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**Asia's Middle East Oil Dependence:
Chokepoints on a Vital Maritime
Supply Line**

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Executive Summary

1. Much of Asia relies heavily on oil, and increasingly on gas, imported by sea from the politically volatile Persian Gulf region. Asia's export-oriented but oil-short economies are tied to the fortunes of the Gulf by an energy lifeline. Both regions are integral parts of a vast conveyor belt of seaborne commerce that runs between the Indian and Pacific oceans.
2. Japan imports all its oil and almost 90% is from the Middle East, defined as the Gulf oil exporters plus Oman and Yemen. Asia's two emerging economic giants, China and India, are also heavily reliant on the Middle East for their oil, India for about 70% of its imports and China for nearly half its foreign supplies. South Korea, Singapore, Taiwan, Thailand and the Philippines each depend on the Gulf for over 70% of their oil imports.
3. To reach Asia, this energy must pass through several natural "chokepoints" where geography narrows the sealanes used by shipping into constricted and often congested straits, bringing vessels within sight of land and making them more vulnerable to attack by coastal states or non-state actors like terrorists or maritime criminals, who are generally referred to as pirates.
4. In 2003 and 2004, before the conflict in Iraq reached fever pitch and tension between the United States and Iran escalated over Teheran's alleged nuclear weapons program and support for anti-American violence in Iraq, concerns about possible energy supply disruptions focused on the piracy-prone Straits of Malacca and Singapore in Southeast Asia and to a lesser extent on the Strait of Taiwan in East Asia. The Malacca and Singapore straits were then seen by the US, Japan, China and other major users as the weakest link in the energy supply line by sea that fuels Asia's economic growth. But security in the Southeast Asian straits improved in 2005 and 2006 while a cooling of the political dispute between China and Taiwan in 2006 reduced, at least temporarily, the possibility of a military conflict that could close the Taiwan strait to commercial shipping.
5. This report finds that the Strait of Hormuz at the entrance to the Persian Gulf is now the main potential flashpoint for Asia's seaborne energy supplies. Iran controls the northern side of the Hormuz strait, which is shaped like a horseshoe and is only 34 miles wide at its narrowest point. US officials have said Iran has the mines, missiles, submarines, small attack craft and larger naval vessels, coastal artillery and aircraft that would be required to close the Hormuz strait, at least temporarily, to commercial shipping. Unlike Iran, which has threatened to shut the Hormuz strait if Iranian interests or territory are infringed, the littoral states in Southeast Asia are committed to keeping the Malacca and Singapore straits open to unimpeded transit international shipping, both commercial and military.

6. The Hormuz bottleneck – were it closed, or tanker traffic through it disrupted, in an armed conflict – could not be bypassed by sea. It is the only waterway into and out of the Gulf. The Malacca and Singapore straits could be bypassed using other waterways in Indonesia and there is an alternative sea route to the Taiwan strait, although both would add time and cost to voyages.
7. Oil flows through the Hormuz strait account for about 40% of all the crude oil traded in the world each day. While some of this oil could be diverted into overland export pipelines, any interruption to the supply from the Gulf by sea would panic markets, making prices soar. It would jolt the world economy.
8. However, the repercussions would be most severe in Asia. The US gets about 22% of its oil imports from the Gulf. This meets about 12% of America's total oil demand. Europe buys 30% of its imported oil from the Gulf. By contrast, the Middle East supplies nearly 75% of Asia's oil import needs, making the region by far the most important customer.
9. This relationship is expected to strengthen further as Asian oil production plateaus and demand rises. Hence the need for continuing contributions by Asia-Pacific navies to US-led maritime security operations in the Gulf region despite any political differences they may have with Washington over its occupation of Iraq. Yet partly as a result of their deep energy dependence on the Gulf, China and many other Asian countries are wary of offending Iran and siding openly with the US and Europe in the dispute over Teheran's nuclear program.

About the Writer

Michael Richardson has been a Visiting Senior Research Fellow at the Institute of Southeast Asian Studies in Singapore since September 2003. He is particularly interested in security issues, especially those linked to weapons of mass destruction, maritime-related terrorism, energy, the environment, climate change and health. This report grew out of a presentation he made in October 2006 to a conference on the “The Future of Maritime Strategy: In the Era of Globalization and the Long War on Terror” sponsored by the CNA (Centre for Naval Analyses) Corporation in Alexandria, Virginia. He welcomes comments on this paper and can be reached at mriht@pacific.net.sg

ASIA'S MIDDLE EAST OIL DEPENDENCE: CHOKEPOINTS ON A VITAL MARITIME SUPPLY LINE

Sea Trade

Most international trade in goods – over 80% of the total – is carried by sea.¹ So the smooth operation of the global economy depends on the unimpeded flow of maritime commerce from one country to another. Nearly all of this trade passes through one or more of 116 straits and a handful of canals used for international navigation.

