DOCUMENTED BRIEFING

RAND

Future Gulf Dynamics and U.S. Security

Bruce Nardulli, Marcy Agmon, Theodore Karasik, Joseph A. Kechichian, Mary E. Morris, Nikola B. Schahgaldian, Lory Arghavan

Project AIR FORCE
Arroyo Center

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Prepared for the
United States Air Force
United States Army

Project AIR FORCE
Arroyo Center

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PREFACE

RESEARCH TOPIC AND INTEREST

This documented briefing synthesizes the results of a RAND research project, entitled "Future Security Requirements for the Gulf." It represents an effort to pull together much of the detailed work conducted during this project and focuses on the principal factors driving the future environment in the greater Gulf region, on the implications of the resulting findings for future Gulf security and for the U.S. regional posture in the area, and on a broad examination of alternative U.S. approaches to its security in the Gulf. The detailed underpinnings for this document are provided in a series of RAND documents:

- *New Political Realities and the Gulf: Egypt, Syria and Jordan*, by Mary E. Morris (MR-127-AF/A).
- *Azerbaijan, Central Asia, and Future Persian Gulf Security*, by Theodore Karasik (N-3579-AF/A).
- *Political Dynamics and Security in the Arabian Peninsula Through the 1990s*, by Joseph A. Kechichian (MR-167-AF/A).
- *Post–Cold War U.S. Security Strategies for the Persian Gulf*, by Marcy Agmon (R-4268-AF/A).

The overall project objective was to provide a political-military assessment of security prospects in the Gulf over the next 3 to 5 years, challenges the U.S. military are likely to encounter as they support U.S. national objectives in the region, and the broader implications for future U.S. security planning.

This documented briefing should be of interest to regional analysts, contingency planners, and policymakers.

SPONSORSHIP AND CONDUCT OF RESEARCH

The "Future Security Requirements for the Gulf" project was jointly sponsored by the Director of Plans, Headquarters, U.S. Air Force, and the Office of the Deputy Chief of Staff for Intelligence, the U.S. Army, and is being conducted through a joint effort by two of RAND's federally funded

research and development centers (FFRDCs): *Project AIR FORCE* (Air Force) and the *Arroyo Center* (Army).

Both FFRDCs are housed within RAND. RAND is a private, nonprofit institution that conducts analytic research on a wide range of public policy matters affecting the Nation's security and welfare. Heads of the FFRDCs can be reached at

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Brent Bradley is Vice President and Director, Project AIR FORCE. Those interested in further information on Project AIR FORCE should contact the RAND office directly.

THE ARROYO CENTER

The Arroyo Center is the U.S. Army's FFRDC for studies and analysis operated by RAND. The Arroyo Center provides the Army with objective, independent analytic research on major policy and organizational concerns, emphasizing mid- and long-term problems. Its research is carried out in four programs: Strategy and Doctrine; Force Development and Technology; Military Logistics; and Manpower and Training.

Army Regulation 5-21 contains basic policy for the conduct of the Arroyo Center. The Army provides continuing guidance and oversight through the Arroyo Center Policy Committee (ACPC), which is co-chaired by the Vice Chief of Staff and by the Assistant Secretary for Research, Development, and Acquisition. Arroyo Center work is performed under contract MDA903-91-C-0006.

James T. Quinlivan is Vice President for the Army Research Division and Director of the Arroyo Center. Those interested in further information about the Arroyo Center should contact the RAND office directly.

SUMMARY

This documented briefing presents the findings of a project examining the post-war strategic environment in the greater Gulf region and its implications for future U.S. security planning for the area. It is divided into three major sections: (1) evaluation and net assessment of the current and projected overall political-military environment; (2) assessment of the future regional security environment; and (3) implications for the current U.S. security posture in the region, including an evaluation of alternative U.S. approaches to security.

Drawing on the individual studies conducted under this project, the central theme of this briefing is that the greater Gulf region is entering a prolonged period of instability as all the regional actors face mounting internal and external problems. These trends provide little prospect for any effective foundation for regional security measures. The extensive involvement of the United States in Gulf security affairs will prove extremely demanding in the years ahead and will pose several difficult choices. Among the broad alternative security approaches that the United States might pursue, all involve substantial trade-offs. No "optimal" alternative will emerge.

A brief note is in order regarding this analysis and recent Israeli-Palestinian-Arab peace developments. The dramatic breakthroughs of September 1993 occurred after this research was completed. From its inception, however, this project sought to focus on those issues, problems, and dynamics most directly bearing on the Gulf region and its future security. As such, it purposely excluded Israel from the group of key countries analyzed to avoid pulling the analysis into the domain of the Israeli-Palestinian/Israeli-Arab conflict. While there is no question of linkage between the status of the Arab-Israeli conflict and Gulf security, the authors believe that most issues and challenges identified in this study exist independently of that conflict or its resolution. Indeed, one likely consequence of any new Arab-Israeli peace is the diversion of attention and resources to the cultivation of this peace process at the expense of other lower profile, more subtle, but critical developments. Near-term setbacks and resistance to the accords by opponents of the peace process could also further tax the people and leaders of the entire region, with negative implications for Gulf security. Consequently, progress on the Arab-Israeli peace front actually elevates the need to understand and

assess the other forces at work challenging U.S. security interests in the critical Gulf region.

REGIONAL NET ASSESSMENT

Iraq's invasion of Kuwait, the coalition war against Iraq, and the collapse of the Soviet Union have combined to usher in a new era of turbulence and instability throughout the greater Gulf region. These events have unleashed a host of political, economic, and social forces that are challenging many of the foundations of power in the region—forces likely to prove far more taxing to the future stability of the Gulf area than either Iran's 1979 revolution or the 8-year Iran-Iraq war. The interplay of these forces is producing effects that will transform the region in fundamental ways.

Virtually all states and individual regimes in the greater Gulf region will face mounting, qualitatively more intense internal and external pressures than in the past. Rising expectations of political entitlement and accompanying demands for expanding popular political participation, the growth of fundamentalism as a political and social force, and clashes over alternative paths of national development all are taking on new energy in the aftermath of the second Gulf War. Existing leaders and regimes are also sitting atop an increasingly young and educated population, while the collapse of authoritarian regimes in Eastern Europe and the Soviet Union has provided additional fuel for challenging current political systems in the Gulf.

The Kuwait crisis had profound effects as well on external relations throughout the region. Existing tensions between Pan-Arabism and state nationalism, between rich and poor countries, and between an expansive 'Arab' focus and much narrower subregional ones all were brought into sharp relief by the war. Many of these differences are now taking on a certain permanency. With Iraq's defeat, Iran also envisions new opportunities to re-emerge as the key power in the Gulf, even while facing daunting internal economic challenges. The collapse of the Soviet Union has opened a new frontier of competition and great potential instability in the Caucasus and Central Asia, which could spill over into the Gulf. Growing aspirations for political power on the part of the Kurds and Iraqi Shia must also be added to these possibilities.

Even more significant, many of the ongoing and anticipated responses to this rapidly evolving environment are themselves creating additional sources of instability and tension for the future. On the internal front, regimes are undertaking limited political, social, and economic initiatives

to release pressure but in so doing must confront their own disagreements over the pace, scope, and direction of reforms. By initiating reforms, they also face the risk that popular expectations will outrun the regimes' willingness or ability to deliver on reforms.[1] Furthermore, many of these expectations come from different elements of society and are inherently contradictory. In Saudi Arabia, the Al Saud is straddling liberal constituencies' demands to open the political process and conservative religious demands to allow even more Islamic influence in the military, political, administrative, and educational sectors. The regimes are acutely aware of the challenges posed by such calls for change, and liberal reform measures are being accompanied by coercive measures, including official crackdowns on religious authorities. Maintaining this balancing act will prove increasingly difficult to sustain.

Externally, responses to the original divisions spawned by the crisis are solidifying cleavages and giving rise to new ones. The Gulf Cooperation Council (GCC) states[2] are distancing themselves from their Arab brethren to the west and instead are alligning much more closely with the United States and various European states. They are also emphasizing a more peninsula-oriented security focus rather than a larger regional one. Saudi Arabia, Iraq, and Iran are locked in an intense three-way competition over power in the Gulf and over fundamental issues of political and religious legitimacy. Saudi Arabia's assertive new course on the Arabian Peninsula, born of fears of future vulnerability and emerging opportunities to enhance its position, will likely place it on collision courses with many of the smaller Gulf shaykhdoms. These shaykhdoms, in turn, seek to

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[1]The economic dimension here is certainly a critical driver of social and political instability throughout the poorer nations of the region. This factor could grow even among the wealthy Gulf states in the future should oil prices remain well below previous planning expectations. The Rentier model, for example, argues that the wealthy oil-producing states have economies based essentially on rents derived from the sale of their natural resources and that this sale does not translate into robust economic development because the sale employs productively a very small portion of the indigenous population. The state leadership ensures political and social stability (and regime legitimacy) under these circumstances by assuring that these rent-derived assets are adequately dispensed to its larger citizenry. One longer-term issue facing the Gulf leaders is whether the level of future rents will be sufficient to satisfy existing and perhaps growing popular expectations here, and whether the wealthy Gulf states will be able to effectively convert oil-based revenues into nonpetroleum capital-producing enterprises. Despite some recent evaluations of the economic difficulties confronting the wealthy Gulf states, however, this longer-term issue is less acute for the regimes of the Gulf than are other challenges they will encounter over the next 3 to 5 years—the time frame of this research.

[2]These states are Bahrain, Kuwait, Saudi Arabia, Qatar, the United Arab Emirates, and Oman.

counterbalance the Saudis, including playing on the Iran-Iraq-Saudi competitive triangle. At the same time, the unfolding democratic experiment in Yemen is adding to a long history of tensions with Saudi Arabia, which is posing a serious point of friction between the two states. The evolving political condition of the Kurds and Iraqi Shia are now a heightened element in interstate competition among Iraq, Iran, Saudi Arabia, and Turkey, while aspiring embryonic power groupings in the Caucasus and Central Asia are simultaneously creating rival patrons in the Gulf and pulling at the very foundations of the national ruling structures they seek to topple.

FUTURE SECURITY ENVIRONMENT

Given the overall projected political-military environment, virtually no prospects exist that regional actors will be able to form even a general consensus on how to approach future regional security problems, and certainly no prospect exists for formal security structures. For leaders and regimes throughout the region, their individual future security environment is characterized by an exceedingly diverse and multidimensional range of threatening internal and external conditions. Faced with conflicting core agendas and starkly differing perceptions of adversaries and types of threats to be countered, no foundation for systematic cooperation exists.

Symptomatic of the deeper divisions, security cooperation from within the region is largely viewed as counterproductive, as best exemplified in the troubled path of the proposed "GCC plus 2" security arrangement in which Egypt and Syria were to play a direct and active role with the six GCC states in bolstering Gulf security. All the Gulf States, especially Saudi Arabia, had reservations over the political implications of non-Gulf Arabs having a say in Gulf security affairs. The Saudi desire to assert authority on the peninsula would be directly diminished by this presence, while the smaller Gulf shaykhdoms had to respect Iran's opposition to this concept and the accompanying pressure placed on them. The proposed 100,000-man GCC force has followed a similarly troubled path, again largely as a result of fundamental differences in political agendas and pressures from within the Arabian Peninsula itself.

IMPLICATIONS FOR THE U.S. REGIONAL SECURITY POSITION

Desert Shield/Desert Storm, combined with the collapse of Soviet power, placed the United States in an unprecedentedly dominant security

position in the Gulf. The United States has deftly used that position in an effort to cultivate and expand long-term security links in the region with considerable success. The prognosis, however, is for regional deterioration in which the U.S. military—to a significant degree because of this success—may be increasingly drawn into the web of Gulf dynamics with potentially damaging consequences. While specific predictions are always difficult to make, especially when major events such as Saddam's fate and Iraq's fundamental future are still hanging in the balance, the problems and pressures that the United States is likely to encounter within the next 3 to 5 years can be identified:

- *Ongoing U.S. efforts to strengthen its regional posture entail growing involvement in regional frictions and contradictions.* U.S. efforts to protect Saudi Arabia, Kuwait, and the other Gulf shaykhdoms are tightly linked to U.S. support for the conservative monarchies themselves. As these monarchies face mounting internal demands and risk falling short of those demands, the United States risks negative associations with what could become alienated regimes. The increasing security and economic dependencies of many regional leaders on the West following the war is further sharpening this tension. Furthermore, successful U.S. efforts to enhance its regional security posture have to some degree permitted regimes friendly to the United States to postpone, for the short term, the resolution of many regional tensions. These U.S. efforts have provided a substitute for local defense arrangements that otherwise would require political accommodations and cooperation to resolve chronic tensions.

- *U.S. political-military requirements to sustain a robust regional posture will increase dramatically over the next few years.* Current trajectories suggest that friendly regimes will be heavily taxed internally and externally in the years ahead. Under current arrangements, the United States will also bear this increasing burden through association. Among poorer friendly Arab states, prevailing expectations of U.S. financial and other assistance will fall far short of what realistically can be delivered. Growing inter-Arab divisions among states friendly to the United States will increasingly stress the U.S. military's ability to maintain an array of security relationships with these states for an overall robust protection of the Gulf. Simultaneously, growing intra-GCC divisions will severely strain the U.S. posture on the Arabian Peninsula itself. Iran will be well positioned to exploit these differences to reassert its authority in the Gulf, while Iraq will be provided with additional avenues out of its current containment.

- *The U.S. faces serious prospects of an erosion in its regional posture as it confronts several difficult choices in the region.* Under the projected circumstances, the cumulative political-military demands placed on the United States likely will prove severe. As the burden mounts, the United States could well find itself in the midst of very difficult choices, all with serious implications for the U.S. regional posture. Should the United States begin distancing itself from the conservative monarchies? Should the United States encourage or discourage Saudi assertiveness? Are U.S. efforts to act as the "hub" for regional security participation an effective approach, unsustainable, or even counterproductive? Are U.S. security interests best served by the long-term "containment" of Iraq and Iran or by their regional reintegration? The present strong U.S. regional posture should not obscure these difficult choices ahead or the potentially transient nature of that strong posture.
- In addressing future regional security challenges, the United States does have distinct policy options in its approach to regional security. Four broad approaches were examined in this study.

  1. *Proactively Shaping the Regional Political Security Environment* is characterized by substantial U.S. involvement in the political affairs of the region in an effort to address the root causes of regional instability. Given those sources of instability, this approach would entail extensive involvement in the internal and external political affairs of the region. While maximizing the potential for the United States to shape the regional security environment, this approach would require a very large, long-term, and regionally contentious level of U.S. regional activity.
  2. *Proactively Shaping the Regional Military Security Environment* is principally focused on regional military stability measures, with political initiatives and involvement largely restricted to bolstering military stability. As a result of these predominantly military efforts, the United States would strive to enhance its routine military access throughout the region. The major advantage of this approach is providing a robust U.S. military capability in the region without the risks of substantial political involvement. Its principal drawback is that this military structure could be eroded severely by adverse regional political developments.
  3. *Forging a Saudi Shield* would involve the reliance on Saudi Arabia much more heavily as a security partner at the expense of a larger regional grouping of states. In this case, the United States would

seek to build up Saudi defense capabilities, thereby reducing the routine level of U.S. political and military involvement throughout the region. Under this alternative, the number of countries and regimes that the United States would have to accommodate would be reduced substantially. The major deficiency of this approach is that the U.S. security posture would increasingly rest on the continued close cooperation and survival of a single regime.

4. *Distancing/Unilateral Intervention* would have the United States rely almost exclusively on its capabilities for unilateral military intervention to protect core U.S. interests and to distance itself from routine political-military regional involvement. This alternative would seek to distance the United States from individual regimes and their problems, to reduce the U.S. burden of supporting local economic and security dependencies, and to avoid getting enmeshed in the host of regional frictions. On the negative side, this approach would greatly reduce the U.S. ability to influence events short of crises and essentially eliminate any close routine security relationships with states in the region.

The specific trade-offs associated with each alternative require careful appraisal. Given regional dynamics, distinct trade-offs cannot be avoided, and efforts by U.S. defense and policymakers to "optimize" among them to avoid facing tough decisions will result in contradictory and potentially quite dangerous outcomes. For example, the United States cannot expect to adopt a predominantly military shaping approach to the region's security and then expect to significantly influence unfolding political developments jeopardizing that approach. Alternatively, if the United States chooses a more politically active approach to include pressure on friendly regimes to expand political participation, it must be prepared to deal with the potential consequences to the level of military cooperation it currently enjoys. If instead the United States decides to move in the direction of distancing itself from routine regional involvement and rely almost exclusively on its unilateral intervention capabilities to protect core U.S. interests, it cannot do so while still expecting to have a major influence over regional developments that could trigger the very type of crisis requiring unilateral intervention. In sum, distinct policy choices with their attendant benefits and risks must be faced.

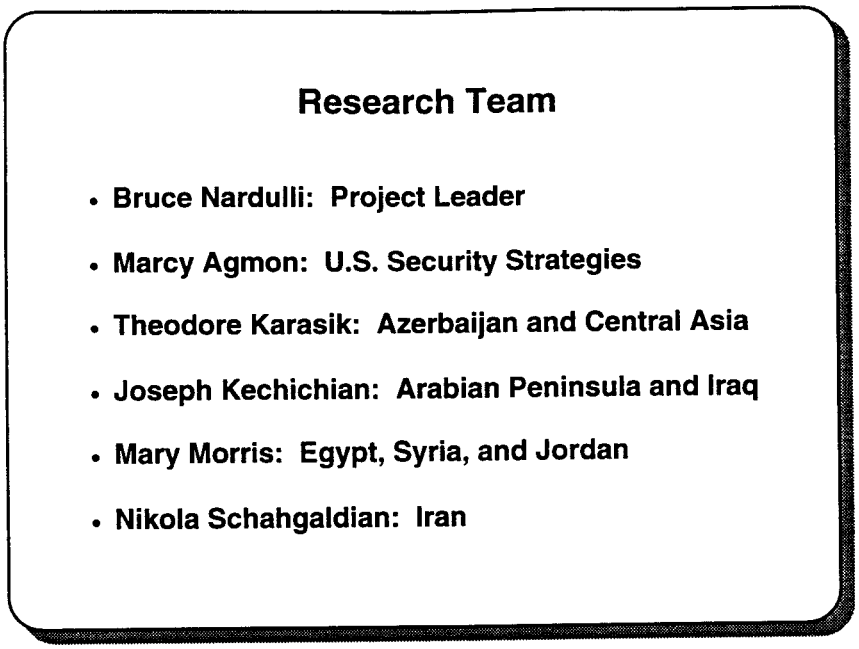
ACKNOWLEDGMENTS

This documented briefing benefited a great deal from the insights and extensive suggestions provided by the formal reviewers: Jerrold Green, who at the time of the review was Director, Center for Middle Eastern Studies, the University of Arizona, and who now is Corporate Research Manager for International Policy at RAND, and Dr. Augustus Richard Norton, Boston University. At RAND, Jonathan Pollack provided additional recommendations that sharpened the document, and Paul Steinberg proved a constant guide to the organization of the material.

