Evolving Situation in the Middle East and Future Prospect

A Monograph

By

MAJ Muhammad Khan

Pakistan Army

School of Advanced Military Studies
United States Army Command and General Staff College
Fort Leavenworth, Kansas

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This paper attempts to explore the impact of the prevailing competition among Saudi Arabia, Iran, and Qatar in shaping the future operational environment of the Middle East. This paper argues that the enduring rivalries among key players in the region have and will continue to shape every aspect of the operational environment in the region. In depth understanding of these rivalries will not only offer violable policy options concerning the region but will also help anticipate the future. This paper draws from a wide range of Western and non-Western sources and concludes with a likely change in the future power structure of the region away from the status quo state – Saudi Arabia, towards the revisionist state – Iran.

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Approved by:

_____, Monograph Director
Jacob Stoil, PhD

_____, Seminar Leader
Jason Curl, COL

_____, Director, School of Advanced Military Studies
James C. Markert, COL

Accepted this 25th day of May 2018 by:

_____, Director, Graduate Degree Programs
Robert F. Baumann, PhD

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Abstract

Evolving Situation in the Middle East and the Future Prospect, by MAJ Muhammad Asif Khan, Pakistan Army, 42 pages.

This monograph deals with the International relations and geo-politics of a region of global and strategic importance – Middle East. Using a structured approach, it attempts to explore the impact of the competition among Saudi Arabia, Iran, and Qatar in shaping the future operational environment of the region. This paper argues that the enduring rivalries among key players in the region have and will continue to shape every aspect of the operational environment in the Middle East. The in depth understanding of these rivalries will not only offer violable policy options concerning the region but will also help anticipate the future. This paper draws from a wide range of Western and non-Western sources including books, articles, news, interviews, and official policy statements by the respective governments to draw pertinent conclusions and lessons. This paper concludes with a likely change in the future power structure of the region away from the status quo state – Saudi Arabia, towards the revisionist state – Iran. The recent regional and wider global developments, as discussed in the paper, point to the impending change in the relative power structure of the region, which will have far-reaching regional and global repercussions. This research is useful for all military and civilian professionals to understand the developments in the region in the right context and to be able to proffer viable options, if required.

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Acronyms

A2/AD	Anti-Access, Area Denial
EIU	Economist Intelligence Unit
FTO	Foreign Terrorist Organization
GECF	Gas Exporting Countries Forum
GCC	Gulf Cooperation Council
GWOT	Global War on Terror
ICRO	Islamic Culture and Relations Organization
IFLB	Islamic Front for the Liberation of Bahrain
IRIB	Islamic Republic of Iran Broadcasting
IsDB	Islamic Development Bank
JAN	Jabhat al Nusra
JCPOA	Joint Comprehensive Plan of Action
LNG	Liquefied Natural Gas
MBS	Mohammed Bin Suleman
MRBMs	Medium Range Ballistic Missiles
NPT	Non-Proliferation Treaty
OIR	Operation Inherent Resolve
OIR	Organization for the Islamic Revolution
OPEC	Organization of the Petroleum Exporting Countries
PPP	Purchasing Power Parity
QNV	Qatar National Vision
SLOCs	Sea Lines of Communications
SRBMs	Short Range Ballistic Missiles
THAAD	Terminal High Altitude Area Defense

Introduction

The Middle East, comprising areas of western Asia and northeast Africa, is a region of immense geo-political significance. The world risks becoming ever more reliant on Middle Eastern oil as lower prices derail efforts by other governments to curb demand.[1] However, not every country in the region wields comparable influence and plays a similar role in the regional power dynamics. Geography, resources, government structure, and foreign policy inclinations play an important role in determining the regional power structure. Although many commentators such as Simon Mabon, Robert Mason, Anthony Boone, and Mackenzie Tyler, see the regional developments through the prism of the Saudi-Iran rivalry, Qatar has also emerged as a potential power in the region.[2] Based on the relative power of the regional countries and their influence in the regional developments, this paper considers Iran, Saudi Arabia, and Qatar as the key players in the region. The competing and conflicting interests of these key players play a critical role in shaping the future of the region.

The criteria for demonstrating the influence of these key regional actors consist of five factors. They include religious, cultural, and information operations; trade and economic activity; covert operations; political partnership building; and military developments. Details about these factors give a proximate picture of their strengths, weaknesses, and vulnerabilities. Together these factors indicate the potential for leverage, each possesses to pursue their national interests. Demonstrating the influence of the key players in the region helps define not only their interests and identities but also the effectiveness and compatibility of the ways and means they employ towards their desired ends.

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[1] Anjli Raval and David Sheppard,"IEA Warns of Ever-Growing Reliance on Middle Eastern Oil Supplies," *Financial Times*, July 6, 2016.

[2] Dr Simon Mabon is the lecturer of international relations of the Middle East at Lancaster University, UK and the author of *Saudi Arabia and Iran: Soft Power Rivalry in the Middle East* (London: I.B.Tauris, 2013). Dr. Robert Mason is Associate Professor and Director of the Middle East Studies Center at the American University in Cairo. Anthony Boone and Mackenzie are the editors of the, *Rivalry in the Middle East: Saudi Arabia and Iran (Politics and Economics of the Middle East)* (London: Nova Science, 2012).

In determining the interests and identities of these countries, history, religion, and regional and global aspirations play a significant role. Relentless efforts by each to limit and contain their rivals' influence, using convention and unconventional means, is a hallmark of this competition. Other core interests of these countries include friendly relations with the important global players, maintaining a role in the Arab-Israeli peace process, and economic diversification. Not all of these interests are cause for conflict, however, a deficit of trust and turbulent history precludes meaningful cooperation in areas of mutual interests.

The fault lines among the key players that define the competition in the Middle East vary from geo-politics to religion. The conflicting national interests are rooted in differences over the presence of extra regional forces in the Gulf, ideological and religious divide, oil prices, and the structure of their regimes.[3] This power struggle has resulted in open proxy wars in Iraq, Syria, Lebanon, and Yemen.[4] Iran's nuclear program is a major obstacle in the normalization of the relations.[5] Political Islam and its future role in the region is another core disagreement between the countries.[6] Despite a surplus of conflicting interests, there are areas of cooperation between the regional players. These include counter extremism, security in the gulf, economic cooperation and diversification, and progress on the Arab-Israel peace process.[7]

Although competition among the key players in the region is critical in shaping the future of the Middle East, developments in the greater global geo-politics are significant as well. The role of the United States and other Western nations is of critical importance as are revisionist

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[3] Simon Mabon, *Saudi Arabia and Iran: Soft Power Rivalry in the Middle East* (London: I.B.Tauris, 2013), 22-23.

[4] Max Fisher,"How the Iranian-Saudi Proxy Struggle Tore Apart the Middle East," *New York Times*, November 19, 2016.

[5] Simon Mabon, 43.

[6] Ibid., 65.

[7] Amin Khorami, "Iran, Saudi Arabia, Middle East Arch-Rivals Find Common Ground on IS," *Middle East Eye*, October 7, 2014.

states like Russia and China.[8] Their policies play a key role in generating, influencing, and resolving key regional issues. The ongoing Gulf Cooperation Council (GCC)-Qatari crisis, impending Saudi succession and domestic reforms, and the developments in Lebanon and Yemen, will have a profound impact on the future of the region.[9] The Global War on Terror (GWOT), future of Joint Comprehensive Plan of Action (JCPOA), and influence in the Maghreb and the Horn of Africa will also help shape the future power dynamics in the region.[10] These developments present distinct consequences, opportunities, and possibilities for the new alliances in the transient balance of power that will shape the future of the region.

Chapter 1: Demonstrating the Influence of Key Players

Iran

Religious, Cultural, And Information Operations

Iran, the leading Shia state in the world, enjoys widespread Shia support around the world. The Islamic Culture and Relations Organization (ICRO), the de-facto cultural diplomacy arm of Iran's government oversees cultural activities outside Iran's borders.[11] Iran's global cultural projection includes state-run Islamic Republic of Iran Broadcasting (IRIB) that uses the services of foreign language media outlets. Iran's nationalistic foreign policy has inspired the Arab youth and masses through its "Arab Street Strategy," to pursue its interests and outmaneuver Arab leaders.[12]

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[8] Mercy Kuo, "Geopolitics of US-China-Russia Relations: North Korea and the Middle East," *Diplomat*, May 31, 2017.

[9] Ashley Inman, "The Qatar Crisis and the Future of the GCC," *Charged Affairs*, August 14, 2017.

[10] Rashid Abdi, "A Dangerous Gulf in the Horn: How the Inter-Arab Crisis is Fueling Regional Tensions," *International Crisis Group*, August 3, 2017.

[11] Pierre Pahlavi, "Understanding Iran's Media Diplomacy," *Israel Journal of foreign Affairs* VI 2 (2012), 23.

[12] Trita Parsi, "Arab Spring Seen from Tehran," *Cairo Review of Global Affairs*, November 4, 2010.

Trade and Economic Activity

Iran holds an estimated ten percent of global proven oil reserves – 136 billion barrels, world's third largest proven reserves.[13] It is a member of Gas Exporting Countries Forum (GECF) along with Qatar and Russia, demonstrating its significant status in the global gas market. Regional trade is one area that Iran has tried to use its economic resources for strategic ends.[14] It has strong economic ties to Oman, UAE, Kuwait, and Qatar.[15] Iran also exercises considerable influence over the commerce in the Persian Gulf through a combination of an extended coastline and availability of the seaports for the regional and global trade.[16]

Covert Operations

The use of covert means has helped Iran in achieving political objectives and projecting influence beyond its borders. Iran's support of Hezbollah and Hamas has afforded it strategic advantages. According to Paul Salem, a prominent Lebanese scholar, "The United States parks aircraft carriers in the Gulf next to Iran; Iran parks its own aircraft carrier in Lebanon—Hezbollah—which can wreak great destruction on Israel at a moment's notice."[17] Hamas provides Iran a foothold in the Gaza strip and a say in the Israeli-Palestinian peace process.[18] Iran also enjoys varying degrees of influence in Yemen, Bahrain, and Afghanistan through covert

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[13] Shayerah Ilias, "Iran's Economic Conditions: U.S. Policy Issues," *Congressional Research Service*, April 22, 2010. U.S. Department of Energy, Energy Information Administration, Country Analysis Briefs, Saudi Arabia and Iran, August 2008.

