

SURVEY OF ARAB AFFAIRS

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Special Report:

THE GROWING POWER OF SAUDI ARABIA

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Saudi Arabia's power and influence in the Arab and international arenas bears no relation to its backwardness and sparse population. Riyadh's weakness stems from several factors: its archaic patriarchal regime, weak armed forces, and substantial Shi'ite minority located largely in its oil-rich eastern province. This vulnerability enabled the kingdom's powerful neighbors, Iran and Iraq, to exert pressure and to threaten the kingdom whenever they wished.

The Iraqi invasion of Iran in September 1980 totally changed the balance of power in the Persian Gulf. While fearful of the impact of Iranian subversive propaganda, Riyadh no longer faced immediate danger. Thus a stalemate in the Iran-Iraq war was welcomed by the government of King Fahd (then still Crown Prince). Riyadh nevertheless tried to bring the war to an end through Islamic and international mediation, from 1981 onward. At the same time, Saudi Arabia and Kuwait granted substantial financial, logistic and political support to Iraq in order to enable the latter to withstand Iranian

pressure. Riyadh's role in protecting Iraq and enabling that country eventually to "win" the war should not be underestimated.

The Saudi kingdom's ambivalent policy regarding the Gulf war until the beginning of 1986 was the outcome of a compromise within the Saudi ruling class. Aside from the mainstream of Saudi aristocrats led by the king which dominates policy-making in that country, there are two other major streams in the Saudi ruling class which influence policy-making. The first includes the conservative members of the aristocracy led by Crown Prince Abdullah, who is also the commander-in-chief of the Saudi national guard. The other element is led by Saudi Foreign Minister Saud el-Feisal, King Feisal's son, who represents the younger element in the royal family within the Saudi power equilibrium. This element leans towards Arab nationalism, espouses neutralism in world affairs, and recommended neutrality in the Gulf war as well. It was this stream which was eventually entrusted by the king with the task of

trying to improve Saudi relations with Iran's Islamic Republic. However, such efforts were doomed to failure and were finally aborted at the beginning of 1986.

It was at this time that the Iranians surprised all the military analysts by capturing the Faw Peninsula, Iraq's outlet to the Persian Gulf. This success and additional Iranian attacks along the long border with Iraq contributed to the feeling among the Gulf states that the Iraqi regime of Saddam Hussein was about to collapse. The Saudis and the Kuwaitis were frightened of the possibility that another fundamentalist Shi'ite regime would be established in Baghdad, and were no less frightened by the possibility that the Iranian bridgehead in Faw would be extended in the direction of those two countries.

The immediate reaction in Saudi Arabia was a closing of ranks within the Saudi royal family, which always happens when the regime is threatened from any direction. Differences within the Saudi ruling circles were temporarily buried as all factions undertook to cooperate with the king and support his policy -- a policy aimed at stopping the war, ending the Iranian successes, and possibly even bringing the United States into the Gulf area to shield Saudi Arabia and Kuwait against the possibility of Iranian expansion.

U.S.-Saudi Cooperation

U.S.-Saudi cooperation extends back over many decades, based to a great extent on the development of oil production in the region by the Arab-American oil company -- Aramco. The United States itself ceased to be a net oil exporter in 1970. By the second half of 1988, the U.S. was reported to be importing more than 40 percent of its total oil consumption of about 17.2 million barrels daily from abroad, including more than a million barrels daily from Saudi Arabia, and it is expected that the Saudi share in future U.S. oil imports will continue to grow.

Aware of its dwindling oil reserves, Washington is very aware of the need to maintain good relations with Riyadh to guarantee this supply of oil. The Saudi

kingdom has been viewed as the cornerstone of the moderate pro-American camp in the Arab world and King Fahd has always followed a pro-American policy.

One recent example of the degree of U.S.-Saudi cooperation occurred in 1985-86 with the Iran-Contra fiasco when the United States sought to build bridges with Teheran. Not only did Saudi Arabia supply some of the funds needed for the operation but, in addition, Riyadh enabled the Americans to fly weapons and spare parts over their territory to Iran at the time that they were supporting Iraq financially and logistically. The Saudis also sold the Iranians certain refined oils that they badly needed. All of this indicates the close degree of cooperation between King Fahd's government and the United States.

