Though nations can’t choose their location, they can determine how to deal with geographic realities. Surrounded by states with great ambitions, the Kingdom of Saudi Arabia is as large as the United States east of the Mississippi and has vast wealth for a relatively small population. Not only does it have huge oil reserves; its extensive coastlines on both the Red Sea and Persian Gulf overlook nearby vital sealanes. It also has long borders with neighbors. Despite its size, most oil fields as well as many ports and urban centers are close to other local powers. Saudi Arabia must weigh the implications of its geostrategic location and international politics as various states pursue dominance in the area. This applies not only to the Red Sea and Persian Gulf, but also to the Horn of Africa, another area suffering from chronic instability.

As population growth changes demographic trends around the world, manpower shortages in Saudi Arabia are significant over the near term compared to some of its neighbors. Thus Riyadh
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A look at the Persian Gulf in recent decades reveals threats emanating from two states, Iran and Iraq. The former tried to expand its influence under the Shah and occupied islands belonging to the United Arab Emirates in the early 1970s. The current regime established an Islamic republic in 1979 and continued to be a regional threat while introducing new ideological and political risks. Iran did not refrain from publicizing its intention to spread instability in radical terms. It attempted in the 1980s to foment instability in the kingdom during the Haj and cause trouble among Shiites in Bahrain and Kuwait. Even if moderate forces prevail, Saudi Arabia must compete with Iran and Its sophisticated arsenal.

The other danger to Saudi security is Iraq. While Iran posed a challenge under a banner of radical Islam, Iraq appealed to pan-Arabist sentiments for redistributing wealth and championing the Palestinian cause. But rather than sharing resources and engaging Israel over Palestine, the Iraqis invaded Kuwait. While the future is uncertain, Saudi policymakers must take into account not only the possibility that Saddam may retain power. The repercussions may be either a fragmented Iraq or the emergence of a new regime in Baghdad committed to redrawing its borders.

Finally, Saudi Arabia had to consider the stability of its southern borders. This issue dates back to the 1960s and earlier, when its policies clashed violently with Egypt over Yemen, leading to a border war. Later the Yemeni civil war created instability and produced a refugee problem.

One thrust of Saudi security policy in the 1980s and 1990s was modernizing air defenses to deter potential enemies. The decision to gain a qualitative edge to compensate for the demographic limitations and long borders was particularly significant. Modernization enabled the Saudi military to fight effectively against first-line Iraqi forces in Desert Storm, and the force has become strong enough to deal with low-intensity threats and reduce the number of American reinforcements that would be needed for mid-intensity contingencies. Such improvements do not eliminate the requirements for U.S. assistance, but they have made effective Saudi military action possible until it arrives.

Saudi Arabian forces fielded 50,000 soldiers, 270 main battle tanks, 930 armored vehicles, 115 artillery pieces, and 400 antitank weapon in the Persian Gulf War. The air force launched 6,852 sorties in January and February 1991, second only to the United States. Given the location of resources near its borders, Riyadh deployed forces to defend its oil fields. The estimated cost of modernization was $290 billion from the mid-1980s to mid-1990s.

Although Iraq was a counterbalance to Iran in the 1980s, it represented a threat to regional stability with its determination to forcibly annex Kuwait. When regional and international efforts at mediation failed, Saudi Arabia became the launching pad for coalition forces to evict Iraq.

Identity

Cultural factors are crucial to shaping Saudi security. Any prudent policy must encompass the historical, political, social, and economic features of the country, particularly to gain legitimacy among its people. Ignoring this dimension would be a reckless invitation for instability.

It is important to appreciate that Saudi Arabia is identified with the teaching of the reformist Wahhabi Da’wa, the first revivalist movement in Sunni history. Saudi Arabia is an Islamic regime that considers the Koran its sole constitution. The identity of the state is tied to Islam and the King is identified as the custodian of the Two Holy Places. Thus the legitimacy of the regime is linked to Islam. Saudi Arabia, in that sense, is not just another Muslim state, but one with responsibilities for safeguarding Islam. Security, like other policies, cannot deviate from these obligations.

Many in the West may not comprehend that the rulers in Saudi Arabia have to take public opinion into account or lose credibility. For example, as Prince Bandar, the Saudi ambassador to the United States, has noted, King Fahd was keen on having refugee families from Kuwait spread through cities in his country so Saudi society would see the need for a national effort to reverse the occupation of Kuwait and for collaboration with the United States to accomplish this task.
By allowing foreign troops to be stationed in Saudi Arabia to confront Iraq, policymakers realized the need to consult with religious leaders. Senior ‘ulama (religious authorities) concluded that the shari’a (Islamic law) authorized the ruler to seek the assistance of whoever had the power to resist aggression and defend Muslim lands. In September 1990, a meeting of the Muslim World League in Mecca supported the invitation of non-Muslim forces, but added that they should leave the region once the causes for their presence were removed.

