



**NAVAL
POSTGRADUATE
SCHOOL**

MONTEREY, CALIFORNIA

THESIS

**THE U.S. FOOTPRINT ON THE ARABIAN PENINSULA:
CAN WE AVOID A REPEAT OF THE PULLOUT
FROM SAUDI ARABIA?**

by

David Paul Marone Jr.

December 2009

Thesis Co-Advisors:

Abbas Kadhim
James Russell

Approved for public release; distribution is unlimited

THIS PAGE INTENTIONALLY LEFT BLANK

REPORT DOCUMENTATION PAGE			<i>Form Approved OMB No. 0704-0188</i>
Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instruction, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302, and to the Office of Management and Budget, Paperwork Reduction Project (0704-0188) Washington DC 20503.			
1. AGENCY USE ONLY (Leave blank)	2. REPORT DATE December 2009	3. REPORT TYPE AND DATES COVERED Master's Thesis	
4. TITLE AND SUBTITLE The U.S. Footprint on the Arabian Peninsula: Can We Avoid a Repeat of the Pullout from Saudi Arabia?		5. FUNDING NUMBERS	
6. AUTHOR(S) David Paul Marone Jr.		8. PERFORMING ORGANIZATION REPORT NUMBER	
7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES) Naval Postgraduate School Monterey, CA 93943-5000		10. SPONSORING/MONITORING AGENCY REPORT NUMBER	
9. SPONSORING /MONITORING AGENCY NAME(S) AND ADDRESS(ES) N/A		11. SUPPLEMENTARY NOTES The views expressed in this thesis are those of the author and do not reflect the official policy or position of the Department of Defense or the U.S. Government.	
12a. DISTRIBUTION / AVAILABILITY STATEMENT Approved for public release; distribution is unlimited		12b. DISTRIBUTION CODE A	
13. ABSTRACT (maximum 200 words) This thesis seeks to identify a means for achieving equilibrium between the U.S. requirements for military presence in the Persian Gulf and increasingly negative domestic perceptions of U.S. foreign policies from the societies, religious establishments, and governing bodies of the Gulf Cooperation Council (GCC) states. Only by calibrating U.S. military presence with host GCC nation perceptions, can the United States support its national interests and foreign policies in the region. The costs and benefits of the U.S. footprint in three critical GCC countries allow U.S. policymakers to examine the undesirable withdrawal of most U.S. military forces from Saudi Arabia in 2003, the comparatively successful U.S.-Bahrain bilateral security arrangement, and the potential to establish a substantive U.S. basing structure in Oman. This understanding is fundamental to the United States' ability to protect trade, continue prosecuting the Global War on Terrorism, promote democracy, and cultivate stability from within the region.			
14. SUBJECT TERMS Saudi Arabia, Bahrain, Oman, Oil Rentier, Foreign policy, Wahhabism, Domestic policy		15. NUMBER OF PAGES 77	
		16. PRICE CODE	
17. SECURITY CLASSIFICATION OF REPORT Unclassified	18. SECURITY CLASSIFICATION OF THIS PAGE Unclassified	19. SECURITY CLASSIFICATION OF ABSTRACT Unclassified	20. LIMITATION OF ABSTRACT UU

THIS PAGE INTENTIONALLY LEFT BLANK

Approved for public release; distribution is unlimited

**THE U.S. FOOTPRINT ON THE ARABIAN PENINSULA:
CAN WE AVOID A REPEAT OF THE PULLOUT FROM SAUDI ARABIA?**

David Paul Marone Jr.
Captain, United States Army
B.S., James Madison University, 2001

Submitted in partial fulfillment of the
requirements for the degree of

MASTER OF ARTS IN NATIONAL SECURITY AFFAIRS

from the

**NAVAL POSTGRADUATE SCHOOL
December 2009**

Author: David Paul Marone Jr.

Approved by: Dr. Abbas Kadhim
Thesis Co-Advisor

James Russell
Thesis Co-Advisor

Harold A. Trinkunas, PhD
Chairman, Department of National Security Affairs

THIS PAGE INTENTIONALLY LEFT BLANK

ABSTRACT

This thesis seeks to identify a means for achieving equilibrium between the U.S. requirements for military presence in the Persian Gulf and increasingly negative domestic perceptions of U.S. foreign policies from the societies, religious establishments, and governing bodies of the Gulf Cooperation Council (GCC) states. Only by calibrating U.S. military presence with host GCC nation perceptions, can the United States support its national interests and foreign policies in the region. The costs and benefits of the U.S. footprint in three critical GCC countries allow U.S. policymakers to examine the undesirable withdrawal of most U.S. military forces from Saudi Arabia in 2003, the comparatively successful U.S.-Bahrain bilateral security arrangement, and the potential to establish a substantive U.S. basing structure in Oman. This understanding is fundamental to the United States' ability to protect trade, continue prosecuting the Global War on Terrorism, promote democracy, and cultivate stability from within the region.

THIS PAGE INTENTIONALLY LEFT BLANK

TABLE OF CONTENTS

I.	INTRODUCTION.....	1
	A. PURPOSE.....	1
	B. IMPORTANCE.....	2
	C. METHODOLOGY AND SOURCES.....	4
	D. CHAPTER OUTLINE.....	5
II.	SAUDI ARABIA CASE STUDY.....	7
	A. CHAPTER INTRODUCTION.....	7
	B. BACKGROUND ON U.S.-SAUDI ARABIA RELATIONSHIP.....	8
	C. RATIONALE FOR U.S. MILITARY PRESENCE.....	13
	D. SAUDI ARABIA’S DOMESTIC CONCERNS.....	17
	E. CHAPTER SUMMARY.....	22
III.	BAHRAIN CASE STUDY.....	23
	A. CHAPTER INTRODUCTION.....	23
	B. BACKGROUND ON U.S.-BAHRAIN RELATIONSHIP.....	24
	C. RATIONALE FOR U.S. MILITARY PRESENCE.....	27
	D. BAHRAIN’S DOMESTIC CONCERNS.....	31
	E. CHAPTER SUMMARY.....	35
IV.	OMAN CASE STUDY.....	37
	A. CHAPTER INTRODUCTION.....	37
	B. BACKGROUND OF U.S.-OMAN RELATIONSHIP.....	38
	C. RATIONALE FOR U.S. MILITARY PRESENCE.....	41
	D. OMAN’S DOMESTIC CONCERNS.....	45
	E. CHAPTER SUMMARY.....	48
V.	ANALYSIS AND CONCLUSION.....	49
	A. CHAPTER INTRODUCTION.....	49
	B. RATIONALE FOR U.S. MILITARY PRESENCE IN THE GCC.....	50
	C. DOMESTIC CONSIDERATIONS OF THE GCC.....	52
	D. FUTURE PROSPECTS.....	56
	LIST OF REFERENCES.....	59
	INITIAL DISTRIBUTION LIST.....	63

THIS PAGE INTENTIONALLY LEFT BLANK

LIST OF FIGURES

Figure 1.	Map of the Gulf Cooperation Council Countries.....	3
-----------	--	---

THIS PAGE INTENTIONALLY LEFT BLANK

LIST OF TABLES

Table 1. U.S. Assistance to Bahrain.....26

THIS PAGE INTENTIONALLY LEFT BLANK

I. INTRODUCTION

A. PURPOSE

This thesis seeks to determine how to calibrate the requirements for U.S. military presence in the Persian Gulf with the domestic considerations of the Gulf Cooperation Council (GCC) host states in the contemporary operating environment. In this thesis, *foreign policy* is defined as a collective framework of decisions by a GCC state leader that affects the size, scope and nature of presence U.S. military forces assume in a respective GCC country. *Centrally located power* is defined as the government of a GCC country that allows minimal or no political liberalization. *Oil rentier state* is defined as a GCC country whose economy relies primarily on the export of oil for its subsistence and growth of its economy. *Fundamentalism* refers to a certain way of practicing Islam based on its original tenets. *Footprint* refers to the physical size and cultural impact U.S. forces have on the domestic population of a particular GCC country when they are deployed to that country. The London School of Economics Centre for Civil Society defines *civil society* as the arena of uncoerced collective action around shared interests, purposes, and values.

Primarily, historical research explains the dynamics of U.S. relationships with its GCC partners in this analysis. The U.S.-Saudi Arabia relationship has, by far, the most history and the strongest ties based on mutual economic and security interests. These interests have ebbed and flowed through oil gluts and recessions and periods of conflict and peace. Economic incentives and a robust external security guarantee alone, however, do not guarantee the protection of this long-standing bilateral relationship, which is, now more than ever, subject to domestic powers within the respective GCC regimes. While the United States and Saudi Arabia still enjoy a relatively amenable relationship, increasingly negative perceptions of the United States by Saudi society and its clerical establishment threaten to continue undermining the prosperous bilateral relations the two countries once shared. More importantly, these same tensions resonate throughout the Gulf and adversely affect other bilateral relationships the United States shares with GCC countries.

Temporary fluctuations in mutual economic and security advantages due to changes in supply and demand for oil, weapons, and the need for a security guarantee can not be abandoned as contributors to waning bilateral relations. For example, the Arab oil embargoes of 1967 and 1973 contributed to periods of tense bilateral relations between the Gulf countries and the United States. Similarly, the U.S. relationship with Israel has caused friction between the United States and its GCC partners. In the broader framework of diplomacy and bilateral relationships, though, these events are only symptomatic of deeper underlying causes of tension between East and West, democratic and monarchical regimes, and Islam and Christianity. This hypothesis attributes undesirable GCC foreign policy outcomes, *from a U.S. perspective*, to several compounding factors that exist within domestic GCC polities to varying degrees. The hypothesis argues that a U.S. footprint in a GCC state will succeed or fail based on the degree to which the state exhibits the following characteristics: centrality of power, susceptibility to manipulation from religious establishments, and level to which the state relies on oil to support its gross domestic product. In other words, centrally powered GCC governments that tolerate the permeation of fundamental Islam over secular affairs while bearing the burdens of governing an oil rentier state, eventually become susceptible to foreign policy manipulation from the societies and religious establishments over which they rule. Conversely, GCC states that diversify their economies, exercise more political liberalization, and carefully balance religious entities with secular foreign policy requirements are far less easily manipulated, and therefore, more conducive to U.S. military presence.

B. IMPORTANCE

The size of the American footprint on the Arabian Peninsula creates several dilemmas with potentially devastating foreign policy outcomes for the United States and its GCC partners. Generally, an overly intrusive U.S. presence in the Gulf lends itself to anti-Americanism, while a minimal, more transparent presence does not always sufficiently advance U.S. foreign policy requirements or adequately support military operations in the region. Calibrating U.S. strategic interests with the domestic pressures from within the GCC states ensures that access to basing and other aspects of security

and trade cooperation remain protected. In other words, the preservation and advancement of U.S. national interests as they relate to the Middle East, depends on the ability of the United States and its GCC partners to achieve equilibrium between the requirements for preserving security and protecting trade with the domestic political unrest that emerges from anti-Americanism in hosting GCC governments.



Figure 1. Map of the Gulf Cooperation Council Countries

For the United States, critical strategic interests include the following: the uninhibited global export of oil, free trade, access to basing, logistical support, force protection, and the promotion of democracy and stability.¹ Access to Gulf airspace, pre-positioned equipment, ports, and personnel staging areas also constitute several areas

¹ These priorities are widely discussed in the 2006 U.S. National Security Strategy, the past two Quadrennial Defense Reviews, and various National Defense Strategies.

important to the implementation of U.S. foreign policy in the Gulf. Moreover, the ability to sustain an effective counterterrorism partnership with GCC countries directly impacts the ability of the United States to conduct the Global War on Terror (GWOT) from abroad. These critical pieces of security and trade cooperation become vulnerable when domestic pressure in host GCC countries rise and undermine these initiatives.

For the GCC, an overwhelming U.S. presence in the Gulf countries magnifies the U.S. footprint in the region and often creates a climate that fosters anti-American sentiments toward the United States. As a result, domestic pressures to eliminate U.S. forces from GCC countries force the GCC leaders to comply with the people or become susceptible to removal and overthrow. Conventional wisdom suggests that monarchs act completely autonomously from the people over which they rule. The truth, however, is that in the absence of a collective GCC security framework, Arab monarchs, like Saudi Arabia, capitulate to the domestic pressures unless they possess sufficient measures to mitigate them. Bahrain and Oman seemingly possess some of the measures that enable the regimes to conduct their foreign policies more independently.

C. METHODOLOGY AND SOURCES

This thesis emphasizes the different empirical outcomes pertaining to the U.S. footprint in three strategic GCC countries. The comparative method evaluates three country case studies involving different GCC countries in the same region. All three have comparable political systems, economies, and religious institutions to varying degrees. Additionally, all three countries have hosted at one time or are hosting significant U.S. military forces. The Saudi Arabia case study focuses on the particularly undesirable agreement between the United States and Saudi Arabia to withdraw U.S. military forces from Saudi territory in 2003. In contrast, the Bahrain case illuminates a comparatively successful bilateral security arrangement that the United States has shared with a GCC country. The Oman case study evaluates the prospect for a more substantive bilateral security arrangement that includes long-term access to military basing. In comparing the individual bilateral relationships between the United States and each respective GCC country that has prospered or diminished in terms of bilateral

arrangements, the thesis also seeks to develop prescriptive measures, which will assist policymakers to avoid repeating what happened in Saudi Arabia and to preserve the security arrangement in Bahrain. Additionally, these prescriptive measures can inform a framework during initiatives to create a more robust U.S. presence in Oman. The UAE has not historically based U.S. forces. Kuwait's motivations for supporting the U.S. are obvious given the U.S. defense of Kuwait during the first Gulf War. Therefore, neither country was studied in this analysis. Qatar hosts several U.S. forces and is a staunch ally. Unlike the other Gulf countries, however, Qatar maintains official ties with Israel, which makes it an anomaly amongst its GCC neighbors. For this reason, it is not included in this analysis, either, although the U.S.-Qatar partnership certainly merits study in another forum.

I interviewed the director of International Studies from the Gulf Research Centre (GRC), a Dubai-based organization dedicated to researching strategic issues affecting the Gulf region, to determine how the GCC Secretariat General views security cooperation with the United States. This perspective takes into account the threat perceptions of the GCC as a whole. I also interviewed other academics and policy makers from GCC member states to elicit information regarding the concerns of both governments and people of the individual member states. Primary source research includes these interviews, the interviews with Central Command and Defense Security Cooperation Agency staff, and conference material related to EU-GCC security. Other national security strategy documents, Congressional Research Reports, organization posture statements, academic journals, and literature comprise my secondary source material.

D. CHAPTER OUTLINE

Chapter I's functions are twofold. Primarily, this chapter explains the importance of the following research. Secondly, the chapter provides the methodology and roadmap used to arrive at the conclusions of this research.

Chapter II's function provides a recent background of the U.S.-Saudi Arabia relationship and explains what factors caused U.S. military forces to withdraw from Saudi Arabia during the prelude to the Iraq War in 2003. This section explores the

strategic interests that caused the United States to create a presence in Saudi Arabia and examines how the domestic concerns of Saudi Arabia's society, ulama (senior clergy), and royal family eventually forced the United States to withdraw from Saudi Arabia in 2003.

Chapter III studies the factors that have allowed the United States to enjoy a successful partnership with Bahrain for a period. This section also explores the strategic interests that caused the United States to create bases in Bahrain and the domestic concerns that could affect U.S. presence in Bahrain in the future.

