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U.S. Basing in Bahrain

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Executive Summary

Title: U.S. Basing in Bahrain

Author: Lieutenant Commander Krishna Pulgar, United States Navy

Thesis: The United States can rely on the continued support of the Kingdom of Bahrain for the U.S. bases in Bahrain.

Discussion: For centuries, Bahrain's neighbors and Western powers have coveted the Bahraini archipelago for its affluence and strategic location. Despite its small size and proportionately small military, Bahrain has been able to retain its autonomy and thrive through skillful negotiation and pragmatic statesmanship. Today, Bahrain is one of the most Westernized countries in the Middle East; due in part to its alliance with the United States.

Saudi Arabia and Iran are regional powers with strong militaries; the military alliance with the U.S. helps to maintain a level footing and provides protection against Iranian claims to Bahrain. Economically, Bahrain relies heavily on the financial industry and tourism. Both enterprises require a stable environment without exorbitant investment in the military. At this time, the U.S. military is providing that stability while helping to grow the Bahrain Defense Force (BDF).

Factors that may result in the U.S. leaving Bahrain are anti-U.S. sentiment from the Bahraini people and increased radical activity that may make the presence of U.S. forces politically untenable for the government of Bahrain. Public opinion of the U.S. in the Middle East is very low for multiple reasons including the U.S. support of Israel and the traditional Islamic rejection of Western culture. Bahrain has a long history of Western military protection and is currently tolerant of the U.S. military presence, however, should this change, the GOB may ask the U.S. to leave. Bahrain, like the rest of the Middle East, has a high concentration of young unemployed men.¹ These uneducated and unemployed youth are vulnerable to recruitment by radical organizations such as Al Qaeda in the Arabian Peninsula (AQAP). Radical behavior aimed at the U.S. that results in civilian casualties could likewise cause the eviction of foreign forces from Bahraini soil.

Conclusion: The benefits of the U.S. military alliance with Bahrain include mutual defense against Iran, a counterweight in regards to Saudi Arabia and security to enable economic growth. These benefits outweigh the cost of appeasing domestic anti-Western factions.

Preface

I would like to thank Dr. Streusand for helping me to find a topic that was relevant to the Navy and that was beneficial to me as an intelligence officer. My knowledge of this important and complicated region has been greatly expanded. I also appreciated the clarity and completeness of David Winkler's *Amirs, Admirals & Desert Sailors* (2007) for background and history of Bahrain's relationship with the United States.

As the Fifth Fleet and NAVCENT headquarters, the United States Naval Base in Bahrain provides vital services for operations in the Middle East. The U.S. relies on these basing rights to be prepared for potential hostilities with Iran and to support Operation Enduring Freedom in Afghanistan and Operation Iraqi Freedom in Iraq. Bahrain occupies a strategic location in a volatile neighborhood; an on-site military ally provides security against Iran and stability that benefits Bahrain's economic ventures. Conversely, impetus to remove the U.S. base is likely to come from the Government of Bahrain (GOB) in response to negative public opinion for the United States by the Bahraini citizens.

Iran is the existential reason for the continuance of the Bahrain-U.S. alliance. With Iran's continued pursuit of nuclear and other advanced weapon technology, the military alliance with the United States is critical to the security of Bahrain. Historically, Western protection and presence have been well tolerated by the Bahraini people. The GOB will continue to pursue social and economic reform to maintain internal stability and avoid public outcry against the U.S. presence. The proactive efforts of the GOB to appease the population will allow Bahrain to maintain the U.S. base and alliance with the United States for the next 20 years.

Background: Bahrain is a small archipelago located between Saudi Arabia and Qatar (figure 1).² Consisting of 33 small islands, only six of which are inhabited,³ Bahrain has a total area approximately three times the size of Washington D.C. The population of Bahrain is over 700,000 of which 430,000 are citizens;⁴ the remainder consists of foreign workers, predominantly from India, Pakistan, Bangladesh, and the Philippines.⁵ 25 percent of the citizens are Sunni and 70 percent are Shiite. The Shiite are further divided into Baharna, who are of ethnic Arab decent, and the less numerous Persian Shiites. The Persian Shiites typically speak

Farsi and do not integrate with the Baharna.⁶ The Sunni Muslims make up the elite in Bahrain due to two centuries of Sunni rule.

Bahrain has a long history of trade and industry. During the 18th century, Bahrain had one of the only industries in the Persian Gulf, pearl fishing.⁷ Control of the Bahrain archipelago shifted between Iran, Oman, and local tribes from the Arabian mainland until, in 1783, Shaykh Ahmed bin Mohammed Al Khalifa and his allies pushed the Persians out and became the first Al Khalifa ruler of Bahrain. The Al Khalifa clan was a powerful sea trading Arab family from Kuwait, who moved to Qatar to consolidate power before taking control of Bahrain.⁸ The Al Khalifa family retains control of the government through careful diplomacy and strategic alliances.

