



INSS Insight No. 723, July 22, 2015

Saudi Arabia and the Nuclear Agreement with Iran

Yoel Guzansky

The nuclear agreement reached by the major powers with Iran is not good news for Saudi Arabia, because the agreement means that Iran, Riyadh's main ideological and geo-strategic rival, has received international recognition as a nuclear threshold state. Saudi Arabia regards this highly significant development as evidence of the growing power of Iran – at the expense of the kingdom.

The official Saudi Arabian news agency issued a positive, albeit cautious, statement in response to the announcement of the agreement. The wording was similar to the remarks by King Salman to President Obama in the telephone call initiated by the President after the agreement was signed: "Saudi Arabia supports any agreement that guarantees preventing Iran from acquiring nuclear weapons." The Saudi Arabian-owned daily newspaper *a-Sharq al-Awsat*, however, was more critical of the agreement, for example, in the article "Iran Nuclear Deal Opens the Gates of Evil in the Middle East," by the editor, Salman Aldosary. Furthermore, even if the royal house chose not to criticize the agreement publicly, its actions are likely to indicate its dissatisfaction concerning the implications of the agreement.

In addition to the "technical" significance of the agreement, the kingdom fears that the deal is an opening to an Iranian-American rapprochement at the expense of its own relations with the United States. Riyadh is concerned that the deal will enable Iran to maintain its basic nuclear capabilities, and at the same time, unless resolute countermeasures are taken, increase its influence in the Middle East. Furthermore, there is a risk that criticism of the Iranian regime over its conduct in internal affairs and especially in the regional theater, where Iran has been involved in subversion for years, will constitute grounds for Iran violating the agreement.

American sources insist on a separation between the nuclear question and regional issues, but the internal conflicts in Syria, Iraq, and Yemen are liable to become hostages to the agreement with Iran. In other words, headed by the United States, countries will be deterred from pursuing a policy opposed to the interests of Iran, out of concern that in

response Iran will disavow its commitments under the agreement and renew forbidden activity in the nuclear realm.

In view of the international struggle against the Islamic State, Iran has won the status of a (relatively) responsible player, with whom it is possible to “do business.” From the Saudi perspective, the United States is liable to reward Iran for the concessions it made in the agreement by granting it more freedom of action, both to realize its political goals in the Middle East and to thwart processes that do not serve those goals. At the same time, the removal of sanctions will provide Iran with resources to enhance its regional influence and render it both less economically vulnerable and more aggressive in promoting its goals.

Saudi Arabia is concerned that Iran’s increased self-confidence following the agreement will enable it to intervene more easily in various theaters and recruit additional players to the regional axis it leads. In this context, the Iranians have for some time been trying to drive a wedge between several Gulf states and Saudi Arabia. After the agreement, a greater Iranian effort in this direction is likely, mainly involving Qatar and Oman. It appears that this is also the background to Saudi Arabia’s increased activism aimed at strengthening the Sunni front against Iran and recruiting additional actors, such as Turkey and Hamas.

Even though the agreement with Iran is not expected to prompt Saudi Arabia to launch a military nuclear program immediately, the agreement – joining the unprecedented conventional military buildup in the kingdom – has already led Riyadh to adopt a strategy that keeps all of its nuclear options open. The kingdom declared its civilian nuclear intentions as early as 2006, and since then has considered the use of nuclear technology for a range of purposes. It announced a massive nuclear program at an estimated cost of over \$100 billion, and has signed a series of nuclear cooperation agreements with many countries, including Russia, Argentina, China, South Korea, and France. The development of a civilian nuclear program in Saudi Arabia is likely to serve several purposes. On the one hand, the plan is consistent with the Nuclear Non-Proliferation Treaty (NPT), and is likely to prove that Saudi Arabia can also “play the game.” At the same time, such a program, especially Saudi Arabian rhetoric about its refusal to forego uranium enrichment capability, constitutes a signal to the international community about the need to continue pressuring Iran to fulfill its part of the agreement.

In view of the international seal of approval for uranium enrichment in Iran, the possibility that the kingdom will take a similar route, even against American opposition, cannot be ruled out. Indeed, a US Congressional report on this topic points out that the kingdom “will not hesitate to aggressively bypass or risk alienating the United States in order to protect Saudi interests.” The Saudi Arabian perception of the threat is closely

linked to Iran's aspirations to regional hegemony. This perception has not changed with the signing of the agreement, and may have become stronger.

Given this development, Saudi Arabia will find it difficult to remain indifferent, including out of considerations of prestige and influence, and will seek a response, even if partial, to the Iranian threat. What is this response likely to consist of? American security guarantees are preferable. However, even if the United States provides security guarantees to Saudi Arabia – which it has thus far refrained from doing – it is doubtful whether the kingdom will regard that as sufficient. Promotion of a nuclear-free region is also a possibility under consideration by Riyadh. In this context, the agreement with Iran is liable to put Israel's nuclear program on the agenda, according to the logic, "If Iran, why not Israel?" The kingdom's concern that in certain scenarios it is liable to find itself on its own facing a stronger Iran may lead it to a situation in which it will have nuclear options available. More than any other player in the Middle East, Saudi Arabia has a strategic motive and the economic capability to do this.

Underlying current Saudi policy is that its "right" to enrich uranium should be recognized, just as Tehran has gained this right. Development of a nuclear program centering on the ability to enrich uranium is a long term option for Saudi Arabia, due to the absence of a knowledge infrastructure and suitable facilities in the kingdom. From Riyadh's point of view, however, the agreement with Iran gives it ten years of Iranian nuclear restraint, and in this time framework, the kingdom will be able to choose various possibilities in the nuclear realm allowed by the NPT.

In order to develop a civilian nuclear program in the long term, the kingdom will likely seek to develop a network with a number of countries, including Pakistan, with which the kingdom has close defense relations. Differences have emerged recently between Riyadh and Islamabad regarding the war in Yemen, but if Pakistan becomes convinced that its ally – which not only financed a large part of its nuclear program but provides the country with significant economic aid – is in need of its long term assistance for an enrichment facility on the kingdom's territory, it will be willing to furnish this assistance, even if unofficially.

Because the process of building an independent nuclear capability is prolonged and demanding, the kingdom must find a medium term response to cope with the challenge posed by Iran's nuclear status. Another possible scenario is that at Saudi Arabia's request, Pakistan will station nuclear warheads under its control on Saudi Arabian territory as a form of extended deterrence, if Iran openly breaks out to a bomb. And even if Saudi Arabia's path to nuclear capability is not guaranteed, its very presence in the arms race is liable to set in motion various processes with negative consequences for regional stability in general, and for Israel in particular.

Events in the Arabian Peninsula are not “covered” sufficiently by Israel, which naturally devotes most of its efforts to the Iranian threat. Israel should thus improve its intelligence gathering and assessment capability in the Gulf theater, in order – among other interests – to spot attempts by additional countries to create a "nuclear balance" with Iran.