The growing relationship between Washington and Riyadh in the 1980s was due in part to the efforts of the Saudi Ambassador in Washington, Bandar ibn-Sultan Sudeiry, the son of Prince Sultan, the Saudi Minister of Defense and Aviation. The ruler of Saudi Arabia and six of his brothers are all the sons of a woman from the very powerful Bedouin Sudeiry tribe of northern Nejd. This family intermarried with the family of Saud, the rulers of Saudi Arabia, over generations and the brothers are now in control of the Saudi kingdom. The Saudi Sudeiry brothers include King Fahd, the eldest of these seven sons out of the many sons of Ibn Saud. Minister of Defense Sultan is the second son and is second in line of succession. A third brother, Prince Naif, is the Minister of Interior controlling the secret police and the special security forces. A fourth son, Salman, is in charge of the province of Nejd and the capital, Riyadh, which means he controls the capital and is in command of special forces in the area of the capital. Other sons serve as deputy chief of intelligence, deputy chief of defense, and deputy commander of the air force. In short, the Sudeiry family within the Saudi family controls Saudi Arabia.

While Saudi Foreign Minister Saud el-Feisal is from the Abdul Aziz family, the Sudeiry family has their own "Minister of Foreign Affairs" in Washington in the

person of the ambassador, and in fact he is much more important than Saud el-Feisal and much more active as well. Anyone who knows the Washington scene knows how active Bandar was in using Saudi money to build up the power of the Arab lobby in America. Bandar was a member of a Saudi delegation to Moscow headed by Prince Saud el-Feisal, but the spokesperson during the negotiations was Bandar and not Saud el-Feisal.

Bandar has systematically strengthened the Saudi relationship with the United States, despite the strong opposition of Arab nationalists and pan-Arabists to any attempt to involve the United States in the Middle East. One result could be seen in his recent campaign to have then-U.S. Secretary of State George Shultz change his mind concerning U.S. recognition of the PLO. According to what Shultz has openly stated, Prince Bandar ibn-Sultan either visited his office or called him at least half a dozen times.

During 1986, in a desperate attempt to bring the Gulf war to an end, the Iraqis escalated their attacks on Iranian oil installations and shipping in the Gulf and in Iran proper. They renewed the bombardment of Iran's cities with missiles and bombers. As a consequence, Kuwaiti and Saudi tankers became even more frequent targets of retribution by Iran.

The Saudi "Oil Weapon"

At the end of 1986 Saudi Arabia began to use its "oil weapon," this time, however, against Iran. The Saudis and their Gulf allies contributed to a glut in the oil market and caused a very sharp fall in the price of oil from \$21 to \$9.50 a barrel.

Once Saudi Arabia decided to change the situation in another effort to appease the Iranians and bring them to agree to a compromise with Iraq, the prices returned to \$17-18 a barrel. The lesson here is that the price of oil in the world market depends on Saudi Arabia, the most important exporter of oil in the world with the largest reserves, estimated at about 25 percent of total world reserves.

Still, in the 1980s there has been a steep decline in the income of all the oil

countries including Saudi Arabia. In fiscal year 1981-82, the Saudis budgeted for expenditures of \$96 billion out of \$110 billion in oil revenues. They managed to spend about \$75-80 billion. But last year their expenditures totalled only \$36 billion, including a deficit of \$13 billion. They have been drawing on their reserves from the past and are cutting down their expenditures.

By the end of 1986, Saudi efforts to appease the Iranians had failed and Teheran continued to refuse to negotiate peace with the Iraqi regime. At this point the Saudis began to connive with Kuwait's Al Sabah ruling family about the possibility of inviting the superpowers into the Gulf. To de-escalate the conflict, they planned to internationalize it. The plan called for leasing three tankers from the Soviets, who would then provide protection in the Gulf, and to offer a similar arrangement to the Americans.

The Kuwaitis are quite sensitive to Saudi wishes. For example, in 1986, as a result of Saudi pressure, the Kuwaiti rulers decided to dissolve their parliament which was dominated by nationalists and fundamentalists. Although a minority totalling less than 15 percent of that body, these groups were the most vociferous and aggressive and hence they controlled the parliament. The Saudis were very unhappy with such a parliament next door to their autocracy.

Of course the last thing the Saudi regime wanted was a Soviet presence in the Gulf. Yet only such an arrangement, it was believed, would be acceptable to the Arab nationalist elements in both countries. In the end it was agreed that the Kuwaitis would reflag eleven of their tankers with the United States flag, with Washington providing the reflagged Kuwaiti tankers protection in the Gulf. Thus an American armada was sent into the north-eastern corner of the Indian Ocean and into the Persian Gulf.

This totally changed the balance of power in the region and infuriated the Soviets. Yet it also enabled Saudi Arabia, usually very timid in its relationships with its neighbors, to suddenly adopt a hard-line

policy towards Iran whom it had been attempting to appease.

Evidence of this new policy was soon apparent. In April 1987 Riyadh began to negotiate with China over the purchase of Silkworm missiles, which they received at the end of the year and which they later threatened to use against Iran if Teheran were to attack them.

