who is the enemy in the war on terror? On September 11 th, 2,001 Americans were in an emotional state that was a mixture of anger, grief, and shock. People were groping for an identity of the enemy in order to respond effectively to the attack. On September 20th, 2001, President Bush made his famous statement: “Those who harbor terrorists are terrorists.” The President had given notice to the world; the American policy on terrorism had changed. From September 1st, 2,001 forward terrorists would be considered the primary enemy of the United States and the focal point of U.S. foreign policy. Furthermore, states (or groups) that helped terrorists would also be targeted. President Bush’s reaction illustrated the first serious experience Americans have had with Anarchical Vulnerability since the end of the Cold War. Consequently, he faced new challenges. President Bush’s first challenge was to identify for the American people who indeed was the enemy in this new war.

Who was a terrorist? What was a terrorist? By what criteria was the U.S. going to use to identify individuals, groups and/or nation-states as terrorists? For one, Former Central Intelligence Agency Director, R. James Woolsey identified three elements of the enemy. Woolsey describes the relationship among these elements as similar to competing Mafia families. They will compete and even kill one another, however, when it is in their interest they will also cooperate.

He identifies the enemy as Jihadists, Ba’athists who control Syria and formally controlled Iraq, and the clerics who rule Iran. Woolsey’s characteristics have caught on and have become accepted, this is the enemy that the Bush Doctrine is designed to defeat.

In his 2002 State of the Union Address, President Bush identified Iran as part of the “Axis of Evil.” It was good phraseology in the spirit of Franklin Roosevelt, but what did it mean? One can observe the policies that were born of it: the invasions of Afghanistan and Iraq have been aimed at the Jihadists and Ba’athists. The clerics in Iran have been largely ignored and this has not been lost on them. The leadership in Iran has not overlooked the actions of the Bush Administration. They have awakened to the fact that the U.S. presence in the Middle East is more prevalent that at any other time in the last century and they are responding in kind. As a result, the Regime in Iran has been deeply involved in developing a nuclear weapons program, missile technology, and building the European Society for Iranian Studies 12 ing a submarine capability in the Persian Gulf. As Iran becomes surrounded by an American military presence it also is experiencing Anarchical Vulnerability.

What effect does the American military presence have on the Iranian Regime? Specifically, the study asks: Does a war next door accelerate state building? Using Neo-Realist theory and the Resource Extraction Model as our analytical perspective, we investigate how the Bush Doctrine has affected Iran’s strategic position. We begin by examining and defining the Bush Doctrine. Next, we discuss the literature and describe Neo-Realist theory and the Resource Extraction Model. Then, we describe Iran’s state structure, particularly focusing on: the security sector, new weapons programs and energy sector. Finally, we use these concepts to implement the Resource Extraction Model in order to evaluate the consequences of the Bush Doctrine and the probability of future conflict (increased Anarchical Vulnerability) between Iran and the United States.

The Bush Doctrine: Fundamental Concepts and Critiques President Bush said the attacks on September 11th, 2001 present a historic opportunity to change international politics. The Administration has argued that, as the first fundamental concept of the Bush Doctrine is the establishment of democratic states. This is designed to make the world more stable. Democracies reflect the will of the people. Tyrants disregard international agreements, coerce their neighbors and oppress their citizens, while democracies tend not to engage in these behaviors. By invading Iraq and implementing a democratic process that will produce a government, a “reverse domino effect” will take place. Case in point: the recent events in Lebanon have been used as evidence that there is a change in the political climate in the Middle East. The Bush Administration has argued, that once an individual is part of a democracy, extremist politics as expounded by terrorists will lose much of their attractiveness. Radicalism will decline because their perceived grievances that
extremism is built on will be addressed through the democratic process.\textsuperscript{11} It is the hope that there is a connection between democracy and the behavior of states and individuals but the jury is still out.

