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NEWS SUMMARY:

- The Philippines has accused China of using a long-range acoustic device (LRAD) over the weekend to harass its vessel near the coast of Zambales province.
- A top Navy fleet commander says the service should be “embarrassed” by the fact it hasn’t managed yet to scale directed energy weapons onboard its ships despite having experimented with the technology since the Reagan administration.
- The U.S. Army has indicated that it plans to eliminate a Pentagon office established to protect civilians in war zones.
- A lawsuit alleging that law enforcement agents used excessive force - including tear gas, rubber bullets, and pepper spray - against racial justice protesters while protecting a federal courthouse in 2020 has been settled.
- Police used tear gas and flash-bang grenades to disperse Greeks protesting for justice for the 57 victims of the country’s deadliest rail disaster in 2023.
- Opinion: Success in a gray zone strategy hinges on harmonizing diverse elements of statecraft and ensuring effective management of resources and operations — something the Iranian political system has been unable to sustain.

- Opinion: If the United States and its partners do not effectively push back against this coercion and intimidation now, China may strengthen its position in a way that directly harms American interests and threatens to pull the United States into a war.

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GRAY ZONE COMPETITION:

Manila: China Coast Guard used sonic device to ‘harass’ PCG near Zambales
(Business World, January 26)

The Philippines has accused China of using a long-range acoustic device (LRAD) at the weekend to harass its vessel near the coast of Zambales province, more than two weeks since it started monitoring the area after the deployment of China’s monster ship.

The Philippine Coast Guard (PCG) said China tried to drive away the 44.5-kilometer (km) BRP Cabra by using the acoustic device, which emits high-decibel sound that could damage the ears.

“For the first time, China Coast Guard (CCG) 3103 employed a LRAD to harass the Philippine Coast Guard vessel, attempting to deter proximity,” it said in a statement on Sunday.

The Chinese Embassy in Manila did not immediately reply to a Viber message seeking comment.

The PCG said CCG 3103 replaced another vessel deployed near the coast of Zambales “to maintain the illegal Chinese patrol.” CCG 3103 “appears to be escorted by CCG-5901 or the “Chinese monster ship,” it added.

Chester B. Cabalza, founding president at Manila-based International Development and Security Cooperation, said this was not the first time China’s coast guard used the acoustic device within the Philippines’ exclusive economic zone (EEZ).

“They experimented with the utilization of LRAD in 2023 to annoy Filipino coast guardians, with the harmful intent to cause hearing loss,” he said in a Facebook Messenger chat. “It is still considered as a destructive grey zone tactic, almost parallel to the laser lights that cause blindness.”

The Philippines has accused China of intimidating Filipino fishermen near Scarborough Shoal and normalizing its “illegal presence” after Beijing sent the monster ship, the world’s biggest coast guard vessel, into the Philippine EEZ on Jan. 4.

The PCG said in a separate statement on Sunday that CCG 3103 was operating at a distance of 172.236 km off the coast of Zambales.

“In its radio communications with the PCG vessel, BRP Cabra, it is clear that the Chinese Communist Party is disregarding international law while arrogantly asserting jurisdiction over these waters, which are well beyond the People’s Republic of China’s baseline,” it said.

It said the China Coast Guard has been threatening Philippine vessels, “warning that if we do not leave, they will take necessary measures, and we will bear the consequences.”

The PCG said the threats against the legitimate presence of the Philippines “clearly indicate China’s desire to impose a new order that undermines the rules-based international system.”

“Without needing to emphasize the key points of the 2016 arbitral award, which invalidated their nine-dash line claim, it’s evident that anyone with a sound mind, genuinely concerned about preserving peace and stability in the region, would acknowledge that their presence in the Philippines’ EEZ is both barbaric and illegitimate,” it added.

A United Nations-backed court in the Hague voided China’s expansive claim in the South China Sea in 2016, as it ruled the shoal is a traditional fishing ground for Filipino, Chinese and Vietnamese fishermen.

The PCG said on Saturday night BRP Cabra had managed to prevent the Chinese vessels from approaching the coastline of Zambales, with the CCG being pushed back to 167 km to 176 km from the shore.

