



المركز العربي للأبحاث ودراسة السياسات
Arab Center for Research & Policy Studies

SITUATION ASSESSEMENT

Saudi Policies in the Regional Landscape: Enhancing Opportunities and Reshaping Regional Alliances

Policy Analysis Unit | November 2017

Saudi Developments Changing the Regional Landscape

Series: Situation Assessment

Policy Analysis Unit | November 2017

Copyright © 2017 Arab Center for Research and Policy Studies. All Rights Reserved.

The Arab Center for Research and Policy Studies is an independent research institute and think tank for the study of history and social sciences, with particular emphasis on the applied social sciences.

The Center's paramount concern is the advancement of Arab societies and states, their cooperation with one another and issues concerning the Arab nation in general. To that end, it seeks to examine and diagnose the situation in the Arab world - states and communities- to analyze social, economic and cultural policies and to provide political analysis, from an Arab perspective.

The Center publishes in both Arabic and English in order to make its work accessible to both Arab and non-Arab researchers.

Arab Center for Research and Policy Studies

PO Box 10277

Street No. 826, Zone 66

Doha, Qatar

Tel.: +974 44199777 | Fax: +974 44831651

www.dohainstitute.org

Table of Contents

Introduction	1
The Resignation	1
The Houthi Missile	2
The Secret Visit	3
Consolidating Power	3
Trump and Aramco	3
The Blockade on Qatar and Bahraini Allegations	4
Conclusion	4

Introduction

Over the past few days, Saudi Arabia has witnessed some significant developments, the first of which was the resignation of Lebanese Prime Minister Saad Hariri, announced in Riyadh. While the resignation provoked criticism from Iran and its allies as a direct attack against them, Israeli Prime Minister Benjamin Netanyahu trumpeted it as a "wake-up call" to counter Iranian attempts to control the Middle East. This was followed by an array of dismissals and arrests of current and former Saudi princes and ministers and businessmen on corruption charges, widely interpreted as another major step towards strengthening Saudi Crown Prince Mohammed bin Salman's grip on power.

Salman himself is at the head of a hardline Saudi stance against Iran while appearing open to cooperation with Israel. The Houthi launch of a ballistic missile towards Riyadh followed these developments as an Iranian response to the Saudi escalation against Iran just a week after US president Donald Trump's son-in-law and advisor Jared Kushner toured the region in an unannounced visit. He began his tour in Saudi Arabia, and included Israel in a US move to break the deadlock in the so-called peace process and facilitate coordination between "moderate" Arab countries and Israel to counter Iran.

President Trump proceeded to add another level to these developments by launching into a Twitter tirade urging the Saudis to list the IPO of Aramco on the New York Stock Exchange. This is linked directly to the US strategic and financial interests in its relationship with the Gulf "allies", which has become a feature of US policy in the Trump era. This paper questions the implications of these developments, and explores the context of a potential approach led by Washington and Saudi Arabia to contain Iran and reshape the regional landscape.

The Resignation

Lebanese Prime Minister Saad Hariri's resignation came as a huge shock. Hariri never indicated his intention to step down from the position he took almost a year ago under a Saudi-brokered deal that handed General Michel Aoun the presidency after a presidential vacuum that had lasted since former President Michel Sleiman's term ended in 2014. In the last few months, Hariri has appeared to lack authority as Hezbollah and the presidential bloc have largely dictated Lebanon's foreign and security policy. On the one hand, Saudi Arabia was tightening the grip on Hezbollah through a series of measures and campaign statements led by the Minister of State for the Gulf Region, Thamer Al-Sabhan. On the other hand, President Michel Aoun said during a visit to Cairo last February that Hezbollah's arsenal does not

compromise Lebanese state sovereignty and constitutes an important part of Lebanese defense - a statement that Aoun recently repeated, saying that Lebanon needs Hezbollah's weapons because the army is still weak. This comes as his son-in-law, Foreign Minister Gebran Bassil held a meeting with Syrian Foreign Minister Walid Muallem on the sidelines of the United Nations General Assembly in September. This sparked a wave of protests in Lebanon led by opponents of the Syrian regime who considered the meeting a violation of the Arab League suspension of Syria's membership in response to regime crimes committed against citizens. Then came the decision to return Lebanon's ambassador to Damascus, according full recognition to the Syrian regime. After his meeting with Ali Akbar Velayati, senior advisor to the Supreme Leader of Iran in Beirut, the latter made remarks about the regional "victories" achieved by Iran, embarrassing the Lebanese prime minister.

Yet, there was no sign that Hariri would step down. The surprise announcement came from Riyadh, and read as a Saudi intention to escalate their campaign against Iran and Hezbollah in the face of the consolidation of Iranian hegemony in Lebanon. It can also be placed in the framework of a Trump led crusade against Iran with Israeli backing. Trump announced his refusal to renew the nuclear agreement with Iran and his request to Congress to amend it to include Iran's missile programs and "destabilizing" activities in the region. This campaign also included a package of sanctions against senior Hezbollah officials and renewed attempts by Washington to block Iran from linking western Iraq with eastern Syria under the cover of the war on ISIL by increasing support for Kurdish people's protection units to control the Syrian-Iraqi border. In the letter of resignation read by Hariri, he highlighted regional issues and the mentioned attempts by Iran and Hezbollah to dominate the region.