The second fundamental concept of the Bush Doctrine is that the international environment has changed and with this change comes serious threats to America. The most serious threat Americans face is the ability of a terrorist organization to obtain weapons of mass destruction.\textsuperscript{12} This threat would result the in killing of thousands, if not tens of thousands of innocent people. This threat is real. The Anarchical Vulnerability that is felt by Americans needs to be answered by the government. In the past, it was believed Anarchical Vulnerability was diffused by conflict or deterrence.\textsuperscript{13} For example, conflict was used after the Americans were attacked by Imperial Japan, the Americans mobilized to defeat 13 the Axis in World War II. Deterrence was used after the shock of discovering missiles in Cuba. The Bush Doctrine presumes the policies of deterrence do not work on this new enemy. The use of suicide bombers illustrates the traditional incentive of self-preservation does not apply in the war on terror.\textsuperscript{14} Therefore, to counter this intersection of rogue states and terrorist organizations, the ability to conduct a preventive war has been developed.\textsuperscript{15} Preventive war implies among other things, a high degree of confidence that the future will be bleak unless action is taken. It is a policy that inherently rests on speculation—but that is not new, what is new, however, is that the Bush Doctrine rests on unilateral action premised on speculation. We can all agree that in the face of a clear and present danger (like the evidence of a weapon of mass destruction in a major city), the government’s primary duty is to protect its citizens. The real issue is what happens when the danger is not clear and present? The idea of preventive war is problematic in three ways: first, because information of the threat deals with future events, it is very difficult to be certain of the threat; second, even information on past capabilities as in the case of Saddam Hussein’s development of Weapons of Mass Destruction, behaviors may be difficult to ascertain; and, third, unless challengers are conclusively deterred by the first preventive war another may be engaged in, thereby creating an environment of serial preventive wars which, by their nature, would not prevent future attacks. Furthermore, faced with this degree of uncertainty of analysis, doubt and uncertainty of the threat will be created. This in turn causes political opposition to from that will hamper a unified front. Because of this opposition, national leaders will not force strong action.\textsuperscript{17} Ultimately, because of the lack of strong analysis and strong leadership, preventive wars create an environment of unilateralism.

The third fundamental concept of the Bush Doctrine is the maintenance of American hegemony. America is the only state in the international community that can provide both a military and a cultural response to the challenges of the war on terror. Realists have criticized this concept. Neo-Realist argue no state is unique. Neo-Realist contend the American perception of uniqueness comes from the lack of a balancing power in the international environment today. Some authors in this school of thought contend the United States is not a status quo power due to this fear of the future. Even though the Bush Administration claims to be Realist in its foreign policy, observers have said the notion of changing governments (a fundamental objective of preventive war) is really Wilsonian or Liberal.\textsuperscript{18} Critics of the Bush Doctrine have argued the proliferation of nuclear programs in North Korea and Iran are examples of states trying to balance (or deter) the United States. As Robert Jervis stated in his discussion of Realist critics of the Bush Doctrine: “Amid the debate about what these [nuclear] weapons can accomplish, everyone agrees that they can deter invasion, Journal of the European Society for Iranian Studies 14 which makes them very attractive to a state who fear they may be in American gun sights.”\textsuperscript{19} The Bush Doctrine has created a very real, worrisome result of unintended consequences. Hence, the change in American foreign policy due to this combination of optimism and fear may have created a perception by suspected nations that the only way to deter the United States is through developing a nuclear weapon. Iran’s actions seem consistent with this view. Is the development of a nuclear weapon or other programs we see the Iranians doing rational? Does Neo-Realist theory lead us to an answer about both American and Iranian behavior? The first step in answering these questions is to define our terms and discuss the theoretical reasoning we will be using in this investigation.

Neo-Realism and the Resource Extraction Model: A Definition of Terms This portion of the study describes our use of Neo-Realist theory in order to investigate the effects of state building when a neighboring state is at war.

Even though Kenneth N. Waltz argued his work was not designed to predict a particular foreign policy for a particular state, we use neo-realism to demonstrate how a systemic effect (Anarchical Vulnerability) does effect the policy decisions of particular states.\textsuperscript{20} Waltz characterizes the international system with the following assumptions: first, the international system is one of self-help; second, states are rational actors in the system; third, states have the ultimate goal of survival; and, fourth, relative gain is important, absolute gain is irrelevant (since the struggle for survival is always in the context of how your rivals are doing compared to yourself).\textsuperscript{21} The anarchical nature of the international system is the first assumption Waltz developed. He defined it as the absence of a central enforcement
mechanism. A hierarchical system simply does not exist to impose rules on states. In the absence of this enforcement, therefore, a state may use violence or any means to assure its survival. Secondly, states are rational actors in the system. States make decisions by seeking to maximize their position vis-à-vis other states in the system. Related to this is the Neo-Realists’ third assumption, that the state will always try to maximize security through their means of power.

No matter how one measures power, the notion that power is a measurement of survivability is useful when using Neo-Realist theory. Power enables us to operationalize either economic or political variables as a measure of survivability.