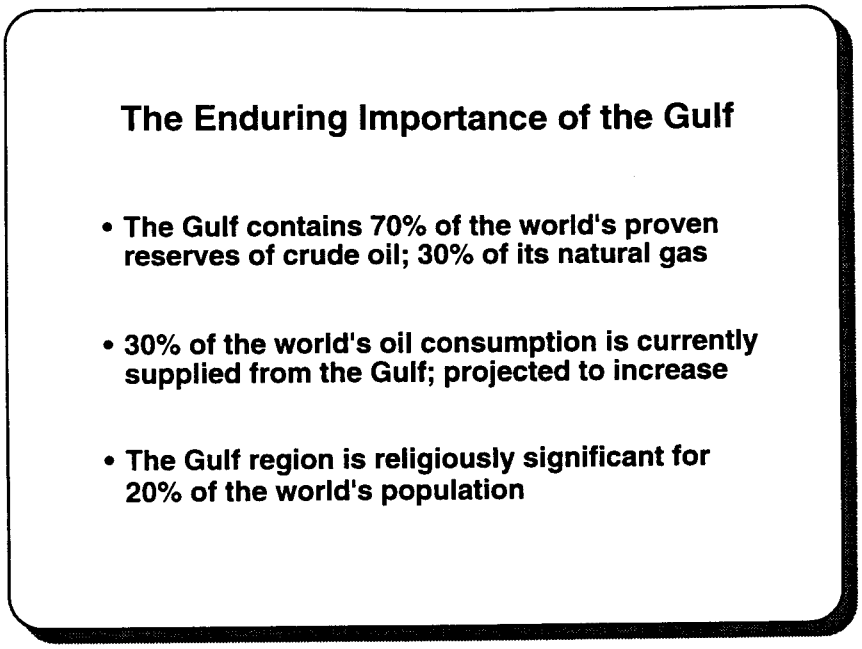
Future Gulf Dynamics and U.S. Security

This documented briefing presents the principal findings of a research effort examining the future political-military and security environment in the greater Gulf region following the war with Iraq and the collapse of the Soviet Union. It then examines the implications of these findings for U.S. security interests in the region. It focuses on major cross-cutting and thematic issues facing the region as a whole, synthesizing many disparate and complex regional and individual country dynamics analyzed during the larger research effort. These more detailed and specific analyses are contained in the supporting documents for this project.

This research effort was jointly sponsored by the U.S. Air Force (HQ USAF, Office of the Deputy Chief of Staff for Plans and Operations) and the U.S. Army (HQ U.S. Army, Office of the Deputy Chief of Staff for Intelligence).

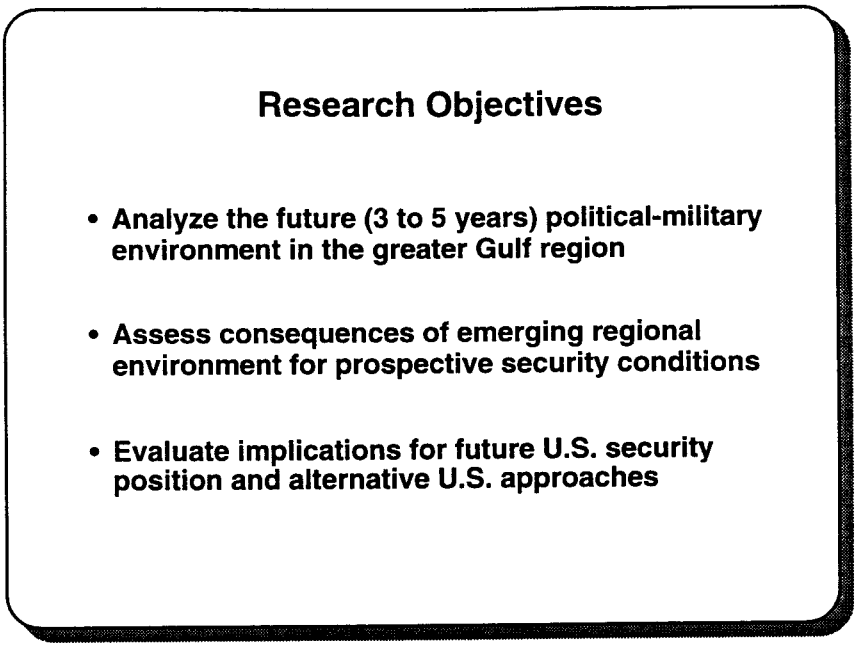


The principal members of the research team and their respective areas of responsibility are given above.



The Gulf region will clearly remain of major importance to the United States well into the next century. First, the United States and Western countries will continue to depend on the energy resources of the Gulf. While the United States is far less dependent on Persian Gulf oil than its European or Japanese counterparts (12 percent versus 29 percent and 63 percent, respectively), this dependence is expected to increase during the next decade. Furthermore, to the extent that the oil supply and accompanying pricing are functions of total 'global' market availability irrespective of the oil's origin, the specific level of U.S. dependency on Gulf supplies does not accurately reflect the potential direct consequences to the U.S. economy.

Beyond energy interests, the Gulf region, as the repository of the holiest sites and rich religious history of both Sunni and Shia Muslims, commands great attention for the almost one billion Muslims throughout the world. This worldwide community is growing in size, and its significance as a political force is increasing as well. Although hardly homogenous or monolithic in religious terms—let alone political ones—Islam can serve as a unifying element and connection to events in the Gulf and, by extension, to the U.S. role and activities in the region. Thus U.S. actions in the region can resonate well beyond the Gulf, and result in wider implications for U.S. foreign policies.

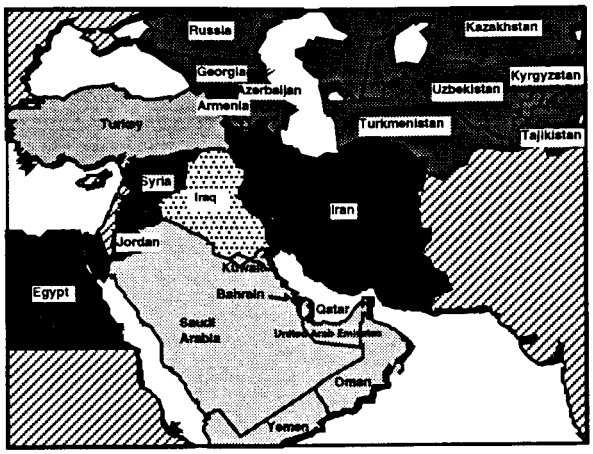


This study's objectives were threefold. The project team first examined the overall political-military environment throughout the region following the war with Iraq and the disintegration of the Soviet Union. The purpose was to analyze and understand regional dynamics in the face of these events and their implications for the projected environment over the next 3 to 5 years. Both internal and external aspects of these dynamics were addressed for all the countries examined.

The second objective focused on the implications of the projected overall political-military regional environment for the likely future direction of security conditions in the greater Gulf region and for future regional stability. Emphasis was on the types and diversity of threats of greatest concern to various countries in the region and how these concerns would likely translate into prospects for generating stable security conditions or any collective defense arrangements from within the region itself.

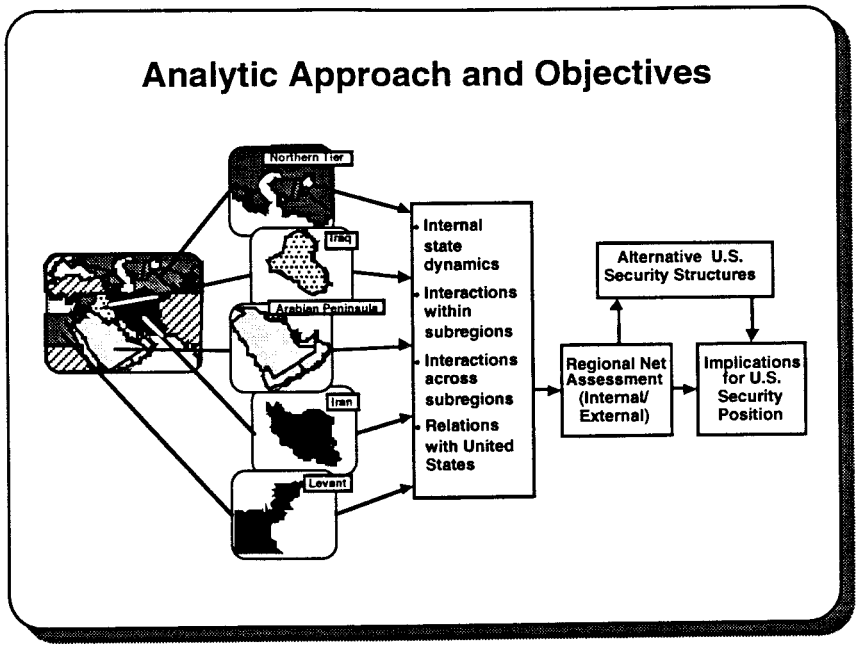
The third objective was to evaluate how the overall projected regional political-military and security environments would affect the future U.S. regional security posture. Emphasis was on identifying the challenges that the United States will face as it seeks to maintain a robust regional security posture, the types of broad alternative approaches the United States could pursue in response to those challenges, and the trade-offs associated with each.

The Greater Gulf Region



The eighteen countries examined in this study constituted the project definition of the "greater Gulf region": the three Levant states of Egypt, Jordan, and Syria; the seven Arabian Peninsula states of Saudi Arabia, Yemen, Oman, the United Arab Emirates, Qatar, Bahrain, and Kuwait; Iraq; Iran; and the six recently created states of the former Soviet Union bearing on the Gulf region—Azerbaijan in the Caucasus and the Central Asian countries of Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan, designated as the northern tier.

Turkey, Israel, and Russia were not included among the core country group but were factored in where they bore directly on Gulf security. Israel, in particular, was excluded from the core country set to avoid drawing the analysis heavily in the direction of the Israeli-Palestinian-Arab conflict and to examine in depth the constellation of problems in the Gulf region that have an existence and dynamic all their own.



Analytically, this research was structured on a foundation of regional analyses. The study first disaggregated the eighteen countries of the region into five analytically useful and manageable subregions: the Northern Tier, Iraq, the Arabian Peninsula, Iran, and the Levant. Then each subregion was examined and evaluated along four dimensions.

- Internal state dynamics focused on domestic factors that will have a predominant impact on the future security and stability of the ruling regimes and of the states themselves.
- Interactions were examined within the individual subregions (applicable to the Northern Tier, Arabian Peninsula and the Levant).
- Interactions across subregions examined the relationships between the individual countries of each subregion, as well as the subregion as a whole with all the other subregions. For example, the external relationships of the Northern Tier states were evaluated as they affected the states of the Levant, the Arabian Peninsula, Iraq, and Iran.
- Each subregion was evaluated in terms of its likely future relations with the United States.

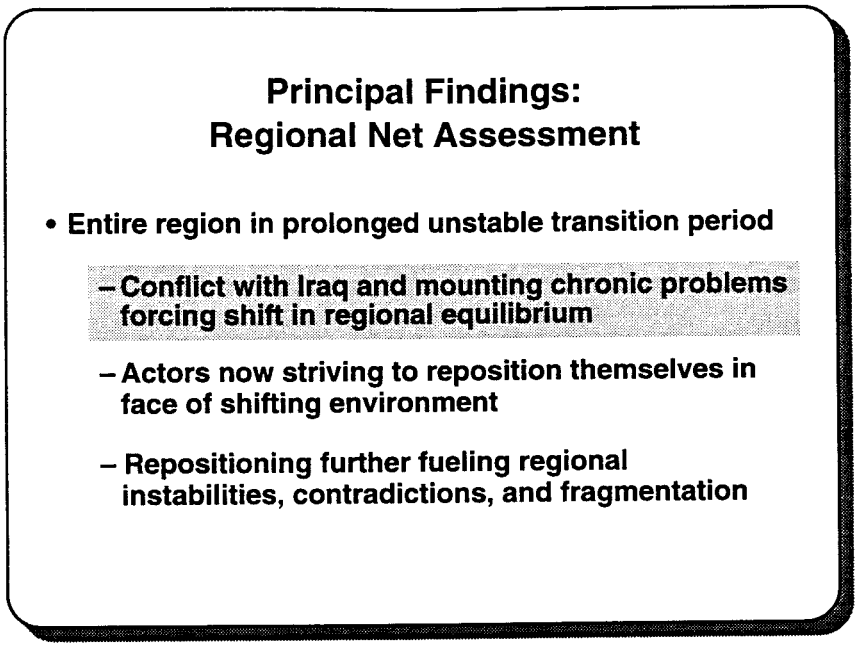
The results of these individual subregional efforts then were integrated to produce a net assessment for the Greater Gulf. We focused the assessment on the internal and external factors of greatest import in defining the future security environment.

Derivative of this evaluation, the research team then assessed future security conditions and environment, including an effort to examine the efficacy of alternative U.S. security structures within that environment.

Finally, based on the political-military and security assessments, implications were drawn for the future U.S. regional security position. We examined the military aspects and the political, social, and economic dimensions of the regional security settings that will shape the environment within which the U.S. military will have to operate. Broad alternative U.S. approaches to Gulf security were then explored, emphasizing different levels of U.S. political and military involvement.

This approach of building on regional dynamics was considered essential to effectively understand not only the types of security challenges the United States will face but also the consequences and trade-offs of alternative U.S. approaches to facing those challenges.

The principal findings of the research are presented in the remainder of this document, beginning with the regional net assessment.



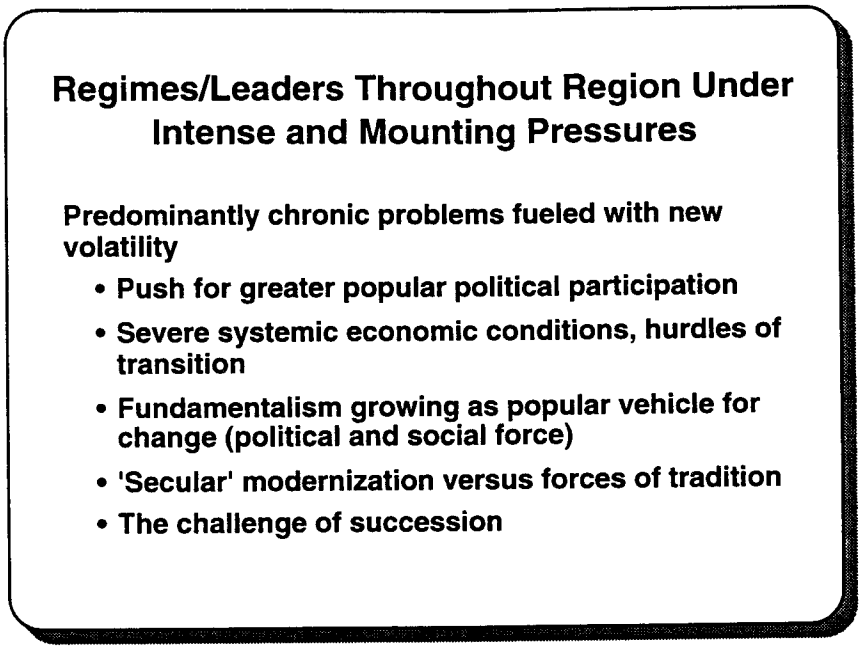
The region will encounter increasingly instability over the next 3 to 5 years. This conclusion is based on three primary developments.

First, a shift in the regional equilibrium is under way due both to the cumulative effects of the war with Iraq and to chronic problems facing the region. In many cases, the powerful interaction of these two has yielded very serious, qualitatively more intense pressures than the region has faced previously.

Second, in response to these pressures and the resulting shift in the regional equilibrium, regional actors are seeking to redefine both their internal and external positions. This process is now well under way and is likely to gather increased momentum.

Third and perhaps most significant, the analysis indicates many of the reactions and efforts at repositioning are producing a further political deterioration and fragmentation throughout the region.

The specific factors responsible for each of these three developments are presented next, beginning with the combined effects of chronic and acute recent developments.



Throughout the Gulf region, all security concerns begin at home, and all leaders are facing severe and mounting internal pressures. While most of these pressures existed before Iraq's invasion of Kuwait and the collapse of the Soviet Union, the Gulf crisis and war induced a new volatility.

First, a push exists for greater popular participation. The leadership failure to keep the initial Gulf crisis an "internal Arab affair" and the need for Arab coalition members to rely on Western support struck at the very foundations of the regimes' legitimacy and of their competence to lead. The liability of depending on the United States was compounded by the popular view that U.S. support was for particular regimes, such as the Al Sabah, and not for the countries themselves. Domestically, even as Desert Shield was still unfolding, Saudi leaders were being confronted with public petitions, signed by many prominent leaders in the kingdom, demanding political reform and an opening of the political process.

The poorer states of the Levant, as well as Iraq and Iran, face severe systemic economic conditions. All are facing the growing tension between the enduring political need for large subsidies in goods and services to expanding populations—especially acute in Egypt and Iran—growing resulting debts, and the necessity to undertake major economic reforms that would entail displacing large numbers of people. At the same time, the expanding young population and related government efforts to develop full educational systems to accommodate this population, especially in the Gulf, are now coming to fruition with significant political

implications. A pressing economic issue facing leaders throughout the region is how to accommodate this upcoming generation, their expectations for individual employment opportunities, and the hurdles of economic transition without widespread political upheavals. The current rulers cannot dismiss the clearly emerging generation gap.