The Economic Dimension

Saudi Arabian security is influenced by a geostrategic and economic significance on both the regional and global levels. It is projected that oil production, currently at 8 million barrels per day, will increase to 14 million barrels in 2010. The economic importance of the country is likely to increase correspondingly. According to a U.S. Department of Energy assessment, Saudi Arabia has over a quarter of proven oil reserves. This will compare by 2010 with an estimated 11 percent for Iraq, 9.6 percent for the United Arab Emirates, 9.2 percent for Kuwait, 8.6 percent for Iran, 13 percent for the balance of the Organization of Petroleum Exporting Countries (OPEC), and 22.6 percent for the rest of the world. Saudi Aramco estimates that the kingdom will have 261.7 billion barrels of reserves by 2010 compared to 112.5 for Iraq, 97.8 for the United Arab Emirates, 96.5 for Kuwait, 89.7 for Iran, 76.9 for Venezuela, 48.6 for Russia, and 29.7 for the United States. Not only does Saudi Arabia have more than 80 years of reserves at the current rate of production; its oil amounts to ten times that of the United States, five times that of Russia, and sixteen times that of the Caspian Sea and Central Asia. Some believe these figures underestimate the oil significance of the kingdom.

Worldwide, two-thirds of proven oil reserves and one-third of the natural gas are found in the Persian Gulf. That means the advanced industrial countries will continue to rely on the energy
sources of the region, and the stability of that region will continue to be of great importance to the economies of industrialized states. As an influential OPEC member, Saudi Arabia will continue to play a major role in maintaining moderate and stable prices. This is crucial because of its capacity to increase or decrease production on short notice and thus influence world markets and prices.

Saudi government expenditures have been directed at modernizing the military, improving economic growth, and providing a safety net to ameliorate social conflicts. Performing these tasks in the face of reduced oil prices has resulted in a complex balancing act. On one hand, because of ambitious neighbors, Saudi Arabia could not allow defense preparedness to lag. On the other, domestic stability had to be preserved, particularly at a time of declining oil revenues in comparison to the 1970s and 1980s. Funding was allocated to both security and domestic concerns.

The fiscal aspects of defense policy have security implications for Saudi-American relations. In 1973 defense expenditures were $2.8 billion a year. By 1980 they reached $20 billion. According to one estimate, Riyadh has spent $290 billion in constant 1993 dollars over the past two decades. Between 1991 and 2001, it took delivery of $66 billion in new weapons. In light of the constraints caused by a decline in oil prices and costs of the Gulf War, Saudi Arabia cannot maintain the level of spending seen during the first 15 years after the oil revolution. With oil revenues accounting for 90–95 percent of export earnings, military expenditures fell in the 1990s. All this led to extending Saudi payments to American defense firms. Arms transfers from the United States must balance legitimate defense needs with the fiscal imperatives created by the oil market in the future.
Since the defense modernization of the 1970s and 1980s, calls for rationalizing all types of expenditure, including military outlays, have resonated in Saudi society through a policy of fiscal responsibility—.tarshid al-infaq al-'am. The weakening of Iraq after the Gulf War and the promise of reform and moderation in Iran have contributed to a relative decline in threat perceptions and to public opinion favoring reduced military expenditures.

**Alliance Politics**

Against the backdrop of 9/11, it is important to examine the congruence and divergence in the thinking of Washington and Riyadh from a Saudi perspective.

The American role is central for understanding Saudi security policy not only in the present era but for the foreseeable future. For Riyadh, Washington will continue to be a predominant arms supplier and source of training. This raises complex issues about the terms of weapons transfers and costs and the impact of cultural differences. Saudi policymakers are keen to bring these issues to the attention of their counterparts. Although U.S. officials have been concerned over domestic groups interested in curbing the flow of arms to the kingdom, Saudi policymakers strove to share assessments of regional security threats, financial constraints imposed by the Gulf War and low oil prices, and cultural and political factors working against deploying U.S. troops from Saudi bases.

In this bilateral relationship, one finds the leverage of the stronger power and the influence of the regional power. For instance, Saudi policy helped overcome U.S. domestic opposition to arms transfers both by showing the likely harm of a negative decision on American interests and by demonstrating a willingness to reduce military dependency on Washington. In that context, Saudi Arabia has acquired sophisticated surface vessels from France in addition to advanced technology and information systems from Britain and Italy.