The idea that survivability can be measured presents us the final assumption: relative gain is important, absolute gain is irrelevant, because the struggle for survival is a short-term imperative and is always in the context of other states.

In his writings, Waltz concentrated on issues such as nuclear proliferation and the stability of the international system. Waltz argues that states must move toward “balance” i.e., a state must form coalitions with other states if it is to successfully oppose rival states in the international system.22 Neo-Realist argue the number one state (i.e., the most powerful or primary state) and the number two state (i.e., the second most powerful state or secondary state) have to adjust internally and follow policies that would seek a relative advantage against the other. Although Waltz has argued a state will behave much the same way from the Cold War to the post-Cold War, the pursuit of balancing by states seems less obvious. Traditionally, Neo-Realists have tied position in the international system to behavior. This relationship between the international system and state behavior has been identified as a result of political structures that a state must interact with. One of the most important structures Neo-Realists have identified is anarchy.23 We contend anarchy is a political structure that acts indirectly on its members by socializing them and allowing them to compete inside the structure. Structures limit and mold members and point them to an equality of behaviors even though members’ aims may vary. The competition among states enables the structure to indirectly punish or reward behavior.24 The punishment of states is identified as “Anarchical Vulnerability.” Our discussion on neo-realism is useful since it gives us the theoretical basis in which we can test our model, by giving us both the political structure of anarchy and by letting us identify our variables when we use the Resource Extraction Model.

We will use this model to investigate the particular policies of Iran. To do this, we must define our terms.

Starting with the basic unit of analysis, a state is a set of institutions that have peculiar drives, compulsions, and aims of its own, separate from interests of any particular societal group.25 State building is an increase in mobilization and extraction capacity of the central state institutions as it relates to other social actors. State building is primarily concerned with increasing the power of the central executive. This entails the ability of the state builders to eliminate or neutralize rivals thereby creating a monopoly of collective violence inside of the state’s territory. State building can be further defined with three activities state builders use to strengthen their position: penetration, mobilization and extraction.

Penetration is the ability of the state to establish its presence throughout society to the exclusion of competing authorities. Mobilization is the ability of the state to put effective resources where they are in demand. In the case of war, mobilization is the ability to redirect resources taken from society into productive areas of the war effort. Extraction is the means for acquiring the resources for carrying out state building activities.26 Charles Tilly made the connection between war and state building famous. As Tilly did, we define war making as the elimination of neutralization of rivals of the state outside the territories; the state builders have a clear and continuous priority as wielders of force.27 Tilly developed a causal chain of events when states are actively engaged Journal of the European Society for Iranian Studies 16 in war making. This six-part chain starts with an expansion of land armies. This expansion creates a need for new efforts to extract resources from subjected populations; which in turn, generates a demand for new bureaucratic or administrative innovations. These innovations are met with resistance from the population and are responded to by a renewed campaign of coercion. Finally, at the end of the chain we see a durable increase in the extraction power of the state.

This may answer how the European states became the dominant model for the international system. But for our purposes it does not answer how modern states like Iran, when it faces an invasion and/or economic sanctions, react to the perception of Anarchical Vulnerability. As a result, we will use the Resource Extraction Model to answer this question.28 The Resource Extraction Model involves the independent variable of Anarchical Vulnerability and the adaptive strategy the state pursues as the dependent variable. The state has three choices: emulation, innovation or do nothing.

Specifically, emulation is a large-scale prolonged effort by the state in response to a change in its strategic environment. Innovation is a purposeful effort by one state to offset the perceived power of another state by
introducing new institutions, technologies, or practices. The Resource Extraction Model assumes states are unified and leaders are pursuing policies based on relative power of rivals.

This combination of Neo-Realist theory and the Resource Extraction Model creates for us the tools to investigate the effects of the U.S. invasion of Iraq on Iran. When examining the Iranian state structure for state building purposes, we must start with a discussion of Iran’s security structure. These forces make it possible for the clerics to mobilize and penetrate Iranian society.

Iran’s Security, New Wepons and Energy Sect ors The invasion of Afghanistan and Iraq has changed the international strategic landscape for Iran. Instead of rivals in Afghanistan and Iraq, Iran faces a new geographic proximity to hundreds of thousands of American troops.

There is also a significant presence of naval, air and Special Forces in the Persian Gulf and South Asia. What military and paramilitary configuration of organizations does the Islamic Republic have to counteract the new American presence? In this section we will trace the development of the current Iranian military structure from the constitution of 1979 to today. Next, we will examine three areas of Iranian innovation and emulation: increased support of terrorism, development of weapons of mass destruction, and increased in naval and missile capability. The Iranian security structure is designed to do several things: conventional defense of the country, insure domestic survival of the Regime, and create an intelligence network and terrorist capability to give the Regime an offensive capability to pursue its national interest.