The Houthi Missile

Just hours after the resignation was announced, which Hezbollah accused the Saudis of orchestrating and which Iran strongly criticized, a ballistic missile launched from Yemen was intercepted in the outskirts of the Saudi capital Riyadh. The rocket, not the first missile to be launched from Yemen, did not cause damage to the empty area it hit in the grounds of King Khalid International Airport. However, this is the first time that a rocket of this kind has reached Riyadh, and represents a major escalation of the ongoing war in the region. That the missile traveled so deep inside Saudi territory with its airport target within reach, shows that the militia possesses a high level of technology.

The attack reveals that the Houthis have successfully modified and increased the range of the arsenal of Scud missiles they seized when they took power in Sanaa and with it the weapons stores of the Yemeni army battalions. Iranian expertise is suspected to have contributed to the development of these missiles, but the source of the missile is unlikely to be Iran. The transfer of missiles of this kind from Iran to Yemen is very difficult in light of the siege imposed by the Saudi led Arab alliance on Yemen and the ongoing US surveillance of the region. The launch of the missile serves a warning that Iran will not stand idly by if it is targeted.

The Secret Visit

US and Israeli media this week reported an unannounced visit by Jared Kushner to Saudi Arabia, his third this year, accompanied by Deputy National Security Advisor Dina Powell and US envoy Jason Greenblatt. The visit included Jordan, Egypt, the West Bank and Israel in a fresh attempt to push forward the so-called peace process in the Middle East. The Trump administration is betting on progress in the Palestinian-Israeli negotiations, as well as a convergence of interests, to ease the current process of normalization between the ruling regimes in Saudi Arabia, the United Arab Emirates and Israel. The “peace process” and regional efforts to counter Iran also helps to ease the embarrassment, especially for Saudi Arabia, stemming from a rapprochement between Israel and the "moderate" Arab states. According to Israeli media reports, Saudi Crown Prince Mohammed bin Salman visited Israel last September- a fact denied by Saudi Arabia. In this context, it is clear that, the Israeli prime minister welcomed Saad Hariri's resignation as a method of increasing pressure on Iran and Hezbollah, and he is more than willing to coordinate with Saudi Arabia to confront them.

Consolidating Power

The wave of arrests of influential princes in the royal family represents the shutdown of the last power centers within the family and in the regime. Taking strategic political steps, King Salman announced the establishment of an anti-corruption commission entrusted to his son, Crown Prince Mohammed bin Salman. During the first hours of its creation, the commission issued orders to sack and arrest 11 royal princes as well as 4 current ministers, dozens of former ministers, businessmen and government officials, and confiscated what media outlets estimate to be billions of dollars. The most prominent of these steps was the dismissal and arrest of the head of National Guard Prince Miteb bin Abdul Aziz and his brother Prince Turki bin Abdullah, former governor of Riyadh. With the removal of Prince Miteb, the crown prince has seized control of the last military apparatus inside the country after he took over the army and the interior ministry following his removal of the former crown prince Muhammad bin Nayef in June. The National Guard was founded in the early sixties after the accession of the late King Abdullah bin Abdul Aziz, who charged his son Miteb with its leadership after he became king in 2005, and now includes about 200,000 personnel.

Trump and Aramco

Mohammed bin Salman's moves to root out any potential threat from within the family seem to have the support of President Trump and his close aides, led by Kushner who spoke to the US media about their special relationship with the Saudi Crown Prince Mohammed bin Salman. The US president called for him

to list the planned IPO of about 5% of the giant oil company Aramco, which boasts a total value of about \$2 trillion in US financial markets. Trump has also urged the Saudi monarch to carry out deals worth \$ 400 billion during his recent visit to Riyadh, including \$110 billion in arms deals. It has thus become clear from this request that the US president's support for Saudi policies within the Kingdom and in the region are tied to Riyadh's willingness to invest in the US economy.

The Blockade on Qatar and Bahraini Allegations

As hostilities escalate with Iran and Hezbollah, signs of a US-sponsored Gulf-Israeli rapprochement to counter Iranian influence are mounting. The Gulf crisis continues and Qatar, which has been under a Saudi led blockade for five months, has received intensifying threats. It is noteworthy that Bahrain is leading the escalation in the recent period, whereby Manama demanded the suspension of Qatar's membership to the Gulf Cooperation Council and threatened that it will not attend any Gulf summit attended by Qatar unless it meets the conditions of the blockade. Bahrain re-imposed a visa on Qatari citizens wishing to enter its territory, violating of the agreements governing the free movement of citizens between the GCC countries, and knowing that Bahrain has not allowed Qataris to enter since the imposition of the blockade in June. Bahrain has also dragged up historical allegations about Qatari territory that were long resolved by both parties, some of them through bilateral commitments, and some through international arbitration, in what appears to be a new excuse of border disputes to escalate the tensions with Qatar.

Conclusion

Recent developments in Saudi Arabia seem centered on an attempt to reshape the regional landscape in a pattern that isolates Iran and contains its influence, one coordinated with Washington and Tel Aviv. This approach has gained momentum with the defeat of ISIL in Syria and Iraq. Yet experience in Yemen proves that these strategies are taking place informed by optimistic scenarios that often exaggerate strength and capacity. The isolation and containment of Iran may not seem so achievable if the rapprochement between Iran and Turkey continues, and if relations between Russia and the United States further deteriorate. This deterioration will be reflected in the form of increased Russian support for the positions of countries hostile to US policies in the region. It seems at this stage that there is an absence of rational forces to push for dialogue and reject escalation.