

THE QUEST FOR DOMINANCE IN WEST ASIA

Current trajectory of the Saudi Arabia and Iran conflict

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The Saudi-Iran tensions dubbed as the “New Cold War” by the Russian Prime Minister Dmitry Medvedev is a misnomer. The ‘New’ would entail a beginning decoupled from the colonial and cold war experiences that the West Asian region has witnessed. This paper argues that the power struggle, seemingly sectarian, is consequent on the ambition to become a regional hegemon and has been evoked by the involvement, of the imperial ambitions during the colonial era, and later, of the two superpowers trying to build up their alliances. The Shia-Sunni schism, though an important junction of conflict, has often been given disproportionate focus. The paper also posits an emergent pattern of conflict and cooperation where one follows the other and these actions prevented large scale escalations directly between Saudi Arabia and Iran.

The Shia-populated Iran, which occluded numerous efforts of Arabisation throughout its history, presents an alternate vision of managing the Islamic world, especially after the 1979 Revolution. This is in stark contrast to the worldview that the Sunni-populated Saudi Arabia holds as the arbiter of Prophet Mohammad’s legacy. If this is the root of animosity between the said nations, then the ever-meddling of Britain, Russia, the US and most recently, China coupled with oil and nuclear politics has exacerbated the complications of regional dynamics. With the changing world order and the shifting priorities of the status quo western liberal world towards the Indo-Pacific, Riyadh and Tehran have received some breathing space to manoeuvre their diplomatic negotiations. The power vacuum left by the west, if not managed by the region itself, can draw attention from new power centres such as China, further complicating the “New Cold War” in West Asia.

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From Nixon's doctrine to Iranian revolution: changing Saudi-Iran relations

Sectarianism is a driving force to rally masses, however for the leadership, it is often the political power that takes supremacy over religious considerations. Saudi Arabia and Iran have not always occupied the position of rivals. In fact, as per the Nixon Doctrine of 1969 both Iran and Saudi Arabia were deemed to be the “twin pillars” under the US nuclear umbrella to counter the march of Communism in the Middle East.² The United States had sought to increase the arms sales and utilise the large economy of Iran and the well-trained army of Saudi Arabia where the latter was entrusted with a junior position.³ By 1972, arms worth \$552.7 million and \$312.4 million were transferred to Iran and Saudi Arabia respectively.⁴

The cooperative role that the two countries were playing, as the regional security guarantors, should be looked at through the prism of each of their relationships with the west rather than with each other. Throughout their history, both these countries have reflected on each other from the western perspective. The Treaty of Darin in 1915 and the Sykes-Picot agreement the next year cemented Saudi Arabia's relationship with Britain where the latter's sphere of influence was demarcated in the southern Middle East. The same was achieved with Iran by installing a series of west-friendly Prime Ministers through Anglo-American covert operations as and when necessary. Thus, not through each other, but via a close relationship with the West, Iran and Saudi Arabia maintained a cordial alliance. Both the nations also embarked on a similar process of modernisation that irked the local clerics, both Shia and Sunni respectively, which will cumulate to have a major role in changing their domestic politics and consequently their international relations in the coming years.

The turning point in Iran-Saudi Arabia dynamics is the 1979 Islamic Revolution in Iran that usurped the leadership by overthrowing the west-preferred Pahlavi dynasty and established an Islamic republic critical of the west and its frequent meddling. Large foreign exchange inflows in the latter part of the 1970s consequent upon rising fuel prices (OPEC's response to the Yom

² “Nixon Doctrine”, U.S. Department of State. U.S. Department of State. Accessed September 23, 2021. <https://history.state.gov/historicaldocuments/frus1969-76v01/d29>.

³ Kevin Dupont, “Religion or Politics?: an Analysis of Sectarian Relations between Iran and Saudi Arabia.” The Fletcher School, August 7, 2019. <https://fletcher.tufts.edu/news-events/news/religion-or-politics-an-analysis-sectarian-relations-between-iran-and-saudi-arabia>.