In the early 19th century, rampant piracy stifled trade resulting in British intervention in order to protect Indian traders and the flow of raw materials from the Persian Gulf. As the dominant regional power, the British restricted slavery and mandated the preservation of the status quo; which allowed even the smallest nations to maintain their borders and national identity in exchange for protectorate status. British control of the maritime environment was particularly beneficial to Bahrain; with its central location and wealth from pearls, it was a trading center that was coveted by all the regional powers. The Al Khalifa family was able to avoid British domination through alliances with multiple lesser regional powers in the Gulf until 1869.⁹

In 1869, during yet another clash between the Qatari and Bahraini branches of the Al Khalifa family over control of Bahrain, the ruling Bahraini Shaykh was killed. British warships were sent to stabilize the situation and end the destruction in Manama. After destroying the invading Qatari force, the British installed Shaykh Isa bin Ali Al Khalifa, the previous ruler's

son, to power. Shaykh Isa was the popular choice among the people and a strong leader; he provided stability and ruled Bahrain for 54 years before naming his son as his successor. He signed agreements in 1880 and 1892 formalizing a relationship with Britain that would remain in place until Bahrain gained its independence in 1971. As a British protectorate, the ruling family maintained control of its internal affairs and Britain provided protection and guided foreign affairs.¹⁰

In 1931, the first oil discovered in the Gulf was found by an American financed expedition in Bahrain. The new income provided a timely replacement to the pearl fishing revenue that was beginning to decrease as Japan's new cultured pearl industry grew.¹¹ By World War II, Bahrain was absorbing modern influences; and using oil money to make improvements in health care, sanitary conditions, diet, and education. When the regional powers (Iraq, Iran and Saudi Arabia) began to profit from their oil ventures, they built modern armies. Meanwhile, Bahrain continued to rely on Britain for protection against the expansionist initiatives of its neighbors. At this time, Britain was beginning to scale down its presence and had limited its sphere of influence to Bahrain, Qatar, Oman, and the Trucial States.¹²

By 1947, the U.S. Navy depended on fuel from Saudi Arabia and Bahrain for operations in the Mediterranean and the Pacific. Also of concern was the increased Soviet influence in Iran. In response, the U.S. Navy began looking for ways to secure a foothold and their source of oil in the Persian Gulf. These efforts were temporarily stalled by the U.S. involvement in the Korean War in 1950; during which Bahrain and Saudi Arabia continued to supply the U.S. Navy with fuel and Britain maintained the status quo in the region.¹³

In 1968, Britain decided to withdraw from the Persian Gulf. To encourage this exodus, in 1969, the Shah renounced Iran's claim to Bahrain. Thus reassured, in 1971 the British withdrew

completely and Bahrain became independent. During this transition, Washington implemented the "Nixon Doctrine." In the Gulf; it became known as the "Twin Pillars" policy and required U.S.-allied countries to be responsible for defending themselves against communist threats. The U.S. would provide support and weapons, but avoid shouldering the combat burden. Saudi Arabia and Iran were to be the two pillars that would maintain the security in the region while U.S. force levels remained low.¹⁴

The situation remained stable until the 1973 Arab-Israeli War. The U.S. initially maintained neutrality, betting on the technological superiority of the Israeli forces to provide a quick end to the conflict. When the war continued and Soviet intervention seemed possible, the U.S. provided support to Israel, causing a backlash from the Arab states. Saudi Arabia led an oil embargo and Bahrain notified the U.S. that it was revoking the lease for the base. The GOB had no desire to end the relationship and gave the U.S. one year to comply; thereby allowing the base to stay open until the end of the war. Bahrain also continued to quietly supply U.S. Navy vessels with fuel during the embargo.¹⁵

Internal dissent was far more hazardous to the continued existence of the U.S. base in Bahrain. Several radical members were elected to the newly established National Assembly and they passed a resolution to close the U.S. base. Even though the National Assembly was dissolved in 1975, the desire for a decreased U.S. presence was apparent. The fate of the U.S. base remained tenuous until lease negotiations concluded in 1977; the final agreement limited the visibility and presence of the U.S. forces but still fulfilled U.S. requirements.¹⁶

The 1979 Iranian Revolution began a period of instability in the Gulf. Ayatollah Khomeini, armed with American weapons, called for the defeat of the U.S. and re-instated Iran's claim to Bahrain based on Iranian possession from 1602-1783. Iran continued to flex its muscle

with the seizing of the American embassy in Tehran; the failed U.S. Desert One rescue attempt further heightened uncertainty in the region. In 1980, the Iran-Iraq war began and the ensuing tanker wars threatened international freedom of movement through the Strait of Hormuz as Iran attempted to isolate Iraq.¹⁷

In response to this chaos, the Gulf Cooperation Council, (GCC) was formed in May 1981; as Bahrain, Kuwait, Oman, Qatar, the United Arab Emirates and Saudi Arabia joined together to contain Iranian inspired revolutionaries. Additionally in 1983, the U.S. created a new unified command, CENTCOM, to better coordinate efforts in the increasingly complex environment of the Gulf. Relations during this time improved between the United States and the GCC countries as Iran provided a common enemy and real threat to the region.¹⁸

