



Security Policy Working Paper, No. 9/2018

# A kingdom at a crossroads: Saudi Arabia between opportunity and chaos

by *Iris Wurm*

**The year 2017 was a turning point for Saudi Arabia and one of the most eventful years in the country's history. On domestic issues, long-overdue decisions were made that would point the way ahead for the future. But at the same time, serious rifts were exposed within the royal family. It is now clear that the desert monarchy's principle of finding a broad consensus within the family for all key political decisions is not as unshakable as it once seemed. This power struggle in the House of Saud has had a major influence on the country's foreign policy. To an unprecedented extent the kingdom is now involved in conflicts with its neighbours. Two factors have exacerbated the situation and overshadowed Saudi foreign and domestic policy: its long-standing rivalry with Iran, and the policies of US President Trump.**

## **A new generation in line to the Saudi throne**

To understand the Saudi political system, it is essential to look at the issue of succession to the throne. Since January 2015, King Salman has been the seventh monarch of Saudi Arabia. He is one of six sons of the country's founding father to have ascended the throne since that monarch's death. Because the last two kings, Abdullah and Salman, had already reached an old age (81 and 79 years respectively) by the time they came to the throne, the royal family has long been aware of the need to reform the system of succession. The situation became urgent when King Abdullah outlived two of his crown princes. And yet Abdullah decided not to settle the highly-charged question of generational change himself. Instead, in October 2006, he passed a law by decree to set up a council that would determine future succession to the throne within the House of Saud. Thus it would be left to his successor, King Salman, to make this landmark decision. After three months on the throne, Salman appointed his nephew Mohammed bin Nayef as crown prince and interior minister, and his son Mohammed bin Salman as deputy crown prince and defence minister. Crown Prince Mohammed bin Nayef, who had made a name for himself as Saudi Arabia's 'anti-terror czar', had the support of many of his family members. This explains why the handover to the grandchildren's generation went surprisingly smoothly. However, according to media reports, in 2015 there was already considerable resistance from the family to the king's son and deputy crown prince, Mohammed bin Salman.

Unperturbed by this, King Salman has tried, since the start of his reign, to strengthen his son in the role of crown prince and consolidate his position within the family. The war in Yemen, he hoped, would be a rite of passage for his son. In view of the 31 year-old's abundance of power and presence in all political areas, his nickname among Western diplomats is 'Mr Everything'. Apart from defence policy, he is also responsible for the huge modernisation project 'Vision 2030', which focuses on building three futuristic megacities as an alternative source of income to oil, and on selling shares in the state-owned oil company. The king has thus handed over all prestigious future projects to his son, who also has the task of balancing the national budget by 2020 and reforming fiscal policy. His plan to reduce government spending by raising energy and water prices and lowering government workers' salaries met with such immediate resistance that in

April 2017 he announced a reversal of the reforms. It was not until late 2017/early 2018 that his position became stable enough for him to raise petrol prices, introduce VAT, and oblige members of the ruling family to pay for their own electricity and water.

### **Wave of arrests in November 2017**

King Salman is believed to be in very poor health. This could explain why the king's decision in June 2017 to demote his nephew and appoint his son as crown prince was taken so quickly. In view of the factors discussed above, the demotion of the popular Mohammed bin Nayef was a big risk to take, and the events which followed clearly show that the young heir cannot count on the support of the family. Mohammed bin Salman only won 31 of 34 votes in the Allegiance Council – an early indication that he was viewed with suspicion by the family. The situation escalated when, at the beginning of November 2017, he had senior princes, four ministers, and dozens of former ministers and business people placed under house arrest in the Ritz Carlton Hotel in Riyadh on charges of corruption. During the wave of arrests the airport was closed to private aircraft, presumably to prevent any of the princes from fleeing. And the corruption charges were just a pretext for these drastic measures. In fact, the crown prince wanted to stamp out internal family rivalry and opposition to him and his policies. Many of those arrested are critics of his rise and especially of his foreign policy – and the crown prince seems to have openly declared war on this circle of people. This is the first time in the kingdom's history that there has been such open conflict within the royal family, and it shows how deep the discord runs in the House of Saud. Experts believe the wave of arrests was designed to secure power by achieving four objectives:

- (1) To disempower the descendants of the former king, Abdullah: Deposing Prince Mutaib bin Abdullah, the Chief of the National Guard, and arresting his brother brings a considerable increase of power to the Salman branch, in relation to the once so powerful Abdullah clan, within the wider family. This is because the National Guard is one of the key pillars of power in Saudi Arabia, having provided King Abdullah and his sons with their basis for power.
- (2) To finance economic reforms: The confiscated private fortunes of the arrested princes are estimated to be worth 100 billion US dollars. In addition, some of the princes, such as Mutaib, have bought their way out of detention at the cost of 1 billion US dollars. The Saudi regime urgently needs these funds to finance its ambitious modernisation projects, because sinking oil prices mean that the kingdom is currently incurring huge financial losses.
- (3) To control the media landscape: Among those affected by the wave of arrests are the billionaire Al-Walid bin Talal, who owns the media conglomerate Rotana, and the princes and media moguls Walid al-Brahim (Middle East Broadcasting Center, MBC) and Saleh Kamel (ART). Having arrested these media heavyweights, the crown prince can now set the tone of news reporting and nip criticism of his policies in the bud.
- (4) As a distraction from harsher crackdowns: The anti-corruption campaign is viewed by experts as a cleverly staged distraction, as the flood of events has allowed a new anti-terror law to be passed almost unnoticed. One section of this law allows a five to ten-year prison term for publicly insulting the king and crown prince. This will make it even easier for Saudi rulers to suppress opposition by legal means.

### **Salman's modernisation plans – and their opponents**

The Saudi royal family hierarchy is not the only area to have seen drastic changes in the last six months. The crown prince has also initiated far-reaching changes in Saudi society. However, these changes have met with considerable resistance because his plan to give the country a more modern image is seen by many sceptics and critics not as a futuristic vision motivated by a desire for modernisation, but as a strategy to bring more investors to Saudi Arabia. The crown prince has also angered hardliners and conservative clerics with his measures, which include: plans to create three Western-style, robot-run megacities; building a luxury tourist resort on the Red Sea; reopening cinemas; and, finally, lifting the ban on women drivers and reforming the system of male guardianship to encourage women into work in the hope that women will

contribute more to the national economy. Thus the hardliners and clerics, who have always been guarantors of the House of Saud's unlimited power, are now opposed to the future king. Archconservatives were particularly angered by the disempowerment of the religious police, which still enjoyed broad powers as an independent police force until as recently as last year. Some also believe that by combating religious extremism Mohammed bin Salman hopes to tighten his grip on power by eliminating political opponents from the religious camp. The crown prince knows that he faces strong opposition both from the royal family and from the clergy; and so he is destabilising both of these pillars upon which the Saudi royal family has rested since the country was founded. By wanting to make Saudi Arabia more 'Western', and by launching a political cleansing campaign against opponents in his own country, he is taking a great risk. He may have made himself more enemies in 2017 than he can cope with. In the foreign policy arena, too, his confrontational approach has so far yielded little in the way of success.

### **The kingdom's foreign policy**

The crown prince's foreign policy in the region can be described as full-on confrontation. The kingdom is currently in conflict with all of its neighbours. But underpinning these crises is the rivalry between the two regional powers, Iran and Saudi Arabia. Both countries are involved in a power struggle which plays itself out in proxy wars, and in which Iran claims to be protecting the Shiite side and Saudi Arabia to be protecting the Sunnis. If Iran had felt itself to be on the rise after 2015, when US President Obama put the country back on the diplomatic track with his nuclear deal, loosening sanctions, Saudi Arabia now seems to be gaining ground thanks to Trump. Trump's promise not to interfere in Saudi internal affairs and his emphasis of vital common interests will have been music to the ears of the Saudi leadership, and will have been met with wholehearted approval.