17 The 1979 constitution established a dual structure between two senior leaders: the Supreme Leader and the President. The current Supreme Leader is Ayatollah Khameni. He lacks both the religious credentials and the personal power of the first Supreme Leader Ayatollah Khomeini. The Supreme Leader is the commander-in-chief of the military and he has the power to declare war and peace. He appoints the Supreme Commander of the Islamic Revolutionary Guard Corps (IRGC), Regular Army and the joint staff of the Armed Forces.

The President, on the other hand, is elected every four years. His responsibilities focus on social, cultural and economic policies of the Regime. During the previous eight years Iran’s foreign policy has had a seesaw effect between moderate and hard-line policies. Recently, a new President has been elected, it seems with the installation of the new Iranian President Mahmoud Ahmandinejad this back and forth debate may be resolved in favor of the hard line officials.

It is estimated the total budget for the security structure was 4.1 percent of Gross Domestic Product (GDP) in 2001 and 4.4 percent of GDP in 2003 (in excess of 5 Billion United States Dollars (USD) a year). The composition of forces include the Regular Army (Artesh), the Islamic Revolutionary Guard Corps (IRGC), the Mobilization Army or Basij militia, The law Enforcement Forces (LEF) and the Ministry of Information and Security (MOIS). Each organization has a primary mission, but there is overlap. The army is responsible for Iran’s borders; the IRGC has as its major responsibility defending the system. The relationship is one of rivalry and mistrust. The Army has 400,000 members, IRGC has 120,000 members, and the Basij has 90,000 regular members with 200,000 and 300,000 reserve members available for activation. Furthermore, the IRGC is responsible for Iran’s missile force and unconventional weapons. Finally, the MOIS is Iran’s intelligence agency with 30,000 employees organized into 15 departments. All of the officers are trained at the Maddraseye Haqqani School in the city of Qom. Of these organizations the IRGC seems to be gaining significant influence under the new President. The invasion of Afghanistan showed that the U.S. and Iran could cooperate. Iranian officials offered to help American pilots who would be shot down over Iran’s air space and Iran also participated in international conferences that were designed to help Afghanistan receive international aid. Later, during the Iraq invasion, there was a growing debate in Iranian policy circles on what Iran’s strategic position would be. The debate, again, was between the hard liners and reformers. Both camps agreed that Iran’s primary security interest was to have a stable Iraq. They feared a chaotic situation in Iraq would boil over into Iran. The difference between the two camps, however, rested in their separate reaction to the Americans. The reformers believe the Americans should not be interfered with; let them do the heavy lifting of nation building in Iraq and cooperate when it is in Iran’s interest to do so. The hard liners believe the Journal of the European Society for Iranian Studies 18 Americans must fail. The job is too big and if the Americans succeed, Iraq could be a puppet state that is controlled by Americans, and, worse yet, it could be used as a launching pad for an invasion of Iran. The debate went on. As with governments everywhere, the Iranians decided to implement both strategies. In the early part of the occupation, Iran did cooperate with American forces and did refrain from causing mischief when the United States made some serious mistakes. At the same time, the Iranian put in place a network of intelligence and military operatives to be in place when the U.S. fails. This network had orders to become one step short of
operational, and to wait for the Supreme Leader’s orders before an attack would be made. We do know that every Iranian security organization does now have a network of operatives in Iraq.

Cooperation vanished in May 2 003, when there was an attack on western housing complexes in Riyadh Saudi Arabia. The United States provided evidence that it was an al-Qaeda attack and more importantly the leaders of the attack were in Iran. Kenneth Pollack attributes the Iranian action to over zealous security people in the IRGC and MOIS who wanted to use al-Qaeda to check the possible invasion of Iran. This is not the first connection between al-Qaeda and the Iranian security leaders; also it is not the first connection between Iran and terrorism. Iran has shown itself to be very creative when hiding the connection between the Regime and Bin Laden’s terror organization. Even before the attacks of 2 003, there have been documented connections between them. The embassy bombing trials produced evidence that ten percent of Bin Laden’s satellite telephone calls were to Iran. The established terrorism of Hezbollah presents even more alarming concern.