[14] Nader Habibi, "The Impact of Sanctions on Iran-GCC Economic Relations," *Middle East Brief, Crown Center for Middle East Studies*, no. 45 (November 2010): 3.

[15] Andrew Bowen, "The GCC's Complicated Affair with Iran," *AEI* (Washington), September 13, 2017.

[16] Sina Azodi, "Iran, the US, and the Persian Gulf," *Diplomat*, November 5, 2016.

[17] Hugh Sykes, "Iran's Lebanese 'Aircraft Carrier," *BBC World News*, June 5, 2008.

[18] Rachel Brandenburg, "The Iran Primer: Iran and Palestinians," *United States Institute of Peace*, October 13, 2010.

operations.[19] In Yemen, the Quds Force reportedly supports Houthi rebels against the Yemeni government and its Saudi allies.[20]

Political Partnership Building

Iran's relations with Russia and China as well as with the emerging powers, India and Brazil, balance Western actions against the regime, helping it neutralize Western isolation and sanctions.[21] Iran's attempt at regional economic diplomacy has been one method that Tehran employs to draw its Arab neighbors away from the United States.[22] Tehran took advantage of the US military interventions in Iraq and Afghanistan to expand its client base and establish new client networks while putting pressure on US forces.[23] Iran has engaged Oman, Kuwait, and Qatar with low level calculated security agreements such as targeting criminal and smuggling networks to demonstrate a certain level of collaboration.[24] Therefore, by exploiting intra Gulf divisions, Iran has successfully prevented the formulation of a hostile joint front from the Gulf Cooperation Council (GCC).[25]

Military Development and its Nuclear Program

Even without nuclear weapons, Iran possesses a formidable military force. Iran has a sophisticated missile program, including Short Range Ballistic Missiles (SRBMs) with Shahab 1

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[19] Pramod Sedhain, "Iran's wider role and influence in the Middle East," *Daily Journalist*, December 18, 2014.

[20] Report No 125 Middle East, "Yemen: Enduring Conflicts, Threatened Transition," *International Crisis Group*, July 3, 2012.

[21] Samy Adghirni, "Crisis-Ridden Brazil Lures Iran and India on Oil Deal," *Bloomberg*, December 27, 2017.

[22] Nader Habibi, "The Impact of Sanctions on Iran-GCC Economic Relations," *Middle East Brief, Crown Center for Middle East Studies*, no. 45 (November 2010): 2-3.

[23] Dexter Filkins, "The Shadow Commander." *New Yorker*, September 30, 2013.

[24] Giorgio Cafiero and Daniel Wagner, "Iran Exposes the Myth of GCC Unity," *National Interest*, September 7, 2015.

[25] Mohammed Ayoob, "The Saudi-Qatar Crisis Amounts to a Big Win for Iran," *National Interest*, September 4, 2017.

and II series (Range 500km) and Medium Range Ballistic Missiles (MRBMs) with Shahab III and its variants, Seijil and Ashura (Range 2000km).[26] An anti-access, area denial (A2/AD) capability and strategic position on the Persian Gulf with vulnerable Arab oil and gas infrastructure along its Sea Lines of Communications (SLOCs), affords it the capability to block or disrupt the critical energy supply route – the Strait of Hormuz. Any closure, even temporarily, will send shock waves around the world, potentially landing a blow to the global energy market and economy.[27]

Kingdom of Saudi Arabia

Religious, Cultural, and Information Operations

Saudi Arabia is the birthplace of Islam and the custodian of religion's two holiest sites, Mecca and Medina, making it the *de facto* spiritual hub of the Muslim World. Millions of Muslims gather each year at Mecca for the annual Hajj pilgrimage. Muslims widely read and speak Arabic around the world, the language of *The Quran*. The proliferation of its culture beyond its boundaries may not be discernable; nonetheless, it gets natural admiration and respect from many Muslim countries. The Kingdom has a young population with fifty percent under twenty-five years of age, which coupled the increased significance of social media and the highest density of smart phones in the world, makes it a country booming with its young population.[28] [29]

[26] Steven Hildreth, "Iran's Ballistic Missile and Space Launch Programs," *Congressional Research Service*, December 6, 2012.

[27] Agustino Fontevecchia, "Oil: Iran's Hormuz Threats Could Wreck Global Economic Havoc," *Forbes*, December 13, 2011.

[28] Caryle Murphy, "Saudi Arabia's Youth and the Kingdom's Future," *Woodrow Wilson International Center for Scholars*, January 17, 2012.

[29] *Economist*, "Why Saudis Are Ardent Social Media Fans," March 23, 2015.

Trade and Economic Activity

Saudi Arabia has the largest oil reserves in the world with 267 billion barrels.[30] The Kingdom can influence oil prices, and global economy by fluctuating its oil production. Some observers speculate that the Kingdom's desire to pressure adversaries in Iran and Russia, maintain its share in Asian oil markets, continue the growth of the non-oil sector at home, and reduce the economic viability of unconventional oil production in North America and other regions resulted in the recent drop in the oil prices.[31] Moreover, the Islamic Development Bank (IsDB), headquartered in Jeddah, Saudi Arabia, is a tool for extending the Kingdom's influence by making investments in countries around the world.[32]

Covert Operations

The Saudis view the use of proxies as vital to promote their national interests and counter Iran's.[33] In pursuit of this visualization, they have covertly funded and supported various non-state actors in the region from Lebanon to Yemen and Afghanistan.[34] The Kingdom has actively supported anti-regime rebel groups in Syria and Sunni insurgents in Iraq to counter Iran's growing influence, especially after the removal of Saddam Hussein.[35] Their support for the Hariri

[30] US Department of Energy, Energy Information Administration, Country Analysis Briefs, Saudi Arabia and Iran, August 2008.

[31] Christopher Blanchard, "Saudi Arabia: Background and U.S. Relations," *Congressional Research Service*, September 8, 2015.

[32] Hossein Askari, "Islamic Development Bank – Another Saudi Stooge," *Huffpost*, November 13, 2017.

[33] Max Fisher, "How the Iranian-Saudi Proxy Struggle Tore Apart the Middle East," *New York Times*, November 19, 2016.

[34] Murtaza Hussain, "Saudi Arabia's Incompetence Would Be Comical if it Weren't Killing So Many People," *Intercept*, November 17, 2017.

[35] Tom O'Connor, "Saudi Arabia Gathers Allies Against Iran 'Terror,' but Lebanon, Iraq and Syria Don't Show, *Newsweek*, November 20, 2017.

family in Lebanon, Al Khalifa in Bahrain and President Hadi in Yemen is primarily the result of their desire to maintain their influence and to minimize Iran's.[36]

Political Partnership Building

Saudi Arabia's alliance with the United States and its allied western countries, since WWII, has been instrumental in its regional geo-politics. In exchange for legitimacy, diplomatic capital, and protection for the House of Saud, the Kingdom has provided energy security to its partner nations.[37] The Kingdom has built a coalition of thirty-four Muslim countries to combat regional threats.

Riyadh appears to be diversifying its foreign policy options. An example is the historic visit of King Abdullah, the first sitting Saudi monarch to Moscow in an outreach to Russia.[38] Saudi Arabia, already China's and India's largest oil supplier, is seeking to build new refineries in order to enhance its political and economic relations with these two major powers.[39]

Military Development

Saudi Arabia has traditionally relied on the US security guarantees and defense acquisitions for its security requirements by buying defense equipment worth billions of dollars. The recent arms deal, concluded in May 2017, worth $110 billion, includes the Terminal High Altitude Area Defense (THAAD) system.[40] The Kingdom has also signed an arms deal worth more than $3

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[36] Philip Bump, "An Overview of the Tensions Between Saudi Arabia and its Neighbors," *Washington Post*, November 9, 2017.

[37] Robert Fisk, "Saudi Arabia's History of Hypocrisy We Choose to Ignore," *Independent*, January 14, 2015.

[38] *Al Jazeera*, "Saudi King, Putin Agree Deals on Historic Russia Trip," October 5, 2017.

[39] Aaron Mattis, "Oil Sheik-Down, Saudi Arabia's Struggle to Contain Iran," *Harvard International Review*, May 1, 2010.

[40] Travel Thrall, "Is Trump's Saudi Arms deal the Worst Arms Deal Ever?," *Washington Examiner*, May 25, 2017.

billion to supply Riyadh with S-400 Russian air defense systems.[41] This has helped the kingdom to adopt an aggressive and proactive role in the regional disputes and conflicts. In December 2015, Saudi Arabia established a thirty-four member military coalition to fight militants such as the Islamic State and Al Qaeda but this does not stop the Kingdom from using the coalition for its national interests.[42]

Qatar

Religious, Cultural, and Information Operations

Qatar officially subscribes to Wahhabism, a conservative Islamic tradition that it shares with Saudi Arabia.[43] Its population includes expatriates from neighboring countries as well as from South and South East Asia. Muslims constitute 77.5% of the population, of which about 90% are Sunni.[44] The emirate's global image received a huge boost with its winning bid to host the FIFA Football World Cup 2022. State Sponsored Al Jazeera is a popular news network in the region, propagating the state's policy.[45]

Trade and Economic Activity

Qatar's GDP per capita of $130,000 (2016) on Purchasing Power Parity (PPP) basis is the highest in the world.[46] The Emirate's twenty-five billion barrel oil reserves are sufficient for fifty

[41] *Japan Times*, "Saudi King and Putin Set to Clinch Energy and Arms Deals During Landmark Russia Visit," October 5, 2017.

[42] Noah Browning and John Irish, "Saudi Arabia Announces 34-State Islamic Military Coalition Against Militants," *Reuters*, December 14, 2015.

[43] Kenneth Katzman, "Qatar: Governance, Security, and US Policy," *Congressional Research Service*, October 19, 2017.