Chapter IV considers the prospect of creating a more robust presence in Oman. This chapter takes into consideration the factors that caused the withdrawal from Saudi Arabia, the factors that have allowed the United States to enjoy comparatively successful relations with Bahrain, and places those factors in context of a potentially more substantial U.S. military presence in Oman. This chapter first looks at the rationale for creating a U.S. base in Oman and then looks at the domestic considerations that may prevent or facilitate this sort of initiative.

Chapter V explores the rationale for supporting and pursuing a comprehensive GCC security architecture, looks at the collective domestic concerns of the GCC and finally, examines the future prospects of a U.S. footprint in the GCC while considering what a long-term U.S.-GCC security arrangement would look like.

II. SAUDI ARABIA CASE STUDY

A. CHAPTER INTRODUCTION

U.S.-Saudi Arabia relations have recently experienced an unprecedented level of deterioration that culminated with the U.S. military withdrawal from Saudi Arabia in 2003. This unexpected breakdown in relations raises the question, “Why did Saudi Arabia ask the United States to withdraw its military forces from the Kingdom in 2003?” The policy debate over the nature of the Saudi Arabian-United States alliance is the driving force behind this question. Arguments for characterizing Saudi Arabia in terms of its relationship with the United States range from ally to adversary. This section draws upon academic journals, books, newspapers, government reports, and elite interviews with Saudi academics and country experts working in the region. The Saudi Arabia case study is the first country case study of three Gulf Cooperation Council (GCC) countries examined in a cross-country case study among critical GCC countries.

The argument presented here does not disprove the debates surrounding this issue, as they each have their own merits; rather, it illuminates some of the less transparent issues underlying those debates. In doing so, this chapter asserts the following: Saudi Arabia’s centrally located power apparatus, coupled with the burdens of governing a rentier state, and the influence of Islamic fundamentalism over politics, makes the Saudi monarchy’s foreign policy decisions as they pertain to the United States overly susceptible to the pressures of its tribalistic civil society and religious establishment. Within the broader analytical framework presented in this research, this section demonstrates how increased political and religious pressure from within Saudi Arabia forced the Saudi monarchy to request the U.S. withdrawal of most of its military forces from Saudi Arabia prior to the invasion of Iraq in 2003. The importance of focusing on Saudi Arabia as one case among many others that deserve equal attention is because the U.S. military pullout from Saudi Arabia prior to the invasion of Iraq in 2003 represents a fundamental breakdown in bilateral relations with a critical strategic ally that the United States can ill afford to repeat. This section explores this question by looking at the

original rationale for a U.S. presence in Saudi Arabia, the internal domestic pressures in Saudi Arabia, and entertains some of the implications of the potential for a repeat withdrawal from Bahrain in the future.

B. BACKGROUND ON U.S.-SAUDI ARABIA RELATIONSHIP

U.S.-Saudi relations stemmed from a rich economic relationship based on oil. Facing the prospects of depleting reserves in the United States after World War I and competition from Britain and France, American oil companies set out to secure oil rights in the Middle East. With government support, companies like Standard Oil of New Jersey (currently Exxon), Standard Oil of New York (now Mobil), and Atlantic Oil Company (now part of Atlantic-Richfield, or ARCO) entered a joint venture called the Near East Development Corporation.² The venture allowed American oil companies to operate in Middle East territories, influenced by Britain and France, without prejudice or discrimination.³

By 1933, the Standard Oil Company of California (Socal), a nonsignatory to the Red Line Agreement, had obtained a Saudi oil concession from King Abd al-Aziz.⁴ Facing economic problems due to a global oil glut prompted by the Great Depression and a decline in pilgrimages to Mecca, Saudi Arabia saw few other choices to remedy its financial woes. Ironically, the Saudi view at the time was that American capitalists were less harmful than European countries seeking to exert political influence or colonialist pressure.⁵ The California Arabian Standard Oil Company (Casoc), a subsidiary of Socal, struck oil in Dammam, Saudi Arabia in 1938. In 1939, Casoc's oil production capacity in Saudi Arabia had reached 477,000 barrels of oil per day, a number equaling 35% of Middle East oil production and 5% of world production.⁶ The significance of the oil

² David E. Long, *Ambivalent Allies* (Boulder: Westview Press, 1985), 11.

³ Ibid.

⁴ The Red Line Agreement limited oil exploration activities in the Middle East. Combined with the As Is Agreement, they determined how international oil transactions took place until World War II.

⁵ Long, *Ambivalent Allies*, 13.

⁶ Rachel Bronson, *Thicker Than Oil: America's Uneasy Partnership with Saudi Arabia* (New York: Oxford University Press, 2006), 18.

concessions obtained in Saudi Arabia directly influenced the massive American economic and industrial effort behind its role in World War II. From this point on, American dependence on Saudi oil only grew in demand. U.S.-Saudi relations were mostly economic through the end of World War II. The relationship, however, took on a political dimension after World War II ended and the threat of communism began.

After World War II, Saudi Arabia demanded more profit from Casoc, now named Aramco.⁷ In order to meet those demands, the U.S. Department of Treasury and Internal Revenue Service took on a greater role in U.S.-Saudi relations and exempted Aramco from all its U.S. tax burdens, enabling it to meet the new demands set forth by Saudi Arabia. This move sought to prevent the U.S. concession in Saudi Arabia from transfer to a competitor. Other complex deals set out to preserve the status quo. Increasingly, the oil glut and inability of oil rich countries to capitalize on their own oil resources led several countries to collaborate under a common agreement and the Oil Producing Exporting Countries (OPEC) was born in 1960.⁸ By 1967, the Suez Canal and Trans-Arabian Pipeline closures and the unexpected outcome of the Arab-Israeli War created an overnight demand for oil, placing Saudi Arabia in an advantageous position vis-à-vis the United States.

By the 1970s, some of the Gulf countries were earning up to \$12.7 million an hour in oil exports.⁹ To complicate matters, the 1973 Arab Israeli War highlighted the divergence between the economic interests of the oil companies in contrast to the political interests of the U.S. government. The oil executives urged President Nixon not to supply military aid to Israel. Nixon ignored the request and by October 20, 1973, Israel began receiving U.S. military supplies.¹⁰ With the weight of OPEC behind it,

⁷ Long, *Ambivalent Allies*, 18.

⁸ *Ibid.*, 21.

⁹ Steven Emerson, *The American House of Saud: The Secret Petrodollar Connection* (New York: Franklin Watts, 1985), 45.

¹⁰ *Ibid.*, 39.

Saudi Arabia imposed an oil embargo on the United States, a move that signaled just how much power Saudi Arabia had gained and equally, how dependent the United States had become on Saudi oil.

Prompted by fears of the earlier energy crises and the potential for petro dollars to disrupt world markets to achieve political ends, the United States began to take a different approach to Saudi Arabia. Saudi Arabia now viewed the partnership with the United States as an equitable one. For example, in 1973, Saudi Arabia's defense budget allocated a mere \$2.8 billion to military equipment acquisition. By 1978, the Kingdom had spent almost \$10.3 billion in arms sales.¹¹ The United States discreetly welcomed foreign investment from Saudi Arabia, a lynchpin to maintaining the delicate relationship. Any perception by Saudi Arabia's domestic population that the United States was unduly influencing the Saudi monarchy would have adverse consequences. American capitalists, however, were not concerned with cultural sensitivity issues. They saw an unprecedented opportunity to bid defense, services, and investment contracts in Saudi Arabia. Military contractors like Raytheon and Northrop produced missile defense and aircraft systems, General Motors manufactured several thousand vehicles, Waste Management received millions of dollars to service sanitation contracts, and other companies like AT&T and IBM took out loans from Saudi Arabia.¹² U.S. and Saudi interests became entwined even further. Meanwhile, the U.S. economy underwent a severe recession.

Exacerbated by a spiraling economy and affinity toward Israel, the American public and many in the U.S. government came to view Saudi Arabia as an emerging adversary who now wielded a political "oil weapon."¹³ Anti-Saudi sentiments resonated throughout the United States, while Saudi Arabia began to doubt the U.S. security guarantee. Threat perceptions from both sides heightened rapidly. Insecurities culminated at one point, when the United States did nothing to prevent the collapse of the

¹¹ Emerson, *The American House of Saud: The Secret Petrodollar Connection*, 55.

¹² *Ibid.*

¹³ David Long, "US-Saudi Relations: Evolution, Current Conditions, and Future Prospects," *Mediterranean Quarterly* Summer (2004): 30.

American backed shah's regime in Iran. " Saudis feared that it (the United States) would act the same way if the Saudi regime faced similar circumstances."¹⁴ The turning point in bilateral relations came in August 1990, when Iraq launched an unprovoked attack against Kuwait. Several areas of consideration emerged from this incursion. Saudi Arabia's historic, religious, and cultural ties to Kuwait had formed a bond between the two countries. The larger and more powerful Saudi Arabia, however, lacked the defensive capability to repel Iraq's military forces. Both countries were militarily inferior with respect to Iraq's massive army of 1.2 million.¹⁵ Moreover, Kuwait's status as a GCC member had political implications for the other member states. If Iraq could exert its hegemonic ambitions over one GCC state, then the perception was that it could do the same against Saudi Arabia or the other smaller GCC states. Confronted by a conventional threat, the U.S. presence in Saudi Arabia could be justified to the clerics and ulama, although this justification faced more skepticism among Saudi citizens.

U.S. presence in Saudi Arabia during Desert Storm necessitated a cultural sensitivity and respect that the Saudi religious ulema demanded. The U.S. military, however, failed to understand the importance of the cultural nuances and underscored its actions with several negatively perceived gaffes. The Saudi perception was that U.S. troops had desecrated Saudi holy lands. American women driving automobiles, service members seen urinating in public, and shirts displaying U.S. tanks in the Saudi Arabian desert gave the religious establishment grounds for protest. As liberators of the Middle East, U.S. forces felt entitled to certain amenities like alcohol, dancing, and other forms of entertainment while deployed to the region. These Western secular indulgences, however, violated several aspects of Islam and fueled the Islamic fundamentalists with even more hatred for the West. As the perception of a security threat waned in Saudi Arabia, so did tolerance of U.S. military presence. The U.S. military now found itself caught between pro-Western Saudi reformers seeking more liberalization and the Islamic opposition who saw the U.S. military in Saudi Arabia as occupiers. The opposition

¹⁴ Long, *Ambivalent Allies*, 59.

¹⁵ Thomas Lippman, *Inside the Mirage: America's Fragile Partnership with Saudi Arabia* (Boulder: Westview Press, 2004), 300.

consisted of educated men of religion, like Osama Bin Laden.¹⁶ They urged the state to allow the religious establishment to oversee the government, and the polity began to listen.

Over the next decade, opposition to U.S. military forces in Saudi Arabia took on violent forms worldwide. In November 1995, terrorists attacked a joint U.S.-Saudi facility causing the loss of five American lives.¹⁷ The next year, other terrorists bombed Khobar Towers, home to 2,000 U.S. military forces. Nineteen Americans died and 372 others suffered serious injuries.¹⁸ Iraq's questionable motives, increasing American troop levels in Saudi Arabia, and the increasing distrust of the monarchy from the religious opposition continued to threaten stability within the Saudi regime. Kenneth M. Pollack, President Bill Clinton's director for Gulf affairs at the National Security Council, remembered that, "by any measure, the Saudis had become less supportive of limited U.S. military operations against Iraq."¹⁹ Just as the war-torn state of Afghanistan became a greater source of tension, al-Qaeda launched simultaneous attacks on U.S. embassies in Tanzania and Kenya. The United States responded unilaterally by launching missile attacks on Bin Laden's camps in Afghanistan without informing Saudi Arabia or Pakistan. The attacks and rising regional instability pointed to further diminishing U.S.-Saudi relations.

Since the September 11 attacks and the subsequent U.S. invasion of Iraq, tensions have only increased between the United States and Saudi Arabia. U.S. critics allege that the Saudi government sponsored the attacks through indirect means or intentional negligence, while other critics believe that state acceptance of a fundamentalist attitude toward religion is a source of terrorist activity. Still, other criticisms leveled at Saudi Arabia aim at the funding of religious charities and Islamic programs that promote

¹⁶ Bronson, *Thicker than Oil*, 212.

¹⁷ *Ibid.*, 214.

¹⁸ *Ibid.*

¹⁹ Kenneth M. Pollack, *The Threatening Storm: the Case for Invading Iraq* (New York: Random House Inc., 2002), 188.

violence.²⁰ The overwhelming Saudi nationality of most 9/11 hijackers and Osama Bin Laden's affiliation to Saudi Arabia has only fueled the criticism.²¹ Saudi officials have diverted some criticism through enhanced counterterrorism cooperation, intelligence sharing, and trade cooperation with the United States. Despite these efforts, however, the Saudi regime still faces mounting pressure from its conservative clerical establishment that espouses fundamental Wahhabism and the "puritanical beliefs of some Saudi citizens."²² Regardless of increasing domestic tensions, Saudi Arabia's vast oil reserves and geo-strategic importance provide a defined rationale for U.S. presence that supersedes many of the other perennial daunting issues.

C. RATIONALE FOR U.S. MILITARY PRESENCE

The rationale for stationing U.S. military forces in Saudi Arabia is fraught with controversy. Policy and academic debates surrounding the status of the U.S.-Saudi Arabia relationship, however, provide insight into how different supporters and critics view the partnership. One argument from skeptics is that the United States and Saudi Arabia are such fundamentally different societies that no meaningful and sustainable relationship between the two countries can ever be achieved.²³ Advocates of this position believe that in the wake of 9/11, Saudi Arabia has become, "a problematic ally in combating extremism."²⁴ David E. Long contends that the United States and Saudi Arabia have never really understood each other on a cultural or religious level.²⁵ Insofar as the bilateral relationship has endured through 2001, it was largely for mutually economic reasons with some security exceptions such as expelling Iraq from Kuwait. While the mainstream skeptics have not abandoned the prospect of continuing to endure

²⁰ Christopher M. Blanchard, "Islamic Religious Schools, Madrasas: Background CRS Report," *CRS Report for Congress* January 23 (2007): 1.

²¹ Fifteen of the nineteen 9/11 hijackers were Saudi nationals.

²² Alfred B. Prados, "Saudi Arabia: Current Issues and U.S. Relations," *CRS Report for Congress* April 13 (2007): 4.

²³ Fundamental differences include approaches to religion, political reform, counter-terrorism, the Iraq war, oil, and human rights.

²⁴ 9/11 Commission Report.

²⁵ Long, "US-Saudi Relations: Evolution, Current Conditions, and Future Prospects," 25.

the troubled relationship, they have pursued politically driven prohibitive measures on foreign assistance to Saudi Arabia such as international military education, anti-terrorism assistance, and counter-terrorism financing assistance. Some critics have gone so far as to suggest that the relationship “should be restructured to reflect what is described as fundamentally adversarial relationship.”²⁶

On the other hand, proponents of the U.S.-Saudi relationship are eager to point out that the burden of fighting terrorism is a shared one between the United States and Saudi Arabia. Terrorist attacks against the Saudi regime after the U.S. withdrawal have revitalized the need for close cooperation with the United States. Supporters also refer to the consequences of “deconstructing the U.S. Saudi partnership,” citing adverse regional implications for the broader Gulf region, oil and defense trade, and the Arab-Israeli issue.²⁷ Those issues notwithstanding, a major disruption to the U.S.-Saudi relationship would negate the Saudi military’s effectiveness, which would leave a major remaining Sunni counterbalance to a predominantly Shia Iran useless—a particularly undesirable prospect for the United States.