“This achievement is a testament to the vigilance and bravery of the men and women aboard BRP Cabra, who have shadowed the CCG at close distances while conducting hourly radio challenges to assert that the Chinese presence violates the Philippine Maritime Zones Act, the United Nations Convention on the Law of the Sea (UNCLOS) and the 2016 arbitral award,” the PCG said.

REGIONAL STABILITY

Meanwhile, Philippine think tank Stratbase ADR said in a statement on Sunday that more countries are pushing for stronger maritime security partnerships with the Philippines this year amid “China’s persistent aggression in the West Philippine Sea.”

“Ambassadors from France, Japan, the European Union, Vietnam, Indonesia and Australia reaffirmed their commitment to safeguarding regional stability and maritime sovereignty,” it said, citing its maritime security forum in Manila last week

French Ambassador Marie Fontanel said the maritime security cooperation between France and the Philippines is robust, citing key developments such as France’s participation in the 39th US-Philippines Balikatan (shoulder-to-shoulder) exercises and the establishment of a full-fledged defense mission in Manila in June.

“For an archipelagic nation like the Philippines, maritime safety is crucial. Ensuring the efficient transport of people and goods is essential for economic prosperity, while territorial and maritime sovereignty are vital for national security,” she said at the forum.

Japanese Ambassador Endo Kazuya said, “Japan stands ready” to work closely with the Philippines, the Association of Southeast Asian Nations (ASEAN) and the international community “to advance a free and open Indo-Pacific.”

Stratbase said European Union Delegation Ambassador Massimo Santoro said a region free of coercion is “key to our collective stability, peace and prosperity.” “Strategic partnerships are central to the EU’s approach to the Indo-Pacific, promoting cooperation over confrontation.”

Indonesian Ambassador Agus Widjojo said the Philippines and Indonesia should “finds ways to promote regional maritime cooperation in the wider Indo-Pacific region.”

Vietnamese Ambassador to the Philippines Lai Thai Binh noted that “for Vietnam and the Philippines, maritime security is not just a matter of national interest, but a shared regional imperative.” “Addressing these complex challenges requires robust partnerships and a steadfast commitment to upholding international law, particularly the UNCLOS,” he added.

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DEPARTMENT OF DEFENSE:

U.S. Navy “Embarrassed” By Lack of Lasers, Admiral Says

(The National Interest, January 24)

A U.S. Navy admiral stated bluntly earlier this month that the service should be “embarrassed” by its current conditions and battle readiness.

He wasn’t talking about the size of the fleet—the smallest since the First World War—or by recent misguided programs including the Littoral Combat Ship (LCS) and Zumwalt-class

destroyers. Rather, Admiral Daryl Lane Caudle, head of the United States Fleet Forces Command, said that the service's lack of lasers is an embarrassment that needs correcting. Caudle stressed that the efforts to develop effective lasers needs greater attention, even as the U.S. Navy has worked on it for decades.

"We've literally been messing with this since I was in postgraduate school, since the Strategic Defense Initiative under [former President Reagan]," Caudle told reporters at the Surface Navy Association's annual symposium last week, *Breaking Defense* reported.

"There's been many a thesis and dissertation written on building lasers on ships, but we've not transitioned that into a place where that's an acceptable way to actually take out missile systems," the admiral added. "These things are based on renewable energy, so I can recharge the system ... I don't have to worry about payload [or] volume with directed energy. All those things are appealing to a navy, [but] we just haven't really matriculated that into a place ... that's ready for prime time."

Admiral Caudle further warned that the U.S. Department of Defense (DoD) is facing a war of attrition it can't afford to lose—but also literally can't afford to fight. As has been seen over the more than 15 months that U.S. Navy warships have been deployed to the Middle East to protect commercial shipping from the Iran-backed Houthi militants in Yemen, multimillion-dollar air defense missiles are being used to shoot down drones that cost just tens of thousands of dollars or less.

Lasers could be part of the solution.

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U.S. Army Plans to Eliminate Office for Reducing Civilian Harm in War

(The New York Times, January 23, John Ismay)

The U.S. Army has indicated that it plans to eliminate a Pentagon office established just a year and a half ago to protect civilians in war zones as the Trump administration continues its efforts to undo the legacy of former President Joseph R. Biden Jr.