The relative calm that came after the Iran-Iraq war came to an end when Iraq invaded Kuwait in 1990. The preparation for Operations Desert Shield and Desert Storm were significantly aided by access to port facilities in Bahrain and the working relationships already in place. The Navy was able to expediently move large numbers of troops and their equipment into the region. When combat began, Bahrain hosted, fueled and her Air Force fought alongside British and American aircraft. The political environment and public support for Kuwait allowed Bahrain's relationship with the U.S. to be brought out into the open. Previously, the U.S. had maintained a low profile to avoid additional public disapproval and discomfort for the GOB.¹⁹

The last significant change to the U.S. chain of command in the region occurred in 1995 with the establishment of Fifth Fleet. The creation of Fifth Fleet was necessary as the U.S. continued enforcing the no-fly zones in Iraq while concurrently monitoring the inflammatory rhetoric and aggressive activity in Iran. Additionally, it demonstrated the U.S. commitment to the region and provided geographic divisions between the U.S. joint commands.²⁰

Due to Bahrain's unwavering support, on March 25, 2002 President Bush designated Bahrain a "major non-NATO U.S. ally."²¹ Today, Bahrain serves as the logistics hub for the U.S. Navy in the CENTCOM Area of Responsibility (AOR) and as the headquarters for the U.S. Fifth Fleet and NAVCENT, the naval component of CENTCOM. The facilities in Bahrain distribute passengers and cargo, including all mail that comes from the states for both Operation Iraqi Freedom (OIF) and Operation Enduring Freedom (OEF). According to *Jane's Online*, U.S. forces in Bahrain coordinate naval support and interdiction operations:

"in 2009 the naval headquarters were coordinating the operations of more than 20 warships performing support missions for U.S. and allied naval operations related to the situation in Iraq and Afghanistan, including interdicting the movement of terrorists, arms or technology related to weapons of mass destruction (WMD) and narcotics."²²

While the U.S. has other military bases in the Persian Gulf, Bahrain is the primary provider of support to the U.S. Navy and Coalition maritime partners. Maritime forces perform counter terrorism, regional military training, power projection and humanitarian assistance. U.S. Air Force and U.S. Army Missile Defense units also periodically deploy to Sheikh Isa airbase. The U.S. considers Bahrain a critical partner in the security of the Persian Gulf.²³

The U.S. enjoys a close relationship with the Bahraini leadership. King Hamad bin Isa Al Khalifa ascended to the throne in March 1999 after the death of his father, Shaykh Isa bin Salman Al Khalifa. His on the job training came from establishing and heading the Bahraini Defense Force and serving as the military commander in chief for thirty years. His formal military education was obtained at the Mons Officer Cadet School in Britain and the Army Command and General Staff College, Fort Leavenworth Kansas.²⁴

Today, Bahrain's economy no longer depends on oil. Bahrain has the smallest oil reserve of any of the GCC states which it is likely to exhaust by 2020.²⁵ The oil industry was nationalized in the 1970's; the state controls oil exploration, drilling and production. Bahrain

exports refined petroleum products only, all of which are produced by the Sitra refinery. The Sitra refinery also processes crude from Saudi Arabia which it receives via pipeline. Bahrain's increasing demand for electricity has resulted in increased use of natural gas and continued exploration. Bahrain currently imports gas from Qatar and exploring a similar arrangement with Iran.²⁶

Due to its small energy reserves and history of mercantile activity, Bahrain has a more diversified economy than its GCC neighbors. Aluminum and petrochemical plants as well as tourism and a liberal investment environment pave the path for economic survival after oil. The success of the financial industry is due in part to the petroleum money that keeps taxes low and enables government services for the population. Though diminishing, oil is still a major contributor to the economy; approximately 60% of export revenue and 30% of GDP are from oil products and processing.²⁷

Unemployment remains a concern. The oil industry does not generate a large number of jobs and the financial sector requires highly skilled employees. Unemployment is felt most by the Shiite majority as most high paying government jobs go to families with connection to the ruling Sunni family.²⁸

King Hamad has been very proactive in his attempts to narrow the Sunni-Shiite divide and to initiate reforms that will keep Bahrain on good footing with the international community. Drawing on his broad background, King Hamad introduced sweeping initiatives in foreign and domestic policy as soon as he succeeded to the throne. Initiatives included engagement with countries outside Bahrain's traditional friends in the Arab world to send the message that he was open to all cultures and religions. He also declared Bahrain a Kingdom, gave women the right to vote and established an elected Council of Representatives (COR) to balance the appointed

Shura Council resulting in a bicameral National Assembly. Although it hasn't happened yet, with a two-thirds majority vote, the COR can vote no-confidence against the Ministers and Prime Minister and override the King's veto of approved legislation. This system has the potential to provide a check on the power of the King but it is unlikely since most positions of the appointed council are held by members of the Al Khalifa family.²⁹