[44] Ibid.

[45] Zachary Laub, "How Al Jazeera Amplifies Qatar's Clout," *Council on Foreign Relations*, July 12, 2017.

[46] Kenneth Katzman, "Qatar: Governance, Security, and U.S. Policy," *Congressional Research Service*, June 29, 2017.

years.[47] Its proven reserves of natural gas exceed twenty-five trillion cubic meters, about thirteen percent of the world's total and is the third largest in the world. Oil and gas still account for ninety-two percent of Qatar's export earnings, and fifty-six percent of government revenues.[48] Qatar and Iran share the world's largest gas field in the Persian Gulf, 'North Dome' in Qatar and 'South Pars' in Iran, off its northern coast.[49] Qatar is the world's largest exporter of liquefied natural gas (LNG) and produces up to 77 million tons of gas each year.[50] Qatar's investment in the United States, United Kingdom, and other European countries is a source of its economic influence.

Covert Operations

Qatar uses all means, including proxy forces, to project power and influence in the region. The emirate funded the Islamist revolutionaries in Libya and sent hundreds of troops to support the rebels that overthrew Gadhafi in 2011.[51] It has also funded the anti-regime extremist Sunni groups in Syria with ties to the Al Nusra front, battling to overthrow President Assad.[52] The emirate has also directly or indirectly funded and supported rival factions in Palestine, Lebanon, Sudan, Bahrain, and Yemen.[53] This independent but high-risk approach has turned Doha into a diplomatic hub for negotiating regional conflicts.

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[47] Ibid.

[48] CIA World Factbook, June 2016, accessed December 15, 2017, https://www.cia.gov/library/publications/the-world-factbook/geos/print_qa.html.

[49] Inforgraphic, "Qatar-Iran Ties: Sharing the World's Largest Gas Field," *Al Jazeera*, June 15, 2017.

[50] Ibid.

[51] Ian Black, "Qatar Admits Sending Hundreds of Troops to Support Libya Rebels," *Guardian*, October 26, 2011, accessed December 15, 2017, https://www.theguardian.com/ world/2011/oct/26/qatar-troops-libya-rebels-support.

[52] Feature, "How Qatar Carefully Nurtured Al Nusra to Sow Mayhem," *Al Arabia*, July 6, 2017.

[53] Kenneth, Katzman, "Qatar: Governance, Security, and U.S. Policy," *Congressional Research Service*, June 29, 2017.

Political Partnership Building

Qatar has successfully balanced its relations with countries that have adversarial relations among themselves, including Iran, Israel, and the United States. Consequently, it has emerged as the regional diplomatic broker. Qatar brokered the "Doha Agreement" in 2008 to stop the fighting between rival factions in Lebanon.[54] In 2010, the emirate mediated the Darfur Crisis in Sudan and hosted Afghan Taliban leaders for talks with Afghan officials and the US in 2013.[55] The recent GCC crisis appears to have helped Qatar rebalance its relations with neighboring and regional countries. Support from Turkey and Iran in the intra GCC conflict validates the success of its independent foreign policy and enables it to withstand the crisis.

Military Development

Qatar is dependent on US security guarantees. It has also made agreements for defense acquisitions including the recent deal to buy seventy-two US-made F-15 fighter jets at an estimated cost of $12 billion.[56] Its military has participated in the Libyan and Yemeni crises on the side of NATO and Saudi coalitions respectively.[57] Qatar hosts important military bases and installations for the United States and Turkey. The US airbase Al Udeid is a key logistics hub, housing 10,000 US forces for operations in Afghanistan, Syria, Iraq, and Operation Inherent Resolve (OIR) against ISIS.[58] Qatar also hosts the As Sayliyah base, the largest pre-positioning facility of US military equipment in the world, in addition to the regional headquarters for US Central Command (USCENTCOM).[59]

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[54] Nada Bakri and Alan Cowell, "Lebanese Reach Agreement to Resolve 18-Month Political Crisis," *New York Times*, May 21, 2008.

[55] *CNN*, "Sudan Signs Cease-Fire Agreement With Darfur Rebels," March 18, 2010. Matthew Rosenberg and Alissa Rubin, "Taliban Step Toward Afghan Peace Talks is Hailed by U.S.," *New York Times*, June 18, 2013.

[56] *BBC News,* "Qatar Buys F-15 Fighter Planes in Billion-Dollar US Deal," June 15, 2017.

[57] Ian Black, "Qatar Admits Sending Hundreds of Troops to Support Libya Rebels," *Guardian*, October 26, 2011.

[58] Christopher Blanchard, "Qatar: Background and US Relations." *Congressional Research Service*, January 24, 2008."

[59] Ibid.

Chapter 2: Interests and Identities

Iran

Iran's worldview shows the influence of history and religion. During 1960s, Iran under Reza Shah, shared mutual security concerns with Saudi Arabia against the anti-monarchist and pan-Arab platforms of Gamal Abd al-Nasser and Saddam Hussein.[60] Their relations deteriorated with the Islamic Revolution in 1979. Iran's current international affairs strategy has four main priorities: preserving the Islamic regime, safeguarding Iran's sovereignty, defending its nuclear ambitions, and expanding its influence in the region and the Islamic world.[61]

Iranian goals in the Gulf include extending its political, economic, and military influence while limiting the influence of its rival countries in the region. Iran is opposed to the presence of the extra regional forces in the Gulf and sees them as a source of instability.[62] Years of sanctions and international isolation have left its aging energy infrastructure in dire need of foreign investment. Successful completion of the Joint JCPOA has opened new doors for cooperation with the EU, Russia, China, and India.[63] It has signed several agreements with friendly countries for investments in their hydrocarbons and infrastructure.[64] [65]

Tehran lost influence in the Persian Gulf during the Iran-Iraq war (1980-88), in part because of the Gulf countries' support for Saddam Hussein. Following the fall of the Soviet Union,

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[60] Frederic Wehrey et al., *Saudi-Iranian Relations Since the Fall of SADDAM: Rivalry, Cooperation, and Implications for U.S. Policy* (Santa Monica, CA: RAND Corporation, 2009), 12.

[61] Dennis Blair, "Annual Threat Assessment of the US Intelligence Community For the Senate Select Committee on Intelligence," February 2, 2010.

[62] Ahmad Majidyar, "Iran Steps Up Efforts to Oust US Military From the Middle East," *Middle East Institute*, June 28, 2017.

[63] Associated Press, "Iran Signs $5-Billion Deal With France's Total and Chinese Oil Company to Develop Natural Gas Field," *Los Angeles Times*, July 3, 2017.

[64] Andrew Korybko, "Russia's Iranian Energy Deal Killed Four Birds With One Stone," *Global Research*, November 4, 2017.

[65] *Financial Tribune* (Tehran), "Iran China Sign $10 Billion Finance Deal," September 14, 2017.

Tehran was keen to expand its influence in Central Asia as compensation for the influence it had lost in the Gulf.[66] The 1990 invasion of Kuwait highlighted Iraq as a shared threat. The subsequent postwar domestic crisis in Saudi Arabia strengthened the argument for rapprochement, which led to the warming of relations during the 90s.[67] In Afghanistan, Iran's support for Hazara groups also distanced Tehran from Saudi Arabia and the United States during the accords in 1992 and 1993.[68] Iran did not realize that Saudi Arabia was trying to encircle it and was surprisingly slow to appreciate the threat from the Saudi-backed Taliban.[69]

Iran's regional and strategic policy hinges on friendly relations with Syria and Hezbollah in Lebanon.[70] Damascus has been Tehran's main strategic ally in the region since the Iran-Iraq war. Tehran aims to extend its influence through to the Mediterranean via Iraq, Syria, and Lebanon, making a "Shia Crescent."[71] Maintenance of friendly relations with Hamas is also a vital Iranian interest. These relations became another casualty of the Syrian crisis, with Hamas declaring support for the rebellion and abandoning Assad.[72] The recent thawing of relations between Hamas and Fatah signals improvement of bilateral relations between Iran and Hamas.[73] The

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[66] Henner Furtig, *Iran's Rivalry with Saudi Arabia Between the Gulf Wars* (New York: Ithaca Press, 2006), 179.

[67] Frederic Wehrey et al., *Saudi-Iranian Relations Since the Fall of SADDAM: Rivalry, Cooperation, and Implications for U.S. Policy* (Santa Monica, CA: RAND Corporation, 2009), 17.

[68] Ahmed Rashid, Taliban: *Militant Islam, Oil and Fundamentalism in Central Asia* (New Haven, CT: Yale University Press, 2000), 199. See also Mohsen Milani, "Iran's Policy Toward Afghanistan," *Middle East Journal*, Vol. 60, No. 2, Spring 2006.

[69] Ibid., 203.

[70] Hanin Ghaddar, "Iran May Be Using Iraq and Syria as a Bridge to Lebanon," *Washington Institute*, November 23, 2016.

[71] Carlo Munoz, "Iran Nears Completion of 'Shiite Crescent' Across Middle East; Land Bridge to Pose U.S. Challenges," *Washington Times*, December 5, 2017.

[72] Kevin Flower, "Hamas Breaks with Damascus," *CNN*, February 24, 2012, accessed December 16, 2017, http://edition.cnn.com/2012/02/24/world/meast/syria-hamas/.

[73] News and Analysis, "Despite Reconciliation Deal, Hamas Reaffirms Good Ties to Iran and Maintains Armed Wing," *Arab Weekly* (London), October 29, 2017.

dissatisfaction of the Shia population in Yemen is another opportunity for Iran. The strategic Strait of Bab Al Mandoob will give Iran influence around the Red Sea, encircling Saudi Arabia.