The office, called the Civilian Protection Center of Excellence, is the outgrowth of an initiative begun during President Trump's first term by his first defense secretary, James N. Mattis, who ordered a study into how U.S. airstrikes had killed Iraqi civilians after a 2017 *New York Times* story on the subject.

After years of research, on Jan. 27, 2022, Defense Secretary Lloyd J. Austin III directed the Pentagon to formally establish a plan of action for reducing civilian harm and appointed a leader for the center in August 2023.

A memo dated Monday asks offices within the service to prepare a request for senior Army leaders to review no later than Feb. 21. It would call for the defense secretary to relieve the Army of its responsibility for the Civilian Protection Center of Excellence and then ask Congress to abolish it.

The Times obtained a copy of the memo, which was signed by Lt. Gen. Laura A. Potter, the director of the Army staff, and described earlier by The Washington Post.

The Army did not immediately respond to requests for comment on the memo.

The protection of civilians in war zones is required under the laws of armed conflict, and senior commanders draft rules of engagement for their forces to comply with them.

Long considered a bedrock of U.S. military culture, respect for those principles may be under threat in the second Trump administration.

At his Senate confirmation hearing last week, Pete Hegseth, President Trump's nominee to lead the Pentagon, said "restrictive rules of engagement" had made it more difficult to defeat enemies.

Mr. Hegseth, a former Army National Guard officer and Fox News host, also successfully lobbied Mr. Trump to issue pardons in 2019 for a number of service members who were accused or convicted of war crimes.

The center for civilian protection employs about 30 people, according to a defense official, who spoke on the condition of anonymity to describe its functions. That team works with nearly 170 service members and civilians spread across the military's combatant commands, which carry out operations around the world, the official said, adding that it was unclear whether the Army or Pentagon leadership would try to eliminate those positions as well.

With an operating budget of \$7 million, the official said, it is the smallest "center of excellence" in the Army, and it directly supports planning for operations such as airstrikes in Yemen as well as analysis of those strikes.

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DOMESTIC:

A lawsuit alleging excessive force against 2020 protesters in Oregon has been settled, ACLU says

(The Associated Press, January 21)

A lawsuit alleging that law enforcement agents sent by President Donald Trump to protect a federal courthouse in 2020 used excessive force against racial justice protesters has been settled, the American Civil Liberties Union of Oregon said Tuesday.

The settlement requires the federal government to compensate the individuals who filed the lawsuit for the injuries that federal law enforcement caused them, in exchange for the individuals' agreement to dismiss the lawsuit, according to a news release from the ACLU. No information was released about specific compensation amounts.

The plaintiffs included three military veterans, a college professor, several Black Lives Matter activists and a man who alleges that unidentified agents snatched him off a street for no reason blocks from the federal courthouse.

“We are proud to have represented our courageous clients,” ACLU of Oregon’s legal director, Kelly Simon, said in the news release. “They suffered serious injuries because of federal law enforcement’s unlawful, aggressive actions, and it is just and fair that they are being compensated.”

Thousands of protesters in Portland took to the streets for months in 2020 following the murder of George Floyd by a police officer in Minneapolis, part of a wave of nationwide protests. They at times clashed with police, and militarized federal agents were sent to the city to quell the demonstrations.

The lawsuit alleged that federal agents in Portland exceeded the limits of their authority, making illegal arrests and using tear gas, rubber bullets, pepper spray and other tactics to squelch the protests. Almost all of the plaintiffs alleged physical injuries and some were treated at hospitals, the lawsuit said.

A video of plaintiff and Navy veteran Christopher David’s encounter with U.S. agents outside the Portland courthouse circulated widely on social media. It showed one agent hitting David with a baton and another dousing him in the face with pepper spray. David suffered two broken bones in his hand.

The lawsuit also alleged that the then-acting director of the U.S. Department of Homeland Security, Chad Wolf, did not have the authority to send more than 100 agents to Portland because he was improperly appointed. Wolf abruptly resigned from the post in 2021, saying he was compelled to leave by “recent events,” including court rulings that found he could not legally hold the position.

A spokesperson for the Department of Homeland Security directed a request for comment about the settlement on Tuesday to the Department of Justice, which didn’t respond.

A federal investigative report later found that the militarized federal agents didn’t have the proper training or equipment and there was no plan for operating without the help of local police.

