



Iran's Threat to Close the Strait of Hormuz

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On December 28, 2012, Iran launched its six-day war games, codenamed 'Velayat 91,' in the Strait of Hormuz, involving warships, submarines and jet fighters. This military exercise covers an area of about one million square kilometres in the Strait of Hormuz, Gulf of Oman and northern parts of the Indian Ocean. Although the Iranian Navy commander Habibollah Sayyari has assured that the nature of this military exercise is essentially defensive, this development is keenly watched by the world due to its linkages with the current nuclear standoff between Iran and the Western powers.

Iran has been issuing threats to close the Strait of Hormuz for quite some time to deter the Western powers from targeting its oil revenue. In fact, Iran had held a similar 10-day military exercise in December 2011. The series of economic sanctions imposed by the United States and the European Union has severely curtailed Iran's ability to export its oil, which is life-blood of its economy. Strait of Hormuz is very critical to the global supply of oil and any disruption in this choke point would create major impact on the oil market, pushing the oil-prices much higher and further destabilising the global economy.

The intensity of this threat can be gauged by the fact that a bill to close the Strait of Hormuz was backed by more than half of Iranian Members of Parliament in July 2012. However, Iran's Supreme Leader, Ayatollah Ali Khamenei, who commands the armed forces of the

country, is the ultimate authority to act on this issue. His decisions in this regard would involve his calculations on the strategic imperatives of such an act. That the issue of closure of Strait of Hormuz and the Western economic sanctions on Iran are linked to its controversial nuclear programme, a review of this programme is likely to dominate this calculation.

Iran has done intensive military preparations to close the Strait which it can achieve through the help of its high speed boats, missile mounted ships and sea mines. However, the US, which has declared that any such act would not be acceptable to it, too has prepared itself to reopen the Strait. Effectively, the Iranian strategy of asymmetric warfare against a highly advanced US military deployment in the region stands little chance of success in the long term.

On the other hand, the closure of the Strait would also prevent Iran from exporting its oil and importing necessary items. The oil accounts for three quarters of Iran's export revenue, and constitutes more than 60 per cent of its total revenue. Under such a scenario, it may be argued that by closing the Strait, Iran may harm its own interests. Therefore, it is likely that Iran may be inclined to act on its threat only in the extreme case when everyone else stops buying its oil. Presently, this scenario can be easily omitted since some of the major buyers of Iranian oil such as China and India have declined to stop their oil trade with Iran. This partially explains the US exemption to these countries from its latest sanctions on Iran.

Contrary to the prevalent belief, the closure of the Strait of Hormuz by Iran may actually facilitate the US to achieve its long term objectives. Until now the US has found it difficult to build an absolute international consensus to stop Iran's nuclear programme. Iran's attempts to close the Strait would change the status quo, providing the US an easy opportunity to garner necessary international legitimacy to act militarily. However, the military action in this case may not be confined to the reopening of the Strait but might go further to destroy Iran's military and nuclear infrastructure. In effect, the actual closure of the Strait of Hormuz potentially loses its strategic viability for Iran.

Under the circumstances, Khamenei is left with two options. The first option entails silently bearing the brunt of the Western sanctions. However, this would mean weakening the country's economy further which has already been shattered despite Iran's overt denial. Khamenei's direct involvement in the recent nuclear negotiations by declaring the chief nuclear

negotiator Saeed Jalili as his 'personal representative' is indicative of his desire to end the current nuclear impasse due to the impact of sanctions on the country's economy. A prolonged sanction regime has the potential of subjecting Iran to the same fate as Iraq. For instance, years of stringent sanctions on Iraq had decayed its economy so severely that a weakened Saddam was easily toppled in the eventual attack without much resistance.

Khamenei's second option, despite sounding difficult, may not be quite illogical to consider. This option may involve suspension of Iran's nuclear programme – at least for the time being in lieu of waiver of the sanctions. Apparently, Khamenei currently faces a similar situation as faced by his predecessor and first Supreme Leader of Iran, Ayatollah Khomeini in 1988 at the close of the eight year Iran-Iraq war. This war had shattered Iran so much that despite his considerable advances, Khomeini agreed to a ceasefire brokered by the United Nations Security Council. For Khomeini, agreeing to this ceasefire was 'worse than drinking poison.' In order to save his country from the 'worse,' Khamenei may choose to revisit these pages of history of the Islamic Republic of Iran.

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