SAUDI ARABIA

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ISSUES

- Managing relations with Saudi Arabia will be one of the administration's most complex challenges. While many aspects of Saudi policy are problematic, the success of regional policy initiatives is dependent on continued U.S.-Saudi cooperation.
- Internally, Saudi Arabia is at a critical juncture, attempting a
 radical economic overhaul through Vision 2030, and a radical
 socio-cultural transformation away from rigid Islamist hardline
 strictures toward a more open social and cultural space. At the
 same time, there has been a concentration of political power in
 the person of the crown prince and a harsh crackdown on rival
 political and business leaders, as well as a constriction of public
 space for political or civic expression both at home and abroad.
- Externally, there are signs that the Saudi leadership is trying to correct foreign policy missteps. The al-Ula Agreement to at least set aside differences with Qatar will help enhance U.S.-GCC cooperation. Clearly, the Saudis are looking for ways to end their intervention in Yemen's civil war. But progress is uncertain and the Saudis still face significant challenges from Iran and an increasingly unstable regional environment.
- Yemen, internal repression, and the murder of Saudi dissident and U.S. resident Jamal Khashoggi have created the most acute crisis in U.S.-Saudi relations since September 2001.
- It is nearly certain that there will be a transition in Saudi leadership within the coming four years and a strong probability that Crown Prince Mohammed bin Salman (MbS), the author of many of the Saudi domestic and foreign policy initiatives of concern, will succeed King Salman. Managing the relationship with MbS personally will be critically important.

US INTERESTS

• A strong Saudi Arabia is a critical partner for the U.S. in

- promoting regional security and stability, challenging Iranian bad behavior, and advancing shared objectives, including resolving the Israeli-Palestinian conflict.
- While pressing Saudi Arabia to support efforts to end the conflict in Yemen, ensuring that a resolution addresses legitimate Saudi security concerns is essential to securing Saudi support for post-conflict stabilization and reconstruction.
- Despite the growth of U.S. domestic energy production, Saudi Arabia remains the linchpin of global oil production and is, therefore, essential for maintaining stability in world energy markets and the global economy.

POLICY RECOMMENDATIONS

- Maintain vital cooperation on critical energy infrastructure protection and promote stability in energy/financial markets.
- An increasingly self-confident and assertive Saudi Arabia will identify and pursue its own policy objectives. To ensure that the Saudis coordinate on policy decisions essential to U.S. goals and objectives, maintain a robust bilateral dialogue on regional issues of concern to promote agreement on shared concerns, including resolving the Yemen and intra-GCC conflicts.
- Help and encourage the kingdom to achieve the goals of Vision 2030 and open up social and cultural space, but the U.S. should also be firm and clear in insisting on respect for human rights, the rule of law, and civil liberties in Saudi Arabia. Make clear to MbS that the U.S. will not tolerate further human rights abuses, including threats against dissidents and their families.
- Engage the Saudi leadership in a review and re-definition of the scope of U.S.-Saudi security cooperation, including an understanding on U.S. arms sales. Secure Saudi agreement that they will not pursue advanced Russian or Chinese weapons systems that will undermine or threaten U.S. security arrangements in the region.