To promote its policies while undermining that of its rivals in the region, Iran has used the "Arab Street" approach to reach directly to the masses, bypassing and undermining their governments.[74] To that end, they have exploited the lack of support GCC countries, particularly Saudi Arabia, have given to the Palestinian cause. Iran also provides support to the dissident Shia groups in the region for political reasons. These groups include the Organization for the Islamic Revolution (OIR) on the Arabian Peninsula, the Islamic Front for the Liberation of Bahrain (IFLB), the Hizb-e Wahdat in Afghanistan, the Daawa Party in Iraq, Hezbollah groups in Kuwait and the Gulf, and the Lebanese Hezbollah.[75]

KSA

Saudi Arabia yearns for a dominant position in the region amid rising opposition and competition from Iran and other GCC countries. Ever since the Islamic revolution in Iran, bilateral ideological, geo-political, and economic relations have deteriorated. For Saudi Arabia, the fall of the Shah and the rise of Khomeini threatened the territorial integrity of Saudi Arabia by appealing to its disenfranchised Shi'a population in the Eastern Province, unsettling the al-Saud's confidence about the reliability of support from the United States, and challenging their claim to Islamic leadership.[76]

Limiting and containing Iranian influence in the region is a core Saudi interest leading to major policy and international relations decisions. Tied to this is another core interest – strategic

[74] Simon Mabon, *Saudi Arabia and Iran: Soft Power Rivalry in the Middle East* (London: I.B.Tauris, 2013), 64.

[75] Raymond Hinnebusch, *The International Politics of the Middle East* (Manchester: Manchester University Press, 2003), 194.

[76] Frederic Wehrey et al., *Saudi-Iranian Relations Since the Fall of Saddam: Rivalry, Cooperation, and Implications for U.S. Policy* (Santa Monica, CA: RAND Corporation, 2009), 13.

alliance with the United States.[77] To limit Tehran's influence in the region they support the anti-regime rebel groups in Syria; some of those have ties to the Al Qaeda-linked Jabhat Al-Nusra.[78] In Lebanon and the Palestinian Territories, this means they support Hariri and Mahmood Abbas respectively. In Iraq, this means supporting the Sunni insurgents, in Yemen opposing the Houthis, and in Bahrain it is support for King Khalifa.

Saudi Arabia has used regional proxies to spread its influence in the region. The Soviet Union's invasion of Afghanistan in 1979 was an opportunity to reaffirm its Islamic legitimacy in the face of challenges by Khomeini. Riyadh took the lead in financing, recruiting, and providing diplomatic support to the Mujahedeen fighters from all over the world. The Kingdom financed hundreds of thousands of new religious seminaries in Pakistan, exporting their version of Wahabi Islam.[79] Saudi Arabia has also supported proxy forces in Syria, Iraq, Bahrain, Lebanon, and Palestine.[80] The Iraq Study Group Report detailed Saudi involvement in the funding of the Sunni insurgency in Iraq.[81]

Security and stability in the Gulf region is a vital interest of both Saudi Arabia and the United States. The Strait of Hormuz, the world's most important choke point for oil trade is a vulnerability for the kingdom. Iran has exploited this vulnerability by making statements about its closure in potential conflict.[82] Saudi Arabia has vehemently opposed the Iran nuclear deal. A non-

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[77] Michael Pregent, "Saudi Arabia is a Great American Ally," *Foreign Policy*, April 20, 2016.

[78] Patrick Cockburn, "We Finally Know What Hillary Clinton Knew All Along – US Allies Saudi Arabia and Qatar are Funding ISIS," *Independent*, October 14, 2016.

[79] James Dorsey, "Creating Frankestan: The Saudi Support for the Ultra-Conservatism," *Globalist*, August 26, 2016.

[80] Niki Blasina, "Saudi Arabia Iran: Four Proxy Conflicts Explained," *Wall Street Journal*, December 8, 2017.

[81] James Baker III and Lee Hamilton, *The Iraq Study Group Report: The Way Forward—A New Approach* (New York: Vintage Books, 2006).

[82] Chris Summers, "Iran Threatens to Close the Strait of Hormuz to the US and its Allies if They 'Threaten' the Islamic Republic," *Daily Mail*, May 4, 2016.

nuclear Iran is a core Saudi interest for maintenance of the strategic balance in the region. The Kingdom sees the impact of Iran's nuclear deal in terms of its effects on regional and global geo-politics. It could also strengthen the Iranian economy for foreign investment causing a net loss for the Kingdom in this zero sum game.

Curtailing the spread of extremism is another Saudi interest in the region. Saudi Arabia faces real security threats from terrorist organizations, including Al Qaeda and ISIS. Although ISIS shares the same religious ideology of Wahhabism, they differ from official Saudi clerics in their hostility toward the Al Saud family.[83] Riyadh is looking to check the spread of radicalization and marginalize Islamists in the Kingdom to promote tolerance, enlightenment, and harmony. Saudi Arabia is also diversifying their economy to ensure long-term economic viability. In June 2016, Saudi Arabia launched Vision 2030, an economic plan that seeks to move the economy away from oil dependency.[84]

Influence in the Maghreb and controlling the instability in the Horn of Africa are important Saudi interests to outmaneuver its regional rivals. Seeking support for its war in Yemen, the Kingdom has engaged with Tunisia, Morocco, and Libya. The Moroccan government joined the Saudi coalition, contributing 1,500 troops to the fight.[85] Influence in the Horn of Africa, a region it considers its sphere of influence, both provides energy security to Riyadh and enables Riyadh to block access to the Yemen.[86] Economic opportunities are also critical for the Kingdom's active involvement in the Horn of Africa and North Africa.

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[83] Cole Bunzel, "The Kingdom and the Caliphate: Duel of the Islamic States," *Carnegie Endowment for International Peace*, February 18, 2016.

[84] *Middle East Eye*, "Saudi Economic Diversification Plan Finalized," June 6, 2016, accessed September 10, 2016, http://www.middleeasteye.net/news/saudi-economic-diversification-planfinalised-2079548267.

[85] *Al-Arabiya*, "Morocco Voices Full Support for Saudi Arabia," March 26, 2015.

[86] Rashid Abdi, "A Dangerous Gulf in the Horn: How the Inter-Arab Crisis is Fueling Regional Tensions," *International Crisis Group*, August 3, 2017.

Protection of the royal family, the House of Saud, is a vital interest for the Kingdom. The Arab Spring brought fears of internal revolt and fragmentation. Survival of the monarchs, domestic stability, and regional competition with Iran are other significant issues.[87] Saudi Arabia declared the Muslim Brotherhood a terrorist organization as the Arab Spring led to the military coup against President Morsi in Egypt.[88] [89] Saudi authorities arrested hundreds of Sunni activists during the initial months of the Arab Spring, contained Shia protests in the Eastern Province, and launched a US$130 billion package of new domestic subsidies in early 2011.[90] The Kingdom also introduced moderate domestic reforms to open up the society and remove cultural barriers for women's empowerment.

Qatar

In line with its national interests, Qatar has balanced relations with regional and outside countries. Qatar has exploited the Saudi-Iranian competition to carve out a highly independent, proactive, and paradoxical foreign policy.[91] The emirate has relied on gas more than oil to free itself of Saudi influence, and now produces thirty percent of global Liquefied Natural Gas (LNG). It also maintains close relations with the United States, Iran, Israel, Hamas, the Muslim Brotherhood, and recently with Russia.[92] [93] The core interests of the emirate include balanced

[87] *Gulf Research Center*, "In Search of Stability: Saudi Arabia and the Arab Spring," 2013.

[88] *BBC News*, "Saudi Arabia Declares Muslim Brotherhood 'Terrorist Group'," March 7, 2014.

[89] *Arab News*, "$4 Billion Saudi Aid for Egypt," May 22, 2011.

[90] Madawi Al-Rasheed, "*Saudi Arabia's Foreign Policy: Loss Without Gain?*" *In New Politics of Intervention*, Vol 1, edited by LSE Middle East Centre (London: London School of Economics, 2015), 33-34.

[91] Frederic Wehrey et al., *Saudi-Iranian Relations Since the Fall of SADDAM: Rivalry, Cooperation, and Implications for U.S. Policy* (Santa Monica, CA: RAND Corporation, 2009), 48.

[92] Ben Abbs, "Saudi Arabia's Escalating Foreign Policy: The Qatar Crisis is Just the Beginning," *Global Risk Insights*, October 1, 2017.

[93] Marc Champion, "Saudi Dispute With Qatar Has 22-Year History Rooted in Gas," *Bloomberg*, June 6, 2017.

relations with regional and global stakeholders, outreach in the Maghreb and Horn of Africa, and economic diversification.[94]

Friendly relations with the United States and other global powers are core interests for Doha. Its dependence on US protection allows it freedom to use funds elsewhere as other regional competitors continue to spend a lot of money on their defense. However, that has not stopped the emirate from bolstering its defense capabilities. The purchase of twenty-four Eurofighter Typhoon aircraft from the UK, twenty-four Dassault Rafale fighter jets from France and thirty-six Boeing F-15 Eagles from the United States does more than strengthen its defense; it provides diplomatic and political capital.[95]

For Qatar, maintenance of working relations with Iran is an economic necessity. Iran can potentially disrupt Qatar's access to the north gas field, which would be a major economic blow. Friendly relations with Iran also helps with regional balancing against Riyadh. Much to the frustration of Riyadh, Doha has shown goodwill for Iran in several ways. In April 2017, they lifted a self-imposed freeze on gas exploration and output, when Iran caught up with Qatar's gas production.[96] This working relationship appears to be strengthening in the aftermath of the recent Qatari-GCC conflict.[97]

Qatar has always sought a role in the Israeli-Palestinian peace process, a key indicator of influence for any Middle Eastern power. Qatar, which supports Hamas, has hosted reconciliation

[94] Rashid Abdi, "A Dangerous Gulf in the Horn: How the Inter-Arab Crisis is Fueling Regional Tensions," *International Crisis Group*, August 3, 2017.

[95] Zachary Kack, "Why is Qatar Building a Massive Air Force," *National Interest*, September 29, 2017.

[96] Ben Abbs, "Saudi Arabia's Escalating Foreign Policy: the Qatar Crisis is Just the Beginning," *Global Risk Insights*, October 1, 2017.