The energy that powers modern economies is part of this expanding sea commerce. About two-thirds of the world's petroleum trade, including crude oil and refined or processed products, is carried by tankers along international sea lanes.² The growing global trade in liquefied natural gas (LNG) - another key energy source for Asia, the United States and increasingly for other economies as well – also moves by sea.³ And the navies that protect world trade and project national or multinational power must also be able to pass safely through straits and canals.

Chokepoints

Many of the straits do not carry enough commercial and naval shipping to be considered of global strategic importance. But there are at least eight busy straits and canals that are geographic “chokepoints.” These maritime bottlenecks are in the Middle East, Asia, Europe, Africa and the Americas. They include:

- 1) The Strait of Hormuz leading out of the Persian Gulf to the Arabian Sea and Indian Ocean;
- 2) The Straits of Malacca and Singapore that pass through Southeast Asia and link the Indian Ocean with the Pacific Ocean via the Andaman Sea and the South China Sea;

- 3) The Panama Canal which provides a short cut between the Pacific and Atlantic oceans;
- 4) The Bab el-Mandab passage linking the Arabian Sea and the Gulf of Aden with the Red Sea;
- 5) The Suez Canal between the Red Sea and the Mediterranean;
- 6) The Turkish straits, connecting the Black Sea and the Mediterranean.
- 7) The Strait of Gibraltar between the Mediterranean and the Atlantic Ocean;
- 8) The Strait of Dover separating England from France and joining the English Channel to the North Sea.

A common characteristic of all these waterways is that they are less than 40 miles wide at their narrowest point. The shipping lanes of some of the straits, including the Malacca and Singapore straits, constrict in one or more sections to less than a couple of miles. Of course, the man-made canals are much narrower in places. All these channels are critically important for world trade and naval movement. Yet they are narrow enough to be closed for some time to shipping, by an accident or an attack.

One of the eight chokepoints, the Hormuz strait, is the sole way into and out of the Persian Gulf by sea. The others could be bypassed, although it would often involve a long detour for ships. This would disrupt naval deployments. It would also add time and cost to the global trading and business enterprise network that now depends heavily on keeping inventories low and having supplies delivered just-in-time and in just-enough quantity.⁴

When ships are on the broad expanses of the high seas, they are relatively safe. In chokepoints, they become more vulnerable. It is more difficult to maneuver and sometimes even to increase speed. Those who might wish to harm passing ships have potential land bases close by from which to strike. They may be hostile states. Or in today's increasingly chaotic and unpredictable world, they may be non-state actors like terrorists or maritime criminals, who are generally referred to as pirates.⁵

Whoever they are, they are likely to be much better armed than a decade ago. Since then, law and order in some of the most conflict-prone parts of the planet have

deteriorated. Meanwhile, the arms trade has burgeoned. And so has the smuggling of weapons, ammunition and explosives. Both have become lucrative global businesses.⁶ They are spreading increasingly sophisticated conventional weapons not just to states in conflict but also to armed groups in intra-state civil wars and to other non-state actors, including entities regarded by the United States as terrorist organizations. Among the new weapons that have been transferred to some of these terrorist groups are long-range anti-ship missiles, unmanned aerial vehicles and closer-range armour-piercing missiles and rocket-propelled grenades – all capable of causing varying degrees of damage to ships.

In the Middle East, this proliferation is promoted by Iran, Syria and other governments that provide arms to militia, guerrilla and insurgent groups they support.⁷ For example, the Lebanese Hezbollah in July 2006 used a Chinese-designed C-802 radar-guided cruise missile supplied by Iran to severely damage one of Israel's most modern warships. The missile is one of the most lethal of its kind in the world.⁸ If this pattern is replicated in Asia, the potential for terrorism and political violence on land, in the air and at sea will rise. The trade in small arms and light infantry weapons is already extensive in parts of the region and the demand for more advanced equipment is strong.⁹

This report focuses on just two chokepoints: the Hormuz strait in the Middle East and the Malacca and Singapore straits in Southeast Asia. They illustrate some of the problems that all constricted shipping channels face. They also involve real life activity, both past and looming, that navies, as well as other defence and law enforcement agencies, must grapple with.

