

## INSS Insight No. 787, January 14, 2016 Another Round in the Saudi-Iranian Confrontation: What Does It Mean, and What Lies Ahead? Amos Yadlin

International attention has recently been diverted from the civil war in Syria and the global struggle against the Islamic State by the escalation in the confrontation between Saudi Arabia and Iran. The immediate cause of the mounting tension between these two states, which are the respective leaders of the rival Sunni and Shiite camps, was the execution of Saudi Shiite leader Sheikh Nimr al-Nimr by the Saudi authorities on January 2, 2016, and perhaps also the killing of Zahran Alloush, leader of the Syrian Sunni Army of Islam (*Jasysh al-Islam*) in a bombing near Damascus on December 26, 2015. Thus far, the confrontation is playing out in the diplomatic arena, but in an extreme scenario, it has the potential to ultimately cause the Middle East to deteriorate into a dangerous military collision between these two regional powers.

On January 3, 2015, the Saudi Foreign Ministry announced the severing of diplomatic relations with Iran following a violent demonstration in Tehran staged in response to the execution of Nimr al-Nimr. In the course of the demonstration, an angry mob seized the Saudi embassy and set it ablaze. Along with the Saudis, Sudan and a number of Gulf states announced they were severing or downgrading relations with the Iranian Islamic Republic, and Riyadh expanded its anti-Iranian coalition. The Arab League convened to discuss the crisis, issued a condemnation of Iran's actions, and proclaimed that it would not accept Iranian involvement in the region or attempts to spark sectorial conflicts in Arab countries. At the same time, the Arab League has stopped short of calling for a general severing of relations with Iran, although in the course of the meeting, Egypt, the United Arab Emirates, and Bahrain announced the establishment of a sub-committee to discuss intensifying the measures against Iran.

These developments represent a new round in the longstanding marked conflict between Iran and Saudi Arabia that emerged after the 1979 Islamic Revolution in Iran, and more forcefully, since the onset of the Arab Spring. This conflict is based primarily on political, economic, and security-minded disputes, all related to the Saudi-Iranian INSS Insight No. 787

struggle over influence in the Persian/Arab Gulf region and the Middle East in general, as a manifestation of the historic struggle between Sunnis and Shiites. Iran views Saudi Arabia as the cause of the spread of Salafi jihadist Islam, while for its part, Saudi Arabia is leading efforts to curb the growing influence of Iran and the Shiite axis in the Middle East.

The confrontation is currently underway on many fronts. In Syria and Yemen, Saudi Arabia and Iran have positioned themselves on opposing sides of the ongoing civil wars, and when their proxies show signs of weakness, they engage in direct military intervention. Riyadh sent forces to assist the regime in Bahrain when, during the Arab Spring, it believed that Iran was attempting to foment a revolution against the Sunni minority that controls the state, which the Saudis regard as its back yard. The Saudis are troubled by Iran's military and political presence beside the Shiites in Iraq. Another focal point of conflict has been Iran's return as a legitimate actor in the international arena following the nuclear deal and the lifting of sanctions against it, which will enable Iran to build up its military power and increase its ability to project its power in the surrounding area. Iran and Saudi Arabia are also divided on the issue of energy: the Iranians claim that Saudi Arabia has been using the oil weapon against them in its refusal to reduce production, which has resulted in a global drop in oil prices and an erosion of Iranian income. Joining these elements is Iranian intervention in the internal affairs of the Saudi kingdom in its incitement of Saudi Arabia's Shiite minority, as well as the death of many Iranians in the course of the Haj in Mecca in 2015. Tehran has taken advantage of this tragedy as an opportunity to sting the Saudi royal family by stressing its failure to protect Islam's holy places.

Presumably the Saudi authorities took into account that the execution of a popular Shiite leader would incite Shiites both inside and outside the kingdom. Therefore, their decision appears to have been an expression of their desire to respond to a number of recent problematic political and military developments, including Russia's military intervention in Syria to save the regime of Bashar al-Assad, America's retreat from its call for Assad's removal from power as a precondition for a settlement in Syria, and Iran's participation, for the first time, in talks in Vienna to formulate a settlement aimed at bringing an end to the Syrian civil war. In addition, according to Riyadh, Zahran Alloush was supposed to head the coalition of rebel groups fighting Assad and play a central role in the ruling system that would replace the Alawite regime and stabilize the divided country. Consequently, Riyadh apparently regarded the killing of the Saudi Shiite leader as a suitable response.