The growth of fundamentalism as a political and social force throughout the region was greatly stimulated by events stemming from the war against Iraq. Even within religiously conservative Saudi Arabia, many prominent establishment clerics began criticizing the political decisions of the Al Saud related to the handling of the crisis. In Azerbaijan and throughout the Central Asian states, Islamic values are being used internally as a direct political lever by embryonic political groups to assert authority and challenge the existing "secular" regimes.

In addition to these societal pressures, all regimes in the region face the challenge of succession. In the Levant, uncertainty is probably most pronounced in the case of Syria, where currently there is no obvious successor to President Assad and little in the way of any political machinery to permit an effective transition. Even among the conservative monarchies in the Gulf where certain institutional succession mechanisms exist, internal family disputes over policies and hence personalities to implement them are being exacerbated by mounting internal pressures and the need of the ruling elite to respond to them. Institutionalized succession is probably most lacking in the newly created northern tier states, whose very political structures are only beginning to be defined. All these internal problems will increasingly tax the leaderships.

Regional, Subregional, and Interstate Divisions Increasing

- "Pan-Arabism" versus nationalism, rich versus poor, regional versus subregional political focus
- Gulf Cooperation Council states facing renewed internal challenges
- Intensification of interstate confrontations over issues of legitimacy
  - Three-way struggle between Iraq, Iran, and Saudi Arabia
- New competitive opportunities/points of friction
  - Emerging states (Azerbaijan/Central Asian Countries), ethnic groups, and clan units

Externally, divisions are increasing at the regional, subregional, and interstate levels. The war stripped leaders of the ability—and in several cases the desire—to continue to promote Pan-Arabism over nationalism. This position is now being openly stated throughout much of the Arab World, with the most prominent division along the rich-poor dimension, with the wealthy shaykhdoms of the Gulf, led by Saudi Arabia, pulling away from much of the rest of the Arab World.

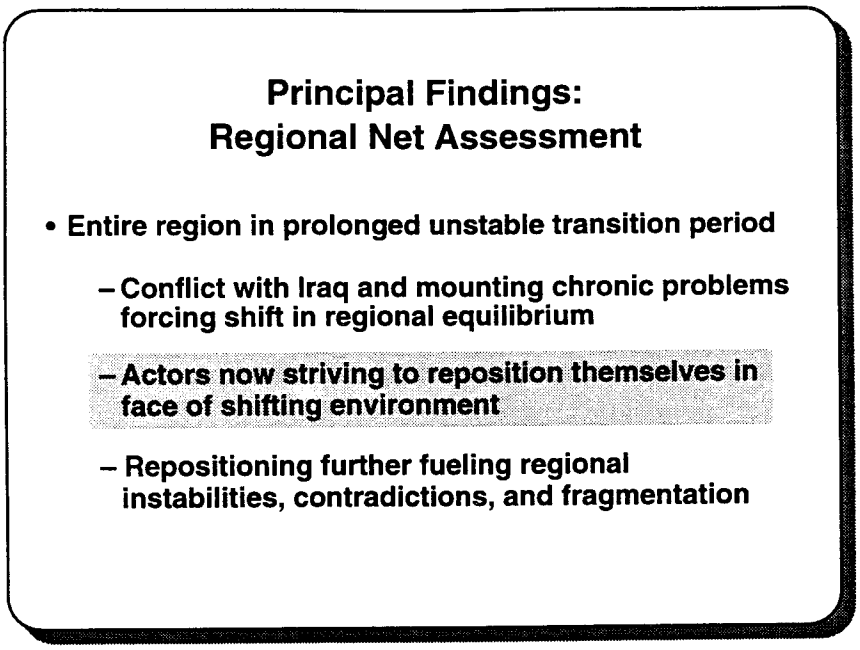
This overall distrust has heightened the perceived need among the monarchies for greater subregional security cooperation under the aegis of the Gulf Cooperation Council (GCC) but in so doing is placing an additional burden on intra-GCC relations, which are now far from smooth. The renewed dispute between Bahrain and Qatar over the Hawar islands and other offshore islands and reefs is one example. The tensions between Qatar and Saudi Arabia, which erupted into border clashes in September of 1992, is another. These renewed disputes have as much to do with the prevailing political climate as they do with actual territorial differences.

The traditional regional struggle over political legitimacy and dominance—and in tensions with Iran over the religious legitimacy of the Saudi leadership—has also been further energized by the war. Saddam's attempts to portray the war as one between a true independent Arab state standing up to the dominance of the United States and the West versus weak, largely illegitimate shaykhdoms servile to U.S. and Western

interests did have an effect, particularly at the popular level. This portrayal and its effects have continued into the post-war period, with the efforts to force Iraq to abide by U.N. conditions increasingly viewed as a U.S. attempt to further weaken or even dismember the country. Many Arab Gulf State leaders are perceived as the instruments permitting this process. Furthermore, irrespective of Saddam's future, Iraq now has a long-term score to settle with the Gulf States and will exploit the soft underbelly of political and religious legitimacy. Meanwhile, Iran sees a new opportunity to reassert a dominant role in the region and will also take advantage of the inter-Arab divisions and Arab Gulf dependence on the West as a lever to this end.

In addition to these traditional rivalries, new sources of tension are bearing down on the region. Most notable is the susceptibility of the northern tier states and the subgroups within them to far greater external influence; such influence is laden with dangerous side effects cutting across geographic, ethnic, and religious boundaries. A primary manifestation of this process is the emergence of a new sphere for Saudi-Iranian-Turkish competition, which could find its way politically into the Gulf itself.

While many of the new competitive opportunities and points of friction are at the state-to-state level, subnational groups in the north are playing major roles here as well. Prominent examples include Turkic people residing throughout the region, who can be targeted as one distinct ethnic bloc for influence; the Kurds are another example. Competition at this ethnic level acts to pull at the very foundations of current state development.



Against this collection of internal and external challenges, what are the regional actors doing in response?

The Internal Challenge: Maintain Stability Without Changing Ruling Status Quo

- **Political/Social Initiatives**
  - **Expansion of political rights, greater ruling accountability**
  - **Coerce religious authorities, students**
  - **Expel politically suspect expatriate workers, reduce general presence in Gulf**
- **Economic Initiatives**
  - **Continued heavy use of subsidies at home**
  - **Efforts to diversify and expand economies**
  - **Wealthy Gulf States' cutback of support for poor Arab states**

On the internal front, the fundamental challenge facing all the regimes is how to respond to mounting domestic pressures while maintaining internal stability and not altering the ruling status quo. None of the current regimes are moving to change their basic forms of government (except Yemen). Consequently, the more conservative regimes have responded with political, social, and economic initiatives that have been a mixture of progressive and reactionary policies.

In response to popular pressures, the conservative monarchies are opening the political process while simultaneously reeling in other groups threatening to regime stability. Prominent among efforts at expanded political participation were the March 1992 decrees issued by King Fahd of Saudi Arabia. He announced three statutes aimed at expanding and to some degree decentralizing certain decisionmaking authority. The developments in Yemen and their unfolding, if troubled, democratic experiment are perhaps most intriguing of all. The move toward political pluralism following the 1990 unification, combined with the influence of secularism and socialism in the former South Yemen represent a major potential stimulus of internal political change.

Simultaneous with the partial opening of the political process in the conservative monarchies are the coercive aspects of government policy, particularly targeted at religious authorities. The Saudi rulers initially permitted the Mutawayyin (public enforcers of Islamic codes) to reassert their authority following the war but then cracked down when the

religious authorities began to directly challenge the ruling family. The King dismissed seven elderly religious conservative officials of the Supreme Authority of Senior Scholars, the highest clerical body in the country for refusing to denounce religious militants. Resistance to challenges to regime rule has also been very apparent in Egypt. In November 1992, the Egyptian Minister of Religious Endowments announced that all of Egypt's 100,000-plus mosques were to come under the ministry's control (only 20 percent were under government control at the time) following an earlier government pronouncement that all Friday sermons at state-controlled mosques must be approved by government-appointed officials.

A more sweeping response to internal stability pressures in the Gulf has been the wholesale expulsion of Arab expatriate workers. Palestinians, Jordanians, and Yemenis have been removed in an effort to purge the Gulf countries of potential dissidents with links to the larger Arab World.

Across the economic front, the financially strained Levant states, the relatively wealthy conservative Gulf monarchies, and Iran continue their heavy use of government subsidies as a major element of preserving internal economic stability. In 1991 alone, the Iranian government spent $28 billion on imports while exporting only $16 billion of oil. The other side of the economic coin is a series of economic initiatives, including the Arab Gulf states' growing efforts to diversify the economy beyond energy and the host of supporting industries and services.

Finally, the wealthy Gulf States have dramatically cut back their subsidies to other non-Gulf Arab States and to the Palestinians. The war provided the immediate stimulus for this in regard to Jordan, Yemen, and the Palestinians. But when coupled to other economic challenges, any significant resumption is unlikely. These economic challenges will add to the domestic political burden of the Gulf leaderships and further constrain resumption of external largesse.

Pursuit of New Strategies to Increase National Freedom of Action and Leverage

- Shedding or significantly altering past commitments
- A new Saudi assertiveness on the peninsula
- Shaykhdoms maneuvering to ensure independence and survival
- Iran's efforts to reemerge as key regional power
- Interstate competition over new political power centers
  - Reciprocal Azerbaijan/Central Asian exploitation of patron rivalries
  - Kurds
- With few exceptions, current regimes/leaders strengthening ties to the West/United States

On the external front, in response to mounting interstate divisions, individual leaderships and states are choosing to enhance their national leverage relative to their neighbors and, in so doing, are scrapping more "collective" regional approaches.

A central lesson of the July-August 1990 crisis for the Saudi regime was that the kingdom's survival was placed in direct jeopardy by events over which they had little or no control. The regime believes that this situation must never again happen. The Saudis, therefore, have embarked on a new, much more assertive course on the Arabian Peninsula aimed at controlling the security aspects of their immediate neighborhood as much as possible—i.e., the activities of the smaller Gulf shaykhdoms and Yemen. It is worth stressing that the Saudis still hold the Kuwaitis largely responsible for the invasion because of their perceived arrogance and inflexibility in dealing with Saddam, for which the Saudis feel they have paid—and will continue to pay—an exorbitant price.

While it will take time to determine how much the Saudi desire to increase its assertiveness will translate into real actions, recent events are suggestive. Border clashes between Saudi Arabia and Qatar, for example, that have evoked particularly strong statements from both sides, but especially by the Qataris, are one manifestation of this Saudi assertiveness. Qatari officials have argued that Saudi actions have less to do with border disputes than with the Saudi desire to exert their authority and to punish

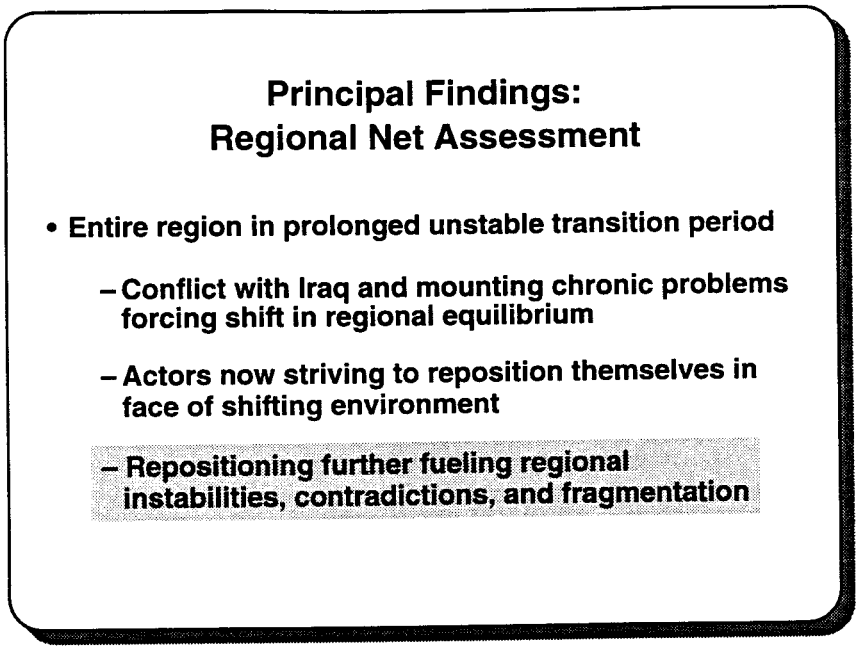
Qatar for its independent policies, especially toward expanding its relations with Iran.

The smaller Gulf shaykhdoms will actively pursue mechanisms to counter Saudi assertiveness and to maintain as much independence as possible. These efforts include strengthening ties to Iran and, certainly in the post-Saddam era, to Iraq. Recent improvements in Oman-Yemeni relations, while occurring for a number of reasons, include the need to partially balance Saudi power. Close security ties to the United States and other outside powers represent another insurance policy against Saudi pressure.

Clearly Iran sees a new opportunity to reassert its preeminent position in the Gulf. This has included efforts to wean the smaller Gulf shaykhdoms away from Saudi influence and dominance, as well as to coerce them in directions favorable to increasing Iranian influence in the Gulf.

In the northern tier, Turkey, Iraq, Iran, and Saudi Arabia all will be pulled into competition either to exploit new opportunities to increase their political power or to avoid having others gain at their expense in this new sphere. Similarly, the new states and their political subelements are likely to take advantage of this external competition to best enhance their own positions, playing patrons off against each other. Such maneuvering increases the prospects for state collisions over these sensitive areas.

The growing need of current regimes and leaders to strengthen ties to the West is apparent in both the wealthy Gulf—focusing primarily on security ties—and in the poorer Levant—focusing primarily on economic support. This policy is being followed not out of desire and choice but out of necessity as part of pursuing strategies to increase national freedom of action and leverage relative to one's neighbors. A central factor in this process is the demise of the Soviet Union, which has stripped regional actors of their traditional fallback of playing the superpowers against each other.



As the regional actors pursue these policies in response to building pressures, the net result is to further add to an already taxing burden and to fuel rather than diminish problems for all parties.

Regimes/Leaders Increasingly Exposed During Reform Process

- Internal regime struggles over scope, speed of implementation, direction
- Pace of popular expectations outrunning regimes' ability/willingness to deliver
  - Popular frustrations exacerbated by coercive government measures
- Opposition centers of authority challenging scope, speed, and direction
- Dependencies on West a vulnerable flank
- Internal pressures further stimulated by external linkages
  - To internal affairs of other states/groups
  - As target for outside exploitation

As the regimes embark down the road of reform, no matter how carefully, they cannot avoid an increased exposure. Such exposure is inevitable in any internal reform; its extent is significantly higher, however, in the current and projected environment. The number of fronts that leaders must face on reform issues is high, the demand for urgency is diminishing the prospects for more evolutionary and graduated responses by the regimes, and the politically charged regional atmosphere allows the opposition to make current leaders a lightning rod on reform issues.

No consensus exists among or within regimes over the scope, pace, and direction of reforms. The ruling Saudi family is concerned that Kuwait is moving too quickly toward increased popular participation, and the Omanis think that the Saudis are moving too slowly. The Al Saud family has had several internal disputes, including disagreements between King Fahd and Crown Prince Abdallah, over the future direction of reform and modernization. These debates have centered on how much structural reform is necessary to accommodate a modernizing kingdom versus how much to rely on the more traditional tribal and Islamic principles as the best shock absorbers against the forces of change. In the Levant as well, Egypt and Jordan face increasing pressures from conservative Islamic forces as they seek to pursue more liberal political policies.

All the conservative monarchies are facing the classic reform risk of being outrun by popular expectations. An added complexity is the contradictory nature of emerging popular demands, with both liberals and

Islamic conservatives simultaneously calling for very different, often contradictory, types of reform, as best exemplified in a series of petitions to King Fahd. One set, signed by prominent university professors and businessmen, "demanded" liberal reform including increasing political rights for both men and women and curbing the excesses of the Mutawayyin. A second set, signed by equally prominent religious scholars and clerics, took a decidedly Islamic tone, "demanding" that the kingdom have even more Islamic influence, including the military, political, administrative, and educational sectors. Maneuvering between these two sets of demands presents a true reform dilemma for the ruling authorities. In the near-term, however, the dominant pressure comes from the Islamic right much more than from the liberal reformers. Thus in managing the pace and balance of political change, the government is adopting a relatively slow process of political reform in response to the pressure from the liberal constituency while engaging in significant crackdowns on the Islamic right. This approach, however, in the long-term could result in additonal layers of frustration from both ends of the spectrum.

In addition, these regimes have increased exposure because of their Western dependencies that are increasing in scale, visibility, and political content, given the countervailing anti-Western pressures. The regimes thus find themselves in another dilemma, where moving to solve the external security challenge through the West exacerbates internal problems, while moving to address internal problems is in direct tension with efforts on the external security front.

These internal pressures are further stimulated by their linkages to external developments and issues. The pace of reform that the Al Saud is willing to undertake, for example, is affected by the pace and consequences they observe in adjacent monarchies—and increasingly in Yemen. Similarly, in making their own calculations about internal reform, the ruling Al Sabah in Kuwait cannot be oblivious to Saudi concerns over reform issues inside the Emirate. Ruling Gulf attitudes toward internal policies on the Shia are also driven by related developments in other countries, most notably the future of Iraq's Shia.

Realignments Solidifying Cleavages, Giving Birth to New Ones

- **GCC states versus rest of Arab World**
- **Saudi Arabia versus Gulf Shaykhdoms**
- **Saudi Arabia versus Yemen and Jordan**
- **Saudi Arabia versus Iran and Iraq**
- **Iraq versus Iran**
- **Regional competition in north contributing to potential creation of ethnic blocs**

Proliferation of cross-cutting problems and strategies throughout greater Gulf region

In external relations, the stress on achieving more national leverage and independence is resulting in realignments that are solidifying cleavages, giving birth to new ones, and in the process stimulating additional regional fragmentation.

At the inter-Arab level, the wealthy Gulf states are distancing themselves from much of the rest of the Arab World while still wrestling with how to deal with Iraq and, in the case of Saudi Arabia, the threat of Yemen as well.

Among the six GCC member states of Kuwait, Saudi Arabia, Bahrain, Qatar, the United Arab Emirates, and Oman, Saudi assertiveness is leading to frictions with the smaller shaykhdoms who see their own independence directly threatened by this Saudi behavior; as previously noted, these states are taking counterbalancing actions. The strengthening of relations with Iran, Yemen, and, in the future, Iraq will further fuel intra-GCC tensions, as may differences of opinion over the nature and extent of ties with Western powers.

