Saudi–US Discord in a Changing Middle East

Frederic Wehrey | July 2015
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# Table of Contents

Introduction 4  
**Egypt:** Engineering a Counter-Revolution 6  
**Syria:** Filling the Vacuum of US Paralysis 7  
**Iraq:** Playing Damage Control 9  
The Iran Nuclear Deal: Fears of a Faustian Bargain 10  
The Future of US–Saudi Relations in a Disunited Gulf 11  
Looming Tensions over Domestic Developments 13
Introduction

Saudi Arabia’s diplomatic program is in troubling times. Its first round of malaise began in the wake of the 2011 Arab uprisings. For Saudi Arabia, this meant the opening of a Pandora’s Box of political Islam, sectarianism, tribalism, Iranian influence, and al-Qaeda. The forces unleashed in the wake of the uprisings steadily escalated into a series of disagreements with the United States over issues of regional order and possible strategies to manage the chaos of the region.

Led by Saudi Arabia, the nations of the Gulf Cooperation Council (GCC) have criticized the positions taken by the United States. On Iran’s nuclear ambitions, Egypt’s political struggles, and the conflict in Syria, the GCC sees naïve capitulation to Iranian ambitions, an underestimation of the Muslim Brotherhood’s regional threat, and a dangerous hesitation to intervene in Syria. This comes alongside several shifts in American policy toward the Middle East. From Washington’s announcement of a strategic “pivot” toward Asia, to its growing energy independence, and its near-complete withdrawal of military forces from Iraq and Afghanistan, GCC states have become somewhat alarmed, and fear the region is being in many ways abandoned. Gulf fears of US abandonment are not new—in fact they are deeply etched into the structure of the states’ relationships. As smaller states dependent on a more powerful patron, GCC members have always worried that Washington will abandon them for more predatory neighbors, or entrap them in a regional war of America’s making. New, are both the decibel level and the severity of Saudi Arabia’s response to recent action from the White House. On the editorial pages of Saudi newspapers, columnists have sounded familiar themes with new levels of intensity: The Gulf is being shut out of regional negotiations on Iran; The United States is being duped by Syria. Iran, and Egypt’s Brotherhood.

Fueled by this alarm, Saudi Arabia has undertaken an increasingly activist and assertive foreign policy across the region. In some cases, policies have opposed or even undercut US interests. Bankrolling the Egyptian military’s ejection of the government of Mohamed Morsi and funding radical Salafi opposition groups in Syria are only the two most

significant examples. Saudi Arabia has called for a more muscular Gulf defense policy, one that includes a “united military command” of GCC forces, and it has issued veiled threats to the United States about seeking military partners elsewhere.

Although US/GCC disagreements over regional order and Saudi activism should not be dismissed, there are several factors that would militate against a real break in US-Saudi relations.

First, despite overtures to a number of Asian and South Asian powers for arms and trade, Riyadh has no real alternative to the security guarantees offered by the US. Saudi hopes for a watertight defense bloc in the Gulf are likely to prove elusive, as previous efforts at multilateral cooperation on air defense and a unified GCC command structure have foundered due to endemic mistrust and divisions.

Second, the road to a real, game-changing breakthrough in US-Iranian relations—to say nothing of a more modest nuclear détente—will be longer and more uncertain than both Saudi alarmists and Washington optimists believe. If and when it occurs, its effect on US-Saudi relations and the broader region is likely to be less seismic and transformative than is commonly assumed.

Finally, the pillars of US-Saudi cooperation—counterterrorism and military assistance—remain strong and are likely to increase, particularly in light of the growing threat from the Islamic State of Syria and Iraq (ISIS) and al-Qaeda’s affiliate in the Arabian Peninsula.

If there is one area of concern where US officials should in fact devote greater attention, it is in Saudi Arabia’s domestic realm. In Washington’s rush to reassure Saudi officials of US defense and diplomatic support, officials seem to have been overlooking worrisome trends in Saudi domestic policies: sweeping anti-terrorism laws, stunted economic reforms, a rising generation of dissatisfied youth, endemic unemployment, and a looming questions over succession. Although the stability of the Kingdom is not

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jeopardized in the near or mid-term, US officials should make meaningful reform a more integral part of the US-Saudi dialogue to stave off challenges before it is too late.

