

BULLETIN

No. 131 (1071), 28 December 2017 © PISM

Editors: Sławomir Dębski • Bartosz Wiśniewski • Rafał Tarnogórski

Karolina Borońska-Hryniewiecka ● Anna Maria Dyner ● Aleksandra Gawlikowska-Fyk
Sebastian Płóciennik ● Patrycja Sasnal ● Justyna Szczudlik ● Marcin Terlikowski ● Tomasz Żornaczuk

Perilous Changes in Saudi Arabia's Foreign Policy

Patrycja Sasnal

Crown Prince Muhammad bin Salman is solidifying his position and changes to the foreign policy of Saudi Arabia. His main objective is the forceful consolidation of the Arab camp against Iran and the Muslim Brotherhood. Key decisions of Saudi foreign policy—the military intervention in Yemen, imposition of a blockade on Qatar, and pressure on the Lebanese government—have proven counterproductive. The continuation of this ill-advised policy is neither conducive towards the stability of the Middle East, nor to the Saudi posture and ability to form alliances.

The two main reasons for the modifications of Saudi foreign policy are changes in the country's leadership and state structural problems. In June 2017, King Salman, the ruler of Saudi Arabia since 2015, appointed his son Muhammad bin Salman as crown prince. He now de facto runs Saudi internal and external policies. The decisions of 32-year-old Prince Salman, formally the deputy prime minister and minister of defence, are dictated on the one hand by the necessity to consolidate support from the Saudi elite and the public for his eventual reign as king and, on the other, the need to implement fundamental reforms.

Foreign Policy as a Function of Internal Affairs. Saudi Arabia is at a turning point in its history. Its economic and social policies require radical reconstruction of the country to at least retain the current development level. Prince Salman set the direction of the reform in 2016 in a strategy document called Vision 2030. At its core, it calls for diversification of government budget revenues (87% now comes from the production and sale of oil), investment in domestic industries, and turning Saudi Arabia into a hub between Europe, Asia and Africa. Ultimately, the domestic military industry is to be expanded to satisfy half the country's own demand—Saudi Arabia spends 10% of its budget on defence, or \$64 billion, only 2% of which goes to domestic industry. The business environment is challenging because of the lack of a modern legal system, relying on a mixture of interpretations of the Quran and royal decrees. The lack of legal separation of the public and private spheres allows the royal family and kin in the religious elite (altogether about 15,000 people) to use the state's wealth at their disposal. The conservative social and religious systems also require transformation if young Saudis are not to revolt against them. More than half of the population of 31 million is younger than 24, while more than 200,000 study in the U.S. or other Western schools. The real unemployment rate is considered twice as high as the official one of 11%.

Saudi Arabia struggles with a bad international image, and is considered one of the most conservative and least democratic countries in the world—the authoritarian regime ranked 159 out of 167 on the *Economist's* Democracy Index—and is widely considered to have ties to terrorism. Such links are often difficult to prove but according to American diplomatic cables, the Saudis funded extremists in Pakistan. The state religion is Wahhabism, the most extreme variant of Islam, and Saudi Arabia promotes it all around the world, including in Europe. It has inspired most of the terrorist organisations on the U.S. State Department's list of such groups. Often, decisions such as the establishment of an anti-corruption body, social liberalisation like allowing women to drive or cinemas to open, serve to improve the country's international image.

The needed reforms are so profound and their social effects so unpredictable that before they are fully introduced and felt, the new Saudi rulers want to strengthen the country's international position and, more broadly, change the power relations in the Middle East.

Changes in Saudi Foreign Policy. The priority of the changes in Saudi foreign policy is the attempt to weaken Iran and its influence through force and by strengthening Saudi Arabia as a regional "superpower" and the consolidation of the Saudi alliance with other Arab States and Israel. This goal was to be achieved by increased Saudi activity in the war in Yemen, as well as its actions toward Qatar and Lebanon.