Saudi Arabia's relationship with Yemen likely will remain tense because of Yemen's political position during the crisis and war, the internal changes that emphasize the expansion of political parties and more open media, and the enduring historical concerns of the Saudis over their southwestern flank, now exacerbated by the struggle for Yemeni unification. This latter development further codifies the sense of unity

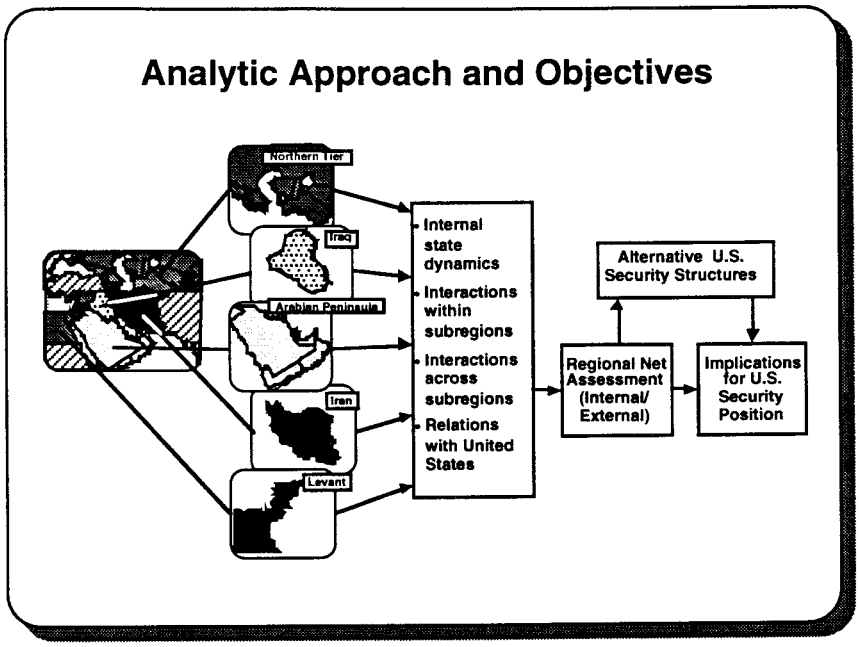
and identification among the Yemenis, a cause for serious long-term concern from the Saudi vantage point.

Iran's desire to reassert its preeminent position in the Gulf following the Gulf war will clash directly with the Gulf States and the larger Arab World. Of particular note, Iran will adamantly resist any effort by Saudi Arabia to assert its authority in the Gulf. Iran views such Saudi behavior as a potential political threat because of the combination of Saudi oil wealth and the now highly visible U.S. military umbrella. At the same time, as a result of the Gulf war, the Saudis feel a right, a necessity, and an opportunity (given extremely close U.S. ties) to protect and pursue their national interests more assertively. Both parties also are at odds over oil sales, with the Saudis pushing to increase their market share at Iran's expense. It is also worth noting that Saudi Arabia's strategy here is pressuring the smaller Gulf producers as well, presenting a double-edged policy; similar policy problems will be faced with Iraq once sanctions are lifted.

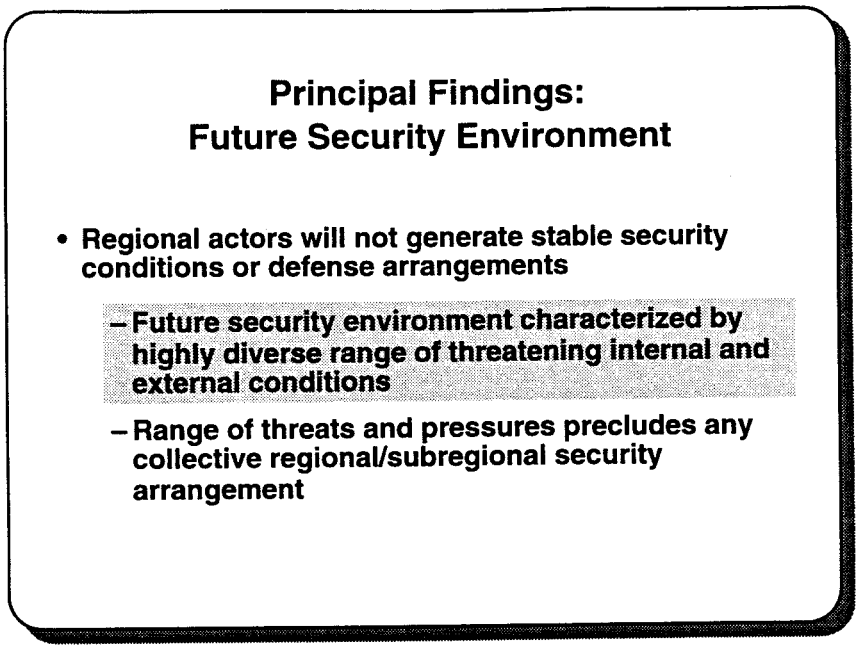
Iraq will be in a state of tension with both Saudi Arabia and Iran while Saddam remains in power. Initial Iraqi feelers to improve relations with Saudi Arabia in an effort to break out of its current isolation have produced little public Saudi response. The crisis and war have produced an intense personal animosity between Saddam and King Fahd, which most probably cannot be overcome while both remain in power. Saddam's pledges to Iran that were made during the crisis concerning border reconciliation on terms favorable to Iran have not materialized, while cross-border operations involving the Kurds and manipulation of the Shia in the south remain additional friction points. Finally, once Iraq reenters the oil market in strength, further downward pressure could be exerted on the price of oil, with significant revenue implications for Iran's struggling economy.

To the north, regional competition stimulating ethnic rather than current nation-state orientations threatens to break up these existing states and replace them with new ethnically based blocs.

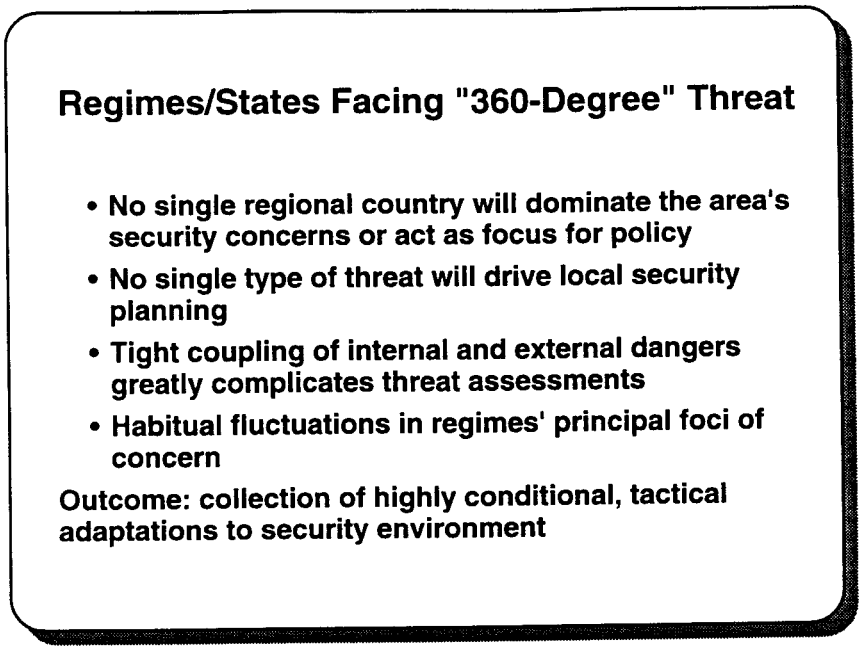
In sum, the region is being wracked by a proliferation of cross-cutting problems and associated strategies that present a disturbing cumulative regional picture.



The principal findings on the implications of this net assessment for the future security environment are summarized next.



Our principal conclusion is that the regional actors themselves will not be able to overcome the many difficulties and divisions and, consequently, will not produce stable security conditions or any meaningful regional defense and security arrangements. This conclusion is based primarily on the highly diverse and complex range of projected threats, combined with an equally diverse range of perceived responses to those threats on the part of the regional leaders and states.

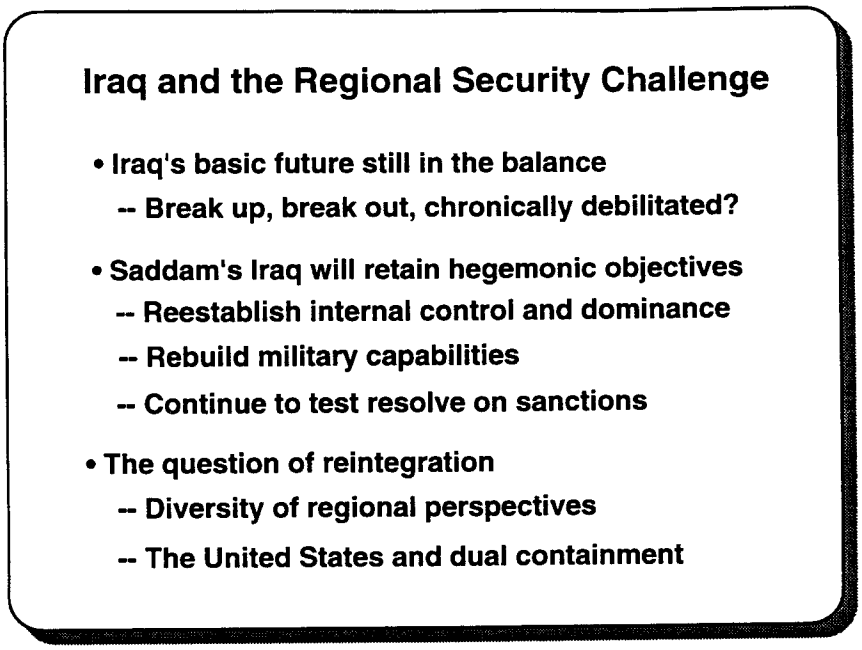


The regional dynamics summarized in the net assessment are generating a security environment characterized by a "360-degree" threat to regimes and states. While each country will certainly not view all its neighbors with equal suspicion or gravity, each will perceive its neighbors as having agendas that could prove detrimental to their individual security needs. Consequently, local security thinking will not be in terms of specific country threats against which a counterbalancing security structure should be built but instead will reflect this environmental complexity.

The current transitory containment of Iraq cannot be sustained. Aside from concerns over the need for a strong counterweight to Iran, continuing regime reliance on the West to keep Iraq down, in the face of all the other internal pressures bearing down on the regimes, is a significant political liability. In the case of Iran, while their internal politics possibly could drive that country into hostile external actions sufficient to trigger a collective view of the Islamic Republic as a distinct threat, Iran's external policy probably will be a mix of pressure and inducements that will preclude any collective casting into "outlaw" status.

The frictions between the GCC states and the larger Arab World, as well as those within the Arabian Peninsula itself (including Yemen), will also virtually guarantee that no specific threat—Iraq, Iran, or anyone else—will serve to focus security policies. Once the current standoff with Iraq ends, habitual fluctuations will arise in the local foci of security concerns, along with highly conditional and largely tactical adaptations to a fluctuating

security environment. Iraq, Iran, and Yemen will all present major regional security challenges along these lines, less because they will pose distinct threats to be countered or "contained" than because of their roles as key elements of this fluid security environment.



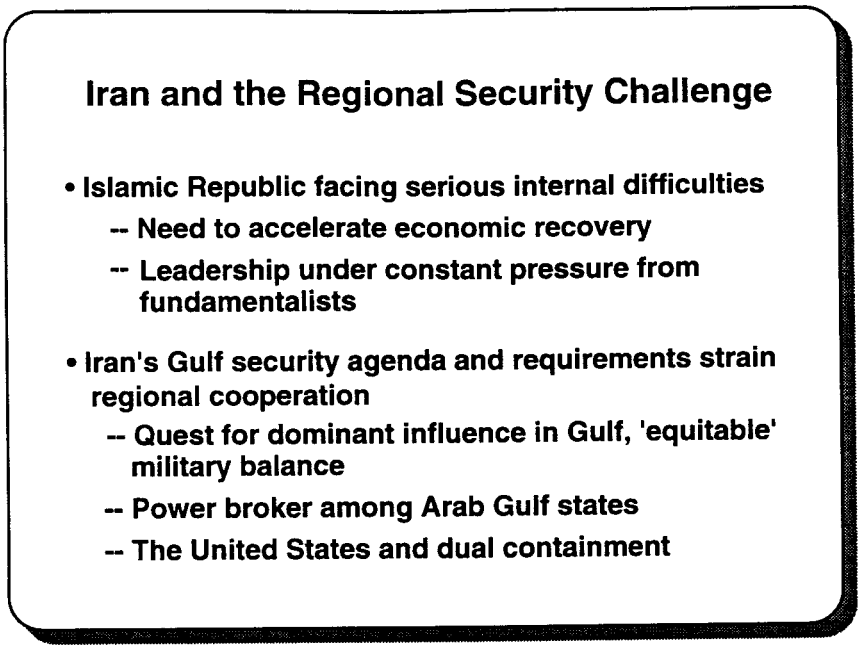
As previously noted, given Gulf dynamics, it is unlikely that Iraq can be regionally isolated for a prolonged period. As a result of the war and Saddam's refusal to accept UN conditions for lifting sanctions, Iraq's basic future still remains in the balance. Fears of the consequences of a fragmented Iraq resulting from further economic deterioration are stimulating pressures to reduce sanctions. Simultaneously, the fear that Saddam may be able to break out of the current containment both reinforces local regime pressure to keep Iraq under pressure *and* to consider ways to deal with a reemerged Iraqi power down the road. The latter set of considerations necessitates local thinking on mechanisms for Iraq's future reintegration into the affairs of the region, however difficult to imagine under current conditions. Oman has been at the forefront of keeping channels open to Baghdad and of making it clear that it will not be part of any long-term strategy of isolating Iraq. A chronically weakened Iraq would most likely result if Saddam clings to power but cannot eliminate his regional isolation. This failure to reach any rapprochment would maintain pressures on local regimes to halt the suffering of the Iraqi people.

Under Saddam's rule, Iraq will continue to pursue a policy of hegemony in the Gulf. While Iraq's near-term economic, political, and military capabilities have been greatly reduced, the core components of Iraqi national power remain. When combined with Saddam's intense efforts to restore internal control—including seeking dominance over both the Shia in the south and Kurds in the north—and ongoing efforts to rebuild the

Iraqi military, Saddam's enduring pursuit of regional dominance remains intact. Even with Saddam's passing, Iraq's neighbors will have serious concerns for some time about the strategic direction of any new leadership that will command the resources and geopolitical position of Iraq.

The end result is near-term pressure for the continued containment of Iraq in the face of longer-term realizations that Iraq cannot be excluded from regional activities or permitted to slide into conditions destabilizing to the region as a whole. Just as important, for individual Arab Gulf regimes the continued containment of Iraq is costly in two respects. First, there are continued popular criticisms against those leaders supporting the policy. Second, these same leaders have foregone potential benefits that could be gained from using relations with Iraq as a lever in their dealings with other Gulf neighbors and outside powers. These conflicting concerns are further complicated by differing views within the region on the timing and conditions for dealing with Iraq, with Kuwait clearly holding the most hardline position.

If the current U.S. policy of containing Iraq becomes a long-term strategy, it will be very difficult to sustain regionally. The incentives and security concerns of friendly regimes can only be accommodated realistically with Iraq as a central participant in the larger balance of regional power. The near-term reality of the need to contain Iraq as a distinct threat cannot be separated from these reintegration realities—of Iraq's role as part of, and part counter to, the overall spectrum of threats perceived by regimes friendly to the United States. Contending with this reality will greatly limit any efforts at serious collective security arrangements.



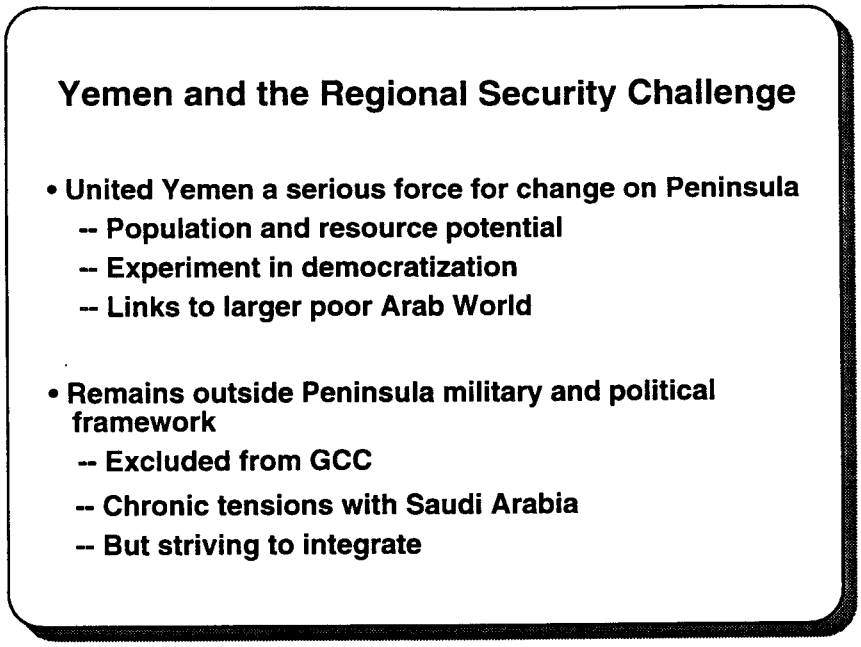
Iran continues to suffer from profound internal economic and political problems that are little affected by the recent war. Inflation is rampant; the shattered economy of the 8-year Iran-Iraq war is only now beginning to recover, while consumer demands have far outstripped the government's ability to deliver. This problem has been exacerbated by the lowered price of oil and Saudi Arabia's move to significantly increase its OPEC market share. Despite President Hashemi Rafsanjani's success at the polls in turning back the extreme fundamentalists, they have not been defeated and remain a constant power center to be reckoned with. One major consequence is to severely limit Rafsanjani's freedom of action on internal economic and political reform. As the economy continues to falter, the extremists will exert additional pressure on him and his policies, including efforts to improve economic and political ties to the West. Iran also faces the economic burden of rebuilding its own military forces, as well as the political burden externally of countries viewing this rebuilding as a threat. To the north, Iran is deeply concerned about political instability along its border from the ethnic strife in Azerbaijan and the civil war in Afghanistan. Overall these internal developments will likely produce Iranian external policies that are both a mix of efforts to mend fences to bolster its economic recovery and political stability and activities designed to pressure her neighbors, especially on oil pricing policies.