⁴ Gause, F Gregory. “The International Relations of the Persian Gulf.” Cambridge University Press, 2010. http://assets.cambridge.org/97805211/37300/frontmatter/9780521137300_frontmatter.pdf

Kippur war) led to an economic crisis in Iran. Inflation, unemployment and food shortage created an uproar in the common masses, especially the youth. This discontentment was given fire by the local clerics who were already suspicious of the modernisation process under the Shah regime. Even before the economic crisis entered Iran, Ayatollah Roohullah Khomeini, the Iranian leader was quite critical of Shah's proximity with the US. With the rising hardships, commoners began rallying around his leadership to protest the misrule by the authoritarian regime of Shah which eventually led to the Revolution. This Republic claimed to be the right way of governing the Islamic world through the "guardianship of the jurist" (velayat-e faqih).⁵ Khomeini even called for exporting the revolution to the nearby countries and by doing so, Iran not only challenged the status quo present in the largely Arab Middle East, but also the claim of Saudi Arabia of being the citadel of Islam.

The pendulum of conflict and cooperation

At the outset, the first phase of conflict strikes as a ramification of change in the domestic narrative of power in Iran. However, numerous instances show that despite the direct challenge from the Iranian regime, Saudis were quite reluctant to take immediate reactionary measures. An important aspect of the nature of the Saudi Arabia-Iran conflict is that it involves "limited-contest" from both sides.⁶ From a theoretical perspective, none of the two powers was assured of their military superiority. While Saudi Arabia had a powerful ally to back it, it was nevertheless far across the ocean. When the challenge has come from an immediate neighbour who has parity in economic and military strength, it is important to tread cautiously. This was reflected in Saudi Arabia's approach while dealing with Iran in the post-1979 era even during the worst phases of their relation. Immediately after the revolution, the Saudis had dispatched a high-ranking delegation to Iran congratulating them on their victory over Shah. Even the then

⁵ Nikki R Keddie. 2006. "The Revolution." Essay. In *Modern Iran: Roots and Results of Revolution*, 214–15. New Haven: Yale University Press.

⁶ Sadeghi, and Ahmadian. "Iran- Saudi Relations: Past Pattern, Future Outlook: Semantic Scholar." January 1, 1970. <https://www.semanticscholar.org/paper/Iran-Saudi-Relations%3A-Past-Pattern%2C-Future-Outlook-Sadeghi-Ahmadian/821899fe54cb7e197e06a7e09198ca72d593e433>.

Saudi King Khalid, as his first official reaction mentioned the prospects of growing proximity between the two nations.

The initial phase of normalcy, however, should not be taken as permanent ease of tensions between Iran and Saudi Arabia as the latter had been finding opportunities to counter the growing regional influence of Iran. While Iran had been provoking Saudi's ire in a piecemeal fashion - Iranian Hajj Pilgrims anti-American demonstrations in 1980, the establishment of a Saudi Liberation Front by representatives of Saudi Shi'ites in Iran and so on- Saudi Arabia, along with the US, gave a massive blow to the regional stability by providing ample support in terms of aids and ammunitions to Saddam Hussein in the Iraq-Iran war (1980-88). Riyadh was a little successful in countering the growing Iranian ambitions as the war led to the widespread ruin of the Iranian economy which was already reeling under the pressure of falling prices. The deterioration of relations reached its climactic point at the end of July 1987 when about 274 Iranians were killed in an attack by Saudi security forces on Iranian-organised demonstrations in Mecca. This led Riyadh to unilaterally break all diplomatic relations with Tehran in 1988 with talks resuming again only three years later.

When the pendulum seemed to swing too far towards conflict, and a confrontation seemed imminent, remarkably, in 1988, a year after the UNSC resolution 598, Saudi Arabia played a positive role in brokering peace between the warring parties. The royal family even proclaimed that they would want nothing but peace from both the warring parties. Saudi thus, unprepared for an all-out conflict with Iran, relied on diffusing tensions through mediation—it balanced out its harsh positions with resolving stands. For Iran, Saudi's dominant position in OPEC, where it could control the oil prices with ease, was a major irritant. After its devastating war with Iraq and simultaneous tweaking of oil prices by Saudi to Iran's disadvantage, the new leadership realised the pitfall of hitting the dominant power below the belt. Hashemi Rafsanjani and later Khatami, both laid special emphasis on economic recovery over political considerations and moderated the erstwhile Iranian narrative of “exporting the revolution”.⁷ Consequently, their rule coincided with the best period in Saudi-Iran relations. Thus, as history illustrates, Iran and Saudi relations are not set in stone, framed with an outlook of the Shia-

⁷ Reza Ekhtiari Amiri and Ku Hasnita Samsu, “Role of Political Elites in Iran-Saudi Economic Cooperation.” *International Journal of Humanities and Social Science*, 2011. http://www.ijhssnet.com/journals/Vol_1_No_12_September_2011/15.pdf.

