



# Saudi External Relations in the 21<sup>st</sup> Century

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# Summary

- Author opinions only
- Baseline assumptions
- Theory and practice
- Strategic Priorities
- Regional/global relationships
- Recent developments
- Conclusions



Chinese President Ju Jintao with Abdullah during his visit to KSA in February 2009



President Obama arriving in KSA in June 2009

# The Four Levels of Regional Rivalry and Conflict

- Strategic-Global
  - Energy, proliferation and arms
- Regional Balance
  - US-Iran
  - GCC-Iran
  - Fight over Iraq
  - Transnational: Shiite-Sunni; AQI
- Interstate Rivalries
  - Saudi-Iraq, Iran, Saudi-GCC
- Intra-national
  - Islamist's quest for political power
  - Continued legitimacy of familial elites in Jordan, KSA, Bahrain, Qatar, UAE, Kuwait, Oman, Egypt
  - Sunni insurgency in Iraq; fizzling one in Saudi(?)



Russia has so far delayed delivery of 29 TOR M-1 Sims to Iran under a December 2005 \$700 million contract.



The battle for Iraq has regional, national and intra-national dimensions.

# How To Think About Saudi External Relationships

- A realist-oriented approach to foreign policy – unclouded by rigid predispositions.
- Keenly aware of balance of power in political, economic, and military domains.
- Seek to use these tools to preserve regime, state, further global and regional influence.



The “realist” founding father with FDR on board the Quincy in 1945.



President Nixon shaking hands with King Faisal of following talks at Riasa Palace, July 1974.

# Theory and Practice

- US relationship based on shrewd assessments – balance of power plus our disinterest in internal affairs.
- Outsourcing external protection in exchange for help on oil markets a good deal for both. Is it still?
- Calculus still holds in Riyadh, though there are limits to what Saudis will do.
- Internal politics more problematic.



Two bookends of the US advisory elements in KSA – USMTM and OPM-SANG.



# Strategic Priorities

- It's all about markets – the plug in to globalization w/WTO continues – at least economically.
- Become a global economic superpower.
- Prepare for 46+ million Saudis by 2030.
- Build external relationships to help meet domestic challenges.
  - 7.8 million new housing units by 2020; 350-400K annual entrants into labor force; 2.8% annual growth in municipal fresh water demand
- Prevent regional balance from shifting too dramatically in aftermath of Iraq.
- Translate economic ascendance into political domain.
- Stop Iran from creating regional coercive political framework.



Saudi Arabia's rapidly urbanizing society poses a systemic challenge to the regime.

# Marketing Their Vision of the Future

- Six new cities to add \$150 billion to GDP by 2020; housing and commercial hubs
- Petrochemicals, steel, aluminum, fertilizer, education
- One million new jobs; housing for 5 million
- Cities to have 4X the area of Hong Kong; 3X population of Dubai; economic output equal to Singapore
- They won't make it, but they're working at it.



# Riyadh's View of Regional Balance of Power

- Regional economic ascendance.
  - GCC + KSA are in the driver's seat – economically – global economic powerhouse. Approaching \$1 trillion in GDP while Iran going bankrupt.
- Political balance is problematic.
  - Saudi subsuming Egypt as regional leader.
  - Iran acting powerful; deliberately inserting itself into a host of issues for tactical advantage.
  - Problematic relations with a weakened Iraq – strong Iran ties.
  - Whither Islamists – no friends of KSA, necessarily.
  - US seen as locked in Israeli orbit – maybe Obama can break free, maybe not.
- Military conundrum – rely on US, worried about Iran nuke program; uncommitted to its own military institutions (except SANG) despite lavishing billions on them.

# Regional/Global Relations

- Strategic outlook basically shared with GCC neighbors, but spats continue.
- As go Saudi, so go the city states.
- Playing a more assertive regional role that reflects increased political, economic clout
  - Lebanon, Israel-Palestine, Iraq, Somalia, Afghanistan.
  - Don't expect them to get out in front peace process.
  - No Embassy in Baghdad; Iran relations.
- Diversifying their global network of relationships that mirror customer relationships – Asian focused.
  - India, China, far east will be their customers.
  - Support Pakistan; try to help in Afghanistan
- Keep on keeping on w/US.
  - Infrastructure protection program will develop yet another internal security force.
  - Allow GCC to support forward presence.



Shown above is a UAE identity card. In August, Saudis suddenly stopped allowing Emirates to enter into KSA using these cards – a legacy of a border dispute dating to the 1970s. This is an example of the ebbs and flows in relations between the Saudis and their GCC neighbors

# Will The Future Be Like the Past?

- Expect Riyadh to continue pursue external relationships that reflect its assessments on how best to protect its interests and manage the regional and global balance of power in ways that redound to its benefit.
- Succession, as always, an issue – but the regime is systemically committed along a number of fronts: WTO plug in; building industrial capacity; allowing markets to work; stop catastrophic regional events from complicating this task.
- Things will never be as they “were” for US-KSA relations – but maybe that’s a good thing.

# Conclusions

- Saudis will continue “realist” approach to external relationships.
- Customer relationships will drive political relationships.
  - Diversification seen as a good thing.
- They will try to keep things from coming off the rails regionally, but they are fed up with Israelis and Iranians and maybe us too.

# Final Word?



“Like it or not, the fates of the United States and Saudi Arabia are connected and will remain so for decades to come.” Prince Turki Al-Faisal, writing in “Don’t Be Crude: why Barak Obama’s energy-dependence talk is just demagoguery,” *Foreign Policy*, August 24, 2009 at [http://www.foreignpolicy.com/articles/2009/08/17/dont\\_be\\_crude](http://www.foreignpolicy.com/articles/2009/08/17/dont_be_crude)

# Questions?

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