The Crown Prince, King Hamad's son, Salman bin Hamad Al Khalifa is also U.S. and U.K. educated. He is currently the head of the "Economic Development Board" and supports reform to accommodate the Shiite population. The views of the King and Crown Prince are not shared by many hardliners of the Royal Court, including the late King's brother, Prime Minister Khalifa bin Salman Al Khalifa.³⁰

Volatile Neighborhood: Compared to its larger neighbors Saudi Arabia and Iran, Bahrain is relatively defenseless and relies on its alliances with the other GCC countries and the United States. Bahrain is a small, wealthy country that enjoys many modern advantages. It is accustomed to fending off larger powers by using alliances to compensate for its lack of military strength. Today, Bahrain continues its balancing act with the U.S., Saudi Arabia, and Iran.

Bahrain is economically dependent on Saudi Arabia; the King Fahd causeway, which connects Saudi Arabia to Bahrain, brings over 2.3 million cars to Bahrain each year resulting in a significant amount of tourist income. Saudi Arabia also granted Bahrain the sole rights to the Abu Safa offshore oil field. Thus Bahrain often accommodates Saudi Arabia's agenda and supports their stance on regional matters.³¹

Saudi Arabia is very wary of what Jordan's King Abdullah referred to as the "Shiite Crescent;" the arc of Shiite dominated governments consisting of Iran, Iraq and Lebanon.³² Therefore, Bahrain's ruling Sunnis are quick to silence Shiite protests or complaints that can be

construed as sectarian discord. The Bahraini government also supports Saudi Arabia's war on the Shiite (Houthi) rebels in Yemen.³³ This conflict irritates the relationship between the Sunnis and Shiites in Bahrain. Even though the Houthi rebels follow a form of Shiite Islam that is not practiced in Bahrain, Bahraini Shiites are averse to siding with Saudi Arabia in a war against a long oppressed Shiite minority. When Saudi Arabia launched an attack against the Houthi's, Bahrain's parliament proposed a motion to express solidarity but the 17 Shiite Representatives refused to sign the motion.³⁴ This conflict also pulls Iran onto the political stage in Bahrain as many view this conflict as a proxy war between Saudi Arabia and Iran, who is supporting the Houthi rebels.

Iranian politicians frequently rouse nationalism by advocating for the return of Bahrain to Iranian control. This resonates well with Iranians who are unhappy with a Shiite majority under any obligation to the United States. The rhetoric of Iranian politicians may only be for internal consumption since there hasn't actually been an attempt to claim Bahrain. Regardless, Iran is considered the biggest threat in the Middle East, and threatening claims on Bahrain increase popular acceptance of the U.S. military presence and assistance.

In response to Iran's inflammatory rhetoric, the U.S. has been working with its Persian Gulf allies to upgrade their defenses; including aircraft and missile defense systems. According to the Washington Post, there has been \$25 billion in U.S. arms purchases in the last two years.³⁵ The quote below from the same article expresses the willingness of our allies to work with the U.S. government to ensure protection from Iran.

"It's a tough neighborhood, and we have to make sure we are protected," said a senior government official in a U.S.-allied Arab state. The official, who also spoke on the condition that his name and country not be revealed, called Iran the "number one threat in the region."³⁶

Bahrain's current relationships with Saudi Arabia and Iran are stable and are the result of economic calculations. However, even though economic ties exist, Iran would support a Shiite revolt and incite civil unrest.³⁷ An unstable environment in Bahrain could migrate to Saudi Arabia and at the very least would end the tourism and financial enterprise enjoyed by both countries. Should a regime change in Iran occur, it may calm fears and improve relations between Iran and Bahrain. Regardless, Bahrain will continue to utilize the U.S. presence to interact with Iran and Saudi Arabia from a militarily secure position.

Unlike Iran, Bahrain doesn't feel affronted or threatened by the presence of Western militaries. Historically, the stability provided by the British and U.S. have enabled Bahrain to profit and gain non-petroleum wealth as a center of trade. In turn, Bahrain's affluence and long exposure to the rest of the world brought many of the benefits of the Western world to Bahrain. Bahrain has one of the highest life expectancies in the Gulf and one of the lowest rate of maternal and child mortality.³⁸ Bahrain is also one of the only Gulf States that allows political organizations to exist,³⁹ and is the only Gulf state where the unemployment rate for young women (18 percent) is less than that for young men (28 percent).⁴⁰ Because of these benefits, Bahrain is unlikely to exchange its U.S. alliance with a country with less freedom and fewer modern advances.

Economic Benefits: Cognizant of its limited oil reserves, Bahrain has worked to diversify its source of income. To this end, Bahrain has a thriving tourism trade and financial services sector.⁴¹ Both industries are reliant on security and the public services provided by oil money. As Bahrain adapts to the eventual loss of oil revenue it may rely more heavily on its military alliance with the U.S. to limit the funds needed for national security.