Egypt: Engineering a Counter-Revolution

A key trigger in Saudi Arabia’s misgivings toward the US was Washington’s tepid and confusing approach to the Egyptian military’s ejection of the Muslim Brotherhood government, which had been in power in Egypt since June 2012. In July 2013, General Abdel Fattah al-Sisi led a military coup that ousted Brotherhood-backed Mohamed Morsi from the presidency. At the time, the United States solicited Saudi and Emirati back-channel help in imploring Sisi to reach a peaceful compromise with Morsi, but there is ample evidence showing that the Gulf States were working at cross-purposes with Washington.

Riyadh’s ultimate interests lay in the unequivocal end of the Brotherhood government and the quashing of Brotherhood protests. Its ruling al-Saud family fears that the Brotherhood’s ideology and political activism could animate opposition inside the Kingdom and challenge Saudi Arabia’s quietist form of Salafism. Although the Brotherhood was declared a terrorist organization in Saudi Arabia, a number of prominent Salafi clerics from the so-called Sahwa (Awakening) movement share similar doctrinal beliefs with the Brotherhood. Several of the leading figures of Sahwa lambasted Sisi’s crackdown on the Brotherhood and called for political reconciliation rather than repression—a stark departure from the official Saudi line.6 Ironically, the crackdown on Morsi prompted the very politicization of clerical discourse in the Kingdom that the Saudis were hoping to avoid when the Brotherhood was in power.

In the aftermath of the Brotherhood’s ouster, Saudi’s King Abdullah chided US policymakers for “supporting the very terrorism they call for fighting against.” Together with the United Arab Emirates and Kuwait, the Kingdom quickly promised $12 billion in aid to the military regime.7


In the Saudi press, commentators defended the move one made to advance Riyadh’s overarching objective of stability in Egypt, rather than as one that aimed to further an intentional campaign against the Brotherhood. Having an unstable Egypt alongside parallel crises in Bahrain, Syria, and Yemen, defenders argued, would be simply too much for the Kingdom to bear. Moreover, Riyadh’s backing of Sisi was a matter of simple expediency: Saudi Arabia had a long-standing relationship with the Egyptian military, so the army was a natural partner.

According to prolific columnist Khaled al-Dakhil, Saudi aid is intended to pave the way for a resumption of Egypt’s regional role in opposing Iranian influence in Syria and Iraq. The writer says that the current military arrangement should be a transitional bridge to an Egyptian government that is even more predisposed to Saudi interests. Regardless of the desired end state, the messages underlying Saudi policy and the ensuing commentary are clear: the United States is increasingly hesitant, weak, and indecisive—and Saudi Arabia (along with the UAE and Kuwait) cannot afford to wait while Washington vacillates.

At the extreme end of the spectrum, some observers have argued that the seemingly one-sided US position toward the Brotherhood heralds a major rift in US-Saudi relations. Comparisons are made with the Arab-Israeli war and the oil embargo imposed by Saudi King Faisal in 1973, implying that when confronted with a choice, Saudi Arabia will always stand on the side of Arab fraternity rather than with the United States. Other voices advocate greater ties to Russia and France as a means to counterbalance the warming of US-Iranian relations. Such warnings are not new and are in line with a general trend that sees Gulf States attempting to broaden contacts with China, European governments, India, and Russia.

Syria: Filling the Vacuum of US Paralysis

On top of the Egypt debacle, a second blow came from President Obama’s shelving of military strikes and acceptance of a Russian-backed deal to dismantle Syria’s Chemical Weapons (CW) stockpiles. In the initial wake of the Syrian chemical weapons attack on

Ghouta, pro-government Saudi commentators seemed relieved that Obama had “finally decided to enforce his red line.” In the ensuing deliberations over a US strike, Saudi officials pushed for an overwhelming operation that would decapitate the regime. Saudi leaders were among the signatories of a statement at the G20 calling for military action, and they reportedly offered economic incentives to lobby Moscow to back down from its opposition. The limited scope of the planned attack, followed by the deferral of authorization to Congress, was decried in Riyadh as a catastrophic move that would empower al-Qaeda in Syria.