Iran's expectations of its role and requirements in Gulf security affairs will continue to conflict with those of the other Gulf States and with Egypt. As previously noted, with the damage done to Iraq, Iran now sees an

opportunity to reassume what it deems its rightful place as the dominant Gulf power. Consequently, it will never accept any regional security arrangement that excludes Iran. More to the point, it perceives any western-led security arrangement based principally on the cooperation of the lower Arab Gulf States as unsustainable. In the absence of a threat of the magnitude and clarity of Saddam's invasion of Kuwait, which Iran would seek to avoid, Teheran's leaders see little chance that such long-term cooperation will materialize.

At the same time, however, Iran's leadership appreciates that Iran has a very limited ability to reduce the U.S. military presence in the Gulf. The principal Iranian concerns apparently are not the presence of U.S. forces per se but rather their impact on the correlation of military forces in the Gulf and the specific role of U.S. forces within any future alliance it seeks to form. Iran would strongly resist any perceived effort by the United States to provide Saudi Arabia with increased political status over Gulf affairs behind the U.S. military shield, including extending its influence over the small littoral Arab states of the lower Persian Gulf. As part of its perceived claim as the dominant Gulf power and its legitimate regional relations, Iran expects to have much independent intercourse with its smaller neighbors. Saudi efforts to control or limit such intercourse again will be strongly resisted. Any Iranian sticks wielded in this regard likely will be matched by its efforts to act as a valued "power broker" with the shaykhdoms against larger Saudi designs.

The U.S. policy of politically containing Iran will prove extremely difficult given Iran's ability to influence events in the Gulf, bolstered by the varied agendas among the Arab Gulf States themselves in their relations with Iran. To the extent that U.S. policy requires the Arab Gulf States to become part of a concerted, long-term effort to contain Iran's influence, this policy is unlikely to succeed and could actually undermine the U.S. regional military presence. To the extent the U.S. miltary presence is also linked to increasing Saudi political and military influence in the Gulf, it will face additional hurdles as well.

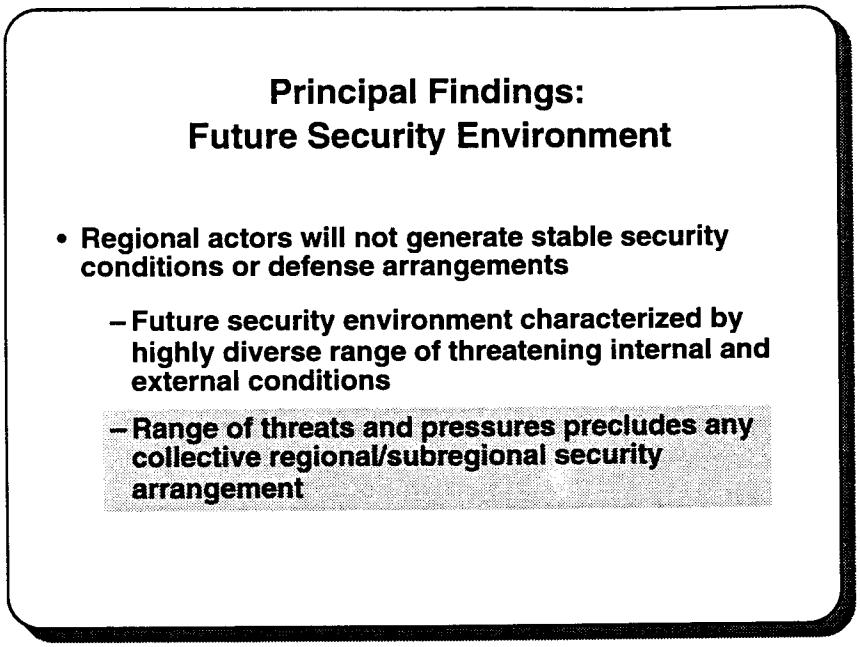


With the unification of the Yemens in 1990, that country became a serious force for change on the Arabian Peninsula. That potential remains despite the recent outbreak of hostilities between the northern and southern militaries. If unification survives, Yemen's indigenous population is now larger than Saudi Arabia's. The recent expansion and development of its oil resources, while still minor relative to the other Gulf States, does hold out prospects for a serious economic resource in the future. Its experiment with democracy, while a very difficult and still uncertain undertaking, poses a political challenge to the Gulf monarchies. This challenge is particularly acute for Saudi Arabia, which faces in Jordan to the north another unfolding effort to expand political participation. Given its poverty relative to the wealthy Gulf States, and its unwillingness to endorse the use of force against the Iraqis, Sanaa has also managed to keep its bridges open to much of the larger Arab World. This role will become more important should the rift between the Gulf States and the poorer Arab World deepen.

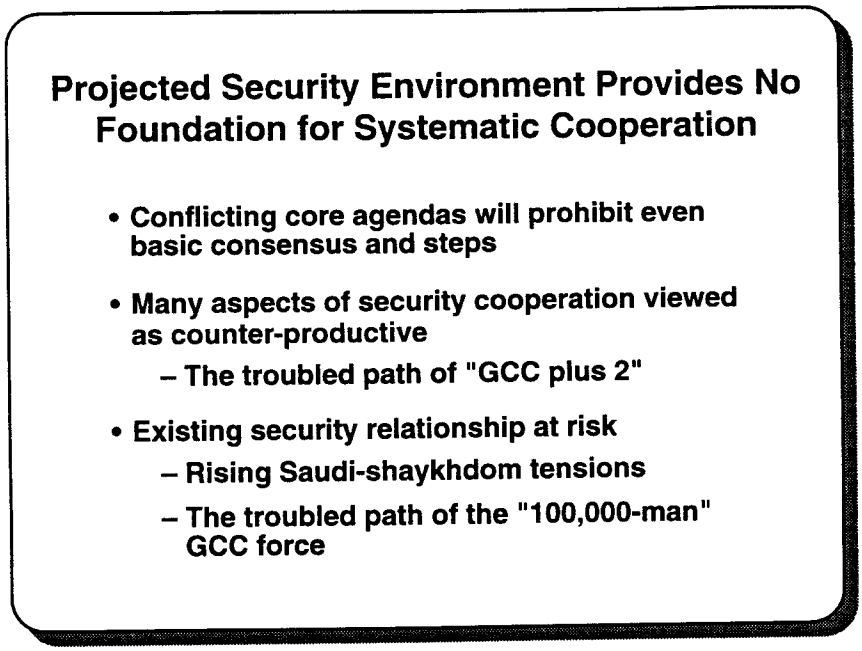
Yet Yemen still remains outside the GCC community. Indeed as a result of its position in the war, more than 800,000 Yemeni workers were expelled from Saudi Arabia. Border tensions with the kingdom continue, exacerbated by Yemeni exploration of oil resources on territory that the Saudis regard as theirs. Saudi Arabia can disrupt or complicate Yemen's economic and political development by curtailing various forms of aid and through its links to pro-Saudi tribes in the north.

However, Yemen's potential as a future political force is clearly realized by the GCC states, including her role as a partial balancer in the affairs of the Peninsula. At the same time, Yemen realizes that to become a stable and modern state, it must become an integral part of larger Peninsula affairs. Before the armed conflict, it was taking major steps in this direction with Oman that included the settling of border disputes, Sultan Qaboos' recent state visit to Sanaa, and plans to build a roadway between the two countries.

Yemen's evolving and varied relations with her neighbors suggests the country will be a key force in future Peninsula if not Gulf affairs. Again, because of larger regional and Peninsula dynamics, Yemen will prove neither a recognized ally nor an implacable enemy by its neighbors. Rather, it will increasingly become part of the political balancing process—a secondary player to be sure relative to Iraq and Iran but an increasingly influencial power nonetheless. Particularly in the case of Saudi Arabia, relations probably will not reach a point of long-term friendship and close cooperation. Yemen's relations with its other neighbors, in part, will contribute to outstanding frictions with the kingdom as those neighbors rely on Yemen as a partial counter to Saudi political influence and pressure. The end result of Yemen's expanding role will be another complex set of relations further precluding any unifying threat and associated focus for collective security policies and cooperation in the Gulf.



When all these factors are grouped together, the resulting "360-degree" threat environment and highly conditional responses to it offer little prospect that more strategic collective security arrangements will emerge in the region.



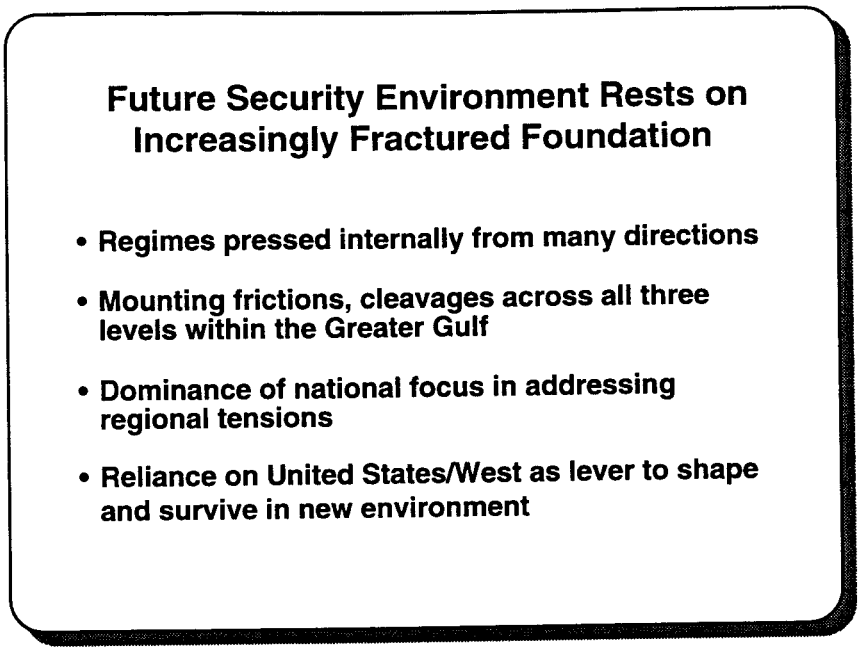
Without an overwhelming and readily identifiable political or physical threat to a cluster of regimes or their states of the type represented by Iraq's invasion of Kuwait, there are too many conflicting core agendas and differences in perceived roles to permit more than the steps minimally necessary for political cover.

Furthermore, because of this environment, many leaders view concrete steps toward real security cooperation—including military coordination and burden-sharing among states—as counterproductive. At the regional level, this view is best reflected in the troubled path of the "GCC plus 2" in which Syria and Egypt were to play significant direct roles in Gulf security, including stationing troops on the Arabian Peninsula. This plan would have both expanded the Arab political base of Gulf security and given the military dimension real spine.

Yet shortly after the concept was proposed, the Gulf states, led by Saudi Arabia, began to back away from the idea. Its virtual demise since then is best explained in the context of the larger regional political dynamics. At the very time the Gulf monarchies were looking to place some distance from the rest of the Arab World and rely more heavily on themselves and the West for security, this arrangement would have strengthened the political and military influence exercised by key outside Arab states on Gulf affairs. Syria was always suspect given its close relations with Iran and penchant to become involved in the internal affairs of its neighbors. Also Assad's Ba'thist political credentials did not enamor him to the Gulf

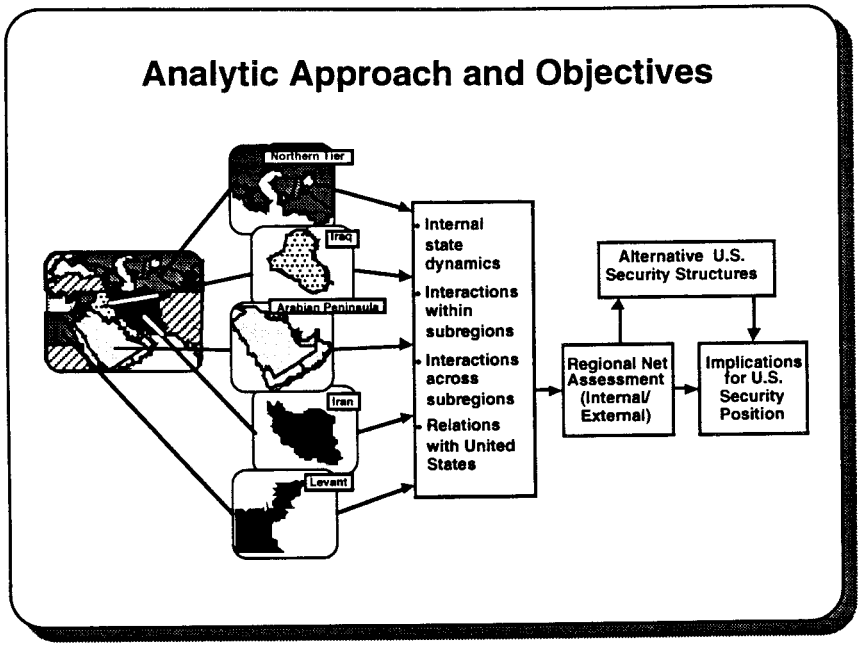
monarchies. By joining the coalition, Egypt was reelevated to political prominence and attained renewed aspirations of Arab political leadership. Such leadership would have been bolstered further through the "GCC plus 2" arrangement, increased at the expense of the Gulf leaders themselves and their influence over Gulf affairs. Saudi Arabia would have paid the highest price in influence, prohibitive at a time of growing inter-Arab divisions and Saudi desires to chart a new, more assertive course on the Peninsula. An Egyptian and Syrian military presence would act as a direct impediment to this agenda. The smaller Gulf shaykhdoms also had to take seriously and respect Iran's strong opposition to a non-Gulf Arab role in Gulf security.

If the "GCC plus 2" exemplifies the lack of foundation for a new, more collective security approach at the regional level, the troubled path of the "100,000-man" expanded GCC force is the subregional equivalent on the Peninsula. With the clear failure of the small, largely symbolic Peninsula Shield force in August 1990, GCC members elected Sultan Qaboos to head a GCC security committee and to act as principal architect of a plan to develop a serious GCC defensive capability. Once again, political dynamics within the GCC quickly stalled the process. Designed to be a true standing multinational GCC force and not a collection of elements of national militaries pulled together in a crisis, the 100,000-man force risked eroding Saudi influence by expanding the multinational GCC context of security decisionmaking, a distinct negative from the Saudi perspective. In a period of increasingly constrained resources, financing this major undertaking poses another major hurdle, especially at a time when individual states are expanding their national forces. Furthermore, once a policy of developing an effective local defense force was undertaken, questions would arise about the need for continuing security ties to outside Western powers. For a variety of reasons, including concerns over internal GCC rivalries, no GCC states were willing to open up this prospect. While some enhancement of the GCC force may still materialize as a result of the the 100,000-man proposal, the many difficulties encountered reveal that even existing security relationships within the GCC are now at risk as a result of this experience and its underlying dynamics.



To summarize, the forces at play are fracturing what little regional security foundation exists, a process expected to both continue and to gather momentum.

As previously indicated, many existing ruling powers are increasingly relying on the United States as a major element in the new courses they are charting. It is essential, therefore, to examine the implications of these developments for the United States, and how its security position is likely to be affected by the forces of change so far described.



With this leading U.S. role in mind, the third research objective—evaluating the implications of the projected regional environment for the future U.S. security position and considering some alternative U.S. approaches—is discussed next.

Current U.S. Security Objectives and Strategy for the Gulf Region

Core Objective	• Secure access to Southwest Asian oil resources
Supporting Objectives	• Protect friendly states from external threats • Strengthen stability throughout Greater Gulf region
Core Strategy Components	• Expand direct U.S. security ties • Promote regional defense cooperation • Contain hegemonic threats: Iraq and Iran • Retain ability to forge coalitions

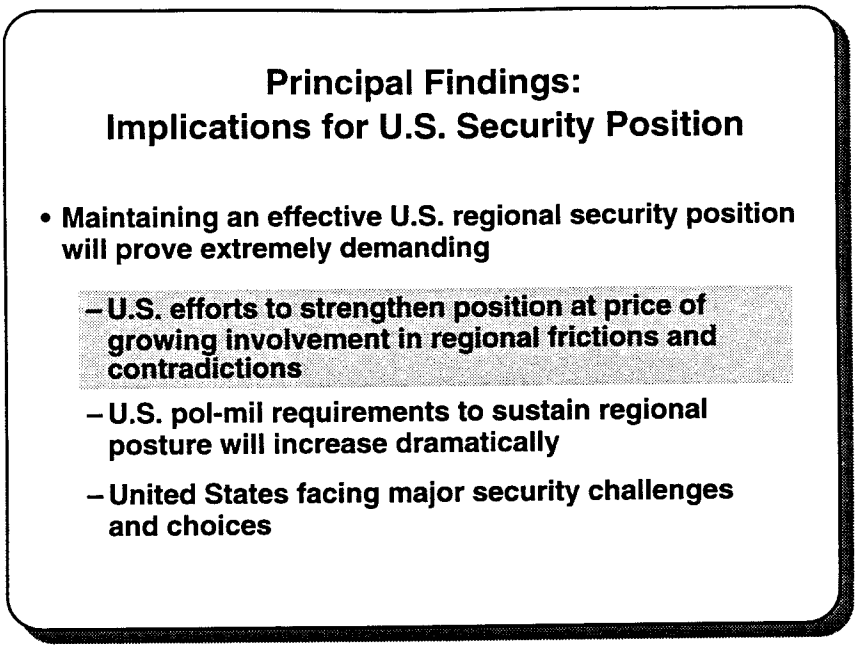
Assessing the U.S. regional security position must first begin with a synopsis of its current security objectives and strategy. While the United States has a number of regional objectives, the overriding one is enduring access to energy resources at acceptable economic, political, and military costs. A series of supporting objectives are linked to this goal, focused primarily on protecting friendly states against regional security threats, and a stated policy of strengthening overall stability throughout the Greater Gulf region. The emphasis on larger regional stability was a post-war theme repeatedly stated by the Bush administration and Commander in Chief, U.S. Central Command, General Joseph Hoar. The Clinton adminstration has continued to support these basic objectives and policies but has instituted one major modification. It has taken a very hard line with regard to Iran, articulating a policy of containment in an effort to modify Iran's behavior.