According to the U.S. State Department, Hezbollah has received 80 million USD a year from the Iranian government. This money has bought direct attacks against U.S. military forces in Somalia and Lebanon, which prompted the U.S. to abandon these missions. Hezbollah’s strategy is simple: kill enough Americans and they will leave the region. In the words of Hezbollah’s Secretary-General “Death to America” was their rallying cry in Lebanon and remains their rallying cry today. Finally, Steve Emerson in his book, American Jihad, writes that the terrorists relied on Iranian funding and Sudan as a safe haven to conduct their extensive attacks. One must credit the innovation of Iranian policy; it seemingly serves their geopolitical situation well. Because of their relative weakness in conventional forces vis-à-vis the United States, Iran is able to attack American forces indirectly, while maintaining the ability to deny any involvement.

Iran’s policy of “plausible deniability” has and is working. For example, a recent broadcast by National Broadcasting Company (NBC) News reported that the sophisticated explosives being used in Iraq that killed fourteen U.S. Marines was traced back to Iran. In response, the Iranian press agency said it was not a government body that had given the explosives to the insurgents. 19 The impetus for terrorism is to leave states unaccountable for their actions, to allow them to hide behind semantic games of responsibility. It is very difficult, therefore, to analyze the relationship between states and terrorism. However, the connection between al-Qaeda in eastern Iran does give evidence to our introductory premise that the Iranian Regime and terrorist like Hezbollah and al-Qaeda do cooperate.

On one end of the spectrum, we see the Iranian government supporting terrorism in order to compensate for its lack of conventional military force. At the other end, the Iranian military and security organizations are pursuing the development of weapons of mass destruction, namely nuclear weapons to counteract American superiority. What is Iran’s nuclear strategy? The Iranians want nuclear weapons for several reasons. The first is to deter America or any other country from invading Iran. Iran believes that if they had nuclear weapons before, Iraq would not have invaded in 1 980. The second reason, Iranians want a nuclear weapon is for prestige. The Regime believes it will gain legitimacy if it succeeds in a great project that can make Iranians proud of their accomplishment. The third reason, is the project will enable Iran to become the leading power in the Persian Gulf. By acquiring nuclear weapons, Iran becomes an important country in regional negotiations.

42 One must remember that Iran’s geopolitical neighborhood consists of nuclear powers bordering the Caspian Sea and nuclear-armed competitors such as Israel, Pakistan in addition to the United States.

The Iranian nuclear issue is an emulation policy. The clerics in Iran see the experience of the Pakistanis and contend the world is hypocritical. Pakistan was a sponsor of terrorism; the Pakistani Regime recognized the Taliban in Afghanistan and indirectly supported al-Qaeda, moreover, they secretly pursued weapons of mass destruction. These are all the same state actions the Bush Administration has criticized Iran for doing. Instead, Pakistan has become one of the closest allies of the United States. Iranians look at these events and conclude it is the absence of nuclear weapons that produces the different policies between the U.S. and Pakistan, and the U.S. and Iran. To correct this inadequacy, Iran has looked to emulate the Pakistani program.

We know the A.Q. Khan underground network of nuclear development helped the Iranian program. Specifically, the world has found out that since August 14, 2002 the Iranians have had a secret gas centrifuge plant at Natanz and a heavy water producing facility at Arak. Recently, the European Union negotiations seem to have failed and the Iranians have said they are not worried about being called in front of the United Nations Security Council. The leadership in Iran seems quite confident the Americans and Israelis will not do anything when faced with an Iranian atomic weapon. All the Iranians have to do is to look at the Indian, Pakistani, Israeli, and even North Korean nuclear
experiences to see Journal of the European Society for Iranian Studies 20 there is very little a country can do once nuclear weapons have been acquired.

One wonders why the American response to these latest developments of reports of Iran acquiring nuclear weapons has been muted? The Americans have decided to let the European Union (Great Britain, France and Germany) negotiate with the Iranians.

Even though it looks at the time of this writing that the negotiations have failed, the Bush Administration is preoccupied by Iraq. Iraq has drawn in all of the senior Bush Administration Officials’ time and military resources. The strategic debate between the Bush Administration’s hawks and doves regarding Iran has been so polarizing that the Administration has decided on inaction until there is a crisis.46 There is even a debate inside the Administration on when Iran could cross the nuclear threshold: some say it would take over ten years, others have predicted a nuclear Iran by 2007.47 In conjunction with the development of nuclear weapons, the Iranian government is pursuing missile technology. This strategic ambition came from two historical experiences. The first was the Iraq-Iran war during the 1980s where Iranian cities were attacked by Iraqi missiles. The Iraqis had used unconventional warheads despite the purported band of their use by international law. The Iranians saw how the rest of the world ignored their plight and how the world was unsympathetic with Iraq’s violations. These attacks however, were successful and caused a strategic shift in the war.48 Thereafter, the Regime actively worked on establishing an indigenous missile capacity.