[97] Dominic Dudley, "How Qatar is Pushed into the Arms of Iran by Saudi Arabia and its Allies," *Forbes*, November 27, 2017.

talks between Hamas and Fatah.[98] Qatar worked to bring the two sides together after Khaled Mashal indicated that ruling the Gaza Strip was difficult for Hamas alone.[99] These efforts, which culminated in the recent unity deal between Hamas and Fatah appear to be positioning Qatar as a participant in any future Arab-Israeli peace process.

As Doha develops an independent foreign policy, its support to many proxy groups in regional conflicts upsets other regional countries. The emirate has been active in supporting anti-Assad rebels in Syria by providing weaponry.[100] Also after the Arab Spring, in contrast to other countries, Qatar has embraced and supported the Muslim Brotherhood and Islamist parties. The support, however, dates to before Arab Spring. The former emir, Sheikh Hamad bin Khalifa Al Thani was very close with the Muslim Brotherhood's current spiritual leader, Egyptian-born cleric Sheikh Yusuf al-Qaradawi, who has lived in Qatar since 1961.[101]

Influence in the Maghreb and the Horn of Africa for political and economic reasons is an important interest for the emirate. Qatar's government has supported Islamists in the Maghreb, especially in Libya and Tunisia. Qatar's sway peaked in the first two years following the Arab uprisings, as its allies, primarily political Islamists, led transitions in Egypt, Libya, Tunisia and Morocco.[102] The support decreased, but was not eliminated, after the overthrow of President Morsi in Egypt, the Islamist Ennahda party's withdrawal from power in Tunisia and the quasi

[98] Dov Lieber, "Abbas Meets Hamas Leaders Mashaal and Haniyeh in Qatar," *Times of Israel*, October 27, 2016.

[99] Peter Baker, "Palestinian Rivals Try, Again, to Bridge Divide," *New York Times*, October 28, 2016.

[100] Mark Mazzetti and Matt Apuzzo, "U.S. Relies Heavily on Saudi Money to Support Syrian Rebels," *New York Times*, January 23, 2016, accessed December 18, 2017, http://www.nytimes.com/2016/01/24/world/middleeast/us-relies-heavily-on-saudi-money-tosupport-syrian-rebels.html?_r=0.

[101] Nawaf Obaid, "Qatar is Playing a Dangerous Game of Political Chickens," *National Interest*, August 6, 2017.

[102] Youssef Cherif, "Everyone is Taking Sides in the Qatar Crisis. Here's Why These Four North African Countries Aren't," *Washington Post*, September 7, 2017.

state-collapse in Libya.[103] Competition with other GCC countries for political and economic influence guides Doha's policies in the Horn of Africa. The emirate has been steadily bolstering its relations with east African countries.

Economic diversification is an import interest for the emirate, especially as the price of hydrocarbons fall. The Economist Intelligence Unit (EIU) estimates that in 2016 Qatar ran its first budget deficit (about US$13 billion) and Qatar's GDP growth rate also slowed to below three percent in 2016, down from over four percent during each year between 2013-2015.[104] Qatar's response has been the Qatar National Vision 2030 (QNV), Qatari government's central strategic document on socioeconomic development and other development related national initiatives. These are based around four development pillars: human, social, economic, and environmental.[105] [106] Moreover, economic diversification opportunities in North Africa, both in the stable countries and potentially in a future Libya, are also driving Qatari support for likeminded forces in the region.

Chapter 3: Fault Lines and Areas of Cooperation

KSA - Iran

International relations is the only form of social relationship where violence is commonplace and considered normal.[107] This is particularly true for the Middle East. The Riyadh – Tehran rivalry is a manifestation of fundamental disagreements and friction points that range from geo-

[103] Ibid.

[104] Economist Intelligence Unit, May 2, 2016.

[105] Matthew Gray, *Qatar: Politics and Challenges of Development* (London: Lynne Rienner Publishers, 2013), 119.

[106] Qatar General Secretariat for Development Planning, *Qatar National Vision 2030* (Doha, Qatar, 2008), 6.

[107] Raymond Aron, *Peace and War: A Theory of International Relations* (New Brunswick, Canada: Transaction Publishers, 2003), 190.

politics to religion. Understanding the religious and ideological divide is critical. Although religion and ideology are not the main reasons driving this rivalry, they do help shape it. Major sources of friction between the two countries include presence of US forces in the Gulf and the Saudi-US defense cooperation. They also include support for rival factions in regional disputes and conflicts, ideology, and a religious divide.

Ideology and the structure of their regimes are major friction points between the two countries. Iran's anti-monarchy, populist, theocratic government, since the Islamic Revolution 1979, stands in stark contrast to the Saudi Kingdom. Saudi Arabia is a monarchy that draws its legitimacy from the custodianship of the two holiest sites in Islam, right of the dynastic rule, support from the Wahhabi clerics, and US support.[108] With their inherent differences, Iran and Saudi Arabia have been exporting contrasting ideologies and funding different proxy groups for more than three decades.[109]

Iran is a predominantly Shiite theocracy; Saudi Arabia is a predominantly Sunni monarchy.[110] Conflicts in Iraq, Syria, Yemen, and Lebanon find the two countries supporting the rival factions. Saudi Arabia has for decades engaged in one of the most expensive ideological campaigns in the world. These proselytize the Wahhabi faith in East Africa, eventually mutating into violent extremism and helping in the formation of Somalia's al-Shabaab.[111] Another region for their rivalry emerged after the break-up of the Soviet Union in the new independent Muslim states of the Central Asian Republics. Riyadh saw the area as ripe for the spread of Salafism among the

[108] Catherine Shakdam, "Believe it or Not, Pluralistic Democracy is Thriving in Iran," *RT Television Network*, March 2, 2016.

[109] Ibid.

[110] Ibid.

[111] Theodore Karasik and Maya Yang, "Horn of Africa Feels Geo-Political Impact of Qatar Crisis," *Fair Observer*, November 7, 2017.

predominately Sunni populations of the Central Asian republics as a means to "out-Islamicize" Tehran.[112]

Iraq has always been an important contest for the Gulf center of power and especially for Riyadh and Tehran. A weak Iraq increases the rivalry between Saudi Arabia and Iran, whereas a strong Iraq can stabilize or moderate the tensions.[113] It was ostensibly because of this fear that in 2003, Riyadh and Tehran issued joint declarations opposing any US invasion, fearing regional instability caused by its disintegration.[114] It did not take long for their fears to come true. The US invasion, however, favored Iran as it liberated the Shia majority in the country from Saddam led Baath party, diminishing the Saudi influence. In the post Saddam Iraq, each state perceives the struggle for Iraq as a zero-sum game.[115]

Iran's nuclear program is a major conflict area in their bilateral relations. As the GCC struggles to take a unified stance against Tehran, Riyadh is strengthening its defenses through major arms deals as well as diplomacy to isolate Iran regionally and internationally.[116] Although, opposed to the JCPOA, Riyadh is weary of a potential military confrontation between the United States and Iran that will have grave political, military, and economic consequences for the Kingdom. The Arab countries in the Gulf fear Iranian ambitions, worry about an Iranian-

[112] Frederic Wehrey et al., *Saudi-Iranian Relations Since the Fall of Saddam: Rivalry, Cooperation, and Implications for U.S. Policy* (Santa Monica, CA: RAND Corporation, 2009), 18.

[113] Shahram Chubin and Charles Tripp, *Iran-Saudi Arabia Relations and Regional Order*, Adelphi Paper, Vol. 204 (London: Oxford University Press, 1996), 39.

[114] Frederic Wehrey et al., *Saudi-Iranian Relations Since the Fall of Saddam: Rivalry, Cooperation, and Implications for U.S. Policy* (Santa Monica, CA: RAND Corporation, 2009), 21.

[115] Mohamad Bazzi, "Saudi Arabia and Iran are Fighting a Winner-Take-All Game," *Reuters*, January 7, 2016.

[116] Asa Fitch and Margherita Stancati, "Saudi Arabia's Efforts to Isolate Iran Face Resistance," Wall Street Journal, January 18, 2016.

American military confrontation, and fear an agreement between the two countries, which would sideline the Gulf States.[117]

One of the friction points between the two countries is the price of oil. Tehran is more concerned about the short-term future of world oil markets, while Riyadh focuses more on the long term. This difference in temporal priorities is due to trends in oil reserves and production capacity; Iran has 136 billion barrels of oil reserves, while Saudi Arabia has 267 billion.[118] A second aspect of this energy competition is the future oil policy of Iraq, which has 115 billion barrels of proven oil reserves—the second largest in the world.[119] A third aspect is the nature of foreign investment in Iran and its geopolitical consequences.

Lebanon, a traditional region for the struggle between Riyadh and Tehran, is also a potential area of cooperation. After violence broke out in January 2007 between forces of the two coalitions, Saudi Arabia actively promoted the "success" of its cooperation with Iran, in order to show that joint efforts were the key to stabilizing Lebanon and promoting overall Muslim welfare.[120] However, if the evolving situation in Lebanon is any indicator, this appears to be a farfetched reality.

Sunni extremists, many supported by the Kingdom, now pose a threat to both Tehran and Riyadh. Countering this mutual enemy could be an important area of cooperation between the two countries. This cooperation may lead to joint resolutions of the conflicts in Syria, Iraq, and Yemen. Collaboration in the maritime domain is another area of cooperation between the two countries. The importance of the Persian Gulf to the global oil trade and its impact on world

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[117] Jihad al-Khazin, "Al-Maradh al-Arabi [The Arab Disease]," *Saudi in Focus*, April 6, 2007.

[118] U.S. Department of Energy, Energy Information Administration, Country Analysis Briefs, Saudi Arabia and Iran, August 2008.

[119] Sonia Verma, "Iraq Could Have Largest Oil Reserves in the World," *Times* (UK), 20 May 2008.

[120] Jumana al-Tamimi, "Rivals Turn Up Heat on Siniora," *Gulf News*, January 9, 2007.

economies may result in enhanced cooperation in this strategic region that includes the Strait of Hormuz.[121]

KSA - Qatar

Saudi Arabia and Qatar have a history of turbulent relations, starting in 1995 when Sheikh Tamim bin Hamad Al Thani, toppled his own pro-Saudi father. The tiny desert peninsula then made its first shipment of liquid natural gas from the world's largest reservoir – the offshore North Field.[122] Although, the relations between the two GCC neighbors have seen many vicissitudes, it was during the recent GCC – Qatari crisis that their bilateral relations appeared to be hitting rock bottom.