Saudi hopes were further dashed with the passage of the UNSC resolution on CW, which Saudi commentators saw as a “ploy” carried out on an unsuspecting Obama into prolonging the conflict, thus ensuring the survival of Assad. Some wondered whether or not a CW deal still meant that regime change was on the table. Even worse, one columnist argued, was the snub to Saudi steadfastness: the US-Russian agreement on Syria had marginalized “regional actors,” (i.e. the Gulf, Jordan and Turkey) who were carrying the lion’s share of the burden in backing the opposition, and whose cooperation would be essential to a lasting solution. Instead of striking Syria as he promised, one observer noted, Obama had struck his longtime allies in the Gulf.

On the diplomatic level, Saudi Arabia’s official displeasure about Syria was reflected in the cancellation of its UN General Assembly speech, although the hidden subtext behind this protest was the remarkable set of conversations between the US and Iranian officials. The interlinked concerns of domestic and regional security are especially evident in Syria, since Saudi’s strategy rivalry with Iran is the principal geo-political interest driving its intervention in the war torn country. The Assad regime’s close ties to Iran had long been an affront to Saudi Arabia’s claim to Arab leadership on issues both


Levantine and Palestinian. Also, prior to 2011, Riyadh had unsuccessfully used a mix of diplomatic pressure and persuasion to try and wrest Syria from Iran’s orbit. The anti-Assad uprising offered Saudi Arabia a new opportunity to roll back Iran’s influence in the Arab world. It was a chance to recover from the humiliating “loss” of Iraq and, perhaps more importantly, from Lebanon, where, in 2008, Tehran effectively upstaged Riyadh when Hezbollah forces routed Saudi-backed Hariri factions in west Beirut. The first half of 2014 saw a shift in Saudi Syria policy toward greater alignment with the United States and a greater appreciation of the threat of al-Qaeda blowback. In March, reports surfaced of increased Saudi cooperation with the CIA on the training and equipping of Syrian opposition fighters. The support falls under the broader rubric of a new US-Saudi-Jordanian strategy, with the principal recipient of aid being the recently formed, allegedly moderate Southern Front. In April, the Kingdom’s point man on Syria, then intelligence chief Bandar bin Sultan, was removed from his post. His replacement, longtime US counterterrorism ally and former Ministry of Interior chief the Prince Muhammad bin Nayef, was widely seen as signaling a new phase in Saudi-US cooperation in Syria, particularly against jihadi extremism. But efforts by Saudi Arabia and, increasingly, the United States to impart coherence on the “moderate” Syrian opposition have been offset by the influx of unofficial funds—often from private businessmen—flowing to more radical actors.

Iraq: Playing Damage Control

If, in Saudi eyes, America’s sin of omission in Syria has been to Iran’s benefit, America’s sin of commission in Iraq—the 2003 removal of then Iraqi president Saddam Hussein—was an enormous gift to Tehran. Rather than aggressively contend with Iranian power as it does in the Levant, Saudi Arabia has pursued a passive policy of static containment or damage control in Iraq. Given the country’s Shi’a majority, Saudi officials privately concede that they are playing a losing game in trying to stem Tehran’s influence, bereft of the local networks, access, and capacity that Iran enjoys. One Saudi official told the author that Riyadh had effectively “written off” Iraq and was pursing a policy of static containment.

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As the US presence in Iraq withers, Iran will have greater opportunities in the country, but it will also face greater obstacles. Even among its co-religionists, Tehran has found there are limits to its influence. As the Maliki government continues its authoritarian turn, it is Tehran, not Washington, that may soon be regarded by many Iraqis—both Shi’a and Sunnis—as the meddlesome external power partly responsible for regime repression, growing insecurity across the country, and economic corruption.

It is likely that Saudi Arabia and the Gulf states will continue to be reticent and ambivalent in improving their relations with Iraq, even if Iraqi popular sentiment turns against Iran. In this sense, Washington’s longstanding hopes of convincing the Gulf Arab States to productively engage with Iraq to counter-balance Iran are ultimately misplaced. The best that can be hoped for is that Iraq will become a buffer zone between Riyadh and Tehran, rather than an arena of open competition.

