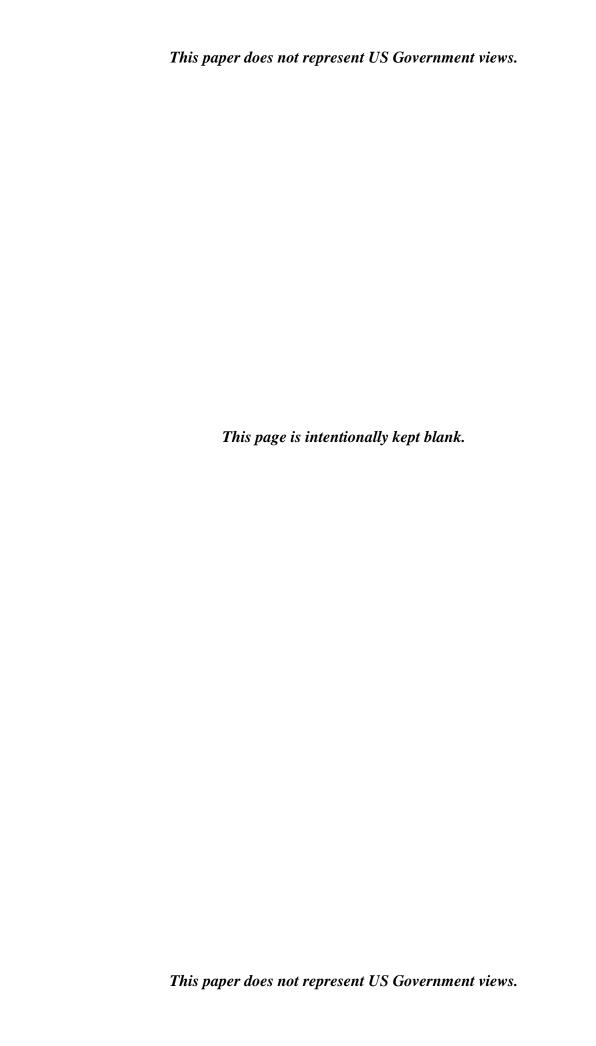


CONFERENCE REPORT

CR 2008-17 December 2008

Saudi Arabia, Egypt, and Jordan: Policies on Regional Issues and Support for US Goals in the Middle East

This paper does not represent US Government views





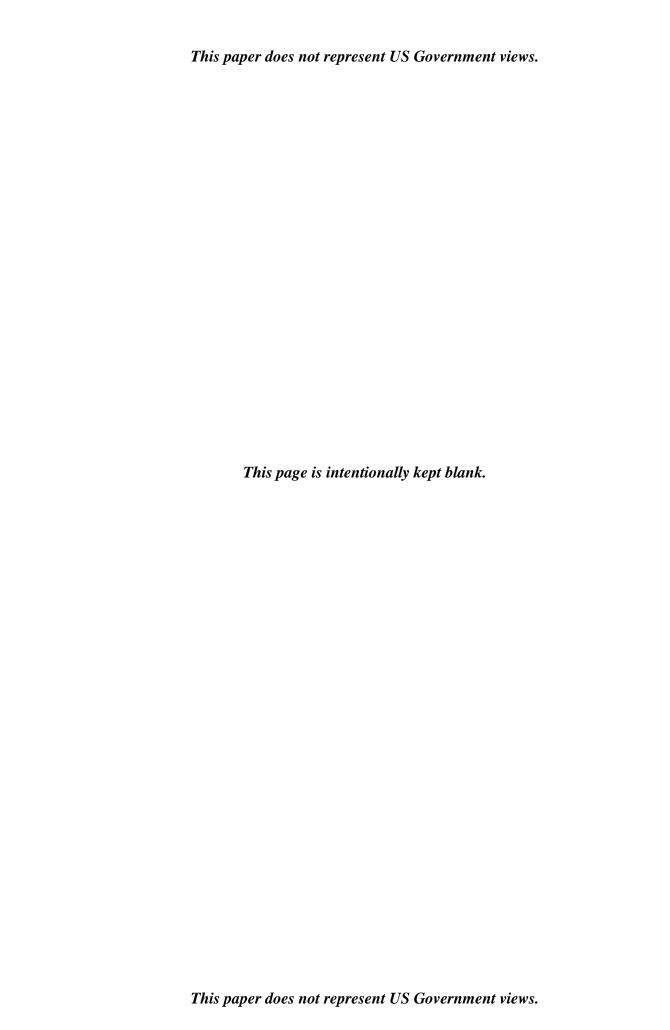
Saudi Arabia, Egypt, and Jordan: Policies on Regional Issues and Support for US Goals in the Middle East

