



Saudi Arabia

Change, Continuity, and Controversy

The kingdom of Saudi Arabia, ruled by the Al Saud family since its founding in 1932, wields significant global influence through its administration of the birthplace of the Islamic faith and by virtue of its large oil reserves. Recent Saudi leadership changes and foreign policy decisions are fueling calls from some U.S. leaders for a reassessment of longstanding bilateral ties. The Al Saud have sought protection, advice, technology, and armaments from the United States, along with support in developing their country's natural and human resources and in facing national security threats. U.S. leaders have valued Saudi cooperation in security and counterterrorism matters and have sought to preserve the secure, apolitical flow of the kingdom's energy resources and capital to global markets. The Trump Administration seeks to strengthen U.S.-Saudi ties as the kingdom implements new domestic and foreign policy initiatives, while some in Congress call for change.

Leadership and Public Confidence

King Salman bin Abd al Aziz Al Saud (age 83) assumed the throne in 2015 after the death of his half-brother, the late King Abdullah bin Abd al Aziz. King Salman since has altered the responsibilities and relative power of leading members of the next generation of the Al Saud family, the grandsons of the kingdom's founder. King Salman's son, Crown Prince Mohammed bin Salman (age 33), is now the central figure in Saudi policymaking, having asserted control over key national security forces, sidelined potential rivals, and begun implementing ambitious policy changes.

In parallel, channels for expressing dissent within the kingdom appear to have narrowed considerably. Since 2017, security forces have detained dozens of activists, Islamist figures, and journalists. Prosecutors have detained and/or pursued various charges against some well-known figures, including prominent clerics, human rights advocates, and women's rights campaigners. In late 2017, authorities also imprisoned dozens of wealthy individuals (and potential family rivals of the crown prince) for months in the Ritz Carlton hotel in Riyadh as part of a nominal anticorruption campaign. Most of this latter group of detainees were released after reaching undisclosed financial settlement arrangements, amid accounts of abuse.

Many Saudis and outside observers have expressed surprise about the scope and rapidity of post-2015 developments and continue to speculate about their potential implications. Saudi decision-making had long appeared to be relatively risk-averse and rooted in rulers' concerns for maintaining consensus among different constituencies, including factions of the royal family, business elites, and conservative religious figures. Crown Prince Mohammed bin Salman's bolder and more centralized leadership has challenged each of these interest groups, and is leading Saudis and outsiders alike to reexamine their assumptions.

Figure 1. Saudi Arabia



Source: CRS, using ESRI, and U.S. State Department data.

Vision 2030 and Social Change

The centerpiece of Saudi leaders' domestic agenda is the Vision 2030 initiative, which seeks to transform the kingdom's economy by diversifying the government's sources of revenue and reducing longstanding oil export dependence by promoting investment and private sector growth. Plans for an initial public offering of shares in state oil company Saudi Aramco have been delayed to 2021. Authorities have reduced some consumer and industrial subsidies and introduced a value-added tax. Amid some domestic criticism, authorities also have offered citizens relief payments, salary increases, and tax exemptions.

Economic transformation has driven social change in the kingdom since the early 20th century, and the Vision 2030 initiative is being accompanied by significant changes in the state's approach to some sensitive social matters. Authorities reversed the kingdom's longstanding ban on women driving in June 2018, in part to expand women's participation in the workforce. Parallel changes have created more public space for women in some social and cultural events, but most male guardianship rules restricting women's activities remain in place. Some Saudis welcome changes made to date and call for more, while others express opposition or concern about their potential effects on religious and social values.

Saudi Nuclear Plans

In conjunction with efforts to recast the role of energy resources in the kingdom's economy, Saudi leaders also seek to develop domestic civilian nuclear power infrastructure and have solicited bids for the construction of two nuclear power reactors. The Trump Administration expedited consideration of required regulatory approvals for U.S. firms to provide marketing information to Saudi officials, and may propose a bilateral nuclear cooperation

agreement for the 116th Congress to consider. Saudi officials have not forsworn uranium enrichment and have stated their intent to use and develop domestic capabilities. Saudi nuclear facilities would be subject to International Atomic Energy Agency safeguards.

Combatting Terrorism and Extremism

The U.S. government describes U.S.-Saudi cooperation on counterterrorism as robust and credits Saudi officials with reducing the financing of terrorism by Saudi nationals and with contributing to global efforts to undermine terrorist propaganda. The Islamic State group has been highly critical of Saudi authorities and religious officials, and U.S. threat assessments judge that the Islamic State and Al Qaeda pose continuing risks to the kingdom's security. The Saudi government's relationship with conservative religious figures is evolving, with the state promoting potentially controversial social policy changes while enlisting religious leaders to counteract extremist messages. In December 2017, King Salman said "there is no place among us for an extremist who sees moderation as degeneration."

