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53. The U.S. Alliance with Saudi Arabia

The U.S. Government should

- forcefully press Riyadh to aid American efforts to investigate terrorist activities and cut off private funding for terrorist groups, even at the cost of today's cozy relationship;
- use visa and transportation rules to encourage release of captive American citizens by, for instance, denying U.S. visas to men who have abused their power under Saudi law to prevent wives and children from leaving the country;
- put greater official distance between itself and the Saudi Arabian regime, thereby reducing Washington's identification with a corrupt kleptocracy;
- end training of the Saudi national guard, a force directed at suppressing domestic unrest rather than guarding against external enemies;
- withdraw U.S. military forces from Saudi Arabia; and
- recognize that the feared Saudi "oil weapon" is a myth.

In early 2002 rumors circulated that Saudi Arabia was considering asking the United States to withdraw its troops from the gulf kingdom. Outraged denials arose in both Washington and Riyadh. But even before the September 11, 2001, terrorist assaults, Saudi Arabia was among Washington's more dubious allies. Washington should take the initiative in refashioning a relationship that has far more negatives than positives for the United States. The House of Saud has long leaned toward the West. King Abdul Al Aziz Al Saud, who fathered 44 sons, is the font of today's royal family, including King Fahd. The latter suffered a series of strokes beginning in 1995, however, and his half-brother Crown Prince Abdullah largely runs the government.

Saudi Arabia would be unimportant but for the massive oil deposits sitting beneath its seemingly endless deserts. There have been tensions

with the West, especially during the oil boycott against the West in 1973 and 1974. However, most attention has focused on defending the Persian Gulf region from other potential invaders.

To contain Saddam Hussein's Iraq, America augments its military units in Turkey and carrier forces in the Persian Gulf with about 5,000 Air Force personnel in Saudi Arabia as part of the Southern Watch command, comprising aircraft ranging from F-15s and F-16s to C-130s and KC-135s. Another 1,300 military personnel and civilian contractors have worked with the Saudi national guard. No temporary response to Saddam's aggression, America's presence has a "permanent feel," as Howard Schneider of the *Washington Post* put it.

Although the relationship between Riyadh and Washington is close, it has rarely been easy. For American administrations that loudly promote democracy in nations as diverse as China, Iraq, and Zimbabwe, the alliance with Saudi Arabia has been a deep embarrassment.

Saudi Arabia is an absolute monarchy, an almost medieval theocracy, with power concentrated in the hands of senior royalty and wealth spread among some 7,000 Al Saud princes (some analysts estimate that the number of royals is as high as 30,000). Political opposition (even mild criticism) is forbidden. In practice, there are few procedural protections for anyone arrested or charged by the government; the semiautonomous religious police, or *Mutawaa'in*, intimidate and detain citizens and foreigners alike. The government may invade homes and violate privacy whenever it chooses; travel is limited. Women are covered, cloistered, and confined, much as they were in Afghanistan under the Taliban.

It is perhaps no surprise that such a regime has an unenviable reputation for corruption. Most ugly, though, is the religious totalitarianism enforced by Riyadh. Non-Muslim worship as well as proselytizing is prohibited for citizens and foreigners alike. Conversion means apostasy, which is punishable by death.

Moreover, up to 100 American women and children are essentially held captive in Saudi Arabia, having been denied a husband's or father's permission to travel. Some of the victims have been kidnapped despite valid U.S. custody orders granted while both parents were residing in America. Yet Washington's efforts to aid them have been sporadic at best, dependent on the initiative of individual ambassadors, and ultimately ineffective.

Such pervasive thuggish behavior alone is rarely enough to preclude Washington's maintaining diplomatic relations, but it should discourage

the United States from affirmatively embracing the Saudi regime, even in the name of stability. Moreover, U.S. policies have identified Washington with the Saudi kleptocracy. Americans are now paying for that association, which has made the United States a target for terrorists. Ending America's support for the corrupt regime in Riyadh and expelling U.S. forces from the gulf appear to be one of Osama bin Laden's main goals. The Saudi ruling elite is also paying with increased domestic unrest for its repression and links to Washington. Moreover, the long-term drop in energy prices has caused economic pain in Saudi Arabia; unemployment is now estimated at 15 percent overall and at 20 percent for those under 30. That has helped generate unrest, but the discontented feel helpless to promote political change.

Soaring dissatisfaction with the regime due to slumping revenues and a slowing economy has merged with criticism of America. Many Saudis are angry at U.S. support for the House of Saud. Additional irritants are Washington's support of Israel and attacks on Iraq, and more recently the air strikes in Afghanistan. Admiration for Saudi terrorist bin Laden is evident even among those who dislike his austere Islamic vision. Worries Richard Murphy, a one-time U.S. ambassador to Saudi Arabia now with the Council on Foreign Relations, "After 11 years, we've worn out our welcome on the popular level, though not with the leadership."