Strait of Hormuz

The Hormuz strait is described by the US Department of Energy as by far the world's most important chokepoint.¹⁰ It is a vital node in world energy trade. It is also the neck of a key geo-political crucible. As mentioned earlier, the strait is the only sea entry and exit point to and from the Persian Gulf, also known as the Arabian Gulf. This 600-mile long body of water separates Iran from the Arabian Peninsula. Of all the oil exported from the Gulf, about 90% goes via the Hormuz strait.

The Gulf region, both onshore and offshore, produces close to 30% of the world's oil and a rapidly increasing proportion of its gas. Even more important, the Gulf countries, chiefly Saudi Arabia, maintain almost all of the world's excess oil production capacity, which can be raised or lowered to meet demand. At a time of growing concern about future energy supplies, the Gulf has 57% of all proven oil reserves and 45% of gas reserves.¹¹

The Gulf region is also one of the most politically volatile areas of the world. The interests of many major outside powers, including the US, Europe, Russia, China and Japan, are deeply engaged in the area - and are often at variance. For America, Iran, terrorism and terrorist-related smuggling are big problems in the Gulf region as US forces struggle to contain growing sectarian violence between majority Shiites and minority Sunnis in the heart of Iraq while training sufficiently strong and professional security forces to hold the country together when the coalition leaves. Iran's rise as a regional power led by a militant Shiite theocracy is challenging the primacy of long-established Sunni-Arab regimes in and around the Gulf.¹² Meanwhile, the US and its ally, Israel, are determined to try to stop Iran from following North Korea and developing nuclear weapons. By early 2007, US officials were seeking to tighten financial sanctions on Iran and were openly accusing Iranian paramilitary forces of siding with Shiite militia factions in Iraq to attack US troops. Two US aircraft carriers and associated warships were deployed in or close to the Persian Gulf, raising concerns that tensions with Iran could result in a military conflict between the two long-time adversaries.¹³

Straits of Malacca and Singapore

Although thousands of miles apart, the Malacca and Singapore straits are closely connected by maritime trade to the Hormuz strait and the Gulf. They are integral parts of the same vast conveyor belt of seaborne commerce that runs between the Indian and Pacific oceans, carrying huge quantities of oil and other cargo. The route is a lifeline for the export-oriented but oil-short economies of East Asia, among them China, Japan and South Korea. India, too, with its rapidly growing economy and rising demand for imported oil and gas, is locked into this maritime highway. More

than half of India's trade goes through the Malacca and Singapore straits that provide the shortest passage between South and East Asia, and between the Indian and Pacific oceans.¹⁴

Over 60,000 vessels involved in international trade, or an average of about 170 a day, transit the straits and the traffic is growing. Already, the waterway carries about 30% of global trade, a substantial part of the world's energy shipments and at least 75% of the oil imported by Northeast Asia's industrial giants – Japan, China and South Korea.¹⁵ This is increasing the strategic significance of Southeast Asia's main maritime chokepoint. China, for example, fears that its vital energy imports could be blocked here by the US and its allies in a crisis over Taiwan.¹⁶

US Interests

The US has important military and alliance interests in the Malacca and Singapore straits. Relatively little of America's oil imports come through the straits. But the overwhelming proportion of oil reaching its Northeast Asian allies, Japan and South Korea, is carried by tankers that traverse the Southeast Asian straits.¹⁷ Most laden tankers use the Malacca and Singapore waterway. Only the very biggest take a longer route through Indonesia, via the Sunda Strait or the Lombok and Makassar straits, which are much deeper than the main Southeast Asian shipping artery.

The US also sends warships, including aircraft carriers, from its Pacific Fleet through the Malacca and Singapore straits to reinforce its military presence in the Arabian Sea and Persian Gulf. This naval 'surge' capacity through the straits is especially important to Washington at times of crisis in the Gulf or Indian Ocean region. The US Navy's 5th Fleet is based at Bahrain in the Gulf. It operates under the US Central Command. Drawing ships as needed from the Pacific and Atlantic fleets to augment its force, the 5th fleet's mission includes keeping the Persian Gulf and Hormuz strait open to international shipping.

Both the Hormuz strait and the Malacca and Singapore straits are vital nodes in maritime trade between the Middle East and Asia. What, then, are the main threats to their continued normal operation? In the Hormuz strait, the threat comes from both state and non-state actors.