In March 2015, two months after King Salman assumed the throne and on a decision by Prince Salman, Saudi Arabia together with the United Arab Emirates (UAE), Egypt, Jordan, and others began a military intervention in Yemen. The campaign was intended to lead to the quick defeat of the Houthis—a Shia group accused by Saudi Arabia of being supported militarily by Iran. Two years later, despite the disproportionate alliance military dominance and intensive bombardment, the intervention has not achieved its goal. The Houthis are strengthened to the point of being able to fire rockets toward Riyadh and the UN considers the humanitarian crisis in Yemen to be the most severe of its kind in the world today. More than 10,000 civilians have died, a cholera epidemic is ravaging the country, and a majority of the population faces hunger or is starving.

A similar failed political goal, although without the same humanitarian cost, was the abrupt cutting of relations by Saudi Arabia, the UAE, Bahrain, and Egypt with Qatar, followed by the imposition of a land, maritime, and air blockade of the country in June. The decision was taken to force the emir of Qatar to degrade its relations with Iran and Turkey, close the Al Jazeera news network and expel members of the Muslim Brotherhood (MB) from Qatar. The MB, espousing a *sui generis* religious-republican state model, remains in political conflict with the Wahhabi Saudi Arabia. The blockade on Qatar has backfired: Qatar strengthened cooperation with Iran and Turkey and proved that despite the difficulties it can continue to function normally.

The most recent political crisis created by Saudi Arabia came when it put pressure on Prime Minister of Lebanon Sa'ad al-Hariri to resign during an official visit to Riyadh. Saudi Arabia took a dim view of a December 2016 intra-Lebanese agreement under which Hariri became prime minister after his party settled with Hezbollah and Christian factions. Hariri's forced resignation was meant to exert pressure on Iran and its Lebanese ally Hezbollah. Saudi Arabia may have also counted on an Israeli military conflict with Hezbollah, one which the Israelis have been preparing for more than a decade. Hariri's sudden resignation and the supposition that he might have been held under house arrest caused a regional diplomatic scandal. It was eased after French President Emmanuel Macron publicly invited Hariri to Paris, thus providing him and the Saudis a way out. Eventually, Hariri returned to Lebanon, retracted his resignation, and Hezbollah's posture remained unaffected.

Saudi foreign policy changes come in the context of better relations with the U.S. and other powers, including Russia. In Riyadh in May, U.S. President Donald Trump encouraged the Saudis to pursue a more aggressive regional policy, confirmed the commonality of U.S. and Saudi anti-Iran interests and concluded preliminary deals on military equipment worth almost \$110 billion. In October, King Salman paid his first official visit to Russia, whose importance as a partner in controlling oil prices and reducing Iranian influence is growing.

Three Perils of the New Saudi Policy. First, even though Saudi Arabia is formally a European and American ally in the fight against terrorism, they perceive threats in the Middle East differently. For the U.S. and the EU, the main dangers are jihadism, terrorism, and structural problems of the countries in the region. For Saudi Arabia, the threat is almost solely Iranian influence. Saudi Arabia does not demonstrate a similar eagerness to fight extremism as its partners, which—again—it understands differently than the Europe or the U.S.

Second, key decisions and initiatives Prince Salman have failed. Saudi Arabia has not managed to consolidate the Arab alliance. Attempts at confronting Qatar, Lebanon, and Iran in Yemen have floundered while also increasing the animosity. Thanks to the support of the U.S. and Israel, the Saudis feel encouraged to make risky diplomatic moves aimed uniquely at Iran. They only escalate the Saudi-Iranian conflict, with the victims the populations of third countries. The Saudi-Israeli alliance is hardly a partnership—it is unconsolidated and uncoordinated. The only goal of the cooperation is countering Shiites and the Muslim Brotherhood in the region. The Saudi leadership, while bold in decisions that can earn them internal and international support, do not try to change the tone on Israel because of the strongly anti-Israel sentiment in Saudi Arabia.

Third, internal Saudi challenges require daring decisions, yet commensurate with the means at the leaders' disposal. Saudi Arabia's new foreign policy aspirations transgress these means. If failures in its internal and international policies merge, the destabilisation of the country, mass protests, or even a palace revolution, not unknown in Saudi history, cannot be ruled out.