The Iran Nuclear Deal: Fears of a Faustian Bargain

Saudi officials have reacted cynically and suspiciously to Rouhani’s charm offensive. Indeed, the interim nuclear deal between the P5+1 and Tehran effectively formalized a catastrophe the Saudis long feared was coming: a bait-and-switch that bought Tehran time on the nuclear front while empowering Iranian nefariousness across the region, particularly in Syria. In the face of unreliability from America, senior Saudi officials have been uncharacteristically public about advocating a more muscular and independent Saudi policy in order to step up the battle against Iran.

While Iran and Saudi Arabia are destined to remain regional competitors, the question is whether their competition must manifest itself in protracted conflict, or whether they can settle on a peaceful *modus vivendi*—what President Obama recently called a Gulf-Iran “equilibrium” in a little-noticed but important interview with the *New Yorker*. Washington’s bilateral relations with both Riyadh and Tehran will prove critical in finding a recipe for such equilibrium. However, it is probably not constructive for the US and the West to encourage Saudi Arabia and Iran to mend fences, given the degree of elite factionalism in each country.

Confronted with warming US-Iranian ties and the rest of the Gulf’s improving relations with Tehran, the Saudis may be compelled to start their own unilateral overtures toward the Islamic Republic. But, given the ferocity of the Syria conflict and the current outlook of elites in both states, these initiatives are likely to remain extremely limited in scope. Much will hinge upon Iran’s willingness to de-escalate and diminish its involvement in the Levant to a degree that is acceptable—from a face-saving point of view—to more pragmatic elements in the Saudi regime. Given the current strength of the principlists in Tehran and the Revolutionary Guards, this scenario does not seem likely over the near- and mid-term. Although both sides fear the resurgence of al-Qaeda, the Gulf States have little incentives to offer Iran in return for its disengagement from a conflict that the Revolutionary Guards and regime hardliners regard as a pivotal moment for Iranian primacy in the region. Moreover, in the wake of the Joint Plan of Action and the lifting of sanctions, Saudi Arabia and the Gulf may actually increase their involvement in Syria to preempt any surge in belligerence from an emboldened Iran.

The most important obstacle to a real improvement in ties is the inescapable reality of the Gulf’s structural disequilibrium. Regardless of the type of regime in Tehran, Saudi Arabia and the Arab Gulf States will continue to demand external military backing to balance what they see as Iran’s inherent hegemonic aspirations. While Iran, for its part, will continue to demand a Gulf that is free from foreign forces so that it can assert its rightful leadership role. In that sense, the notion that the Gulf could witness a new, more constructive equilibrium between Iran and Saudi Arabia that could facilitate American disengagement is a distant dream.

The Future of US–Saudi Relations in a Disunited Gulf

Saudi warnings of US impotence in the face of regional threats, moves toward unilateralism, and solicitation of new security patrons are hardly new. If history is any guide, Saudi Arabia will continue to pursue policies that align with the broad contours of US strategy—but with a creeping preference for hedging and unilateralism that will, in some cases, clash with US interests. At the end of the day, however, Washington is still the only game in town. None of the Kingdom’s potential suitors has the real capacity or willpower to replace the US—although countries such as Pakistan, France, China and India can fill certain niche security capabilities.

Much has been made of America’s energy independence leading to a cooling of US-Saudi Arabia relations. To be sure, a number of new trends are challenging Saudi Arabia’s longtime oil primacy. Riyadh faces a shortage of global demand, the re-entry of Libyan crude into the global market, and increased production from Iran with the easing
of sanctions. If and when Iraq reaches its full production potential, Saudi standing could slip further. US shale production, which is expected to peak in 2018, may force further cuts in OPEC production over the next several years. Though worth paying attention to, these trends should not be overstated; Saudi Arabia retains enormous power as a swing producer, and its oil exports are critical to the economic health of global heavyweights like China, upon which the economies of the United States and Europe depend. Such linkages mean that Washington will continue to remain engaged in the protection of Saudi supplies regardless of American shale output.