Local police arrested hundreds of people over the three months of protest and federal agents arrested nearly 100 people at the height of the demonstrations.

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OTHER FOREIGN COUNTRIES:

Protesters in over 100 cities in Greece and abroad demand justice for 2023 rail crash victims

(The Washington Post, January 26)

Tens of thousands of Greeks took to the streets in 110 cities Sunday, including 13 locations abroad, to demand justice for the 57 victims of the country's deadliest rail disaster in 2023.

The largest marches, with about 30,000 taking part in each, took place in Greece's two largest cities, Athens and Thessaloniki. They were mostly peaceful, although in each city, small groups of people attacked police forces with rocks and flares. Police responded with tear gas and flash-bang grenades. The clashes only lasted a few minutes.

In London, about 500 people demonstrated outside the Greek Embassy in the Holland Park neighborhood. More protests were staged in Amsterdam, Berlin, Brussels, Cologne, Helsinki, London, Nicosia, Reykjavik and Valetta, Malta.

The protesters, called to demonstrate by victims' relatives, held placards and chanted "I have no oxygen," a phrase reportedly uttered by a victim, still alive, who called the 112 European emergency number to report the incident. Another placard, seen in Thessaloniki, accused the state, the conservative government and the European Commission of having blood on their hands.

"What is happening today is majestic," Pavlos Aslanidis, the father of a victim, told media in Thessaloniki. "This is now a global fight," he added, referring to the protests abroad. "My son's soul must be elated ... I believe we will win. We have the state ranged against us, but we will win."

The marchers accused the government of hiding significant evidence, running an opaque investigation and trying to blame the disaster on a stationmaster's bad decisions.

The disaster happened on the night of Feb. 28, 2023 when a north-bound passenger train collided with a southbound freight train, which had been placed mistakenly on the same track.

A combination of anger, anguish over the deaths of mostly young people and a desire to make political capital out of the tragedy has given play to a series of rumors about the accident.

Many believe that at least 30 of the 57 victims survived the initial impact only to die in a fire started not by the high-speed crash but, allegedly, by dangerous chemicals transported by the freight train. Some have accused the government of trying to hide that chemicals were on board.

A lengthy investigation and delays by technical experts in producing reports about what caused the fire after the crash have pushed back a trial date. Greek media have reported that it is possible a trial could begin in the spring if there are no further delays. Some victims' relatives are also accusing a small group among them of further delaying the procedure by calling more witnesses among the survivors. It is estimated that about 50-60 rail and other officials will be put on trial.

"This has been the most mafia-like cover-up operation," Maria Karystianou, whose daughter died in the crash, told the Athens protesters marching outside the Parliament building Sunday.

Karystianou has taken on a high-profile role, organizing events, petitioning the European Parliament and opining on Greek politics in media appearances.

Opposition political parties had hoped the crash, which led the then-transport minister to resign, would hurt the government. But while it exposed a lack of safety equipment in the rail system it had no effect on the two elections held in May and June 2023, in which the ruling conservatives expanded their majority. The opposition tried again last year to put pressure on the government with a no-confidence motion which it easily survived.

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COMMENTARY:

How Iran Lost Before It Lost: The Roll Back of Its Gray Zone Strategy

(War on the Rocks, January 24, Farzin Zandi)

“Today, you can get in a car in Tehran and get out in the Dahia, Beirut.” Five years and two months after Gen. Qasem Soleimani made this statement, the Islamic Republic of Iran is in retreat. Iran’s air and ground lines of supply to Lebanon now go through Sunni-dominated Syria, where the Assad regime recently crumbled. Even if Iran could more easily get to Lebanon, Hizballah is the weakest it has been in over a generation, having been relentlessly battered by Israel. In the words of one high-ranking commander in Iran’s Revolutionary Guard Corps: “We lost, we badly lost.”

Iran’s ability to deter and wage war in recent decades was largely through gray zone methods. And the structures, resources, and allies that allowed it to do this are now in tatters. But the erosion of Iran’s gray zone strategy was already happening when Assad was still in power and Hizballah loomed over Israel as a fearsome threat. Iran’s economic dysfunction and political disarray prevented it from building and sustaining resilience. This analysis highlights how Iran’s economic malfeasance, fueled by internal divisions among government stakeholders, has undermined its geopolitical ambitions and prevented it from converting regional influence into sustainable economic leverage, marking a potential turning point in its regional strategies.