Debates aside, three main factors underpin the need for U.S. military troops in Saudi Arabia. Preserving the global oil flow from the Gulf, fostering strategic access to fight the Global War on Terrorism, and the more ambiguous goals of promoting regional stability and spreading democracy, are interrelated to some extent and promote U.S. national interests and foreign policies. In the past, the lack of a collective security framework in the GCC made U.S. access to Saudi Arabia’s bases more feasible. The Saudi monarchy quelled opposition groups by propagating fear of powerful neighbors and selling the external U.S. security guarantee as a necessary component of domestic security. Missions like Desert Shield and Desert Watch helped achieve an added degree of regional stability when the U.S. footprint in Saudi Arabia was much greater. During this period, U.S.-Saudi political, economic, and security interests were more closely aligned. Since the U.S. criticisms of Saudi Arabia after 9/11, the Saudi criticisms of the

²⁶ James A. Russell, “Deconstructing the U.S.-Saudi Partnership?” *Strategic Insights* 1, no. 7 (2002), <http://www.ccc.nps.navy.mil/si/sept02/middleEast2.asp> (accessed September 16, 2007).

²⁷ Ibid.

U.S. invasion of Iraq, and Saudi Arabia's expanded alliances in Europe and Asia, the two countries have less in common politically and economically. Nonetheless, the ability to maintain oil exports at stable levels, fight terrorism, and promote democracy rank as high priorities for the United States.

The strong U.S. demand and increasing prices for Saudi oil continue to support the rationale for U.S. military presence in Saudi Arabia. From 1991–2003, with the exception of some variations due to Gulf War outliers, Saudi oil exports to the United States were relatively stable at reasonable prices. Under a gentlemen's agreement reached in 2000, OPEC members agreed to increase oil production in order to keep oil prices between a \$22 and \$28 price band.²⁸ Coincidentally, the U.S. military had a substantial military force occupying Prince Sultan Airbase in Saudi Arabia at this time. From 2003, the year most military forces left Saudi Arabia, until 2006, oil exports from Saudi Arabia to the United States steadily decreased from 1.774 millions of barrels per day (MBD) in 2003 to 1.461 MBD in 2006.²⁹ Moreover, oil prices rose substantially to around \$77 per barrel by July 2007. By holding approximately 1.3 to 1.4 MBD in reserve production capacity, Saudi Arabia has effectively contributed to higher oil prices. The U.S. security guarantee and presence in Saudi Arabia during the 1990s clearly affected the volume and price of oil imported by the United States. By contrast, lower imports and higher oil prices between the United States and Saudi Arabia are the norm in recent years. David Long notes that while the global market and to some extent, OPEC, control the price of oil, short-term price spikes are avoided by enhanced cooperation between the two partners. How that cooperation occurs, however, is another matter.

A robust counterterrorism partnership and deterrent capability that includes access to Saudi territory represents another vital aspect to U.S. foreign policy that supports the rationale for U.S. troops in Saudi Arabia. Initiatives like this are clearly outlined in most

²⁸ Alfred Prados, "Saudi Arabia: Current Issues and U.S. Relations," 23.

²⁹ Department of Energy, *Petroleum Imports by Country of Origin, 1960-2006*, http://www.eia.doe.gov/oil_gas/petroleum/info_glance/petroleum.html (accessed June 5, 2007).

U.S. national and defense strategies.³⁰ More importantly, both the United States and Saudi Arabia have finally agreed that international terrorism is one of the greatest threats faced by both countries. Likewise, Iran and Israel still pose a major concern to Saudi Arabia's national interest and could require the deployment of more U.S. troops to assist in Saudi Arabia's defense. Saudi Arabia's fundamental weakness as a defensive power threatens its very existence as a nation. Without the United States providing security, Saudi Arabia is vulnerable to attack from its enemies. These threats, when considered grave enough by the Saudi regime, justify U.S. troops in the country.

Other aspects of having U.S. troops in Saudi Arabia are beneficial to the United States, especially in the post-9/11 environment. The most obvious is Saudi Arabia's strategic location. The Kingdom's proximity to several U.S. adversaries makes its location invaluable for launching U.S. military operations from within the region.³¹ Operation Hard Surface was the deployment in the 1960s to Saudi Arabia of eight F-100D tactical fighters to deter Egypt from entering Saudi airspace.³² More recent operations like Vigilant Warrior, Desert Shield, Desert Storm, Enduring Freedom, and Iraqi Freedom all required critical access to Saudi territory and airspace. Between 1992 and 2000, U.S. troops in Saudi Arabia increased steadily from approximately 2,000 troops in 1992 all the way to 7,500 troops in 2000. U.S. access to pre-positioned military equipment, infrastructure like Prince Sultan Airbase, and the ability to operate a command and control node, like the U.S. Air Force Combined Air Operation Center were also critical to deterring common enemies, and staging the fight against global terrorism in Afghanistan.

Perhaps the more lofty goals of promoting democracy and regional stability also warrant U.S. troops in Saudi Arabia. Now, however, these ambitions may be best accomplished through less intrusive security cooperation and various forms of "soft

³⁰ For example, the National Security Strategy, National Defense Strategy, and Quadrennial Defense Review all highlight the importance of building partnerships with countries at "strategic crossroads" like Saudi Arabia.

³¹ In particular, Prince Sultan Airbase's location and proximity to both Afghanistan and Iran are invaluable to U.S. military planners.

³² Bronson, *Thicker Than Oil*, 87.

power.” The Bush administration approved a plan in 2007 to provide billions of dollars in advanced weapons systems to Saudi Arabia, Egypt, and Israel over the next 10 years.³³ Some critics allege that the Bush administration tried to buy its way back into Saudi Arabia. Secretary of State Condoleeza Rice indicated that, “no quid pro quo was involved in the arms sale.” Rather, the consensus is that the arms sale provided a hedge against the growing influence of Iran. Nevertheless, the arms deal could pave the trail for a U.S. troop deployment to Saudi Arabia should Iran commit an act of aggression toward the Kingdom. Saudi Arabia’s domestic concerns, however, make this prospect questionable at best.

D. SAUDI ARABIA’S DOMESTIC CONCERNS

In October 2001, the crown prince of Saudi Arabia read a message to U.S. President Bush. He stated the following:

We are at a crossroads. It is time for the United States and Saudi Arabia to look at their separate interests. Those governments that don’t feel the pulse of the people and respond to it will suffer the fate of the Shah of Iran.³⁴

Two years later, the majority of U.S. troops left Saudi Arabia.³⁵ The crown prince’s statement reflects the dilemma that both the United States and Saudi Arabia face in the current political environment. In other words, the Saudi regime’s foreign policy decisions are ultimately subject to the will of the Saudi people and religious establishment. The burdens of governing a rentier state only complicate this burden. As a result, the United States is indirectly affected by the degree to which the Saudi opposition and clerical establishment causes the Saudi regime to alter its foreign policy. Three main factors account for the Saudi regime’s susceptibility to this influence: the centrally

³³ Mark Mezzetti and Helene Cooper, “U.S. Arms Plan for Mideast Aims to Counter Iranian Power,” *New York Times*, July 31, 2007, late edition, <http://proquest.umi.com> (accessed September 29, 2007).

³⁴ In 1979, the American-backed Shah of Iran was overthrown by the Islamists during the Iranian Revolution. This event symbolized the growing power of Islam over politics and secularism and emphasized the necessity of addressing the needs of the people by centrally powered Arab governments.

³⁵ The agreement for U.S. military forces to leave Saudi Arabia is by most accounts considered “mutual.” However, with increasing domestic pressure, the Saudi regime could not tolerate a further prolonged presence of U.S. forces in its territory.

powered nature of the regime, the burdens of governing a rentier state, and the role of Wahhabism, a fundamental version of Sunni Islam, plays in the polity. Other issues, such as negative opinions toward U.S. foreign policies and the Arab-Israeli conflict, affect Saudi foreign policy more profoundly because of these factors.

The very structure of Saudi Arabia's centrally powered monarchical regime makes it susceptible to political manipulation from within. The late Saudi King Faisal represented the quintessential monarch of Saudi Arabia as, "King, Imam, and Servant of the Holy Cities."³⁶ He demonstrated that one man could consolidate several elements of governance, administration, and religion under one ruler. More importantly, he identified and acknowledged the relationship between the Saudi centrally powered regime and the people over which the regime ruled.

The important thing about a regime is not what it is called but how it acts. There are corrupt republican regimes and sound monarchies and vice versa. The only true criterion of a regime—whether it be monarchical or republican—is the degree of reciprocity between the ruler and ruled and the extent to which it symbolizes prosperity, progress, and healthy initiative.³⁷

This high degree of reciprocity between the Saudi regime and its people, highlighted during the prelude to the Iraq invasion by the United States, inevitably contributed to the decision to ask the U.S. to withdraw most of its troops from Saudi Arabia. Publicly, this move by the Saudi regime assuaged the demands of the Saudi people and its religious establishment while allowing the Saudi leaders to accept credit for the U.S. withdrawal. Privately, however, the Saudis still supported the United States by granting access to military facilities, providing intelligence, special operations staging areas, and logistical support for preparation to invade Iraq.³⁸ Dr. Saleh Al Mani writes the following of the GCC governments. "They opposed the war on Iraq and any perception of an alliance with the war's proprietors was looked at in the most negative

³⁶ Ed. Willard Beling, *King Faisal and the Modernisation of Saudi Arabia* (Boulder, Westview Press, 1980), 31.

³⁷ *Ibid.*, 32.

³⁸ Heba Saleh, "Riyadh warns long war may damage ties: US-SAUDI RELATIONS: The government wishes for a rapid end to the conflict as anti-U.S. sentiment rises across the social strata," *Financial Times*, March 27, 2003, sec. A10.

manner. Thus, the Gulf States had to criticize the Bush administration policies in Iraq and Palestine, while at the same time seeking to be on good terms with it.”³⁹ Balancing the domestic security requirements with society pressures has been a difficult undertaking for the Saudis, and the lack of political liberalization puts the regime at risk during the implementation of unpopular foreign policies. In sum, because of the regime’s accountability to and interdependence with its people, Saudi foreign policy as it pertains to the United States will always be subject to some degree of manipulation. Arguably, this is a valuable concession that allows the royal family to exert influence in other areas. The burdens of governing an oil rentier state also create a similar effect over Saudi foreign policy, albeit to a lesser degree.

After the 1973 Arab-Israeli War, the oil boom and subsequent petro dollar revolution altered Saudi Arabia and its economy drastically.⁴⁰ Simultaneously, Saudi Arabia became a rentier and generous welfare state under the leadership of King Faisal. A patron-client system between the regime and people provided the regime with more autonomy during the oil boom. For example, Saudi Arabia’s civil society accepted free education and social services at no cost while the state subsidized basic consumer goods. The state also subsidized basic utilities and public transportation at a substantial discount. Domestic entrepreneurs received low-cost loans while the Kingdom invited direct foreign investment from the West.⁴¹ Several problems, however, unfolded after this rapid accumulation of wealth and power.

Under the newfound economic prosperity, Saudi society tolerated the lack of political liberalization because the regime provided generous economic assistance to the Saudi people. On the other hand, ultra-conservative religious groups viewed the royal family and its excessive spending as materialistic and un-Islamic. The new wealth meant

³⁹ Saleh Al-Mani, “The Search for an Optimal Gulf Security Regime from a Gulf Perspective,” unpublished paper presented at the Eighth Mediterranean Social and Political Research Meeting, Montecatini Terme, Italy, March 21–25, 2007.

⁴⁰ The “petro dollar” revolution emerged between 1972, when oil sold for about \$3 per barrel, to 1973, when the price more than quintupled to \$17/barrel. By the end of the decade, oil had reached almost \$40 per barrel. The sudden inflow of oil revenue tripled Saudi Arabia’s Gross Domestic Product between 1975 and 1980.

⁴¹ Peter Wilson and Douglas Graham, *Saudi Arabia: The Coming Storm* (New York: M.E Sharpe Inc., 1994), 178.

that as long as regime addressed the basic requirements for subsistence and economic welfare, the Saudi people would remain untaxed and in return, make few political demands of the regime. During the 1980s, however, the rentier state became a burden to Saudi Arabia during an economic recession. After a decade of inflated oil prices, consumers began to conserve on oil products while oil companies looked to Alaska and the North Sea for less costly oil.⁴² Saudi Arabia's economy slowly slipped into recession. Instead of reinvesting their income in the Saudi economy, foreign workers remitted the money back to their families. Faced with a growing budget deficit, Saudi Arabia erased subsidies and increased taxes. With these cuts, though, the regime suffered increasing political pressure and waning support. The rapidly growing Saudi population, high unemployment rates, and lack of domestic workers increased the burdens of sustaining a welfare state while diminishing Saudi Arabia's ability to pursue investment elsewhere. Moreover, the Saudi regime realized that the concessions granted under the provisions of a rentier state would become unsustainable over the long term and during periods of recession like those of the 1980s. Today, the regime understands that if it cannot meet the economic demands of people under the current constraints of the rentier state, especially with the increasing unpopularity of Saudi pro-Western accommodations, the regime becomes more susceptible to political pressure and manipulation. Likewise, the ultra-conservative clerical establishment creates equal pressure on the regime since they view many of the government's fiscal policies as un-Islamic. The next section entertains this phenomenon.

Saudi Islamic fundamentalists are perhaps the most potent force encouraging manipulation of the regime's foreign policy decisions pertaining to the United States. In particular, the disenfranchisement of radical Wahhabists (derived from the teachings of Ibn Abdul Wahhab, a reformer of the early eighteenth century who called for "a return to the puritanical forms of Islam") causes great concern for the regime.⁴³ During the Soviet invasion of Afghanistan, and later—to counter Iranian influence there—Saudi Arabia

⁴² Wilson and Graham, *Saudi Arabia: The Coming Storm*, 182.

⁴³ Peter Hobday, *Saudi Arabia: An Introduction to the Richest Oil Power* (New York: St Martin's Press, 1978), 101.

employed religious Sunni radicals against Soviet communism and the Shia influence from Iran. The unintended consequences of these proxy fights was development and the return of battle-hardened, fundamental religious jihadists seeking a literalist interpretation of the Quran and the fundamental practice and teaching of Islam in Saudi society. Influenced by groups like the Muslim Brotherhood in Egypt and men like Seyyed Qutb and Hassan al-Banna, the Saudi fundamentalists hardly approved of the Saudi government's accommodations for the West, much less the materialistic, free-spending habits of the Saudi royal family.

