



Updating U.S.-Saudi Ties to Reflect the New Realities of Today's Middle East

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Introduction and summary

When President Barack Obama arrived in Saudi Arabia last week to participate in the U.S. summit with the Gulf Cooperation Council, or GCC, he landed in the midst of regional turbulence and major economic and foreign policy changes by the Kingdom.¹

Today, the Middle East remains caught up in a period of fragmentation and competition for influence among the leading powers in the region.² In the aftermath of last year's nuclear deal between Iran and other global powers, President Obama has yet to achieve the new equilibrium in the Middle East that he envisioned.³ His recent suggestion that GCC countries “share” the region with Iran received a cool reception in Saudi Arabia and other parts of the GCC.⁴ Saudi Arabia—along with other GCC countries—remains deeply concerned about Iran's subversive activities in the region, including its support for terrorist groups and ongoing conventional military efforts, such as its ballistic missile program.⁵

This current period of insecurity following the Iran nuclear deal is the latest episode in a U.S.-Saudi relationship roiled by tension for more than a decade. Since 2000, the decades-long foundation of close relations between the United States and Saudi Arabia—namely, regional stability, energy security, and military cooperation—has come under considerable stress. The 9/11 terrorist attacks in 2001 and the 2003 Iraq war ushered in a rocky phase in bilateral U.S.-Saudi relations. These two incidents—along with the end of the U.S. policy of dual containment of Iran and Iraq—led to a decline in mutual trust between the United States and Saudi Arabia that's now reaching critical mass.

The strains in the relationship were on display during President Obama's recent trip to Riyadh. His meeting with King Salman bin Abdulaziz al-Saud served to highlight the differences between American and Saudi ways of achieving stated, shared security goals. According to a senior administration official, the Saudi king emphasized the use of force to deal with threats, while President Obama emphasized the need

to include diplomacy as well.⁶ Although the wider U.S.-Gulf Cooperation Council summit produced a constructive action agenda—including plans for a high-level economic reform dialogue later this year and joint military exercises in 2017—bilateral tension between the United States and Saudi Arabia remains.⁷

Political leaders and citizens in both countries now openly question the value proposition of the current bilateral relationship.⁸ For many Americans, the ultraconservative values enforced domestically and promoted worldwide by the Saudi government stand at odds with the progressive American values of pluralism, equality, and freedom.⁹ As a result, many Americans question Saudi Arabia's reliability as an ally in the fight against Islamist extremism and seek answers to unanswered questions about the relationship between the 9/11 hijackers and the Saudi government.¹⁰ For their part, many Saudis view the United States as taking actions—such as the 2003 invasion of Iraq and the 2015 Iran nuclear deal—that bolstered Iran's regional position at Saudi Arabia's expense.¹¹

Despite these growing differences, however, the United States and Saudi Arabia continue to share important security interests. Indeed, in recent years, both countries have forged closer security cooperation on several key fronts, including certain aspects of the fight against terrorist groups such as Al Qaeda in the Arabian Peninsula, or AQAP. In light of this cooperation, the United States and Saudi Arabia should work to build a new foundation for bilateral relations—one focused on the shared interests of the present, not the past. Above all, bilateral relations should be honest and transparent: The basic differences in values between the United States and Saudi Arabia cannot and should not be ignored, and shared interests should be publicly debated and explained in both countries. As Saudi Arabia embarks on a period of significant economic and foreign policy change, the United States should use all the incentives at its disposal to press for change in a progressive direction.

Based on the Center for American Progress' research and recent visit to Saudi Arabia—which included interviews with several Saudi leaders, security officials, and intellectuals—President Obama and his successor should commit to the following actions:

- **Recognize the opportunities provided by the new Saudi leadership's economic reform program.** Following the accession of King Salman to power in early 2015, Saudi leaders laid plans for economic and governance reforms that could fundamentally alter the country's social contract and move its economy

away from dependence on oil revenues. In addition, these reforms could create opportunities for progressive change in Saudi society as the country's economy diversifies. The United States should encourage these reforms and look for ways to assist Saudi Arabia in their execution.

- **Create incentives for a constructive Saudi foreign policy.** Saudi Arabia's newly assertive foreign policy will likely persist for the foreseeable future. The Kingdom's leadership perceives threats from Iran, AQAP, and the Islamic State.¹² Although Saudi leaders say they want to reinforce and strengthen the region's state structures, they have little experience with such activities and their actions have yet to produce tangible gains toward those stated goals. The Obama administration and its successor should provide incentives to Saudi leaders to ensure that their foreign policy actions better serve their stated ends. At the top of that list are containing Iranian misbehavior and countering terrorist groups such as the Islamic State and AQAP.
- **Be honest about core values but do not make cooperation on shared interests dependent on revolutionary changes in Saudi society.** Any new foundation for U.S.-Saudi relations should acknowledge the profound differences between the two countries when it comes to basic values. Although these differences should not preclude cooperation on shared interests, American leaders will find it difficult to sustain cooperation with Saudi Arabia if they are not honest with the American people about the fundamental values and differences between American and Saudi societies. At the same time, Americans should acknowledge that if there are revolutionary changes in Saudi society, those changes are unlikely to be progressive. Instead, American leaders should seek practical opportunities to support gradual, meaningful, and progressive change in Saudi Arabia that also advances American values and interests.

The next president of the United States should start a new bilateral strategic dialogue with Saudi Arabia. The goal of this dialogue should be the establishment of joint goals on the countries' shared interests, including regional security and domestic Saudi economic and governance reforms. The high-level GCC economic reform dialogue planned for later this year should be just the first step in a long-term effort to expand the points of contact between the two societies in a broader strategic dialogue. This dialogue also should seek to expand people-to-people links, such as private sector business and academic exchanges. At the same time, both the United States and Saudi Arabia should honestly acknowledge their serious and deep differences when it comes to their values.

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As progressives, we believe America should be a land of boundless opportunity, where people can climb the ladder of economic mobility. We believe we owe it to future generations to protect the planet and promote peace and shared global prosperity.

And we believe an effective government can earn the trust of the American people, champion the common good over narrow self-interest, and harness the strength of our diversity.

Our Approach

We develop new policy ideas, challenge the media to cover the issues that truly matter, and shape the national debate. With policy teams in major issue areas, American Progress can think creatively at the cross-section of traditional boundaries to develop ideas for policymakers that lead to real change. By employing an extensive communications and outreach effort that we adapt to a rapidly changing media landscape, we move our ideas aggressively in the national policy debate.