Battle in the Fog

Iran’s gray zone strategy refers to a strategic approach that operates between conventional warfare and peacetime competition. Characterized by ambiguity, deniability, and reliance on proxies, Iran uses organizations like Hizballah in Lebanon, the Houthis in Yemen, and militias in Iraq and Syria to project influence and challenge adversaries — such as confronting the United States as the dominant external power in the Middle East, along with its regional allies, Israel and Saudi Arabia. Through asymmetric tactics — including political, economic, social, intelligence, and military support for various non-state actors — Iran pursues its geopolitical objectives while avoiding full-scale conflict. This strategy enables Tehran to expand its regional influence, counterbalance its rivals, and maintain plausible deniability in the face of international criticism or retaliation. The United States has sought to counter this strategy through various means, focusing particularly on “push back” and “roll back” approaches.

The Starting Point

Despite initial optimism in 2021 about President Joe Biden's commitment to reviving the nuclear deal with Iran, which is known as the Joint Comprehensive Plan of Action, negotiations failed to result in any agreements. The administration then essentially pursued a pressure campaign far less aggressive than the Trump administration's "maximum pressure" policy.

During the renewed nuclear negotiations, the first ambiguous attack on trade ships under Biden's presidency occurred on July 29, 2021. On this date, the MT Mercer Street, a commercial oil tanker managed by an Israeli-owned company, was targeted by drones near the coast of Oman. These challenges escalated further with drone and missile attacks by the Houthis on Abu Dhabi airport and Emirati oil infrastructure, reportedly supported by Iran.

These ongoing tensions intersected with Russia's invasion of Ukraine in February 2022. During the conflict, reports emerged that Iran was supplying drones to Russia, exacerbating the European Union's frustration. The European Union, as the primary mediator in the nuclear talks for over a decade, had been striving to reach an agreement among all parties. The last significant round of negotiations took place in Vienna in August 2022, when the European Union presented a "final text." However, Iran requested further changes, leading to a stalemate. Iranian hardline negotiators optimistically spoke of a "hard winter in Europe," viewing it as potential leverage for getting more concessions during the talks.

The Economy Driving Decisions

After Iran rejected signing the final agreement, several significant attacks on commercial vessels occurred in the Persian Gulf, Red Sea, and surrounding areas. Amid these challenges, Iran sought to increase pressure on the United States and its partners in the Middle East in various ways. These conflicts deeply and negatively impacted the regional economy and global trade, while all "push back" efforts to limit or halt Iran's progress proved ineffective.

In addition to global trade disruptions, countries in the region were concerned about their economic development and efforts to attract substantial foreign direct investment. Between 2011 and 2021, Israel led the region with 238 percent growth in foreign direct investment (from \$9.1 billion to \$30.7 billion), followed by the United Arab Emirates with a steady 189 percent increase (from \$7.2 billion to \$20.7 billion). Saudi Arabia recorded an 18 percent rise (from \$16.3 billion to \$19.3 billion), with its economic ambitions tied closely to Vision 2030. Meanwhile, Turkey's real GDP steadily climbed, achieving a compound annual growth rate of 5.7 percent during the same period and ranking as the 17th largest economy globally by 2021.

These major economic efforts depend heavily on one pivotal factor: stability. The economy's demand for stability could create a foundation for agreements aimed at addressing sources of instability, such as Iran's regional activities. However, amid these challenges, Hamas unexpectedly attacked Israel in October 2023 — resulting in another strategic trap for an ambitious Iran, which is now also aligned with Russia in recent conflicts. This time, it would be Iran's turn to face broader consequences.

From Push Back to Roll Back

The Oct. 7, 2023 attacks on Israel initiated a process aimed at rolling back Iran's influence to its borders, designed to eliminate or dismantle Iran's preferred security structure in the region. What the Iranian Supreme Leader had feared in 2022 was beginning to unfold. He had then mentioned America's intention in the nuclear deal as being a trap to deprive Iran of its natural nuclear rights. He had warned his militia supporters about the implications of a potential renewed nuclear deal, implying that Iran might have to completely withdraw from the region and abandon its strategic presence, similar to the pressure of reducing and abandoning its nuclear activities. These developments could be seen as a roll back strategy, designed to eliminate or dismantle Iran's preferred security structure in the region.