Date of Conference: 12 June 2008

The National Intelligence Council sponsors conferences and workshops with nongovernmental experts to gain knowledge and insight and to sharpen debate on critical issues. The views expressed in this report do not represent official US Government positions.

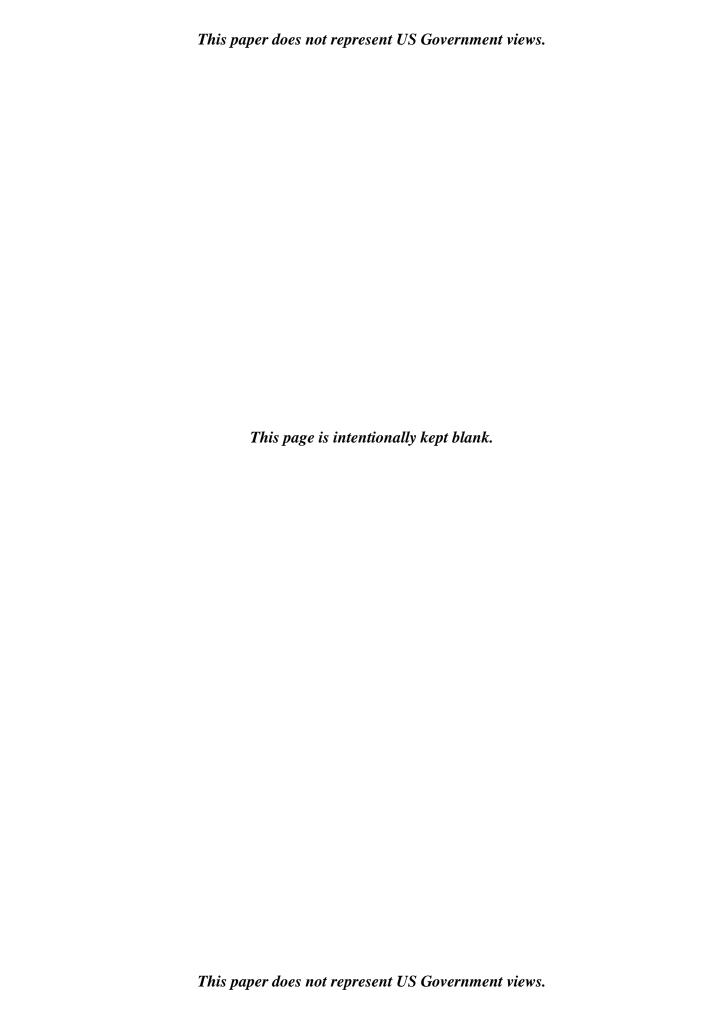
Prepared under the auspices of the National Intelligence Council.