What Riyadh has most in common with the new US administration is a shared antipathy towards Tehran. During his visit to Riyadh in May 2017, Trump stressed his view that Iran was fanning the flames of division in the region and that everyone must help to isolate the Iranian regime. Riyadh's concerns with regard to Iran were never primarily about its presumed development of a nuclear capability; rather, they reflect a deep rivalry between the two countries which predates the Iranian revolution of 1979. Saudi fears are based on the belief that Iran is seeking to become the dominant power in the region and is using terrorism to achieve that goal. Riyadh saw the normalisation of relations between Washington and Tehran in 2015 as an act of disloyalty and deception, which led to deep Saudi mistrust of the Obama administration. For Saudi Arabia, then, Trump's anti-Iranian statements are wind in the sails of its own struggle for dominance in the region. If we look closely at the most recent conflicts in Qatar, Yemen and Lebanon, however, we see that this struggle will be difficult to win.

### **Confrontation with neighbouring countries**

**Qatar:** In June 2017, Saudi Arabia announced that it was cutting diplomatic ties with its neighbour Qatar. The reason cited was Qatar's support for terrorist groups. In fact, however, it was not just about counter-terrorism. Qatar's policies have long been a thorn in the side of Saudi Arabia: the emirate maintains friendly relations with the Muslim Brotherhood and supports Hamas in Palestine; it also has a political agenda in Syria, Libya and Yemen that conflicts with that of Riyadh. And anti-Saudi reporting by the Qatari-based broadcaster Al Jazeera is unacceptable to Riyadh. The good relations between Qatar and Tehran have long been eyed with suspicion by the Saudis. Trade between Iran and Qatar is thriving and the two countries have concluded cooperation and security agreements. The situation escalated when the emir of Qatar called Iran a 'superpower' that would guarantee stability in the region. In fact it looked as though Qatar might break away from the Gulf Cooperation Council. Riyadh feared that the Arab front against Iran might fall apart, as Oman and Kuwait are also notably reluctant to criticise Tehran. Saudi Arabia's attempt to isolate Qatar was far from successful: Iran and Turkey immediately agreed to deliver food to Qatar, and Kuwait and Oman did not follow the Saudi initiative but remained neutral. Far from securing the support of other Gulf monarchies, Saudi Arabia's confrontational approach is driving them closer to Tehran. The

situation is unlikely to deteriorate further because Qatar and Iran have reacted calmly to Saudi provocation – and because even the initiators of the isolation policy, Saudi Arabia and the United Arab Emirates, are not in full agreement with each other.

**Yemen:** Nowhere is the hostility between the two regional powers being played out as drastically as in Yemen. Saudi Arabia is fighting directly on the side of the government of Yemen, while Iran is indirectly supporting the Shiite Houthi rebels. Since 2015, Saudi Arabia and a coalition of Arab countries have been launching air strikes in Yemen and have even sent in ground troops. Since the Saudi intervention, the power struggle which took root in Yemen in 2011 has had the character of a proxy war. In 2014, Tehran apparently advised the Houthis against invading the Yemeni capital. It was not until the Saudi intervention that Iran allied itself with the rebels. In November 2017, the situation escalated when a ballistic missile fired from Yemen was intercepted by Saudi Arabian armed forces. Riyadh responded with a total blockade of Yemen – by sea, land and air. For seven million Yemenis this was an intensification of an already perilous situation in terms of supplies and health. And yet Saudi Arabia does not hold Yemen primarily responsible for the missile, which was fired at Riyadh airport. A military spokesperson called the attack an ‘act of Iranian aggression’, as the missile was of Iranian origin. In early December it looked briefly as if the Saudi intervention forces had scored a strategic victory. The former Yemeni ruler Ali Abdullah Saleh broke his alliance with the Houthi rebels and joined the Saudi coalition. But 24 hours later, he paid for that decision with his life. The Houthis, supported by Iran, thereby demonstrated once again that Saudi Arabia was incapable of winning this war. Meanwhile, Tehran has patiently observed Riyadh becoming ever more caught up in this complex conflict and ever more worn down militarily and financially. There is currently no end in sight to this conflict. What is clear, however, is that the power struggle between Iran and Saudi Arabia is being waged at great cost to Yemeni civilians.