The second historical event was the Gulf War and the American use of missile technology, especially cruise missiles. Missiles enable Iran to strike strategic targets (cities) and to close Persian Gulf shipping; two Iranian strategic objectives designed to deter the United States and Gulf rivals.49 Developing this capacity entailed foreign technical assistance from other nation-states. Deals with Russia, China, North Korea, Libya and Syria have subsequently made the Iranians a missile power. According to the Center for Defense Information, Iran has eight missiles in its arsenal with ranges from 170 km to reports of a 2000 km range Shahab 5 strategic missile.50 Furthermore, there are reports that Iran has illegally obtained cruise missiles from Ukraine. These missiles give Iran a capacity to destroy shipping from the air. In addition, their efforts are continuing to develop missiles capable of destroying shipping from the sea. Iranians are also developing their naval capacity.51 As of February 2 004, the total manpower of the Iranian Navy was 38,000 men.52 Iran is undeniably the fastest growing navy in the Persian Gulf. Their force includes three missile surface combatant ships, ten Revolutionary guard missile patrol craft, 40 Revolutionary Guard missile boats, and nine amphibious ships. The biggest surprise in their naval arsenal is the three submarines the Iranians bought from the Russians.53 The only strategic reason the Iranians have for building this capacity is to threaten shipping in the Persian Gulf.54 This is a radical strategy, since the Regime receives an overwhelming amount of its revenue from oil shipped in the Persian Gulf.

The third sector we will examine is the energy sector of the Iranian state.

21 Foreign energy companies have exploited Iranians in the past. During the 1 950s, there were reports of the Iranian government receiving ten percent of oil revenues produced by their own oil fields. There have also been complaints of the lack of Iranian participation in the oil industry. Few jobs and fewer management opportunities were given to Iranians during the early development of their energy resources.55 This situation changed during the early 1970s. However, the Iranians remain sensitive to the exploitation of their main national resource.

Today, the oil sector still employs foreign technical assistance, however, the Regime benefits from this sector. Iran has ten percent of the known world reserves and has claims to areas of the Caspian Sea.56 These claims may increase their reserves significantly. Last year Iran produced 3.4 million barrels a day.57 With this summer’s record-breaking prices on the spot market, this can be a great opportunity to purchase state capacity. For our purposes, the energy sector does not directly enhance state building. Oil does enhance mobilization (revenues can be put where the leaders need it), however, it does not increase penetration of the Regime to the society since individuals are not included in the collection of revenue.

We have described the three leading bureaucratic sectors of the Iranian state: security, new weapons programs, and energy. The next step in our study is to describe our application of the Resource Extraction Model and the results of the study.

The War Next Door: Applying the Resource Extraction Model to Iran We have described the theory and the state that we plan to model. The application of the Resource Extraction Model starts with a discussion of the variables we plan to use and the operationalization of those variables. Next, we discuss linear regression and develop a hypothesis to test the correlation between our variables. Finally, we will use the results of this statistical analysis to analyze a more general effect of the war next door and the structural response to the international system.
Resource Extraction Model: Variables

In applying the Resource Extraction Model we start with the independent variable.

The Anarchical Vulnerability (American invasion of Iraq) is our independent variable.

We operationalize this variable as the number of U.S. military personnel that are deployed in Operation Iraqi Freedom (OIF); the data was derived from the U.S. Government. Although there is an ongoing debate about the connection between the war in Iraq and the war on terror, this debate is irrelevant for our purposes. We assume President Bush is transparent in his belief that there is a connection between the Anarchical Vulnerability produced by the attacks of September 11, 2001 and the invasion of Iraq.

Journal of the European Society for Iranian Studies 22 The dependent variable is agential power of the Iranian Regime. In our linear regression model this is operationalized as the total number of security and military personnel deployed by the Regime. These are people in Iranian society that carry out the penetrative and extractive activities of the state. Outside the regression model we observe traditional variables of economic and political sociologist use in state building. These include increase in Iranian GDP, tax revenue (percent of GDP), Personal and Public Savings (percent of GDP). Although these variables are outside our regression model, they are important descriptors in the Resource Extraction Model. (Appendix A).