CR 2008-17 *December* 2008



Contents

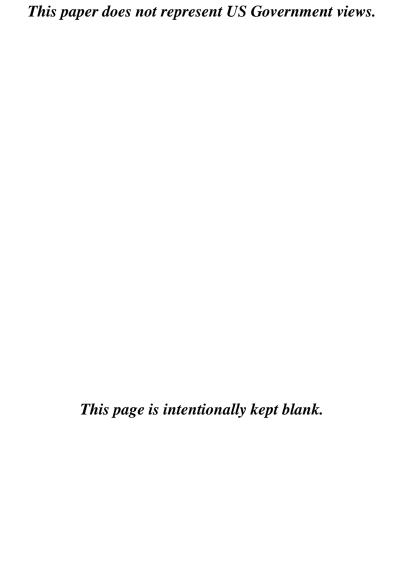
	Page
Conference Summary	1
Introduction	3
A Changing Regional Dynamic	3
Regional Views of the United States	4
Perspectives on the Arab-Israeli Conflict	5
Regional Views of Iran	7
Regional Views of Iraq	7



Conference Summary

The National Intelligence Officer for the Near East convened Middle East scholars and specialists on 6 June for a conference, "Saudi Arabia, Egypt, and Jordan: Policies on Regional Issues and Support for US Goals in the Middle East."

- One expert believed that the emerging style of diplomacy in the region represents a form of Arab multi-lateralism, arguing we are likely to see coalitions of convenience centered on issues rather than strategic alliances, which will complicate the leadership roles of US allies.
- All agreed that Egypt is not the regional leader it once was and that this mantle has fallen to Saudi Arabia. The Saudi-Syrian relationship, previously close, has significantly deteriorated over the past few years. Still, one expert believed the Saudis would be open to rapprochement.
- Egypt, Saudi Arabia, and Jordan continue to believe a resolution to the Arab-Israeli conflict is critical to counter radical influence in the region. Egypt and Jordan have significant security concerns directly related to achieving peace that drive their involvement. Riyadh is more motivated by the possibility of using a resolution to the conflict to undermine Iran.
- These three US allies also differ in the extent and manner in which they are willing to support negotiations. The peace process is more critical for Jordan, with its large domestic Israeli-Palestinian population, than it is for Saudi Arabia. However, none is willing to take significant risks to achieve peace.
- All three allies are concerned about Iranian aggressiveness in the region. Saudi Arabia's approach is to contain Iran while engaging it. Egypt wants to prevent Iranian involvement in Egyptian domestic affairs. Jordanian officials believe a diplomatic approach could ease tensions in the nuclear issue.
- All three US allies want a stable and unified Iraq, but their relations with the Iraqi
 government are problematic. One expert believed that although Saudi Arabia does not want
 a sectarian war in Iraq, if the sectarian tensions began to rise and civil war seemed imminent,
 Riyadh would support Sunni groups, possibly even al-Qa'ida affiliated groups, against Shia
 groups in Iraq.
- The experts all cited strain in the US's relationship with Cairo and Riyadh, but believed the relationship was still strong and unlikely to fracture. US policies in the region have made the US-Saudi relationship problematic domestically for Saudi leadership, but the Saudis do not see an alternative to close relations with Washington. The experts did not raise any significant concerns about the Jordan-US relationship.
- Participants noted the potential for leadership change in Egypt over the next few years, but none thought that Mubarak's potential successor would greatly alter the course of Egyptian foreign policy or Cairo's relationship with the United States.



Introduction

The National Intelligence Officer for the Near East convened Middle East scholars and specialists on 6 June for a conference, "Saudi Arabia, Egypt, and Jordan: Policies on Regional Issues and Support for US Goals in the Middle East." The experts discussed changes in regional dynamics and the views of Saudi Arabia, Jordan, and Egypt regarding their alliance with the United States. The discussions also included an in-depth review of the policies of these three US allies towards key regional issues for the United States: Iran, the conflict in Iraq, and the Arab-Israeli peace process.

A Changing Regional Dynamic

The experts began by focusing on the changes in regional dynamics over the past several years and their implications for the United States. The United States, one expert believed, could no longer rely on coercion and deterrence to affect players in the region. The experts also focused on the weakened regional leadership of Egypt.