At the end of July 1987, during the time of the haj (the Muslim pilgrimage to Mecca) when the Iranians began to demonstrate and riot as they had done for the previous five years, the Saudis met them with massive security forces which opened fire at point blank range, killing over 400 pilgrims, mostly Iranians. Saudi film crews were conveniently present in the area and the film of the rioting at Islam's holiest place was promptly distributed to television networks throughout the world.

The Saudis were able to take such action both because they were sure of American protection and also because they were quite aware of the uproar that the whole matter would cause throughout the Muslim world. Indeed, nothing could be more damaging to Iranian interests in the Muslim world than the fact that they had rioted in Mecca near Islam's holiest shrine. Saudi Arabia not only gained sympathy and support for its action, but the regime was also hailed as the true protector of the holy places against the Shi'ite "infidels," as some Sunnis called them.

In an era of rising Islamic fundamentalism, Saudi Arabia considers itself to be the protector of all the Muslim world. It organized the Islamic Congress whose secretariat and committees are located in Jeddah. The Saudis have been supporting Muslim communities all over the world and have been encouraging Muslims to participate in the politics of their respective countries. They want to make the mark of Islam felt everywhere so that people will have more respect for the Islamic world.

There is no question that the Mecca incident marked a watershed in Saudi attempts to reach a consensus in the Arab camp concerning the Gulf war and the need to curb "the Iranian threat to the Arab countries." The Syrians still

hesitated and did not wish to antagonize their Iranian friends, yet even they agreed that if the Iranians were to attack Saudi Arabia and Kuwait, the Arabs as a whole would come to their aid.

The culmination of this Saudi inter-Arab policy was the Amman summit in November 1987, which the Saudis considered a great success. First, their efforts since 1981 to rehabilitate Egypt in the Arab camp and to readmit that country into the Arab League finally resulted in a partial victory when it was agreed that each Arab country was free to bilaterally renew its relations with Egypt. The Amman summit also agreed that if the Iranians were to threaten to attack Saudi Arabia or Kuwait, the Arab League would meet to determine what action to take against Iran.

The End of the Gulf War

The tide in the Gulf war began to turn very rapidly after April 1988 when the Iraqis recaptured Faw. King Fahd decided to cut his country's relations with Iran; once again the timid Saudis dared to challenge Iran. When Teheran denounced Riyadh for curtailing the number of Iranian pilgrims that would be allowed to participate in the coming haj season, the Saudis obviously felt safe due to the presence of the huge American fleet in the area. In addition, major efforts were taken by Riyadh and the Gulf Cooperation Council (GCC) to increase the power of their armed forces. Huge quantities of arms were purchased by Saudi Arabia and to some extent by Kuwait, the United Arab Emirates, and Oman. Iraqi victories, the "war of the cities," and Iran's economic crisis forced Teheran in July 1988 to declare that it was ready to accept the Security Council's resolution for a cease-fire.

Saudi Arabia emerged from the Gulf war with its policy of active support for Iraq and close relations with the United States totally vindicated. As a result of the war, Iraq is now considered to be within the so-called moderate Arab front which is the most powerful group in the Arab camp today. Iraq is now cooperating

closely with Saudi Arabia, as do Egypt and Jordan, and it is expected that they will continue to do so in the future.

Nevertheless, one of the reasons for the Saudi need to have a continued U.S. presence in the Indian Ocean, at least over the horizon, is because they now fear Iraq more than they fear Iran. They were frightened of the impulsive and extreme behavior of the regime of Saddam Hussein in the past and are concerned because Iraq is emerging as one of the giants among oil producers. They are convinced that they have nothing to fear from the Iranians anymore and that any future instability in the region will be due to the policies of Iraq.

The successful conclusion of the war helped consolidate the stability of the Saudi regime as well. Although there are elements which are very dissatisfied with the regime, especially among the educated elites, they remain powerless. It is this basic stability that contributes to the ability of Saudi Arabia to play a major role in the affairs of the Middle East, including any future moves toward peace in the area.

Implications for Israel

For Israel there is one unpleasant aspect to the growing power of Saudi Arabia. With their billions of dollars the Saudis have been able to purchase enormous quantities of sophisticated weaponry all over the world. In addition to Chinese missiles (which are reported to still be in their crates), the Saudis have purchased more than 100 British-made Tornado warplanes. They are in the process of building a very substantial navy with the help of the French, the Germans and the Americans. They also are expanding their limited armed forces, hoping to double their forces if they have the manpower. But most disturbing is the massive quantity of the weapons, not so much that they are likely to be used by the Saudis themselves, but rather that the Saudis could provide a channel for these weapons to reach other Arab countries, an event which could pose a very grave threat to Israel's security.