The opposition's disenfranchisement with the royal family and the regime is entrenched in Saudi history. For instance, the split between the royal family and the religious opposition dates back to Ibn Saud's declaration of himself as king of Saudi Arabia and his subsequent pact with the British. By violating the laws of Islam, he also became an enemy of the Ikhwan, a group intent on expanding the Islamic state.⁴⁴ The regime has faced other instances of opposition. In 1979, Juhaiman al-Utaibi and his rebels briefly captured Grand Mosque in Mecca. During a three-week fight, the government regained control of the Grand Mosque as the rebels succumbed. Around the same period, Shias in the Eastern Province, fueled by the Shah's overthrow in Iran, rioted against the regime until quelled by the National Guard.⁴⁵ Fortunately, the Saudi royal family is synonymous with the aptly named country, a luxury that allows the royal family to maintain its stronghold on power and keep the state in a relatively stable condition. The Saudi regime, however, is not exempt from making some concessions to its opposition. After the bombings in Riyadh and Khobar, for example, no mass arrests or executions of Islamists took place.⁴⁶ After the Gulf War, the Saudi government, under pressure to reform, inaugurated a consultative group appointed by the king. The king also codified religious laws for secular purposes in order to appease Islamists. Affecting

⁴⁴ Mamoun Fandy, *Saudi Arabia and the Politics of Dissent* (New York: St. Martin's Press, 1999), 46.

⁴⁵ *Ibid.*

⁴⁶ *Ibid.*, 242.

the withdrawal of U.S. troops from Saudi Arabia in 2003 earned the Saudi regime significant credibility with its critics and opposition while costing it very little in terms of an external security guarantee.

E. CHAPTER SUMMARY

In summary, this chapter concludes that a lengthy U.S.-Saudi history based upon mutual economic and security reasons and a clearly defined rationale still warrant a larger, but carefully measured, U.S. footprint in Saudi Arabia based on the demand for oil and the global terrorism challenges faced today. These U.S. economic and foreign policy goals, however, still meet resistance from the centrally powered nature of the Saudi regime, the burdens of governing an oil rentier state, and the religious opposition's effect on the Saudi royal family. Additionally, U.S. foreign policies and the U.S. support for Israel continue to create fissures between the United States and Saudi Arabia. Ill feelings stemming from 9/11 still resonate between both countries. While it seems unlikely that U.S.-Saudi relations will experience a complete breakdown, given the recent arms negotiation and other modest forms cooperation, it is unknown whether mutual interests in "oil, regional security, and in combating global terrorism" can override Saudi Arabia's susceptibility to foreign policy manipulation from within.⁴⁷ The next chapter looks at the U.S. relationship with Bahrain to determine what lessons can be applied from the Saudi Arabia case and vice versa.

⁴⁷ Long, "US-Saudi Relations: Evolution, Current Conditions, and Future Prospects," 34.

III. BAHRAIN CASE STUDY

A. CHAPTER INTRODUCTION

This chapter examines the evolution of the U.S.-Bahrain bilateral relationship during the past 60 years. The purpose of this chapter is to discover why the United States has enjoyed a comparatively more amenable relationship with Bahrain than it has with Saudi Arabia. This question not only has profound implications for the U.S. relationship with Bahrain, but also has implications on U.S. relations in the greater Middle East. Arguments pertaining to the U.S. relationship with Bahrain are generally in favor of maintaining the status quo while continuing to assist Bahrain with the modernization of its defense force. Bahrain's lack of political reform in the past has drawn criticism, but recent reforms have shadowed its shortcomings of the past. This section draws upon academic journals, books, newspapers, government reports, and elite interviews with experts on Bahrain's affairs. The Bahrain case study is the second case study of three countries examined in a cross-country case study among critical Gulf Cooperation Council (GCC) countries.

This chapter argues that Bahrain's implementation of political reform resulting in democratic elections and a National Assembly, its economic diversification away from oil, and its handling of religious opposition, makes the regime less susceptible to foreign policy manipulation from its religious establishment and civil society. The reforms, therefore, makes the U.S. relationship with Bahrain more optimal than its relationship with Saudi Arabia. Within the broader analytical framework presented in this research, this chapter demonstrates these factors have paved the way for more significant cooperation between the United States and Bahrain. The importance of focusing on the U.S.-Bahrain relationship is because of the overall success it has produced between the United States and a major GCC ally, the minimal opposition it has endured, and its potential for replication elsewhere in the region. This section explores these phenomena by providing a brief overview of the origins of the relationship, outlines reasons why the U.S. pursued a substantive military presence in Bahrain, and discusses what domestic

considerations arose from the U.S. presence in Bahrain. Finally, the chapter analyzes what factors made the U.S.-Bahrain relationship comparatively more successful than the U.S.-Saudi Arabia relationship.

B. BACKGROUND ON U.S.-BAHRAIN RELATIONSHIP

While U.S.-Saudi relations have experienced a steady decline in recent years, the United States has enjoyed a comparatively benevolent relationship with Bahrain. The origins of U.S.-Bahrain relations are grounded in mutual security interests and have expanded to economic issues and political reform more recently.⁴⁸ As a smaller state among more powerful neighbors, Bahrain has typically aligned its security interests with the United States. For over 60 years, Bahrain has hosted U.S. naval command forces such as the U.S. Middle East Force, NAVCENT, and the U.S. Navy Fifth Fleet. The Naval Headquarters component conducts a variety of naval anti-terrorism, counter-narcotics, and oil-platform protection missions within the Arabian Sea. Bahrain currently houses over 3,000 U.S. military personnel.

Bahrain's formal origins with the United States began in 1949, when the United States leased office space at a British compound in Jufair. This concession set a precedent for future endeavors, but substantive relations did not occur until between 1970 and 1971, when the British left Bahrain and when Iran recognized Bahrain's independence as a state.⁴⁹ While Bahrain welcomed the acknowledgement of its independence from Iran, its suspicions of Iran's underlying motives led it to seek security with the United States. By the end of 1971, the United States had signed a lease granting Bahrain access to communications systems, naval repair facilities, aircraft hangars, and landing rights in Jufair and Muharraq Airfield.⁵⁰ By the 1973 Arab-Israeli War, Bahrain had terminated the lease because of U.S. support for Israel and the unpopular foreign policies of the West. At this point, the U.S. reduced its footprint in Bahrain, which made

⁴⁸ Kenneth Katzman, "Bahrain: Key Issues for U.S. Policy," *CRS Report for Congress*, March 24 (2005): 3.

⁴⁹ Anthony Cordesman, *Bahrain, Oman, Qatar, and the UAE: Challenges of Security* (Boulder: Westview Press, 1997), 34.

⁵⁰ *Ibid.*

the U.S.-Bahrain arrangement more informal. The United States re-titled its units as “temporary” and “administrative” and only allowed the U.S. Navy Middle East Force admiral to live in Bahrain.⁵¹ Practically speaking, it had little effect on the U.S. mission there, but publicly, the moves quelled domestic opposition.

By 1974, relations began to normalize. Bahrain saw the United States as a Middle East stabilizer despite pleas from Egypt, Syria, and Libya to revoke docking privileges. In 1977, the original agreement expired and a new arrangement was brokered in order to maintain a more regular, but lower profile naval presence in Jufair. The lower U.S. profile was evident in Bahrain’s relatively stable political climate. In 1979, however, remarks by then U.S. Secretary of Defense Harold Brown sparked short-lived outrage among Manama locals after he hinted at increasing U.S. presence in the Gulf.⁵² During the Iran-Iraq War in the 1980s, the U.S. footprint in the Gulf increased substantially. U.S. Navy destroyers deterred Iranian advances toward Basra, Iraq and more broadly, sought to minimize Soviet influence in the region.

Bahrain quickly epitomized the ideal GCC ally for the United States as the Navy’s Middle East Force began re-flagging Kuwaiti oil tankers traveling through the Strait of Hormuz with the U.S. flag during Operation Earnest Will. The increased presence and expanding U.S. influence in the Gulf also coincided with a campaign to modernize the facilities and military of Bahrain. Several U.S. arms transfers to Bahrain occurred over the next decades. Bahrain initially received several F-5 fighter jets, M-60 tanks, F-16 fighter jets, artillery shells, and other military hardware in the 1980s.⁵³ Meanwhile, U.S. efforts to, “equip, support, and train the regime’s armed forces,” helped cement strategic relations between the two allies.

Since the early 1990s, Bahrain has played a pivotal role in both the U.S.-led campaigns against Iraq and the campaign against the Taliban in Afghanistan. During Desert Storm, Bahrain hosted more than 17,500 U.S. troops and their combat aircraft at

⁵¹ Cordesman, *Bahrain, Oman, Qatar, and the UAE: Challenges of Security*, 34.

⁵² This remark was prompted by the failed rescue attempt of American hostages during the Iranian Revolution.

⁵³ Fred H. Lawson, *Bahrain: The Modernization of Autocracy* (Boulder: Westview Press, 1989), 122.

Shaykh Isa Air Base.⁵⁴ Additionally, Bahraini pilots assisted the United States by flying combat missions over Iraq during the conflict as well. As a result, the United States signed a 10-year defensive cooperation pact that both parties renewed in 2001.⁵⁵ Bahrain gave support to the United States during Operation Enduring Freedom against Afghanistan and Operation Iraqi Freedom two years later in Iraq. Bahrain allowed between 4,000 to 4,500 troops to launch operations from its bases while lending supplies, pre-positioned equipment, facilities, and airspace for these operations. In recognition of Bahrain’s military efforts and assistance during these campaigns, the United States sold Bahrain more F-5 and F-16C fighter jets, Advanced Medium Range Air to Air Missiles (AMRAAM), STINGER anti-aircraft missiles, and Army Tactical Missile Systems (ATACMS).⁵⁶

Table 1 shows the amount of foreign military funding (FMF) and international military and education training funds (IMET) the United States has granted Bahrain since 2002.

	FY2002	FY2003	FY2004	FY2005	FY2006
FMF(in millions)	\$28.5	\$90	\$24.6	\$18.85	\$19
IMET(in thousands)	\$395	\$448	\$600	\$650	\$650

Table 1. U.S. Assistance to Bahrain⁵⁷

Bahrain’s stability, accommodation for U.S. forces, and recent political reforms makes it a key strategic interest for the United States. Moreover, the recent signing of a Free Trade Agreement between Bahrain and the United States has added an important economic element to the strategic partnership. As such, the rationale for U.S. presence in the emirate is more compelling now than ever.

⁵⁴ Katzman, “Bahrain: Key Issues for U.S. Policy,” 4.

⁵⁵ Ibid.

⁵⁶ In order to prevent an arms escalation in the Gulf, the United States withheld the ATACMS missile launch codes and dictated that the systems would remain under U.S.-Bahrain joint control.

⁵⁷ Katzman, “Bahrain: Key Issues for U.S. Policy,” 4.

C. RATIONALE FOR U.S. MILITARY PRESENCE

The rationale for maintaining U.S. military forces in Bahrain is clearly the strongest among the three GCC countries studied in this research. While significantly less controversial than the U.S.-Saudi relationship, the U.S.-Bahrain relationship still receives some criticism, mainly for its civil rights shortcomings of the 1990s. The United States has largely overlooked those failures since Bahrain has improved its human rights record and undergone more substantive political reform in recent years. These issues notwithstanding, three factors primarily warrant the only permanent U.S. presence in the Gulf. First, like Saudi Arabia, Bahrain's centrality in the Middle East makes it strategically invaluable for U.S. military operations in the Gulf. America's ability to permanently station naval forces and conduct maritime operations in Bahrain is a critical aspect of the U.S. military mission in the Gulf. Secondly, Bahrain has recently engaged in more meaningful political reforms and some democratic processes. In an effort to promote democracy and stability in the Middle East, U.S. policymakers recognize that Bahrain's progress in limited political liberalization may produce similar outcomes in other Middle East countries. Thirdly, Bahrain's economic diversification away from oil, its promotion of direct foreign investment, and its recent signing of a Free Trade Agreement (FTA) with America, all signify that Bahrain is quickly becoming an economic force for stability in the region.

Situated in the heart of the Gulf, Bahrain's strategic geography has immense importance for the United States. Bahrain's territory consists mostly of a 620-square-kilometer main island and several other smaller islands in its surrounding waters.⁵⁸ Bahrain is approximately an eight-minute flight to Iran and a thirty-minute flight to Iraq. Furthermore, Bahrain sits along the main shipping channels into Saudi Arabia and Kuwait.⁵⁹ For the United States, "working with Bahrain to maintain regional peace and security in the face of Iran's threat is a critical foreign policy goal."⁶⁰

⁵⁸ Cordesman, *Bahrain, Oman, Qatar, and the UAE: Challenges of Security*, 34.

⁵⁹ *Ibid.*

⁶⁰ U.S. Congressional Budget Justification for Foreign Operations FY 08.

Accomplishing this goal requires several elements of cooperation between the two allies. Funding to Bahrain typically is allocated for improved defensive and regional deterrent capabilities, technological upgrades to existing U.S. weapons systems, integration of the air defense network, expanded maritime interdiction operations, and greater interoperability with U.S. systems.⁶¹ The United States also emphasizes improving its human and civil rights record, promoting military professionalism, and fostering the relationship between Bahraini and American military officers. Beyond normal foreign nation funding activities, preventing the spread of al-Qaeda terrorists into Bahrain, underpins a major component of the U.S. National Security Strategy. Therefore, the funding for and implementation of counterterrorism programs and joint counterterrorism activities continues to be a high priority.

Bahrain's geographic and internal vulnerabilities and threat perceptions create an advantageous situation for the United States. Because of Bahrain's unwillingness to establish strong relations with neighbors like Qatar and its inability to defend itself against its powerful adversaries like Iran, and in the past, Iraq, Bahrain sits in a uniquely unenviable position. Bahrain is clearly susceptible to a naval attack from any direction and its proximity to Iran makes it vulnerable to a wide range of missile attacks. The regime has also expressed concern that Iran could exert its influence over the country's large Shia opposition and cause an uprising from within. Even more concerning, the 12,000-strong Bahrain Defence Force is barely adequate for repelling any sort of major attack. As a result, Bahrain's security interests naturally conform to those of the United States, its primary external security guarantor. In return, Bahrain grants generous access to infrastructure and the regime provides extensive cooperation in most areas.

The impetus for housing U.S. forces in Bahrain and naming Bahrain a non-NATO major ally to the United States stems in part from the drastic political reforms Bahrain has undergone over the last five to six years. U.S. FMF to Bahrain has decreased significantly because of vast improvements in democratic reform. Indeed, the reduction reflects a shift under Hamad's rule to improved political reform, effective governance,

⁶¹ U.S. Congressional Budget Justification for Foreign Operations FY 08.

and the emergence of a stronger civil society.⁶² In November 2000, Hamad sanctioned a committee with the purpose of developing a plan for transforming Bahrain from a hereditary emirate to a constitutional monarchy. During a referendum in February 2001, the Bahraini public engaged in its first comprehensive democratic process since 1970 by voting on a National Action Charter. The Charter received overwhelming endorsement and more reform followed. Hamad released prisoners from the State Security prison and abolished the associated State Security Law and Court. He then pardoned all political prisoners in exile and allowed them to return to Bahrain. Shortly thereafter, the Shaikh pronounced Bahrain a constitutional monarchy and changed his own status from Amir to King.

Some of the most important reforms, however, came in 2002 during the implementation of parliamentary elections, the establishment of independent oversight groups, and the creation of the Supreme Judicial Council to regulate the complex system of courts. It is important to note that during the 2002 parliamentary elections, four predominantly Shia groups boycotted the elections to protest the distribution of powers the King afforded both the appointed upper chamber and the elected lower chamber. During the 2006 elections, however, all political societies participated in the process. One of the largest opposition groups, Al Wifaq, now represents the largest percentage of the Council of Representatives.⁶³ Bahrain's ability to manage its opposition and even integrate opposition groups into the mainstream political process marks a distinct improvement in the effectiveness of its political system. Overall, Bahrain's progress in political reform is commendable. The King is not without his critics, though. Throughout the Middle East, deliberalization, or the retraction of previously granted political freedoms, seems to be a growing trend. Some critics believe Bahrain is regressing into the realm of a category called "liberalized autocracy," or a move back toward absolutism.⁶⁴ Practically speaking, however, U.S. access to Bahraini facilities

⁶² U.S. Congressional Budget Justification for Foreign Operations FY 08.