Bahrain is a popular tourist destination for Saudi Arabia and other nations in the Gulf who want to enjoy a more liberal social scene. Alcohol availability and a flourishing sex trade have caused both Sunni and Shiite Bahraini's to urge the government to place limitations on these activities. In April 2009, the first female Minister of Culture, Shaykha Mai bint Mohammed Al Khalifa, closed all bars and nightclubs in one and two star hotels.⁴² The government will strive to curtail the worst and most visible effects of tourism without impacting the sectors of the tourist industry that are most lucrative and attract clients to the financial industry. With the inevitable loss of oil revenue, a significant reduction or the demise of the tourist trade is unlikely.

The financial sector is the largest contributor to Bahrain's GDP⁴³ and remains the best chance for Bahrain to remain solvent as oil reserves are depleted. With 19 retail banks, 69 wholesale banks, and two specialized banks, Bahrain has the largest banking sector in the region.⁴⁴ Additionally, its Islamic banking segment that provides sharia-compliant services is the largest in the world.⁴⁵

The success of Bahrain's financial sector is contributed to three transient factors. First is Bahrain's legacy as the historic British administrative center and the resulting business educated workforce.⁴⁶ Secondly, oil revenue is currently used to fund public services allowing for a low-tax environment that attracts foreign investors.⁴⁷ The third reason is the liberal environment that allows Arab businessmen to enjoy an atmosphere not permitted at home, making Bahrain an attractive place to conduct business.

The factors that have led to financial success will eventually become less effective or non-existent. Banking and finance is rapidly developing in Saudi Arabia and other Gulf countries. Oil reserves will run out in the next decade and the government will be less able to

provide subsidies for water and electricity; taxes will be increased and public services reduced. Lastly, the liberal un-Islamic environment could potentially cause both Sunni and Shiite Bahraini's to urge the government to place even more limitations on business tourist activities.

While the factors that have helped Bahrain become a financial giant may be transitory, there are other reasons that suggest the Bahrain financial sector will continue to flourish. Sound regulation practices and savvy control of the real estate market have yielded moderate steady growth.⁴⁸ Bahrain's markets exhibit stability and confidence not found in the financial sectors of its neighbors. Despite a pessimistic forecast, Bahrain weathered the worst of the global financial crisis and Bahrain's Economic Development Board anticipates 4% growth in 2010.⁴⁹ Continued success is reliant on stability which is due in part to the U.S. military presence.

Military Assistance: The U.S. is assisting the BDF's efforts to modernize by providing equipment and training. Bahrain has the smallest military in the Middle East.⁵⁰ Technologically advanced weapons systems and a well trained cadre to employ them must be used to compensate for the lack of personnel. The Bahraini military is also looking to Russia to purchase weapons systems, but will continue to rely on U.S. assistance. The BDF is eligible to receive Excess Defense Articles (EDA) from the U.S. to include a Perry Class Frigate and 60 M60A3 tanks. Foreign Military Financing (FMF) is also provided for the maintenance of platforms acquired from the U.S., improving inter-operability with the U.S., and expansion of counter terrorism capabilities.⁵¹

Bahrain purchased other U.S. platforms to include the F-16C fighter jet, UH-60M BLACK HAWK helicopters, and weaponry including the Advanced Medium-Range Air-to-Air Missile (AMRAAM), STINGER shoulder fired anti-aircraft missile, Army Tactical Missile Systems (ATACMS) and the JAVELIN anti-armor missile.⁵² These platforms will greatly

enhance the capabilities of the BDF. The UH-60M helicopter alone will provide “additional payload and range, improved handling qualities, lower operating costs, and greater survivability” to the rotary wing arsenal.⁵³

Public Opinion: Unfortunately, selling the populace on the benefits of hosting the U.S. can be a daunting task. Most Arab countries have a very low opinion of the United States, distrusting American intentions and influence. This is clearly illustrated in a recent poll taken by a non-resident fellow at the Brookings Institute that found 70% of Arab countries thought the U.S. was the most threatening nation after Israel.⁵⁴ This is consistent with the belief that America is trying to weaken Islam and achieve economic domination by controlling the oil.⁵⁵

Even more germane to the U.S. Navy’s base in Bahrain is the survey taken by World Public Opinion, an online organization, in February 2009 that reported only 13% of Muslim countries surveyed are in favor of the U.S. presence.