Riyadh was focused on regional threats during the Cold War and unprepared to acquiesce in matters that were not in its interest. While America reached agreements with Oman and Somalia, no accord was signed with Saudi Arabia. As one analyst stated, “U.S. efforts to arrive at a formal agreement with Saudi Arabia . . . have run into difficulties. This is because of Saudi reluctance to accept pre-positioned U.S. equipment . . . since these would really be tantamount to U.S. bases on Saudi soil.” Even after the Cold War, Riyadh was unwilling to accept a pre-positioning proposal for the same reasons that led it to reject earlier proposals.

On the other hand, there were many areas of congruence in the policies of the two nations, and not only in the oil domain. Cooperation on the security front has been especially significant. American advisors have been active in Saudi Arabia since 1952. In Desert Storm, both nations had a strong interest in containing an enemy that attempted to undermine the regional status quo. But despite shared objectives that led many to characterize their partnership as a special relationship, there remain differences reflecting respective commitments to protect national interests.

Some of those differences reflect domestic politics in the United States. Saudi attempts to procure advanced arms technology were met by resistance from pressure on Congress by the pro-Israel lobby, under the pretext that such hardware might be transferred to other countries or tip the military balance in the region. Riyadh made it known that it was ready to seek advanced weaponry from other sources rather than cave in to such pressure. According to Prince Bandar, his nation tried to learn how lobbyists operate in Washington, maintain good relations with both political parties, and be sensitive to the convergence of arms procurement and economic and social forces.

Three issues pertaining to Saudi security are relevant in shaping Saudi-American relations. The first concerns the American role. Intervention in the post-Cold War world is difficult to justify without an overriding threat. Public opinion in the West, including the United States, is influenced more by economics than projecting military power far from home with its potential for casualties, with the recent exception of Afghanistan.

Saudi defense planners understand this fact. They do not expect America to provide a fixed defense umbrella, but they are interested in achieving flexible cooperation via military assistance. This would include effective training programs to enable the kingdom and other members of the Gulf Cooperation Council to maintain security with minimal outside assistance. In the transition to that position, they are also interested in delineating the threats each partner may face.

A second issue is diversifying military procurement. Arms transfers are mainly influenced by shifting positions of governments that come under pressure from exporting countries. Multiple suppliers offer flexibility to overcome political pressure if weapons are denied or the terms of sale...
become too restrictive. But diversification can also have negative effects on interoperability, spare parts, training, and the cost of individual items.

The third issue involves economic and fiscal concerns. Given the decline in oil revenues, Saudi policymakers seek to reduce spending without sacrificing preparedness. Furthermore, the Gulf War had a dramatic impact on resource allocation. Saudis spent an estimated $55 billion on that conflict, exacerbating the budget deficit. Such outlays, as well as fluctuations in oil prices, have led to fiscal constraints, extended payment schedules, and revised procurement programs. In short, the kingdom faces conflicting demands. Even though strategic realities justify high levels of spending, other factors call for difficult choices.

The Kingdom of Saudi Arabia

Relevant History. Saudi Arabia is a union of two areas, Nejd and Hejaz. Nejd was an autonomous region in the 18th century ruled from Dirija—the stronghold of the Wahhabis—a puritanical sect. It then fell under the Turks, who were defeated by Abdulaziz ibn Abdul Rahman Al-Saud in 1913. He also captured the Turkish province of al Hasa and the Asir in 1920, adding the Jebel Shammar territory of the Rashid family in the next year. Abdulaziz completed his conquest of Hejaz in 1925 and was recognized by the British as an independent ruler under the Treaty of Jeddah in 1927. The country was renamed the Kingdom of Saudi Arabia in 1932. Although exploitation began prior to World War II, oil was extensively developed with American help after 1945.

Land and People. The kingdom occupies nearly 80 percent of the Arabian peninsula. Riyadh is the political capital and Mecca is the religious center. The population was 16,948,388 according to the 1992 census and the United Nations projects 27.59 million by 2010. Approximately 76 percent of the population are Saudi nationals; the official language is Arabic.

Defense Establishment. Riyadh bought $6.1 billion in military equipment in 1999, mainly from the United States and Great Britain, making it the largest arms customer in the world. Defense outlays totaled $18.321 billion in 2000 ($848 per capita) or 10.1 percent of gross national product. There are 124,500 military personnel plus 75,000 members of the National Guard.

The army has 75,000 men in one airborne, three armored, and five mechanized brigades. Paramilitary formations include both the Frontier Force (with 10,500 members) and the National Guard. Major end items include 315 M-1A2 and 290 AMX–30 main battle tanks and 1,750 M–113 armored personnel carriers.

Naval forces operate four frigates and four corvettes. The naval air arm includes 21 armed helicopters, both afloat and on shore. Main bases are located at Jeddah in the Red Sea and Jubail in the Persian Gulf. Personnel total 15,500, including 3,000 marines.

