



## **Will Iran Dare Close the Strait of Hormuz?**

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Iranian officials grabbed global headlines in recent days by threatening to close the vital Strait of Hormuz, through which 20 percent of the world's traded oil passes. Iran sought to back up its threats by holding a 10-day military exercise in the Persian Gulf and warning the recently-departed USS John C. Stennis Carrier Strike Group not to return to the area. The United States and European Union have brushed aside Iran's warnings, vowing to maintain freedom of navigation in the Gulf and proceeding with plans to impose sanctions on Tehran's oil trade. This heated back-and-forth has roiled global oil markets and led to heightened speculation about a U.S.-Iran military confrontation. The following is an interview with Michael Singh of the Washington Institute for Near East Policy about the rising rhetoric.

### **Could Iran actually close the Strait of Hormuz?**

It is unlikely that Iran could close the Strait for a meaningful period of time. Any Iranian effort to seize control of the Strait would meet swift and determined resistance from the U.S. Navy, with the support of U.S. allies in the region and beyond. Iran's regular navy and air force are no match for their U.S. counterparts; both would almost certainly be dispatched quickly in any outright confrontation. Recognizing this, Iran is more likely to use the asymmetric warfare capabilities of the elite Islamic Revolutionary Guard Corps Navy to disrupt shipping through the Strait and to harass U.S. forces. The Revolutionary Guards could use small boats (either individually or in "swarms"); influence mines (which do not require that a ship run into them); midget submarines; anti-ship cruise missiles; and even divers. These tactics could be a nuisance, but they are also unlikely to shutter the Strait. Yet they would probably provoke a strong U.S. response.

### **What would be the consequences of an Iranian attempt to close the Strait?**

Iran is unlikely to try to close the Strait for several reasons. The regime surely recognizes its military disadvantage; it is also cognizant of its own dependence on the Strait. About 70 percent of Iran's budget revenues are generated by oil exports, all of which must transit the Strait. This fact alone would make a preemptive effort to close the Strait self-defeating.

If Iran nevertheless sought to close the Strait -- say, in response to an oil embargo rather than preemptively -- the consequences would extend well beyond the mere military setback of the United States then forcibly reopening the passage. Global oil prices may sharply increase, though the extent

and duration of this increase would depend on the scope and intensity of the conflict and the speed with which the United States could assert dominance in the Gulf.

The United States, the presumable target of an Iranian move against the Strait, would probably suffer like the rest of the world from the effects of rising oil prices. But U.S. oil supplies would not be meaningfully imperiled. The United States imports 49 percent of the petroleum it consumes, and only 25 percent of those imports come from the Persian Gulf, far less than is available in the U.S. Strategic Petroleum Reserve. China, however, is heavily dependent on Gulf oil sources, particularly from Saudi Arabia. China also happens to be Iran's largest oil customer and provides Iran with critical support in the form of weapons sales and diplomatic cover at the United Nations. Iran can ill afford to anger Beijing.

Iran would also need to consider the likelihood that the United States and its allies would not stop at reopening the Strait in response to an Iranian attempt to close it; they might also target nuclear and military installations on the Iranian mainland and perhaps even seek to topple the Iranian regime. The impediments to a preemptive U.S. attack -- including uncertainty about the aftermath, worries about oil markets, and the desire for diplomatic support -- would be rendered largely moot by an Iranian offensive in the Gulf.

As a result of these factors, an Iranian effort to close the Strait of Hormuz would likely have devastating strategic consequences for the Iranian regime.

### **What is Iran's aim, then, in threatening to close the Strait and attack U.S. forces?**

The Iranian regime -- like the North Koreans and others -- understands that rattling a saber can be more beneficial than actually using it. Iran's bellicose rhetoric and behavior are aimed at both domestic and international audiences.

Inside Iran, the regime has struggled with internal divisions, a growing (if temporarily suppressed) opposition and, perhaps most urgently, a crumbling economy. The regime may calculate that provoking tensions externally can divert domestic attention from these crises. If this is its aim, however, there is little evidence that it is succeeding. Indeed, these actions may prove counterproductive domestically, as they provide the regime's opponents with ammunition to accuse it of increasingly reckless and damaging policies. Some observers speculate that hardline groups in Iran -- for example, the Revolutionary Guards -- may want an actual (albeit limited) conflict to consolidate their domestic control. But so far, the regime has preferred leveling threats and working through proxies to maintain plausible deniability.

Externally, Iran may hope that its actions will produce several responses that will prove useful. First, it is relying on the United States to demonstrate restraint to avoid conflict. Iran has engaged in brazen provocations in recent years -- including mock attacks on U.S. vessels, the seizure of Western hostages, and attacks on U.S. targets -- that have provoked limited Western response. This restraint -- along with the uncertainty about the U.S. regional posture after withdrawal from Iraq -- may prove counterproductive by feeding Iranian commanders' sense of impunity.

Second, the Iranian regime almost certainly understands that Western countries are worried about an increase in global oil prices at a fragile time for the global economy. Tehran's actions are meant to sharpen these fears by increasing oil prices in the near-term and holding out the prospect for sharper

increases down the road. The regime's hope, presumably, is that oil-dependent countries -- both consumers and producers -- will focus on defusing the current crisis rather than on Iran's nuclear program, and may delay plans to sanction Iran's oil exports or even urge the United States to reduce its military posture in the Gulf. But the United States and European Union have thus far refused to play along, brushing off Iran's threats and moving forward with oil sanctions.

*Michael Singh is managing director of the Washington Institute and a former senior director for Middle East affairs at the National Security Council.*