“Asked specifically about the US naval forces based in the Persian Gulf, there is widespread opposition across the Muslim world, though it is strongest in the Middle East. Eight Muslim publics were asked “Overall, do you think having US naval forces based in the Persian Gulf is a good idea or a bad idea?” On average, 66 percent said it was a bad idea; only 13 percent called it a good idea. Opposition was largest in Egypt (91%) and among the Palestinians (90%), followed by Turkey (77%), Jordan (76%), Azerbaijan (66%), and Indonesia (56%).”⁵⁶

The desire to remove the American presence from Muslim soil results in mixed opinions regarding terrorist groups such as Al Qaeda. In the same survey mentioned above, over 70% disapproved of violent attacks on U.S. personnel. Unfortunately, the reason they disapproved was because they thought the attacks were ineffectual; the majority supported the efforts to get the Americans to leave.⁵⁷

There are many contributing factors to the aversion in the Middle East to American presence. The most prominent points of contention represent direct threats to the well being of the Muslim community. The first is American support for Israel, a small country surrounded by

Arab Muslims states that has been able to outperform many of its neighbors both militarily and economically. The second is the encroachment of Western culture and the deteriorating effect it could have on Muslim society.

The existence of Israel has instilled anger and fear in the Middle East since its inception. This is because the continued survival of Israel underscores the military, technological and economic ability of the West to overrule the desires of the native Arab population. Not limited to a defensive posture, Israel has attacked other Middle Eastern countries to halt their nuclear ambitions; such the destruction of the Iraqi Osirak facility is 1981.⁵⁸ Palestinians and neighboring Arab countries have also been on the receiving end of Israel's military might which has incidentally, been supplied primarily by the United States.

The apparent U.S. support for the oppression of Palestinian Arabs will continue to cause friction in the Middle East for the United States. The Arab-Israeli conflict is responsible for the only attempted eviction of the United States from Bahrain since 1948 and occurred during the 1973 Israeli War. Arab protests, led by Saudi Arabia, against U.S. support for Israel resulted in an oil embargo and the temporary termination of the lease for the U.S. base on Bahrain.

Another factor contributing to negative public opinion toward an American presence is the effect Western attitudes may have on the moral wellbeing of the Muslim community. The perceived immoral Western standards for dress, male-female interaction, and alcohol are tolerated for the sake of the tourist business. However, both Sunnis and Shiites disapprove of the highly visible nightclubs, alcohol abuse and sex trade. Despite the typically good behavior of our military personnel, this non-Muslim behavior is inevitably associated with the West and ultimately the United States; affecting public opinion and tolerance toward the U.S. Base.

Without effective restraint, these practices are likely to inflame radical behavior by religious extremists against the United States.⁵⁹

The GOB has taken steps to moderate some of the sources of conflict. Bahrain has participated in multilateral Arab-Israeli talks and dropped the boycott of Israel in conjunction with the U.S.-Bahrain free trade agreement. Bahrain's ambassador to the United States recently discussed her country's desire to improve relations with Israel during the Annual Arab-U.S. Policymakers Conference in Washington on October 16, 2009.

Bahrain and the U.S. also enjoy a long history of engagement. Even during the 1973 Arab-Israeli War, Bahrain continued to find ways to maintain the relationship with the United States. While projecting an anti-American position, the Bahraini leadership allowed the U.S. to delay closing the base minimizing the impact to American operations in Bahrain. Bahrain also quietly continued to provide oil to the U.S. during the embargo that was in place during the war. Based on this example, Bahrain will accommodate outcry from the Arab community when necessary without forfeiting the military protection from the United States.

Increased Radicalization: Multiple radical groups have emerged to take advantage of the dissatisfaction of the large number of uneducated young men in the Gulf. According to Anthony H. Cordesman and Khalid R. Al-Rodhan, "Islamic extremism now affects virtually every aspect of Gulf security. It is both a national and transnational threat, and one that threatens every moderate and secular regime to some degree."⁶⁰ While currently stable, increased terrorist activity is possible in all the GCC countries. It is very possible that terrorist activity could be either directed at or blamed on the U.S. military presence. Civilian casualties will erode public tolerance and could result in the expulsion of foreign military forces from Bahrain.

The population of Bahrain, like that of the rest of the GCC countries, is rapidly escalating; resulting in an increasingly young population. By 2020 the vast majority of the population in the GCC countries will be under 25 years old.⁶¹ As the global recession further limits Bahrain's ability to employ its youth; Al Qaeda in the Arabian Peninsula (AQAP) will find fertile ground for recruitment in Bahrain.

Bahrain's abundant youth are facing a decrease in employment opportunities and wages while simultaneously the cost of living is increasing. Because manufacturing has not increased its contribution to the GDP since 1970,⁶² jobs are expected to continue decreasing along with those in the oil industry during the next decade. This will leave a large population of unemployed foreign workers and citizens. The employment opportunities are different for Sunnis, Shiites and foreign workers, but only promising for the elite Sunnis connected to the ruling family.

The Shiites are still coping with the impact the Iranian Revolution had on the relationship between the ruling Sunnis and the Shiite majority. Rallies in Bahrain that supported the Iranian Revolution and an uncovered Iranian plot to assassinate the ruling family in Bahrain brought the loyalty of the Shiites to Bahrain's central government into question.⁶³ Since then, Shiites have been excluded from the higher levels of the Bahrain Defense Force (BDF), the Ministry of Interior and leadership positions across the government.