Iran

Iranian officials have warned a number of times that if the United Nations Security Council applies the kind of tough financial and trade sanctions being sought by the US to punish Teheran for refusing to halt uranium enrichment and other sensitive nuclear activities, the stability of the Middle East would be affected. The US has said it will not tolerate a nuclear-armed Iran. However, Teheran has vowed to continue its nuclear activities, insisting the program is for peaceful purposes.¹⁸ It has warned that any attack on Iran would endanger the region's oil supplies. In April, and again in August 2006, the Iranian military held naval manoeuvres and fired torpedoes and missiles near the Hormuz strait, evidently to show how easily it could be blocked.¹⁹

Iranian forces are the strongest local fighting units in the Gulf. Using the country's oil wealth, they have been reequipped, modernized and reorganized since their nadir at the end of the eight-year war with Iraq in 1988. They could, at least temporarily, halt commercial shipping traffic through the Hormuz strait.²⁰ At its narrowest point between Iran in the north and Oman and the United Arab Emirates in the south, the sharply curving strait is 34 miles wide. It is divided into two-mile wide channels for inbound and outbound tanker traffic, with a two-mile buffer zone between them. Iran has missiles that could strike ships within a minute or two of being launched. They could be fired from the mainland or offshore islands in or close to the strait. These islands include Abu Musa and two smaller bits of land that were forcibly seized from the UAE by Iran in the 1970s, although joint sovereignty was maintained until 1994.²¹ The islands straddle the shipping lanes in the western approaches to the Hormuz strait.

Asia's Gulf Oil Dependence

An average of about 17 million barrels of crude oil transited the Hormuz strait each day in 2004, approximately 20% of the world's daily consumption of oil.²² In 2004, this consumption amounted to 81.4 million barrels per day.²³ But a significant amount was used in the countries that produced it and was not exported. However, the Persian Gulf is a huge energy export hub. Oil flows through the Hormuz strait account

for about 40% of all the crude oil traded in the world each day.²⁴ While some of this oil could be diverted into overland export pipelines, any interruption to the supply from the Persian Gulf by sea would panic markets, making prices soar. It would jolt the world economy which struggled for much of 2006 to absorb the impact of oil costing over \$US60 a barrel.²⁵

However, the repercussions would be most severe in Asia. The US gets about 22% of its oil imports from the Gulf. This meets about 12% of America's total oil demand. Europe buys 30% of its imported oil from the Gulf.²⁶ But most of the rest of the oil goes to Asia. Japan, for example, imports all its oil and 89% comes from the Middle East, defined as the Gulf oil exporters plus Oman and Yemen. Asia's two emerging economic giants, China and India, are also heavily reliant on the Middle East for their oil, India for about 70% of its imports and China for around 46%. South Korea, Singapore, Taiwan, Thailand and the Philippines each depend on the Gulf for over 70% of their oil imports. Overall, the Middle East supplies nearly 75% of Asia's import needs, making the region by far the most important customer. This relationship is expected to strengthen even further as Asian oil production plateaus and demand rises.²⁷

Partly as a result of this dependence, China and many Asian countries are wary of offending Iran and siding openly with the US and Europe in the dispute over Teheran's nuclear programme.²⁸ Iran has also been diversifying its foreign trading partners to reduce reliance on the West. Asia's share of Iran's trade has increased to nearly match Europe's 40% share. Teheran sees diversification as a buffer against efforts to isolate it.²⁹

Costs for Iran

If Iran were to try to close the Hormuz strait with its mines, missiles, submarines, small attack craft and larger naval vessels, coastal artillery and aircraft, it could expect widespread international condemnation and retaliatory strikes if the blockade was not ended promptly.³⁰ US warships routinely work in patrol and protection coalitions with other navies from the Gulf region and much further away, including Pakistan, Singapore, Japan, Australia, New Zealand and European nations. These coalitions are

organized into three Combined Task Forces under the direction of a US Navy vice-admiral based in Bahrain. He also commands the US Navy's Fifth Fleet. Its area of operations encompasses about 2.5 million square miles of water, including the Persian Gulf, Arabian Sea, Red Sea, Gulf of Oman and parts of the Indian Ocean. The Hormuz strait, Suez Canal and Bab Al Mandeb strait at the southern tip of Yemen fall within the Fifth Fleet's area of responsibility. Combined Task Force 158 works in the northern sector of the Persian Gulf. CTF 152 is responsible for maritime security operations in the central and southern part of the Gulf, while CTF 150 patrols the Gulf of Oman, North Arabian Sea, parts of the Indian Ocean, the Gulf of Aden and the Red Sea.³¹ In a crisis that threatened shipping in the Hormuz strait, coalition warships would guard convoys and try to protect tankers and other commercial vessels, as happened during the Iraq-Iran war from 1980 to 1988.³²