The core strategy components remain those depicted here. Since the end of the war, the United States has very significantly expanded its direct bilateral security ties with the Arab Gulf states, including a security agreement with Kuwait, an expanded arrangement with Bahrain and Oman, and closer cooperation with Qatar and the United Arab Emirates. Foreign military sales and a variety of training and other support contracts form the backbone of a much expanded security assistance effort.

The United States also has sought to promote greater regional defense cooperation, within the GCC and between the GCC and other key Arab

states such as Egypt. Advocating multilateral regional exercises, along with efforts to further standardize weapons, training, and doctrine as key elements of effective combined operations, has been a major U.S. initiative. This policy is aimed at improving not only U.S. integration with individual state armed forces but integration among the regional militaries as well. The primary orientation of these post-war security efforts has been toward developing a cohesive web of capabilities to deter direct military aggression by the two principal powers in the Gulf who could threaten U.S. oil access through direct military aggression—a resurgent Iraq and Iran. In so doing, these efforts also could contribute toward reducing, if not containing, the ability of these states to exercise coercive political pressure on the lower Gulf States. If deterrence fails, all these various efforts are designed to contribute to the U.S. ability to rapidly forge an effective political and military coalition in response should it be required.

The most important point to note about these core strategy components is their essentially military character. To date, this has by far been the dominant thrust of post-war U.S. security strategy for the greater Gulf.



The previous assessment of Gulf political-military dynamics indicates that the United States will have great difficulty in maintaining its current robust regional security position, or at least to do so at existing political-military costs to the United States. As the regional dynamics described gather momentum, the price of sustaining the existing U.S. security position will be a growing involvement in the complex web of regional affairs.

U.S. Regional Security Efforts and Rising Involvement: Regimes/Leadership Issues

- In Gulf, tight linkage between U.S. security relations with "countries" and support for particular "regimes"
  - U.S. risks negative association with unpopular rulers/political systems
- Dependencies of regional leaders on U.S. mounting, increasingly pronounced
  - Simultaneously increases regime expectations and exposure to internal backlash
  - United States vulnerable to consequences
- United States must weather multiple succession challenges
  - Forced to manage transition on security relations

Some of the problems to be encountered are listed above.

Among the elites and the general population of the Gulf, little distinction is made between U.S. support for a particular country, such as Saudi Arabia, and for a particular regime, such as the ruling Al Saud. Consequently, a U.S. security policy and associated military support program designed to protect the Gulf states will be perceived as a close security arrangement extending to the existing leadership as well. Accordingly, to the extent these regimes falter on managing internal reform, the United States risks negative association with them.

The growing, increasingly pronounced economic and security dependencies risk creating additional regime dependencies and expectations. In turn, leadership exposure to internal backlashes over these dependencies is increased further, especially if they can be popularly characterized by the opposition as serving only the interests of the rulers. The United States will be vulnerable to the consequences of an erosion of support resulting from such circumstances.

Also, the United States probably will have to deal with these complex political issues in the midst of changes in leadership if not in the regimes themselves. As a result, the United States will have to manage transitions on security relations that are oftentimes established at a very personal level and, as a result, are not institutionalized in ways that would make a leadership transition less significant in larger security terms. Even under conditions of regime integrity, the consequences could be significant. For

example, while Crown Prince Abdallah would very likely keep a close working relationship with the United States, his views on the nature of that relationship could be expected to reflect his more conservative, traditional outlook. The transitions take on even more potential for policy shifts in light of the many challenges facing the leaders, with a natural leadership succession providing a timely opportunity for making necessary accommodations to those challenges.

U.S. Regional Security Efforts and Rising Involvement: Regional Issues

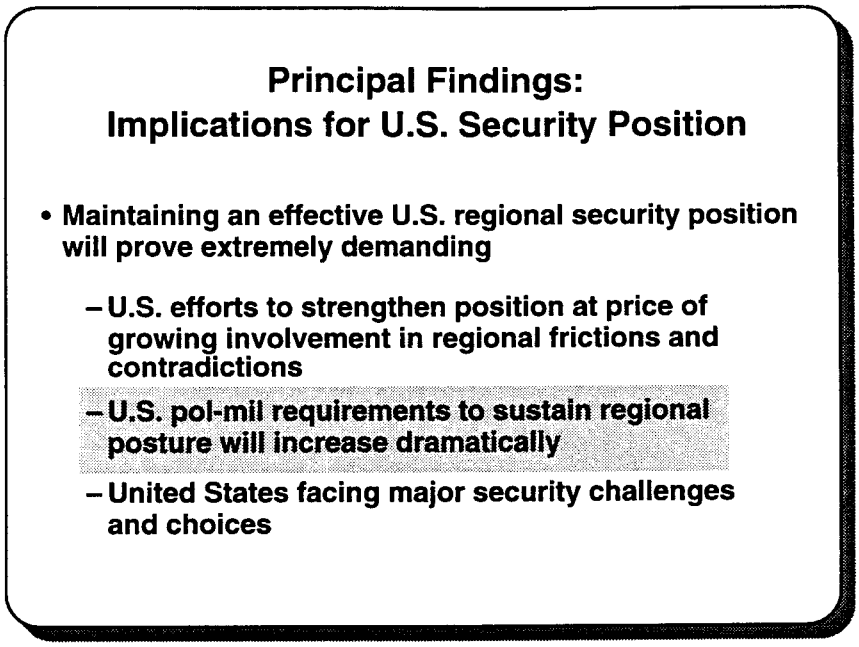
- Regional actors relying on U.S. bilateral security relationships to pursue conflicting agendas
  - Primary substitute for regional/subregional security failures
  - Postpones need to address core problems while permitting additional ones to emerge
- Near-term outcome is enhanced U.S. security posture narrowly defined:
  - Improved individual country access, security assistance relations
  - United States in position to act as hub for combined regional security activities
  - Series of bilaterals provides United States with *de facto* integrated posture
- But this posture depends on long-term effective dampening of fractious forces

Regionally, rising U.S. involvement as a reliable security partner is actually permitting regional leaders and states to pursue conflicting agendas. The political dynamics that derailed the "GCC plus 2" and the 100,000-man GCC regional security alternatives were allowed to run their course in part because a far superior security alternative existed, namely reliance on the United States and other outside powers. A more assertive Saudi approach on the Peninsula is possible in part because of the close demonstrated security ties to the United States. The U.S. security umbrella thus provides a short-term cover for local leaders to avoid facing underlying problems, while also allowing policies to evolve that are sowing the seeds for future tensions.

In the near-term the U.S. regional strategy has proven remarkably successful. The series of bilateral security arrangements and expanded security assistance has certainly improved the extent of routine U.S. military access to the Gulf countries. The United States has also positioned itself well to act in many cases as both the military and political "hub" for coordinating and stimulating combined regional security activities, most notably multilateral exercises. In addition, the United States has gained the political benefits of being closely involved in promoting local cooperation. Even if the more ambitious goal of developing a well-integrated, multinational defense based on close and regular security cooperation among the local countries is not realized, the United States still has achieved a robust military posture through its web

of bilateral security ties that could be quickly netted together in the event of a major crisis.

But the enduring success of this current strategy depends to a large degree on the long-term dampening of the many fractious forces now building within the region.



Dampening these fractious forces to sustain the existing posture, if possible at all, will place substantial additional demands on the United States.

Regional Deterioration and the Increasing U.S. Burden

- **Influencing regime behavior and popular attitudes exceedingly difficult**
- **Among poorer states, expectations of economic assistance far surpass U.S. ability to deliver**
- **Growing inter-Arab divisions will place severe strains on U.S. efforts to maintain a robust regional posture**
- **Growing intra-GCC divisions will severely strain U.S. posture on the Peninsula**
- **Iran and Iraq well positioned to politically exploit divisions, further adding to burden**

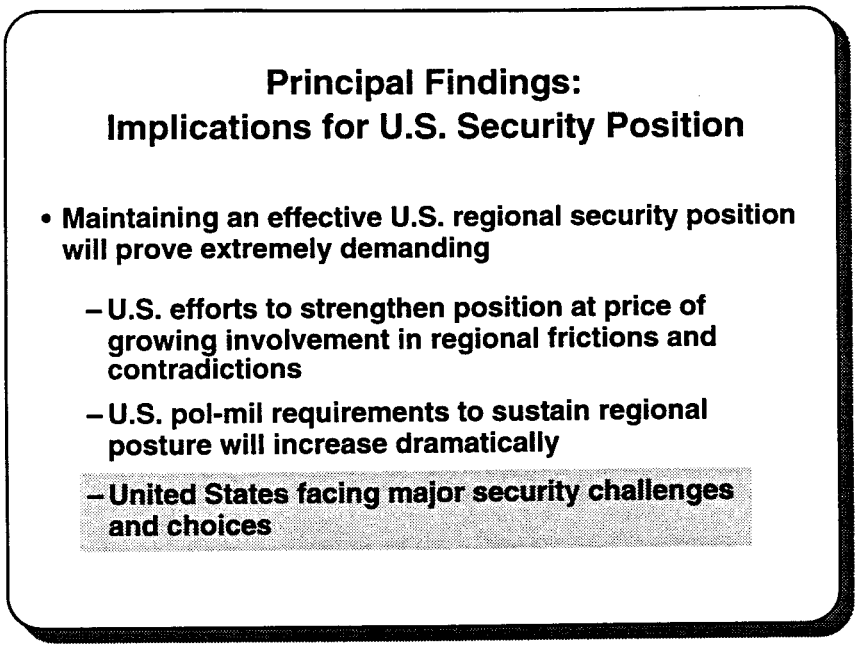
Cumulative pol-mil demands on U.S. extremely taxing

Under current conditions, the United States has a very limited ability to influence either internal regime behavior or popular attitudes toward the United States in any direct and concerted way. Given the ever present fear of Western influence and manipulation, active efforts to do so face major hurdles.

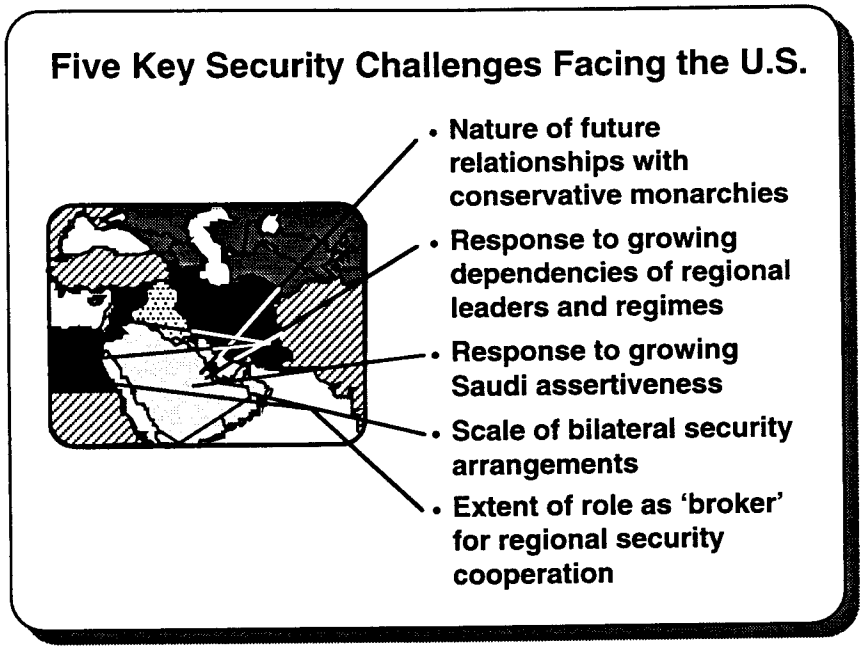
On the economic assistance front, leadership and popular expectations of U.S. support far outstrip the U.S. ability to deliver, especially in the face of domestic financial problems and the addition of Russia to the list of countries vying for such assistance.

As inter-Arab divisions grow, the ability of the United States to maintain a robust security posture that includes the Arab Gulf States and critical Arab countries external to the Gulf, most notably Egypt, will come under increasing strain. A second subset of divisions among the GCC states themselves will further strain U.S. security-building efforts at the very time the larger regional strains make cohesion on the Peninsula even more important. These situations will provide new opportunities for Iran and Iraq to drive wedges among these various states and use these to erode any political or military counters to their power. The United States would likely be a direct political target of these efforts and certainly suffer militarily to the degree that defense cooperation among regional states and with the United States declined as a result.

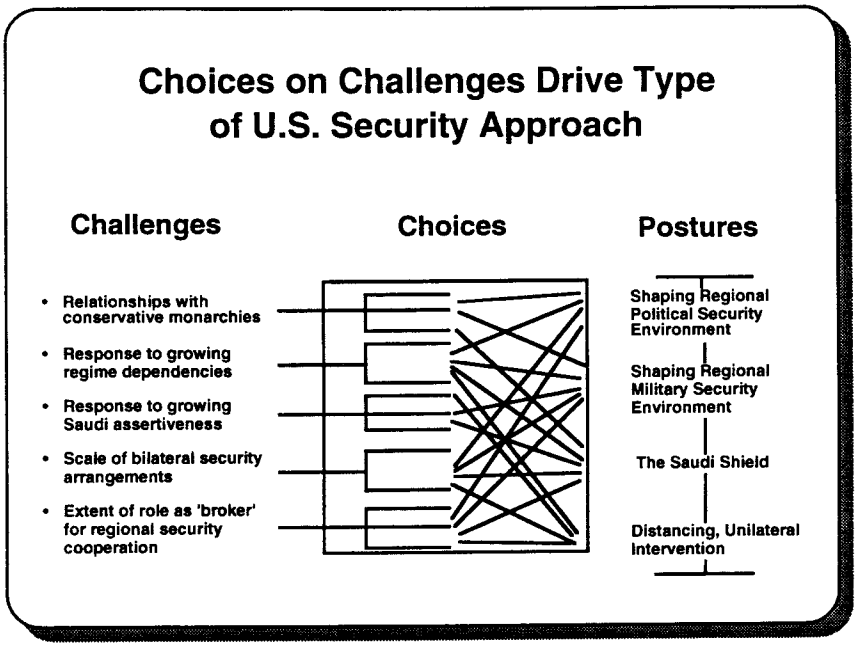
The cumulative effects will be to place extremely taxing political-military demands on the United States far in excess of those it has had to bear since the end of formal hostilities.



The following discussion presents some of the major challenges that the United States will confront as it seeks to maintain a robust regional security posture along with a series of choices it will face on how to approach future regional security.



The five challenges depicted here will significantly affect (1) the future U.S. security posture for the Gulf and (2) the area where the United States has considerable policy choice.



The policy choices or thrusts made in response to these challenges will in turn drive the type of security approach the United States will adopt toward the region.

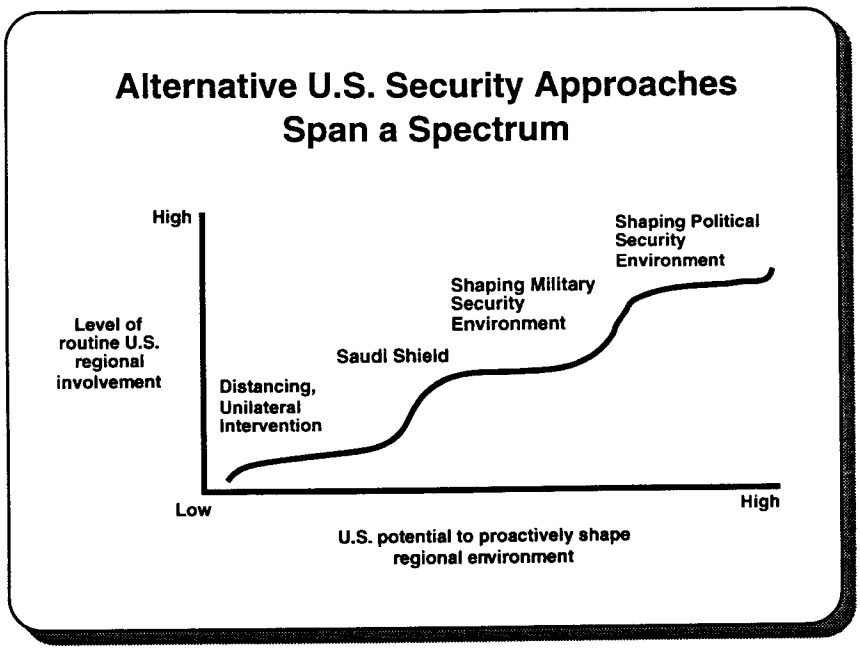
Four broad approaches are depicted on the right of the figure. The first, Shaping the Regional Political Security Environment, is characterized by substantial U.S. involvement in the *political* affairs of the region in an effort to address many of the systemic sources of regional instability. Given these sources of instability, the United States would have to be involved in both the internal and external political affairs of regional states.

A second broad approach, Shaping the Regional Military Security Environment, principally focuses on regional *military* stability measures, with political initiatives and involvement largely restricted to bolstering this military stability. As a result of these predominantly military efforts, the United States would strive to enhance its routine military access throughout the region.

A third general alternative, The Saudi Shield, would involve relying much more heavily on Saudi Arabia as a security partner at the expense of a larger regional grouping of states. In this case, the United States would move in the direction of forging a Saudi shield out of a need to reduce its routine level of political and military involvement throughout the region. Under this approach the United States would have substantially fewer countries to accommodate.