The timing of the decision to execute the sheikh, who was held in jail for some time, was also not coincidental and was intended to serve a number of specific goals. In the internal

Saudi arena, the stability of the Saudi kingdom depends on three main parameters: the struggles within the Saudi royal family, the behavior of the Shiite minority in the kingdom's eastern region, and the economic situation, which is likely to deteriorate if the fall in oil prices continues. The execution may have been a signal to regime opponents of the royal family's determination to protect itself and its status. It is quite clear that behind the king and his resolute actions stands his son, Deputy Crown Prince and Minister of Defense Mohammad bin Salman, the holder of power in the kingdom in the realm of security and economic and social issues. In the foreign arena, the Saudis sought to convey a clear message to Iran that they would not allow it to do them any more harm. In this sense, the violent Iranian response played into their hands. The burning of the embassy resulted in a condemnation of Iran in the United Nations (without direct mention of the execution) and intensified Iran's image as a state that flouts diplomatic rules. The message appears to have been received in Iran, and the senior official charged with responsibility for the rioting in the embassy was dismissed. At the same time, the execution can be seen as a signal to the American administration that if it moves away from Saudi Arabia and fails to provide it with suitable solutions for its security needs, Saudi Arabia can be expected to act alone, as it did militarily in Yemen without first informing the United States, to Washington's dismay.

Indeed, the prevailing feeling in Riyadh is that Washington is distancing itself from Saudi Arabia and improving its relations with Iran. From the Saudi perspective, the United States "gave" Iraq to the Shiites and the Iranians during the 2003 Gulf War, then "abandoned" Egyptian President Husni Mubarak to the Muslim Brotherhood, and then signed a problematic nuclear agreement with Iran. At the same time, the public American criticism of the House of Saud has been intensifying, with an emphasis on its repression of the opposition, its attitude toward human rights, and its responsibility for the humanitarian crisis in Yemen.

This background sheds light on another development that has stemmed from the Saudi-Iranian escalation: the Saudi attempt to recruit Pakistan into its anti-Iranian coalition. In this context, in their first foreign visits of the year, Saudi Defense Minister Prince Mohammad bin Salman and the Saudi Foreign Minister visited Islamabad. The relationship between Saudi Arabia and Pakistan goes back many years. The Saudis provide Pakistan with economic support, and the two countries engage in extended and diverse cooperation. This effort may have been a signal to the United States of their sense that they can no longer rely on American nuclear deterrence and are looking for another ally that can equip them with a nuclear umbrella or provide them with nuclear technology. For those who feared that the nuclear agreement with Iran would incite the proliferation of nuclear weapons in the Middle East, this move toward Pakistan, which has a problematic history on this issue, is further cause for concern. However, the Pakistani response to the Saudi embrace has been mixed: according to Saudi sources, Pakistan's chief of staff issued a stern and direct threat against Iran and committed his country to a harsh response in the event that Iran harms Saudi Arabia. At the same time, Pakistan refused last year to join the Saudi-led Sunni coalition fighting in Yemen, and also avoided joining the Saudi coalition established against the Islamic State. Moreover, Pakistan is striving to mitigate Sunni-Shiite hostilities in an effort to ease such tensions that exist within its borders. Pakistan imports electricity and gas from Iran (in projects with Chinese involvement). It is therefore no surprise that Pakistani Prime Minister Nawaz Sharif has declared his willingness to mediate between Saudi Arabia and Iran in an effort to ease tensions.

For its part, the United States government has taken measures to quell Saudi concerns and has publically promised to provide military support to the Gulf states a counterweight to the nuclear deal with Iran. The US has also signed an arms deal of unprecedented scope and quality with Saudi Arabia and its other allies in the Gulf. In addition, the administration has attempted to bridge gaps between Saudi Arabia and Iran in an effort to resolve the crisis in Syria, and in December 2015 even seated representatives of the two countries around one table in Vienna to discuss the future of Syria. This effort, however, is likely to come to a halt due to the current crisis between Saudi Arabia and Iran. At the moment, the United States is approaching the issue with caution, and Secretary of State Kerry is working to mitigate tensions.

The crisis in Saudi-Iranian relations could continue to develop in accordance with various scenarios. One possible extreme scenario is a military confrontation that could cause the Middle East to descend further into the violence that has engulfed it since 2011. This possibility seems remote, however, as both countries are in no rush to go to war while still involved in fighting on other fronts – Iran in Syria and Saudi Arabia in Yemen. It is more likely that the confrontation will persist at low intensity, with both countries continuing to support their allies in the region and limiting themselves to war by proxy and economic competition. This scenario means the continuation of regional instability and additional difficulties on the road to conflict resolution in Syria and Yemen. A third scenario, which is also not very likely, is one of conciliation between the two countries through the mediation of the superpowers.

In conclusion, the recent actions by Saudi Arabia in the international arena – including an energy policy that is in sync with the drop in oil prices, initiation of the war in Yemen, declaration of the establishment of a coalition of Muslim countries to fight the Islamic State, hints of measures in the nuclear realm, and the attempt to create a Sunni Arab coalition in the present confrontation with Iran – are indicative of an assertive foreign policy in all areas, against anyone perceived as threatening Saudi interests and national

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security. Saudi Arabia has become an active player, departing entirely from the cautious and passive policy by which it was characterized until the outbreak of the Arab Spring. As for Israel, the confrontation between Iran and Saudi Arabia highlights its overlapping interests with Riyadh, primarily, their shared regard of Iran as a bitter enemy. In this context, Israel can assist Saudi Arabia in its struggle against the radical Shiite axis, Iran's nuclear aspirations, and Iran's desire to achieve hegemony in the Middle East.