The air force operates 432 combat aircraft (including F–15s, F–5Es, E–3As, and Tornado interceptors and strike aircraft) and numbers 18,000 personnel.

Formerly part of the army, the air defense force has various air defense systems (including 33 Hawk surface-to-air missile batteries) and is manned by 16,000 personnel.

The National Guard has 75,000 active members plus 20,000 tribal levies organized in three mechanized and five infantry brigades. Its primary role is protecting the Royal Family and vital facilities. It is directly under royal command.

Natural Resources. Proven oil reserves amounted to 261.7 billion barrels in 2000 (the highest of any country and 25 percent of world resources). Production was begun in 1938 by Aramco, which is wholly owned by the state and accounts for 99 percent of total crude production. Saudi Arabia is the largest producer with an output of 426 metric tons in 1999 which accounted for 12.4 percent of the world total oil output.

Production takes place in 14 major fields, mostly in the Eastern Province and offshore, and includes the Neutral Zone. The Ghawar oilfield between Riyadh and the Persian Gulf is the largest in the world, with estimated reserves of 70 billion barrels. Saudi Arabia is dependent on earnings from oil for 70 percent of revenues. Exports were $33 billion in 1998, rising to $41 billion in 1999 and $70 billion in 2000, then falling to $56 billion in 2001. Reserves are expected to run out in approximately 2082.

Natural gas reserves were 5,800 billion cubic meters in 2000; output was 46.2 billion cubic meters in 1999. The gas sector has been opened to foreign investment.

Regional Organization. The Gulf Cooperation Council is intended to ensure security and stability in the Persian/Arabian Gulf. Established in 1981, members include Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates. The council seeks to promote economic and political cooperation, fiscal policies, and self sufficiency in basic foodstuffs among member states.

to limit growth in budgets. Balancing these factors is the main task affecting security policy.

Since national and regime security are increasingly influenced by economic success and the information revolution, Saudi Arabia must actively develop its economy and familiarize its citizens with digital technology. Advances in information and communication technology have done more than other factors to stimulate economic development and enhance defense capabilities. Similarly, promoting growth in the region may reduce unemployment as well as strengthen internal stability.

The importance of economic factors does not mean that Saudi Arabia must ignore the religious dimension of its educational system as some suggested after 9/11. One cannot deny that the militants are influenced by aspects of this system. The kingdom has called for a reassessment of education without sacrificing al-ilm wa al-iman—faith and science combined. As Crown Prince Abd Allah bin Abd al Aziz Al Saud has noted, there must be a place within society for both faith and science.

Moreover, Saudi Arabia is committed to fighting terrorism and considers internal and external security as closely linked. Even prior to the attacks on the World Trade Center and the Pentagon, and before being accused of supporting terrorism, Saudi political and religious leaders denounced radical groups and their actions. Riyadh seeks to enhance its ability to both confront terrorism and the climate that supports it, including militant thinking that leads to political and religious agitation. Countering terrorism requires improved efforts by the Ministry of the Interior, General Intelligence Directorate, and Security Forces. Moreover, Saudis understand the need for multilateralism.

Both Saudi Arabia and the United States must strengthen their security ties because they are clearly targeted in the global war on terrorism. Both nations also oppose WMD proliferation. It is ironic that building an alliance to combat terrorism in Afghanistan and beyond has brought the United States closer to the two sources of nuclear proliferation in South Asia—India and Pakistan. Meanwhile, turmoil in the Middle East could engender the sort of instability that may result in attempts to acquire WMD. Proliferation must be seen in terms of regional realities: the Israeli monopoly in nuclear weaponry, defiance by Pakistan and India of nonproliferation regimes, and reported efforts by both Iraq and Iran to develop nuclear capabilities.

Saudi Arabia does not accept the notion that a Pakistani bomb is an Islamic bomb. Instead, national interest is regarded as the most likely factor affecting how nuclear capabilities will be used. Nevertheless, regional competition increases concern among Saudis over the spread of weapons of mass destruction and ballistic missiles. Moreover, despite the lack of evidence that Riyadh may be pursuing a nuclear option, some speculate on the possibility.

Finally, an Arab-Israeli peace settlement is crucial for Middle East stability. Saudi Arabia is committed to finding a solution to this conflict. It sympathizes with the Palestinians and supports their right of self determination. The initiative launched by the Crown Prince was not, as some have argued, a public relations ploy to repair Saudi-American relations. It was a response to Saudi and Arab desires to resolve this situation. It was endorsed by the Arab League as an opportunity to end the conflict and focus on economic development and cooperation. Saudi Arabia can influence the Arab world by expressing its readiness for peace once Israel agrees to withdraw from occupied Arab territories, thus clearing the way for a Palestinian state. It is time to develop Saudi-American cooperation to meet these realities and ensure stability in the Middle East.