Even today, Shiites only hold 18 percent of the total high ranking jobs in Bahrain⁶⁴ and because the government is the largest employer in Bahrain, there is a disproportionate number of jobless Shiites. Instead of addressing the basic inequalities against the Shiites, the Bahraini government increases Shiite repression further fueling discontent. The protests and civil unrest are not based on sectarian issues; rather they are a direct result of discrimination.⁶⁵

The distrust of the government for the Shiites is misplaced. In the 1970 UN survey for post-British control, the Shiite majority voted for independence, not annexation by Iran. Additionally, the majority of Shiites look to Iraq's Grand Ayatollah Ali al-Sistani for spiritual guidance instead of Iran.⁶⁶ Bahraini Shiites value their national identity and have no desire to be part of Iran.

The continued discrimination combined with the increasingly influential role of the Shiite led governments of Iraq and Iran are creating a more demanding Shiite population. The disenfranchised Shiite population is likely to seek alternatives to addressing their complaints beyond voting and legitimate protests. Radicalized Shiites will find Iran supportive of their efforts to challenge the Sunni leadership; pro-Iranian radicals would be particularly opposed to a U.S. presence.

To avoid Shiite backlash, the government will be forced to pacify more Shiites and some Sunnis could find themselves unable to find jobs. As opportunities and government programs are reduced, disenfranchised Sunnis, accustomed to privileged positions and benefits, may find residence with a sympathetic AQAP.

Another destabilizing factor is the influx of hard line Sunnis who were naturalized in the last decade and the corresponding dramatic increase in the citizen population.⁶⁷ Both Sunni and Shiite Bahrainis resent these new citizens that have been nationalized to balance the sectarian divide and serve in Bahrain's security forces. Politicians opposed to the naturalizations estimate up to 10,000 people a year are becoming Bahraini citizens;⁶⁸ a significant number in a small country. Shiites disapprove of the attempts to minimize their majority vote in the Council of Representatives and Sunnis fear the radical religious belief of the new immigrants and their tendency to unify instead of assimilate into the Bahraini society. The introduction of these

immigrants fuels dissatisfaction among the original Bahraini citizens and has the ability to destabilize even the oldest neighborhoods.

The demand for foreign workers will decrease with the employment opportunities resulting in unfair labor practices. Many foreign workers will be stranded in Bahrain and will either not have a place to go or the funds to get there. Unemployed and potentially mistreated, foreign workers will become part of an unregulated and discontented underclass ready for recruitment by AQAP or other insurgent groups.⁶⁹

To the Shiite resistance, the U.S. military base could become an attractive target as the U.S. will be seen as a supporter of corrupt minority leadership. AQAP may also view the base as a natural target, perhaps an even more accessible target with greater propaganda value than those found in Afghanistan. A terrorist attack on U.S. interests and facilities is likely to cause collateral damage to the citizens of Bahrain. If the U.S. presence instigates violence instead of providing stability, the Bahraini's could insist the U.S. close the base.

With the King's guidance, the government has instituted labor reforms that are beginning to work according to recent statistics. According the Gulf Daily News in Manama, the number of foreign workers employed is declining while the number of Bahrainis employed is increasing. Additionally, the wage difference between citizens and non-citizens is decreasing.⁷⁰ The government is attempting to employ all its citizens and enforce fair labor practices to avoid a disenfranchised lower class. Internal stability is directly related to the success of the government to provide for all Bahraini citizens. Their continued success will be critical to limiting the expansion of radical groups in Bahrain.

Way Ahead: Economic stability is the key to keeping public opinion favorable, the population employed and radicalization to a minimum. For this reason, the U.S. should assist

with economic development to ensure the government has the currency to maintain its social contract with the Bahraini citizens. Continued efforts to reduce the effects of lost oil revenue should include making economic performance more dependent on private sector consumption and foreign investment.⁷¹ Increased vocational training will also improve the productivity of the native workforce and increase employment opportunities.

To help maintain the internal stability of Bahrain, and reduce Sunni-Shiite discrimination an elected parliament should be restored in Bahrain. Too much power is in the hands of the ruling family and their chosen circle of friends. A fairly elected parliament would be a visible and effective method of pulling the disenfranchised Shiites back into the government.

Conclusion: The domestic tolerance for the United States in Bahrain is dependent on the desires of the Bahraini people. Bahrain currently enjoys internal stability despite an imbalance of power between the Sunni and Shiite populations. This stability is due mainly to the proactive efforts of the leadership to relinquish minimal power to the minorities to pacify them. Continued stability will depend on the government's efforts to prevent a discontented underclass of foreign and native underprivileged persons. This could become increasingly difficult as effects of the global recession and limited oil reserves limit the funding available.

The incentives to maintain the relationship are significant. The U.S. provides security and balance against Iran and Saudi Arabia. Bahrain continues its tradition of balancing its allies against each other to obtain security while maintaining its independence. This is a skill honed from Bahrain's inception as a small relatively defenseless nation in a crucial part of the world. Tourism and the flourishing financial sector are the means to replace the dwindling oil income and stability is critical for further development.