This marked a new phase in the proxy war in the Middle East, with the United States targeting Iran's geopolitical ambitions through the lowest level of direct intervention. Unlike previous proxy wars where Iran relied on its proxies while staying out of direct engagement, this time Iran itself was drawn into the conflict. Conversely, the United States, supporting Israel as its proxy in the conflict, remained largely in the background, mostly stepping in to help Israel thwart Iranian attacks and to deter escalation. The strategy proved remarkably effective, as it led to the removal of critical figures within the so-called Axis of Resistance, the destruction of Hizballah's organizational capabilities, the fall of Bashar al-Assad's regime in Syria, and heavy attacks on Houthi arsenals in Yemen.

It is also notable that the weakening of Iraq's Popular Mobilization Forces, a paramilitary umbrella group that is closely tied to Iran, was facilitated earlier by pressuring it to integrate into Iraq's official military structure. Iran now faces a new challenge in Lebanon with President Joseph Aoun, who aligns more closely with the Western-Arab axis.

What is Happening with Iran's Gray Zone Strategy?

Success in a gray zone strategy hinges on harmonizing diverse elements of statecraft and ensuring effective management of resources and operations — something the Iranian political system has been unable to sustain. From the outset, the Islamic Republic's statecraft has suffered from dysfunction, which has worsened significantly in recent years. This has left Iran facing deep challenges domestically and in foreign relations.

Triumph in the gray zone requires maintaining coherence between political, military, economic, and informational efforts, enabling activities to reinforce one another without creating vulnerabilities or contradictions. Centralized yet flexible command structures are essential for coordinating multiple actors, including state entities and proxies, while preserving plausible deniability. Effective management also demands precise goal-setting, adaptive strategies, and robust intelligence capabilities to anticipate adversaries' responses. All of this, however, requires a crucial foundation: economic power.

Iran's Achilles' heel is its economic weakness, which has undermined the political system across multiple dimensions. Fundamentally, the Iranian political system has failed to design a viable and practical economic development model. This weakness has been compounded by heavy economic sanctions and, more critically, by systemic dysfunction rooted in ideological priorities rather than merit-based governance. Iran lost its territorial achievements due to two

main economic reasons: First, government stakeholders within the system are united only in their opposition to each other, which prevents the country from achieving development. Second, as a result of the first issue, Iran has been unable to translate its regional influence into economic leverage, thereby failing to make its presence sustainable and constructive. For example, Iran's significant investments in Syria (around \$20–\$30 billion) have not yielded long-term economic or strategic benefits, as the Assad regime's instability drained resources without strengthening Iran's position.

It is evident that the severe economic sanctions, particularly following U.S. withdrawal from the nuclear deal, have significantly impacted Iran's economy. U.S.-led sanctions have significantly reduced Iran's oil revenue, which has traditionally been a primary source of funding for its proxies. From 2016 to 2024, Iran's crude oil exports decreased by approximately 615,784 barrels per day, reflecting the impact of external pressures on the country's oil sector. Alongside this major factor, numerous internal issues have also contributed to the Iranian economy's growing fragility. Corruption within the ideologically driven political system and the mismanagement of resources are key obstacles to Iranian economic growth. Between 2003 and 2023, Iran's average score on the Corruption Perceptions Index was 26.14, ranked 149 out of 180 countries in 2023, as reported by Transparency International.

Also, Iran's Trade Freedom scores, as assessed by the Heritage Foundation's Index of Economic Freedom, were consistently low from 2017 to 2022, reflecting significant barriers to international trade. In 2022, Iran's overall economic freedom score was 42.4, ranking 170th out of 177 countries. This low score has critical domestic drivers: Some factions close to the core power of the political system are in favor of Iran's economic isolation and seek to impose high tariffs, non-tariff barriers, and restrictive trade policies that impede trade freedom. As a result, from 2012 to 2022, foreign direct investment in Iran averaged only \$2.4 billion annually, with a paltry \$1.5 billion recorded in 2022.