The operationalization of these variables enables us to discuss the linear regression model we employed to measure correlation between our variables. Our research design entails getting data from the U.S. Department of Defense (American Troops deployed in OIF), and the World Bank and International Monetary Fund (IMF).

Our data starts from 2001 and goes to 2003. The 2003 data is the latest that is not produced by the American Government. Sources such as the U.S. State Department and Central Intelligence Agency Factbook are useful giving us a context of the Iranian society, however, these statistics are estimates. We contend it is more accurate to use the actual data than estimates therefore we stop the analysis at 2003. The benchmark year 2001 was used because that was the year President Bush made his famous ‘Axis of Evil’ speech, which gave the Iranians a poignant warning of the changes to come in American foreign policy. In short, it was President Bush’s telltale sign to those countries that a sea change had been made in foreign policy in response to September 11, 2001. Our hypothesis is developed as such: H0: As American forces are deployed in Iraq there is not an expansion in Iranian military personnel.

The null hypothesis is as follows: H0: As American forces are deployed in Iraq there is not an expansion in Iranian military personnel.

After developing the hypothesis, we used Excel data pak software to run our linear regression model. This enables us to test our hypothesis.

Results of the Statistical Tests We ran a linear regression model. The independent variable is Anarchical Vulnerability as measured by American military personnel deployed in Iraq (Y).

Our dependent variable is the military personnel employed by the Iranian state (X). The regression equation is: \[ Y_i = b_0 + bX_i + \epsilon_i \] (1) The multiple R is the correlation between the independent variable and dependent variable r expresses this linear relationship. The result of r is .7644.

The \( r^2 \) represents the proportion of variation in Y that is explained by the linear relationship, the result of the study was an \( r^2 \) of .584308. To test our hypothesis, we use the t-test. The F value is 1.40, using the Student’s t-test distribution with 3 degrees of freedom the t-critical value is 3.182. The F of the linear regression model is 1.4056. Since it is less than the t-critical value the hypothesis is statistically significant. The hypothesis that we have found statistical significance is: H1: As American forces are deployed in Iraq there is an expansion in Iranian military personnel.

Therefore, we have shown there is a strong statistical relationship (7644) between the American deployment of troops in Iraq and the increase in Iranian military personnel. Also, this regression shows we have a 58 percent probability of explaining a change in the independent variable with changes in the dependent variable. The linear regression model establishes a relationship between Anarchical Vulnerability when measured by American troops and National Agential Power measured by Iranian military personnel. (Appendix B).

Next, we can examine some traditional measurements of state building that are useful in our discussion of the Resource Extraction Model.

** 2001 as basis of analysis, therefore consists zero percent change.

Measurements of Extraction and Penetration

-80% -60% -40% -20% 0% 20% 40% 60% 2001** 2002 2003 Year Percentage: Total GDP Military Expenditure Gross Natl.

Savings (Public) Gross Natl.
Savings (Private) Tax Revenue Journal of the European Society for Iranian Studies 24 Iranian GDP from 2 001-2003 grew substantially. In 2 001, the GDP was 117 billion USD. In 2003, this had grown to 134 billion USD, an increase of 15 percent. We compare military expenditures, tax revenue and gross national savings (public). As you can see in the chart, the military expenditures rose from 4 billion USD in 2001 to 6 billion USD in 2003, an increase of 50 percent. The Iranian Regime had public savings of 20 billion USD in 2001. By 2003, public savings was down to 7 billion USD, a decrease of 63 percent. The increase in tax revenue from 7 billion USD in 2001 to 9 billion USD in 2003, a 23 percent increase, and most of these funds were allocated for military spending. (Appendix A).

These figures show the Iranian state has become stronger. Tax Revenue and GDP are increasing which tells us the level of extraction is higher. These are two traditional measurements of state building. We also see a decrease in personal savings, this indicates the individual in Iran is not saving as much as they did in 2001. This shows while GDP is increasing, money the individual has at their disposal has decreased. Again, showing an increase in extraction and since it is on the individual level also an increase in penetration. The expanding military expenditure and increased tax revenue are also traditional measures of state extraction. These observed statistics demonstrate an increase in state capacity since 2001. What do these statistical test results mean for the building of the extraction model, our investigation of state building and the impact of neighboring wars. The implications of these findings are presented as follows.