The greatest challenge facing the US in the Gulf is not necessarily the preservation of its relations but the increasing disunity within the GCC. The Gulf States’ individual initiatives toward a post-Geneva Iran and growing distrust of Saudi Arabia have complicated Washington’s efforts to make the GCC more of a functioning collective defense organization. For example, on December 16, 2013, President Obama issued a presidential determination authorizing the US to sell weapons to the GCC as a collective whole, rather than as individual states. Given the deep divisions in the GCC, implementing this strategy will face significant hurdles.

In addition, the nuclear deal has not obviated the desire of GCC states for an external security patron to act as a hedge against Iranian regional aggression. If anything, the nuclear deal may make this need all the more pressing, particularly for Saudi Arabia, Bahrain, the UAE, and Kuwait, in the areas of ballistic missile and maritime defense. In the coming years, the US will likely be faced with two competing blocs within the GCC, with Saudi Arabia, Bahrain, and the UAE taking a harder line on Iran and demanding greater reassurances, while Oman, Qatar, and possibly Kuwait pursue a more unilateral path that balances American cooperation with Iranian military engagement.

To temper this distrust, Washington’s State and Defense Departments should hold more multilateral forums with their counterparts in the Gulf to develop greater cooperation. Along these lines, the State Department’s Security Cooperation Forum meetings and Secretary of Defense Chuck Hagel’s recent announcement of a US-GCC defense ministerial meeting both represent valuable areas of increased integration. US officials should these meetings to focus on a more inclusive definition of security. The United


States should also build upon existing niche areas of successful multilateral military cooperation among the GCC, such as maritime defense and counter-piracy, which carry relatively low political costs for the individual states. Among certain states or blocs of states—the UAE, Oman, Qatar, and possibly Kuwait—the US can encourage greater security and defense contacts with Iran, along the same areas.

**Looming Tensions over Domestic Developments**

If regional developments are truly opening a chasm between Saudi Arabia and the United States, it may not be on the foreign policy front at all, but rather around disagreements over how Saudi Arabia and the Gulf States are conducting their internal affairs in response to regional tumult. What is often overlooked is that Gulf rulers tend to conflate external ideological threats with internal political dissent. Put differently, Gulf reformists and dissidents are frequently seen to be the agents (or potential agents) of outside powers bent on destabilizing Gulf monarchies.

In early 2014, the Kingdom promulgated a series of sweeping regulations that criminalized participation in the Syrian conflict and banned the Islamic State of Iraq and the Levant (ISIS) and Jabhat al-Nusra, labeling them terrorist organizations. These laws also applied to an alarmingly broad range of political activities, and included the criminalization of association with foreign entities, as well as peaceful protests that were deemed to harm the Kingdom’s reputation. Most significant was the inclusion of the Muslim Brotherhood on the terrorism list. Although Washington has communicated to the Saudis the need for a narrower and more legitimate definition of terrorism in these regulations, there is still more to be done.

The laws appear to be part of broader trend sweeping the Gulf: a Gulf Cooperation Council agreement on internal security coordination; shared blacklists; the intensified rounding-up of reform activists, dissidents, and expatriates believed to be tied to Hezbollah, Iran, or the Brotherhood; and draconian censorship. Saudi Arabia and Kuwait are attempting to depoliticize clerics by muzzling those who make public reference to events in Syria and Egypt. In the UAE, the ripple effects—mostly from Egypt but also from Syria—have been felt in dragnet arrests of Brotherhood activists. In Bahrain, the security backlash has been particularly corrosive. The regime of King


Hamad al-Khalifa recently forbade political societies, most pointedly the Shia grouping al-Wefaq, from meeting with foreign diplomats or NGOs. In the state-controlled media, there have been repeated accusations that Shia activists in Saudi Arabia and Bahrain are proxies for Iran.\textsuperscript{23}

While these worrisome trends are unlikely to seriously jeopardize the survival of Gulf regimes, they are creating a toxic political environment. In the midst of the heady developments on Iran and the continuing impasse in Syria, US policymakers must not lose sight of these domestic dynamics.

\textsuperscript{23} “Bahrain Says Opposition Activists Spied for Iran,” \textit{Reuters}, October 1, 2013, \url{http://www.reuters.com/article/2013/10/01/us-bahrain-trial-iran-idUSBRE9900JX20131001}