Because Bahrain is a small country, it will always need a strong military ally. Bahrain is a modern country with a long history of Western presence and a liberal outlook not enjoyed in by other Muslim countries in the Middle East. The relationship with the U.S. provides the necessary security without impacting the average Bahraini citizen. For these reasons, the United States can depend on Bahrain to host an American Base in Bahrain for the next 20 years.

¹ *A population boom is transforming the Gulf*, Economist Intelligence Unit, The GCC in 2020: The Gulf and it's People

² CIA Factbook Online <https://www.cia.gov/library/publications/the-world-factbook/geos/ba.html> (accessed January 9, 2010)

³ Colbert C. Held, *Middle East Patterns*, (Boulder, CO: Westview Press, 2006), 445.

⁴ CIA Factbook Online <https://www.cia.gov/library/publications/the-world-factbook/geos/ba.html> (accessed January 9, 2010)

⁵ STRATFOR Global Intelligence, *Gulf States: Labor Policies, Financial Crisis and Security Concerns*, February 24, 2009, http://www.stratfor.com/analysis/20090224_gulf_states_labor_policies_financial_crisis (accessed December 22, 2009)

⁶ Kenneth Katzman, *Bahrain: Reform, Security, and U.S. Policy*, CFS Report for Congress 95-1013 (Washington, DC: Congressional Research Service, June 1, 2009), 1.

⁷ Alvin J. Cottrell, *The Persian Gulf States* (Baltimore, MD: The John Hopkins University Press, 1980), 43.

⁸ Alvin J. Cottrell, *The Persian Gulf States* (Baltimore, MD: The John Hopkins University Press, 1980), 46.

⁹ David F. Winkler, *Amirs, Admirals, & Desert Sailors* (Annapolis, MD: Naval Institute Press, 2007), 13.

¹⁰ David F. Winkler, *Amirs, Admirals, & Desert Sailors* (Annapolis, MD: Naval Institute Press, 2007), 14.

¹¹ Alvin J. Cottrell, *The Persian Gulf States* (Baltimore, MD: The John Hopkins University Press, 1980), 61.

¹² Alvin J. Cottrell, *The Persian Gulf States* (Baltimore, MD: The John Hopkins University Press, 1980), 97.

¹³ David F. Winkler, *Amirs, Admirals, & Desert Sailors* (Annapolis, MD: Naval Institute Press, 2007), 21.

¹⁴ David F. Winkler, *Amirs, Admirals, & Desert Sailors* (Annapolis, MD: Naval Institute Press, 2007), 50.

¹⁵ David F. Winkler, *Amirs, Admirals, & Desert Sailors* (Annapolis, MD: Naval Institute Press, 2007), 62.

¹⁶ David F. Winkler, *Amirs, Admirals, & Desert Sailors* (Annapolis, MD: Naval Institute Press, 2007), 81.

¹⁷ David F. Winkler, *Amirs, Admirals, & Desert Sailors* (Annapolis, MD: Naval Institute Press, 2007), 93.

¹⁸ David F. Winkler, *Amirs, Admirals, & Desert Sailors* (Annapolis, MD: Naval Institute Press, 2007), 86.

¹⁹ David F. Winkler, *Amirs, Admirals, & Desert Sailors* (Annapolis, MD: Naval Institute Press, 2007), 112.

²⁰ David F. Winkler, *Amirs, Admirals, & Desert Sailors* (Annapolis, MD: Naval Institute Press, 2007), 136.

²¹ W. Andrew Terrill, *Regional Fears of Western Primacy and the Future of U.S. Middle Eastern Basing Policy*, Strategic Studies Institute United States Army War College (Ft Leavenworth, KS: December 2006), 72, <http://www.strategicstudiesinstitute.army.mil/pubs/display.cfm?pubID=742> (accessed January 12, 2010)

²² Jane's Online, Natural Resources Bahrain. <http://www4.janes.com/K2/doc.is?t=B&K2DocKey=/content1> (accessed December 22, 2009)

²³ Jane's Online, Natural Resources Bahrain. <http://www4.janes.com/K2/doc.is?t=B&K2DocKey=/content1> (accessed December 22, 2009)

²⁴ David F. Winkler, *Amirs, Admirals, & Desert Sailors* (Annapolis, MD: Naval Institute Press, 2007), 155.

²⁵ Jane's Online, Natural Resources Bahrain. <http://www4.janes.com/K2/doc.is?t=B&K2DocKey=/content1> (accessed December 22, 2009)

²⁶ Jane's Online, Natural Resources Bahrain. <http://www4.janes.com/K2/doc.is?t=B&K2DocKey=/content1> (accessed December 22, 2009)

²⁷ Jane's Online, Natural Resources Bahrain. <http://www4.janes.com/K2/doc.is?t=B&K2DocKey=/content1> (accessed December 22, 2009)