Sunni conflict. It has marked considerable periods of rise and fall dependent on foreign influence and their own political and economic considerations.

The current trajectory: revisiting the pendulum pattern

Over the years, the Gulf countries have come to rethink their opinion on the US as a reliable partner. It began with the US' failure in 2000 in Camp David to resolve the Israeli-Palestinian conflict. Then came the 2003 Operation Iraqi Freedom which was supposedly meant to halt Saddam Hussein's build-up of Weapons of Mass Destruction but led to the uprooting of his government and establishment of a puppet to ensure oil supply-- even though most of the Gulf nations were wary of it. Former US President Obama's decision to look the other way in Egypt when the decades-long ally Hosni Mubarak's reign was in trouble in the face of the Arab Spring, Trump's unpredictable policies, especially his inactivity after the Iranian drone strikes on Saudi's Aramco facilities and the most recent episode of withdrawal from Afghanistan has put an image of an inefficient, unreliable and unstable ally.

For Saudi Arabia, it means it has to look out for itself which is evident in the aggressive plans to boost its military power- Riyadh, which is set to invest more than \$20 billion in its domestic military industry for the next decade. On the other hand, Iran had been on a continual rise to power as Saddam Hussein's fall and ousting of the Taliban earlier eliminated the worst challengers and created a power vacuum on both east and west of Iran. Capitalising on this, Iran began spreading out regionally and lent support to Sunni revolutionary groups like the Muslim Brotherhood in Egypt during the Arab Spring of 2011. They also allegedly support Shia military groups like Hezbollah in Lebanon by providing arms, ammunition and aid to the Sunni Palestinian military group Hamas. This way there is a prompt for a proxy war with Saudi Arabia in Yemen by supporting the Shia Houthi rebel groups, and backing the Syrian government of Alawite (Shia) Bashar al-Assad in association with Russia and against the pro-democratic Sunni majority supported by the west and Saudi Arabia. While most of the Arab nations are on their path to normalise their relations with Israel, Iran has continued to support Palestinian militia portraying itself as the regional protector of Islam while the others seem to have forgotten the Palestinian cause. By supporting various liberations forces and exporting its militia in Iraq, Iran has gained direct access to the Iraqi military which now largely responds

to the former. Thus, in a way, Iran not only fights proxy wars but also is on the path to establishing proxy regimes in the region. Using the Iraqi territory as a conduit, Iran has passed on aids and equipment to Hamas and Hezbollah. Most recently, with the Taliban's ascent in Afghanistan and making good of its promise of not harbouring terrorist organisations, groups like Al-Qaeda have found refuge in Iran.

With rising Iranian footprints across the region, Saudi Arabia, being a status quo power, has engaged mostly in a reactionary capacity, while Iran has been pro-active. With the realisation that the US will not be a forever ally and the challenging nation has been rising on its power potential, Saudi Arabia, for quite a few years, have been in search of avenues for reconciliation with Iran. Although, Saudi Arabia is the sixth largest military spender and currently has the tenth largest army in the world, the drawbacks it has faced in Yemen against the Houthis, shows that there is a need for an immediate strategy to cooperate with Iran. When Saudi entered Yemen to back Hadi's government in 2015, it had planned for a quick assault, a win and return. After being stuck in a six-year quagmire, US President Joe Biden's announcement to stop all aids to Saudi for its Yemeni intervention comes as another fallen piece of domino. To add to that, Houthi rebels have been firing missiles on the Saudi side of the border targeting the latter's civilians. With no end in sight, the Saudi foreign minister, Prince Faisal bin Farhan al Saud has announced a Peace Deal looking for ways to initiate a country-wide ceasefire in Yemen.