Enabling Terrorism

Criticism tends to be expressed through religious leaders. Radical free-lancers have developed a widespread following: 15 of the 19 hijackers of September 11 were from Saudi Arabia. One Saudi businessman told the *Wall Street Journal*, "Many young people are disgruntled and disenchanting with our society's openness to the West and U.S. foreign policy." But the Saudi leadership has proved wary of aiding the United States despite direct attacks on Americans. The 1996 bomb attack on the Khobar Towers barracks in Dhahran killed 19 Americans and wounded another 372. However, U.S. efforts to investigate the bombing were hamstrung by the Saudis, who refused to turn over relevant information and to extradite any of the 13 Saudis indicted by an American grand jury.

In the same year, the Saudis refused, despite U.S. urging, to take custody of bin Laden from Sudan. In 1998 bin Laden and several other extremist Muslim leaders issued a manifesto calling for a holy war to drive the United States from Islamic lands. Even so, U.S. officials were unable "to get anything at all from King Fahd" to challenge bin Laden's financial

network, charged John O'Neill, a former FBI official involved with counterterrorism who died in the attack on the World Trade Center, where he was security chief.

Riyadh's reluctance to risk popular displeasure by identifying with Washington continues even after the deaths of 3,000 Americans on September 11, 2001. Despite public protestations that all is well between the two governments, Bush administration officials privately acknowledge that Saudi officials were not as cooperative as had been hoped. True, the Saudis allowed Washington to use the operations center at Prince Sultan Air Base, near Riyadh. Nevertheless, Saudi Arabia joined its neighbors in attempting to keep its distance, ostentatiously announcing that no foreign troops would use Saudi facilities to stage attacks.

Unfortunately, the refusal to aggressively defend cooperation with the West encourages the growth of extremist sentiments. Still, the lack of a public endorsement pales in comparison with Riyadh's support for the very Islamic fundamentalism that threatens to consume the regime in Riyadh as well as to murder more Americans in future terrorist attacks.

Riyadh's strategy is to buy off everyone. It long subsidized Arab governments and guerrilla movements at war with Israel, and it opposed the 1979 peace treaty between Egypt and Israel. The regime was, along with Pakistan, the primary financial backer of the Taliban in Afghanistan, which provided sanctuary for bin Laden and his training camps. It is widely believed that Saudi businessmen have made contributions to bin Laden in an attempt to purchase protection. There are serious charges of financial support from some of the Saudi royal family for bin Laden's al-Qaeda network.

The problem runs even deeper. The Saudi state, run by royals who often flaunt their libertinism, enforces the extreme Wahhabi form of Islam at home and subsidizes its practice abroad.

Wahhabism is thought to dominate as many as 80 percent of the mosques in America. Within this sect, hostile to modernity and the West, political extremism and support for terrorism have flourished in Saudi Arabia itself. Moreover, the threat now reaches beyond the Middle East to Indonesia, Malaysia, and even the Philippines.

The Oil Issue

By any normal assessment, Americans should care little if the House of Saud fell, as have other illegitimate monarchies, such as Iran's Peacock throne. Except for one thing: Saudi Arabia has oil. Washington frets about

a fundamentalist revolution. Worries Saudi oil expert Nawaf Obaid, such a government would be “ten times more powerful [than] Iraq or Iran.” Contrary to the conventional wisdom, however, the Saudis’ trump hand is surprisingly weak. True, with 262 billion barrels of oil in proven reserves, Saudi Arabia has about one-quarter of the world’s resources and 8.7 times America’s supplies. Riyadh is not only the world’s leading supplier, but as a low-cost producer, it can easily augment its daily exports, which were 9.1 million barrels a day in 2000.

However, the reserves figure vastly overstates the importance of Middle Eastern oil to the U.S. (and Western) economy. Saudi Arabia accounted for about 10 percent of production in 2001. Were the Saudi regime to fall, prices would rise substantially only if the conqueror, whether internal or external, held the oil off the market. The result then would be significant economic pain in the short term, though the Strategic Petroleum Reserve, which the president has vowed to fill, would help moderate prices.

A policy of withholding oil would, however, defeat the very purpose of conquest, even for a fundamentalist regime. After all, the Iranian revolution did not cause Iran to stop exporting oil; in fact, production increased steadily in the 1990s. If a new Saudi regime did halt sales, the primary beneficiaries would be other oil producers, who would likely increase exports in response to the higher prices. A targeted boycott against only the United States would be ineffective, since oil is a uniform product available around the world. In fact, the embargo of 1973–74 had little impact on production; the global recession of 1975 caused a far more noticeable drop.