Results of the Study : The War Next Door Effect on State Building The impact of the American invasion of Iraq made Iran a stronger state—according to the statistical model and theory. Three sectors of the Iranian state were investigated: the security, weapons development, and energy. Iran’s recent behavior is explained by our result. The leadership is united in its pursuit of resources including increasing the number of military and security personnel as a direct response to American deployment in Iraq. The IRGC has become more involved in the establishment of both emulation and innovative policies, such as the implementation of intelligence and terror network in Iraq (innovation), and the development of indigenous missile capacity (emulation). The structural responses to the Iranian reaction to Anarchical Vulnerability have been the EU3 (Great Britain, France and Germany) nuclear negotiations with Iran and American pressure for Iran to stop its support of the 25 insurgency in Iraq. The U.S. pressure on Iran is a classic example of the defensive-offensive balance the Neo-Realist write about. Basically, it is cheaper to defend yourself than to attack. Therefore, if a country is threatened the first action of the country should be to develop a defensive counter-strategy, like disrupting shipping in the Persian Gulf. Furthermore, the invasion of Iraq (and Afghanistan) has put American power in close geographic proximity to Iran. The proximity of forces heightens the probability of conflict which culminates in direct confrontation either economic sanctions or direct war.

The War Next Door: The Bush Doctrine and Iran In Figure 1, we show the results of the relationship between the Bush Doctrine and the strengthening of Iran. The final stage of economic sanctions or direct war could come when the U.S. or Europe receive another shock of Anarchical Vulnerability. This could come in many forms either by Iran: 1) becoming a nuclear power; 2) a terrorist attack by an organization connected to Iran on the American, Israeli or European homelands; or 3) American frustration with the continued Iranian influence and support for the insurgents in Iraq. Any of these scenarios could produce a shock that would impose economic sanctions or produce a direct confrontation.

The statistical results bear this out: r2=.58. In other words, there exists statistically almost a 60 percent chance of a confrontation between the Americans and Iranians.

The War Next Door Effect We contend policy makers and scholars of state building can generalize the results of this study into a theoretical phenomenon that can be analyzed. We call it, “The War Next Door Effect.” Again, we start with a country experiencing Anarchical Vulnerability. This state then invades what it perceives to be a threat (preventive war). The neighboring state’s leadership (if they are not allies with the invading state) is shocked into action by and moves to increase state’s ability to extract and mobilize resources. The state then produces strategies of emulation and innovation to defensively balance against the possibility of being attacked. Consequently, there will be a structural response or combatant balancing, followed by the reproduction of an Anarchical Vulnerability that is translated into direct confrontation.

This effect is important because it illustrates the dynamic relationship among states in the international system. After the initial shock of having your neighborhood invaded, states will formulate strategies that will make them stronger; and the invading state and the anarchical nature of the international environment will react. The invaded state will feel more vulnerable which may lead to the spreading of the conflict to neighboring states.
Conclusi on This study began with the question: Who is the enemy in the war on terror? We started with this question to highlight the feeling of vulnerability that was produced in America after the September 11, 2001 attacks. We demonstrated how the Bush Doctrine was produced in this environment. An environment dominated by fear and opportunity. Which in turn, produced policies that were adopted from the strategic vision of the Bush Doctrine, especially, preventive war. Preventive War turned out to be problematic in the anarchical environment of the international system. The invasion of Iraq created a similar sense of vulnerability in the leadership in Iran.

Anarchical Vulnerability was the independent variable developed by exploring Neo-Realist theory and the Resource Extraction Model. This model is useful in identifying state-building policies that leaders adopt when faced with challenges from the international system. Using the work of Neo-Realists and political sociologists, we then developed variables that could be measured and generated a hypothesis. The hypothesis was shown to be statistically significant using a linear regression model.

With the hypothesis established, we went further to apply the Resource Extraction Model to Iran’s reaction to the American invasion of Iraq. The study builds on this relationship, amplifying the “War Next Door” phenomenon. We established an effect we call “The War Next Door” which illustrates the process in which states become stronger by reacting to a war next door. This also produces, however, more Anarchical Vulnerability that may result in the spreading of the conflict.

In conclusion, this study illustrates a relationship that has not been examined in the International Relations literature. If the Bush Doctrine is a new element in American foreign policy—which it is--then the effect of a preventive war on surrounding countries should be examined more closely. Policy makers must implement their plans, only after carefully scrutinizing, and planning for, the phenomenon identified as “The War Next Door.” In fact, its imperative to any effort to minimize the deleterious repercussions of unintended consequences and planning should be implemented to short circuit this effect that may cause a war to spread across a region.