**Lebanon:** Its foreign policy failures in Qatar and Yemen have caused the Saudis to take further action, making the situation even worse. In early November 2017, at about the same time as the missile was fired from Yemen, Lebanese Prime Minister Saad Hariri unexpectedly announced his resignation – on Saudi television. The unusual circumstances suggest that the Saudis had forced Hariri to make the announcement. Apparently the Lebanese premier had been acting too leniently towards Iran and the pro-Iranian militia, Hezbollah. But this tactical move by the Saudis turned into a farce. Hariri returned via Paris to Lebanon, where he revoked his resignation and now remains in office as prime minister. Observers assume that this fiasco spells the end of the agreement between Iran and Saudi Arabia not to interfere in Lebanon.

In view of developments so far in the three areas of conflict described above, Saudi efforts to contain Iranian influence in the region have clearly been less than successful. Riyadh’s fear of a ‘Shia crescent’ closing in around the Saudi kingdom has not led to any politically expedient decisions. The war in Yemen, the meddling in Lebanon and the diplomatic crisis with Qatar show that Saudi Arabia has exacerbated the situation to its own cost. Iran, on the other hand, can afford to wait, and watch its position in the region grow stronger by the day while Saudi Arabia increasingly sabotages itself. It is to be hoped that Crown Prince Mohammed bin Salman will not exacerbate the situation still further, but will bear in mind his own words: ‘A war between Saudi Arabia and Iran is the beginning of a major catastrophe in the region [...] For sure we will not allow any such thing.’<sup>1</sup>

## Conclusion

The events of 2017 show that the future of Saudi Arabia lies somewhere between opportunity and chaos. A positive factor for Riyadh is the support from Washington. Trump’s antipathy towards Iran and open support for Saudi Arabia mean there is a chance that relations with the United States will improve again and Riyadh will enjoy the long-term support of Washington. In the direct power struggle between Iran and Saudi Arabia, however, the Gulf monarchy seems to have overreached itself. The war in Yemen is a burden on state coffers (which are remarkably empty by Saudi standards due to low oil prices) and a constant drain on the weakened

---

<sup>1</sup> Tisdall, Simon (2017): Mohammed bin Salman al-Saud: the hothead who would be king, in: *The Guardian*, 25 June.

Saudi army. Moreover, the chances of ending the war quickly and without loss of face are low indeed. The crisis with Qatar actually strengthened Iran's position more than it did Saudi Arabia's. So in the power struggle with Iran, Saudi chances of gaining the upper hand are now considerably worse than before, both militarily and diplomatically. If Trump does not further isolate Iran diplomatically, Tehran will continue to gain power and influence in the region. Riyadh cannot, on its own, contain Iran's ambitions for power and influence in the region. The task of leading the kingdom into a bright future despite these foreign policy setbacks will fall to the future king, Mohammed bin Salman. His young age will give him the chance to steer the country's fortunes for decades to come, and prepare it to thrive in a post-oil era. On the other hand, his support within the family is fragile. If he remains unable to unite the family in consensus behind him, if there is an even bigger revolt by the older princes, or even a coup within the family, Saudi Arabia will sink into chaos.

*Dr. Iris Wurm is a member of academic staff in the professorial team for International Relations and World Order at the Goethe University Frankfurt.*