Iran's economy would also be hurt by any prolonged closure of the strait. The Iranian people are clamouring for higher living standards. The country heavily subsidises domestic oil prices. It is short of refining capacity and must import around 40% of its gasoline.³³ The Iranian government relies heavily on oil export revenues. They provide at least 80% of export earnings and up to half the government budget. Iran relies on the Hormuz strait to export nearly 2.5 million barrels of oil per day, making it the second largest producer in OPEC, after Saudi Arabia. While Iran has huge reserves of oil and gas, it needs foreign investment, technology and markets to develop them to their full potential and boost overseas sales.³⁴

Terrorism

In September 2006, as the Shiite Hezbollah backed by Iran trumpeted its claimed victory over Israel in the fighting in southern Lebanon in July and August, al Qaeda warned that it would be making Israel and the Gulf Arab states its next targets in a campaign it said would seal the West's economic doom in the world's top oil exporting region.³⁵ The implication of this call to arms is that Sunni radicals intend to compete with their Shiite counterparts for control of the Palestine-Israel-Lebanon heartland and the Gulf region.

This threat from Ayman al-Zawahiri, al-Qaeda's second-in-command to Osama bin Laden, must be taken seriously. Al-Qaeda has been responsible for a series of maritime-related attacks in and around the Gulf in the last six years. Its suicide bombers used small boats packed with explosives to ram and seriously damage the destroyer USS Cole in Yemen harbour in October 2000. Two years later, off the Yemen coast, they hit the laden French-registered oil tanker, Limburg. In April 2004, they tried to attack tankers and pumping and storage facilities in the main export terminal in southern Iraq. In August 2005, al-Qaeda agents fired several Katyusha rockets that narrowly missed two US warships docked in the Jordanian Red Sea port of Aqaba.³⁶

A number of other al-Qaeda operations in the Gulf were disrupted or aborted. They included an attempt to bomb the US Navy's Fifth Fleet headquarters in Bahrain in late 2002 or 2003. There was a plot at around the same time to crash a small aircraft into the bridge of a Western navy vessel when it was docked in the UAE's Port Rashid.³⁷ Perhaps most audacious of all, was a plan to attack US warships and other vessels transiting the Hormuz strait using a cargo vessel packed with explosives that would offload a number of small, explosive-laden craft to strike different targets. Then the mother ship would blow itself up alongside or near another target vessel. At one point, this operation was timed to coincide with the devastating attacks on the US homeland in September 2001.³⁸

Malacca & Singapore Straits

In Southeast Asia, both al-Qaeda (through its Jemaah Islamiyah affiliate) and Hezbollah planned to attack US naval vessels using the Malacca & Singapore straits from the mid-1990s.³⁹ But neither carried out their plans. Instead, Southeast Asia's most notorious non-state actor, Jemaah Islamiyah, which is based in Indonesia, has concentrated on land-based bombings in Bali, Jakarta and elsewhere.

There is also no present or foreseeable threat from any state flanking the Malacca & Singapore straits to attack or disrupt foreign shipping. The three coastal countries – Indonesia, Malaysia and Singapore – have cordial relations with the US and other major users of the waterway. Unlike Iran, which has threatened to close the

Hormuz strait if Iranian interests or territory are infringed, the littoral states in Southeast Asia are committed to keeping the Malacca and Singapore straits open to unimpeded transit by bona fide international shipping, both commercial and military.

Conclusion

Chokepoint insecurity in the Persian Gulf stems essentially from lack of political order in the region. By contrast, Southeast Asia is a relatively stable region. Its ten countries have forged peaceful and generally cooperative relations through ASEAN, the Association of the South East Asian Nations. Unlike the Gulf where Iran, the biggest power in the region, is flexing its muscles, Southeast Asia has been fortunate that Indonesia, which is by far the largest country in the area and has more Muslims than any other nation in the world, has opted for partnership with its neighbours since the 1970s, instead of seeking to assert its will and dominance.

However, terrorism is a problem in Indonesia and in the nearby southern Philippines, although no attack has taken place on a ship using the Malacca and Singapore straits. Pirate raids on vessels in and around the straits have been a chronic nuisance for many years. Favourite targets have generally been small, slow-moving craft that are low in the water and easy to board while underway. However, the number of reported sea robberies and vessel hijackings declined sharply in 2006. Nonetheless, some risk remains.⁴⁰ Despite this, the need for any foreign naval patrol presence in the Malacca and Singapore straits is, under current circumstances, substantially less than in the Gulf.