• Another expert theorized that the May 2008 Doha Accord, that resolved the crisis of the selection of Lebanon's President, showed the emerging style of diplomacy in the region—a form of Arab multi-lateralism. They argued that it is becoming more difficult for the United States and regional players to build stable coalitions and that we are likely to see coalitions of convenience centered on issues, making it more difficult for the US allies to provide a sustained leadership role in the region.

Changing Regional Leadership. All agreed that Egypt is not the regional leader it has been over the past few decades and that this mantle has fallen to Saudi Arabia. Saudi Arabia is uncomfortable taking over this role but sees no choice, because of the perceived threat from Iran. Participants highlighted several reasons for Egypt's decline in leadership:

- Mubarak is getting older and no longer has the energy to provide the leadership he once did, and no one in the government, including his son or Omar Sulayman the chief of the Egyptian External Intelligence Service, has replaced him in regional relations.
- Egypt does not enjoy the comparative advantage it once did, as other states in the region have massive revenues from oil, and other regional economies have improved faster than Egypt's.
- Egypt no longer has either an attractive political or economic model to offer the rest of the region.

Saudi Arabia's reluctant leadership has not been very effective, nor have Riyadh's massive cash reserves done much to increase its influence. Riyadh avoided involvement in the conflict in Iraq until 2006, failed in its efforts to create a Fatah-HAMAS unity government, and was not able to help Lebanese Prime Minister Siniora's government prevail against Hizballah during the negotiations over the Doha Accord.

Changing Regional Relationships. The experts noted the deterioration of Riyadh and Cairo's relations with Syria and the nascent diplomatic overtures between Egypt and Iran. None of the experts believed there would be significant improvement in the Egypt-Iran relationship.

- The Saudi-Syrian relationship, previously close, has significantly deteriorated over the past few years, particularly with the possible Syrian complicity in the assassination of Rafiq al-Hariri, a Saudi citizen and client. Still, one expert believed, the Saudis are cautious rather than aggressive in dealing with Syria and Riyadh could be open to rapprochement with Syria.
- Egypt has responded to diplomatic overtures from Iran—probably in an attempt to maintain contact with all players in the region, believed one expert. Another speculated that the slowness of diplomatic movement between Egypt and Iran reflected Majles Speaker Larijani's desire not to see Egypt-Iran relations resume under Iranian President Ahmadi-Nejad.

Regional Views of the United States

Saudi Arabia. Saudi goals in the region are mostly consistent with those of the US: a contained and weakened Iran, a stable and unified Iraq independent of Iran, and a peace settlement that may not meet all Palestinians demands, pay the way for eventually establishing diplomatic relations with Israel. While recent events such as the war in Iraq may have made the US-Saudi relationship problematic domestically for Saudi leadership, the Saudis do not see an alternative to close relations with Washington.

- The Saudi-US alliance is robust and Saudi leadership's historical relationship with the US rests on strong foundations. The US helped to build the Saudi state and economy, supported Riyadh through its confrontations with Nassesrist Pan-Arabism and revolutionary Iran, and the came to Saudi Arabia's defense during the Gulf War.
- The Saudi's need for a close security relationship with the US conflicts with Riyadh's need to maintain a public distance from the domestically unpopular United States to avoid significant public dissatisfaction with the regime.
- Saudi willingness to act on the US's behalf has lessened over the last few years. The Saudis believe the US ignores their advice in the region, and Riyadh, which uses primarily financial and ideological means to achieve its goals, does not automatically follow the US's tactical lead as Riyadh in the 80s and 90s. Now Riyadh is even willing to seek allies such as China.

Egypt. The US-Egypt alliance is still strong, but Egyptian officials have begun to raise questions about the value of the relationship. Cairo complains that the US has shown a lack of concern for Egyptian interests through its invasion of Iraq, its failure to advance the peace process until recently, and continued insistence on democratic reform in Egypt. Cairo believes that the US has ignored Egypt's advice and concerns on all three issues. Cairo hopes that US pressure to reform will cease with the next administration.