⁶³ Michael Herb, "Democratization in the Arab World? Emirs and Parliaments in the Gulf," *Journal of Democracy* 13, no. 4 (2002): 41.

⁶⁴ Daniel Brumberg, "Democratization in the Arab World? The Trap of Liberalized Autocracy," *Journal of Democracy* 13, no. 4 (2002): 57.

and pre-positioned equipment is strategically important and Bahrain's democratic reform is especially appealing. Furthermore, the regime's economic diversification away from oil epitomizes America's policy of combating terrorism with trade. The next section explores this concept.

On the verge of expiring oil reserves, Bahrain has worked to diversify its economy while stabilizing oil production at sustainable rates in the short term. As part of its diversification effort, Bahrain has become a major financial center in the Middle East. It houses several international financial institutions and its financial sector contributes the highest percentage of its GDP, at around 27.5%. Furthermore, Bahrain has increased its commercial, investment, and leasing banks to become a center with the most concentrated financial institutions.⁶⁵ The financial sector is not the only area where Bahrain has improved. Development plans for the expansion in information technology, healthcare, and education are all part of a broader campaign to modernize. Bahrain is also currently expanding the Bahrain International Airport and privatizing the operation of its seaports. In 2006, Bahrain's bilateral trade exceeded \$1 billion for the first time and the U.S.-Bahrain FTA, which took effect on August 1, 2006, has generated significant success. The importance of Bahrain's economic success as it pertains to the United States cannot be overstated.

The 2006, U.S. National Security Strategy outlines a plan to promote economic growth and combat terrorism through free markets and trade. The goal of creating an open and free global economy is to "empower individuals" who will in turn demand greater political freedom. As a result, "the United States promotes free and fair trade, open markets, a stable financial system, the integration of the global economy, and secure, clean energy development."⁶⁶ Bahrain has clearly met several of these economic goals and exceeded expectations from the U.S. standpoint. For this reason, an Al-Qaeda terrorist attack or an act of aggression from Iran would have catastrophic consequences for Bahrain and U.S. interests in the region. Bahrain's economic success is a model for

⁶⁵ 2007 State Department Country Study-Bahrain, <http://www.state.gov/r/pa/ei/bgn/26414.htm>, (accessed September 13, 2007).

⁶⁶ 2006 U.S. National Security Strategy, 25.

other GCC and non-GCC Arab states to emulate. In fact, the U.S. rationale could not be stronger for helping Bahrain sustain its accomplishments thus far and continue on the path of modernization, economic growth, and political liberalization. The notion that remains in question, however, is whether the trade programs can be tailored to specific countries and their needs.⁶⁷

D. BAHRAIN'S DOMESTIC CONCERNS

The following section delves into the foundations of Bahrain's most pressing domestic concerns. In August 2000, the U.S. Fifth Fleet aided the Bahraini government in the recovery effort of a Manama-bound airplane crash. While the incident received national television coverage, the government-owned station marginalized the rescue efforts by the United States in order to minimize the visibility of the U.S. footprint there.⁶⁸ Downplaying the U.S. role in Bahrain has been the lynchpin to eluding opposition directed toward the Bahrain regime's association with the United States while addressing U.S. force protection concerns. Unlike other Gulf countries, Bahrain has tolerated to an extent, public protests, and similar demonstrations against the government. In May 2004, 5,000 demonstrators under the guidance of the opposition group Al Wifaq took to the streets to demonstrate against the U.S. occupation of Iraq. Police quelled the opposition with rubber bullets and tear gas at the behest of the Interior Minister, who King Hamad subsequently fired for his harsh response. In contrast to Saudi Arabia, three main factors enable the Bahraini regime to manage its foreign policy as it pertains to the United States more effectively than Saudi Arabia: a more liberalized political system, a less fundamental religious opposition, and economic diversification away from oil. Since the above-mentioned section primarily outlines this argument and it coincides closely with the U.S. rationale for presence in Bahrain, the following section will examine the

⁶⁷ Robert Looney, "US Middle East Economic Policy: The Use of Free Trade Areas in the War on Terrorism," *Mediterranean Quarterly* Summer (2005): 104.

⁶⁸ Sami G. Hajjar, "U.S. Military Presence in the Gulf: Challenges and Prospects," *Army War College Strategic Studies Institute* (2002): 1.

origins of the factors that led to a specific reform and how those reforms collectively enable the U.S. to operate successfully in Bahrain.⁶⁹

Indeed, Bahrain's secular opposition is not merely satisfied with the reforms thus far, and therefore, it is important to note that many of the same themes that defined opposition groups earlier on still resonate in Bahrain's civil society today. Overcoming this opposition is a constant challenge. The first significant instance of political dissent in Bahrain spanned sectarian lines in the 1950s. Sunni and Shia sects came together to form committees, conduct demonstrations, and strike in order to exact reform in public health, education, and prejudicial abuse against Shia by the Sunni dominated police.⁷⁰ At this point, however, the opposition's identity was largely secular as were the issues they sought to address. Limited reform eventually came in the way of partially elected councils and a ten-man Advisory Council consisting of appointees from the princely family.⁷¹ In local areas, half-appointed and half-elected municipal councils governed the populations. In Shia-dominated areas, however, the administrators of governance all received their appointments by the Shaikh.

Like Saudi Arabia's political climate today, 1950s Bahrain used archaic paternalism, tribalism, and traditionalism as tools for achieving governance and conveying superficial reform to the people. By the end of the 1950s, the Shaikh enacted more substantive legislation under threat of violence and riots.⁷² The reforms, though, still did not address many of the meaningful issues that opposition groups, like the nationalists, sought to change. In reaction to the impasse, the Shaikh began a campaign of exiling opposition leaders. Major reforms did not occur until the early 1970s when the decree for elections resulted in an elected legislative body of 22 and 19 appointees along with a constitution. What is clear from the analysis during the 1950s and 1960s is that sectarian affiliations did not influence the opposition nearly as much as the desire to

⁶⁹ The same conditions that make Bahrain an especially appealing key U.S. strategic location also allow Bahrain to manage its population and foreign policy effectively.

⁷⁰ John Duke Anthony, *Arab States of the Lower Gulf: People, Politics, Petroleum* (Washington D.C.: Capital City Press, 1975), 47.

⁷¹ *Ibid.*, 49.

⁷² *Ibid.*

affect more “universal” reforms like women’s suffrage, improved labor rights, and an open political process. Sunni-Shia tensions, however, came to a head by the 1970s.

In contrast to Saudi Arabia’s fundamental religious opposition, Bahrain’s Shia opposition has endured significant marginalization in the past. One distinct difference between the two countries is that Saudi Arabia’s opposition, the population, and the ruling regime are primarily Sunni. Conversely, Bahrain’s opposition and its population are primarily Shia, while the ruling family is primarily Sunni. The origins of the conflict date back to 1783, when the Sunni al-Khalifah family conquered and took over a predominantly Shia Bahrain. Since then, Bahrain’s Shias have been excluded from positions of power in the ruling institutions, the BDF, and senior administrative positions in the bureaucracy. In effect, Bahrain’s ruling power disqualified Shias for employment, pushed them into poverty, and removed them from the political equation, often through indirect means of discrimination. For instance, after the Amir ordered the formation of a National Assembly in 1973, on which Shias served, and it seemed to be gaining too much power, he quickly dissolved the assembly within two years. This prompted the development of a widespread, distinctly Shia opposition.⁷³

The opposition drew its lessons from Khomeini and the Iranian Revolution and used religious tools to articulate their voice for change. They sought to affect reform through petitions, protests, religious sermons, and speeches. Their demands expanded to eventually address broader grievances that related specifically to Shias. By the 1990s, “the Shiites emerged as a unified political force.”⁷⁴ To counter the various forms of discrimination imposed on their community, Shias organized the development of matams (meeting places) and charity funds to provide welfare for the Shia community. When King Hamad took over after his father died in 1999, he immediately released Shiite political prisoners and pardoned several other political dissidents living in exile abroad. Perhaps most importantly, King Hamad released Shaikh Abd al-Amier al-Jamri, “the

⁷³ Louay Bahry, “The Socioeconomic Foundations of the Shiite Opposition in Bahrain,” *Mediterranean Quarterly* Summer (2000): 131.

⁷⁴ *Ibid.*

most revered Shiite opposition figure in Bahrain.”⁷⁵ By co-opting the Shiite opposition into mainstream politics and rectifying injustices of the past, King Hamad has met some of the opposition’s demands and thereby, mitigated some of the criticism toward foreign policy. In general, the tolerant regime has “welcomed the new religious opposition” to engage in a political dialogue, a mutually beneficial move for both sides.⁷⁶

The last point that enables Bahrain to conduct foreign policy more effectively than Saudi Arabia is the fact that Bahrain is currently in the late stages of a campaign to diversify its economy away from oil. Most estimates suggest that Bahrain’s oil reserves will expire in 10–15 years and that its natural gas reserves in 50 years. Saudi Arabia grants Bahrain access to its offshore Abu Safa oilfield, which produces about 150,000 barrels per day and generously supplements Bahrain’s oil production, but Bahrain’s recent signing of the FTA with the United States makes this arrangement vulnerable to Saudi pressure.⁷⁷ The fact that Bahrain is not a welfare state—nor an oil rentier state, for that matter—has rendered the state ineffective at quelling opposition groups with generous subsidies, loans, and employment. Instead, the regime has advocated more conventional forms of economic advancement, such as improving labor laws and increasing economic liberalization. One cannot argue with the fact the Saudi Arabia’s vast oil reserves grants it the premier international and financial status it now enjoys, but perhaps the lack of oil in Bahrain is a blessing in disguise. Bahrain’s advancements in improving employment by hiring more Bahrainis for domestic jobs, the promotion of tourism, and an increase in investment have boded well for the small GCC country. The notable absence of oil and the rentier effect that follows has ultimately given the regime more freedom, in terms of its relationship with the United States, from opposition groups seeking reform.

⁷⁵ Bahary, “The Socioeconomic Foundations of the Shiite Opposition in Bahrain,” 141.

⁷⁶ *Ibid.*, 131.

⁷⁷ Katzman, “Bahrain: Key Issues for U.S. Policy,” 5.

E. CHAPTER SUMMARY

In summary, this chapter concludes that compared to Saudi Arabia, Bahrain is not susceptible to the same influences that would cause the regime to alter its foreign policy or bilateral relationship with the United States to any significant degree. Drawing from several U.S. national strategy documents, Bahrain meets essentially every criteria set forth by the United States for establishing bilateral partnerships, defeating terrorism, opening trade, and promoting democracy. Furthermore, Bahrain has effectively addressed all the domestic concerns discussed in this chapter to some extent. The rationale for continued U.S. presence in Bahrain is extremely compelling and the case for replicating Bahrain's success elsewhere in the Gulf is just as strong. The next chapter looks at the U.S. relationship with Oman to determine whether the success the United States has achieved with Bahrain can also be achieved with a more robust presence in Oman.

THIS PAGE INTENTIONALLY LEFT BLANK

IV. OMAN CASE STUDY

A. CHAPTER INTRODUCTION

Next to Bahrain, Oman arguably represents one of the most sought-after U.S. strategic interests within the Gulf Cooperation Council (GCC), yet this country currently hosts the fewest U.S. forces of all the GCC countries.⁷⁸ The purpose of this chapter is to entertain the implications of pursuing a larger U.S. footprint in Oman. Policy makers and academics highlight two main arguments that account the decline of U.S. military forces from Oman. The first argument suggests that as Operation Enduring Freedom and Operation Iraqi Freedom unfolded, fewer air strikes occurred and the military utility of the Omani air bases decreased for the United States; therefore, the reduction was by mutual agreement between Oman and the United States. The second argument identifies negative public perception of U.S. foreign policies among Omanis as a decisive factor in the force reduction. This chapter draws upon academic journals, books, newspapers, government reports, and elite interviews with experts on Oman's affairs. The Oman case study is the third case study among three critical GCC countries examined in this research.

This chapter argues that Sultan Qaboos bin Said Al Busaid's personal leadership, advocacy of reform, pursuit of economic diversification, and promotion of tolerance has allowed the Sultanate of Oman to emerge as an independent foreign policy. Within the broader analytical framework presented in this research, this chapter concludes that with careful analysis, a larger U.S. footprint in Oman is a feasible U.S. foreign policy goal. The importance of focusing on the U.S.-Oman relationship is because of Oman's moderate government, its strategic geography, the expanding economy, and its ability to host U.S. military forces with minimal opposition. The threat of Iran also makes Oman an important strategic ally. This chapter explores these characteristics by providing an

⁷⁸ Kenneth Katzman, "Oman: Reform, Security, and U.S. Policy," *CRS Report for Congress*, June 28 (2005): 2.

overview of the origins of the relationship, the U.S. rationale for a larger footprint in Oman, and the domestic considerations that may adversely affect the potential for a U.S. presence there.

B. BACKGROUND OF U.S.-OMAN RELATIONSHIP

The U.S.-Oman relationship began in the late 1700s, when American trade merchants used to port in Muscat on trade routes to the East Indies. By 1833, the United States and Oman had agreed on the first U.S. bilateral agreement with an Arab state. The treaty was called the “Treaty of Amity and Commerce” and shortly led to the opening of the first American consul in Muscat. Over the next few decades, missionaries and medical personnel began to arrive in Oman. Despite the increased U.S. involvement in Oman, trade relations declined due to increasing competition from India and Britain in the date trade. By 1915, the United States closed its consulate in Oman, and relations became intermittent until President Roosevelt invited Omani ruler Sayyid Sa’id bin Taymur to Washington, D.C., for a tour of the Capitol.⁷⁹ During the 1950s, both countries codified relations by renewing the old economic treaty with additional provisions. Both Oman and the United States accorded each other the right to send consular representatives to other’s respective country. This move marked the beginning of a strategic relationship between the two.

Throughout the 1970s, the United States laid the framework for creating access to Omani infrastructure. U.S. State Department officials visiting Oman expressed interest in using an airstrip on the island of Masirah. Under a 1975 bilateral agreement, the United States gave Oman tube-launched, optically tracked, wire guided missiles to bolster their defense against Yemen in exchange for access to Masirah.⁸⁰ During the latter part of the 1970s, the bilateral arrangement between Oman and the United States took on a distinctly political dimension. One of the first indications that Oman would make a valuable ally was Sultan Qaboos’ support for Anwar Sadat during the Camp David peace talks when

⁷⁹ Joseph A. Kechichian, *Oman and the World: The Emergence of an Independent Foreign Policy* (Santa Monica: Rand, 1995), 144.

⁸⁰ *Ibid.*, 146.

Egypt recognized the legitimacy of Israel. Moreover, the Iranian Revolution and Soviet Invasion of Afghanistan warranted the development of a task force to address these issues from within the region. Under the Carter administration, the U.S. formed the modern-day U.S. Central Command.