Their disagreements range from border disputes and tribal loyalties to regional and global issues. Riyadh recalled its ambassador to Doha in September 2002 when Qatar joined Syria in opposing King Abdullah's Arab-Israeli peace initiative and gave a forum on Al Jazeera to Saudi dissidents, critical of the Saudi ruling family.[123] A brief reconciliation period starting in 2007, motivated by the deteriorating US-Iranian relations ended in January 2009, as tensions resurfaced over Israel's 2008 incursion into Gaza.[124] In 2014 after a standoff of about eight months over Qatar's support for the Muslim Brotherhood, Saudi Arabia, UAE, and Bahrain sent their ambassadors back to Doha.[125]

Support of the Muslim Brotherhood is a major friction point between the two neighbors. It was Qatar's alleged support for the Muslim Brotherhood in Egypt that contributed to the 2014 and 2017 rifts between Qatar, Saudi Arabia, and the UAE, because Riyadh and Abu Dhabi

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[121] Khosrow Sultani, "Iran – Saudi Arabia: a Troubled Affair," *Al Jazeera*, November 20, 2013.

[122] Marc Champion, "Saudi Dispute With Qatar Has 22-Year History Rooted in Gas," *Bloomberg*, June 6, 2017.

[123] *Reuters*, "Saudi Ambassador Returns to Qatar After 5-Year Gap," Mar 9, 2008.

[124] *Al-Jazeera*, "Timeline of Qatar-GCC Disputes From 1991-2017," June 9, 2017.

[125] Ibid.

backed Morsi's ouster.[126] These countries clash over support of rival factions in Syria where Qatar supports Jabhat al Nusra (JAN), designated by the United States as a Foreign Terrorist Organization (FTO) and a group which none of the other GCC states support.[127]

Qatar's support of Iran over Saudi Arabia has angered the Kingdom. Saudi Arabia has also cited Qatar's alleged support for pro-Iranian dissidents in Bahrain as part of the justification for isolating Qatar in June 2017. Qatar brokered the "Doha Agreement" in 2008 to resolve a political crisis in Lebanon, which contributed to that Saudi perception.[128] Another friction point is the Qatar's state-owned news network Al Jazeera. The Saudis resent the station's broad reach and its willingness to garner opposition. They do not like its Islamist bent, and they are angry that their populations are vulnerable to reporting that is critical of their regime and supportive of the Qatari agenda.[129]

Riyadh and Doha have conflicting interests in the Maghreb resulting in support for rival factions. In Libya, Saudi Arabia supports Khalifa Haftar and Qatar supports rival Islamist groups.[130] In Tunisia, Saudi Arabia and the UAE have backed the current government led by the secularist Nidaa Tuones whereas Qatar backed the Islamist al-Nahda party.[131] In the recent Qatari – GCC conflict, reactions across the Maghreb were predictably divided along ideological lines,

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[126] Sultan Barakat, "Qatari Mediation: Between Ambition and Achievement," Number 12, November 2014, accessed December 18, 2017, https://www.brookings.edu/wp-content/uploads/2016/06/Final-PDF-English.pdf.

[127] David Kirkpatrick, "Qatar's Support of Islamists Alienates Allies Near and Far, *New York Times*, September 7, 2014.

[128] Kenneth Katzman, "Qatar: Government, Security, and US Policy," *Congressional Research Service*, December 27, 2017.

[129] Amanda Erickson, "Why Saudi Arabia Hates Al Jazeera So Much," *Washington Post*, June 23, 2017.

[130] Noah Browning and Aidan Lewis, "Feud Over Qatar Deepens Conflict Over the Arab World," *Reuters*, June 9, 2017.

[131] Marc Lynch, *The New Arab Wars: Uprisings and Anarchy in the Middle East* (New York: PublicAffairs, 2016), 43.

with many secularists praising the Gulf states' denunciation of Qatar and many Islamists expressing sympathy for Doha.[132]

Doha and Riyadh also find themselves at opposing ends on the issue of the Horn of Africa. Influence in this region is strategically important for not only defense and security reasons but also political and economic reasons. As a result of their efforts, Eritrea and Djibouti sided with the GCC in its latest Qatari crisis while Somalia and Ethiopia remained neutral. These relations are also important for the ongoing conflict in Yemen to block the southern route, cutting off rebel supply routes.[133]

Despite fundamental disagreements, Doha and Riyadh have also cooperated with each other over various regional issues and disputes. In 2015, Qatar sent one-thousand ground troops, supported by armored vehicles and helicopters to join the Saudi led coalition in Yemen.[134] Qatar, in solidarity with Saudi Arabia, withdrew its ambassador to Iran in 2016, after an attack on Saudi Arabia's embassy. Qatar enforced international sanctions against Iran during 2010-2016, and the United States has not designated any Qatari-based entities as Iran sanctions violators.[135]

Qatar shares ancestral history with Saudi Arabia. This is a crucial factor for forging loyalties in Arab culture and traditions. Qatar's ruling family, Al Thanis, also trace their roots to the Salafist cleric, Muhammad ibn Abdul-Wahhab, who allied with the Saudi ruling family in the eighteenth century to establish the first Saudi state.[136] Doha and Riyadh have cooperated on

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[132] Stephen Quillen, "Pressure Mounts on Qatar as Trump Summons it to End Funding of Terrorism," *Arab Weekly*, June 11, 2017.

[133] Rashid Abdi, "A Dangerous Gulf in the Horn: How the Inter-Arab Crisis is Fueling Regional Tensions," *International Crisis Group*, August 3, 2017.

[134] *BBC News*, "Yemen Crisis: Qatar 'Deploys 1,000 Troops," September 7, 2015.

[135] Kenneth Katzman, "Qatar: Government, Security, and US Policy," *Congressional Research Service*, December 27, 2017.

[136] Nawaf Obaid, "Qatar is Playing a Dangerous Game of Political Chickens," *National Interest*, August 6, 2017.

various regional issues. Qatar did join the February 2016 GCC declaration designating Lebanese Hezbollah to be a terrorist organization and restricting GCC citizens from staying in or travelling to Lebanon.[137]

Friendly relations with the United States is an area of agreement for both countries that strengthens their bilateral relations. In the recent Qatari – GCC conflict, this influence was evident by the US mediation of the dispute. Moreover, the United States and Qatar also signed a counterterrorism agreement when Secretary of State Tillerson was in Doha on July 11, 2017.[138] This agreement signaled US refusal to take sides in the conflict.

Iran – Qatar

Qatari – Iranian relations have seen many ups and downs because of various bilateral issues and regional influences. The primary source of friction between the two countries appears to be the cooperation between Doha and Riyadh, Iran's archrival. Until recently, Qatar had taken a hardline in matters involving Iran, in line with other GCC members. Qatar enforced international sanctions against Iran during 2010-2016, and has not appeared in the Iran sanctions violators list by the United States. However, these measures failed to address the concerns of other GCC members, making Tehran a beneficiary of the recent intra-GCC disagreements.

As part of its independent foreign policy, Qatar has long accrued economic benefits from Iran while balancing Saudi and US opposition. Both countries have a history of functional bilateral relations owing to economic necessities and geo-politics. Iran supported Qatar and offered of a defense treaty and 30,000 troops to respond to a border incident between Qatar and Saudi Arabia

[137] Kenneth Katzman, "Qatar: Government, Security, and US Policy," *Congressional Research Service*, December 9, 2017.

[138] Giorgio Cafiero and Daniel Wagner, "Why Washington Can't Quit Qatar," *National Interest*, July 23, 2017.

in 1992.[139] In 2006, Qatar was the only country to reject a U.N. Security Council resolution calling for Tehran to halt uranium enrichment.[140] Both countries share the largest natural gas field in the Persian Gulf. Qatar stopped gas extraction to let Iran catch up while the latter was under sanctions and continued to sell Iranian natural gas to Europe.[141]

Doha has cooperated closely with Tehran in the past while never viewing the "Iranian threat" through other GCC states' lenses.[142] Qatar sees its relations with other regional countries, including Iran, as independent of its relations with Saudi Arabia or any other partner nation. This pursuit of independent policy objectives has occasionally put Doha at odds with other GCC members and their allies. However, Qatar appears to be willing to take this gamble.

The 5 June 2017 Qatari – GCC crisis appeared to be failing to isolate either Qatar or Iran. On the contrary, it has brought Qatar closer to Iran and Turkey. The crucial assistance rendered by Iran and Turkey helped Qatar respond in the critical initial days of the crisis.[143] Iran, on the other hand, has taken the opportunity to portray the KSA as the spoiler in the region while promoting itself as the reliable partner and discrediting rivals' attempts to isolate it. Qatar's foreign ministry announced on August 23, 2017 that it was sending its ambassador back to Tehran after a twenty-month hiatus that started in January 2016.[144] This is a remarkable achievement for Iran, driving the wedge in the GCC.

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[139] Shahram Chubin and Charles Tripp, *Iran-Saudi Arabia Relations and Regional Order*, Adelphi Paper, Vol. 204 (London: Oxford University Press, 1996), 36.

[140] *United Nations Security Council*, "Security Council Demands Iran Suspend Uranium Enrichment by 31 August, or Face Possible Economic, Diplomatic Sanctions," July 21, 2006.

[141] Ahmed Charai, "The Only Way Out of the Qatar Crisis," *National Interest*, June 29, 2017.

[142] *Al-Monitor*, "Iran's Role in Qatar's New Foreign Policy," August 30, 2017.

[143] Tom Joyce, "Iran Steps in to Supply Qatar," *Eurofruit*, June 12, 2017.

[144] Declan Walsh, "Qatar Restores Full Relations With Iran, Deepening Gulf Feud," *New York Times*, August 24, 2017.