• While Cairo's alliance with the United States might make Egypt a US confidant and increase Egypt's centrality in regional affairs, some are beginning to believe that following the US lead hinders the range of diplomatic options open to Egypt and that Egypt has ceded its diplomatic independence.

Egyptian officials do not expect to coordinate policy with the US on all international issues nor in all international bodies such as the UN. Egypt does provide significant tactical and logistical military support to the US in Egyptian territory and cooperates as much as possible on Arab-Israeli issues. Egypt has rarely traveled outside of its comfort zone to support the US; Egyptian assistance in security arrangements for Israel's withdrawal from Gaza was one of very few examples.

- Egyptian Intelligence Director Sulayman conducted talks between Fatah, HAMAS, and Israel, regarding ceasefires, the Rafah border, and the release of the Israeli soldier Gilad Shalit.
- Egyptian military and government officials expect to provide strategic assistance to the United States in granting permission for overflights, refueling, and Suez canal transits; and participating in joint exercises and other activities to increase military interoperability.

Participants noted the potential for leadership change in Egypt over the next few years, but none thought that Mubarak's potential successor would greatly alter the course of Egyptian foreign policy or Cairo's relationship with the United States. Both of Mubarak's possible successors—intelligence chief Omar Soliman and Gamal Mubarak—are likely to continue Mubarak's foreign policy, but Gamal might seek to liberalize Egyptian domestic politics over time.

Jordan. Jordan believes that its geopolitical position places it at the center of regional issues and makes it vital to US interests. Jordanians believe they are part of a moderate Arab center that includes Jordan, Egypt, and Saudi Arabia. Jordan sees itself sharing most US strategic goals and believes that it serves as a model for the region regarding the areas of greatest concern such as political and economic reform, pursuing terrorism and extremism, supporting stability in Iraq, and promoting the Arab-Israeli peace process.

- Jordan and the United States have maintained a strong alliance since the early 1950s, as the regime positioned itself as a key regional ally of the United States and a stalwart against communism. Today Jordan is one of the top recipients of US foreign aid, on which Jordan has become dependent.
- The United States provides the economic underpinnings to the success of the state and the regime. In return for this support, the United States gains a key ally in the Arab-Israeli conflict, the Persian Gulf, and economic and political reform.

Perspectives on the Arab-Israeli Conflict

Egypt, Saudi Arabia, and Jordan continue to believe a resolution to the Arab-Israeli conflict is critical to countering radical influence in the region. Egypt and Jordan believe they will be

central to any agreement and both have significant security concerns directly related to achieving peace that drive their involvement. Egypt is concerned over stability in Gaza due to their shared border, while Jordan is worried about the impact of any agreement on its significant Palestinian population. Riyadh, on the other hand, is more motivated by using a resolution to the conflict to undermine Iran.

- *Riyadh* believes that the continuing tensions between Israel and the Arab states benefit Iran, which is able to use these tensions to gain popular support throughout the region and to provide justification for Iranian foreign policy and regional meddling.
- *Jordan* has been a strong proponent of the peace process by supporting the road map and maintaining its peace treaty with Israel despite domestic pressure and disrupting events such as the second Intifidah. Jordanian King Abdullah and his regime have repeatedly stressed that the restarting of a meaningful peace process is a key issue.
- *Egypt* works to support the peace process and prevent a worsening of the conflict, partially due to the interests of the US but mostly because of Egypt's border with Gaza and the resonance of the Palestinian issue in the Egyptian populace.
- Egypt's reason for concern about the border it shares with Gaza is illustrated by the January 2008 breakout of Palestinians from Gaza into Egypt. Egypt, fearing that violent clashes between Egyptian security forces and Palestinians would cause demonstrations in Cairo, was unable to respond in force and lost control of one of its international borders for about a week.

These three US allies also differ in the extent and manner in which they are willing to support negotiations. The peace process is more critical for Jordan, with its large domestic Israeli-Palestinian population, than it is for Saudi Arabia. However, none is willing to take significant risks to achieve peace. All three may support US strategic objectives but tactically differ with the United States on achieving peace. Saudi Arabia has engaged HAMAS against the desires of the United States, as have Egypt and Jordan.

