



PERSPECTIVES

THE BEGIN-SADAT CENTER FOR STRATEGIC STUDIES

A New “Arab Spring” in the Persian Gulf?

by Dr. Edy Cohen

BESA Center Perspectives Paper No. 527, July 13, 2017

EXECUTIVE SUMMARY: The winds of war blowing between Saudi Arabia and Qatar, as well as Iranian subversion, are destabilizing the Persian Gulf principalities. To make matters worse, the economic situation, which has worsened in recent years because of ill-advised decisions, is stoking fears of popular uprisings and widespread disturbances. These internal crises could lead to a new “Arab Spring” in which some of the Gulf monarchies might fall. The main winner would be Tehran, for which the current crisis, along with the boycott imposed on Qatar, has opened a path to a takeover of Bahrain – and Iran has already, in effect, taken over Baghdad, Damascus, Beirut, and Sana’a.

The Saudi economy has seen an unprecedented deterioration in recent years. The continued decline of oil prices in world markets, the massive assistance to Egypt since the July 2013 takeover by Abdel Fattah Sisi, the cost of funding the coalition fighting the Houthis and their Iranian patrons in Yemen, and of course the considerable aid extended to the Syrian rebels have wreaked havoc on Riyadh’s public treasury and the ruling monarchy’s personal wealth.

As a result, Riyadh has had to slash 900 riyals (about \$300) from military and civil servant salaries as part of a major cutback in the public sector, including the abolition of salary increments and bonuses. Recently, the authorities have also had to hike taxes on cigarettes and energy drinks to the tune of 100% of the cost of the product, after having imposed new taxes in June. One sign of the crisis reflecting its severity is a new toll that will go into effect in April 2018 on roads in the Riyadh area and on crossings into neighboring Arab states.

Aside from affecting its own residents, Saudi Arabia’s economic situation also stands to affect other Gulf countries and particularly Bahrain, which is suffering its

own deep crisis as Tehran arms and funds Shiite organizations aimed at destabilizing it.

The Iranians have been exploiting Riyadh's and Bahrain's difficulties to the hilt. Not long ago, the Saudis thwarted an attack near the holy sites of Mecca. The Iranian subversion could escalate to the point of seeking to destabilize the kingdom (as it is doing in Bahrain) by activating armed militias within its territory.

Shiite Iran is also helping Qatar, which, according to the (Saudi) plan, should by now have been begging for the lifting of the boycott. Tehran is thereby driving a wedge between the Arab Gulf principalities and bolstering its own status as the region's hegemonic power. It has been sending Qatar tons of food and raw materials daily by sea, and these goods have flooded the emirate's markets and shopping centers.

There is, however, no free lunch. Tehran is now regarded as having rescued Qatar, and the principality will have to reward it for this. Iranian aid has already weakened the Sunni political-military coalition that was supposed to contend with Tehran's expansionary ambitions. For example, Qatar has pulled out of the anti-Houthi coalition in Yemen.

The state of affairs in the Persian Gulf is extremely delicate. The fall of one principality would probably lead to the fall of others. The Gulf is undergoing one of the most difficult economic crises in its history, one that could destabilize some of the monarchies. Angry demonstrations and riots against rising prices, new taxes, and mounting unemployment, similar to those that occurred in Tunisia, Egypt, Libya, Yemen, and Syria in 2010 and 2011 – the ultimate nightmare of any Arab leader – are entirely plausible.

Moreover, the Qatar crisis is not over. The principality has strongly rebuffed the twelve Saudi conditions for lifting the blockade and normalizing relations with the foursome (Saudi Arabia, Egypt, the United Arab Emirates, and Bahrain). Those conditions include downgrading Qatar's diplomatic ties with Tehran; ensuring that forces of the Iranian Revolutionary Guard Corps leave the emirate; shutting Turkish military bases in Qatar; severing Doha's ties with the Muslim Brotherhood, Hezbollah, al-Qaeda, and ISIS while ceasing to fund them; handing over terrorists residing in Qatar to the foursome; closing the Al Jazeera network; and paying compensation.

The failure of the attempt to isolate Qatar and subjugate it to the foursome's demands has stirred fears of a Saudi military intervention there. Iran, however, has scored many points with the Arabs thanks to its support for the emirate. This is part of a long-term strategic game in which Iran first seeks to win Arab states' sympathy and then arms and activates subversive groups in the Gulf.

Tehran is striving to curtail American and Saudi influence in the Gulf, take over the Islamic world in general, and seize the Gulf's natural resources and holy places via its erstwhile proxies, the Yemeni Houthis positioned along the Saudi border.

If Tehran's plan succeeds, the Persian Gulf will be effectively divided between it and Russia, a highly undesirable development for Israel. The Gulf crisis is wholly unrelated to Israel, but Jerusalem must closely monitor what is happening there.

The current situation is ostensibly good for the US. Tensions create the perfect setting for exporting weapons and military equipment, as President Trump promised he would do during his Riyadh visit. Yet instead of seeking profits, however substantial, Washington would be better off working to enhance stability in the region, lest it plunge into a new "Arab Spring."

Dr. Edy Cohen is author of the book The Holocaust in the Eyes of Mahmoud Abbas (Hebrew).

BESA Center Perspectives Papers are published through the generosity of the Greg Rosshandler Family