



PERSPECTIVES

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The Khashoggi Crisis Reshapes US Relations on Many Fronts

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EXECUTIVE SUMMARY: The killing of Saudi journalist Jamal Khashoggi [has sparked multiple battles](#) that are likely in coming months to shape relationships ranging from that between the US and Saudi Arabia to those among Donald Trump, his Republican party, the US Congress, and the US intelligence community. The fallout of the killing could also shape Trump's ability to pursue his policy goals in the Middle East, including forcing Iran to its knees and imposing a settlement of the Israeli-Palestinian conflict.

Rather than putting an end to differences over how to respond to the killing of Jamal Khashoggi, President Donald [Trump's decision to stand by Saudi Arabia and its crown prince](#), Muhammad bin Salman, irrespective of who may have been responsible for the murder, marks the opening of [what prominent journalist Rami Khouri dubbed "a new era in the Khashoggi case."](#)

The battles are likely to be fought on multiple fronts. One venue will be the Group of 20 (G-20) summit at the end of this month in Argentina, at which Prince Muhammad, whom the [Central Intelligence Agency and many in the US Congress believe is responsible for Khashoggi's killing](#), will be in attendance.

[How Prince Muhammad is received at the summit](#) is certain to indicate to what degree his international standing has been tarnished and may constitute a reality check for him of the damage Saudi Arabia has suffered as a result of the killing. It will also serve as an indication of how much of a battle Trump may have to fight as he seeks to ensure that Prince Muhammad remains insulated from the consequences of Khashoggi's death.

To be sure, Prince Muhammad had decided to attend the G-20 summit prior to Trump's decision to take no further action against Saudi Arabia. Nonetheless, by attending, the crown prince – emboldened by Trump's support – “is [daring his international critics to put their rhetoric into action](#) and betting that they won't,” said Gulf scholar Kristian Ulrichsen.

The stakes for both Trump and Prince Muhammad are high.

In leaking its conclusion that Prince Muhammad was responsible for the killing, the CIA was sending two messages: 1) [that it is willing to take on Trump](#) against the backdrop of [a long-strained relationship between the president and the intelligence community](#); and 2) that the agency does not believe Prince Muhammad's survival as king-in-waiting is crucial to either US national security or the stability of the kingdom.

Both messages feed into what potentially constitutes the first major policy confrontation between Trump, the Republican Party, and Congress. Anti-Saudi sentiment was mounting in Congress even before Khashoggi's killing because of Saudi conduct during its war in Yemen, which has created the worst humanitarian crisis since WWII. The killing appears to be [propelling Congress into action](#).

The CIA's implicit challenge to Trump's assessment of the value of Prince Muhammad was followed by a report by the Washington-based Center for International Policy that concluded that [US arms sales to the kingdom accounted for fewer than 20,000 US jobs a year](#) – a far cry from [the hundreds of thousands of jobs asserted by the president](#).

Prince Muhammad's reception at the G-20 summit, coupled with the outcome of the potential battle among Trump, the CIA, and Congress, could also shape developments in Saudi Arabia.

Up to now, the kingdom has dug in its heels. [King Salman is relying on concepts of prestige and honor as well as patronage to signal full support for his son](#), while Prince Muhammad appears to be trying to show that Saudi Arabia is not wholly dependent on the US.

Bolstering the Center for International Policy report, Reuters reported seeing a letter pre-dating the Khashoggi killing in which [Prince Muhammad instructs the defense ministry to “focus on purchasing weapons systems and equipment in the most pressing fields” and to start training on them, including the Russian S-400 surface-to-air missile system](#).

The letter takes on added significance with [Germany this week imposing an arms embargo](#) on Saudi Arabia and the US Congress potentially adopting similar measures.

The letter goes to the heart of the debate in Washington, which extends beyond questions of values to address the question of the importance of the US-Saudi relationship itself. Members of Congress and the intelligence and foreign policy community question the relationship's significance despite Trump's insistence on the value of Saudi arms purchases, as well as the kingdom's importance in managing oil prices and supporting US policy in the Middle East.

"The real facts are: 1) [the Saudis need US weapons and equipment more than we need to sell them](#), in part because they demonstrate the US security commitment to the kingdom; and 2) it would be very difficult and expensive for the Saudis to make good on their periodic threats to 'buy foreign' if they can't get what they want from the United States," said former US Middle East negotiator Aaron David Miller in an article for CNN co-authored by Richard Sokolsky.

Miller and Sokolsky went on to question Saudi Arabia's importance in countering Iran and forging an Israeli-Palestinian peace settlement. "Saudi Arabia has proven to be too weak and incompetent to be a bulwark against Iran; on the contrary, it has been an enabler of Tehran's influence," they said.

They cautioned that "direct and under-the-table (Saudi) contacts (with Israel) are a far cry from open meetings or support for a US peace plan that on issues like Jerusalem and borders violates the Arab consensus and could hand Iran and Sunni Muslims a propaganda windfall."

Despite mounting criticism of the kingdom, most analysts argue that Prince Muhammad is likely to weather the Khashoggi crisis.

Saudi Arabia is, nevertheless, already feeling the fallout of the crisis, not only internationally but also in terms of the prospects for Prince Muhammad's plans to reform and diversify the kingdom's economy.

The crisis was one reason why Aramco, the kingdom's giant national oil company, [shelved plans to embark on a massive corporate-bond sale](#) to fund a US\$70 billion stake in national petrochemical firm SABIC. The sale was considered after Saudi Arabia earlier suspended plans to take Aramco public in a move that Prince Muhammad had hoped would raise US\$100 billion.

Close ties with the US have long been at the core of the ruling Al Saud family's survival strategy. They were also at the heart of the approach of Prince

Muhammad, who appeared determined to ensure – at whatever cost – US reengagement in the Middle East in alliance with the kingdom following Barack Obama’s pivot towards Asia and determination to bring Iran back into the international fold.

The rise of Trump appears to hold out that promise. Trump’s decision to stand by Saudi Arabia and its rulers no matter what positions the president as the kind of friend the kingdom can rely on. The coming weeks and months are likely to be a litmus test of Trump’s ability to keep his end of the bargain.

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