In the future Israel will have to give due consideration, on one hand, to the enormous influence that Saudi Arabia has with the United States, which is expected to increase during the Bush Administration. On the other hand, one should not dismiss, as was done in the past, the ability of the Saudis to provide important support for the other confrontation states on Israel's eastern border, not that the Saudis will suddenly be able to threaten Israel themselves, but that they will be able to support others to do so.

King Fahd, who was Crown Prince from 1975 to 1982, surprised many in 1981 when in an interview shortly after the Iran-Iraq war broke out he said that the Gulf war overshadowed the Arab-Israeli conflict. Several months later he reiterated this statement as a partial explanation for an eight-point program to reach a settlement of the Arab-Israeli conflict (the Fahd Plan). This statement and the Fahd Plan are especially significant because Saudi Arabia's anti-Israeli expressions border on anti-Semitism of the worst kind. Apparently they consider the conflict and the PLO to be a threat to stability in the region, and possibly to the Saudi regime as well.

Much of the subversive and nationalistic activity within Saudi Arabia can be traced to various radical Palestinian organizations. Therefore the Saudi experience with the Palestinians has been a very serious and dangerous one and they have been trying for some time to neutralize the Palestinian impact on their intelligentsia and on the Shi'ite workers in the oil fields.

Although the Shi'ites comprise only 10 percent of the total population in Saudi Arabia, most of them live in the eastern oil province where they constitute between 40 and 50 percent. Some 60 percent of those employed by the giant Aramco oil company are Shi'ite. This fact makes clear the great danger to Saudi Arabia posed by the Iranian revolution.

Basis of the Regime's Stability

The recognized royal elements in the House of Saud go back only to Abdul Aziz ibn Saud. The famous ibn Saud's father,

Abdul Rahman ibn Saud, and all his offspring and the offspring of some of his brothers are now legally recognized as royal family. Otherwise the Saud family, from the 18th century when it began its rise, would today number nearly 100,000. As it is, the offspring of Abdul Rahman and his brothers, and especially the recognized branch, the offspring of his son Abdul Aziz ibn Saud total nearly 10,000 people. Abdul Aziz had 72 sons and daughters by many wives through political marriages with the different tribes and power factors in the country. These political marriages are another reason for the stability of the regime, the fact that so many tribes and so many leading families have a stake in the Saudi royal family. They are part of the aristocracy and they receive the benefits. Add to that the 10,000-strong el-Sheikh family, descended from the house of the founder of the Wahabi belief, which maintains an historic alliance with the ruling regime. Add to that the emirs of all the Bedouin tribes who have a stake in the government as well and whose families total some 50,000 people. Add to that all the many others who have benefited from the regime and one finds a very substantial power base of more than 100,000 people, unlike the Shah of Iran who had only his immediate family.

Today there is no longer an indigenous lower class in Saudi Arabia, only middle and upper classes. The lower class are foreign workers, largely from Pakistan, Bangladesh, Indonesia, and elsewhere. The bourgeoisie now include nearly the entire population who have gained something from the government. Such elements do not go to the barricades because they have too much to lose.

Today there exists an enormous class of wealthy and very wealthy people. There are more billionaires in Saudi Arabia than in any other country in the world. One does not have to be very important to become a millionaire, and many are Bedouin.

In fact, urbanization has also taken its toll on the fabled Bedouins of the desert. Today there are less than 5 percent true

Bedouins in Saudi Arabia; all the rest have moved to the towns. Saudi society is now largely an urban society which has retained its chain of loyalty to the ruling family. Government means that the people have an open door to every prince and to the king himself, if time permits and if they wish.

There is a growing Saudi intelligentsia being created by seven local universities that produce 18,000 graduates annually. In addition there are about 20,000 Saudi students abroad, resulting in 4-5,000 graduates a year. Therefore, each year Saudi Arabia receives 22,000 university graduates, nearly all of whom are assured government jobs.

While there are leftist elements in the country, they are very small and powerless. The most serious opposition occurs in the eastern province among the Shi'ites, who also produce radical leftist movements as well as supporters of fundamentalism. But even if they were able to kill one Saudi ruler, there are a hundred others in the Saudi royal family to take his place. In fact, everyone in the royal family is waiting for Fahd to pass away so that there will be some movement in the hierarchy.

Saudi Arabia continues to provide Jordan with substantial financial support for armaments and for the upkeep of the military. The irony is that the Saudis deprived the Hashemites of their original home country — the Hejaz in Arabia — and Hussein is the great grandson of Sherif Hussein ibn Ali of the Hejaz. As late as the 1950s the Saudis were still turning to the United States to protect them against the British-supported unity plans of the Hashemites in the Fertile Crescent which they were sure were aimed against them. Today the Jordanians and the Saudis are the best of friends.

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