



## PERSPECTIVES

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# Saudi Gas Export Plan Shines New Light on Efforts to Isolate Iran

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**EXECUTIVE SUMMARY:** Saudi plans to [become a major gas exporter within a decade](#) raise questions about what the real goal of the kingdom's policy, and by extension that of the US, is towards Iran.

Officially, both Saudi Arabia and the US, which withdrew last year from the 2015 international accord that curbs the Islamic Republic's nuclear program and imposed harsh economic sanctions, are demanding a change of Iran's regional and defense policies rather than of its regime.

Yet statements in recent years by some Saudi leaders and US officials – as well as a string of declarations at the recent US-sponsored Ministerial to Promote a Future of Peace and Stability in the Middle East in Warsaw by officials of the Trump administration, as well as Saudi Arabia, Israel, the United Arab Emirates, and Bahrain – suggested that regime change was on their radar.

President Donald Trump's hard-line national security advisor John Bolton, a past advocate of regime change and a covert war to destabilize Iran, concluded an outline on the White House's official Twitter account of Washington's long list of grievances and accusations levelled at Iranian leaders by addressing Supreme Leader Ayatollah Ali Khamenei, directly. ["I don't think you'll have too many more anniversaries,"](#) Bolton said, as Iran celebrated the 40<sup>th</sup> anniversary of its Islamic Revolution.

Multiple indicators bolster the notion that the real goal of Saudi and US policy is regime change, prompted by the sanctions and a destabilization campaign that would foster unrest among Iran's ethnic minorities.

These include [statements by Saudi Crown Prince Muhammad bin Salman](#) and by [Bolton before he became Trump's advisor](#); a flow of funds from the kingdom to militant, ultra-conservative, anti-Shiite, anti-Iranian madrassas that dot the Iranian border in the troubled Pakistani province of Balochistan; US and Saudi support for an exile Iranian group that demands regime change in Tehran; and a string of recent attacks inside Iran.

However, Saudi Arabia's announcement that it will [invest US\\$150 billion to enable it to export three billion cubic meters of gas a year by 2030](#) suggests that imminent regime change may not be in the kingdom's immediate interest.

Viewed through the lens of the timeline of Saudi Arabia's gas plans, the kingdom is likely to benefit more from an Iran that is isolated and weakened for years to come, which would give Riyadh time to get up to speed on gas. That would serve Saudi Arabia's gas plans better than an Iran that returns to the international fold under a new, more accommodating government. A potential destabilization campaign that is low-level and intermittent but not regime-threatening would serve that purpose.

It would also extend the window of opportunity on which Saudi Arabia relies to assert regional leadership. That window remains open as long as the obvious regional powers – Iran, Turkey, and Egypt – are in various states of disrepair. Punitive economic sanctions, international isolation, and domestic turmoil serve to keep Iran weak and unable to leverage its assets.

The emergence of Saudi gas plans appears to put the kingdom's strategy towards Iran at cross purposes. If Saudi Arabia's gas-driven interest is prolonged containment of Iran, operations at the Indian-backed Arabian Sea port of Chabahar were believed to have given the effort to achieve a change of Tehran's regional and defense policy, if not its regime, a sense of urgency.

Pakistani militants reported the flow of Saudi funds to Baloch madrassas at the time that a government-backed Saudi think tank, the International Institute of Iranian Studies, argued in a study that Chabahar, a mere 70 kilometers up the coast from the Chinese-backed Pakistani port of Gwadar, [posed "a direct threat to the Arab Gulf states" that called for "immediate counter measures."](#)

Written by Mohammed Hassan Husseinbor, identified as an Iranian political researcher, the study warned that Chabahar posed a threat because it would enable Iran to increase its market share in India for its oil exports at the expense of Saudi Arabia, raise foreign investment in the Islamic Republic, increase government revenues, and allow Iran to project power in the Gulf and the Indian Ocean.

In December, India started handling the port's operations, and Pakistani analysts now expect around US\$5 billion in Afghan trade to flow through Chabahar. It could also further strain ties with Pakistan, which accuses India of fomenting nationalist unrest in Balochistan. India and Pakistan are on the brink of a potentially escalating military conflict over Kashmir.

The perceived threat of Chabahar pales, however, against the opportunity that Saudi Arabia's ability to be a major gas exporter would open up.

In a [study published in 2015](#), energy scholar Micha'el Tanchum suggested that it would be gas supplies from Iran and Turkmenistan, two Caspian Sea states, rather than Saudi oil that would determine which way Eurasia's future energy architecture tilts: towards China, the world's third-largest LNG importer, or towards Europe.

With 24.6 billion cubic meters potentially available for annual piped exports beyond its current supply commitments, Iran, unfettered by sanctions and with no Saudi competition, could emerge as Eurasia's swing producer, which would significantly enhance its regional clout.

[Iranian foreign minister Muhammad Javad Zarif's recent resignation](#), had it been accepted by President Hasan Rouhani, would have amounted to a victory for hardliners and served the interest of the Saudis and their allies.

["Zarif went. We are rid of him,"](#) Israeli PM Benjamin Netanyahu tweeted prematurely on his Farsi-language Twitter account.

The departure of Zarif, a suave, US-educated moderate who was Iran's main negotiator of the nuclear accord, would have enhanced the quest of Saudi Arabia and its allies even if their timelines for a change of Iranian policies, if not of the regime, differ.

His continued tenure as foreign minister is likely to encourage Europe, China, and Russia in their efforts to salvage the nuclear deal but do little to change Saudi or US long-term strategy.

Tweeted US Secretary of State Mike Pompeo: Zarif "and @HassanRouhani are just [front men for a corrupt religious mafia](#). We know @khamenei\_ir makes all final decisions. Our policy is unchanged—the regime must behave like a normal country and respect its people."

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