These powerful factions and their aligned interest groups seek to exploit the situation to seize control of the entire Iranian economy, using resistance-driven rhetoric, while maintaining dominance over industries and financial institutions through their connections to the centers of power. This has led to severe corruption and profound dysfunction in Iran's economy, which is largely state-controlled. As a result, the system is under immense economic pressure with no possibility of reform. Meanwhile, these stakeholders, who are a critical part of the political system and contribute to governing the state, are unwilling to surrender the advantageous situation that allows them to exploit and plunder.

As a result of these circumstances, Iran was unable to strengthen its economy, causing its GDP to decline to approximately \$262 billion in 2020, the lowest level since 2006. Further, the Iranian Parliament Research Center announced that in 2020 Iran's share of global trade had decreased to a low of 0.2 percent.

The dire economic situation has increased domestic dissatisfaction, reducing support for the Islamic Republic's regional approach and posing a challenge to the political system on one hand. On the other hand, it has hindered Iran's ability to strengthen its geopolitical reach in the region, due to a lack of economic power and the loss of human resources and experts, many of

whom have left the system or immigrated abroad in search of a better life. Heavy sanctions, increasing financial constraints, and serious economic inefficiencies have limited Iran's financial resources, leaving the government struggling to maintain supply lines and operational support for militias in Lebanon, Syria, Iraq, and Yemen. Additionally, heightened sensitivities, such as the recent scrutiny over the search of an Iranian plane and diplomat at a Beirut airport, have compounded logistical challenges in supplying arms and funds to these groups, significantly undermining the effectiveness of Iran's efforts.

As a result of these challenges, Iran has been unable to sustain internal support or align diverse factions under a shared strategic vision. This lack of unity has eroded consistency and long-term resilience, leaving the country vulnerable to intensifying domestic and external pressures. It is time for the Islamic Republic to make a decision: remain on the path of resistance or turn to the path of development. The first route briefly opened a direct pathway from Tehran to Beirut—a connection that has since been lost. Perhaps following the second route will elevate Tehran to a position of prominence, like a shining city on a hill.

Farzin Zandi is a geopolitical analyst, PhD student, and research assistant in political science at the University of Kansas, specializing in Middle Eastern politics and Iran's gray zone strategies.

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Neither War nor Peace: The China Challenge of Now

(United States Institute of Peace, January 23, Andrew Scobell)

There is much talk of China girding for war, whether it is an attack against Taiwan, a great power conflict with the United States or some other scenario. These are frighteningly plausible possibilities. Yet, obsessing about the specter of a devastating high-intensity conflagration risks downplaying the serious day-in-day-out challenge that China poses right now, particularly to Taiwan, via an array of hostile actions and influence operations calibrated below the threshold of actual military conflict. If the United States and its partners do not effectively push back against this coercion and intimidation now, China may strengthen its position in a way that directly harms American interests and threatens to pull the United States into a war.

While far from tranquil, since World War II, the world has been mercifully spared the tragedy of a cataclysmic military conflict between great powers. Nevertheless, brutal and bloody smaller wars are ongoing around the globe, mostly internecine domestic conflicts. Interstate wars may be less common but can be just as costly in terms of the toll on human life and scope of destruction. The fierce protracted campaigns waged between heavily armed combatants and horrific suffering innocent civilians endure in conflicts such as the war in Ukraine deservedly receive extensive attention.

Yet, all too easy to overlook is that many states, while spared the horrors of full-blown war, are subjected to daily intimidation, coercion and even violence. Too many societies function in a nether world where there may not be outright war, but neither is there real peace. Lives are lost, societies disrupted and inhabitants live in a climate of constant fear. People around the globe dwell in a "gray zone" under persistent threat of violence. In 21st century global power politics,

conflict can play out almost imperceptibly at a slow boil without great spectacle, massive carnage or the media spotlight.

War and Peace as a Continuum

China's Communist Party (CCP) rulers, along with their civilian and military leaders, are completely at home in a gray-zone world. By contrast Americans find it challenging to operate in such ambiguity for at least two reasons. First, Americans tend to conceive of war and peace as dichotomous and clearcut: the United States is either at war or at peace. By contrast, most Chinese Communist leaders tend to think of war and peace as existing on a continuum: at one end is all-out war while at the other end is absolute peace.