"We will not spend the next 30 years of our lives dealing with destructive ideas. We will destroy them today."
Crown Prince Mohammed bin Salman, October 2017

Saudi Foreign Policy

The King and Crown Prince have actively pursued several initiatives across the Middle East since 2015, challenging Iran, reopening dialogue with Iraq, seeking to isolate Qatar, and fighting an ongoing war in Yemen. New Saudi activism in regional affairs has created new questions for Congress to consider, including with regard to defense cooperation.

Iran, Iraq, and the Levant

Saudi policies toward Iraq, Syria, and Lebanon continue to reflect the kingdom's overarching concerns about Iran and the Iranian government's ties to state and non-state actors in these countries. Saudi authorities back the U.N. Security Council's call for a negotiated settlement to the conflict in Syria and would prefer that such a settlement result in a transition away from the Iran-aligned government of Bashar al Asad. Saudi efforts to consolidate and align the views of various Syrian opposition actors and armed groups have borne some fruit, but divisions among Syrian factions persist. U.S. officials have praised Saudi efforts to strengthen ties with Iraq's government, including the reopening of border crossings between the two countries.

Conflict in Yemen

Saudi Arabia has led a military coalition of mostly Arab states since March 2015 in efforts to reinstate the government of Yemeni President Abdu Rabbu Mansour Hadi, who was ousted in a 2014-2015 offensive by the Zaydi Shia Houthi movement of northern Yemen. Iranian material and advisory support to the Houthi war effort—including the provision of ballistic missiles that have been fired into Saudi Arabia—has amplified Saudi leaders' anxieties and concerns. The Trump Administration lifted some limits on U.S. arms sales to Saudi Arabia that the Obama Administration had imposed to protest airstrikes that resulted in civilian casualties. The United Nations considers Yemen to be the world's worst humanitarian crisis and cites Houthi malfeasance and Saudi coalition-enforced limits on air and sea access as contributing to

shortages of food and goods. The 115th Congress debated proposals to restrict, end, or exercise oversight over U.S. military aid to Saudi operations, and, amid congressional scrutiny, President Trump ended U.S. refueling support.

Intra-Gulf Cooperation Council (GCC) Tensions

Saudi Arabia has led an effort to isolate the government of Qatar internationally since mid-2017, citing concerns about reported Qatari support for terrorism and aspects of Qatar's independent foreign policy approach. Various GCC-based figures describe close Qatari ties with regional Islamist actors, including the Muslim Brotherhood, as problematic. The Trump Administration favors negotiation and compromise by parties to the ongoing intra-GCC dispute.

Israeli-Palestinian Affairs

Saudi Arabia is a leader among Arab states in supporting key Palestinian demands, but in recent years the Saudis have strengthened informal ties with Israel because of the two countries' shared interest in countering Iran. In January 2018, King Salman reiterated the kingdom's "firm position on the Palestinian cause and the legitimate rights of the Palestinian people to establish their independent state with Jerusalem as its capital and on continuing efforts to find a just and lasting solution to the Palestinian cause in accordance with relevant international resolutions."

Relations with China and Russia

Growing Saudi energy exports to China have underwritten new Sino-Saudi economic and diplomatic ties, and bilateral meetings of senior officials are often followed by announcements of new cooperation initiatives. Saudi leaders also have opened substantive dialogue and cooperation with Russia, encompassing coordination on oil production decisions to bolster global oil prices, discussion of arms sales, and talks on Syria and other regional issues.

Outlook for Saudi-U.S. Relations

Successive U.S. Administrations have referred to the Saudi government as an important strategic partner, and U.S. arms sales and related security cooperation programs have continued with congressional oversight amid some congressional opposition. The October 2018 murder of Saudi journalist Jamal Khashoggi by Saudi officials in the Saudi consulate in Istanbul, Turkey, exacerbated concerns among some in Congress about Saudi leaders and the pace, scope, and direction of recent changes in the kingdom's policies. Saudi officials state that they value their country's historically close relationship with the United States.

During 2019, the 116th Congress may review U.S.-Saudi cooperation in the context of Members' views and concerns about regional security, combatting extremism, and human rights. Congress may debate proposals related to U.S. support to Saudi military operations in Yemen, including proposals to direct the Trump Administration to withdraw U.S. forces from non-counterterrorism missions.

For more information, see CRS Report RL33533, *Saudi Arabia: Background and U.S. Relations*.

Christopher M. Blanchard, Specialist in Middle Eastern Affairs

Disclaimer

This document was prepared by the Congressional Research Service (CRS). CRS serves as nonpartisan shared staff to congressional committees and Members of Congress. It operates solely at the behest of and under the direction of Congress. Information in a CRS Report should not be relied upon for purposes other than public understanding of information that has been provided by CRS to Members of Congress in connection with CRS's institutional role. CRS Reports, as a work of the United States Government, are not subject to copyright protection in the United States. Any CRS Report may be reproduced and distributed in its entirety without permission from CRS. However, as a CRS Report may include copyrighted images or material from a third party, you may need to obtain the permission of the copyright holder if you wish to copy or otherwise use copyrighted material.