The most meaningful agreement thus far occurred in 1980, when Oman cemented an arrangement granting the United States access to several of its facilities. Oman faced a dilemma. On one hand, the Sultanate could not rely on its GCC neighbors to protect it against a potential aggressor. On the other hand, conceding its security to the United States would inevitably lead to domestic opposition. The agreement ultimately allowed the United States to curb Soviet influence in the Indian Ocean while granting Oman the economic and military assistance it needed to meet its domestic security requirements. In order to facilitate the agreement, certain measures had to be put in place. Contingencies on the agreement limited the scope of access the United States had to Oman and sought to minimize the U.S. footprint in Oman. For example, during joint exercise Bright Star '81, Sultan Qaboos ordered the United States to reduce the length of the exercise and quantity of those participating. He also mitigated opposition by confining the U.S. footprint to unpopulated areas and forced U.S. personnel to wear civilian attire when working and traveling outside the base. Ultimately, Qaboos concluded that Oman's security interests and those of its Gulf neighbors would be best served by establishing a permanent arrangement with the United States. From the U.S. perspective, State Department officials asserted that "we could never secure the kinds of access in Saudi Arabia that we have negotiated in Oman."⁸¹

Throughout the 1980s, both countries solidified their position in the bilateral relationship. While discussing relations with the United States, Sultan Qaboos asserted the following:

It was not true that Oman gave the Americans bases in Masirah or elsewhere in the country. All we gave was naval and airport facilities that

⁸¹ Jeff Gerth and Judith Miller, "U.S. Is Said to Develop Oman As Its Major Ally in the Gulf," *The New York Times*, sec. A1., March 25, 1985.

could be used upon request from the majority of the GCC countries, if they decided they were under a direct threat, which they could not repel with their own forces.⁸²

After reviewing the access agreement, Washington conducted more direct arms transfers to Oman and continued upgrades to its facilities and infrastructure. The Iran Contra scandal tested the bilateral relationship for one of the first times, and not surprisingly, Oman appeared undeterred by the revelation that the United States at one time sold Stinger missiles to Iran. Despite criticism from its Arab neighbors, Oman continued promoting peace talks with the Israelis. Meanwhile, both countries tried to strike the delicate balance between achieving adequate security and mitigating domestic pressure and intra-GCC criticism.

Operations Desert Shield and Storm reinforced the bilateral relationship between Oman and the United States. Oman contributed to the coalition's war effort by sending military troops to Saudi Arabia. Additionally, the facilities agreement really materialized when Sultan Qaboos allowed U.S. military forces to access the pre-positioned equipment in Oman, use of the sea and air facilities, and overhead flight rights. Some analysts argue that without Oman's assistance, the rapid expulsion of Iraq from Kuwait would not have been possible. Oman also provided significant assistance to the United States during Operations Enduring and Iraqi Freedom. Sultan Qaboos, however, conveyed his disapproval of the U.S. invasion of Iraq, citing it would cause revenge against the United States in the Arab world. Perhaps his statement fed domestic consumption and earned him more credibility with his constituency. A clear and particularly important lesson learned by examining U.S.-Omani cooperation efforts during GWOT operations is that both the Omani government and U.S. forces operating in Oman endured relatively little opposition from domestic forces despite perceptions that U.S. operations in Iraq also signified a threat toward Islam.⁸³ The next section explores the rationale for the U.S. presence in Oman.

⁸² Kechichian, *Oman and the World: The Emergence of an Independent Foreign Policy*, 154.

⁸³ Katzman, "Oman: Reform, Security, and U.S. Policy," 3.

C. RATIONALE FOR U.S. MILITARY PRESENCE

Like Bahrain, Oman exhibits several attributes that make it the quintessential ally for the United States. First, Oman's strategic location along the Arabian Sea, Gulf of Oman, Strait of Hormuz, and its general proximity to Iran make the country militarily desirable to the United States. U.S. forces hosted by Oman in the past have conducted several successful GWOT operations from staging areas within Oman's borders. Second, Oman's Sandhurst educated leader, Sultan Qaboos, has earned names like "reformer on the throne" for his progressive thinking, advocacy of modernization and reform, tolerance of diversity, and tempered demeanor. Oman's foreign policy is largely reflective of Sultan Qaboos' enlightenment and forward thinking. In contrast to Bahrain's King Hamad's and Saudi Arabia's King Abdullah's relatively short terms in power, Sultan Qaboos has led Oman for 37 years and established a long record as a measured leader. Third, Oman's history as a tolerant seafaring nation exposed to diversity through trade has made its civil society more accepting of other societies and religions. As a result, opposition in Oman is minimal. Combined, these factors allow Oman to conduct its foreign policy relatively independently of manipulation, which leads to more effective U.S.-Oman relations.

Located along the Arabian Sea with partial ownership of the Strait of Hormuz, Oman sits along one of the world's most critical strategic intersections. From Khasab Airfield, which borders the UAE and is located at the most northern part of Oman, it takes an aircraft about five minutes to reach the Strait of Hormuz; a merchant shipping lane through which a significant portion of the world's oil exports pass.⁸⁴ Perhaps more importantly, Khasab airfield is only a short 10-minute flight to Iran, a planning factor that could have enormous implications should Iran commit an act of aggression toward one of its neighbors. In fact, a joint Omani-British naval station sits at Khasab to monitor all maritime traffic traveling through Hormuz. The island of Masirah also constitutes a critical interest for the United States because of its improved 12,000-foot airstrip and updated infrastructure. Thumrait Naval Air Base offers a facility for anti-submarine

⁸⁴ Gerald F. Seib, "U.S. Quietly Expands Its Military Partnership With Oman, Strategic Plum in Persian Gulf Overlooking Oil Routes," *The Wall Street Journal*, sec. A3., April 11, 1985, 1.

patrol planes and the U.S. Air Force has access to Seeb International Airport, Oman's largest airport. The United States has multiple stashes of prepositioned equipment located in various parts of the country and can use any of these locations with the proper clearance from the Oman government. In exchange for the repetitive five-year renewals to the original facilities agreement, the United States provides upgrades to the jointly used facilities.⁸⁵ Among the countries analyzed in this research, the common thread between all three is the strategic nature of the country's location and where it sits relative to U.S. interests in the Gulf. Bahrain and Oman, however, distinguish themselves from Saudi Arabia by way of commendable political and economic reform. The next section will discuss the latter's progress in this area under the rule of Sultan Qaboos.

The message touted from American podiums in Washington on any given day talks of the benefits of spreading democracy and fighting terrorism with trade in the Middle East. Oman's ruler, Sultan Qaboos, has pursued these ideas vigorously, in a distinctly Omani way, for over 35 years. His ambitious accomplishments include the building of modern infrastructure, universal education, a bicameral advisory council, and the initiation of a supreme court. Overall, Qaboos has tirelessly fought to enfranchise his polity through religious and civil tolerance.⁸⁶ The result is a secure nation capable of policing itself without the threat of significant opposition or internal conflicts.⁸⁷ Like Bahrain, Oman's progress in political liberalization signifies success from the U.S. standpoint.

Drawing from his valuable experiences at the Royal Military Academy Sandhurst in Great Britain, Qaboos implemented a policy of universal education for all Omanis. The proliferation of educational institutions throughout Oman and the availability of an education without respect to gender or religion is just one critical aspect of the country's

⁸⁵ Katzman, "Oman: Reform, Security, and U.S. Policy," 2.

⁸⁶ Charles O. Cecil, "Oman's Progress Toward Participatory Government," *Middle East Policy* 13, no. 1 (2006): 60.

⁸⁷ *Ibid.*

endeavor to succeed in “Omanization.”⁸⁸ The ruler also recognizes the challenges of globalization and has, therefore, implemented English language and information technology instruction in the schools and universities to better equip Omanis to meet those challenges. While some Middle East countries have experienced the “brain drain” effect or a mass exodus of its skilled and educated workers, Qaboos believes that creating a “global Omani” will ultimately benefit Oman in the end even if Omanis leave to work in the global economy.⁸⁹

Oman’s government consists of an executive branch led by Qaboos, who serves as both Head of State and Head of Government, a bicameral advisory council with a 58-member appointed upper chamber and an 83-member elected lower chamber, and a Supreme Court.⁹⁰ In late 2002, the Interior Minister Sayyid Saud bin Ibrahim Al Busaidi announced that suffrage would be afforded to all Omanis who had reached the age of 21 by January 1, 2003.⁹¹ In October 2003, roughly 25% of eligible voters turned out to cast ballots in elections that were deemed free and fair.⁹² By 2005, Qaboos expanded the State Council by 17 appointees to 58. Of those serving on the State Council, nine are women. Both the appointed and elected consultative bodies possess no real legislative powers, but they can devise solutions and implementation plans to economic and social problems. Ultimately, Qaboos has final approval power over legislation. Other notable political achievements include the inception of the “Basic Statutes of the State,” or Oman’s equivalency to a constitution. This document guarantees Omanis basic rights like the freedom of religion while prohibiting others like government ministers serving as officers in private companies. Cecil argues that Oman’s, “gradual reform, firmly rooted in local tradition can be implemented in a way that offers citizens an expanding role in managing the affairs of their country without opening the doors to uncontrollable political

⁸⁸ Omanization is the vision of Sultan Qaboos bin Said, who since 1970 has successfully led the country through a period of economic expansion, has made national education a priority and is intent on generating job opportunities for Oman’s young high school and college graduates.

⁸⁹ Cecil, “Oman’s Progress Toward Participatory Government,” 63.

⁹⁰ Anonymous, “Oman Country Study,” *Military Technology* 28, no. 1 (2004): 236.

⁹¹ N. Janardha, “Middle East: Oman Bridges Democratic Gulf, Expands Suffrage,” *Global Information Network*, 5 December 2002, 1, <http://proquest.umi.com/>, (accessed September 10, 2007).

⁹² Cecil, “Oman’s Progress Toward Participatory Government,” 64.

and social pressures.”⁹³ Indeed, Oman’s calculated political system makes the state an especially appealing ally to the United States. Like Bahrain, Oman’s diverse economy also plays an integral part in the country’s stability.

Currently, Oman anticipates the full depletion of its oil reserves within the next 15–20 years. In 1998, during an interview with Pat Lancaster, Sultan Qaboos talked about the prospects for Oman’s economy.⁹⁴ He indicated that Oman’s economic diversification away from oil was a cornerstone policy to the Sultanate’s renaissance period. For example, private companies in Oman built a \$3 billion aluminum smelter in Sohar, a \$1 billion petrochemical plant in Sohar, and a joint fertilizer plant with India to expand its private sector. In an effort to open his country to foreign investment, Sultan Qaboos also directed the expansion of seaports like Raysut in order to reach agreements with shipping lines such as Maersk and Sealand.⁹⁵ Oman recently improved its status as a tourism destination. Projects such as the Barr Al Jisah resort and the Al Sawadi Beach draw high-end international luxury visitors to Oman.⁹⁶ All of these measures paved the way for the U.S.-Oman FTA, which President Bush signed on January 19, 2006. Although highly symbolic due to the low levels of trade between the United States and Oman, the FTA’s significance lies in the fact that it is part of U.S.-proposed Middle East Free Trade Area initiative. Supporters for the initiative generally argue that FTAs with Middle Eastern countries stimulate bilateral arrangements and ultimately contribute to the U.S. foreign policy goal of combating terrorism with trade. The argument certainly holds true for Oman. Critics, however, focus on sub-standard labor rights, labor law violations and abuses, and the potential for compromised security in U.S. ports. Ultimately, Oman, like Bahrain, has proven that its economy possesses sufficient capacity to grow without the petrodollars that give similar Gulf countries the rentier effect.

Perhaps one of Oman’s most distinguishing features—which makes it such an appealing ally to the United States—is its rich seafaring heritage and reputation for

⁹³ Cecil, “Oman’s Progress Toward Participatory Government,” 66.

⁹⁴ Pat Lancaster, “Survey on Oman: Special Report,” *Middle East* 284 (1998): 23.

⁹⁵ *Ibid.*

⁹⁶ Anonymous, “Opening the Door on Oman,” *Middle East* 334, (2003): 46.

tolerance and diversity. Unlike Saudi Arabia, which is primarily land-locked, Oman has historically enjoyed interacting with multitudes of foreign people and their differing cultures and religions at its many ports along the coast. As early as the seventeenth century, Oman and France conducted commercial maritime business. This interaction generated a healthy curiosity and respect for the cultures, religions, and identities of others. Today, one can encounter, “Indians, Pakistanis, Bangladeshis, Sri Lankans, Europeans, and Americans, all helping Oman maintain its infrastructure and its network of contacts with the world.”⁹⁷

Because the sea commerce relies on stability within Oman, Omanis are adept at policing their own citizens. For the most part, Omanis are a nontransient population who are extremely intolerant of terrorism. This is just one quality that makes Oman a suitable candidate for U.S. military presence. Other characteristics, such as the fact Omanis consist of predominantly Ibadhi Muslims, a non-Sunni nor Shia sect, alleviates some of the sectarian issues United States military forces encounter elsewhere. During a discussion with former Army Programs Chief at the U.S. Embassy in Muscat Oman, LTC Michael Ammons indicated that he thought most Omanis are open-minded toward U.S. objectives, but still view them with some degree of skepticism.⁹⁸ Iran poses a constant threat, and therefore, Omanis still see the United States as a viable counterbalance to Iran. If the United States withdraws its security guarantee, Oman would have reason for significant concern. Continuing to leverage the security guarantee and threat of Iran, however, may help the U.S. achieve its foreign policy objectives with Oman, especially in light of an ascendant Iran.

D. OMAN’S DOMESTIC CONCERNS

Despite the substantive security and trade relationship between the United States and Oman, U.S. presence in the country has steadily declined since the beginning of the Iraq War in 2001. During Operation Enduring Freedom, the U.S. positioned approximately 4,300 U.S. personnel at three Omani air bases. By the time Operation

⁹⁷ Cecil, “Oman’s Progress Toward Participatory Government,” 66.

⁹⁸ Phone conversation with Army Foreign Area Officer, LTC Michael Ammons on July 10, 2007.

Iraqi Freedom launched in 2003, the U.S. presence in Oman had fallen to 3,750 personnel. Estimates from a 2005 report indicate that only 26 U.S. military personnel remain in Oman today.⁹⁹ While the reduction of the U.S. footprint in Oman is less clear than the withdrawal from Saudi Arabia, it still points to potential problems that could emerge during several crises scenarios, especially those with Iran. Conversely, the troop reductions may be attributable to tactical reorganization and have little bearing on the Oman's domestic situation. This section explores some of the domestic issues that Oman faces with respect to its relationship with the United States and ultimately seeks ways to calibrate U.S. strategic requirements in Oman with its domestic political considerations.

Overall, the domestic considerations of Oman are less transparent than Saudi Arabia's or Bahrain's. What is known is that the Sultanate currently faces relatively little opposition from its people, mainly because of the personal leadership initiatives of Sultan Qaboos. Qaboos faces relatively little domestic opposition as long he appears to rule justly and within Islamic norms.¹⁰⁰ The opposition his regime has endured in the past under the rule of Qaboos' father, however, emerged from the southern region of Dhofar, where groups like the People's Liberation Front of Oman (PFLO), now the People's Democratic Front of Oman (PDFO), and the Dhofar Liberation Front, sought to affect change through rebellion.¹⁰¹ Sultan Qaboos masterfully dedicated himself and his regime toward ending the rebellion and reintegrating Dhofar into the Sultanate. Ultimately, the opposition movement waned along with Arab nationalism, but the conflict left ill feelings toward Yemen, which Sultan Qaboos also managed to overcome with strategic initiatives of diplomacy. His foresight in terms of social services and government subsidies allowed Qaboos to co-opt many of the rebels back into mainstream society. As mentioned before, Sultan Qaboos has demonstrated a long history of carefully measured leadership that has resulted in minimal opposition.