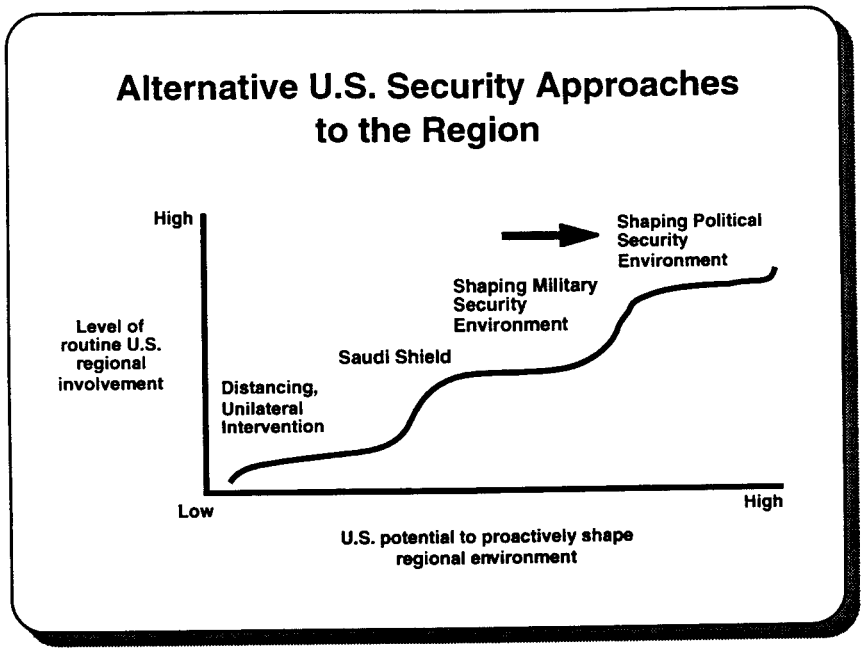
With the fourth broad security alternative, Distancing, Unilateral Intervention, the United States would have to rely almost exclusively on its military capabilities for unilateral intervention to protect core U.S. interests and on distancing itself from routine political-military regional involvement. This alternative would seek to distance the United States from individual regimes and their problems, to reduce the U.S. burden of supporting the economic and security dependencies that have evolved, and to avoid getting enmeshed in regional frictions.

The key point of this exercise is to work through the potential U.S. policymaking linkages and their consequences given the regional context in formulating a proposed approach to regional security. If U. S. policymakers fail to do this, the ensuing risk is that regional dynamics will impose certain decisions on the United States. Faced with this situation, the United States could be put into a type of posture and level of involvement it may not want or cannot sustain. Alternatively, U.S. policymakers may prescribe a particular approach and associated level of involvement that fail to correspond with the types of decisions that the U.S. wishes to make on the various security challenges or are forced to make by regional events. A breakdown here would be dangerous, and this is one method for making the linkages and weighing of risks and benefits as explicit as possible.



These alternatives span a spectrum in terms of the relationship between the U.S. desire to proactively shape the regional environment and the desired level of routine U.S. regional involvement. A clear positive relationship exists among these alternative approaches: the more U.S. policymakers perceive a requirement to shape regional developments, the higher the level of routine U.S. involvement required. Similarly, should policymakers decide to move away from substantial routine political-military involvement, the U.S. potential to shape developments will be reduced.

The alternative approaches depicted here, because they span a policy spectrum, are unlikely to materialize in their pure forms as distinct policy options. In the real political world, the United States will seek to distill various elements out of the alternatives as conditions dictate. Yet the analysis indicates that because of the inherent tensions, and in some cases outright contradictions, that arise when attempting to range widely throughout this space, U.S. policy will require a center of gravity to provide the level of consistency and logic necessary to avoid major pitfalls. Having this center of gravity also permits a more careful calculation of when deviations may be necessary and, more important, of the consequences of these deviations for any core policy approach.



Each broad approach contains a number of other critical relationships and trade-offs beyond the first-order one shown here. The key internal and external trade-offs are now explored, beginning with the approach for shaping the regional political security environment.

Beginning with the political shaping approach, some of the key trade-offs involved along the internal dimension of U.S.-host nation relations are presented next.

One benefit of this approach is that it clearly maximizes the potential for the U.S. to directly and actively influence the sources of internal instability that could threaten core U.S. interests. Pressuring or at least strongly encouraging regimes to provide wider decisionmaking access and authority for their populations could alleviate regime vulnerabilities to accusations of national rule by a small elite at the expense of the larger national population. Actually such efforts could help to ensure the continued survival of existing friendly leaders and regimes as their base of support is expanded, even if their power is somewhat diluted by greater popular participation. Such an outcome certainly could be viewed as a direct security benefit to the United States.

These political efforts by the United States could also help to ease the U.S. position should a transition to a follow-on political system occur. The United States would position itself to be viewed not as an impediment to evolving political changes and, in the process, would potentially lessen non-regime animosities toward it. This could be especially true if the subsequent political system is part of the larger process of regime-initiated internal reform stimulated in part by the United States.

The consequences of such an approach include the requirement for long-term political involvement in the process of internal reform and the

substantial risk that such involvement could well prove counterproductive to U.S. objectives and interests. On the first point, any effective pressure by the United States would likely be the result of a very gradual process of selective pressure over time rather than a demarche for rapid reform. As with any negotiation, assuming there was room for compromise, the United States would likely find itself presented with many additional requests for compensations. Accordingly, the United States could well find itself in a protracted political process, perhaps resulting in arrangements further pulling it into regional affairs.

In addition, existing leaders and regimes could react negatively to outside efforts to interfere in their internal affairs, perceiving it as a direct challenge to both their ruling authority and competence to determine what is best for their people and country. This reaction combined with the gradualist approach could translate into a constant thorn in U.S.-friendly regime relations, eroding close security cooperation in the process. Furthermore, U.S. pressure could help to stimulate internal regime divisions. Existing differences over the reform process within ruling families, for example, could become more pronounced and polarized as a result of U.S. efforts. As a result, internal ruling stability, the reform process itself, and U.S.-regime relations could be disrupted. It could also encourage opposition to the ruling authorities, producing power centers less interested in promoting expanded popular participation than in seizing power and overturning the existing form of rule. The agendas of some fundamentalist leaders aspiring to greater political power in the Gulf states certainly envision a much more distant, if not outright hostile, relationship with the United States.

Finally, the process of reform could be accelerated by U.S. stimulus in ways that could risk internal loss of control during the reform/transition process.

The political shaping approach also has a number of trade-offs involving the external dimension of U.S. involvement in regional state-to-state relations. The basic potential benefit is to maximize the ability of the United States to influence many of the regional sources of instability, seeking to actively dampen or head them off as the most effective way to protect U.S. interests. Given the many tensions between states throughout the region, U.S. efforts to forge accommodations could well provide the most effective mechanism for ensuring regional stability.

U.S. involvement in regional political shaping would also entail efforts to dampen tensions between regional friends, as well as reduce tensions between those friends and other powers in the region. The United States could serve as a mediator and bridge to help alleviate some of the existing breaches between the Arab Gulf States and other U.S. friends in the Arab World. Similarly, potential differences among the Arab Gulf States could be ameliorated by U.S. involvement, given its preeminent security role. This involvement could foster the necessary political environment for effective regional military cooperation with U.S. support. The United States also could improve its political standing by avoiding tight alignments with particular countries or groupings at the expense of others, thereby reducing impressions of preferential treatment among regional friends.

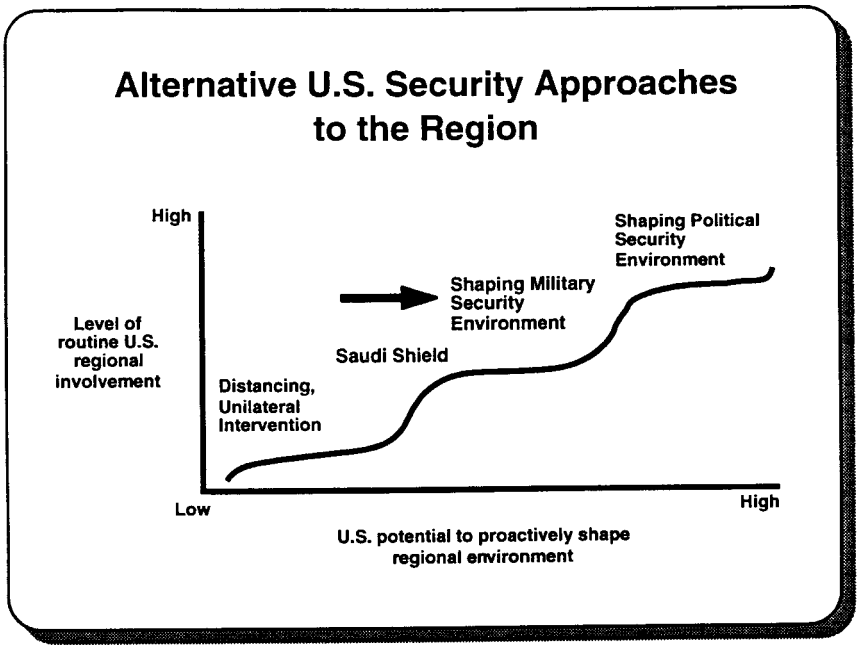
A much more encompassing aspect of shaping the political security environment would entail involvement in efforts to reduce tensions

between the Gulf States and Iraq at some future point, as well as lowering Gulf State and larger Arab (and U.S.) tensions with Iran. While much of these efforts are beyond present political conditions, they would represent another dimension of the political shaping approach, whose fundamental objective is to achieve a region-wide political and military equilibrium as the best vehicle for protecting U.S. interests. As a long-term approach and strategy, some form of regional reintegration of Iraq and modus vivendi with Iran cannot be excluded.

The potential consequences include the extensive and protracted nature of the investment, as well as the prospects for counterproductive outcomes. As noted earlier, by weighing in as a leader in shaping the political security environment, the United States would risk getting in the midst of a vast collection of highly complex internal and external problems.

If the political and military costs of such a wide-ranging approach became prohibitive, a decision by the United States to back away from previous initiatives and guarantees could, in fact, heighten instabilities. Large-scale U.S. political involvement also would run the risk of being perceived in this conspiracy-ridden part of the world as an effort not to promote stability but rather much more to dominate the affairs of the region.

Also, substantial risk exists that as the United States seeks to create a region-wide integrated political approach to stability, in the process it will alienate key regional security partners. In the case of Saudi Arabia, for example, should the United States decide to actively restrain Saudi assertiveness on the Peninsula in an effort to dampen tensions among GCC members (and with Yemen) to protect U.S. political and military relations with all the members, a political collision with the Saudis could result. Tensions could also emerge with several Arab states should the U.S. in the future move to create conditions for improving relations with Iran or for reducing Iraq's isolation.



The internal and external trade-offs associated with the approach of shaping the regional military security environment are examined next.

Shaping Regional Military Security Environment: Key Internal Trade-Offs

Potential Benefits	Potential Consequences
Maximizes U.S. ability to physically protect core interests with relatively low direct political involvement • Minimizes frictions with regimes, enhances cooperation and U.S. access – Based on maintaining/enhancing ruling status quo – U.S. training function restricted to military professionalism – Accommodates low U.S. military profile	Posture based on politically fragile foundation, questionable ability to avoid escalating political involvement • Poor regime performance major threat to U.S. regional posture – Corrosive effects of U.S. association – Risk of regime breakdown/collapse – Increased prospects of alienated/hostile successors

Internally, this approach has some distinct advantages. By focusing on the military aspects of physically protecting U.S. interests, it significantly reduces the risks associated with the political shaping approach regarding regime relations. It clearly avoids moving into the domain of pressuring regimes on the political front and with that the risks of undermining the regimes' willingness to cooperate on defense and security matters. Instead, by helping the individual militaries to improve their defensive capabilities in accordance with regime guidance, those in power would perceive it as effectively maintaining or bolstering the ruling status quo. It would do so in part by providing a clear response to those internal critics who argue that Iraq's invasion demonstrated that the leaders of the Arab Gulf States (Kuwait and Saudi Arabia in particular) have failed to provide an effective defense for their people.

Not being linked to internal political issues also reduces the likelihood that in-country U.S. military training and support personnel would be viewed as political instruments of change. Rather, the personnel would be restricted essentially to the professional military role of training and equipping the host nation's military forces. Given leadership sensitivities to the political content of any foreign presence in their countries, this mission would significantly alleviate those concerns and help to accommodate a lower U.S. military profile. In turn, this approach could help maintain long-term relationships and ongoing activities and avoid 'minimalist' or highly circumscribed contacts. Also it could contribute

substantially to improving the U.S. military capability to better deter and defend these countries in the event of a crisis.

A major potential consequence of this approach is that the U.S. security posture in the region, essentially military in orientation, could increasingly rest on a politically fragile foundation. This approach would leave the United States with few tools to help arrest internal deterioration and in the process risk leaving the U.S. military posture vulnerable to the consequences. Should conditions become severe, the United States also could be faced with an unavoidable requirement to become politically involved under the worst possible circumstances when a regime was facing severe pressure or potential collapse.

Accordingly, this approach does leave the U.S. regional posture vulnerable to poor internal regime performance. If the regime comes under increasing strain, the United States would run substantial risks of negative association because this approach essentially maintains or at least does not challenge the ruling status quo. Indeed, this association could be used to further undercut the regimes. Should a breakdown or collapse actually occur, the United States then would be faced with the difficult prospect of dealing with potentially alienated or hostile successors.

Shaping Regional Military Security Environment: Key External Trade-Offs

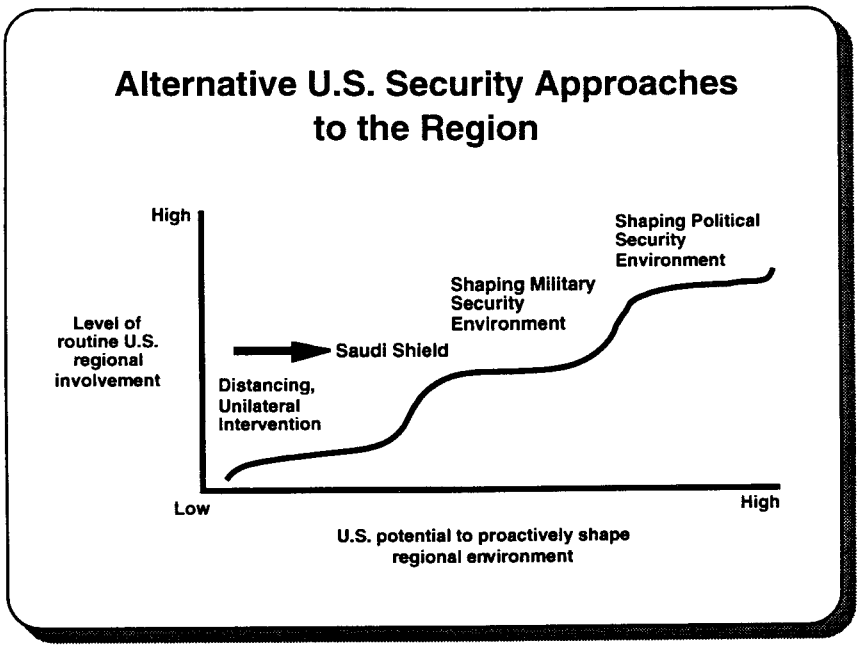
Potential Benefits	Potential Consequences
Maximizes U.S. ability to physically protect core interests with relatively low direct political involvement • Maintenance of a relatively robust U.S. military posture without burden of regional political agreement – Via series of bilaterals – Via role as negotiator on limited military cooperation measures	Posture based on politically fragile foundation, questionable ability to avoid escalating political involvement • U.S. military shaping posture hostage to intensifying political divisions, antagonisms, and competitions – Integrated robust posture unsustainable absent political intervention – U.S. military security emphasis contributing to intensification – U.S.-Saudi collisions over shaping requirements

Externally, the primary benefit of this approach is, as with the internal benefits, to again maximize the U.S. ability to protect its regional interests at the price of minimal involvement in regional political complexities. In particular, the risks of becoming heavily involved in political efforts to dampen interstate frictions can be greatly reduced by taking a much more limited military shaping perspective. Through a successful network of bilateral security arrangements and other forms of individual U.S. host-country military cooperation measures, the United States could maintain a relatively robust regional presence and have freedom of access while keeping a distance from political turbulence that does not directly threaten U.S. core interests. Even in the role of negotiator on military cooperation measures, the United States would emphasize limited defense cooperation and would not become involved in the resolution of larger systemic political problems even among friends. With respect to political relations between the Arab Gulf states and Iraq and Iran, this approach would leave the evolution of these relationships largely up to the regional actors themselves. The U.S. focus would be to ensure that its friends and interests were physically protected against these two potential adversaries through military measures, not politically on seeking ways to reduce the tensions and animosities between the parties, all of which could again act as a drag on U.S. military cooperation with GCC members and Egypt.

On the negative side, as is the case with the internal consequences, the United States would seek to maintain a robust military posture in the face of divisive political regional dynamics. Under these conditions it is

questionable whether the U.S. military could maintain the types of close military cooperation and access it desires with a significant number of states throughout the region, especially with regard to frictions and tensions among security partners. Left to themselves, these difficulties could well escalate to the point where the U.S. military finds itself caught in the middle, with its military relationships at risk. The U.S. emphasis on military shaping alone could also contribute to the intensification of these tensions by fostering the impression that U.S. military protection is secure irrespective of regional political behavior. In the most extreme case, this emphasis could serve as the perceived supporting backdrop against which troublemaking could be conducted or, for states on the receiving end of such behavior, as the protection to be invoked in response. For example, recent border clashes between Saudi Arabia and Qatar or between Qatar and Bahrain, if allowed to escalate, could place the U.S. military in a difficult situation.

Linked to this is the issue of potential U.S.-Saudi collisions over the military shaping requirements. From the U.S. perspective, a robust posture is best achieved by having a network of military relationships throughout the Arabian Peninsula. The Saudis, however, may view this approach as detrimental to their interests: (1) by making an outside Western power the dominant regional security (and by extension, political) force on the Peninsula at their expense and (2) by having the smaller Gulf shaykhdoms use the military ties to the United States as a counterbalance to Saudi power and authority. This area could become sensitive and strain U.S.-Saudi relations.



A third major approach and associated level on the spectrum involve forging a very close security relationship with Saudi Arabia to the extent that the kingdom provides virtually the exclusive regional basis of the U.S. security position in the Gulf.