A new government might decide to pump less oil in order to raise prices. Such a strategy would require international cooperation, yet the oil producers have long found it difficult to coordinate price hikes and limit cheating on agreed-upon quotas. Even if effective, restricting sales would have only a limited impact. A decade ago, when oil was selling for about \$20 a barrel, energy economist David R. Henderson, a professor at the Naval Postgraduate School, figured that the worst case result of an Iraqi seizure of the Saudi oil fields would be about a 50 percent price increase, costing the U.S. economy about one-half of 1 percent of GDP. The real price hike as a result of losing Saudi oil likely would be even less today and would fall on an economy more than one-quarter larger. In any case, the economic impact would decline over time.

Countries such as Kuwait, Iran, Nigeria, Russia, and the United Arab Emirates have the ability to pump significantly more oil. A resolution of

the Iraq issue would bring substantial new supplies online; Baghdad pumped 2.2 million barrels a day in 1990, before becoming subject to sanctions after the end of the Gulf War. As economist Susan Lee puts it, should Riyadh turn off the pumps, “the U.S. would find itself plenty of new best friends.”

Sharply higher prices would bring forth new energy supplies elsewhere. Total proven world oil reserves were 660 billion barrels in 1980, 1,009 billion in 1990, and 1,046 billion at the end of 2000. Yet in the last decade alone the world’s people consumed 250 billion barrels of oil. How could that be? A combination of new discoveries and technological advances increased the amount of economically recoverable oil. Reserves rose even as oil prices dropped.

America is dotted with high-cost wells that could be unplugged. The nation’s outer continental shelf alone is thought to contain more than our current proven reserves. Barely 15,000 acres of the 19.6 million acre Arctic National Wildlife Reserve could contain a similar amount of oil (as well as supplies of natural gas).

Moreover, energy companies are looking for new oil deposits around the world, including the Caspian Basin, Russia, and West Africa. Estimates of as yet undiscovered potentially recoverable oil range from 1 trillion to 6 trillion barrels. Higher prices would further stimulate exploration, as well as production of alternative fuels and conservation, reducing oil consumption. In short, an unfriendly Saudi Arabia might hurt America’s pocketbook; it would not threaten America’s survival. Although in an unlikely worst case, the loss of most Persian Gulf oil, the cost hike might be significant, that risk must be balanced against the annual expense of maintaining forces directed at protecting Saudi oil, estimated at \$50 billion by Georgetown University’s Earl Ravenal. On top come the costs of fighting terrorism, inflamed by America’s presence in Saudi Arabia.

To mention Saudi Arabia’s shortcomings or suggest that the regime’s survival is not vital to America makes policymakers in Washington and Riyadh nervous. The House of Saud doesn’t take criticism well.

Divorcing Saudi Arabia

The United States should reassess the current Washington-Riyadh axis. The American commitment to the Saudi royal family is a moral blemish and a practical danger. It has already drawn the United States into one conventional war and has helped to make Americans targets for terrorism,

which generated far more casualties in one day than did the Gulf War, the Kosovo conflict, and the Afghanistan campaign (so far) combined.

Stability in the Persian Gulf is of value, but it is not even clear that America's presence increases Saudi stability. Certainly the royal family will do whatever it takes to maintain its power and privileges against internal opposition. If its ruthlessness is insufficient, the American presence is not likely to help, unless the United States is prepared to commit ground forces—in addition to those presently on station—to prop up the monarchy, creating the prospect of a lengthy occupation and increased terrorist activity.

Of greater concern is the possibility of renewed external aggression, most obviously by Iraq, though that country remains in greatly weakened condition. But even before September 11 the Gulf States were working to resolve conflicts and improve their ability to defend themselves without Washington's help. The prospect of American disengagement would, like the prospect of a hanging, help greatly concentrate the mind. Such a prospect would also increase pressure on the Gulf States to forge defensive relationships with surrounding powers, most notably Iran, Syria, and Turkey, and to inaugurate serious political reform to generate a popular willingness to defend the incumbent regimes.

If the Gulf States fail to act, however, the United States shouldn't worry unduly about the future of the Saudi regime. Expanding America's military, going to war, and risking civilian casualties as a result of more terrorism in order to defend Riyadh costs far more than stability in the Persian Gulf is worth. Should the House of Saud fall, or be overrun, Washington would finally be relieved of the moral deadweight of defending that regime. And consumers would almost certainly continue to purchase oil, if not directly from a hostile Saudi regime, then from other producers in a marketplace that would remain global. Americans would adjust to any higher prices by finding new supplies, developing alternative energy forms, and reducing consumption.

There were many causes of September 11. Some, such as America's status as a free society whose influence permeates the globe, reflect the country's very being and cannot and should not be changed. But some U.S. actions would be of dubious benefit even if they did not put Americans at risk. Washington's willingness to make common cause with the morally decrepit, theocratic monarchy in Riyadh is an example. The United States must not retreat from the world, but it should stop intervening militarily and supporting illegitimate and unpopular regimes where its vital interests are not involved—as in Saudi Arabia.

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