- Riyadh believes the continuing rift between Fatah and HAMAS and the subsequent international isolation of HAMAS only serve to increase Iran's involvement in the conflict. Riyadh is willing to challenge the US's approach to the peace process by including HAMAS to try to distance HAMAS from Iran.
- Despite Egyptian efforts to control the border and its talks with HAMAS, Egypt has done
 little to encourage normalization of regional relations with Israel or support public
 acceptance of Israel within its own population. Also, there is a limit to Cairo's willingness to
 involve itself in Gaza, because Egypt does not want to become responsible for the troubled
 territory.

Regional Views of Iran

All three allies are concerned about Iranian aggressiveness in the region. Saudi Arabia's approach is to contain Iran while engaging it, hoping to prevent a military confrontation between the United States and Iran. While Egypt wants to deny Iran involvement in Egyptian domestic affairs and to counter Iranian influence in the region, Cairo's current focus is more on its domestic issues such as the economy and the successor to Mubarak. The experts all agreed that the US allies' worry about Iran is not driven by domestic sectarian tensions or popular concern over the Iranian threat.

• One expert stated that Riyadh views Iran as a state-to-state conflict and a balance of power issue—not a "grand sectarian foe," but Riyadh publicly plays the conflict as sectarian.

Cairo and Jordan oppose a pre-emptive strike on Iran while Riyadh has hinted it would support a strike; one expert said Saudi Arabia may state that it supports bombing Iran but does not really want a strike to occur. Jordan is very concerned about the increasing influence of Iran but does not support a strike against Iran out of concern over the regional affects of another war.

• One expert stated that several Jordanian officials told him in interviews that a more diplomatic approach to Iran could ease tensions on the nuclear issue and also increase Iranian cooperation on Hizballah, Syria, and violence in Iraq.

Experts differed on what they believed the responses would be to Iran's acquiring a nuclear weapon, but most believed a nuclear Iran would not dramatically change regional dynamics.

• Riyadh's final response to an Iranian nuclear weapon would depend on the United States. If the Saudis are confident of US security guarantees, they are unlikely to develop a domestic nuclear capability. Egypt, on the other and, has already announced it would restart its civilian nuclear program.

Regional Views of Iraq

All three US allies want a stable and unified Iraq, but all three countries' relationships with the Iraqi government are problematic. Saudi Arabia and Egypt are leery of the Maliki government, although Egypt has partially thawed and recently announced it will return its ambassador to Iraq. Jordan's primary concern is repatriating its large Iraqi refugee population.

- None of the three supported the invasion but they do not want the insecurity that could be triggered by a sudden US withdrawal; however, Mubarak has become less publicly vocal about his support for US troops.
- Jordan believed an invasion would destabilize the region and draw attention away from the peace process while Saudi Arabia was concerned about removing Iraq as a balance to Iran.
- As many as 500,000 Iraqi refugees have settled in Jordan, exacerbating Jordanian domestic problems and straining local resources. Amman wants the refuges to leave Jordan and fears

they could become the new Palestinians, who now make up a majority of the Jordanian population.

According to one of the experts, Saudi Arabia has become more involved in Iraq as the Sunni Awakening movement has spread. The movement has provided an avenue for Saudi Arabia to engage with a "safe" Sunni client in Iraq, supported by the United States. Saudi Arabia is likely to continue support for the Awakening movement while at the same time working to support Sunni and Kurdish politicians. As the United States begins to leave Iraq, the Saudis will increase their involvement in Iraq—if only to counter Iranian influence.

• One expert believed that while Saudi Arabia does not want a sectarian war in Iraq, if the sectarian tensions began to rise and civil war seemed imminent, Riyadh would support Sunni groups, possible even al-Qa'ida-affiliated groups, against Shia groups in Iraq.