⁹⁹ Katzman, "Oman: Reform, Security, and U.S. Policy," 2.

¹⁰⁰ J. E. Peterson, "Succession in the States of the Gulf Cooperation Council," *The Washington Quarterly* (Autumn 2001): 179.

¹⁰¹ J. E. Peterson, "Oman's Diverse Society: Southern Oman," *The Middle East Journal* 58, no. 2, (Spring 2004): 258.

Another domestic consideration for Oman, perhaps less apparent is its response to growing disaffection toward U.S. foreign policies with religion. In 1994, the Qaboos government approved the building of the Sultan Qaboos religious university in Muscat. In an even more controversial move, the regime funded the building of the Sultan Qaboos Mosque near the capital.¹⁰² Either the Qaboos regime, like many other GCC states, is welcoming an era of Islamism, or more likely, is striving to achieve an omnibalancing act between its domestic and foreign policy goals while placating a growing number of disenfranchised citizens. Unlike many of the other Gulf countries, however, Oman has remained relatively untouched by the vicious cycle of terrorism plaguing the others. This is in part due to the predominance of the Ibadhi sect of Islam in Oman, a distinguishing feature that sets Oman apart from its Gulf neighbors.

With its tenets closely linked to the Maliki Sunni school, Ibadhism rejects primogeniture succession and asserts that the leadership of Islam should be designated by an imam who is capable and *elected* by the people. In fact, both political and religious Ibadhi leadership is vested in an imam.¹⁰³

Still, it seems factional Ibadhi fundamentalists seek to impose the rule of Islamic jurisprudence over secular governmental affairs. In a recent incident, Omani law enforcement authorities encountered between 100 and 300 “extremists” as they attempted to transport weapons intended to disrupt a cultural and trade festival in Muscat they believed was in violation of the Islamic law.¹⁰⁴ As the situation unfolded, it turned out that only 31 offenders had been arrested and charged with various crimes. All 31 received jail sentences ranging from 20 years to one year. Months later, Sultan Qaboos pardoned all 31. Like the many other aspects of his domestic policies, Qaboos has tempered the emergence of Islamic fundamentalism in Oman with a moderate legal system and his individual leadership. Omani expert Dr. Najardhan concludes that incidents with connotations of terrorism in Oman indicate a desire to change the status quo of the polity rather than invite a broader campaign of terrorism.¹⁰⁵

¹⁰² Anonymous, “Where’s our sultan?” *The Economist* 344, no. 80829, (1997): 38.

¹⁰³ N. Janardhan, “Islamists Stay Clear of Terrorism in Oman,” *Terrorism Monitor* 4, no. 5, (2006): 6.

¹⁰⁴ *Ibid.*

¹⁰⁵ *Ibid.*

E. CHAPTER SUMMARY

In sum, Sultan Qaboos' personal leadership coupled with Oman's diverse and tolerant society makes Oman one of the United States' most effective partners. Oman's stable political system, relative lack of domestic opposition, and growing economic diversification make Oman equally suitable, if not more so, for U.S. military presence as Bahrain. Inevitably, Sultan Qaboos' rule will come to end and with that, the sustainment of Oman's direction and progress becomes questionable. Additionally, there is no clear line of succession behind Qaboos, and the Al Sa'id family in Oman is relatively weak compared to most other Gulf monarchy families. In the event that the United States becomes engaged in conflict with Iran, the potential for an increased U.S. military presence in Oman is increasingly likely. Unlike the faulty premises used for validating the prolonged U.S. presence in Saudi Arabia, a similar presence in Oman would arguably encounter far less resistance.

V. ANALYSIS AND CONCLUSION

A. CHAPTER INTRODUCTION

With the U.S. in the midst of withdrawing from Iraq and potentially increasing its presence in Afghanistan, the decision to deploy additional U.S. troops to different conflicts remains among the highest U.S. national priorities and also ranks as one of the greatest concerns of the American public, Congress, and Presidential Administration. This thesis engages three crucial Gulf Cooperation Council (GCC) countries from the lens of advancing U.S. national interests in the Persian Gulf. It argues that GCC country political institutions that exercise more central power, over-reliance on an oil-driven economy, less political liberalization, and accommodation of fundamental Islam ultimately have less ability to make their own foreign policy decisions without external influences. These four factors played a vital role in the withdrawal of U.S. forces from Saudi Arabia. The countries that exhibited these factors to a lesser degree, however, seemingly make foreign policy decisions with less manipulation and therefore, are more accommodating to supporting a significant U.S. military footprint. Each country examined has common strategic, social, economic, and political systems, but also unique aspects such as their individual leaders, which make them more or less attractive partners to the U.S. U.S. policymakers, military planners, and commanders must properly understand the strategic effects of placing additional U.S. military forces in such a volatile part of the world. Failing to understand the actors, political institutions, religious establishments, social structures, and economies not only makes deployed troops vulnerable to domestic opposition and terrorism, but also threatens to undermine the delicate bilateral arrangements on which the U.S. relies so heavily. American policymakers and diplomats must vigorously work to secure and improve bilateral arrangements with GCC countries while cautiously setting the conditions for an improved and integrated GCC security regime.

B. RATIONALE FOR U.S. MILITARY PRESENCE IN THE GCC

U.S. goals outlined in any number of national strategies for the Middle East present a tall order for the U.S. military, government agencies, and non-government agencies: stop the proliferation of weapons of mass destruction, defeat Al Qaeda terrorist networks, promote regional stability, and stop state actors from sponsoring terrorism. After six years of fighting, the U.S. still maintains over 100,000 troops in Iraq to preserve the costly security gains won in recent years. The Iraq War, however, continues focus an inordinate amount of U.S. resources in a single area. Meanwhile, Al Qaeda transnational terrorism proliferates from places like Yemen, while Iran still pursues WMDs and hegemonic ambitions, and instability threatens to spread over from the Horn of Africa. The GCC along with Iraq, Iran, and Yemen maintain approximately 84% of proven global oil reserves and one third of all proven natural gas reserves.¹⁰⁶ Preserving the global flow of oil from the Gulf continues to fall in line with U.S. national interests and it has since before the Carter doctrine sought to curb external actors from jeopardizing the Gulf oil supply lines and continues to remain a priority today.¹⁰⁷ The rationale for addressing current and future threats of terrorism, state aggression, and oil supply compels the U.S. to collaborate with the GCC.

How this partnership with the GCC takes form and substance both at the individual and at the collective level sits at the center of this analysis. Undeniably, advancing U.S. interests in the Gulf requires placing U.S. equities within geographic proximity of these countries in order to conduct operations. The mere presence of thousands of U.S. forces in Muslim countries, however, presents a “rallying point for both domestic political opposition and terrorist groups, in particular Al Qaeda and its associated organizations.”¹⁰⁸ The thesis argues that Oman and Bahrain make optimal bilateral partners for continued and expanded presence, while their larger and more powerful neighbor, Saudi Arabia, has become less appealing. U.S. foreign policy still

¹⁰⁶ Michael Knights, “Gulf States Face New Security Challenges,” *Janes Intelligence Review*, www.jir.janes.com (accessed September 6, 2009).

¹⁰⁷ Joseph McMillan, Richard Sokolsky, Andrew Winner, “Toward a New Regional Security Architecture,” *The Washington Quarterly* (Summer 2003): 163.

¹⁰⁸ *Ibid.*

places a heavy premium on bilateral arrangements. The infusion and abundance of foreign military spending, free trade agreements, and exchange programs makes this one-on-one strategy clear. Bilateral arrangements more than adequately address U.S. needs in the near term and the U.S. should continue to improve these arrangements to the greatest extent possible while U.S. military troops continue to fight terrorism in both Iraq and Afghanistan. Arguably though, the U.S. pursues these bilateral arrangements at the expense of promoting a more collective and comprehensive GCC regional security architecture. As long as U.S. forces remain committed in Iraq and Afghanistan, the GCC countries individually possess valuable bargaining chips and leverage against America due to both wars' vast supply demands. Should they choose to terminate their respective basing and logistic agreements with the U.S., significant restructuring would have to occur. Everything from housing major commands to supply chains, and the flow of personnel would be adversely affected. Conversely, the noticeable absence of a security umbrella against Iran and other aggressors makes the smaller GCC countries vulnerable. As such, the bilateral agreements are ones of necessity. Solely pursuing a bilateral approach with the GCC is not without its problems.

Too much confidence placed on bilateral arrangements with individual Gulf countries suggests that the United States will indefinitely extend its external security guarantee as long as the country in question complies with U.S. requests for support. Policymakers work to foster and extend the bilateral arrangements with these countries instead of applying pressure on the GCC as a whole to undertake more substantive reforms in comprehensive security. After the first Gulf War, U.S. policymakers failed to see the implications of prolonged and over-reliant presence in Saudi Arabia. Even with the majority of combat troops withdrawing from Iraq in 2009, decision makers now seem poised to repeat mistakes made eighteen years ago. Once Iraq achieves a sustainable level of governance and security, the effect of continuing such a significant U.S. advisory, training, and counterterrorism footprint in the region will undoubtedly foster the same violence and anti-American sentiments seen in Saudi Arabia. This places U.S. policymakers and military commanders in an unenviable dilemma: minimize the U.S. footprint in the region and risk reversing the progress resulting from thousands of U.S.

lives lost and billions of tax payer dollars spent or place too many U.S. forces in the region and make them overly vulnerable to domestic terrorism in the Gulf countries. Intertwined with this dilemma are several complex concerns that affect how the GCC perceives internal and external threats.

C. DOMESTIC CONSIDERATIONS OF THE GCC

The relative lack of Peninsula Shield Force military power notwithstanding, the following issues are most worrisome to the GCC: aggressions from Iran, economic concerns driven by waning oil supplies, domestic discontent, and the propagation of Islamic radicalism.¹⁰⁹ Much debate concerns these issues and whether or not the GCC is adequately prepared to face them in coming years.

On the September 28, 2009, Iran test-fired a Shahab-3 ballistic missile; just three days before revealing that it owns a secret nuclear facility located in the side of a mountain near the city of Qom. These outwardly defiant and aggressive acts serve to amplify the GCC's threat perception of Iran and have so for many years. The primarily Sunni GCC countries see Iran's military power and the export of Iranian Shiism to the GCC as a looming danger and continue to increase their own military armaments in response. For example, GCC defense spending almost doubled from \$71 billion to \$146 billion between the periods of 1976–1980 and 1981–1985 due to the use of SCUDS during Iran and Iraq's ongoing conflict.¹¹⁰

Increased military spending alone is not sufficient to increase the GCC's military supremacy. Interoperability issues are problematic due to member countries' wide-ranging sets of bilateral arrangements that result in the purchase of aircraft, vehicles, weaponry, and technology from different allies. Moreover, despite the GCC's earnest military spending efforts, the member countries lack the political substance, will, and sophistication to create enough military power to back strong and independent foreign policies. Seemingly, they are also unable to form a meaningful and coherent political

¹⁰⁹ The Peninsula Shield Force is a GCC Quick Reaction Force meant to address imminent threat against any of the GCC member countries.

¹¹⁰ Riad Kahwaji, "Gulf Cooperation Council Threat Perceptions and Deterrence Objectives," *Comparative Strategy*, vol. 22, no 1 (2003): 517.

structure that would ostensibly provide policy objectives to a more significant military if one ever existed. They opt rather for alliances of convenience based upon the countries that present them with the best proposals, oftentimes including basing rights or oil deals, and highlight these partnerships with high profile, but often superficial and unproductive joint military exercises. Meanwhile, Iran's offensive missile systems and navy continue to pose a daunting threat against GCC countries that lack the organization to respond with a similar capability. Hence, the U.S. will likely remain the only viable Iran counterbalance for the near future.

While several GCC countries such as Bahrain and Oman have shifted their economic policies toward liberalization because of diminishing oil supplies, Saudi Arabia has taken a much less progressive approach in moving to a post-rentier economy. Due to Saudi Arabia's massive oil reserves, premier status within the GCC, and lack of desire to diversify its economy, the de facto economic policy of the leading GCC member is to primarily rely on oil revenues to feed its gross domestic product. One of the problems facing Saudi Arabia and by default, the rest of the GCC, is that several of the measures the other GCC members have taken to diversify their economies run contrary to the beliefs of the fundamental religious establishments in Saudi Arabia. Unlike Oman who has made a concerted effort to increase tourism, inculcate technology, and broaden its industry base, Saudi Arabia has never seen the need.¹¹¹ Saudi Arabia continues to face 30% unemployment for men and 95% for women, little job growth, low wages, and a foreign labor dependency.¹¹² The promulgation of a Wahabbist fundamentalist education for all Saudi students, enabled by the vast oil revenues, discourages creative and independent thinking that drives innovation. Moreover, women, making up at least 50% of the population, are marginalized from almost all economic opportunity.¹¹³ Unfortunately, the result is that despite individual efforts of smaller GCC members to diversify their economies, the GCC as a whole takes on a fragmented economic policy

¹¹¹ Saudi Arabia has laid out an economic development plan, although no meaningful action has been taken for implementation.

¹¹² Eleanor Doumato, "A Dialogue: Saudi Arabia," *SAIS Review*, XXII, no. 2 (Summer-Fall 2002): 203.

¹¹³ *Ibid.*

driven by Saudi Arabia's actions. More importantly, the inability of Saudi Arabia to exercise independence from its religious establishment in economic decision-making has a profoundly negative effective on the GCC as a whole.

As suggested above, domestic discontent affects each of the GCC countries in different ways. The discontent faced by GCC countries in this analysis varies from overt protest in the liberal countries to a more lethal variety in Saudi Arabia. Moreover, each of the countries generally exercises some types of measures to contain, suppress or mitigate the discontent—if they did not; it is unlikely they would still have monarchs. In early 2009, riots broke out in Shi'ite communities across Bahrain following the arrest of two Shi'ite leaders of the opposition Haq Movement for Liberty and Democracy and a prominent anti-government Shi'ite cleric. The three were charged with incitement against the regime, although many alleged sectarian discrimination, as Sunni leaders within the Haq Movement were not targeted.¹¹⁴ The Amir of Bahrain later pardoned 178 of the prisoners while 22 Shiite prisoners were being tried for destabilizing the regime.¹¹⁵ In late 2008 and early 2009, Sultan Qaboos created a National Commission for Human Rights, altered Oman's land laws to allow female ownership of residential land, and lowered the minimum land ownership age of women from 24 to 23. He also outlawed human trafficking while establishing stiff penalties for perpetrators. Saudi Arabia on the other hand, applies a much stricter approach. Matruk al-Falah, a politics professor at King Saud University and campaigner for political rights, was released without charge after eight months in detention. Falah was sentenced to seven years imprisonment in 2005 for organizing a petition calling for a transformation of the Saudi political system into a constitutional monarchy. King 'Abdullah pardoned him later that year.¹¹⁶ Saudi Arabia also indicted 991 terrorist suspects in October 2008 after assessing that terrorist rehabilitation programs would not work and that it was more prudent to begin issuing death sentences.¹¹⁷ Indeed, the wide reactions of the different GCC countries to domestic

¹¹⁴ "Chronology," *Middle East Journal*, vol. 63, no. 3 (Summer 2009): 469.