Geography has made the Hormuz strait between 34 and 60 miles wide. This means that the shipping lanes of the traffic separation scheme are at all times beyond the 12-mile territorial sea limit of Iran in the north, and Oman and the UAE in the south. Under international law, this makes foreign naval operations in the Hormuz strait legally permissible and politically less contentious than in Southeast Asia. It also helps that the eastbound or outward shipping lane in the Hormuz strait, which carries the very large laden oil tankers, is in the southern section of the channel, closer to Oman and the UAE than to Iran.

In the constricted confines of the Malacca and Singapore straits, foreign navies wishing to provide improved chokepoint security face constraints. Southeast Asia's main shipping channel is less than 24 miles wide for about half of its 620-mile length. Under the 1982 United Nations Convention on the Law of the Sea (UNCLOS), a special regime applies when a strait used for international navigation falls wholly or partly within the territorial sea of one or more states. Known as straits transit passage, this permits an unimpeded right of passage through the strait to all ships and aircraft.⁴¹ The shipping lanes of the traffic separation scheme in the Malacca and Singapore straits run through the territorial or archipelagic waters of the three coastal states – Indonesia, Malaysia and Singapore – in the narrowest and most critical chokepoint section, as vessels approach Singapore. These national waters extend out to a maximum of 12 miles from the coastal baseline, or to a halfway point when the distance between two countries on either side of the straits is less than 24 miles.⁴²

Indonesia and Malaysia, which together have by far the longest coastlines on the straits, guard their sovereign rights jealously and reject any plans for regular patrols by foreign navies, like those that take place in the Hormuz strait and its approaches. Other forms of foreign assistance to the three littoral states are being discussed. The security measures by these three countries include coordinated naval and air patrols of the straits. But this falls well short of comprehensive surveillance.⁴³

There is another potential point of vulnerability in the main waterway through Southeast Asia. The eastbound shipping channel in the narrowest section of the Malacca and Singapore straits runs through the national waters of Indonesia. This vast island-nation forms the southern land flank of the waterway. The giant tankers carrying oil from the Gulf and Africa to Northeast Asia must pass through Indonesian-controlled waters where the straits are most constricted and treacherous. Yet of the three coastal states, Indonesia has the least capacity to patrol and police its extensive section of this critical chokepoint.⁴⁴ It is also very sensitive to any perceived challenges to its national sovereignty and integrity.

In the Persian Gulf, the legal as well as operational conditions could be problematic, if not difficult, for the US and its armed forces in a conflict involving Iran that spilled into the Hormuz strait. The US has not signed and ratified UNCLOS

and it is unlikely to do so soon. However, Washington says that in practice it observes nearly all parts of the UN-mandated law of the sea, including those clearly based on customary practice of long standing. When Iran signed UNCLOS in 1982, it did so with a declaration that only parties to the Convention would be entitled to benefit from its contractual rights, including the right of transit passage through straits used for international navigation.⁴⁵ This was an obvious reference to the Hormuz strait, even though under UNCLOS the transit passage right cannot be suspended for any reason. In the event of a crisis, Iran is evidently holding in reserve a legal pretext to deny that the US has the right to move warships through the strait.

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18. New York Times, Iran Seems Unmoved by Specter of Sanctions Against North Korea by Nazila Fathi, 19 October 2006.
19. The Economist magazine, page 49-50, 10 June 2006.
20. Page 7 of Statement for the Record by Vice Admiral Lowell E. Jacoby, Director of the US Defence Intelligence Agency, to the Senate Armed Services Committee, on Current and Projected National Security Threats to the United States, 17 March 2005. Admiral Jacoby said that Teheran had the only military in the region that could threaten its neighbours and Gulf stability. He added: "We judge Iran can briefly close the Strait of Hormuz, relying on a layered strategy using predominantly naval, air, and some ground forces. Last year, it purchased North Korean torpedo and missile armed fast attack craft and midget submarines, making marginal improvements to this capability." His successor as head of the DIA, Lieutenant General Michael D. Marples, told the same committee on 28 February 2006 that in the past year, Iran

continued testing its medium-range ballistic missile and also tested anti-ship missiles. “Iran recently concluded a deal with Russia for approximately 30 short-range air defense systems, as well as other military hardware. When these systems become fully operational, they will significantly enhance Iran’s defensive capabilities and ability to deny access to the Persian Gulf through the Strait of Hormuz.)

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