In Chinese thinking, the real world operates on spectrum somewhere in between a condition of permanent flux, with states in constant competition and conflict. In short, the distinction between war and peace is fuzzy. Indeed, this seems a normal condition for leaders in a Leninist party system in which individual actors must constantly struggle both internally and externally to survive or prosper. Beijing's calls for a "harmonious world" are best interpreted as aspirational rather than reflecting any conviction that harmony is a natural condition in domestic or global politics.

Officially, since the 1980s, the People's Republic of China (PRC)'s assessment of the global security environment has been that "peace and development [are] the theme[s] of our times." Yet, this does not mean that successive generations of China's communist leaders believed that wars are obsolete, or conflict is no longer conceivable. Rather, this mantra signals Beijing's belief that while a catastrophic global conflict no longer seems likely, Chinese leaders fully expect interstate conflicts to bubble up around the world. However, these "local wars" will be smaller, geographically contained and with little danger of vertical escalation. Moreover, interstate competition would persist with attendant tensions and confrontation albeit mostly playing out below the threshold of outright war. Taiwan has the unenviable distinction of constituting ground zero for Beijing in the wider global nether world that exists between outright war and real peace.

What does 'Peaceful Reunification' with Taiwan Really Mean?

Under Mao Zedong, who ruled the PRC until his death in 1976, Beijing was officially committed to liberating Taiwan by armed force. Since the 1980s, however, the PRC revamped its policy and strategy toward Taiwan and officially switched to "peaceful reunification." Yet, this characterization is a complete misnomer. First off, since China has never controlled or ruled Taiwan, the policy is more accurately described as unification. Moreover, a more careful look at what Beijing means by "peaceful" reveals a very different understanding of the word.

China's definition is more properly understood as conquest by coercion. Indeed, it is instructive that PRC analysts have drawn an explicit parallel between a desired "peaceful" resolution of the Taiwan Strait impasse and the "Beiping model." This model refers to the 1949 surrender of Beijing (then named "Beiping") by the Kuomintang mayor and military garrison to CCP armed forces besieging the city toward the end of the Chinese civil war. While occupation of the city

was technically achieved by peaceful means, the episode is an example of bloodless capitulation under threat of overwhelming force. The garrison was fully aware of the fate that befell nearby Tianjin when the city refused to surrender and was captured after a bloody assault. In short, to the PRC, “peaceful reunification” with Taiwan really means first-time conquest by military intimidation and coercion.

Indeed, even after the strategic rhetorical shift to “peaceful reunification” Beijing has never renounced the use of naked force to realize unification. In other words, the policy constitutes Orwellian doublespeak. This becomes clear once observers recognize that Beijing has been operating for many years against Taiwan in the gray zone in what has now become routine acts of coercion and intimidation. This persistent campaign of harassment and aggression has ramped up during the past two and a half years following then U.S. Speaker of the House Nancy Pelosi’s August 2022 visit to Taiwan.

Neither War nor Peace

In 2025, the most immediate challenge China poses to peace and security is the gray-zone operations that Beijing conducts below the threshold of actual military conflict against countries around the world. But the most extreme and dangerous target of China’s gray-zone coercion and interference in internal affairs is Taiwan. Beijing is comfortable operating in the gray zone because this milieu is fully compatible with its conception of war and peace on a spectrum. While the United States desires peace with China, it is not only prudent for Washington to be prepared if necessary to wage war in defense of itself and its allies, but Washington also cannot ignore the China challenge of now: multipronged hostile gray-zone operations against the United States and a multitude of other countries around the world.

The United States ought to work closely with partners in Taiwan, the Philippines and elsewhere to push back against PRC coercion. Failure to do so could allow Beijing to effectively gain control of key territory in the Western Pacific and undermine U.S. partnerships. These steps would gravely threaten U.S. interests and weaken Washington’s ability to promote peace, democracy and prosperity throughout the region.

Dr. Andrew Scobell is a distinguished fellow with the China program at the U.S. Institute of Peace. He focuses on U.S.-China relations, China’s armed forces and defense policy and China’s foreign relations with countries and regions around the world — with a particular emphasis on the Korean Peninsula, Taiwan, Hong Kong, Southeast Asia, South Asia, Central Asia, Africa and the Middle East.

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CONTACT INFORMATION:

Approved by: Joint Intermediate Force Capabilities Office (JIFCO), Strategic Communication

E-mail: JIFCOInfo@usmc.mil

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