Qatari – Iranian areas of cooperation involve more than just regional disputes. A closer Qatari-Iranian relation augurs well for the promotion of a Sunni-Shiite dialogue in the region. This is especially true given Doha's and Tehran's relations with a host of non-state actors in regional hotspots where diplomatic channels are necessary for resolving conflicts.[145] This could also raise a question mark over the Saudi claim that their rivalry with Iran is essentially rooted in the sectarian divide. This may pave the way for the other regional Sunni majority countries to rebalance their relations with both Saudi Arabia and Iran. Qatar and Iran also have a potential for cooperation in Lebanon, Iraq, Syria and elsewhere. Close cooperation between the two is a win-win situation for both countries in resolution of regional disputes and promotion of their national interests.

Chapter 4: Anticipating the Future

> No matter how clearly one thinks, it is impossible to anticipate precisely the character of future conflict. The key is to not be so far off the mark that it becomes impossible to adjust once that character is revealed.
>
> Sir Michael Howard

In international relations, change in the structure of alliances has remained constant based on evolving geo-politics, regional and global balance of power, emergence of new centers of power, and national security interests. The key players in the region are adjusting to align themselves with the changing realities. Competition in the Gulf, in the near to short term, is dependent upon several factors in the current geo-political system. These include the outlook of future US policy in the region, the role of Russia and China, the future of Iraq and Syria, the status of the Iran nuclear deal (JCPOA), Saudi succession, the Arab-Israeli peace progress, global economic stability and oil prices, and the conflicts in Yemen, Bahrain, Lebanon.

[145] *Al-Monitor*, "Iran's Role in Qatar's New Foreign Policy," August 30, 2017.

Latest Developments

Qatari – GCC Crisis

The June 2017 Qatari – GCC crisis appears to be helping Doha, which has not only challenged the hegemony of its more powerful neighbor, KSA, it has shown the potential to offer an independent foreign policy agenda. Qatar's potential rapprochement with Iran, supporter of the Syria's Bashar Al Assad, will only increase troubles for Riyadh. This will be even more true, if a post-war Syria permits Qatar to run a pipeline across its territory to the Mediterranean and to Europe. Most recently, Qatar even opened new proxy relations with the pro-Assad Shia Hezbollah movement in Lebanon. Qatar now needs Iran more than it needs Saudi Arabia.[146] As the conflict prolongs, rapprochement between Doha, Tehran, Ankara, and possibly Moscow and Damascus is likely to increase.

Lebanon Crisis

After their struggles in Iraq and Syria, Riyadh turned to Lebanon to demonstrate its regional influence. The development of the events, however, did not help Riyadh's goals. Prime Minister Hariri revoked his resignation after returning from his forced detention in Riyadh.[147] The Saudis have become frustrated by their diminishing influence both regionally and globally. They are desperate to maintain their regional hegemony and are unwilling to accept ground realities. For example, they failed to lure Israel and the United States into a war in Lebanon against Hezbollah.[148]

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[146] *Al-Monitor*, "Iran's Role in Qatar's New Foreign Policy," August 30, 2017.

[147] *Al Jazeera*, "Hariri 'Held for Refusing to Confront Hezbollah'," November 12, 2017.

[148] *Economist*, "The Mysterious Mr. Hariri," November 18, 2017.

Yemen Crisis

After Saudi Arabia intercepted a missile near Riyadh, which it blamed on Iran, they have intensified their campaign against the Houthi rebels, resulting in increased civilian casualties.[149] The Pakistani army has pledged to send a composite brigade size force to KSA as Saudi allies in Yemen.[150] The humanitarian situation in the country is quickly deteriorating as the Saudi coalition shuts down the air, land, and sea routes to Yemen.[151] It was only after persistent pressure from European countries and humanitarian aid organizations that the relief efforts resumed.[152] Genuine efforts to arrive at a negotiated political settlement involving all the stakeholders appear to be the only viable solution. Continuation of the conflict is going to prolong the humanitarian crisis in the country.

Palestinian Unity Deal

Riyadh appears to be the beneficiary of the latest Palestinian unity deal between Hamas and Fatah. According to the Haaretz news organization, Egypt, UAE, and Israel see Dahlan's influence in Gaza as a way to weaken Abbas and neutralize the roles of Turkey and Qatar.[153] Arab states who, in cooperation with the United States, armed Dahlan's forces against Hamas in 2006, are all also part of the Arab bloc that is now isolating Qatar.[154] Most analysts expect the reconciliation process to fail. The biggest obstacle is likely to be long-promised elections as polls

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[149] Asa Fitch, "Saudi Arabia Blames Iran for the Missile Attack," *Wall Street Journal*, November 6, 2017.

[150] Baqir Syed, "Army Says Troops Being Sent to Saudi Arabia," *Dawn News* (Pakistan), February 15, 2018.

[151] Bahauddin Foizee, "Saudis Blame Houtis Missile Attacks for Harsh Yemen Blockade," *Asia Times*, December 23, 2017.

[152] Josie Ensor and Roland Oliphant, "Saudi Arabia Says it Will Allow Food and Fuel Shipments Into Yemen After UK criticism," *Telegraph*, December 20, 2017.

[153] Jonathan Cook, "Is Hamas-Fatah Rapprochement a Win-Win Deal," *Al Jazeera*, October 2, 2017.

[154] Joe Catron, "Saudi Qatar Stand Off Pushes Gaza Towards Uneasy Reconciliation," *MintPress News*, July 5, 2017.

suggest that Hamas would win in both Gaza and the West Bank.[155] The developments point towards Saudi Arabia and UAE regaining influence in Palestinian politics and giving them a say in the Arab-Israeli peace process. However, Tehran and Doha are still likely to wield influence through their favorable relations with Hamas.

Saudi Succession

Crown Prince Mohammed Bin Suleman (MBS) is consolidating his power in the kingdom amid reports of opposition and infighting within the royal family. The recent corruption purge of Saudi princes appears to have been an attempt at power consolidation. MBS is taking a huge gamble with these radical and unprecedented measures against the royal family coupled with his secular domestic reforms, bitterly opposed by the conservative Wahhabi clergy. This is likely to weaken, rather than strengthen MBS in Saudi Arabia. MBS will either win or lose spectacularly.[156] His apparent lack of maturity, impulsiveness, and foreign adventurism despite his loose grip on foreign policy and geo-politics make him a dangerous man in charge.

Consequences, Opportunities and Possibilities for KSA

Saudi Arabia is the dominant player in the region and arguably affects the power dynamics in the Middle East more than any other country. Most policy decisions by the Kingdom, ranging from confrontation to cooperation, either target or retaliate against its archrival Iran. Today, Riyadh's diplomatic approach toward Tehran reflects this oscillation between confrontation and coordination. They use engagement in the Gulf, containment in Iraq, and

[155] Jonathan Cook, "Is Hamas-Fatah Rapprochement a Win-Win deal," *Al Jazeera*, October 2, 2017.

[156] Hussein Ibish, "The Saudi Crown Prince is Gambling Everything on Three Major Experiments," *Atlantic*, November 7, 2017.

rollback in the Levant.[157] Riyadh must carefully navigate the evolving situation in the Middle East. A large burden rests on the young shoulders of its powerful Crown Prince.

The Kingdom's relations with Egypt, though far from ideal, have improved dramatically after the fall of President Mubarak and the emerging rapprochement between Cairo and Riyadh. With the effective check on the anti-Riyadh Muslim Brotherhood by Cairo under President Sisi, Riyadh has effectively converted a competitor into an ally. Moreover, increased tension between Tehran and Riyadh is pushing Saudi Arabia closer to Israel. Israeli military chief Lt. Gen. Gadi Eizenkot confirmed that the Saudis and Israelis see eye-to-eye when it comes to Tehran, describing Iran as the "largest threat to the region."[158]

Today, Riyadh is alarmed that Iran has such significant power in Iraq and that its relationship with the United States has not changed that.[159] The situation in Syria and Yemen has also frustrated Riyadh, with no end to the conflict in sight. Riyadh – Washington policy disagreements especially concerning Iran, have also created an air of mistrust between the two staunch allies. However, the level of cooperation with the Trump administration is steadily on the rise. US reluctance to involve itself fully in the region is also adversely affecting Riyadh's power projection.

If the current Trump administration decides to scrap the Iran nuclear deal, Riyadh will be the prime beneficiary. One of the questions that Gulf states in general, and Saudi Arabia in particular, have had to ask is the extent to which a nuclear Iran would change the strategic climate in the Gulf. Although Saudi Arabia's decision to join the Nuclear Non-Proliferation Treaty (NPT) in 1988 was political rather than strategic, there is the real possibility that the Saudis will indeed

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[157] RAND interview with Saudi think-tank researcher, Jeddah, March 2007.

[158] Amos Harel, "Israel Isn't Going to Fight Saudi Arabia's Wars," *Foreign Policy*, November 16, 2017.

[159] Frederic Wehrey et al., *Saudi-Iranian Relations Since the Fall of Saddam: Rivalry, Cooperation, and Implications for U.S. Policy* (Santa Monica, CA: RAND Corporation, 2009), 94.

pursue their own weapons program.[160] This would be especially true if Riyadh perceives its influence diminished by a nuclear Iran.

Riyadh is concerned about Shi'a unrest and activism in Saudi Arabia's Eastern Province, as well as in Bahrain and Kuwait. The ultimate drivers of this agitation, however, are the political marginalization of these Shi'a communities, regime-sanctioned discrimination, and economic deprivation not incitement from Iran.[161] Riyadh's concerns about the lack of US willingness to support all of its policies have forced it to look for other options. The first ever visit by the Saudi King to Russia demonstrates the changing realities in the Middle Eastern power dynamics. If Riyadh continues to perceive insecurity, further rapprochement with China and Russia will become a reality.

ISIS and Al-Qaeda pose more of a direct threat to Riyadh than just the threat that the fundamentalist Sunni ideology poses to the House of Saud. This places the Kingdom oddly against its western allies, who see a shrinking common ground with Riyadh on the War on Terror.[162] This and other regional issues are areas of potential cooperation with Iran, and may be worth efforts to improve their bilateral relations. At present, Riyadh is likely to coordinate more closely with its western allies on the War on Terror especially to counter any chances of possible West – Iranian cooperation.