Since 2016, a window of opportunity has slightly opened up for Saudi Arabia. There have been internal turmoils in Iran with protests rising against the form of democracy and governance institutionalised in the country. The Iranians have been comparing- what has changed after the Shah's regime was toppled for theocracy: the infamously repressive intelligence and security service under Shah called "Savak" has been replaced by something of the same magnitude, called "Vevak"; the corruption and repression have continued and the nation's wealth is in control of a set of clerical foundations called Bunyods which replaced the Shah's Pahlavi Foundation- both equally corrupt. The people are also questioning the Supreme Leader's appetite to indulge in regional politics rather than focussing on other pressing matters like domestic reform and the economy that is heavily dependent on oil revenues. The same has led to huge fluctuations in its foreign exchange inflows. Since 2016, there has been a near cut of

50% in the value of its petroleum exports.⁸ US sanctions had further brought the economy to its knees. Overall, the per capita income, Gross Domestic Product, food consumption per capita, inflation rates, unemployment and labour participation rates have all shown critical values detrimental to the nation. Politically, Iran also has some trouble maintaining its stance in Syria, where its allies, Russia and Assad have overlooked it in some aspects.⁹ The Lebanon crisis has weakened Hezbollah's position which can eventually simmer down Iran's influence in the country.

The trend of setbacks that Iran has been facing for the past few years provides a keyhole for Saudis to initiate a dialogue but from a position of relative strength. This seems to be the most pertinent cause of the recent endeavours from both sides to "initiate exploratory talks." Saudi Arabia's foreign minister confirmed in May this year that the direct engagements are aimed at lowering tensions and both countries are quite hopeful of the process to normalise the diplomatic relations.¹⁰ But marking the pendulum style of conflict-cooperation swing in the Saudi-Iran equation, it is too soon to be optimistic about this development. An important juncture of future crisis can come through China's presence in the region. To bolster its presence in the Middle East and instrumentally counter the US (and the western liberal order, by extension), it has extended its arms to the sanctioned Iran with an economic lifeline through a \$400 billion deal. This 25-year strategic agreement can be used as a material for proxy conflict between Beijing and Washington, while at the same time push Iran into a Chinese style debt-trap diplomacy wherein the only way out would be huge oil concessions to China.

As the current development in international politics proceeds, there might be a shift in alliances where Iran, backed by an ascending China and Russia, and on better terms with Europe will continue to grow economically and militarily to create a situation of security dilemma for Saudi Arabia, who has an unreliable declining superpower as its ally. The onus to maintain the "limited contest" will then turn towards Iran, which will have to create a balance between the

⁸ Cordesman, Anthony H. "The Crisis in Iran: What Now?" Center for Strategic and International Studies, January 11, 2018. <https://www.csis.org/analysis/crisis-iran-what-now>.

⁹ Nikolay Kozhanov, "Russian-Iranian Relations through the Prism of the Syrian Crisis." *Insight Turkey* 19, no. 4 2017: 105–24. <https://doi.org/10.25253/99.2017194.07>.

¹⁰ Editors. "What Brought Saudi Arabia and Iran to the Negotiating Table." *What's Driving the Thaw in Saudi-Iran Relations*. <https://www.worldpoliticsreview.com/trend-lines/29670/what-s-driving-the-thaw-in-saudi-iran-relations> (Accessed September 23, 2021).

meddling outside powers and the insecure but powerful neighbour. Giving reins of influence to external powers who do not understand the local dynamics and aspirations and neither have any will to bring peace to the region can exacerbate the situation further. Although the two powers have been involved in proxy wars in the region avoiding direct conflict which has proved to be detrimental to the development of the arenas of their conflicts, the former has some stake in maintaining stability and order in the region. If conflicts cannot be avoided altogether, it is better to limit the stakeholders as a multiplicity of ambitions create complex situations without any seeming solutions. The situation of competition and confrontation shall proceed until one of the two players supersedes the other economically and militarily by a staggering margin. The right lens to view the Saudi-Iran relations is not from a Shia-Sunni perspective, rather from the angle of competition for regional hegemony between a pro-Western status quo authoritarian monarchy and an anti-Western, revolutionary Islamic Republic.