and met with Iranian leader Ayatollah Ali Khamenei in a bid to play the peacemaker between the US and Iran. Mr Abe may again take up this mantle when he attends the United Nations (UN) General Assembly in New York in September 2019.

The critical question is: will maximum pressure and a coalition of willing nations to safeguard shipping actually contribute to peace in the Strait of Hormuz and the Gulf region? There are reasons to be dubious about this. For example, if Iran perceives a coalition operating in the narrow waters off its coast along the Strait of Hormuz as part of a US approach to apply maximum pressure, there is a risk of a strong Iranian reaction to safeguard its sovereignty. This will lead to a further escalation of tensions and increase the risk of an accidental conflict or a war. It is difficult to conclude that a US-led coalition will result in a net increase in the safety of commercial shipping.

Consequences for Asia

The risk that a US-led coalition seeking to safeguard the transit of commercial shipping in the Strait of Hormuz will increase regional tensions carries potentially calamitous consequences across economic, political and international dimensions.

Economically, there is a risk of increased oil prices and an economic crisis. The militarisation of the Strait of Hormuz would likely provoke further attacks on commercial tankers and this could see the oil price go up to US\$70 or beyond. The shale oil revolution in the US means that the pain may not be felt as acutely as past oil price spikes. Yet for east Asian nations it will likely still be painful given their reliance on Middle Eastern oil. For instance, 80 per cent of Japan's oil imports are transported through the Strait of Hormuz. In the case of war breaking out, the impact on the global energy situation would be enormous. A war scenario would also risk a severe global economic crisis, given that global growth is already suffering under the effects of the US-China trade war.

Politically, there is a risk of undermining US credibility. Any resultant escalation of tensions from a US-led coalition operating in the Strait of Hormuz will paint a poor picture of US leadership. The current situation was sparked by the Trump administration's unilateral decision to withdraw from the JCPOA and exacerbated by the US imposition of sanctions as Iran and the other member countries sought to adhere to the JCPOA. The critical role of US dollars in global markets means that other states have little leeway but to follow suit in implementing sanctions against Iran. But the sanctions have not so far had the desired effect and instead, seems to have motivated Iran to surpass its uranium enrichment limit in violation of JCPOA.

US credibility would also be undermined if an underwhelming number of allies and partners sign on to support the US-led coalition proposal. Japan, for its part, will be hard pressed to make any direct military contribution to such a coalition, such as sending armed vessels, given its legal restraints on the use of force. Japan seeks to maintain a strong US-Japan alliance to promote regional stability and prosperity. However, the damaging of US credibility will undermine the capacity of the US-Japan alliance to play such a role. This is not to mention the drain on US resources and political attention from increased tensions or war.

Internationally, the situation with Iran will have knock-on effects for the international nuclear non-proliferation regime and the state of denuclearisation negotiations with North Korea. The North Korean leadership will be carefully watching the evolution of the situation with Iran to see under what conditions denuclearisation or war might occur. The US application of maximum pressure against Iran,

sustained US-Iran tensions, or the outbreak of war may be perceived by North Korea as reason to be wary of US intentions. In particular, the North Koreans will be on guard against the US pursuing denuclearisation today and regime change tomorrow. This is inauspicious timing as the Trump administration seeks to kick-start US-North Korea denuclearisation negotiations after President Donald Trump and North Korean Leader Kim Jong-un held an impromptu meeting at the Demilitarized Zone on 30 June 2019.

If maximum pressure is conceived of as a tool to renegotiate JCPOA, it could facilitate a positive outcome for the region. But the current developments suggest that maximum pressure — aimed at weakening Iran’s Islamic government — risks an escalation of tensions, accidental conflict, and war. This in turn carries a range of possible consequences, including an oil price spike, a global economic crisis, the undermining of US credibility, and negative spill over into denuclearisation negotiations with North Korea. Rather than easily resorting to a militarised approach to dealing with the current US-Iran tensions, all avenues for effective diplomacy should be explored. Japan, as an ally of the US who maintains close dialogue with Iran, should play a special role to enable both nations to come to the negotiating table.

About the Author

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