The Saudi Government is under domestic and international pressure for reforms. They cannot ignore their deep-rooted social and structural problems or blame them on adversaries. Saudi Vision 2030, "Project NEOM" acknowledges this reality and outlines plans to increase the

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[160] Thomas Lippman, "Saudi Arabia: The Calculations of Uncertainty," *The Nuclear Tipping Point* (Washington DC: Brookings Institution Press, 2004), 54.

[161] Frederic Wehrey et al., *Saudi-Iranian Relations Since the Fall of Saddam: Rivalry, Cooperation, and Implications for U.S. Policy* (Santa Monica, CA: RAND Corporation, 2009), 97.

[162] Nawaf Obaid, "Only Saudi Arabia Can Defeat ISIS," *Guardian*, December 22, 2015.

size of the private sector among other things.[163] The kingdom is moving away from its dependence on oil and diversifying its economic base. Introduction of the welfare package for its citizens, including measures to free and empower the women are the steps to address internal unrest and address global concerns about its human rights record.

Consequences, Opportunities and Possibilities for Iran

After enduring an unfavorable regional and global environment since the Iranian Revolution, Tehran has reasons to be optimistic. The tight bloc of "moderate Arab states," led by Saudi Arabia, sponsored by the United States, and acting in lockstep against Iranian influence is not a fact.[164] The cracks in the regional opposition led by Riyadh are widening with the intra GCC conflict. Because of Tehran's growing ties with Russia, China, and India coupled with its signing the JCPOA, Tehran appears to be better suited to further its regional aspirations.

The future of JCPOA will have a profound impact on Iran and the region. President Trump officially decertified JCPOA but refrained from the scrapping the deal as of now. Dismantling the JCPOA would result in the reimposition of US sanctions on Iran. However, not all signatories of the deal, P5+1, are in favor of dismantling the deal. Growing Iranian cooperation with these countries raises the stakes of any decision that could result in the deal's collapse.[165] Potential US withdrawal from the deal will have serious implications for the transatlantic partnership, particularly if the European countries keep the deal without US participation.

The lifting of sanctions on Iran has now opened new doors for cooperation with regional and global powers including Russia, China, and India. This has given Iran considerable flexibility to

[163] Full text of Saudi Arabia's Vision 2030, April 26, 2016. English translation on al-Arabiya.

[164] Charles Kupchan and Ray Takeyh, "Iran Just Won't Stay Isolated," *Los Angeles Times*, March 4, 2008.

[165] Eric Cunningham and Rick Noack, "Why Every Other Country in the Iran Nuclear Deal is Standing By it," *Washington Post*, October 13, 2017.

diversify its economy by attracting investments from these countries to balance the US and Western pressure and sanctions. After the Iranian nuclear deal, European countries also appear willing to improve relations with Iran. Economic opportunities are driving them towards Iran and many businesses are lobbying for relations that are more open and economically friendly. Tehran is poised to receive favorable foreign investments especially in its underdeveloped energy sector.

Another important potential development that could strengthen Tehran's position in region is the favorable outcomes of regional disputes, particularly in Syria and Iraq. Whichever state, Iran or Saudi Arabia, has more influence in a future Iraq will gain a powerful partner in OPEC deliberations, in addition to other strategic and ideological benefits. This economic motivation could heighten the two countries' level of competition over Iraq.[166] Any effort by a regional or extra regional player to curtail Iranian influences in these countries appears to be futile.

The recent fiasco in Lebanon has ended in *status quo ante* – a favorable position for Tehran as Hezbollah continues to enjoy a dominant position in the strategically located country. Lebanon, often a battleground between Riyadh and Tehran, is slipping away from Riyadh's sphere despite their efforts to show regional influence. The developments in Palestine are starting to favor Tehran after normalization of relations with Hamas. The influence of Tehran will predominantly depend upon its relations with Hamas and Hamas's role in the next Palestinian Government.

The breakdown of the Yemeni state seems to be providing greater space for Iran to operate in their country. Both Saleh and his successor, Ali Hadi, have been vocal critics of Iran and have regularly highlighted Iranian interference in Yemen in order to garner outside support from

[166] Frederic Wehrey et al., *Saudi-Iranian Relations Since the Fall of Saddam: Rivalry, Cooperation, and Implications for U.S. Policy* (Santa Monica, CA: RAND Corporation, 2009), 73.

Riyadh and Washington.[167] The assassination of the ex-President Saleh by the Houthis as he drifted towards Riyadh, is an indicator of the increased Houthis' and Iranian influence in the country. Any resolution of the conflict in Yemen will invariably involve Tehran as a stakeholder. Prolongation of the conflict will indirectly benefit Tehran as Riyadh gets the blame for the deteriorating situation in the war torn country.

US – Iranian relations depend upon a number of factors, primarily the JCPOA. The United States realizes the changing regional balance of power and its shared interests with Iran particularly in countering and preventing the spread of ISIS/Al Qaeda in Syria, Iraq, and beyond. This may prove to be a powerful motivation for rapprochement. US businesses can also benefit by investing in Iran, particularly in the energy sector, like their European counterparts. The US decision appears to be a choice between maintaining the current policy of confrontation, risking Iran's increased engagement with the Russia, China, and European countries or a policy shift towards rebalancing and normalization of relations.

Consequences, Opportunities and Possibilities for Qatar

The recent developments in the Gulf leading to the Qatari – GCC conflict have posed serious questions about the future viability, not only of the GCC, but also the entire Middle East. Qatar's gamble of pursuing an independent foreign policy, and moving away from Saudi Arabia appeared to have paid off. The tiny emirate weathered the storm with support from Turkey and Riyadh's regional rival – Iran. These new evolving relations have the potential to generate the opposite results than the ones desired or sought by the GCC. The prolonged GCC crisis has shifted Doha towards Iran and Turkey. This is a nightmare scenario for Riyadh, as Doha's cooperation with its regional rival will have profound impact on the regional power dynamics – adversely effecting Riyadh's regional aspirations.

[167] Barak Salmoni, Bryce Loidolt, and Madeleine Wells, *Regime and Periphery in Northern Yemen: The Huthi Phenomenon* (Santa Monica: RAND, 2010), 67.

In the near future, Doha is likely to adopt an accommodating political and economic policy towards Iran. Their shared economic interests coupled with similar views on regional developments, firmly binds the two countries in a camp antagonistic to Riyadh. For Doha, closer relations with Iran and Turkey may prove to be more beneficial than the GCC. Moreover, the improvement in the bilateral relations will likely improve cooperation in other regional conflicts to include Syria, Iraq, Lebanon, Yemen, and Bahrain. In this case, the Qatari – GCC crisis, might turn out to be a blessing in disguise for both Doha and Tehran.

Close cooperation with the United States in the military and security spheres will give the emirate considerable foreign policy leverage. It will also keep Riyadh from experimenting with any military adventures against Doha. However, this relationship will warrant careful and deliberate balancing vis-a-vis Iran. The United States needs Doha's continued support for the fight against terrorism. To believe that the United States could easily replicate the capacity or capabilities available at Al Udeid Air Base stands counter to current fiscal and geopolitical realities.[168] This reality shapes the US response to the Qatari – GCC conflict.

In the near future, the contest over influence in the Maghreb is likely to become more politically, religiously, and economically interlinked with the Gulf than it is today. The prolongation of the Qatari – GCC conflict will intensify the competition throughout the region and beyond. This clash of interests will likely have an impact in Libya, Tunisia, and Morocco. It will also destabilize the Horn of Africa as the countries take sides. As long as the Qatari crisis continues, the region is likely to undergo severe polarization and experience divides that no

[168] John Miller, "America Needs Qatar's Al Udeid Air Base to Fight the War on Terrorism," *Hill*, December 21, 2017.

amount of financial, infrastructural, and military aid from either end of the Gulf could fully repair.[169]

Qatar's global recognition and image building is likely to receive a boost in the near future. The emirate owns famous soccer clubs in top European leagues and its national flag carrier, Qatar Airways, named "Airline of the Year," ranks among the top airlines of the world.[170] Qatar hosting the FIFA World Cup 2020 is likely to help its global image and accelerate its economic activity. In the evolving situation of the Middle East, Qatar appears to be heading to a position of increased regional and global influence. In any future resolution of the current crisis within the GCC, Qatar is going to negotiate from a position of advantage and is unlikely to concede to the GCC's demands. The relationship between the emirate and other GCC countries appears to be deteriorating, much to the frustration of Riyadh and delight of Tehran.

Conclusion

The key players in the Middle East yield influence using religious and information operations, economic power, diplomacy, military strength and overt and covert operations. History, competing regional and global aspirations, and attempts at limiting and containing rivals' influence shape and influence their divergent and conflicting interests. The presence of extra regional forces in the Gulf, the ideological and religious divide, oil pricing, and the future of political Islam continue to fuel friction between these countries. This division has resulted in open proxy wars in regional countries to include Iraq, Syria, Lebanon, and Yemen. Despite their deep-rooted differences and regional outlook, these key players have shared interests and areas of cooperation including security and stability in the Gulf, controlling the spread of extremism,

[169] Theodore Karasik and Maya Yang, "Horn of Africa Feels Geo-Political Impact of Qatar Crisis," *Fair Observer*, November 7, 2017.

[170] Thom Patterson, "Qatar Airways Wins 'Airline of the Year' Award," *CNN*, 20 June 2017.

economic diversification, and progress on the Arab- Israel peace process. The ongoing developments in the region indicate no immediate let up in this struggle. On the contrary, the opposite appears to be more likely. The policies adopted by both the status quo countries – the West, and the revisionist states – Russia, China; will have a profound impact on the future power structure in the region. Regional and global developments point towards a change in the regional status quo power structure. This is likely to shape new prospects for the emerging alliances in the region, which are likely to define the future power structure in the region. The evolving scenario in the region has consequences, opportunities, and possibilities for the regional countries in this transitory balance of power. In this complex and high stakes competition, time is of the essence and any wrong move will have grave consequences.

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