Forging a Saudi Shield: Key Internal Trade-Offs

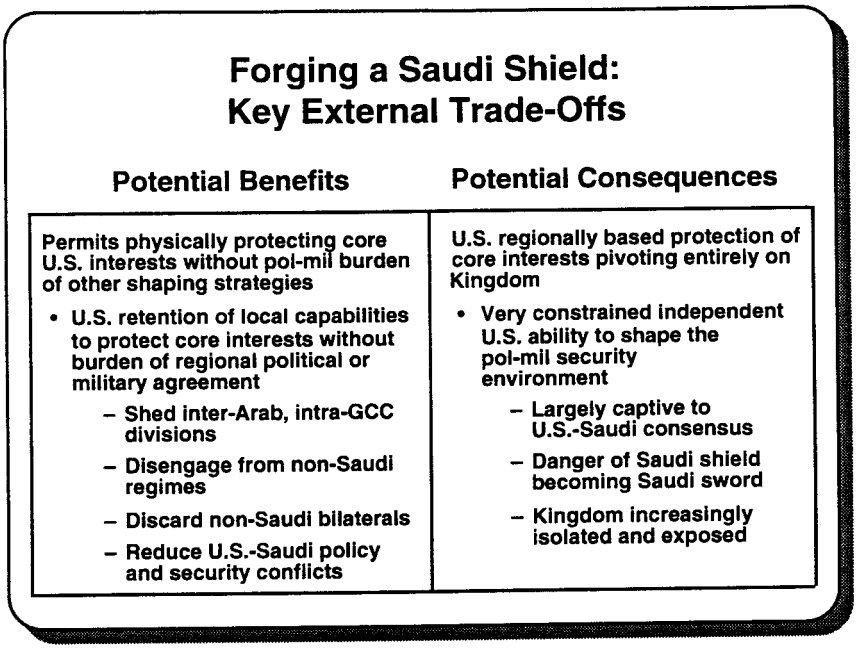
Potential Benefits	Potential Consequences
Permits physically protecting core U.S. interests without pol-mil burden of other shaping strategies • Minimizes frictions with, and maximizes cooperation of, Saudi regime – Based on strengthening House of Saud – Provides greater independent self-defense capabilities – Military professionalism focus – U.S. military profile lowered over time	U.S. regionally-based protection of core interests pivoting entirely on the Kingdom • Poor regime performance could prove catastrophic – Regime collapse/shift risks nullifying U.S. posture – U.S. dependency risks escalating involvement in internal security – Opposition forces increasingly hostile to U.S. – Significant U.S. military profile in near-to-mid term

Internally, this approach still further reduces the political and military burdens of the other shaping strategies. With a dominant thrust of building up and actively supporting Saudi Arabia and its policies, this approach clearly would minimize frictions and maximize cooperation of the ruling Al Saud family. This approach would not pressure the Saudis on internal reform policy, aiming instead to work closely with the House of Saud to further strengthen U.S.-regime ties. It would also permit the United States to back away from the internal regime concerns and problems of the other conservative monarchies, including removing the U.S. from getting enmeshed in potential tensions between the internal policies of the smaller Gulf shaykhdoms and those of Saudi Arabia, such as over the content and pace of political reform.

Expanded U.S. reliance on Saudi Arabia would also likely translate into even more of an independent Saudi self-defense capability over time, with U.S. support for a Saudi buildup increasing. This approach would help to further quell internal criticisms aimed at the ruling family that they were inadequately providing for defense of the Kingdom. Saudi rulers could also argue more plausibly that they were accelerating the Kingdom's movement toward self-reliance for defense, despite the intermediate increase in military cooperation with the United States. As with the military shaping strategy, the U.S. military personnel in Saudi Arabia would have an exclusive military training and support role as stipulated by the Saudi leadership. As the Saudis themselves became more proficient and their capabilities increased, the U.S. military profile in the

country would be lowered over time, another political benefit to the royal family and arguably to the United States.

The major consequence of this approach is to place the United States in the position of having its Gulf-based security capabilities resting almost entirely on the kingdom (excluding independent U.S. naval assets) and, by extension, on the internal effectiveness of the Saudi regime in managing political stability within the kingdom. Should the regime falter, or as a result of internal pressures alter its security relationship with the United States, the regional posture of the United States could rapidly be in great jeopardy. Given the level of dependency on Saudi Arabia, the pressure to become involved directly in the regime's welfare would also be great. U.S. involvement in Saudi Arabia's internal affairs, especially under these conditions, would represent a very serious political and military risk. Other regional support could well be absent given the previously heavy U.S. reliance on this approach at Saudi Arabia's neighbors expense, while those hostile to the royal family would certainly negatively exploit any direct U.S. involvement. By removing itself from any influence over internal reform in other countries within the region, the United States also runs the risk of major changes occurring around the periphery of Saudi Arabia that could, in turn, bring additional pressure on the kingdom. Finally, even though this approach would reduce the level of U.S. military presence in the kingdom over time, initially it would require a significant U.S. military profile for a lengthy period. This near- to mid-term profile and associated dependency could be used against the Saudi leadership.



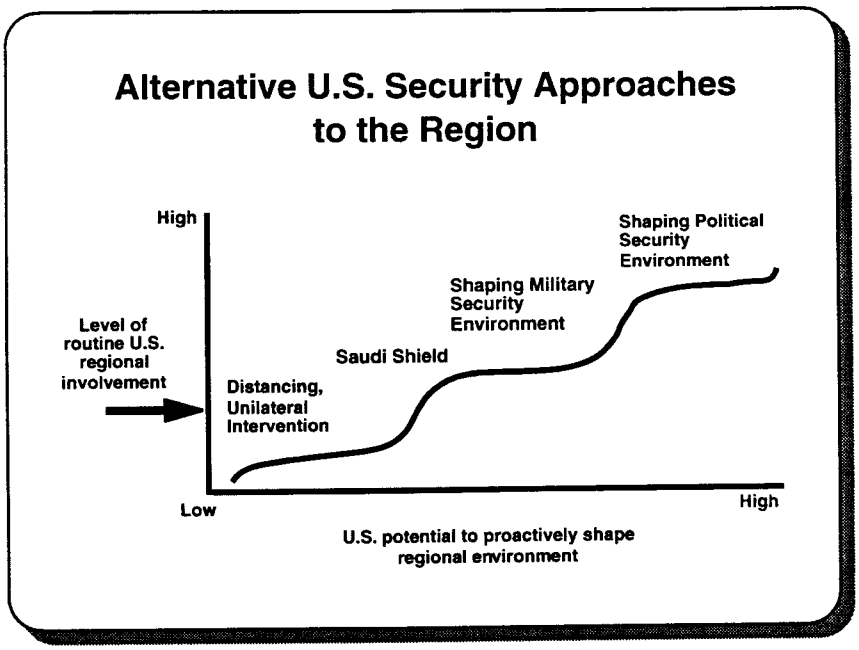
One potential external benefit of this approach is to permit the United States to retain essential access to the Gulf region and to maintain close military cooperation with the key country on the Arabian Peninsula while divesting the United States of both the political and military burden of coordinating among many different regional states and policies. By resting on Saudi Arabia alone in the Gulf, the U.S. can shed the demands of constantly navigating through regional divisions, whether inter-Arab or intra-GCC. In so doing, the prospects for getting caught in the middle would be greatly reduced.

Specifically, potential policy conflicts between the Saudi regime and other monarchies in the Gulf would be of much less immediate significance to the United States as the need for balance would be negated by U.S. disengagement from these other regimes. Similarly, the political and military effort necessary to maintain the network of bilaterals with states throughout the Peninsula under these circumstances would be eliminated as these non-Saudi bilaterals are largely discarded. This approach would also reduce U.S.-Saudi conflicts over policy and security issues in the region involving these neighbors. A much more Saudi-centric agenda would be possible, with the two parties working together on this basis.

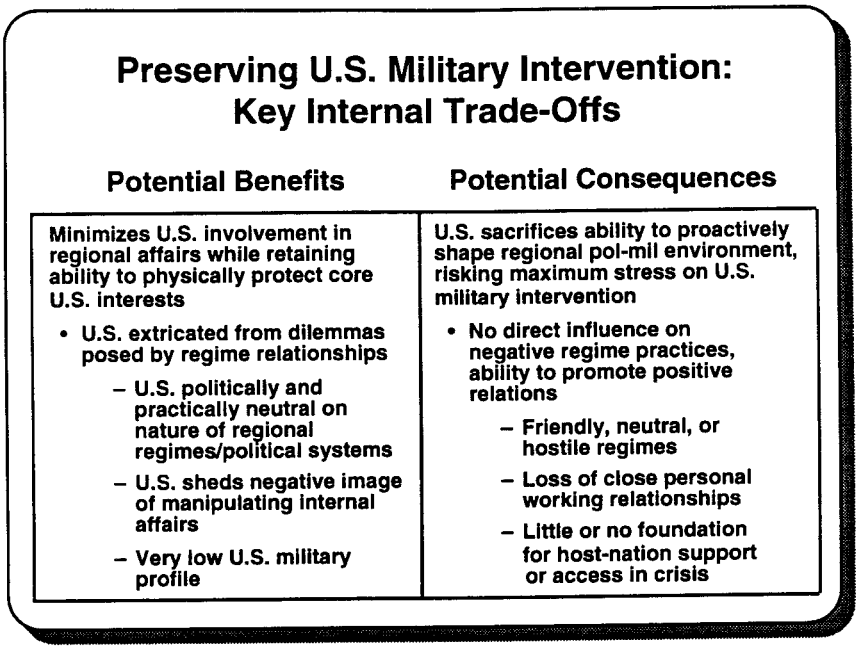
The overarching external consequence of this approach parallels the internal one of having the U.S. regional military posture pivoting almost entirely on the kingdom and its future. The principal risk is that while the United States would be relying heavily on Saudi Arabia, it would be very

constrained in its ability to independently shape either the political or military environment beyond it. Thus, the United States would be in a situation of having its regional security policies becoming captive to those issues over which the U.S. and Saudi Arabia could reach consensus.

A concerted U.S. effort to build up Saudi military capabilities also poses the risk of the Saudi shield becoming a Saudi sword. Given the current limitations and extent to which Saudi armed forces would have to grow, this prospect is remote with regard to potential Saudi aggressive behavior relative to Iran and Iraq but is a real possibility on the Peninsula, especially with regard to Yemen. Yet as noted earlier, Iran would strongly resist even Saudi political assertiveness limited to the Peninsula. To the extent that the Saudi buildup were to be perceived as a means to increase the kingdom's political influence in the Gulf, the Iranians could react strongly to counter it, even if it realistically did not pose a military threat to Iran. It is worth recounting that a primary strategy for Iran here would be to wean away the smaller Gulf shaykhdoms from Saudi influence. With the shaykhdoms already historically inclined to use relations with Iran as a partial counter to Saudi dominance, Iran's opportunities to do so would improve substantially under conditions in which heavy U.S. investment and reliance on the Saudis is occurring at the expense of the smaller Gulf States. Consequently, this U.S. approach more than any of the others could stimulate additional tensions between Saudi Arabia and Iran and between Saudi Arabia and its immediate Peninsula neighbors. As a result, the kingdom itself could become increasingly isolated from its neighbors and become exposed politically. Adversaries would capitalize on this mounting isolation and exposure to emphasize the Al Saud's dependency on the United States and to argue that the regime was an instrument of the U. S. efforts to dominate the Gulf.



The final approach involves increasingly distancing the United States from routine involvement in the political and military affairs of the region, relying almost exclusively on a unilateral U.S. military capability to protect its core interests in the area.



Internally, the major benefit of this approach is to remove the United States from the many dilemmas posed by the nature of its relations with individual regimes and their domestic policies. Rather than further pressuring particular regimes on reform or strongly supporting their internal policies, the United States would take a much more neutral position on the nature of regional regimes and political systems. Essentially, the United States would leave this process up to the countries themselves and in the process would shed the negative image of seeking to influence or manipulate the internal affairs of states in the region. As part of this process, the United States would also reduce or eliminate the types of friendly regime dependencies that have emerged by backing away from these forms of active support. Also, by moving to rely on U.S. unilateral capabilities, the routine presence of U.S. military personnel in countries of the region would be greatly reduced and be replaced by a very low U.S. in-country military profile. This approach could remove another source of political tension and antagonism for the United States.

The major internal consequence is that the United States loses virtually all direct ability to influence negative regime practices, as well as the ability to foster effective political relations with existing regimes and other political leaders. The United States would have little ability to take concrete actions to distinguish its relations with friendly, neutral, or hostile regimes. By extension, it would both philosophically and practically adopt a policy of neutrality with regard to regime type, even, for example, if a benevolent monarchy was being challenged seriously by

what would become an extreme fundamentalist government or secular dictatorship.

As a result of such an approach, the United States would lose its close personal security relationships with individual leaders and regimes as well. As a consequence, even with nonhostile leaders in place, in the event of a crisis, there would be little or no foundation for host-nation support of the type that became rapidly available in Desert Shield or for effective force integration and coordination in response to particular threats.

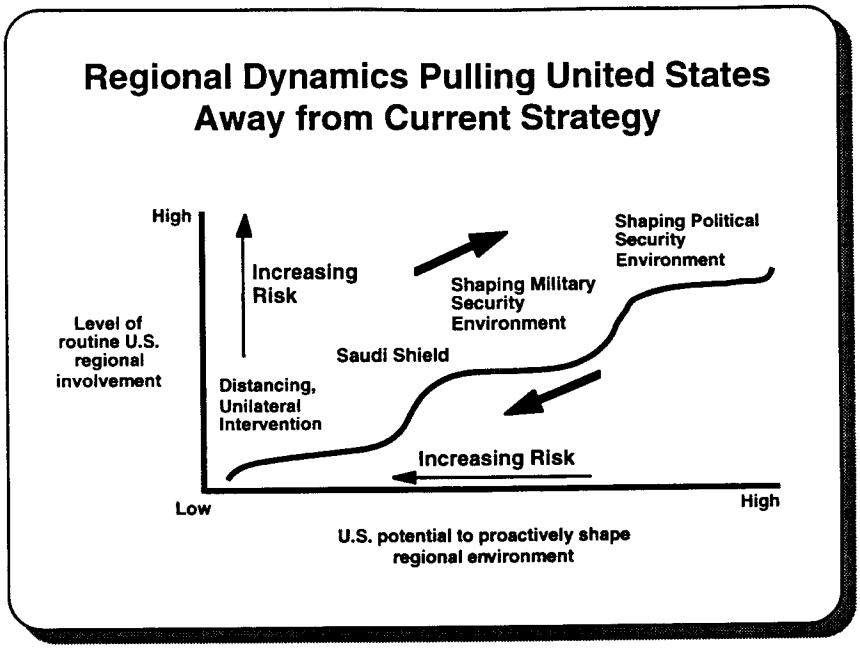
Preserving U.S. Military Intervention: Key External Trade-Offs

Potential Benefits	Potential Consequences
Minimizes U.S. involvement in regional affairs while retaining ability to physically protect core U.S. interests • U.S. retention of ability to protect with minimal peacetime pol-mil burdens – Shed Inter-Arab, intra-GCC, U.S.-Saudi divisions – Disengagement from regimes – Discards all bilaterals, role as broker – Distanced from aggressive Saudi behavior	U.S. sacrifices ability to proactively shape regional pol-mil environment, risking maximum stress on U.S. military intervention • No direct influence on evolving threatening conditions, pol-mil deterioration – U.S. largely in reactive mode, crisis response – Power projection under extremely uncertain host-nation conditions – Major enhancement in unilateral U.S. power projection capabilities required

Externally, this approach reduces the level of routine U.S. political-military regional involvement to a minimum, extricating the United States from the demands of being a dominant actor in trying to manage the many cross-cutting, fractious forces. The difficulties of balancing internal regime performance with the requirement to maintain a close working defense and security relationship with the leaders would be eliminated. The politically taxing efforts to sustain defense cooperation efforts with and among various states through bilaterals and the U.S. role as broker would be removed as well. Should the Saudis embark on an assertive new course disturbing to her immediate neighbors, the United States would be distanced from such activity.

The major negative consequence of this approach would be that the United States would exercise no direct influence over evolving threatening conditions. In the face of deteriorating events, the United States would instead find itself largely in a reactive mode, with little ability to influence events directly until forced to respond under crisis conditions. Under these crisis conditions, the United States could be projecting power under far more uncertain conditions of host-nation support than existed during Desert Shield. Without the long-term close defense cooperation, integrated activities and routine peacetime access, U.S. military confidence in effective on-the-ground support and ready access would be low in a rapidly unfolding situation. A much delayed and ragged deployment could result potentially causing the loss of critical objectives and posing high risk to military personnel. From a military planning perspective, the

United States would have to find ways to compensate for these deficiencies, including significantly upgrading unilateral power projection capabilities and assets.



As noted previously, the Bush administration's policy and to date the Clinton administration's come closest to the approach defined here as shaping the military security environment. To some degree, this policy represents a successful effort to occupy the middle space along this spectrum, a reasonable balancing of a U.S. ability to proactively shape the environment to protect core U.S. interests and avoid a deep involvement in the systemic political problems of the region. Yet the analysis suggests that regional political dynamics will increasingly pull at this 'optimal' approach and that it will not be sustainable at the current relatively low-cost trade-offs. Therefore, the United States is likely to find itself drawn either more heavily into the business of shaping the political security environment to sustain an effective regional security policy (i.e., much further up the spectrum of regional involvement) or alternatively, more toward the process of distancing itself from the level of routine regional involvement.

As the previous trade-off overview indicates, either move entails substantial risks. U.S. policymakers in general—and the U.S. military in particular as the principal security policy instrument—should thus anticipate moving into a significantly more taxing political-military environment.

Summary Points

- **Old and new forces are converging to heavily tax the Gulf region's stability**
- **Near-term surface calm atop major political, economic, and social fault lines**
- **Regional trend is toward increasingly independent security agendas pursued to shield against/escape deeper regional problems**
- **U.S. actions to bolster regionally-based posture in the near-term entail serious mid- to long-term risks**

Setting stage for tough choices over future U.S. position

To summarize, over the next several years leaders, governments, and populations throughout the region will face a very demanding and taxing period with substantial implications for overall Gulf stability. The post-war period of relative calm must be viewed in terms of the region's underlying (and building) political, economic, and social divisions. The trend toward independent security agendas (heavily reliant on the United States in many cases) is being used as a partial means to deflect or delay facing the types of difficult decisions necessary to address deeper regional problems. At best, this approach will buy time; more likely, it will lead to a further deterioration of conditions in the region. As a result, the United States must evaluate the implications of alternative approaches to its involvement in regional security, including assessing the consequences of efforts to maintain or expand its current posture in the area. The projected direction of regional dynamics strongly indicates the stage is now being set for many difficult choices and trade-offs for the U.S. Now is the time to consider the long-term consequences of near-term security decisions. It is also the time to think through the force structure and contingency planning implications of significant changes in the current U.S. regional posture.