¹¹⁵ *Ibid.*

¹¹⁶ "Chronology," *Middle East Journal*, vol. 63, no. 2 (Spring 2009): 307.

¹¹⁷ *Ibid.*

discontent make it difficult for the GCC to adopt a uniform approach toward addressing their populations. Metrics for measuring discontent are unclear, but could potentially be quantified within sub-categories under “lethal” and “non-lethal” forms and further evaluated by analyzing acts of terror resulting in casualties, counting instances of public discontent in the media, and studying the amount of protests among many others. Ultimately, however, if the GCC hopes to attain some level of legitimacy, it needs to collectively find common ground and use like-minded approaches on major political and social issues. GCC leaders must also collaborate to find effective ways to curb terrorism without alienating the rights of the people over which they rule.

Unlike the other GCC countries, Al Qaeda enjoys a much larger support base in Saudi Arabia. Clearly, the GCC should not adopt Saudi Arabia’s economic, civil, or religious policies. It should, however, carefully note how Saudi Arabia has impressively combated Al Qaeda over the past six years and consider executing a similar counterterrorism strategy. As Osama bin Laden orchestrated terrorism in both Iraq and Afghanistan, he also set out to overthrow the Al Saud family and destabilize Saudi Arabia’s long-standing regime. On May 12, 2003, multiple suicide bombers detonated car bombs in a Riyadh compound housing Western contractors.¹¹⁸ Terrorists later assassinated several Ministry of Interior officers and eventually launched an attack on the U.S. consulate in Jeddah.¹¹⁹ The regime quickly launched a comprehensive counteroffensive against Al Qaeda. Secret police and forces targeted top operatives, many of whom had originated from Saudi Arabia. Several Al Qaeda terrorists were captured or killed during raids on their safe houses and compounds. Meanwhile, the regime underscored the kinetic targeting with the public release of the names of individuals they had targeted, captured, and killed.¹²⁰ Senior Wahhabi clerics encouraged their followers to abandon jihad because it was an aberration of Wahhabism. The Ministry of Islamic Affairs also set up a rehabilitation program to reconcile captured

¹¹⁸ Bruce Riedel and Bilal Saab, “Al Qaeda’s Third Front: Saudi Arabia,” *The Washington Quarterly*, (Spring 2008): 36.

¹¹⁹ Ibid.

¹²⁰ Ibid.

terrorists and turn them into peaceful, law-abiding citizens. The program was thought to be successful, although the recent indictment of 991 terrorists who had attended the rehabilitation program may indicate that the measure was too progressive for the regime or simply ineffective. Nonetheless, Saudi Arabia thwarted several dozen terrorist plots while making significant progress in emerging technology like cyber-warfare. Furthermore, Saudi Arabia has not only waged an effective counterterrorism campaign, but did it with no overt U.S. assistance—a factor which helped negate any criticism the regime’s opposition would have leveled against their efforts. Similar initiatives throughout the GCC would arguably pay political dividends to the other monarchs.

D. FUTURE PROSPECTS

Former Chief Economist at the Saudi American Bank, Kevin Tacker writes the following of the Saudi regime, “To lead effectively involves trying to bring *harmony* and *balance* to the diverse voices and needs of the kingdom’s natural constituencies.” In essence, he highlights what each GCC monarch arguably struggles to accomplish between the country’s regime, people, and religious establishments every day. Saudi Arabia, Bahrain, and Oman all underscore this sentiment, albeit in their own and differing ways. The argument in this thesis lays the framework for understanding why some bilateral relationships with GCC countries are more advantageous to U.S. national interests than others. Furthermore, the framework also facilitates foreign policy recommendations that allow policymakers to strike an appropriate balance between U.S. national interests and the social, economic, political, and religious phenomenon that historically make U.S. relationships in the Gulf so tumultuous.

One theme that emerged throughout the research is the requirement to limit visibility of a significant U.S. footprint when operating in any GCC country. Large U.S. footprints inevitably give domestic opposition the necessary ammunition to unduly influence their governments and leaders. Identifying basing locations, supply depots, and airfields in rural areas of the Gulf countries allows the U.S. military to meet operational needs without drawing significant unwanted attention. Similarly, it mitigates acts of terrorism against U.S. troops operating in Gulf countries. Another idea is to increase the

allotment of military exchange officers between all the GCC countries and the United States. The informal bonds between soldiers, sailors, and airmen of all nationalities engender trust and build longstanding relationships that transcend political and religious differences. This concept also maximizes the effect of U.S. presence while minimizing the actual physical presence of U.S. forces.

The U.S. continues to invest in arming the GCC's military forces; however, the Peninsula Shield Force's ability to advance militarily and technologically depends on uniform interoperability guidelines and military equipment acquisition processes. Without them, critical defense systems such as missile defense are vulnerable to failure. U.S. reinforcement of interoperability promotes more effective training exercises which improve military readiness—a foundational pillar to improving the GCC's defensive capability. A capable military is central to the GCC's ambition of creating an effective security regime. The North Atlantic Treaty Organization, European Defense Community, or the Association of Southeast Asian Nations all possess attributes the GCC could replicate in their own regime.

With respect to counterterrorism, Al Qaeda's recent success in securing transnational safe havens such as Yemen has necessitated the need for effective counterterrorism strategies among all Gulf countries. Saudi Arabia's domestic victories against terrorism provide a model for the GCC and the other member countries to emulate. The U.S. can assist by taking the Saudi framework for counterterrorism and building a curriculum that can be taught throughout the GCC with American assistance.

The U.S. Armed Forces fundamentally changed after September 11, 2001. The Building Partnership Capacity and the Defense Language Transformation Roadmap strategies highlight a critical need for cultural and language training for members of the Armed Forces. Despite several initiatives to increase cultural awareness and train military members in critical foreign languages, the process is time consuming, the languages are difficult to learn, and institutional cultural knowledge takes years to acquire. Additionally, Foreign Area Officers and the military's other cultural and language experts are still critically short amongst the service branches. It is imperative that these priorities are adequately funded and these officers are identified and trained

early in their careers in these critical disciplines. Every measure must be taken to recruit and retain the Armed Forces' cultural and language experts.

At the strategic governance level, policymakers and diplomats need to understand that Gulf dynamics, as they exist today, are heavily influenced by individual rulers. The rulers, who skillfully balance the competing demands of governance today, will end their rule in the near future. As the younger Gulf populations continue to grow, the domestic pressures facing the regimes will also change. Future Gulf leaders will govern mobile and diverse populations that are beginning to embrace technology and modernization. The proliferation of mass communication and technological pervasiveness throughout these countries beckons the young populations to question the logic behind a conservative, theological based education. It is incumbent upon the United States to convey to its Gulf counterparts a distinct division between negative perceptions of modernity and the West and a liberal education emphasizing science, math, and social sciences. A fundamental paradigm shift from a religious based education not only minimizes religious opposition to the regimes, but it creates a societal core that pursues private enterprise, seeks economic diversity, attracts foreign investment and ultimately leads to globalization. Increasing academic exchange programs with the Gulf, fostering initiatives like the U.S.-Saudi-Joint Commission for Economic Cooperation in the GCC, and emphasizing the use of multilateral development banks will all help liberalize Gulf economies.

Achieving equilibrium between U.S. interests in the Gulf and the multitude of concerns of Gulf leaders is an often illusive and seemingly unattainable goal. The policy analysis and recommendations above lay the groundwork to improve upon existing bilateral relations while promoting enduring solutions for the whole GCC. Every initiative outlined herein requires that U.S. policy and decision makers understand the importance of Islam in each GCC country's national identity and in its foreign policy decisions. With a better core understanding of its Gulf partners and GCC as a whole, the U.S. can pave a landscape in the Gulf that will open dialogue, promote collective security and serve its national interests in the region for years come.

LIST OF REFERENCES

A. BOOKS

- Anthony, John Duke. *Arab States of the Lower Gulf: People Politics, Petroleum*. Washington, D.C.: Capital City Press, 1975.
- Beling, Williard, ed. *King Faisal and the Modernisation of Saudi Arabia*. Boulder, Westview Press, 1980.
- Bronson, Rachel. *Thicker Than Oil: America's Uneasy Partnership with Saudi Arabia*. New York: Oxford University Press, 2006.
- Cordesman, Anthony. *Bahrain, Oman, Qatar, and the UAE: Challenges of Security*. Boulder: Westview Press, 1997.
- Emerson, Stephen. *The American House of Saud: The Secret Petrodollar Connection*. New York: Franklin Watts, 1985.
- Fandy, Mamoun. *Saudi Arabia and the Politics of Dissent*. New York: St. Martin's Press, 1999.
- Hobday, Peter. *Saudi Arabia: An Introduction to the Richest Oil Power*. New York: St Martin's Press, 1978.
- Kechichian, Joseph A. *Oman and the World: The Emergence of an Independent Foreign Policy*. Santa Monica: Rand, 1995.
- Lawson, Fred H. *Bahrain: The Modernization of Autocracy*. Boulder: Westview Press, 1989.
- Lippman, Thomas. *Inside the Mirage: America's Fragile Partnership with Saudi Arabia*. Boulder: Westview Press, 2004.
- Long, David. *Ambivalent Allies*. Boulder: Westview Press, 1985.
- Pollack, Kenneth M. *The Threatening Storm: the case for invading Iraq*. New York: Random House Inc., 2002.
- Wilson, P. and D. Graham. *Saudi Arabia: The Coming Storm*. New York: M. E Sharpe Inc., 1994.

B. JOURNAL ARTICLES

- “Where’s our sultan?” *The Economist* 344, no. 80829 (1997): 38.
- “Chronology,” *Middle East Journal* 63, no. 2 (Spring 2009), 307. <http://muse.jhu.edu/> (accessed November 3, 2009).
- “Chronology,” *Middle East Journal* 63, no. 3 (Summer 2009), 469. <http://muse.jhu.edu/> (accessed November 4, 2009).
- Bahry, Louay. “The Socioeconomic Foundations of the Shiite Opposition in Bahrain,” *Mediterranean Quarterly* Summer (2000): 131.
- Brumberg, Daniel. “Democratization in the Arab World? The Trap of Liberalized Autocracy,” *Journal of Democracy* 13, no. 4 (2002): 57.
- Cecil, Charles O. “Oman’s Progress Toward Participatory Government,” *Middle East Policy* 13, no. 1 (2006): 60.
- Doumato, Eleanor. “A Dialogue: Saudi Arabia,” *SAIS Review*, XXII, no. 2 (Summer-Fall 2002), 203.
- Hajjar, Saami. “U.S. Military Presence in the Gulf: Challenges and Prospects,” *Army War College Strategic Studies Institute* (2002): 1.
- Herb, Michael. “Democratization in the Arab World? Emirs and Parliaments in the Gulf,” *Journal of Democracy*, 13, no. 4 (2002): 41.
- Kahwaji, Riad. “Gulf Cooperation Council Threat Perceptions and Deterrence Objectives,” *Comparative Strategy*, 22, no 1 (2003), 517.
- Knights, Michael. “Gulf States Face New Security Challenges,” *Janes Intelligence Review* www.jir.janes.com (accessed September 6, 2009).
- Janardha, N. “Middle East: Oman Bridges Democratic Gulf, Expands Suffrage,” *Global Information Network*, December 5, 2002, 1, <http://proquest.umi.com/> (accessed September 10, 2007).
- Janardhan, N. “Islamists Stay Clear of Terrorism in Oman,” *Terrorism Monitor* 4, no. 5 (2006): 6.
- Long, David. “US-Saudi Relations: Evolution, Current Conditions, and Future Prospects,” *Mediterranean Quarterly* Summer (2004): 30.

Looney, Robert. "US Middle East Economic Policy: The Use of Free Trade Areas in the War on Terrorism," *Mediterranean Quarterly* Summer (2005): 104.

"Oman Country Study," *Military Technology* 28, no. 1 (2004): 236.

Peterson, J. E. "Oman's Diverse Society: Southern Oman," *The Middle East Journal* 58, no. 2 (2004): 258.

Riedel, Bruce and B. Saab, "Al Qaeda's Third Front: Saudi Arabia," *The Washington Quarterly*, (Spring 2008), 36.

Russell, James A. "Deconstructing the U.S.-Saudi Partnership?" *Strategic Insights* 1, no. 7 (2002), <http://www.ccc.nps.navy.mil/si/sept02/middleEast2.asp>, (accessed July 7, 2007).

"Where's our sultan?" *The Economist* 344, no. 80829 (1997): 38.

C. GOVERNMENT REPORTS

Blanchard, Christopher M. "Qatar: Background and U.S. Relations." *CRS Report for Congress*, December 2005, <http://www.usembassy.it/pdf/other/RL31718.pdf> (accessed June 27, 2007).

Katzman, Kenneth. "Oman: Reform, Security, and U.S. Policy." *CRS Report for Congress*, June 2005, <http://www.fas.org/sgp/crs/mideast/RS21534.pdf> (accessed June 27, 2007).

Katzman, Kenneth. "Bahrain: Key Issues for U.S. Policy," *CRS Report for Congress*, March 2005, <http://www.fas.org/sgp/crs/mideast/RS147649.pdf> (accessed July 2, 2007).

Padros, Alfred B. "Saudi Arabia: Current Issues and U.S. Relations." *CRS Report for Congress*, April 2007, <http://fpc.state.gov/documents/organization/85627.pdf> (accessed June 28, 2007).

Executive Branch. The National Security Strategy of The United States of America, March 2006, <http://www.strategicstudiesinstitute.army.mil/pdf/files/nss.pdf> (accessed July 7, 2007).

2007 State Department Country Study-Bahrain, <http://www.state.gov/r/pa/ei/bgn/26414.htm> (accessed September 13, 2007).

D. EDUCATIONAL REPORTS, LECTURES, INTERVIEWS, AND CONFERENCES

Al-Mani, Saleh. "The Search for an Optimal Gulf Security Regime from a Gulf Perspective." Unpublished paper presented at the Eighth Mediterranean Social and Political Research Meeting in Montecatini Terme, Italy March 21–25, 2007.

LTC Michael Ammons. Telephone interview. July 10, 2007.

E. NEWSPAPER ARTICLES

Gerth, J. and J. Miller, "U.S. Is Said to Develop Oman As Its Major Ally in the Gulf," *The New York Times*, March 25, 1985, late edition, via Proquest, <http://proquest.umi.com>.

Mezzetti, M and H. Cooper, "U.S. Arms Plan for Mideast Aims to Counter Iranian Power," *New York Times*, July 31, 2007, late edition, via Proquest, <http://proquest.umi.com>.

Saleh, Habah. "Riyadh warns long war may damage ties: US-SAUDI RELATIONS: The government wishes for a rapid end to the conflict as anti-U.S. sentiment rises across the social strata," *Financial Times*, March 27, 2003, via Proquest, <http://proquest.umi.com>.

Seib, Gerald. "U.S. Quietly Expands Its Military Partnership With Oman, Strategic Plum in Persian Gulf Overlooking Oil Routes," *The Wall Street Journal*, April 11, 1985, via Proquest, <http://proquest.umi.com>.

INITIAL DISTRIBUTION LIST

1. Defense Technical Information Center
Ft. Belvoir, Virginia
2. Dudley Knox Library
Naval Postgraduate School
Monterey, California